Industry outlook

The Northern Territory's gross state product (GSP) is concentrated in mining, and government and community services (Table 1). The largest employing industries are health care and social assistance, public administration and safety, and education and training, followed by construction, retail trade, and accommodation and food services. This publication provides an overview of the Territory's key industries and discusses opportunities and risks to growth in these industries.

Table 1: Gross state product and employment, Territory 2024-25 (chain volume measure)

	Gross state product					Employment[1]			
	Value $M	Change %	Share[2] %	10-year average	10-year CAGR %	Number	Change %	Share %	10-year average
Government and community services	**8 122**	**1.1**	**24.7**	**7 359**	**2.2**	**66 271**	**7.6**	**46.1**	**55 610**
Public administration and safety	3 494	1.2	10.5	3 357	0.8	22 085	0.3	15.4	21 233
Health care and social assistance	2 940	1.1	8.9	2 413	5.0	29 278	18.2	20.4	21 302
Education and training	1 688	1.0	5.3	1 589	1.4	14 908	0.8	10.4	13 075
Service industries	**7 218**	**3.6**	**21.5**	**6 583**	**1.9**	**43 534**	**- 4.1**	**30.3**	**44 722**
Accommodation and food services	810	- 2.5	2.4	861	- 0.7	8 783	- 4.9	6.1	9 509
Transport, postal and warehousing	1 467	9.7	4.4	1 286	1.7	6 326	- 1.3	4.4	6 300
Information and media telecommunications	143	2.9	0.4	113	5.3	1 254	- 2.8	0.9	1 286
Financial and insurance services	794	2.1	2.4	703	2.2	992	- 29.8	0.7	1 379
Rental, hiring and real estate services	449	0.9	1.3	435	0.7	1 922	- 2.7	1.3	2 056
Professional, scientific and technical services	1 234	5.6	3.7	1 108	4.4	7 159	- 12.1	5.0	7 232
Administrative and support services	616	- 0.6	1.8	558	0.8	4 121	9.0	2.9	4 317
Electricity, gas, water and waste services	625	3.6	1.8	575	1.9	2 945	41.7	2.0	2 395
Arts and recreational services	428	4.1	1.3	371	3.7	4 335	- 4.0	3.0	3 644
Other services[3]	652	2.4	2.0	574	2.2	5 697	- 12.8	4.0	6 603
Mining and manufacturing	**8 944**	**- 1.2**	**24.9**	**8 870**	**0.9**	**6 708**	**- 11.6**	**4.7**	**7 755**
Mining	8 370	- 1.4	23.2	7 795	2.3	3 418	- 17.9	2.4	4 268
Manufacturing	574	2.3	1.7	1 075	- 9.2	3 290	- 4.0	2.3	3 487
Construction	**2 062**	**- 2.4**	**6.2**	**2 477**	**- 2.9**	**11 803**	**5.9**	**8.2**	**11 817**
Retail and wholesale trade	**1 865**	**- 0.1**	**5.5**	**1 908**	**- 0.3**	**12 070**	**- 7.7**	**8.4**	**12 731**
Retail	971	- 1.4	2.9	944	0.2	10 180	- 5.4	7.1	10 527
Wholesale trade	894	1.4	2.6	963	- 0.8	1 890	- 18.6	1.3	2 205
Agriculture, forestry and fishing	**1 369**	**12.9**	**4.8**	**1 120**	**2.4**	**3 329**	**12.9**	**2.3**	**2 954**
Total[4]	33 960	1.0	100.0	32 879	1.1	143 715	1.4	100.0	135 590
Tourism[5]	1 215	9.6	3.8	837	4.8	7 973	2.8	5.1	6 644

CAGR: compound annual growth rate

1 Total economy employment data is for May 2025.

2 The industry shares are calculated using GSP in current prices.

3 Other services component of GSP includes personal services, and general repair and maintenance activities, however excludes units engaged in providing buildings or dwelling repair and maintenance services.

4 Includes non-industry components of GSP (ownership of dwellings, taxes less subsidies and statistical discrepancy), and therefore the industry shares may not add up to 100%. In other instances, numbers may not add due to rounding. Defence and tourism sectors are not discrete industries in Australian Bureau of Statistics (ABS) reporting, and activities for these sectors are captured across multiple industries in ABS state accounts data. Therefore, figures in the table do not sum to ABS reported GSP and employment data due to double counting related to the separate reporting of the defence and tourism sectors in this table.

5 State Tourism Satellite Account numbers produced by Tourism Research Australia are in current prices only. CAGR has been calculated for a 5-year period. Share of total is calculated by Tourism Research Australia.

Source: ABS, *State Accounts*, *Labour Force*, unpublished defence data; Department of Defence Annual Reports; Tourism Research Australia State Tourism Satellite Accounts; Department of Treasury and Finance

The Middle East conflict is disrupting the Territory economy through higher global oil and energy prices. Brent crude oil peaked at US$144 per barrel on 7 April 2026, around 109% higher than the average of US$69 per barrel in 2025. Disruptions to shipping in the Strait of Hormuz, through which around 20% of global oil flows, has driven price increases. In addition, damage to energy production infrastructure is contributing to higher oil, gas, fertiliser and plastics prices. These developments have increased input and operating costs, particularly for energy-intensive industries.

The outlook has weakened most notably for tourism, transport and logistics, mining, agriculture and construction, reflecting higher fuel cost pressures. Risks to production and costs remain fluid and dependant on the evolving peace process.

In addition, flood-related road closures in early 2026 along major freight corridors and disruptions to communities including Katherine, Daly River, Palumpa, Beswick, Jilkminggan and Darwin River are expected to temporarily affect the movement of goods and increase transport costs for some industries during 2025-26. There will be clean up and rebuilding costs post-flood that will contribute to economic activity.

Territory economic activity increased by 1% to $33.96 billion in 2024-25, supported by public and private sector investment, and the final stages of construction associated with the Barossa project.

GSP is expected to increase by 2.7% in 2025-26, driven by higher export volumes as the Barossa project transitions to the production phase, and as the Ichthys liquefied natural gas (LNG) plant returns to normal production levels following major scheduled maintenance which was completed in the first half of 2025-26. In 2026-27, the Territory's GSP is forecast to grow by 5.8%, underpinned by both the Ichthys and Darwin LNG plants operating near full capacity, with export volumes expected to remain the primary driver of growth. In 2027-28, export levels are projected to stabilise and public investment is anticipated to moderate from recent peaks, easing to more sustainable levels. From 2028-29, the Territory's GSP growth is expected to revert to trend growth of around 3%.

State final demand is forecast to decline by 0.8% in 2025-26, as the Barossa construction project drops out of the private investment expenditure base.

The government and community services sector contributed 24.7% to GSP in 2024-25 and accounting for 46.1% of total employment. The sector's large share reflects the complexity and cost of delivering services across a geographically dispersed population. Growth in the sector is expected to ease in the near term, as recent policy initiatives aimed at improving health outcomes, reducing crime and addressing sustained demand for essential government services are completed. Educational reforms and ongoing defence investment in the Territory are also expected to support growth in 2025-26.

The services sector (excluding government and community services) covers a range of discrete service delivery industries, and accounted for 21.5% of the Territory's GSP and 30.3% of employment in 2024-25. The services sector grew by 3.6% in 2024-25, driven by transport, postal and warehousing, and professional, scientific and technical services. The services sector will face negative headwinds due to the Middle East conflict and price impacts on supply chains, however, the medium-term outlook is positive, supported by demand from infrastructure, construction and defence projects.

The mining and manufacturing sector remains the largest component of the Territory economy, contributing around 25% to the Territory's GSP and employing about 6,700 people in 2024-25. The mining industry is the dominant subsector, with major commodities including LNG, manganese, gold and bauxite. Mining output is expected to increase over the outlook period. Production of manganese at Groote Eylandt mine has resumed following remediation work after Cyclone Megan. Production commenced from the Darwin LNG plant in 2025-26, while the Ichthys LNG plant will return to full capacity from 2026-27 following significant maintenance in 2025-26.

Mining is a fuel-intensive industry, and higher fuel prices may adversely affect the sector in the short term. Over the medium term, however, elevated energy prices are expected to support investment in the Beetaloo Sub-basin as a new source of domestic energy supply.

The manufacturing component of the sector has gradually diminished in recent years, largely due to helium production ceasing in Darwin. The Darwin LNG plant previously relied on a gas stream that contained recoverable helium, however the new Barossa gas field provides a different gas composition that does not contain commercially recoverable helium. This has removed a key manufacturing output and reduced the overall scale of the Territory's manufacturing industry relative to earlier periods.

The construction sector is the fourth largest industry in the Territory in 2024-25, accounting for 6.2% of GSP and 8.2% of employment. With the Barossa project complete, the sector will be supported by a range of smaller scale works and a steady pipeline of public projects, such as the Northern Marine Complex, including the Darwin ship lift project, road upgrades and ongoing investment in public housing. However, construction activity is expected to face near-term pressures from increased fuel and transport costs, placing upward pressure on construction input prices. In addition, recent increases in the cash rate by the Reserve Bank of Australia (RBA) have raised borrowing costs, which may constrain private investment and moderate construction activity in the short term.

The retail and wholesale trade sector contributed 5.5% of GSP 2024-25. Its size reflects the disproportionately large contribution of the mining, and government and community services sectors to the Territory economy. The sector plays a critical role in supplying goods to households and inputs to industry. Cost-of-living pressures are expected to soften retail activity in the near term, while wholesale trade is expected to grow more slowly in 2025-26 due to a decline in investment following the completion of the Barossa project.

The agriculture, forestry and fishing sector grew strongly by 12.9% to $1.4 billion in 2024-25, driven by favourable seasonal conditions and robust live-export demand. Growth is expected to be weaker in 2025-26 due to seasonal impacts and global supply chain disruptions. Over the outlook period, the sector will be supported by the progress made over the past year toward the development and delivery of the Wildman, Larrimah and Sweetwater agricultural development projects as part of the Territory Government's land releases. There has also been significant private sector investment in property purchases from last year, driving investment and growth in exports.

Defence activity remains a significant contributor to the Territory economy, supporting local businesses and employment across construction, maritime, aviation and professional services. This includes expenditure on personnel, operational activity and capital investment. With heightened geopolitical tensions and the Commonwealth's strategic emphasis on the Indo-Pacific, defence investment in the Territory is expected to increase over the outlook period.

Tourism continues to be an important driver of the economy, contributing 3.8% of GSP and 5.1% of employment in 2023-24. Visitor numbers increased over the year largely driven by domestic visitors. The outlook for the sector is positive for the medium term but in the near-term growth will be impacted by the Middle East conflict. Early signs for the 2026 dry season indicate cancellations increased due to fuel-related and higher flight costs. The remainder of the year is likely to be impacted by consumer concerns over cost-of-living pressures and higher fuel prices. Flooding has also led to several core natural attractions being closed, which will impact the 2026 season.

Government and community services

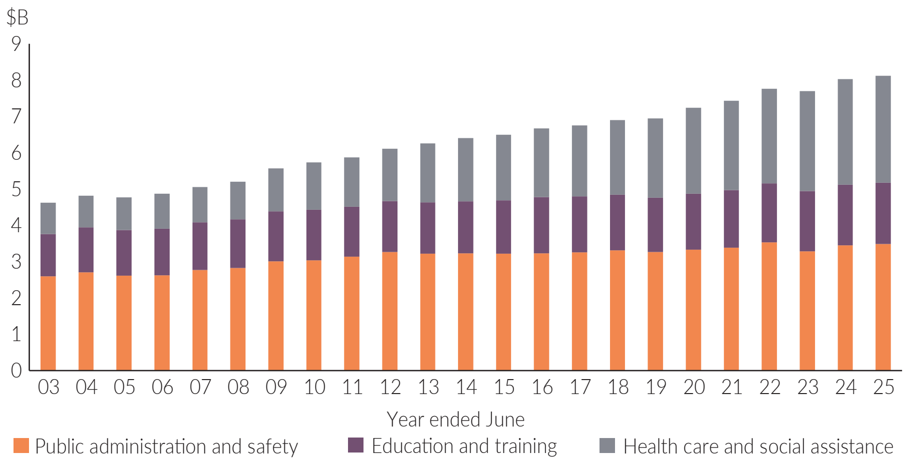
Outlook

The government and community services sector is expected to grow in the near term, supported by sustained demand for essential government services.

The government and community services sector grew by 1.1% to $8.1 billion in 2024-25 and accounted for about 24.7% of the Territory's GSP (Chart 1). Its share of the economy has been stable over time and is consistently higher than the national share, reflecting the complexity and cost of delivering services in the Territory.

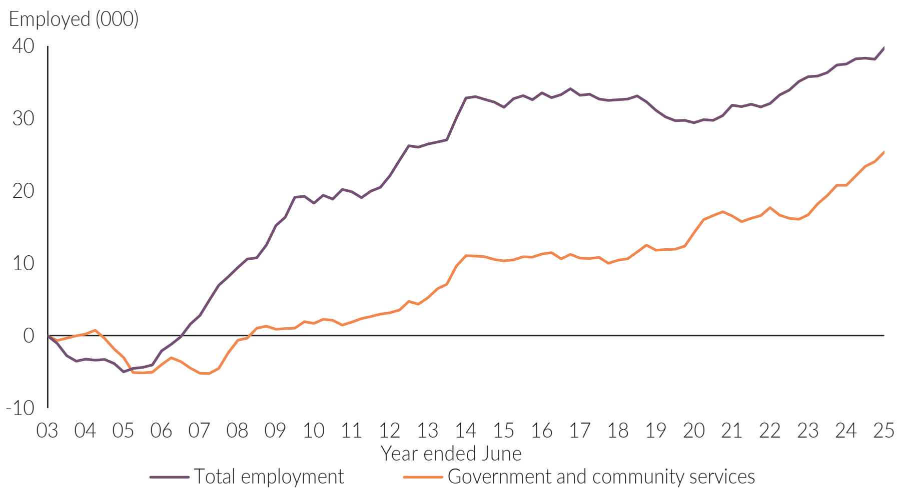
This sector is also the Territory's largest employer, representing 46.1% of employment in 2024-25, around 66,300 people. This includes 20.4% employed in health care and social assistance, 15.4% in public administration and safety, and 10.4% in education and training. The government and community services workforce has been a large driver of employment growth in the Territory in recent years (Chart 2). This has been supported by national and NT policy commitments to expand health and disability services, mental health and hospital services, reduce crime through early intervention programs and increase investment in police services. Additional funding has also been provided to address rising demand across the justice and corrections systems.

Chart 1: Territory gross value added



Source: ABS, *Australian National Accounts: State Accounts*; Department of Treasury and Finance

Chart 2: Territory change in year-average employment



Source: ABS, *Labour Force, Australia, Detailed*; Department of Treasury and Finance

Key program funding and investment includes:

- $130 million in 2025-26 to address health system pressures
- $48 million over four years from 2025-26 and $15.8 million per annum ongoing to establish and support the new police public safety officer workforce
- $18.3 million per annum ongoing from 2026-27 to open and operate the new 32-bed multi-purpose modular ward at Royal Darwin Hospital
- $10 million per annum ongoing from 2026-27 to expand contracted road ambulance services
- $10 million per annum ongoing from 2026-27 for the Top End aeromedical retrieval service
- $3.8 million per annum ongoing to fund local court judges and the higher courts.

Flooding in early 2026 has placed additional pressure on government and community services. In response, the Territory Government announced a $100 million Flood Recovery Fund to rebuild critical infrastructure, including roads, bridges and flood mitigation works.

Significant education reforms under the Better and Fairer Schools Agreement 2025–2034 will support additional activity in the government and community services sector with $3.5 billion over the budget cycle to 2029-30. The agreement focuses on three national priorities: equity and excellence; wellbeing for learning and engagement; and a strong and sustainable workforce.

The government has announced an additional $1 billion for Territory hospitals under the National Health Reform Agreement 2026–2030. This investment is expected to drive a significant shift in the delivery of health services, with a focus on alleviating pressure, strengthening the workforce and addressing high levels of demand.

Commonwealth-funded defence activity also contributes to the government and community services sector, with ongoing defence activity expected in the Territory as geopolitical positioning in the Indo-Pacific region intensifies. Continued investment in defence infrastructure, workforce, and support services will help sustain demand across the sector and provide a stable source of economic activity (refer to the Defence section for further information).

For the latest data on the Territory's government and community services sector, refer to the Northern Territory Economy website.

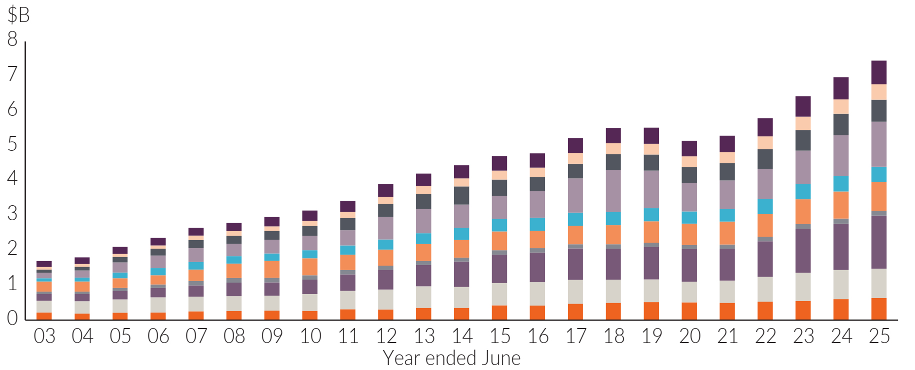
Service industries

Outlook

The near-term outlook for service industries is weakening as impacts of higher interest rates and the effects of the Middle East conflict impact discretionary spending, but will improve as the strong pipeline of construction projects supports employment, income growth and demand.

The service sector comprises a broad range of industries (Chart 3), which accounted for 21.5% of the Territory's GSP and 30.3% of the Territory's employment in 2024-25.

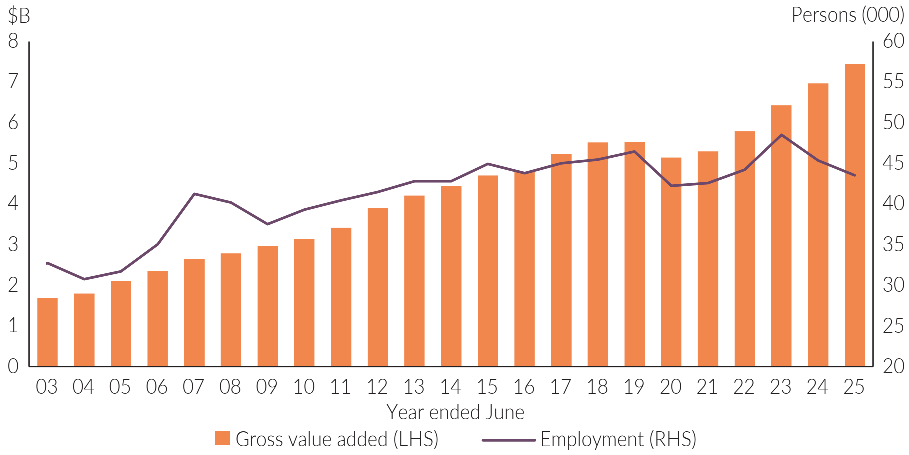
Chart 3: Territory gross value added by industry



Source: ABS, *Australian National Accounts: State Accounts*; Department of Treasury and Finance

The service sector grew by 3.6% to $7.2 billion in 2024-25 (Chart 4), with transport, postal and warehousing services the major contributor to growth (0.4 percentage points). Information, media and telecommunications, and electricity, gas and water also reported solid growth, reflecting strong demand related to large projects in the Territory including the $6 billion Barossa project. In contrast, administrative and support services and accommodation and food services, recorded declines.

Chart 4: Territory service sector gross value added and employment



LHS: left-hand side; RHS: right-hand side
Source: ABS, *Australian National Accounts: State Accounts*; *Labour Force, Australia, Detailed*

Rising oil prices are increasing costs across the services sector in the Territory, particularly in industries such as transport, where higher logistics expenses directly impact, as well as activity in the accommodation, retail and real estate industries. As costs rise, businesses may pass these increases on to consumers, contributing to reduced spending and weaker demand across hospitality and recreation, which are more sensitive to changes in discretionary spending.

Following the completion of the Barossa project, professional, scientific and technical services will be supported by other large-scale projects such as Territory and Commonwealth joint investment in remote housing, defence infrastructure upgrades and increased expenditure on electricity and water infrastructure.

Further growth in service industries is expected if several major proposed construction projects receive final approval. The establishment of the 246-hectare Northern Marine Complex on Darwin Harbour, recently declared as a Territory Development Area under newly exercised powers, will provide a coordinated maritime and industrial precinct incorporating the Darwin ship lift facility. This development will strengthen the Territory's defence, commercial and marine services capabilities. These developments will contribute to population growth through increased employment, flowing through to demand for services such as electricity, gas, water and waste management, and property-related services. For further information on projects see Northern Territory Economy Chapter 2 *Economic Growth*.

For the latest data on service industries, refer to the Territory Economy website.

Mining and manufacturing

Outlook

The mining industry's output is expected to rebound in 2025-26 after a weaker year in 2024-25 caused by disruptions at INPEX and Groote Eylandt Mining Company (GEMCO), and with the Barossa project supporting the recommencement of gas production at Darwin LNG plant.

The mining industry accounted for 23.2% of GSP and manufacturing accounted for 1.7% in 2024-25. In real terms, the gross value-added activity of the mining industry decreased by 1.4% in 2024-25 while manufacturing increased by 2.3%. Mining employed 3,400 persons in 2024-25, accounting for 2.4% of total Territory employment. The manufacturing industry employed 3,300 persons, accounting for 2.3% of employment.

Mining output is dominated by LNG and metallic minerals. The industry contributes to the Territory economy through international trade, private investment and employment. The first shipment of Barossa gas from the Darwin LNG plant was in early 2026, with a ramp up to full production capacity expected over the year. Onshore gas development in the Beetaloo Sub-basin is also progressing with Tamboran and Beetaloo Energy reaching final investment decisions for pilot projects in late 2025, with first gas expected in late 2026.

The Middle East conflict has resulted in significantly higher energy prices globally, which will increase operational costs across the mining and manufacturing industries. However, over the medium term this could see a renewed focus on energy security in Australia and accelerate investment in the Beetaloo Sub-basin.

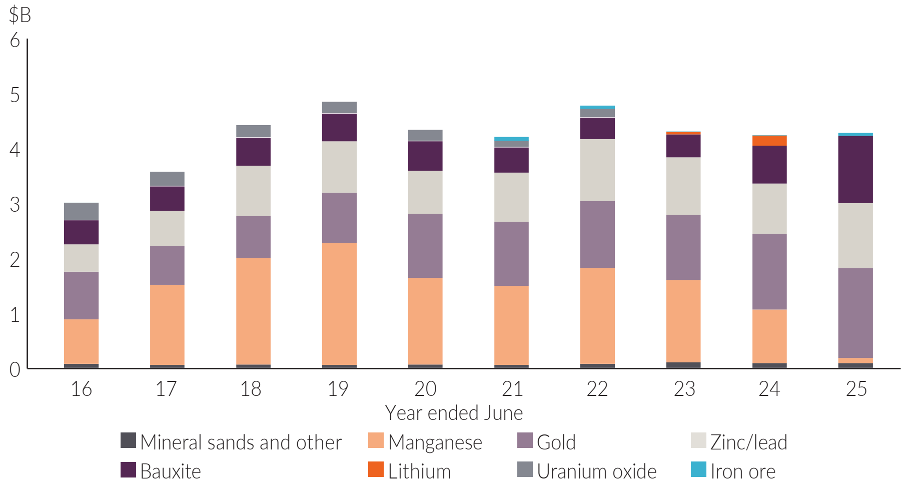
The Territory has critical mineral deposits, and produces manganese, aluminium (as bauxite), iron ore, zinc, lead, silver and titanium (as ilmenite). These resources are essential for new technologies, defence industries and the clean energy transition.

Minerals production

Most minerals produced in the Territory are metallic, including manganese, gold, zinc and lead, bauxite, ilmenite and iron (Map 1). The Territory also produces non-metallic minerals such as crushed rock, sand, quicklime and gravel.

The value of the Territory's mineral output increased by 0.9% to $4.4 billion in 2024-25, driven by stronger bauxite, zinc and gold sales (Chart 5). This was partially offset by a significantly weaker manganese production as a result of disruptions to GEMCO mine following Cyclone Megan in March 2024. Mineral output is expected to rebound in 2025-26 driven by recovering manganese production at GEMCO and increased production of gold at Tennant Creek and Tanami combined with elevated gold prices.

Chart 5: Value of selected Territory minerals output sold



Source: Department of Mining and Energy

Manganese

Manganese is an input to steel manufacturing, with production largely driven by global steel demand. In the Territory, manganese is produced at the GEMCO mine, one of the largest manganese mines in the world.

Manganese accounted for only around 2% of the value of all mineral output sold by the Territory in 2024-25, largely due to disruptions caused by Cyclone Megan. In 2024-25, the value of manganese sold decreased to $93.9 million, with manganese production declining by 52.4% and quantities sold decreasing by 90.2%. Export shipments resumed in May 2025 following completion of the wharf reconstruction. Production is continuing to recover in 2025-26, and is anticipated to return to pre-cyclone levels of 5 million tonnes (Mt) per annum by 2026-27.

Gold

The Territory's gold production is predominantly from the Granites mine in the Tanami region. The value of gold sold increased by 18.9% to $1.67 billion in 2024-25 and accounted for 38.3% of the total value of all minerals sold. This was mainly due to an increase in the price of gold, partly offset by a 13.4% decline in production and a 12.9% decline in quantities sold.

In 2025-26, gold production is expected to increase as operations at Tennant Mines ramp up. The value of gold output is also expected to increase, reflecting ongoing global uncertainty influencing the gold price. The Tanami expansion 2 project is expected to begin commercial production in 2026-27, adding further to gold production in the Territory.

Zinc and lead

Zinc and lead are produced at McArthur River mine, located 65 kilometres southwest of Borroloola. The value of zinc and lead sold grew by around 28.1% to $1.2 billion in 2024-25, with production growing 5.7% and quantity sold up by 13.1%. This reflects falls in zinc-only and lead-only concentrate production and sales, offset by increases in zinc-lead concentrate production and sales.

The overall value of output sold and volumes produced are anticipated to be steady over 2025-26 and 2026-27.

Bauxite

Two bauxite mines operate in the Territory on the Gove Peninsula. The value of bauxite sold in the Territory increased by 78.1% to $1.25 billion in 2024-25, reflecting a continuation of price growth in 2024-25 and increased sales from stockpiles. Production increased through 2024-25 at Rio Tinto's Gove bauxite mine and Gulkula Mining Company's Dhupuma Plateau mine.

Production is expected to be stable at 12.5 Mt in 2025-26 while prices are expected to ease and reduce the overall value of bauxite sold. Production at the Rio Tinto Gove operation is expected to cease in 2030.

Iron ore

The value of iron ore sold in the Territory was $57.6 million in 2024-25, a significant increase from $5.6 million the previous year. Iron ore production was mainly from Nathan River Resources' Roper Bar mine and the Warrego tailings project in Tennant Creek. The Peko tailings project remained in care and maintenance.

Production of iron ore is expected to increase in 2025-26 with Peko tailings resuming production in January 2026.

Lithium

The Finniss mine opened in October 2022, operated by Core Lithium. Over 2023, the price of lithium fell steeply due to an oversupply in the market and weak growth in electric vehicle sales. As a result, operations at the Finniss mine were suspended in January 2024. There was no production in 2024-25 as Finniss mine remained in care and maintenance.

In March 2026, Core Lithium secured funding for the restart of the Finniss mine. Core Lithium is expected to commence mobilisation, early works and development activities to position Finniss mine to recommence first shipments in 2026-27.

Uranium

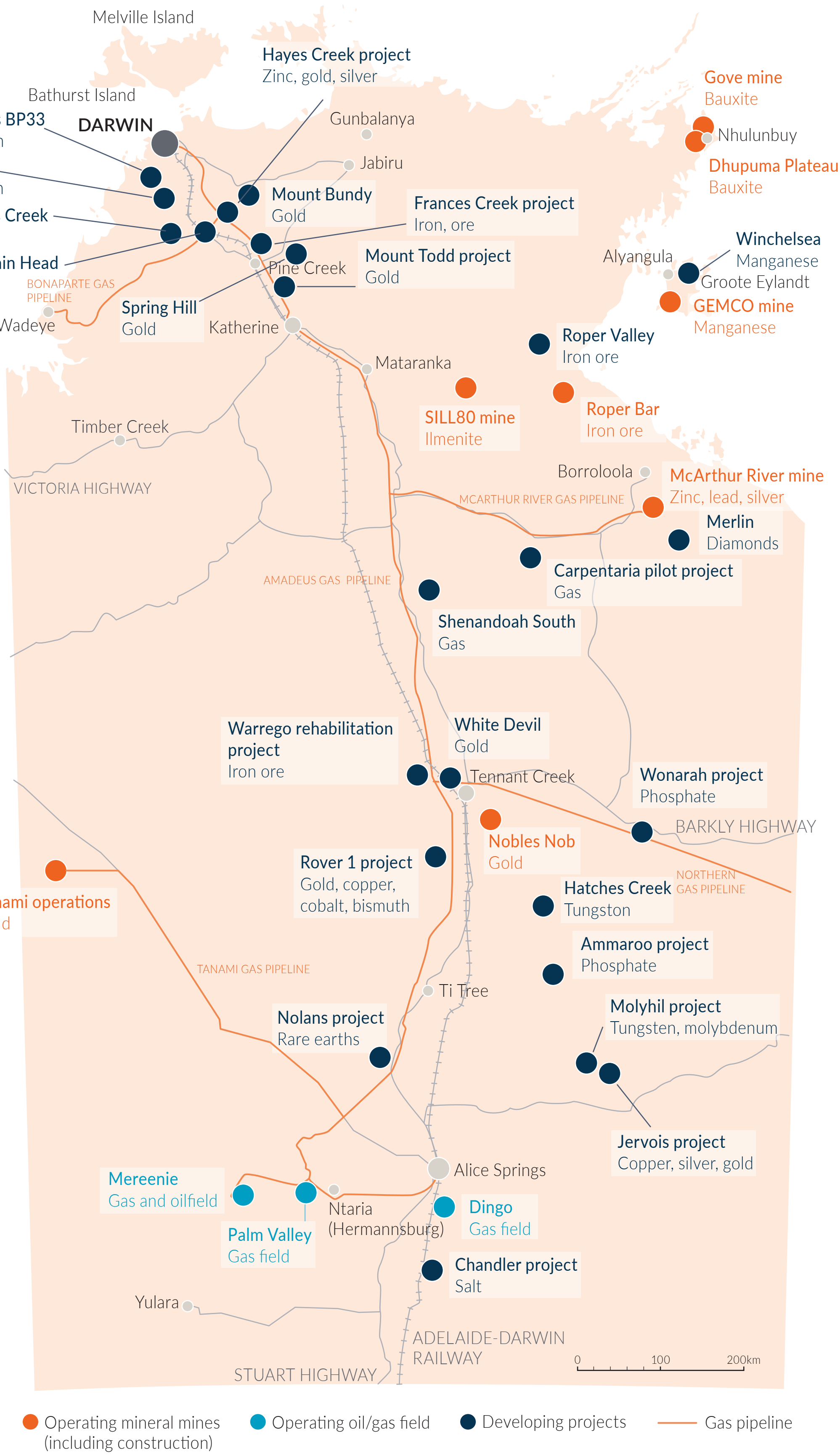
Uranium mining ceased in January 2021 when the Ranger mine closed, with all inventories sold by June 2022. Rehabilitation of the Ranger mine is currently underway with an estimated cost of $2.4 billion. Significant rehabilitation works are also underway at Rum Jungle.

More broadly, mine rehabilitation will continue to be a source of activity in the Territory as several mines are nearing the end of operations around 2030.

Other minerals

The value of non-metallic minerals sold decreased by 7% to $68 million in 2024-25. This was largely driven by falls in crushed rock and gravel, partly offset by increases in dimension stone and sand. Production levels and the value of sales of non-metallic mineral output is expected to be relatively stable in 2025-26 and 2026-27, with some upside in sand production as exploration activity increases in the Beetaloo Sub-basin.

Map 1: Current and pending mineral and onshore petroleum operations in the Territory[1]



1 This map is to be used as a guide only.

Source: Department of Mining and Energy; Department of Treasury and Finance

Oil and gas production

The Territory's conventional onshore oil and gas is sourced from the Amadeus Sub-basin in Central Australia, with production from the Mereenie, Palm Valley and Dingo fields.

In 2024-25 onshore oil production increased by 19% to 125 thousand barrels of oil, and gas production increased by 3.6% to around 13.2 petajoules.

The Territory's offshore gas is sourced from the Ichthys and Barossa fields. Gas produced from Ichthys and Barossa are processed at onshore facilities and exported to global markets. Gas was first extracted from the Barossa field in September 2025, with its first LNG cargo exported in January 2026. Production from Darwin LNG plant is expected to reach full capacity in 2026. No significant maintenance activities are anticipated in 2026.

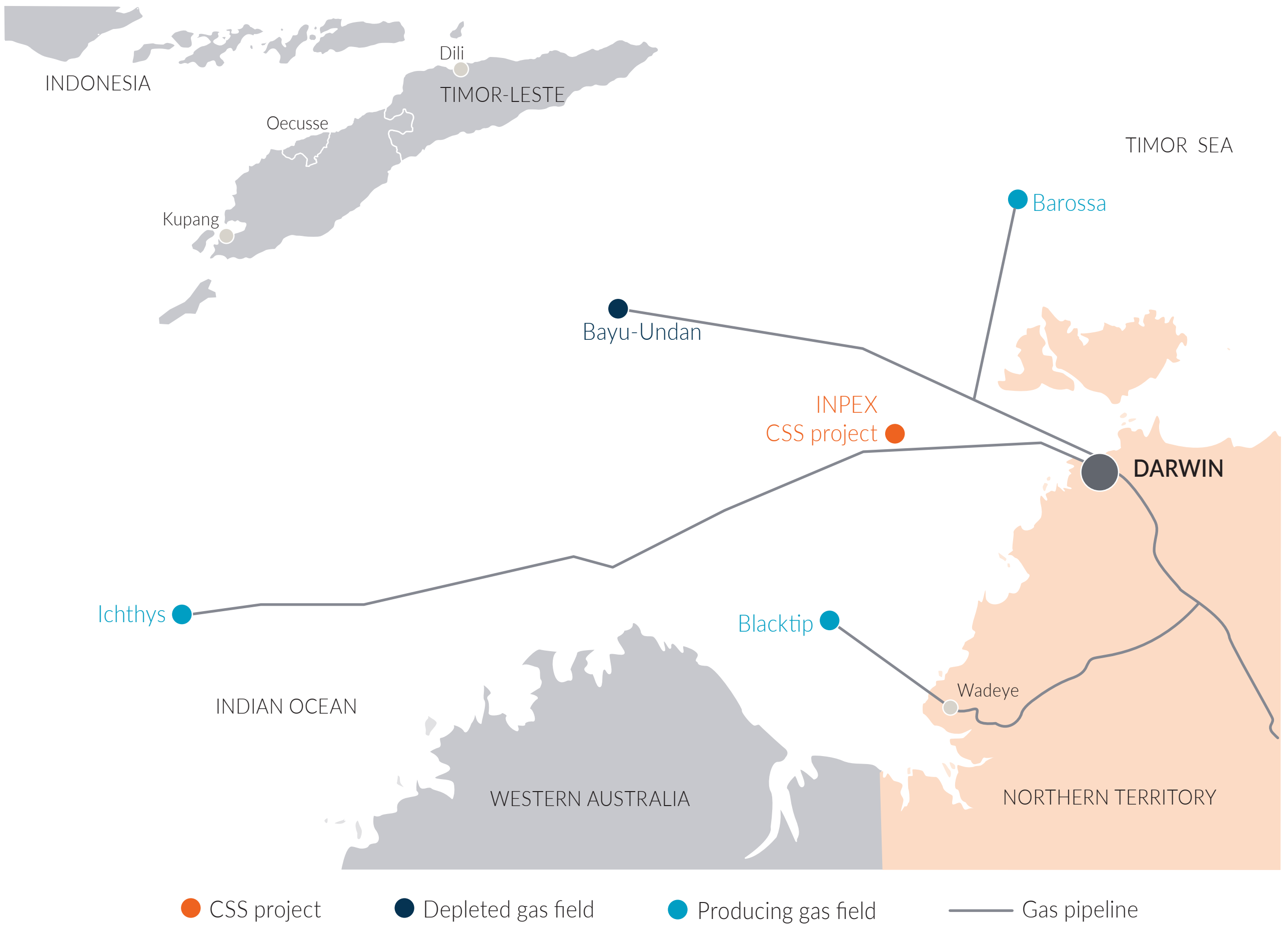
Offshore gas from Blacktip was developed with the Power and Water Corporation providing the foundational contract. Some gas was also transported to Queensland through the Northern Gas Pipeline, before being sold on the east coast gas market. The Blacktip field faced significant production difficulties from 2021.

Beetaloo Sub-basin gas development, the largest onshore energy resource in the Territory, is progressing rapidly, with proponents Tamboran and Beetaloo Energy (formerly Empire Energy) now contracted to sell pilot gas to the Territory government ensuring domestic gas supply for electricity production. Beetaloo Sub-basin gas is expected to progressively replace Blacktip gas. In late 2025, Tamboran and Beetaloo Energy announced final investment decision on pilot projects, with construction of Tamboran's Shenandoah South pilot project and Beetaloo Energy's Carpentaria pilot projects underway.

In April 2025, the APA Group applied for a licence to construct 37 kilometres of pipeline from the Tamboran Resources processing facility in the Beetaloo Sub-basin to the Amadeus pipeline. Construction of the pipeline, known as the Sturt Plateau pipeline, commenced in November 2025 and is an estimated capital expenditure of $70 million.

Carbon capture and storage (CCS) is the process of capturing greenhouse gases and injecting it deep underground for storage. INPEX continues to progress CCS opportunities in the Bonaparte Sub-basin, with injection still targeted for commencement around 2030. INPEX has not yet made a final decision on the development of a third LNG train at Ichthys plant, which is also targeted around 2030. Santos is also working on front-end design to develop a CCS facility using the depleted Bayu-Undan field to store carbon dioxide, primarily from the Barossa gas development.

Map 2: Offshore petroleum activity near the Territory[1]



1 This map is to be used as a guide only.
Source: Department of Treasury and Finance

Exploration activity

Exploration activity is a precursor of future development. Total mineral exploration expenditure in the Territory declined by 35.4% to $113.7 million in 2025, from $176 million in 2024. This largely reflects decreased expenditure across 'other' minerals and gold (Chart 6).

Petroleum exploration in the Territory is focused on the Beetaloo Sub-basin and the Amadeus Sub-basin. Exploration activity was elevated in 2024 at $365.4 million, driven by major onshore exploration activities by Tamboran and Beetaloo Energy. Data for 2025 has been confidentialised and the ABS does not provide a breakdown of onshore and offshore exploration expenditure, however onshore activity largely reflects ongoing exploration in the Beetaloo Sub-basin, while any offshore exploration expenditure likely reflects INPEX's drilling activities related to carbon capture in the Bonaparte Sub-basin, and Santos with work related to its CCS project.

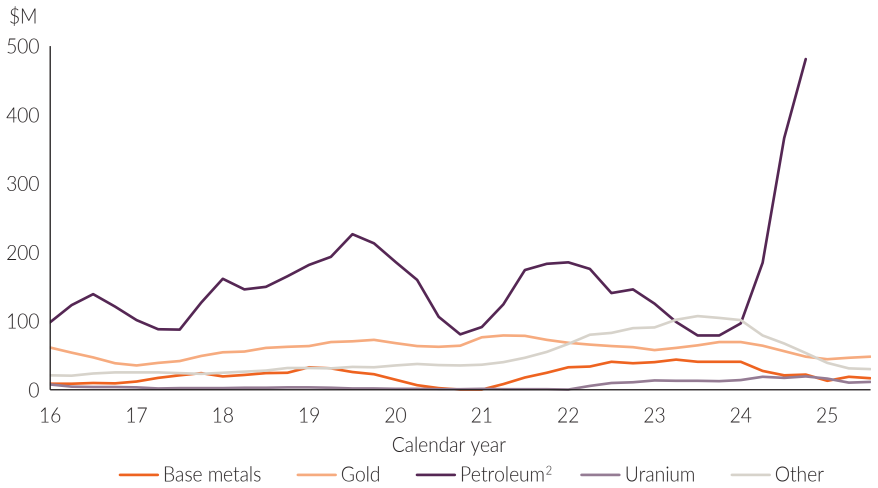
In September 2025, Tamboran announced final investment decision for the Shenandoah South pilot project, which includes construction of the $140 million Sturt Plateau compression facility, which will be used to process gas for sale. Tamboran is targeting first commercial gas from the third quarter of 2026. Beetaloo Energy announced final investment decision on the Carpentaria pilot project in December 2025 with construction of processing facilities expected in the first half of 2026. Beetaloo Energy is expected to have first gas sales by the end of 2026.

Central Petroleum continues to produce gas for sale in the Territory gas market with wells in the Amadeus Sub-basin. Central Petroleum has intentions to drill a further two wells at Palm Valley field commencing mid-2026. As part of a $200 million program, Santos is scheduled to drill and test two to three new wells in the Beetaloo Sub-basin commencing in the third quarter of 2026. In March 2026, Inpex also entered into a farm-in agreement with Daly Waters Energy in the Beetaloo Sub-basin.

The Middle East conflict has triggered a global energy shock that will see higher operational costs for the energy-intensive mining and manufacturing sector. This is also likely to see greater focus on reliable sources of energy, such as the Beetaloo Sub-basin, and may accelerate investment in the region.

In February 2026, the Territory Government announced the release of 4,000 square kilometres of new acreage in the Beetaloo Sub-basin to support future exploration and mining activities in the Territory.

Chart 6: Value of mineral and petroleum exploration expenditure in the Territory[1]



1 Moving annual total.
2 Data has been confidentialised from June 2025 onwards.
Source: ABS, *Mineral and Petroleum Exploration, Australia*

Manufacturing

Significant manufacturing activities in the Northern Territory include food product manufacturing, fabricated metal and non-metallic mineral manufacturing, reflecting the Territory's strong links to its resources, construction, and primary industries base.

The designation in 2026 of the Northern Marine Complex at East Arm as a Territory Development Area is expected to strengthen the Territory's manufacturing sector by enabling co-location of fabrication, engineering, and logistics services alongside critical maritime infrastructure including the Darwin ship lift facility. This will support the growth of local supply chains and create new opportunities in advanced and specialised manufacturing linked to defence, offshore energy, and marine industries.

Prioritising investment in East Arm-based infrastructure will enhance industrial capability, attract private investment and position the Territory as a competitive hub for high-value manufacturing.

The Middle Arm Precinct is also a strategic industrial location capable of being developed over time as market conditions and private investment mature. Work is progressing on completing the Strategic Environmental Assessment for Middle Arm to provide future certainty and expedite approvals for private investors.

Construction

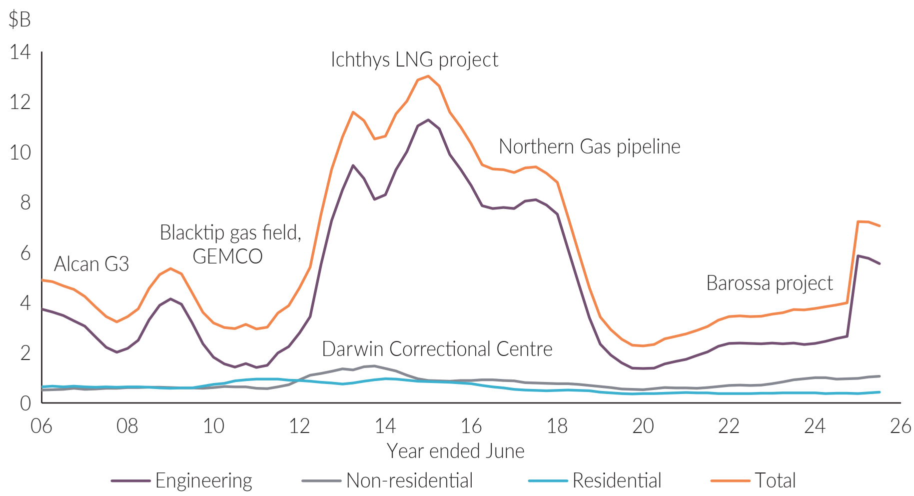
Outlook

Construction activity is projected to decline over 2025-26 following completion of works for the Barossa project. Growth in activity in 2026-27 is expected to be supported by increased investment in the Beetaloo Sub-basin.

In 2024-25, construction activity eased to around $2 billion. The construction sector is the fifth largest industry in the Territory, accounting for 6.2% of GSP and employing about 11,800 people.

Construction activity in the Territory has historically been supported by significant projects (Chart 7). A steady pipeline of projects is expected to support growth in construction activity over the outlook period, including continued defence spending and ongoing works as part of the Territory's infrastructure investment program. There are also several large private sector projects that may reach final investment decision, adding to construction activity over the outlook period relative to the baseline forecast, which only includes projects that have reached final investment decision.

Chart 7: Construction work done in the Territory[1]



GEMCO: Groote Eylandt Mining Company; LNG: liquefied natural gas
1 Moving annual total.
Source: ABS, *Construction Work Done, Australia*; Department of Treasury and Finance

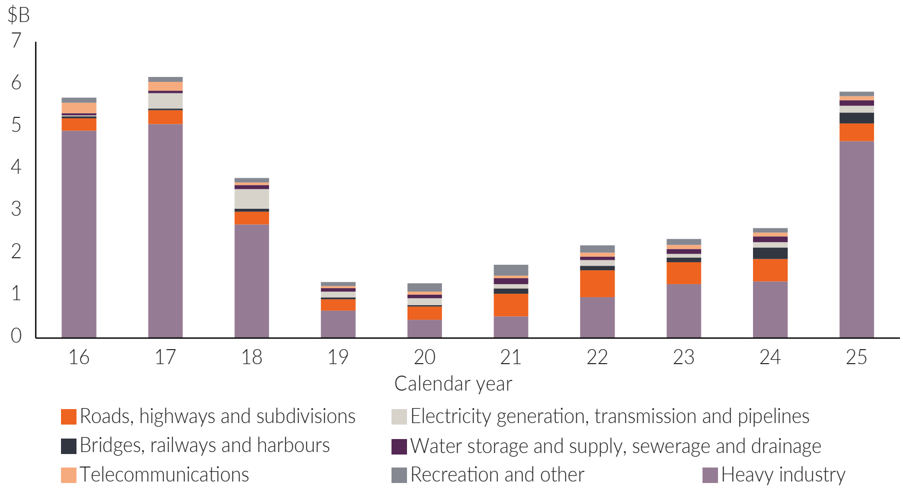
The Territory Government's commitment to delivering affordable housing through the HomeGrown Territory and FreshStart grants is expected to support residential construction activity by stimulating new housing investment. Land releases across the Territory will also create opportunities for new residential developments.

Rising global oil prices related to the Middle East conflict are increasing operating costs of machinery, transporting materials and equipment. As fuel costs climb, the production and delivery of key materials such as concrete, steel and plastics also become more expensive. The impact is even more significant in remote regions of the Territory, where materials must be transported over long distances.

Engineering construction

In 2025, engineering construction work done increased to $5.6 billion. The value of engineering work done is largely driven by heavy industry as the Barossa project continued towards completion (Chart 8). The engineering construction work done declined by 24.4% to $526 million in the year-ended December quarter 2025. The value of private sector activity declined by 22.8% to $437 million, driven by heavy industry and bridges, railways and harbours while public sector activity declined by 20.2% to $181 million over the same period.

Chart 8: Value of Territory engineering construction work done by type[1]



1 Current prices.
Source: ABS, *Engineering Construction Activity, Australia*

Several significant infrastructure projects are supporting engineering and construction activity in the Territory. The construction of the Northern Marine Complex, including the Darwin ship lift project continues to progress supporting the growth of the Territory's maritime industry. The Manton Dam return-to-service project is also well advanced, with construction nearly complete and commissioning on track for mid-2026. Together, these projects are supporting construction activity, strengthening regional economic growth, and enhancing water security and maritime engineering capability.

Construction activity continues to progress on major defence-related works, with several projects such as the Larrakeyah Defence Precinct Redevelopment and the Royal Australian Air Force (RAAF) Base Darwin mid-term refresh moving closer to completion. As more projects approach completion, defence works are expected to ease in the near term. However, a large pipeline of defence construction activity will remain ongoing in the Territory with a number of new projects close to final approval (refer to the *Defence* chapter for further information).

Environmental rehabilitation at Rum Jungle and the Ranger uranium mine sites, including an estimated $2.4 billion in rehabilitation for Ranger, will continue to support activity.

Private sector mining and gas developments will continue to support the engineering construction pipeline. The Tanami expansion 2 project remains on track to be completed in 2027, extending the life of the mine beyond 2040.

Offshore gas investment expenditure related to the Barossa project will move into regular maintenance phase as construction is now complete and the plant is operating. While no new major offshore gas developments are currently anticipated, progress continues on CCS initiatives, particularly the Bonaparte CCS project led by INPEX, which aims to store carbon dioxide from the Ichthys LNG plant and other regional emitters. The project is presently undergoing environmental assessment. In parallel, INPEX has not yet made a final investment decision on a potential third LNG train, which could occur around 2030.

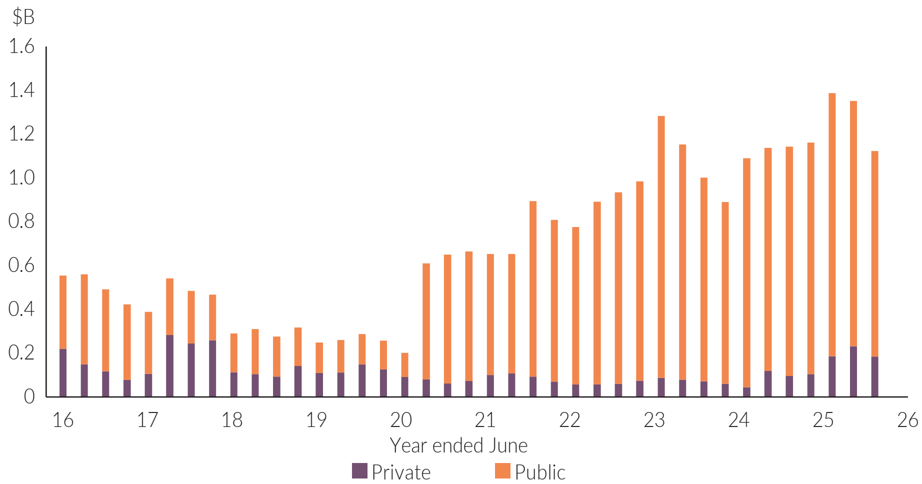
In the Beetaloo Sub-basin, Beetaloo Energy's final investment decision for the Carpentaria development in December 2025 enabled civil works, with initial gas sales expected in 2026. Santos has also announced a $300 million pilot drilling and testing program over the coming years in the Beetaloo Sub-basin.

Further development of gas assets in the Beetaloo Sub-basin combined with the long-term ambitions for the Middle Arm Sustainable Development Precinct, as well as attracting low-emission industries, CCS, advanced manufacturing and minerals processing are all expected to underpin future construction demand.

Non-residential construction

In the year-ended December quarter 2025, non-residential building work done in the Territory increased by 15.5% to $280 million, with private sector activity increasing by 17.6% to $70 million and public sector activity increasing by 14.8% to $209 million. Public sector work is expected to remain at high levels in the near term, with the value of non-residential work yet to be done at $939.8 million in the December quarter 2025 (Chart 9).

Chart 9: Value of non-residential work yet to be done in the Territory, quarterly



Source: ABS, *Building Activity, Australia*

In the Territory, the Darwin Correctional Centre remains the primary custodial facility, with additional capacity being delivered through a $192.2 million work camp in Darwin and a $41.8 million work camp in Katherine. The Katherine work camp is being developed at Charles Darwin University's Katherine Rural Campus and will include a Corrections Skills and Training Facility incorporating vocational training, education and supervised work programs delivered using a combination of new and refurbished infrastructure.

In addition, $110 million has been allocated for the construction of the Palmerston Secondary Special Education School, a purpose built facility designed to support students with disabilities through specialised and inclusive learning environments. These investments contribute to the ongoing delivery of correctional, education and community infrastructure across the Territory.

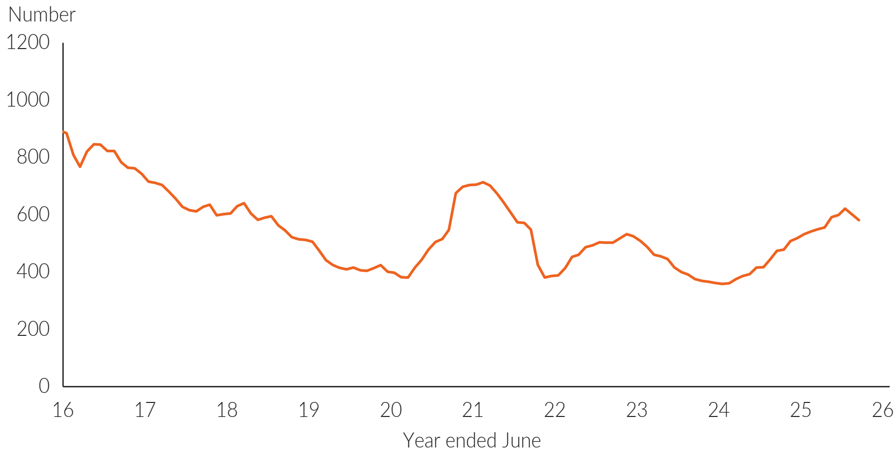
Residential construction

Residential building work done in the Territory increased by 11.1% to $112 million in the year-ended December quarter 2025, with private sector activity increasing by 28.4% to $83 million and public sector activity declining by 19.4% to $29 million.

Territory Government homeownership initiatives, including the HomeGrown Territory grant ($50,000 for first-home builds) and the FreshStart new home grant ($30,000 for existing homeowners building or purchasing new homes), continue to stimulate demand. HomeGrown Territory grants are expected to contribute more than $180 million to the Territory's economy and to support population and economic growth. The extension of the FreshStart New Home Grant and HomeGrown Territory Grant to 30 September 2027 provides increased policy certainty, supporting workforce stability and investment in the residential construction sector. Since introduction, these grants have boosted residential approvals and construction after a period of weakness following covid (Chart 10).

Land releases at Northcrest, Lee Point, Zuccoli, Asche, Holtze and the Heights, along with new developments, such as Farrar West (222 lots planned) and the Lloyd Creek Rural Village (4,200 lots), will continue to support future residential construction.

Chart 10: Territory building approvals by number of houses (moving annual total)



Source: ABS, *Building Approvals, Australia*; Department of Treasury and Finance

In March 2024, the Commonwealth and Territory governments announced a joint $4 billion investment for remote housing over 10 years, aiming to halve overcrowding. Since the commencement of the program, a total of 316 new homes were completed in remote locations, at December 2025. Of these, 175 were delivered by Aboriginal business enterprises. Additional support includes the Help to Buy scheme, (requiring deposits as low as 2%) and the $10 billion Housing Australia Future Fund targeting delivery of 40,000 social and affordable homes nationwide by 2029.

Further contributing to housing supply and CBD activation, land at 56 Woods Street has been allocated for a purpose-built Charles Darwin University student accommodation facility expected to accommodate about 350 students adjacent to the Darwin city campus.

Interest rate increases in early 2026 will flow through to borrowing costs for developers and homebuyers, and impact demand and make securing finance more difficult. This is likely to delay or limit new residential developments and slow new of housing supply.

For the latest data on the construction sector, refer to the Territory Economy website.

Defence

Outlook

Defence investment continues to be an important contributor to economic activity in the Territory as Australia and its strategic defence partners remain committed to investment in the Indo-Pacific region.

The Territory serves as a strategic hub for national security, supporting Australian and allied defence personnel, assets and large-scale multinational exercises. This role is underpinned by ongoing Australian and United States (US) defence investment to support and strengthen regional operations and capability.

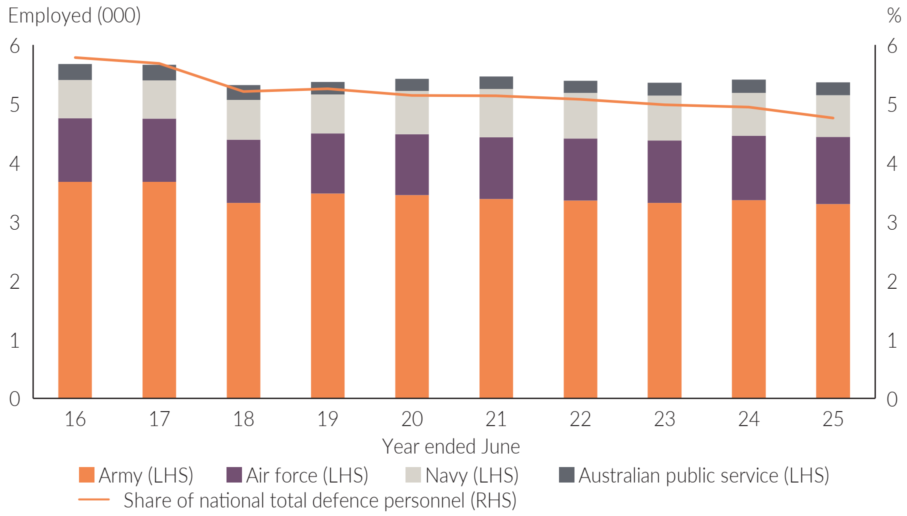
An estimated $8.2 billion in defence infrastructure investment is planned for the Territory over the next decade. This comprises $6.9 billion in approved planned investment underway and $1.3 billion in planned investment yet to be approved.

Employment and personnel

The number of Australian defence personnel posted in the Territory was around 5,400 persons in 2024-25, a decrease of 0.8% compared to the prior year and relatively steady over the last five years. The army comprises the majority of defence personnel in the Territory at 61% followed by the air force at 21%, with the remaining being in the navy and Commonwealth public servants. This composition has been evolving, with fewer army and navy personnel in recent years being offset by more air force personnel.

As a share of Australia's defence personnel, the Territory trended lower to around 4.8% in 2024-25 (Chart 11).

Chart 11: Defence employment in the Territory



RHS: right-hand side; LHS: left-hand side
Source: Department of Defence Annual Report; Department of Treasury and Finance

International cooperation

The Territory has a vital role in strengthening Australia's international cooperation with its allied partners and supporting its defence strategy. The Territory's strategic location, landscape and diverse training areas allow for operating large-scale military training exercises, as well as hosting international forces.

Since 2012, the Territory has hosted the US Marine Rotational Forces-Darwin (MRF-D), a deployment of US marines that enhances Australian and US defence cooperation, interoperability and regional security. The MRF-D has grown in size, complexity and capability since its inception, with around 2,500 personnel in recent rotations.

Australia routinely participates in military exercises, to strengthen its defence alliances and enhance the skills of its military personnel. The Territory hosts annual and biannual international military exercises including:

- Exercise Talisman Sabre, led by Australian forces and US military, with an increasing contribution from partner nations
- Exercise Pitch Black, a large-scale air combat exercise
- Exercise Kakadu, an international maritime engagement exercise
- Exercise Predator's Run, a littoral-focused multilateral training exercise typically including Australian, US, UK and Philippine forces.

These exercises bring together numerous nations and strengthen international alliances, while establishing the Territory as an important location for defence training in the Indo-Pacific region.

Projects

Significant defence projects are being delivered in the Territory over the next decade with around $6.9 billion of approved planned investment projects underway and $1.3 billion planned investment awaiting approval (Table 2).

These projects strengthen the Territory's significance as a defence hub and provide local economic and employment opportunities across a range of sectors such as construction, maritime, aerospace, testing and evaluation, and maintenance and logistics. To support the link between this investment and local industry, the Territory Government established the Defence Industry Council in early 2026 to advance the Territory as a hub for maritime sustainment and maintenance, and grow defence jobs and local industry.

Defence projects extend across the air force, navy and army, and major defence sites in the Territory (Map 3).

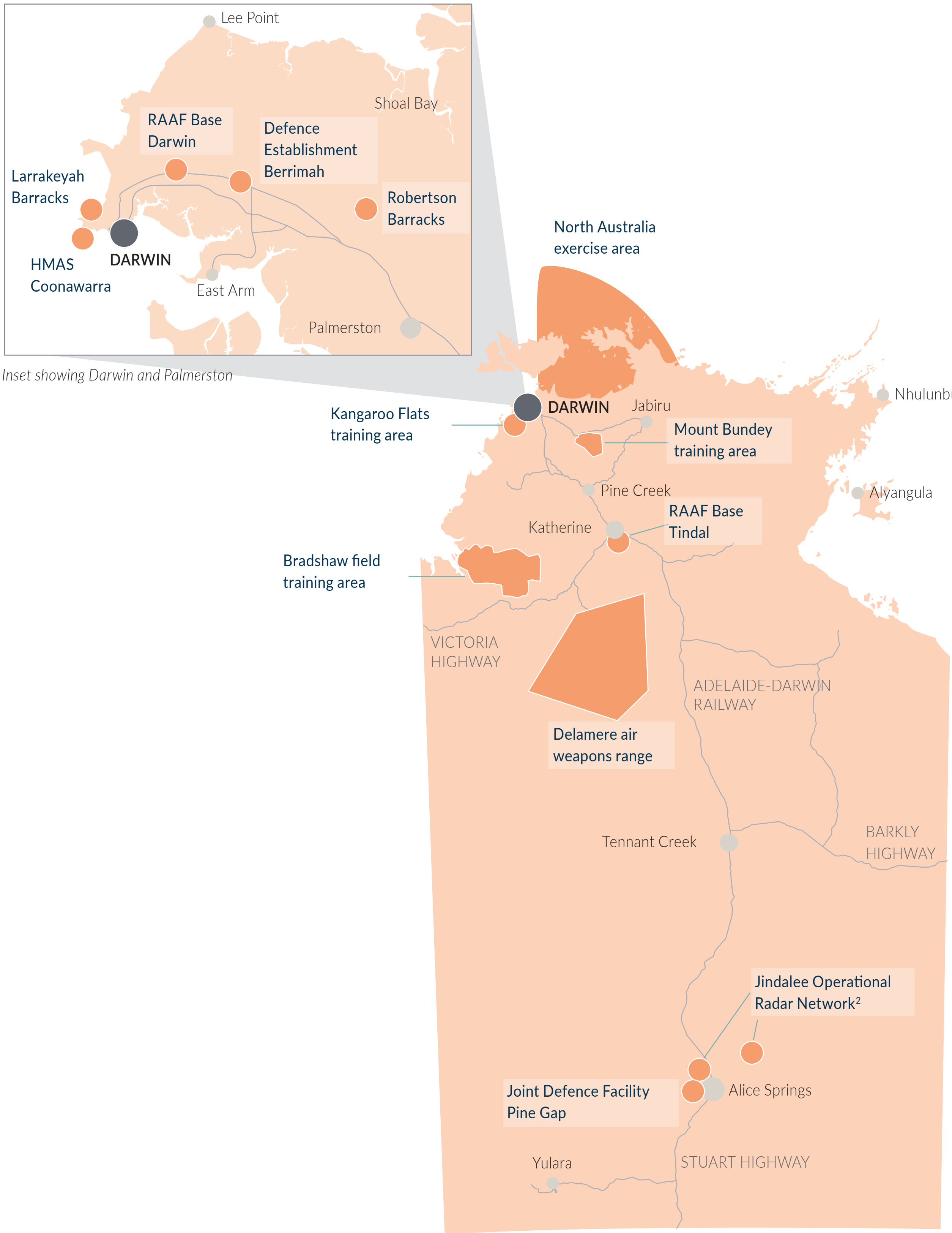
Table 2: Defence approved and unapproved planned investment

Planned investment	$M
RAAF Base Tindal redevelopment stage 6 and USFPI airfield and infrastructure works	1582
USFPI Northern Territory training areas and ranges upgrades	747
NAVFAC Darwin aircraft maintenance facilities program	700
Larrakeyah Defence Precinct redevelopment program	602
Facilities to support remotely piloted aircraft system	427
Robertson Barracks base improvements	389
RAAF Darwin and Mount Bundey airfield capital works	352
Navy capability infrastructure sub-program: offshore patrol vessel facilities	247
Facilities to support advanced growler	228
RAAF Base Tindal aircraft parking apron	205
RAAF Base Darwin mid-term refresh	160
Other[1]	1224
Total approved planned investment	**6862**
Guided weapons and explosive ordnance maintenance facility	200
Theatre logistics estate sub-program	185
Guided weapons and explosive ordnance storage and distribution	120
National Maritime Infrastructure maintenance program	90
Other	698
Total unapproved planned investment	**1293**
Total planned investment	**8155**

RAAF: Royal Australian Air Force; USFPI: United States Force Posture Initiatives
1 Includes planned investment for Cocos Islands airfield upgrades.
Source: Department of Treasury and Finance; Department of Chief Minister and Cabinet; Department of Defence Annual Report

For the latest information on the Territory's defence sector, refer to the Territory Economy and DefenceNT websites.

Map 3: Major defence sites in the Territory[1]



HMAS: His Majesty's Australian Ship; RAAF: Royal Australian Air Force

1 This map is produced from various sources. Department of Treasury and Finance cannot guarantee the accuracy, currency, or completeness of the information. To be used as a guide only.

2 The Jindalee Operational Radar Network has 2 operating facilities within the Alice Springs region, at Harts Range and Mount Everard.

Source: Department of Treasury and Finance; Department of Chief Minister and Cabinet; Department of Defence

Retail and wholesale trade

Outlook

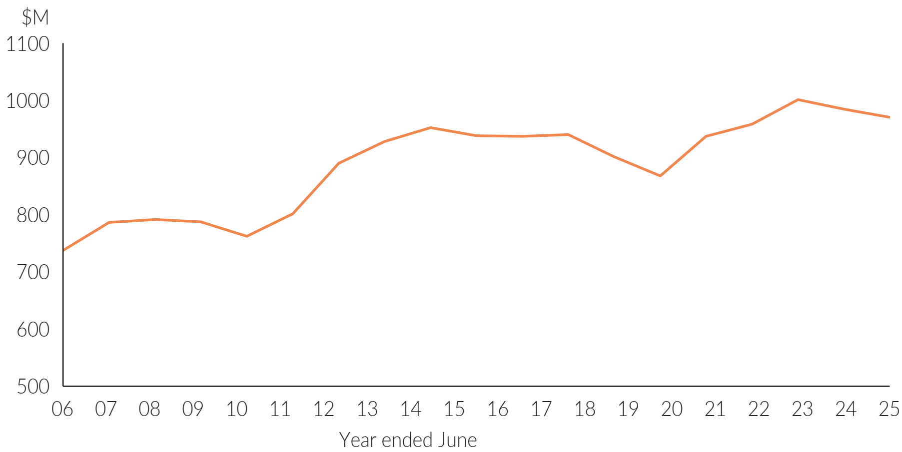
Growth in retail trade is expected to be modest in 2025-26. Activity will be supported by household spending and population growth. Retail trade is expected to decline in 2026-27 as increased interest rates and fuel costs, and uncertainty stemming from the Middle East conflict impact household sentiment and spending. Growth in wholesale trade is expected to be limited in 2025-26 due to lower investment activity but improve in 2026-27 as investment recovers.

In 2024-25, the Territory's retail and wholesale trade sector contributed $1.9 billion to the economy, similar to 2023-24. However, its share of GSP fell slightly from 5.6% to 5.5%.

Retail trade

Retail trade contributed $971 million to GSP, with its share unchanged at 2.9% in 2024-25. Despite the industry's 1.4% decline over the year, the stable share indicates overall resilience, supported by improved business conditions and increased tourism activity (Chart 12).

Chart 12: Retail trade in the Territory (annual, original, chain volume measure)



Source: ABS, *Australian National Accounts: State Accounts*

Retail trade growth is expected to be modest in 2025-26 as higher fuel prices and increases in interest rates weaken household spending and consumer confidence.

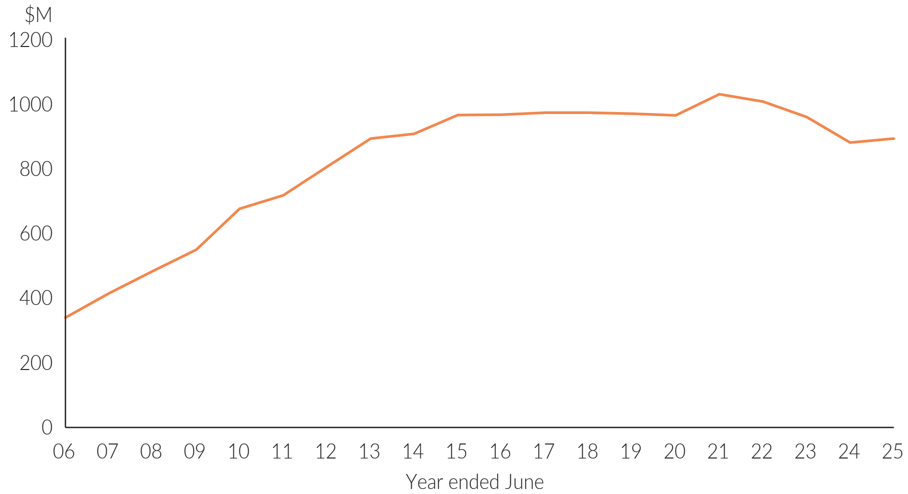
In late 2025, retail trade growth was supported by rising household consumption and easing cost-of-living pressures. Investment in retail infrastructure also contributed to growth, including security and layout upgrades at Casuarina Shopping Centre (featuring a new three storey carpark and ground level tenancies) and the Civic and State Square revitalisation.

Tourism NT's *Visitor Economy Strategy 2032* aims to unlock tourism growth, and could enhance retail trade growth and investment related to the visitor economy.

Wholesale trade

In 2024-25, wholesale trade contributed 2.6% to GSP, or $894 million, in the Territory compared to 3.9% nationally (Chart 13).

Chart 13: Wholesale trade in the Territory (annual, original, chain volume measure)



Source: ABS, *Australian National Accounts: State Accounts*

Wholesale trade activity in 2024-25 was driven by investments in the mining and manufacturing sector, which rely on wholesalers for materials, machinery and equipment. Ongoing infrastructure investment, including road upgrades to support freight movement, as well as industrial land releases in Berrimah North and development of the Marine Industry Park, provide opportunities for future growth.

Tourism

Outlook

The tourism sector reported solid growth in visitation and visitor expenditure in 2025. The sector's medium-term outlook is positive, though activity in the near term faces several global and domestic risks. The major global risk factor is the Middle East conflict and its economic impact on source markets and security issues, as well as higher fuel prices increasing aviation costs.

Domestically, higher inflation and increasing interest rates that began in early 2026 will exacerbate household cost-of-living pressures and constrain discretionary spending. Higher fuel prices will also impact domestic tourism, including for the Territory's important drive market, and many tourism destinations will take time to recover from recent natural disasters.

Tourism activity in the Territory is expected to be weaker in the near term, while in the medium-term prospects for the industry remain solid, supported by the gradual recovery of international travel and continued domestic demand for nature-based and experiential tourism. Business travel is also increasing, underpinned by major mining, energy and defence-related projects.

Tourism is a significant contributor to the Territory economy, particularly in regional areas. In 2023-24, tourism accounted for 3.8% of GSP ($1.2 billion) and 5.1% of employment (8,000 jobs). The Territory and Tasmania have the highest proportion of employing tourism businesses nationally (21%), above the Australian average of 18%. The number of employing tourism businesses in the Territory rose from 1,427 to 1,433 in 2024-25.

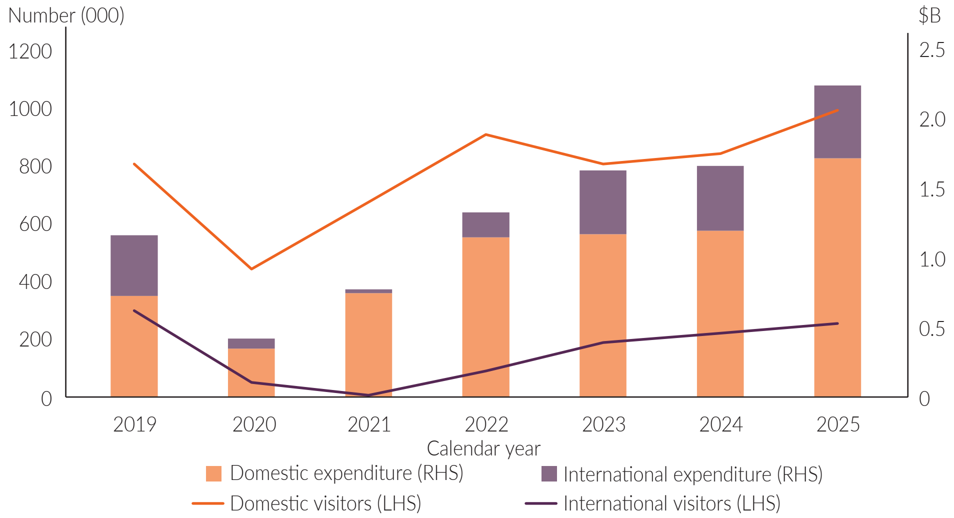
Visitation to the Territory increased by 17% to 1.2 million visitors in 2025. Domestic visitation increased by 18%, while international visitation increased by 15% and visitor expenditure increased by 35% to $2.3 billion. Growth in international visitation was supported by targeted aviation initiatives.

The Territory *Visitor Economy Strategy 2032* provides a long-term framework for tourism development, targeting 1.7 million visitors and $3 billion in visitor expenditure by 2032. Delivering the strategy's goals will be underpinned by ongoing development of aviation capacity and routes, investment in tourism-related infrastructure and facilities, and stable global and domestic travel conditions.

The near-term outlook for the sector is likely to be disrupted by the Middle East conflict and cost-of-living pressures in key domestic markets will weigh on discretionary demand. Higher global oil prices have increased airline operating costs and airfares, with implications for both aviation capacity and drive tourism in 2026.

Looking forward, the international tourism recovery is likely to be uneven across markets and geopolitical uncertainty will affect travel sentiment and aviation networks. However, recent solid growth in visitation and expenditure in the post-covid period suggests the Territory is an attractive destination, with opportunities to expand this demand.

Chart 14: International and domestic visitation and expenditure in the Territory[1]



LHS: left-hand side; RHS: right-hand side
1 Moving annual total.
Source: Tourism Research Australia, International Visitor Survey and Domestic Tourism Statistics, year-ended December 2025

International visitation

There were 255,000 international visitors to the Territory in 2025, an increase of 33,000 from the previous year. Although international visitation has continued to recover following covid, achieving pre-pandemic levels is challenging due to limited flight routes to Australia and the Territory, as well as increased competition from other global destinations.

In 2025, 190,000 international visitors travelled to the Territory for holiday purposes, 32,000 visited friends and relatives, 14,000 visited for business, and 27,000 visited for other reasons. Holiday travel accounted for about 74% of international visitors. It should be noted that the visitation survey allows respondents to report more than one purpose of travel, meaning purpose of visit figures will not sum to total visitor count.

Domestic visitation

In 2025, there were 995,000 domestic visitors to the Territory, up 18% from 2024 with the average domestic visitor spending around $1,734 per trip, up 22% from 2024. Domestic visitor numbers continue to reflect shifts in consumer behaviour and the impact of higher airfares.

Nationally, domestic visitation returned to pre-covid levels in 2024, with the Territory following this trend in 2025. Business travel continues to recover more slowly at the national level, with a full recovery not expected before 2030 due to tighter corporate budgets, sustainability considerations, and efficiency gains from virtual meeting technologies.

By purpose of visit, around 430,000 holiday visitors travelled to the Territory, while there were approximately 297,000 business travellers. By domestic source market, interstate visitation increased by 26% to 617,000 visitors, while intra state visitation grew by 6.1% to 378,000 visitors.

Government initiatives

The Territory Government implemented reforms from 1 January 2026 to consolidate the former Tourism NT and Northern Territory Major Events Corporation into a single entity called Tourism and Events NT.

In 2026-27, the Territory Government is investing $103.2 million in tourism, events and screen production, including the ongoing $8 million increase to the tourism base budget.

The Territory Government is supporting the program of events to be delivered by the new Tourism and Events NT with an additional investment of $2.8 million in 2026-27 and 2027-28, and $3.8 million each year thereafter.

In 2026-27, the Territory Government is also investing in a number of sporting events to support the tourism sector across the Territory. These include:

- $9 million for three years to secure four Australian Football League matches in Darwin and Alice Springs, including one Australian Football League women's match
- $2 million for two years for international cricket matches in the Territory.
- continuing to deliver National Rugby League matches in Darwin.

Accommodation

In 2025, the average visitor spent 6.9 nights in the Territory, down 1 night from 2024. In 2025, hotels experienced a slight increase in bookings, with occupancy rates increasing by 2.3 percentage points to 59%. The hotel sector experienced a marginal decline in supply, down 0.1% to 3.4 million room nights, and an increase in demand by 3.9% to 2 million room nights.

In 2025, the short-term letting sector experienced an increase in bookings, with occupancy rates increasing by 2.1 percentage points to 64%. The short-term letting sector experienced a marginal increase in supply of 0.6%, to 254,000 room nights, and an increase in demand by 4.4% to 166,000 room nights.

Access

Aviation services remain essential to rebuilding the Territory's economy and restoring the Territory lifestyle. Connecting the Territory through improved interstate and international aviation services remains a priority under the Territory Government's *Rebuilding the Economy: Northern Territory Economic Strategy 2025*. Aviation attraction activities are coordinated by the Department of Trade, Business and Asian Relations through the Rebuilding Aviation Connectivity for the Economy program, in partnership with airlines, airports and the Department of Tourism and Hospitality.

Short-term conditions have weakened and access challenges have intensified. Ongoing global oil supply disruptions have increased jet fuel prices, placing upward pressure on airline operating costs. In response, airlines servicing the Territory have begun adjusting schedules, reducing frequencies and reallocating aircraft to higher-yield routes. These pressures are contributing to higher airfares and reduced travel demand, particularly among discretionary leisure travellers.

Reduced international travel may also have flow-on effects for domestic routes that rely on visitor dispersal. The combined impact is expected to suppress visitation over 2025-26 and delay the recovery of some routes.

In the Territory, cruise tourism generated $205.6 million in activity and supported 581 jobs in 2024-25, with Darwin serving as the primary port. There were over 150 cruise visit days in the Territory, with a total passenger visit days of 87,000.

For the latest data on the tourism sector, refer to the Territory Economy website.

Agriculture, forestry and fishing

Outlook

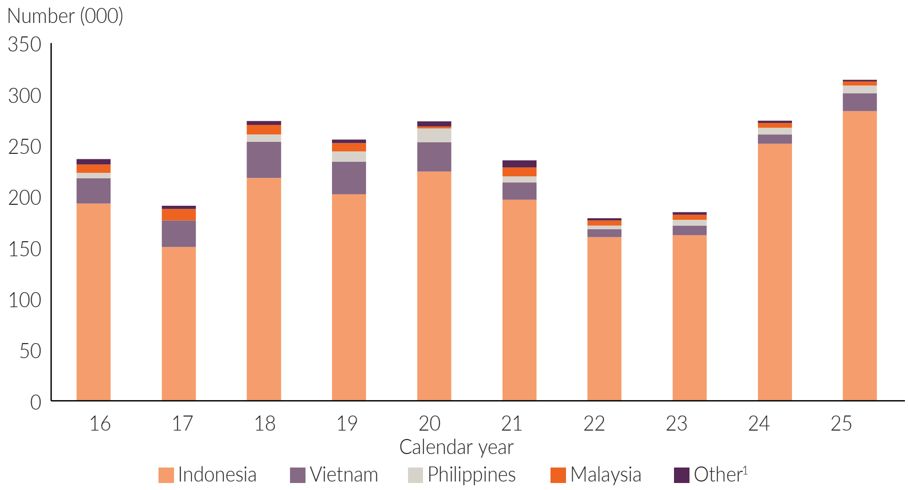
The Territory's agricultural sector performed strongly in the second half of 2025 but has since been impacted by flooding and fuel access and cost. New investment and growth opportunities in export markets are expected to support the sector from 2026-27.

In 2024-25, the agriculture, forestry and fishing sector accounted for 4.8% of GSP in the Territory, having increased by 12.9% to $1.4 billion. The sector accounts for 2.3% of total employment, with around 3,300 workers employed on average, noting there are significant seasonal fluctuations. Growth in output is largely due to increased live cattle exports, diversification into cropping on pastoral leases, investment in new cropping and horticultural developments, and expansion of aquaculture and fisheries activities (Map 4). Higher energy prices will increase operational costs across the sector, particularly for remote businesses, and the Middle East conflict has affected the supply of fertiliser which will impact horticultural production. In the medium term, growth is expected to be supported by several large agricultural land developments, along with recent significant property sales and anticipated new investment and growth in export markets.

Live cattle

The Territory's live cattle exports increased by 15% in 2025, driven by increased demand from Indonesia and favourable weather conditions (Chart 15). Although there is strong demand for live cattle heading into 2026, above-average rainfall has disrupted supply lines and limited exports. The sale of several large pastoral stations in 2025 reflects investor confidence in the sector that should support future supply over the forward estimates.

Chart 15: Annual number of live Territory cattle exports, by destination



1 Other comprises Brunei, Cambodia, Egypt, Timor-Leste and Thailand.
Source: Department of Agriculture and Fisheries

Interstate movements of Territory cattle shifted over the past year, with the number of Territory cattle moved interstate declining by around 9%, while the number of interstate cattle moved into the Territory increased by around 32%.

Indonesia accounted for about 91% of the Territory's live cattle exports in 2025. With its geographical proximity, constraints around herd development, established diplomatic relations with Australia and strong demand, Indonesia is the largest and most consistent buyer of northern Australian live cattle.

Foot and mouth disease and lumpy skin disease continue to be significant biosecurity risks to northern Australia's cattle industry, with ongoing efforts focused on preventing entry into Australia.

The Territory's live buffalo exports increased in 2025, with the number of live buffalo exported up 57% compared to 2024. This market experiences fluctuations due to change in supply conditions across Asia. Around 77% of live buffalo are exported to Indonesia, with Brunei, Sarawak and Vietnam accounting for the balance. Live buffalo is typically a cheaper alternative to live cattle, although supply is largely constrained by wild harvest conditions.

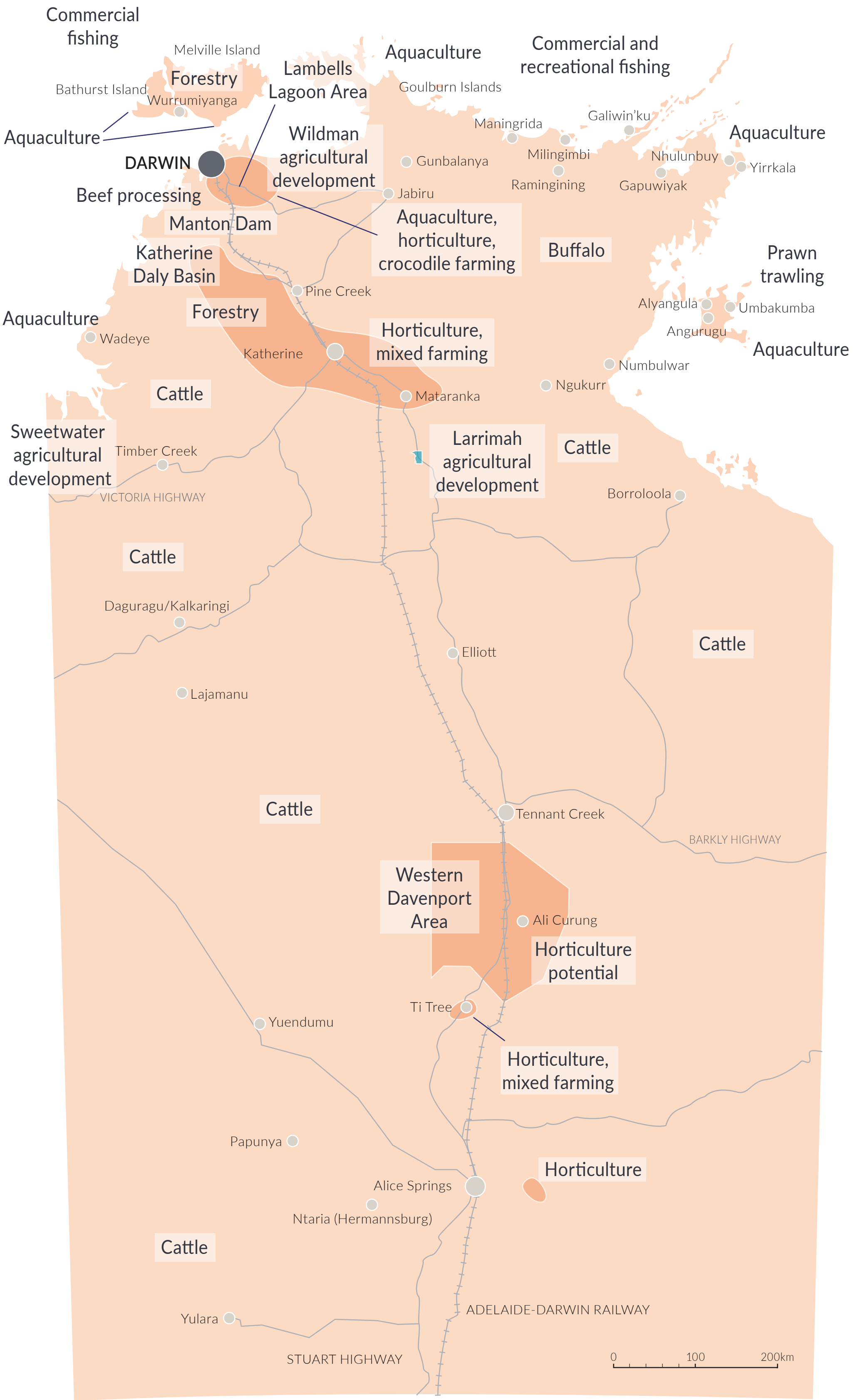
Other livestock products

The Commonwealth Department of Agriculture, Fisheries and Forestry reports that overseas boxed meat exports from the Territory increased to 1,930 tonnes in 2025, valued at $17 million. This represents a significant uplift for the sector, largely driven by commercial access of boxed beef into Indonesia, opening a new and commercially important market for the Territory.

There are several micro-abattoirs in the Territory and a single large export-accredited facility at Batchelor, which produces frozen boxed beef, offal, buffalo and camel. In 2025, products were exported to seven markets, primarily Indonesia (58%), South Korea (15%) and the United States (14%). The outlook for Territory boxed beef exports is positive, supported by strong Indonesian purchasing trends and improved market access. Domestically, the number of Territory cattle and buffalo sent interstate for meat processing increased significantly, from 26,200 in 2024 to 53,000 in 2025.

Australia accounts for 67% of the global trade in saltwater crocodile skins, with most being farmed and exported by the Territory. Gross revenue from the Territory crocodile industry increased by around 3.1% to $47.4 million in 2024-25, largely reflecting increased production.

Map 4: Territory agriculture, forestry and fishing[1]



1 This map is produced from various sources. Department of Treasury and Finance cannot guarantee the accuracy, currency, or completeness of the information.

Source: Department of Treasury and Finance; Department of Agriculture and Fisheries

Horticulture

The outlook for horticultural production is expected to be positive over the forecast period, with several potential developments in the outer years of the forward estimates. However, higher fuel prices will increase the cost of production and freight over 2026. The Strait of Hormuz is also part of the global supply chain for fertiliser, and disruptions are resulting in higher prices that may impact production. The extent and duration of the conflict remains uncertain, although prolonged disruption could have a significant impact on growers.

Mango production accounts for a large proportion of the Territory's horticulture sector and is strongly influenced by seasonal conditions and demand in southern Australian markets. In 2025-26, the Territory mango industry produced around 52% of the nation's supply. Around $2.4 million worth of Territory mangoes were exported in the 2025 calendar year to countries including the United Arab Emirates (35%), New Zealand (17%), the United States, Hong Kong, Singapore and Canada (35% combined).

Melon farming is the second-largest horticultural activity after mangoes in the Territory. Around 25% of Australia's watermelons and 11% of Australia's musk melons are grown in the Territory, and accounting for 14% and 9% of Australian exports, respectively. Combined exports are up 41% from last year. Melon production is expected to increase over the medium term, supported by recent investment and expansion plans from major producers.

Commercial crops of jack fruit, dragon fruit and citrus are maturing, and businesses are developing production and supply chains to maximise the benefits from the Territory's seasonal advantage. Dragon fruit production in the Territory has been impacted by increased competition from Vietnamese imports over the past five years. This is pushing dragon fruit producers to seek export market opportunities. New plantings of citrus crops are expected to come into production over the outlook period after the Territory was declared citrus canker free in 2021.

Date palms have been established in Central Australia through the development of a germplasm resource sourced from successive international imports. While production is relatively small, the crop is growing, supported by ideal climatic conditions, research efforts and increasing industry interest.

Broadacre crops

In 2024-25, around 49,000 bales of cotton were produced, with an estimated value of $29.5 million. Additionally, around $8 million of raw cotton and $3 million of cotton seed were exported from the Port of Darwin. A total of 6,000 hectares has been planted in preparation for the 2025-26 season.

Irrigated and rain-fed hay and fodder production remains a core diversification option for pastoralists with new cereal and grain production expected to emerge as producers seek rotation crops for cotton and hay.

Forestry

The outlook for the forestry industry is positive, supported by the recent $81 million investment in the Tiwi Plantations Corporation for a second long-term plantation. The Territory has around 42,000 hectares of plantation forestry with an estimated value of $1.45 billion at harvest age. African mahogany harvest rotations take around 25 to 30 years, with the plantations in the Douglas Daly region expected to reach maturity in 2030.

Fisheries

Wild harvest production in 2024-25 was around 4,800 tonnes, representing a decline of 160 tonnes compared with 2023-24. The gross value of production (GVP) from wild-caught fisheries also declined to $44.9 million.

Overall, the value of inshore fisheries declined in 2024-25. For the Coastal Line Fishery, the decline was largely due to lower market prices for jewfish swim bladders, and a decreased mud crab catch due to the wet season affecting availability and fishing efforts. For the Aquarium Fishery, fishing efforts also declined, resulting in reduced catch and value. In contrast, the Trepang Fishery reported increased production in 2024-25.

Among offshore fisheries, the Timor Reef Fishery and Demersal Fishery recorded increases in both production and value. Increased fishing efforts and improved fishing efficiency, together with higher market prices, contributed to the increase in GVP. Conversely, the Offshore Net and Line Fishery and Spanish Mackerel Fishery reported significant declines in production in 2024-25.

The gross value of aquaculture production increased slightly to $81 million in 2024-25, largely reflecting growth in barramundi production. The outlook for the Territory aquaculture industry is positive, with commercialisation of several new species being investigated.

Territory Government agribusiness development

There are several development opportunities and facilitated projects underway focusing on growing the agriculture, forestry and fishing sector in the Territory. Priority projects include several developments as part of the Territory Government's land releases, an improved regional road network and developing infrastructure to increase export opportunities.

Land developments

Several agricultural developments are expected to contribute to production over the outlook period. The Department of Agriculture and Fisheries continues to support these developments through land suitability assessments, advice on land tenure, regulatory approval processes and assisting with stakeholder engagement. These agricultural land developments are:

- Larrimah
- Wildman
- Sweetwater (Ord River irrigation scheme expansion into the Territory).

The Territory Government is working to identify additional regional areas that could be developed including in the Douglas-Daly region. The Singleton Farm project in the Western Davenport region aims to develop over 3,000 hectares into the largest horticulture farm in the Territory, with gross annual revenue of over $200 million from production of citrus, grapes and other fruit crops.

Collectively, these developments provide an opportunity to significantly expand and diversify the Territory's agricultural production and offer opportunities for new investment in a wide range of high value crops, including mangoes, melons and forestry, as well as broadacre crops such as cotton and sorghum.

For the latest data on the agriculture, forestry and fishing sector, refer to the Territory Economy website.

Abbreviations and acronyms

ABS	Australian Bureau of Statistics
B	billion
CAGR	compound annual growth rate
CCS	carbon capture and storage
CBD	central business district
GEMCO	Groote Eylandt Mining Company Pty Ltd
GSP	gross state product
GVP	gross value of production
HMAS	His Majesty's Australian Ship
LHS	left-hand side
LNG	liquefied natural gas
M	million
MRF-D	Marine Rotational Forces-Darwin
Mt	million tonnes
RAAF	Royal Australian Air Force
RBA	Reserve Bank of Australia
RHS	right-hand side
US	United States (of America)
USFPI	United States Force Posture Initiatives

Explanation of terms

Agriculture, forestry and fishing

The agriculture, forestry and fishing sector is a significant employer and source of economic activity in regional and remote areas. It also has important linkages to other industries of the economy, including retail and wholesale trade, manufacturing and transport. The sector's output can vary significantly from year to year due to changes in demand (including trade restrictions), seasonal conditions affecting production, and impacts of pest and disease incursions.

Construction

Analysis of construction activity and work done is based on monthly and quarterly data reported by the Australian Bureau of Statistics through a number of data releases including engineering construction activity, building activity, building approvals and construction work done. The sector's gross value added is measured annually and reported in Australian Bureau of Statistics state accounts data. Sector contributions to employment are based on quarterly Australian Bureau of Statistics labour force statistics.

Conventional gas

Conventional gas is found in geological formations which permits the gas to freely migrate below the surface and move to the surface when intercepted by a well.

Defence

Defence is not reported as a separate industry in the national accounts, rather it is reported against several industries, predominantly public administration and safety. Australian Bureau of Statistics does not report defence employment numbers. References to defence refer to both the Department of Defence and the Australian Defence Force. The Department of Defence and Defence Housing Australia annual reports are the sources of data.

Employed

Persons 15 years and older who worked for one hour or more in the week as measured by the labour force survey. Persons are measured as being employed in the jurisdiction in which they reside, regardless of the location of their employment.

Engineering construction

Construction work that does not have a roof.

Government and community services

The government and community services sector consists of public administration and safety; education and training; and health care and social assistance.

These services are mainly funded by the public sector, including the Commonwealth, Territory and local governments. However, non-government and private entities may also provide education, health, aged care and other community services as well as defence.

Gross state product

Similar to gross domestic product, except it measures the total value of goods and services produced in a state or territory. It can be calculated by measuring expenditure, where it is the sum of state final demand and international and interstate trade, changes in the level of stocks, and a balancing item.

Gross value added

The value of output at basic prices minus the value of intermediate consumption at purchasers' prices. The term is used to describe gross product by industry and by sector. Basic prices valuation of output removes the distortion caused by variations in the incidence of commodity taxes and subsidies across the output of individual industries.

Mining and manufacturing

Mining and manufacturing activities in the Territory include mining of metal ores, oil and gas production, and quarrying, as well as the manufacture of fabricated metal, transport equipment and repair, and helium for domestic and overseas markets. The Territory's mining industry data also includes offshore oil and gas production in Territory waters.

Non-residential building

Buildings intended for purposes other than long-term residence.

Residential building

Buildings primarily used for the purpose of long-term residence.

Retail trade and wholesale trade

Retail trade captures the sale of goods in stores and online to predominantly households for personal consumption. Domestic online sales are attributed to the state in which the online retailer is based. This means, due to the relatively low number of Territory-based online retailers, published retail trade data does not provide a complete representation of the level of spending on retail goods by Territorians. Retail turnover data does not include purchases made directly from an overseas website.

Wholesale trade is the sale of new or used goods to businesses and institutional users. Wholesale trade is generally a smaller component of Territory gross state product than retail trade and a much smaller share of employment.

Service industries

The service industries sector covers a broad range of industries and makes up a significant proportion of gross state product and employment. The service industries are: professional, scientific and technical services; transport, postal and warehousing; accommodation and food services; financial and insurance services; administrative and support services; electricity, gas, water and waste services; rental, hiring and real estate services; arts and recreation services; information and media telecommunications; and other services.

Tourism

Tourism differs from other industries as it is defined by consumers' behaviour rather than the process of producing goods and services. Accordingly, standard Australian Bureau of Statistics measures of production in the national accounts are not available for tourism. Rather, tourism's contribution to the Territory economy is captured in a range of industries, including accommodation and food services, retail trade, culture and recreation, and transport. Tourism is sensitive to factors such as global and local economic conditions, exchange rates, tourism marketing activity, aviation access, changing consumer behaviour, visa regulations and competition amongst destinations.