

## Mining and Energy

The Territory's mining and energy industry contributed about 23.6 per cent of Territory GSP in 2007-08, compared to a 7.6 per cent contribution to Australia's GDP. Western Australia is the only jurisdiction with an economy more reliant on mining and energy production.

The value of mining and energy production increased by an estimated 16.9 per cent to \$6.7 billion in 2008-09. A decrease in the value of production of 7.8 per cent is forecast in 2009-10, primarily due to a decrease in the value of manganese production, and falling commodity prices generally.

The value of Territory mining and energy production has grown substantially in recent years, with increased production on natural gas and condensate production from the Bayu-Undan field, and increased production of mineral commodities such as manganese, bauxite and iron ore.

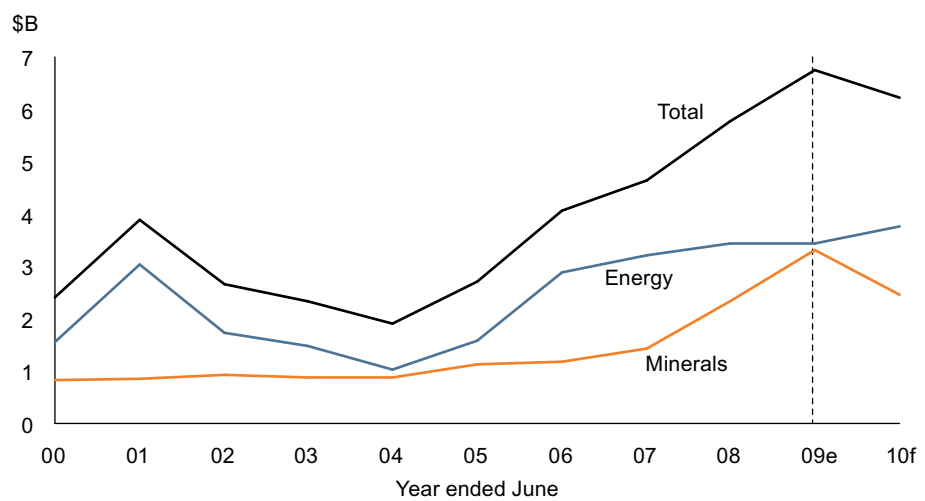
Large mining and energy projects contribute most of the value of production in the Territory, including Rio Tinto Alcan at Nhulunbuy (bauxite and alumina), GEMCO on Groote Eylandt (manganese), The Granites gold mine in the Tanami Desert, McArthur River Mine near Borroloola (lead and zinc), Laminaria-Corallina in the Timor Sea (crude oil), and Bayu-Undan in the Timor Sea (condensate and natural gas).

According to ABS data, the mining and energy industry accounted for about 3 per cent of total employment in 2007-08.

Mines expected to start or expand production in the medium term include the Arafura Resources Nolan's Bore rare earths mine (estimated development costs of \$600 million), the Minemakers Wonarah phosphate mine, and the Browns Oxide copper/zinc mine (likely to return to production with new operator).

In the longer term, high levels of exploration expenditure are expected to continue, supported by ongoing strong commodity prices and Territory Government initiatives.

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



e: estimate; f: forecast

Source: Northern Territory Treasury; Department of Regional Development, Primary Industry, Fisheries and Resources