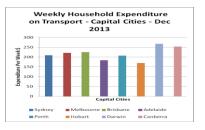


## **NT Tops the Transport Charts**

The third NT *Cost of Living Report,* released today by the Northern Territory Council of Social Service reveals that Territory households pay more on transport costs than households elsewhere in the country. On average, families in the Territory are spending \$268 per week on transport costs.

The report also reveals that the Northern Territory is the only State or Territory where households spend more on transport than they do on feeding their families, with transport being the second highest expenditure area behind housing costs, with food coming in third. "To top it off, transport prices in the NT are rising faster than anywhere else in the country" stated Wendy Morton, Executive Director, NTCOSS.



The high and rising transport costs in the NT are being driven by rises in the price of fuel, which has experienced a 127% rise in Darwin over the last 15 years. This rate of increase more than doubles the rate of the general inflation over the same period.

Territorians are paying on average ten to twenty cents more per litre for unleaded fuel than their southern counterparts. While nationally, motorists are paying between \$1.48 to \$1.60 per litre, on average, in the Territory people are being charged up to \$1.72 per litre.

Interestingly, the cost of buying a new car has gone down in recent years, but this tends to benefit more affluent households, while fuel and other items such as car registration, roadworthy tests, driver licence fees, and driving lessons have all gone up. In addition to these, both taxi fares and public bus fares have risen, further exacerbating the weekly budgets for people already doing it tough.

"These price rises should be cause for concern for all Territorians, as the cost of living in the NT is already high," said Ms Morton. "Any increases in transport costs are likely to hit those with the least ability to pay, hardest".

The remoteness of the Territory presents barriers to the access of health, education, employment banking and other essential services, meaning that transport costs cannot be avoided. Unfortunately the limited availability of public and community transport in the Northern Territory means that many low-income people rely on other more expensive forms of transport (e.g. taxis or minibuses) to meet their everyday needs.

'Money spent on transport reduces money available for essential items, further exacerbating poverty and social exclusion for people who are on low incomes and already face significant poverty and disadvantage. Decisive action to provide affordable transport options for all Territorians is required", said Ms Morton.

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## Recommendations

A range of solutions are required to address the high expenditure on transport costs borne by Territorians facing transport disadvantage, which are exacerbated by the significant transport issues faced by the Northern Territory. NTCOSS made several recommendations in a recent submission to the Northern Territory Government Transport Roadmap consultation.

- 1. Review of public bus routes and timetables to facilitate a more effective service and reduce the significant reliance on taxis and minibuses for many low income Territorians. Consider free off-peak public transport for concession and health care card holders.
- 2. Alter requirements for minibuses, so that fares are regulated in order to reduce the cost burden on low income Territorians. Establish a minibus fare structure based on a set rate per kilometre.
- 3. Provision of consumer education regarding the use of taxis, so that consumers are aware of the tariff rate system and what tariff rate applies at different times of day and days of the week
- 4. Continue to support commercial bus services (e.g. Centre Bush Bus, Bodhi Bus) to ensure existing services remain, and can expand to increase regularity of services and establish services where none currently exist.
- 5. Work to improve disability accessibility on all commercial buses to make them a more viable option for people with disability.
- 6. Explore options to open up the Ghan as a more viable and affordable transport option for Territorians
- 7. Consider development of a light rail system in the Northern Territory
- 8. Improve access to plane services across the Territory
- 9. Support the development of self sustainable community transport<sup>1</sup> options
- 10. Make improvements to road infrastructure
- 11. Commonwealth Government to increase the base rate of the Newstart Allowance by \$50 p/w.

See NTCOSS submission to the Northern Territory Government 'Integrated Transport Planning and Investment Roadmap' (Feb 2014) - for the full suite of NTCOSS Transport recommendations <u>http://www.ntcoss.org.au/sites/www.ntcoss.org.au/files/NTCOSS%20submission%20-</u> %20Transport%20Roadmap%20Feb%202014.pdf

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<sup>&</sup>lt;sup>1</sup> 'Community Transport' initiatives are usually run by community based, locally driven, not-for profit organisations which set out to meet needs that conventional public transport does not, and which provide choice and flexibility to respond to passengers' needs.