

Cost of Living in the Northern Territory:

A Ten-Year Comparison 2016-2026



EXECUTIVE SUMMARY

The cost of living is a major challenge for many Territorians. While incomes have increased in real terms over the past decade, the cost of essentials has also risen. For many people, especially those on low incomes, these increases have made it harder to meet basic needs.

This report examines changes in the cost of living over the last decade in the NT, in the key expenditure areas of housing, utilities, transport and food. A brief examination of income changes, and concessions that can help households manage these costs, is also included.

Key Findings

Incomes

- Incomes have increased in real terms over the past decade, however there are still significant differences between those on the lowest incomes and median wages.
- Income support payments remain too low to enable people to meet their basic needs.

Housing

- Average weekly rent increased by 55% over the past decade in the NT. The NT has the highest average rents nationally.
- Mortgage affordability has significantly decreased with average loan payments more than doubling in the past decade.

Utilities

- Households across the NT have experienced increases of around 18% on their power costs over the past decade.
- Electricity disconnections are impacting households with prepayment meters more frequently, with 2284 more disconnections per month on average in 2024-25, than there was in 2019-20.

Transport

- Average weekly transport costs have increased by 50% in Darwin and 65% in Alice Springs over 9 years, and are now consuming up to 17% of a household's average budget.
- Fuel prices are consistently more expensive in regional and remote areas. Diesel prices have risen at a much sharper rate than unleaded 91. An 80L tank of diesel costs \$28 more in Darwin than it did in 2018, and \$88 more in Central Australia.

Food

- The average cost of a healthy food basket has increased by about 20% between 2016 and 2023.
- Prices for food in remote stores remain around 40% higher than the same basket of goods in major supermarkets.

Recommendations

There are a range of actions that both the Australian and NT Governments could take to ensure those on the lowest incomes and experiencing disadvantage are supported to meet their basic needs. However, the most effective way to immediately ease cost of living pressures for those on the lowest incomes is to:

- Raise the base rates of JobSeeker, Youth Allowance, Parenting Payment and related income support payments.
- Substantially increase the Remote Area Allowance to properly account for the higher costs of living in remote areas.

Summary of all recommendations

Income	Raise the base rates of JobSeeker, Youth Allowance, Parenting Payment and related income support payments to parity with pensions, at least \$618 per week on current rates (as at September 2026). o In addition, index payments to wages as well as prices.
	Immediately and substantially increase the Remote Area Allowance to properly account for the higher costs of living in remote areas. The minimum appropriate increase should be \$121.30 per week or \$17.30 per day.
Housing	Increase Commonwealth Rent Assistance and benchmark it to actual rents paid.
	Set a national target for social housing development, supported by jurisdiction-specific targets developed through transparent needs assessments.
	Amend the Residential Tenancies Act 1999 (NT) to ensure Territory renters have at least the same rights and protections as other jurisdictions, including: o Establish an independent Residential Tenancies Bond Board. o Implement minimum standards in rental housing. o Increase protections against rent increases.
	Introduce a rental affordability scheme to replace the now expired National Rental Affordability Scheme (NRAS).
	Apply inclusionary zoning mechanisms to embed affordable and social housing within new developments.
Utilities	Install solar energy on all social housing, ensuring cost savings are passed onto residents.
	Commit to reducing the number and duration of involuntary self-disconnections for prepayment meter customers, including through: o Adopting mandatory reporting of electricity self-disconnections for all networks. o Reducing the standard prepayment tariff. o Ensuring prepayment customers can access an equivalent level of hardship programs as post-payment customers across all retailers. o Increasing payment options for prepayment meter customers, including automated payment options.
	Implement minimum energy efficiency standards for rental homes.
Transport	Lift the Motor Vehicle Registration concession to a minimum of \$240 per 12-month period and establish ongoing indexation.
	Remove the excessive administration fees on short-term motor vehicle registration.
	Require private transport companies receiving NT Government grants to have concession fare options that give a significant discount.
	Conduct a review into regional and remote public transport networks.
Food	Extend the 30 essential items subsidy to include more items over time, including: fresh and frozen meat, fruit and vegetables, and nutrient enriched baby and toddler food.
	Ensure housing in remote communities is fit for purpose and has adequate facilities to support safe food storage and preparation. This includes ensuring reliable power supply, safe drinking water and culturally responsive housing design.
	Invest in the sustainability of the community services sector to ensure they can provide important support to Territorians experiencing food insecurity, including by: o Removing the efficiency dividends from sector funding agreements. o Developing appropriate indexation measures to ensure funding reflects real cost of delivering services.
Concessions	Extend eligibility of the NT Concession Scheme to include all Services Australia Health Care Card holders.
	Streamline the NT Concession Scheme processes to make it easier for eligible people to stay in the scheme and to access the scheme's benefits. Including by: o Automating data-sharing with housing and energy providers so that concessions are automatically applied. o Simplifying reapplication processes for members who will not see a change to their situation.

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Income levels in the Northern Territory

Cost of Living in the Northern Territory: A Ten-Year Comparison 2016-2026

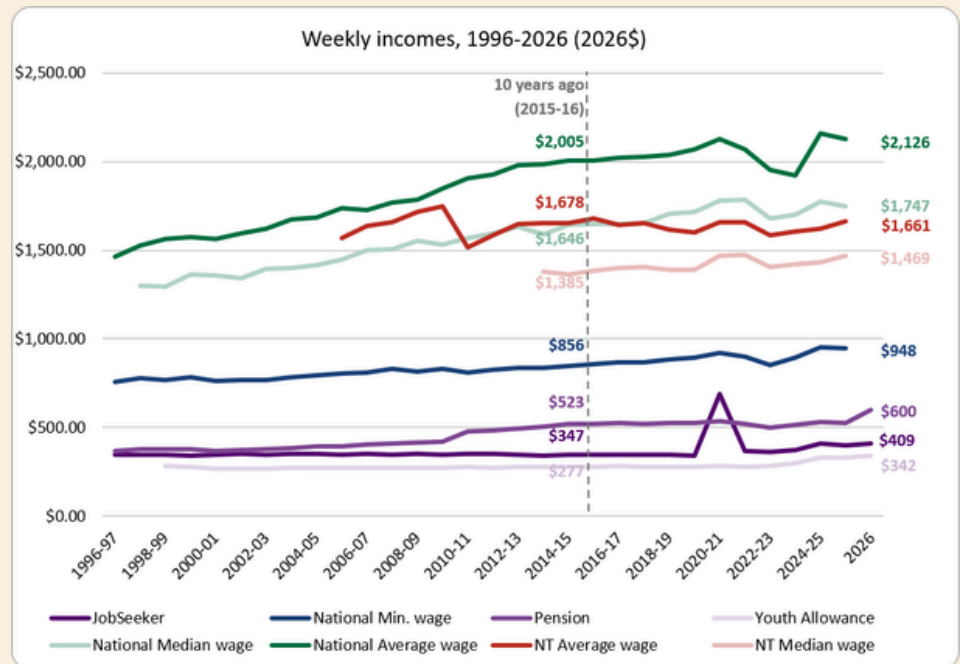
Key points:

- Working age income support payments have risen by 15-24% in real terms (i.e. accounting for inflation) in the past decade.
- Even with these increases, income support payments remain below the poverty line, leaving many people unable to meet their basic needs.

Over the past 10 years, the minimum wage and key single social security payment rates have all increased by 37-55%. However, much of the apparent increases simply reflect higher economy-wide prices. In real terms (i.e. accounting for inflation), the Age Pension, JobSeeker and Youth Allowance have all increased by between 15-24% over the last decade. Minimum wage has increased by 11%.

Despite these increases, all income support payments remain well below the poverty line and the minimum wage.

As of June 2026, the weekly JobSeeker payment (\$409) and Youth Allowance payment (\$342) are both less than half of the weekly minimum wage (\$948).



Recommendations

For the Federal Government:

- Raise the base rates of JobSeeker, Youth Allowance, Parenting Payment and related income support payments to parity with pensions, at least \$618 per week on current rates (as at September 2026).
 - In addition, index payments to wages as well as prices.
- Immediately and substantially increase the Remote Area Allowance to properly account for the higher costs of living in remote areas. The minimum appropriate increase should be \$121.30 per week or \$17.30 per day.

FACT SHEET

Cost of Housing in the Northern Territory

Cost of Living in the Northern Territory: A Ten-Year Comparison 2016-2026

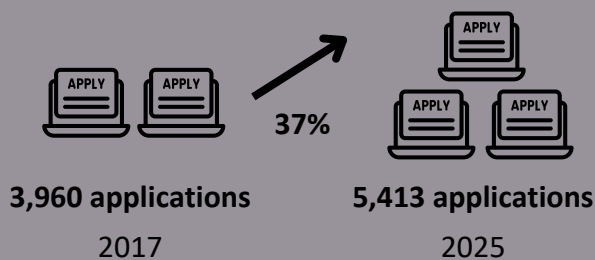
Key points:

- Social housing shortages have left many low-income Territorians with no option but to rent in the private market or face potential homelessness.
- Over the past 10 years, private rental prices have increased significantly, with the NT continuing to have the highest average rents nationally.
- House sale prices have fluctuated across the Territory in the past decade, but overall mortgage affordability has significantly decreased.

Social housing applications are growing faster than the social housing stock.

Consequently, many people on low incomes are forced to rent in the private market (where prices tend to be unaffordable and there are limited protections) or face potential homelessness.

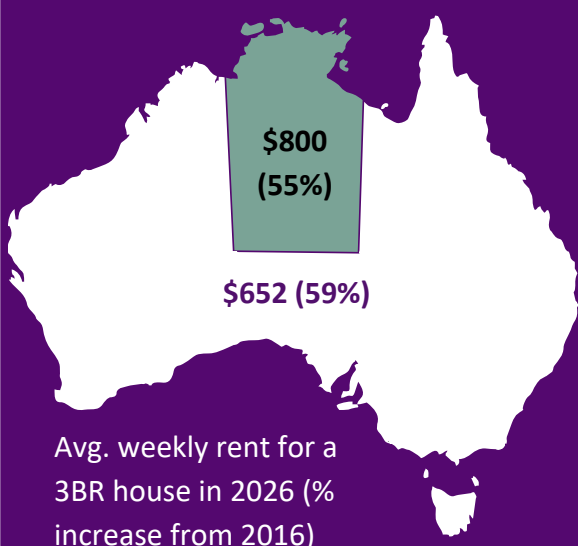
Annual social housing applications increased by 37% between 2017 and 2025.



The NT's social housing stock increased by only 4% between 2017 and 2025.



Average rental prices in the NT are higher than in the rest of Australia.



Case study: Anglicare's Rental Affordability Report

Each year, Anglicare NT takes a snapshot of properties listed for rent on realestate.com.au on one weekend in March. Over the past 10 years, the availability and affordability of private rentals for those on low incomes has reduced:

- The number of advertised rentals has dropped dramatically, from 1,354 available on the snapshot weekend in 2016, to just 257 in 2026.
- Only 13 rentals in 2026 were suitable for at least one household type living on minimum wage (down from 53 in 2016), and none were affordable for someone living on key social security payments.

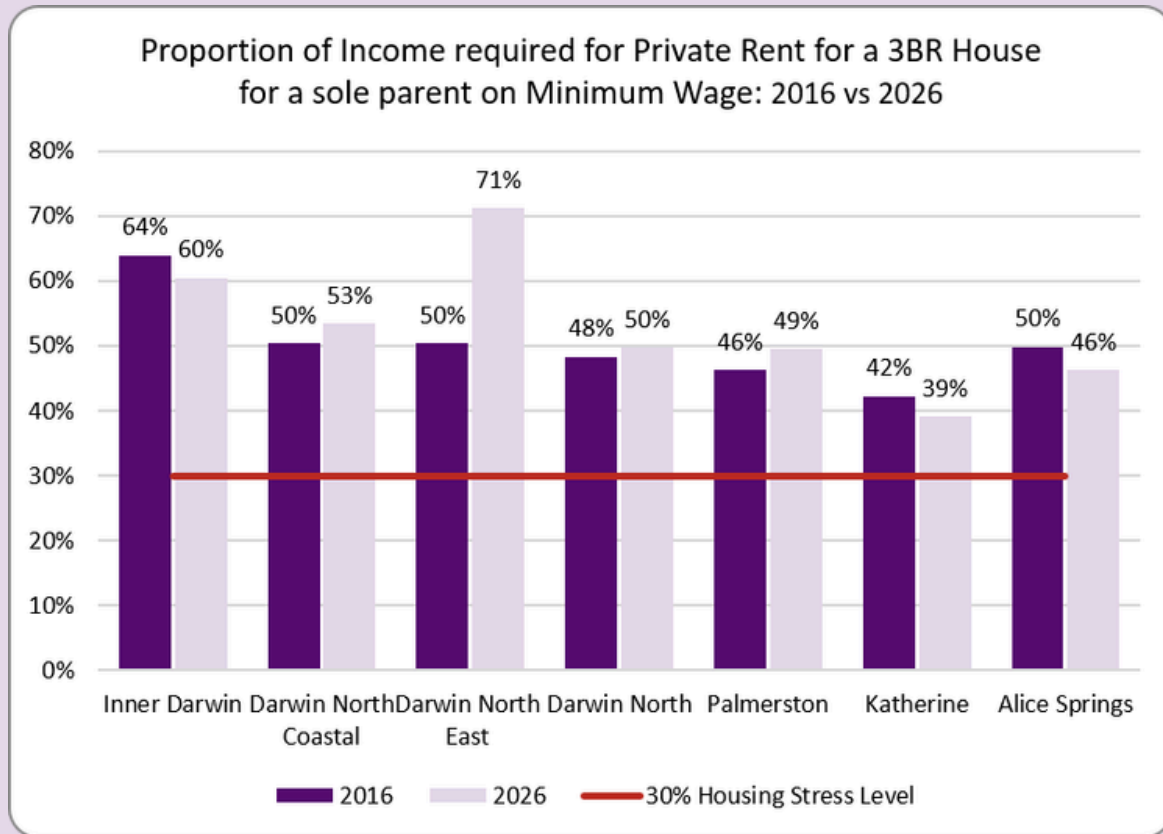


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Cost of Housing in the Northern Territory

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In all major centres, renting a 3 bedroom house would put a low-income sole parent in rental stress



Mortgage affordability has also significantly decreased.

From 2016-2026, average weekly loan payments increased by 142% across the NT, and the proportion of median weekly family income required for an average weekly repayment increased from 21% to 37%.

Recommendations

For the Federal Government:

- Increase Commonwealth Rent Assistance and benchmark it to actual rents paid.
- Set a national target for social housing development, supported by jurisdiction-specific targets developed through transparent needs assessments.

For the NT Government:

- Amend 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.
 - Increase protections against rent increases.
- Introduce a rental affordability scheme to replace the now expired National Rental Affordability Scheme (NRAS).
- Apply inclusionary zoning mechanisms to embed affordable and social housing within new developments.

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Cost of Utilities in the Northern Territory

Cost of Living in the Northern Territory: A Ten-Year Comparison 2016-2026

Key points:

- Energy prices in the NT are lower than in the rest of Australia and are increasing at a slower rate. However, this is somewhat offset by high energy consumption per household in the NT.
- Increasing energy costs are having a bigger impact on people living in remote Aboriginal communities, who face higher costs and frequent disconnections.

CPI changes over the past decade (June 2016 - June 2026)

Electricity



CPI for electricity has increased by 20% in the NT, compared to 49% nationally.

Water & Sewerage



Water & sewerage CPI has risen by 20% in the NT, and 21% nationally.

Regulated utilities tariffs and government subsidies keep power prices in the NT lower than they would be otherwise. Consequently, over the past decade, electricity prices in Darwin and across the NT rose at a much slower rate than elsewhere in Australia.

The cost of electricity in Darwin (as measured by CPI) rose by 20% over the last 10 years, less than overall inflation in Darwin (30%) and far less than electricity price increases in other capital cities (49%). Across the NT, prices for average power bills increased by around 18%.

NT Average electricity cost in 2025/26 (compared to 2015-16)

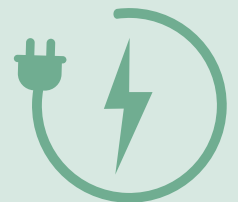


\$356 per quarter (up 18% from 2015-16)
for a one-person household (based on average daily consumption of 11 kWh)

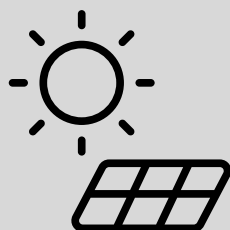


\$713 per quarter (up 18% from 2015-16)
for a three-person household (based on average daily consumption of 28 kWh)

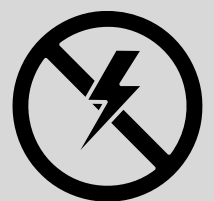
Increasing energy costs are having a bigger impact on low-income households and households in remote communities



Renters (including people living in social housing) can't take advantage of government subsidies on solar power, so don't experience the benefits and cost reductions that solar can pass on.



Most households in remote Aboriginal communities (and some urban public households) use prepayment meters for electricity, which face higher costs and frequent disconnections (see next page).



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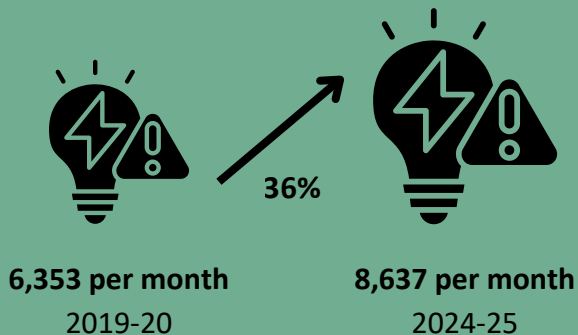
Cost of Utilities in the Northern Territory

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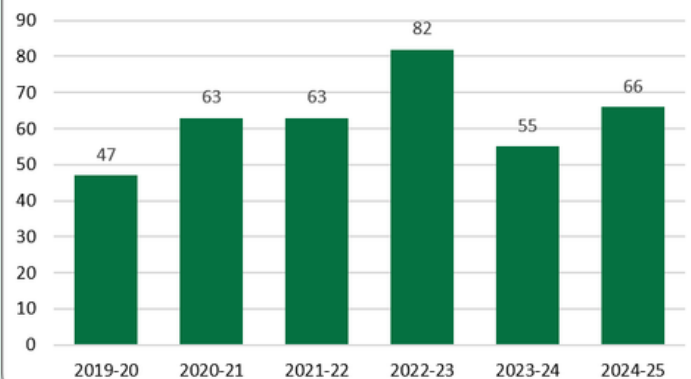
There were **103,648** involuntary self-disconnections in major centres across the NT in 2024-25.

When prepayment meters are not topped up with sufficient funds, power to the household is disconnected. Disconnection generally occurs when a consumer cannot afford power credit.

Average total prepayment meter disconnections per month in major centres



Average number of involuntary self-disconnection events, per self-disconnecting customer, per year



In 2024-25, prepay customers in the NT who reported involuntary self-disconnections were, on average, disconnected every 5.5 days. A typical disconnection leaves households without power for around 4 hours.

Most prepayment households pay more for electricity than postpayment households.

The prepayment rate is higher than postpayment to account for prepayment customers not paying a fixed daily charge. While this equalises rates for lower use households, once a prepayment household is using more than 19.8kwh per day (which is below the average daily energy use for NT households with 2 or more people), they are paying more for electricity than a post payment household would.

Recommendations

For the NT Government:

- Install solar energy on all social housing, ensuring cost savings are passed onto residents.
- Commit to reducing the number and duration of disconnections for prepayment meter customers, including through:
 - Adopting mandatory reporting of electricity disconnections for all networks.
 - Reducing the standard prepayment tariff.
 - Ensuring prepayment customers can access an equivalent level of hardship programs as post-payment customers across all retailers.
 - Increasing payment options for prepayment meter customers, including automated payment options.
- Implement minimum energy efficiency standards for rental homes.

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Cost of Transport in the Northern Territory

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Key points:

- Transport costs are rising across the NT (due largely to rising fuel costs), and are consuming an increasing share of household budgets.
- Remote households and low-income households have been the hardest hit by increasing transport costs.

Between 2017 and 2026, average weekly transport costs increased by **50%** in Darwin, and **65%** in Alice Springs.

Transport is consuming an increasing share of household budgets, rising from **12% to 16%** in Darwin, and **14% to 18%** in Alice Springs over the same period.

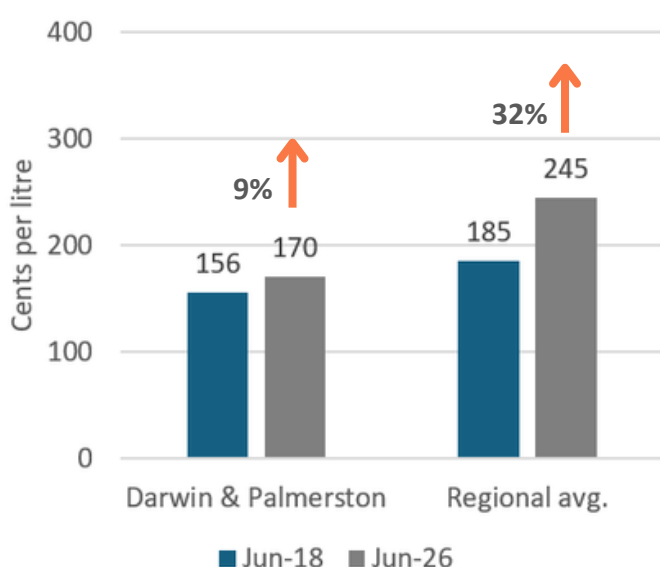
Avg. Weekly Transport Costs: Q2 2017 vs Q2 2026



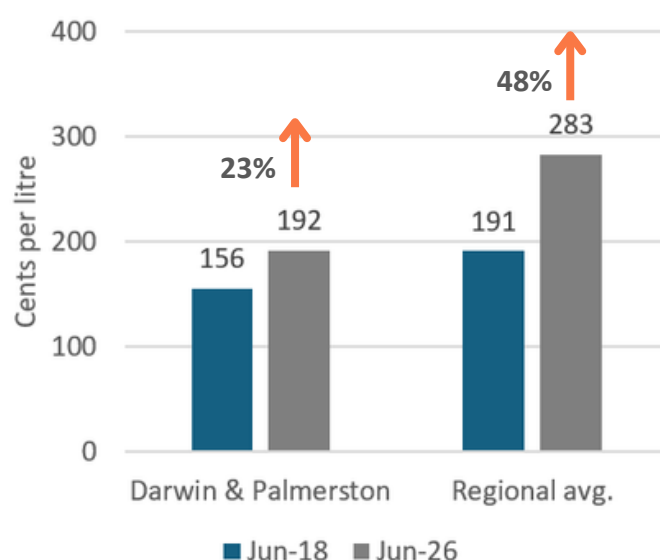
Fuel is the fastest growing transport expense.

Prices in regional and remote areas are consistently higher than in urban centres and have seen larger increases over the past 8 years.

NT Unleaded 91 Prices: June 2018 vs June 2026



NT Diesel Prices: June 2018 vs June 2026



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Transport costs for low-income households have risen significantly in the past decade.

Taxi fares (which many low-income households rely on) have grown considerably across the NT in the past 10 years.

In each of the Darwin, Alice Springs, Katherine and Nhulunbuy regional centres, fares increased by more than 26% between 2016 and 2026.

Taxi fares in remote areas can cost considerably more than in Darwin.

Nhulunbuy was the most expensive regional centre, at \$33 for a 10km trip in 2026, an increase of 27% from 2016.

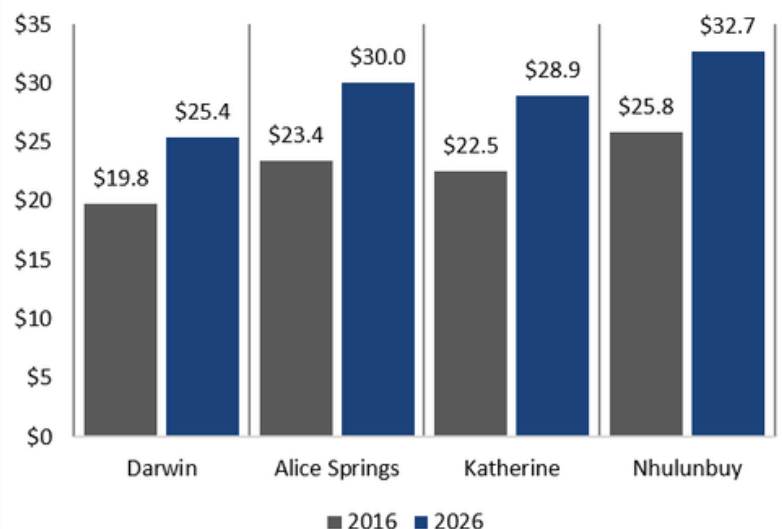


The annual cost of registering a small car has increased by \$127 over the past decade.

The motor vehicle registration concession has remained frozen at \$154 per year, causing the value of the concession (as a % of registration costs) to decrease from 23% in 2016 to 19% in 2026.



Taxi 10km fare comparison across NT regions 2016 vs 2026



Recommendations

For the NT Government:

- Lift the Motor Vehicle Registration concession to a minimum of \$240 per 12-month period and establish ongoing indexation.
- Remove the excessive administration fees on short-term motor vehicle registration.
- Require private transport companies receiving NT Government grants to have concession fare options that give a significant discount.
- Conduct a review into regional and remote public transport networks.

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Cost of Food in the Northern Territory

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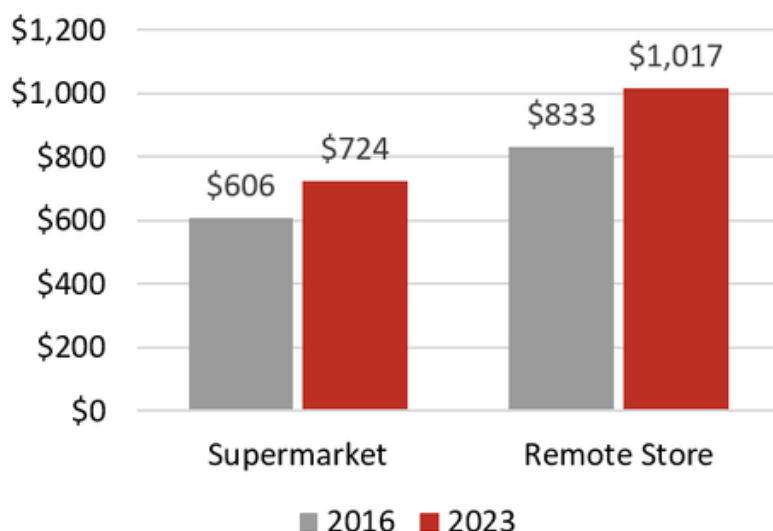
Key points:

- Food prices have continually risen over the last decade, making it more difficult for Territorians to afford healthy food.
- Food is less affordable and accessible in remote areas.

Almost 1 in 2 Territorians experience food insecurity. The cost of food is significantly higher in remote areas than in urban areas.

The Market Basket Survey, run by NT Health, shows that in remote stores, between 2016 and 2023, the average cost of a healthy food basket increased by 22%. In district centre supermarkets it increased by 19%.

Healthy food basket costs - NT
Average: 2016 vs 2023
↑19% ↑22%



Almost 1 in 2 Territorians were food insecure in 2025



In 2023, the average cost of a healthy food basket in the NT was 40% more in remote stores than in district centre supermarkets. (In 2016, the difference was 38%).



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Food CPI: Increase from 2016 to 2026



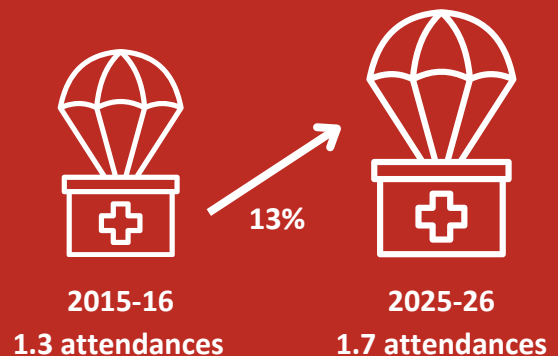
Food prices in Darwin (as measured by the CPI) rose 35% in Darwin over the past decade, slightly less than 37% nationally.

However, the experience in Darwin can be very different to elsewhere in the Territory.

Case study: Anglicare NT Emergency Relief

Anglicare NT provides Emergency Relief to clients in the form of food vouchers. Over the past decade, average attendance per client increased by 13%, meaning clients are needing more support than they were a decade ago.

Average attendance per client



Recommendations

For the Federal Government:

- Extend the 30 essential items subsidy to include more items over time, including: fresh and frozen meat, fruit and vegetables, and nutrient enriched baby and toddler food.

For the NT Government:

- Ensure housing in remote communities is fit for purpose and has adequate facilities to support safe food storage and preparation. This includes ensuring reliable power supply, safe drinking water and culturally responsive housing design.
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