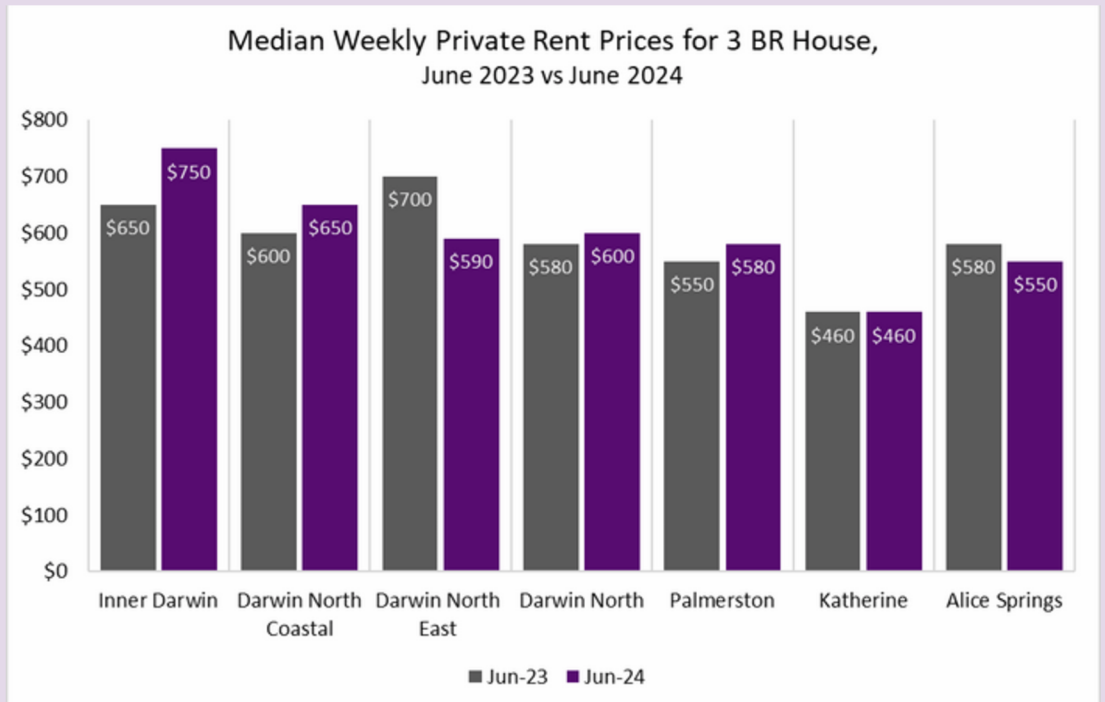


# FACT SHEET

## Cost of Housing in the Northern Territory

Rent prices in the Northern Territory vary significantly between regions. Some areas have seen large increases in the past year to June 2024, while others have seen decreases. However, rents remain very high and unaffordable for many.

Inner Darwin suburbs have seen the largest increase of median weekly private rental prices, with a \$100 increase between June 2023 and June 2024. Most other areas in Greater Darwin have also seen an increase, except for Darwin North East. Whereas Alice Springs has decreased and Katherine remained steady at \$460 a week for a 3-bedroom house.



[Reference 1]

Across the Greater Darwin region, rent prices have been increasing:



These figures show the increase in median weekly private rent prices for a 3-bedroom house (June 2023 - June 2024).

Median weekly rent for a 3-bedroom house in Alice Springs has decreased from \$580 (June 2023) to \$550 (June 2024) and it is now one of the cheapest major centres for rent across the NT.

However for a low-income family, these prices are still unaffordable. For a single parent with two children working full-time on minimum wage, this would be over 40% of their income

See full income comparison on Page 2.



[Reference 2]

# FACT SHEET

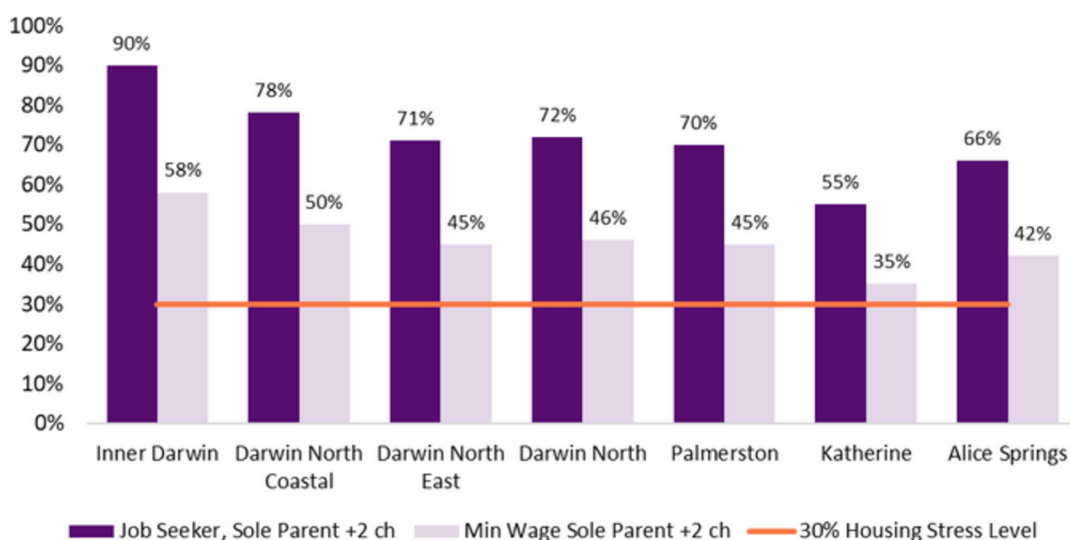
## Cost of Housing in the Northern Territory



For low-income households, renting privately in every region of the Northern Territory is unaffordable and would put them in housing stress.

For a family in Inner Darwin privately renting a 3-bedroom house at \$750 a week, they would have to spend 90% of their income on rent if on JobSeeker, and 60% of their income if working full time on minimum wage.

Proportion of Income required for Private Rent for 3 BR House by Income Group (Sole Parent), June 2024



If housing costs exceed 30% of a low-income household's gross income, the household is considered to be experiencing housing stress. At this level, the cost of rent begins to negatively impact the household's ability to pay for other basic needs such as food, medical costs and education.

[Reference 3]

## Darwin Community Legal Service: Make Renting Fair Survey Results



Darwin Community Legal Service's Tenants Advice Service (TAS) is a community-based advice and advocacy service. They provide free advice, information and legal representation to NT tenants. From July 2023 to April 2024, TAS conducted a survey seeking renters experiences in the NT. From 322 responses, they found:



**51%** of respondents had their bond withheld at the end of their tenancy

**76%** had experienced repair issues



**70%** had their rent increased when they renewed their tenancy

**62%** had increases of over \$50 a week

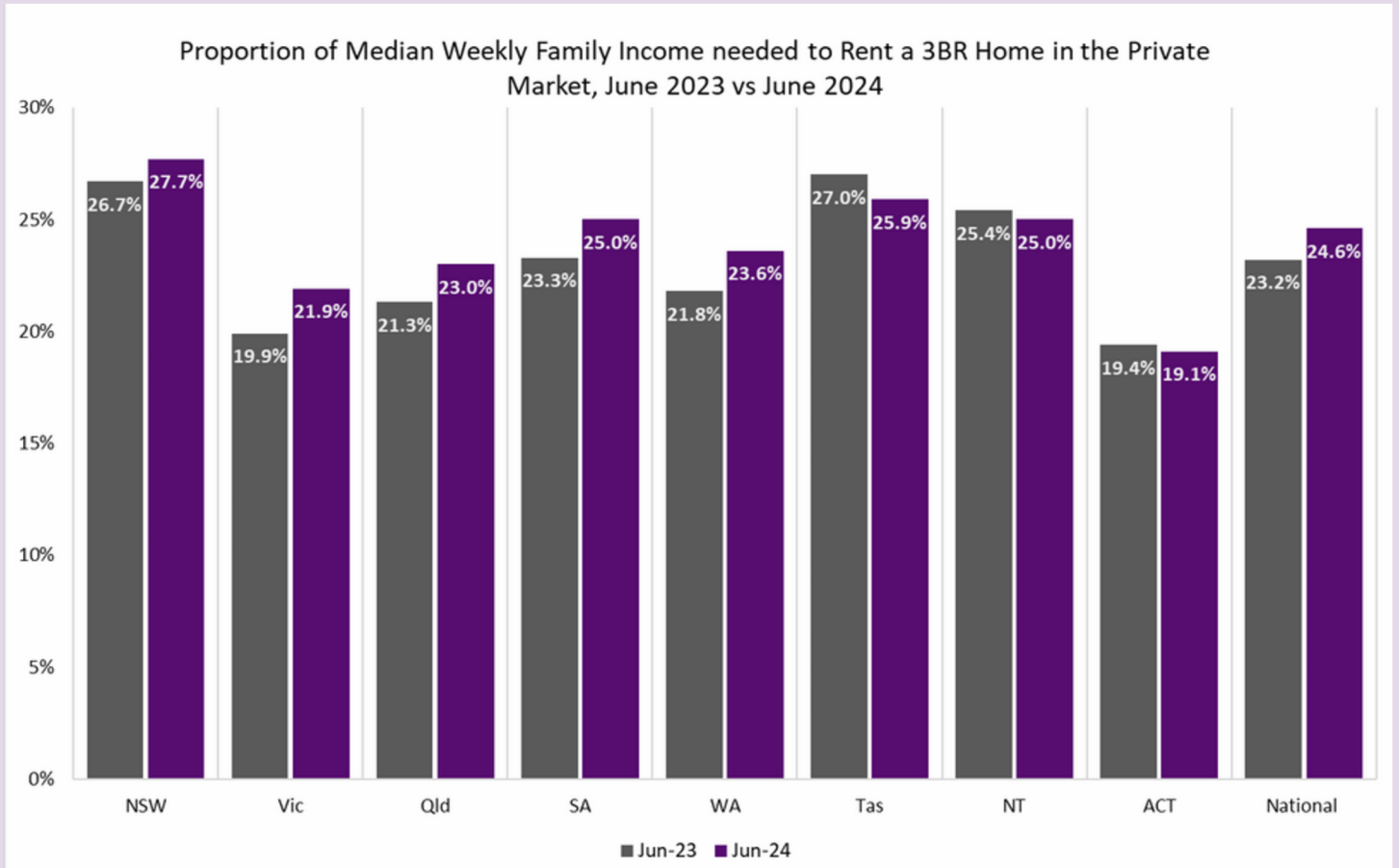
To make renting fairer for renters in the NT, DCLS advocate for the creation of an independent bond board, the introduction of minimum rental standards and increased protections for rent increases, among other key reforms to the *Residential Tenancies Act 1999* (NT).

[Reference 4]

# FACT SHEET

## Cost of Housing in the Northern Territory

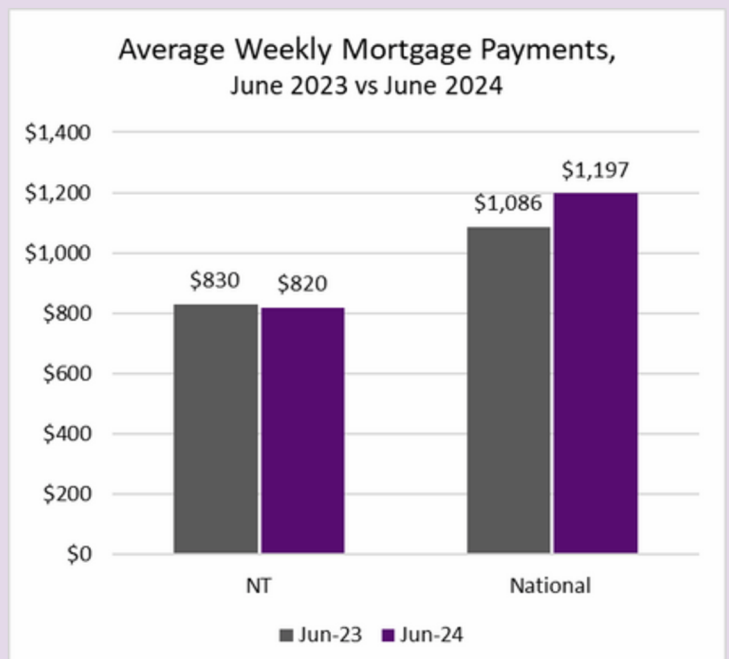
Despite marginal improvements in housing affordability, the Northern Territory is still the third least affordable jurisdiction for rent nationally.



Note: These figures are calculated using a median weekly family income of \$2,532. This is calculated on wage earner's incomes; income support payment recipients are not included. [Reference 5]

**In June 2024, the NT still had the 3rd highest private rent for a 3-bedroom house (\$633/week) - behind NSW (\$701/week) and ACT (\$636/week). In the NT, this is an increase of \$17 from \$616/week in June 2023.**

Average weekly mortgage payments (for new loans only) have decreased in the NT from \$830 in June 2023, to \$820 in June 2024. This now represents 32.4% of median weekly family income, down from 34.2% in June 2023. Despite the decrease, this is still above the housing stress threshold for low-income households.



## Recommendations

### For the Federal Government:

- Raise the base rate of Job Seeker and other working age income support payments to at least \$82 a day, to support people to afford the basic costs of living.
- Benchmark Commonwealth Rent Assistance (CRA) to rents paid and lift the maximum threshold for CRA by 60%.

### For the NT Government:

- Complete the third tranche of amendments to the *Residential Tenancies Act 1999 (NT)* to ensure Territory renters have at least the same rights and protections as other jurisdictions, including:
  - Establish an independent Residential Tenancies Bond Board.
  - Implement minimum standards in rental housing, including for energy efficiency.
  - Increase protections against rent increases.
- Increase the availability of youth specific accommodation across the NT, including through establishing a Youth Foyer in Alice Springs.
- Ensure 30% of Crown land released for residential use is mandated for social and affordable housing.
- Prevent the loss of 723 affordable rentals as the National Rental Affordability Scheme (NRAS) entitlements expire.

## References

1. Real Estate Institute of the NT Inc. (REINT) 2024, Real Estate Local Market (RELM) Analysis, June Quarter 2024, Darwin NT, p. 26, 26; REINT, 2023, RELM Analysis, June Quarter 2023, Darwin NT, p. 24.
2. As above; Services Australia 2024, A Guide to Australian Government Payments, Australian Government, Canberra, 20 March - 30 June 2024, Canberra, ACT p.2,4,12,13,23,38.
3. As above.
4. Darwin Community Legal Service, [Unpublished], Make Renting Fair Survey Results April 2024
5. Real Estate Institute of Australia (REIA) 2024, Housing Affordability Report, June Quarter 2024, Canberra, ACT, p.2,4,5,8,9-16 .
6. REIA 2024, Housing Affordability Report, June Quarter 2024, Canberra, ACT, p.2,4,8-16.