

COST OF LIVING IN THE NORTHERN TERRITORY

MAY 2025

This report is the latest in the Northern Territory Council of Social Service's (NTCOSS) Cost of Living Report series, tracking changes in the cost of living in the Northern Territory (NT). NTCOSS has been producing this series for over 10 years and focuses on Territorians on low incomes, and Territorians experiencing disadvantage.

This report focuses on price changes in the key expenditure areas of utilities, housing and transport and uses the latest Darwin, regional NT, Territory-wide and national data where available.

An understanding of these changes helps inform the policy and advocacy needed to address cost of living pressures and ensure everyone can afford the basics.

This report makes recommendations to the Federal and Northern Territory Governments, regarding evidence-informed actions to be taken to ensure Territorians living on low incomes and income support payments are better supported.

UTILITIES

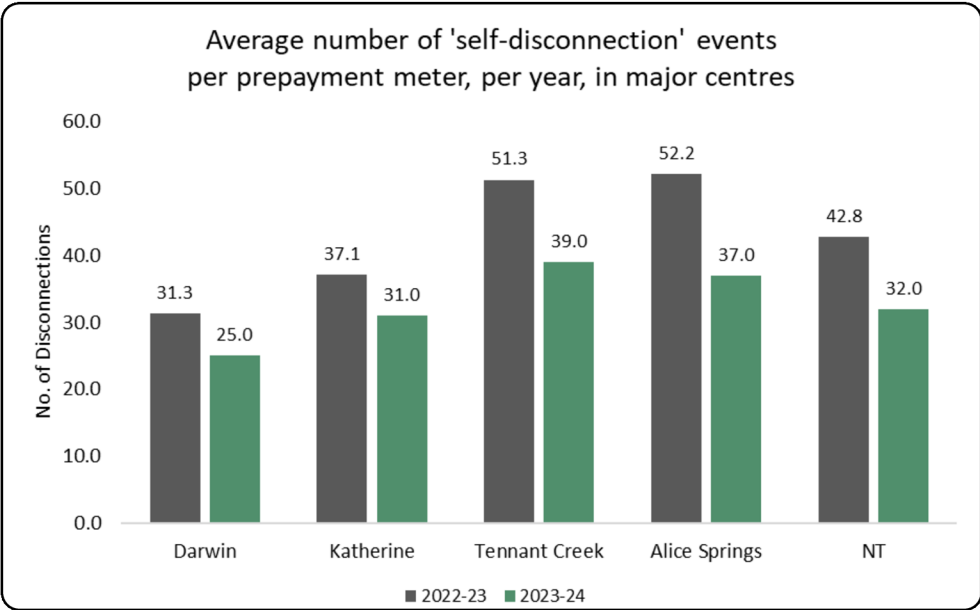
Energy costs are a significant part of any household budget. Many low-income households cannot afford the energy they need, resulting in unmanageable power bills and frequent disconnections.

Cost of Living in the Northern Territory



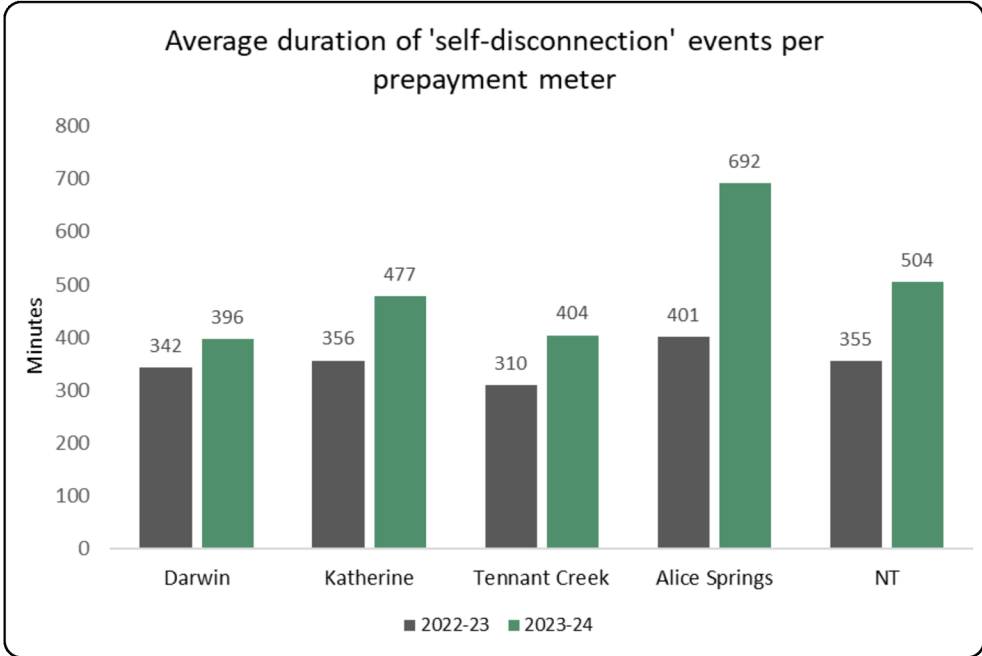
The majority of households in remote Aboriginal communities and some urban public houses use prepayment meters for electricity. When these meters are not topped up with sufficient funds, power to the household is disconnected. Disconnection generally occurs when a consumer cannot afford power credit.

79,700
total involuntary self-disconnections in major centres across the NT in 2023-24.



Households across the Territory with prepayment meters are struggling with very high rates of involuntary self-disconnections. However, between 2022-23 and 2023-24 these rates have decreased in all regions.

This decrease can largely be attributed to the \$350 relief payment, applied from the Federal and Territory governments at the start of 2023-24



Despite the decrease in overall number of self-disconnection events, there was an increase in the average duration of events for self-disconnecting customers across the NT, up from 355 minutes (about 6 hours) per event in 2022-23 to 504 minutes (over 8 hours) in 2023-24 (an increase of 42.1%).

Being without power for extended amounts of time can have a significant impact on people's health and wellbeing.



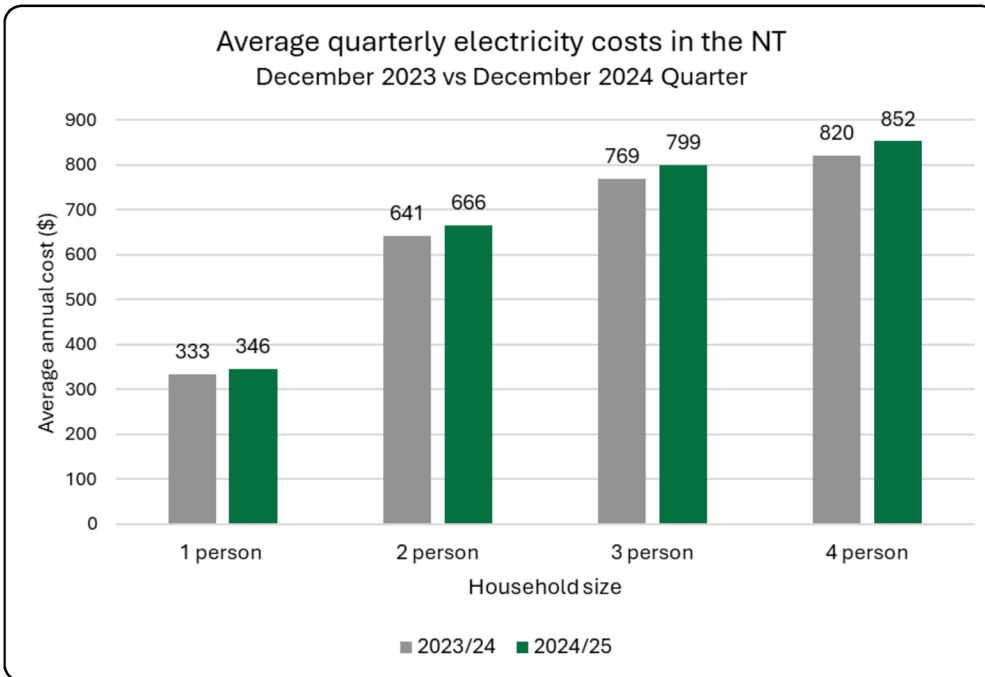
This increase was biggest in Alice Springs, increasing by 291 minutes or close to 5 hours, to an average duration of 692 minutes per disconnection.

This means households in Alice Springs were without power for an average of **11.5 hours** per disconnection event.

[1]

Territorians have some of the highest electricity bills in the country due to extreme temperatures, poor-quality housing and the effects of climate change.

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\$346 per quarter
\$1382.87 per year

for a one-person household based on average daily consumption of 11 kWh

\$799 per quarter
\$3,195.23 per year

for a three-person household based on average daily consumption of 28 kWh

[2]

Note: Data for the average cost of electricity bills in the NT is calculated from average consumption for different sized households as published on Jacana’s household bills in December 2024 and Residential Pricing and Tariffs.

Consumer Price Index (CPI) changes over the past year - to December 2024

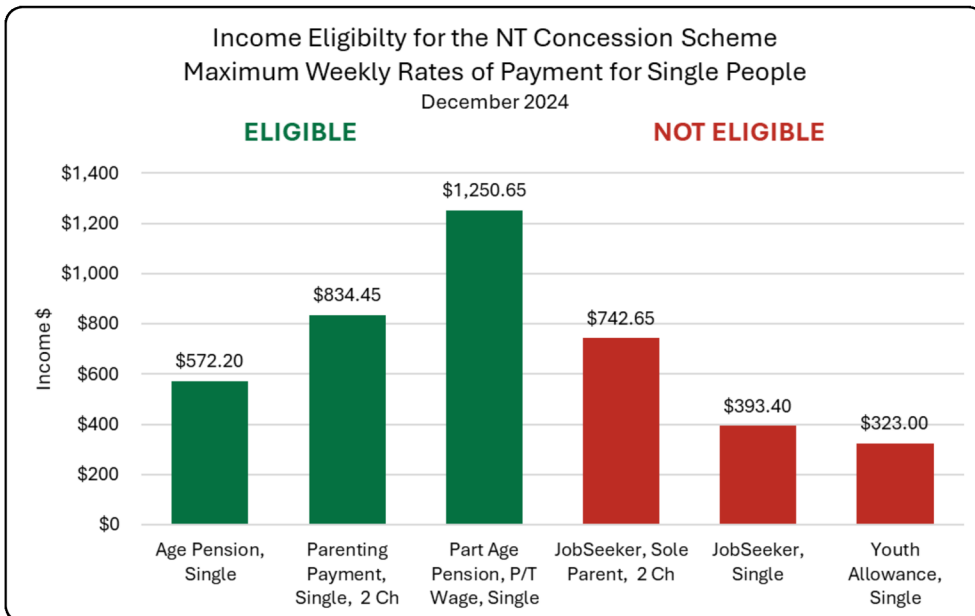
Electricity
CPI for electricity has decreased by 6.7% in the NT, compared to a decrease of 25.2% nationally.

Gas and other household fuels
CPI for gas has increased by 2.2%, less than the increase of 4.6% seen nationally.

Water and Sewerage
CPI for water and sewerage has increased by 4.3%, more than the increase of 2.7% nationally.

The introduction of the 2024-25 Commonwealth Energy Bill Relief Fund (EBRF) rebates from July 2024 was the main driver for the fall in electricity prices this quarter. The much larger decrease nationally in electricity CPI over the past year - vs the decrease in Darwin - was due to some other states having large state based rebates as well - e.g. Queensland \$1000 and WA \$400.

[3]



Concessions are an important mechanism to provide targeted support to those who need it. The NT Government’s Concession Scheme provides eligible recipients with up to \$1200 per year in electricity concessions. However, people on some of the lowest incomes are not eligible for this support. A young person receiving only \$323 per week (Youth Allowance) is not eligible for any of these concessions.

[4]

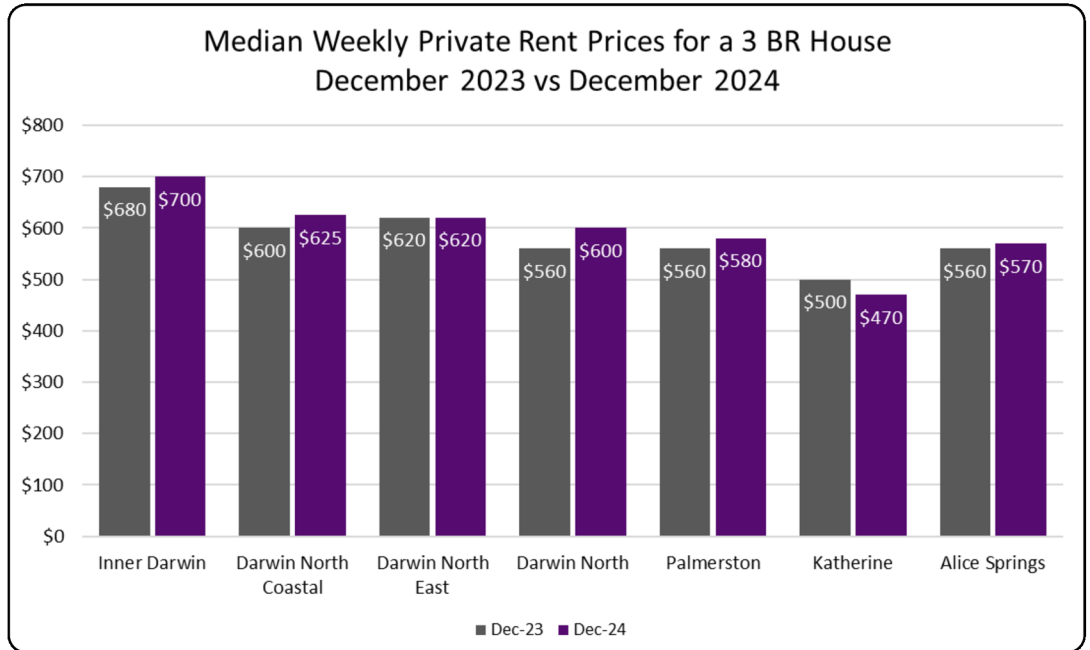
HOUSING

Private rent prices continue to increase in most regions of the NT, putting many households in deep housing stress.

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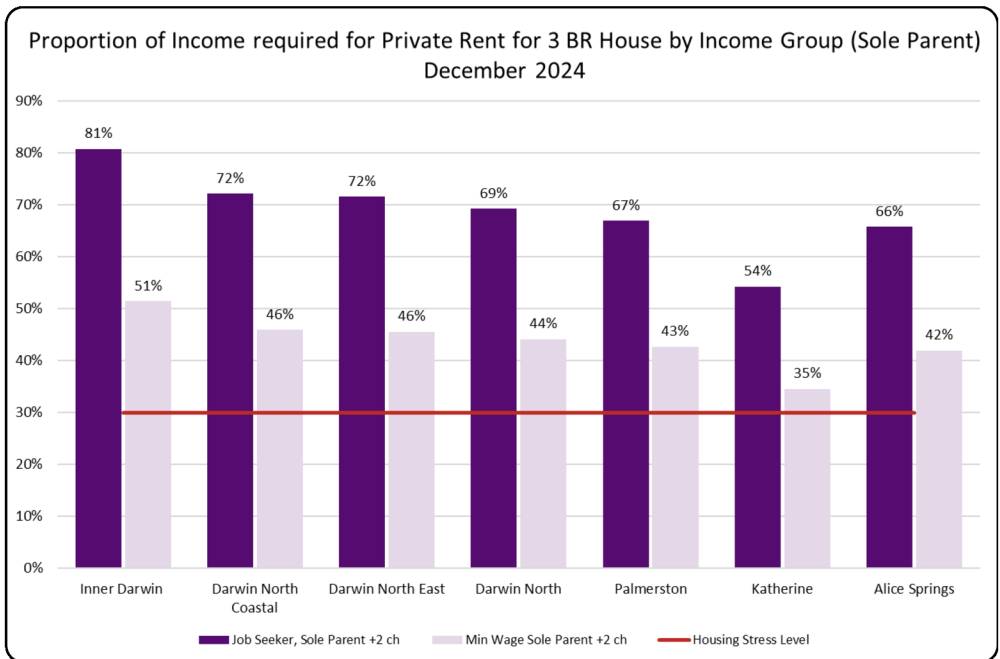
Over the past year to December 2024, median private rental costs for a 3-bedroom house have increased in most areas. Darwin North East had no change at \$620 per week, and Katherine reduced by \$30 a week. Inner Darwin remained the most expensive area, with an increase of \$20 a week to a median weekly private rental price of \$700.



Katherine is the cheapest place to rent in the NT - with a median private rental price of \$470 per week for a 3-bedroom house.

However, it is still not affordable for low-income households. For a single parent on minimum wage this would mean 35% of their income goes to rent, putting them in housing stress.

[5]



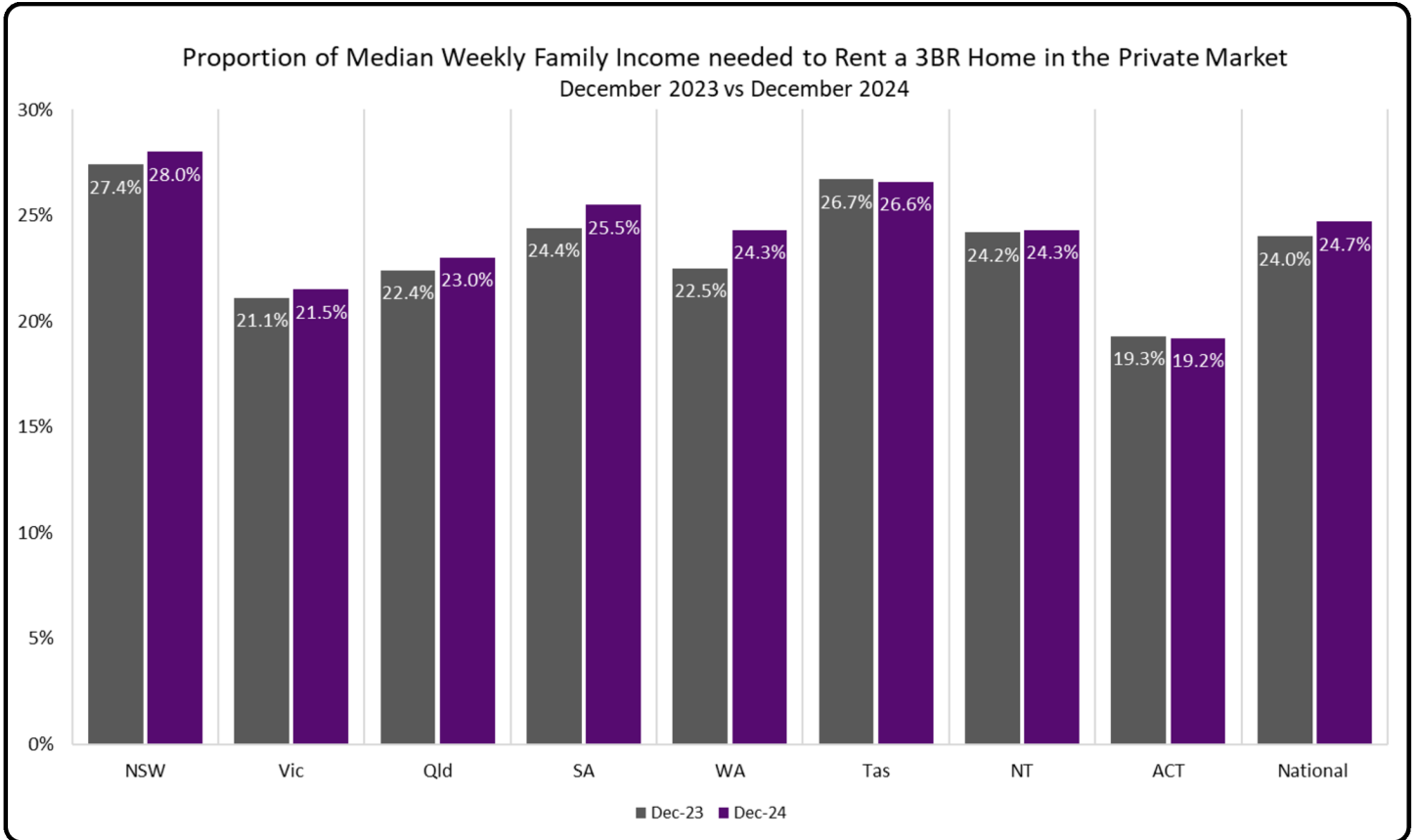
The typical total weekly rate of JobSeeker for a sole parent with 2 children is \$866.76 - that means if they are living in the Darwin North Coast area paying 72% of their income on rent, they are left with only **\$241.76** a week to cover all other basic needs for their family.

[6]

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

Compared to other states and territories, the NT is equal with WA as the fourth least affordable jurisdiction for rent.

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[7]

Affordability figures are based on a median weekly family income of \$2575 in the NT. This is calculated on wage earner's incomes; income support recipients are not included.

Average rent paid for a 3-bedroom house in the NT was \$625 per week in December 2024.

This is an increase of \$25 since December 2023 - and means the NT has the third highest median rent figure behind NSW (\$720/week) and ACT (\$651/week). The national average is \$624/week.

[8]

Average weekly mortgage payments in the NT



\$821

December 2023



\$882

December 2024

This now represents 34.3% of median weekly family income, up from 33.2% in December 2023. The NT is the most affordable jurisdiction nationally for mortgage repayments in terms of proportion of income required.

Note: average weekly mortgage payments are based on new loans only.

[9]

Anglicare Rental Affordability in the Northern Territory: Snapshot Report 2025

Anglicare's latest data shows that on 15 March 2025, 370 private rentals were advertised across the NT. This was a marked drop from 578 advertised on snapshot collection day in 2024. Of those:

- Only **3** properties were affordable for at least one household type living on income support payments,
- Only **28** properties were suitable for at least one household type living on minimum wage without placing them in housing stress.

[10]

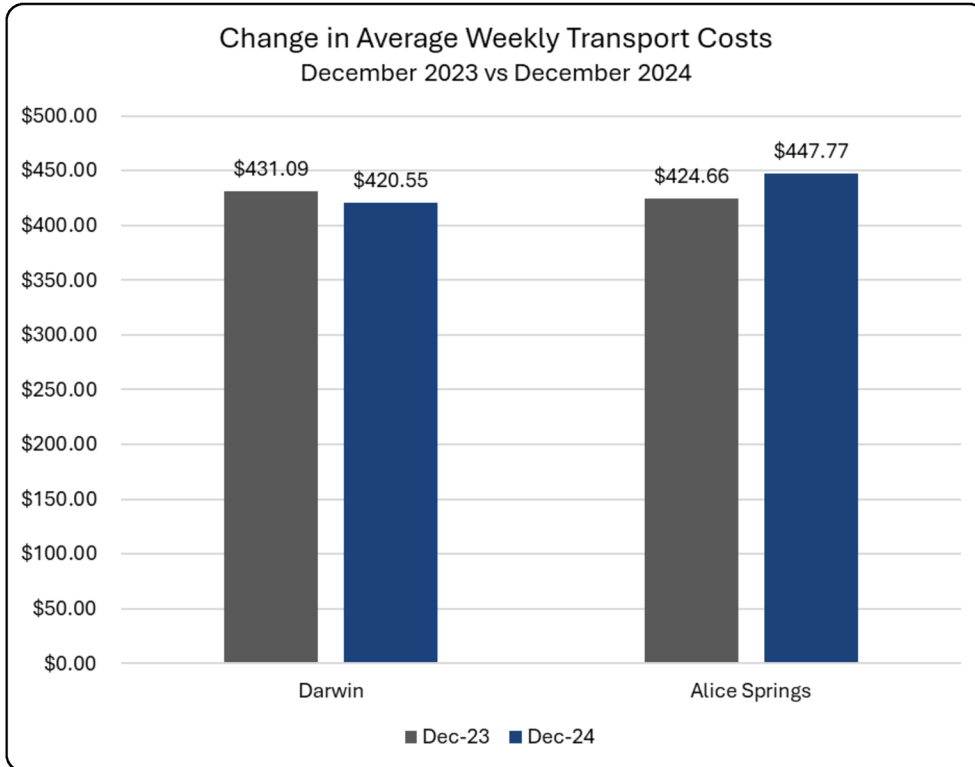
Transport

The cost of transport has a big impact on a household's budget - and is an essential part of participation in employment and the broader community.

Cost of Living in the Northern Territory



The Australian Automobile Association's **Transport Affordability Index** shows that as of December 2024, Alice Springs remained the most expensive regional town surveyed.



A typical household in Alice Springs is estimated to spend 18.2% of their weekly income on transport costs as at - this has increased from 17.4% in December 2023.

In Darwin, transport costs represent 16.3% of a typical household's income - down from 17.4% in December 2023.

Note: These proportions are based on a hypothetical household with two adults working full time and a total weekly income of \$2,433.53 in Alice Springs and \$2,580.06 in Darwin.

[11]



Registration is a significant cost of owning a car. To register a small car, it costs around \$400 for 6 months.

The **Motor Vehicle Concession** is available to people eligible for the NT Concession Scheme to assist in paying for registration costs. It has not increased since 2009 and is a set amount of up to \$154 per year (\$77 for six months).

While registration costs are currently frozen, the value of this concession has diminished significantly. In 2014, it represented 23.5% of the registration cost for a small vehicle, as of December 2024 it is only 19.2%.

Note: these figures are based on 6-months registration for a small 4-cylinder vehicle with 1001-1500cc engine size.

[12]

Consumer Price Index (CPI) changes

Based on CPI, fuel prices have decreased by 14.4% in Darwin over the past year to December 2024. This is a greater drop in price compared to the decrease of 7.9% nationally. Transport CPI (which includes things like spare parts, maintenance of motor vehicles and public transport) shows a decrease of 4.4% for Darwin compared to 1.5% nationally. All groups CPI increased by 1.7% for Darwin, and 2.4% nationally for the same time period. This shows that prices for transport are coming down faster than other goods and services.

While the fuel and transport prices are now declining, it is off the back of significant increases. Between December 2020 and December 2023, fuel prices in Darwin rose 68.8%, and 57.6% nationally.

[13]

Transport

The cost of fuel varies significantly across the Territory and people living outside of major centres face much higher prices.

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Fuel prices in major centres (December 2024)

Diesel

Darwin: 178.3 cpl
Australia average: 183.2 cpl

Unleaded 91

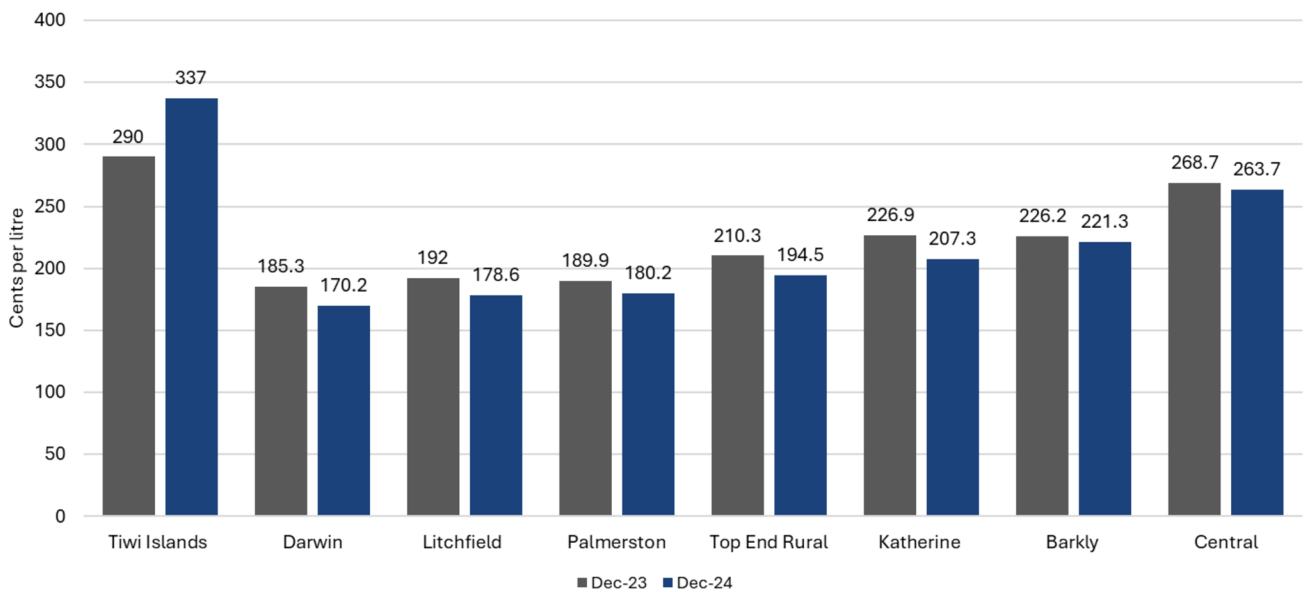
Darwin: 175.9 cpl
Australia average: 186.1 cpl

For both unleaded petrol and diesel, the average price of fuel in Darwin in December 2024 was lower than the national average. However, the NT regional average for diesel, at 240.6 cents per litre (cpl) was significantly more.

Similarly for unleaded petrol, the major regional centres of Alice Springs (246.7 cpl), Katherine (201.5 cpl) and Tennant Creek (221 cpl) were all much higher than the Darwin and national averages.

[14]

Unleaded 91 Prices - Regions of the NT
December 2023 - December 2024

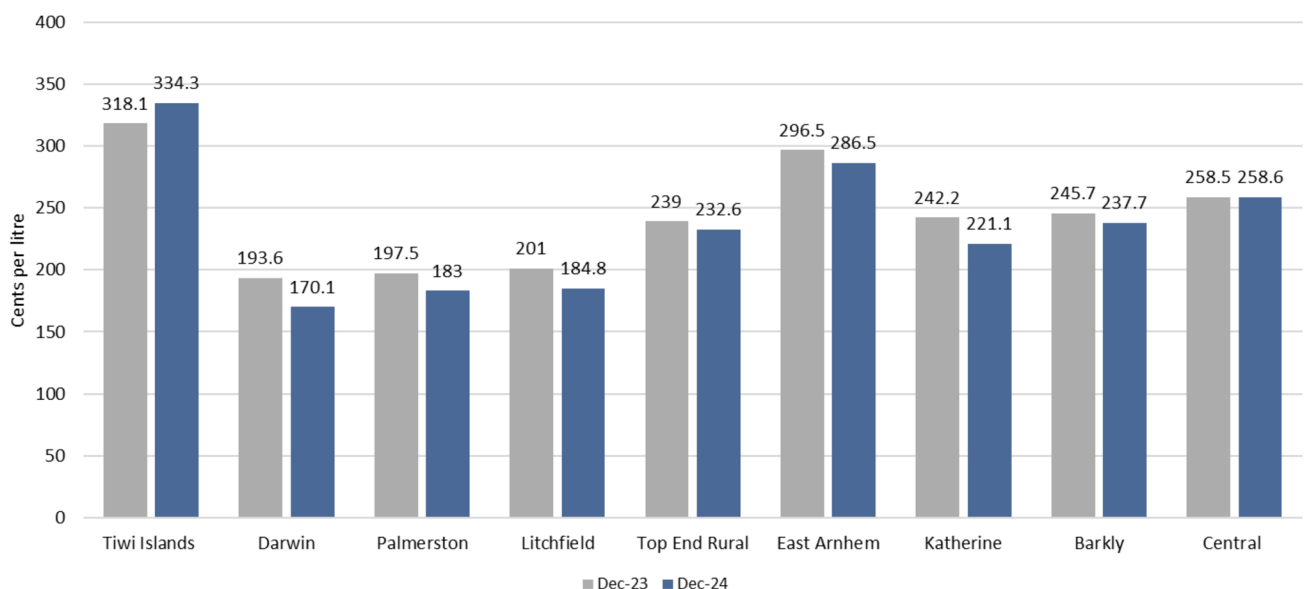


[15]

Note: Unleaded 91 prices are not available for East Arnhem due to the use of low aromatic fuel.

These graphs show the significant variation of pricing for fuel across the regions of the NT. In most regions the prices have come down over the past year to December 2024, however the Tiwi Islands remains both significantly more than any other region, and the only region to increase for both unleaded petrol and diesel.

Diesel Prices - Regions of the NT
December 2023-December 2024



[16]

RECOMMENDATIONS

Cost of Living in the Northern Territory



Federal

- Raise all income support payments to at least \$82 a day so everyone can afford to meet their basic needs
- Substantially and immediately increase the Remote Area Allowance

NT

- Expand the NT Concession Scheme so all holders of a Services Australia Health Care Card can receive support

Housing

Federal

- Benchmark Commonwealth Rent Assistance (CRA) to rents paid and lift the maximum threshold for CRA by 60%

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
- Ensure 30% of Crown land released for residential use is mandated for social and affordable housing
- Prevent the loss of 536 affordable rentals as the National Rental Affordability Scheme (NRAS) entitlements expire

Utilities

- Commit to reducing the frequency, duration and number of disconnections for prepayment meter (PPM) customers
- Reduce the standard prepayment tariff
- Ensure PPM customers can access an equivalent level of hardship programs as post-payment customers across all retailers
- Increase payment options for PPM users to include automated payment options like Centrepay and Direct Debits
- Implement minimum energy efficiency standards for rental homes
- Install solar energy on all social housing

Transport

- Increase the NT Motor Vehicle Concession to address deteriorated value and establish yearly indexation
- Remove the excessive administration fees on short-term motor vehicle registration
- Establish Health Care Card concession rates for users of remote bus services and ensure consistency of bus fare structures across different services.
- Conduct a review into regional and remote public transport networks

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