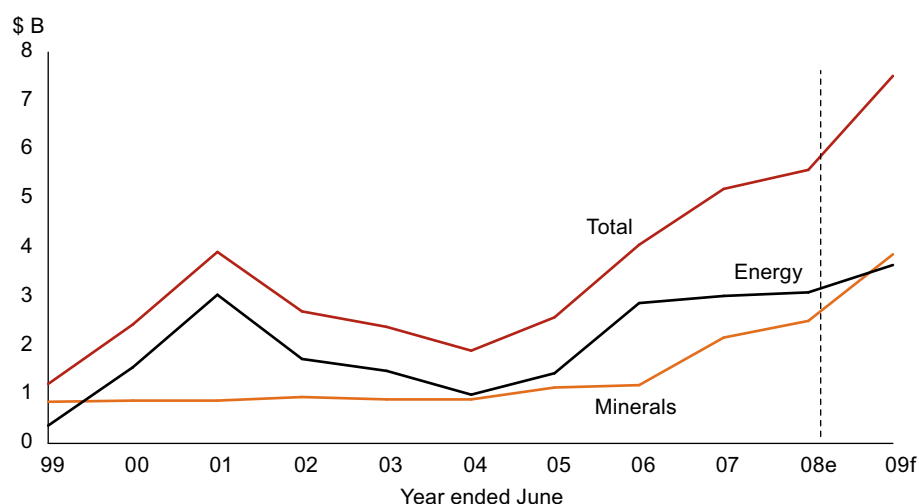


# Mining and Energy

- In terms of output, mining is the largest industry in the Territory, accounting for 26 per cent of GSP in 2006-07, compared to 7 per cent nationally.
- Mining output is volatile as production is dominated by a small number of large projects. Global supply and demand conditions and the impact of exchange rate movements on competitiveness are key factors affecting production levels and price.
- The value of Territory mining output has grown substantially in recent years, driven by increased gas and condensate production from the Bayu-Undan field, as well as increases in mineral commodities such as manganese and lead-zinc.
- Further increases are expected in the next few years, driven by increased production and strong growth in prices of several key commodities.
- Mineral and energy production is estimated to increase by 7.7 per cent to \$5.6 billion in 2007-08. Substantially higher growth of 34.8 per cent is forecast in 2008-09, due mainly to an 84 per cent increase in the value of manganese production as well as considerable gains in offshore gas and liquid production.
- In the medium term, high levels of exploration expenditure are expected to continue, supported by ongoing strong commodity prices and Territory Government initiatives.

Value of Mineral and Energy  
Production and Processing  
(nominal dollars)



e: estimate; f: forecast

Source: Northern Territory Treasury; Department of Business, Economic and Regional Development; Department of Primary Industry, Fisheries and Mines