

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.
Transport	Implement minimum energy efficiency standards for rental homes.
	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.