

# NTCOSS

NT Council of Social Service Inc.



## COST OF LIVING REPORT

Tracking changes in the cost of living, particularly for vulnerable and disadvantaged Northern Territorians: The Cost of Housing in the Territory



Issue No.2 December 2013



## ***NTCOSS Cost of Living Report***

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## Introduction

This report tracks changes in the cost of living, particularly for vulnerable and disadvantaged Northern Territorians.

The first part uses the Australian Bureau of Statistics' Selected Living Cost Indexes (ABS, 2013a) and Consumer Price Index (ABS, 2013d) to show changes in the cost of living in the last quarter and over the last 12 months.

As a summary measure, the Selected Living Cost Indexes are preferred over the better known Consumer Price Index (CPI) because the CPI is technically not a cost of living measure. The CPI tracks changes in the price of a specific basket of goods, but this basket includes goods and services that are not part of the expenditure of all households, and in particular, not part of the expenditure of poor households. This is important when considering the cost of living because if expenditure on bare essentials makes up the vast bulk (or entirety) of expenditure for low income households, then price increases in those areas are crucial. Increases in the prices of bare essentials may be masked in the generic CPI by rises or falls in other goods and services in the CPI basket, which may be discretionary items and therefore less relevant to low income households.

The Selected Living Cost Indexes use a different methodology to the CPI (see Explanatory Note 1) and it disaggregates expenditure into a number of different household types (ABS, 2013b), although this *Cost of Living Update* focuses only on the "Aged Pension" and "Other government transfer recipient" figures (hereafter "other welfare recipients"), as these are likely to represent the more disadvantaged households. While the Selected Living Cost Indexes also have limitations in tracking cost of living changes for these groups (see Explanatory Note 2), they do provide a robust statistical base, a long time series, and quarterly tracking of changes – all of which provide useful data for analysis. This report also adds to the Selected Living Cost Indexes figures by putting a dollar value on the percentage changes in the indexes, and by using disaggregated CPI data to summarise change in prices of key items.

The second section of the NTCOSS *Cost of Living Reports* contains a more in-depth analysis of cost of living trends in one key area of concern in relation to cost of living pressures on vulnerable and disadvantaged Northern Territorians. This *Report* focuses on the cost of housing and using ABS Housing and Occupancy Data (ABS, 2013e-h) and ABS CPI figures for Darwin<sup>1</sup>, comparing these with national and state/Territory figures, as well as quantitative and qualitative data from a range of other sources.

***NTCOSS acknowledges the generous time and resources and advice provided by SACOSS, whose Cost of Living Reports have contributed significantly to the development of this NTCOSS Cost of Living Report.***

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<sup>1</sup> The CPI figures for housing are used in only a limited way in this report, as CPI data for housing includes utilities; and HES data includes water and sewerage in its calculation of housing costs) and is not disaggregated for rental and house purchase price;

## SECTION 1: September Quarter 2013 Cost of Living Changes

### Prices

In the September 2013 quarter, the cost of living (as measured by the ABS Selected Living Cost Indexes (SLCI) for Age Pensioners rose by 1.3% and for Other Welfare Recipients by 1.1%, at national level. In the same period, CPI rose by 1.2 % overall nationally and 0.9% in Darwin. (ABS, 2013a; ABS 2013b; ABS 2013d).

The major contributors to the price rises included transport as well as housing, which was due mainly to rises in utilities and property rates and charges as well as rental prices (which mainly affect Other Welfare Recipients, as Age Pensioners are more likely to be home owners). Recreation and culture also contributed to the rise for Age Pensioners with a fall in health costs (due to a fall in pharmaceutical products prices) offsetting the rise.

Over the last year (September Qtr 2012 – September Qtr 2013) the living cost indexes for Aged Pensioners and Other Welfare Recipients both increased by 2.0 % (SCLI). Nationally, CPI rose by 2.2%. In Darwin the CPI rose by 3.4% in the 12 month period. (ABS 2013a, ABS 2013d).

**Figure 1: Increases in Living Costs September Qtr 2013 - National Figures**



Source: SLCI Figures taken from (ABS, 2013a; ABS 2013d Tables 12 & 13)

The cost of living for Age Pensioners and Other Welfare Recipients over the last year increased less than the CPI for both groups, though the differences between the national CPI and the cost of living increase for the two groups is small. However the last quarter was worse for age pensioners, rising more than the overall CPI, partially explained by their relatively higher proportion of expenditure on utilities and property rates and charges, both of which rose. It is also notable that the living costs of employees (0.9%) rose less steeply over the past year, than for pensioners and other welfare recipients. (ABS, 2013a).

**This means that prices for the 'basket' of essential items bought by those who can least afford it, is going up faster than for other sections of the population whose basket of goods and services is different.**

These overall figures can be disaggregated to track changes in the price of key basic goods and services over the last quarter and the past year in Darwin and nationally - shown in Table 1. There are some significant trends, with Darwin prices rising significantly more than nationally in many areas in the past year – e.g. housing (rent), utilities, health, and transport all rising much faster than the corresponding national CPI for those items, and much higher than the national CPI rate (ABS 2013d). The overall Darwin CPI increase in the last year was higher (3.4%) than the national average (2.2%), (ABS 2013d). Darwin rents increased in the September Quarter by significantly more than CPI, while new house prices (0.6%) increased marginally more than the national increase (0.5%) in CPI for this category. (ABS 2013d). Interestingly, the highest average weekly household expenditures in the country were recorded in the ACT (\$1,536) and the not very remote parts of the Northern Territory (\$1,500). (ABS 2011a)

**Table 1: Cost of Living Changes September Qtr 2013 by expenditure type Darwin vs National**

Cost of Living Area	Darwin CPI Sep Qtr change %	National CPI Sep Qtr change %	Darwin CPI Sep 2012- Sep 2013 change %	National CPI Sep 2012- Sep 2013 change %
Food (& non-alcoholic beverages)	- 0.1	0.2	- 0.3	- 0.6
Clothing & Footwear	- 0.3	1.1	- 0.1	0.6
Housing (includes utilities)*	1.1	2.0	7.0	4.0
• Rent	1.9	0.6	7.9	3.2
• New Dwelling Purchase – owner/occupiers	0.6	0.5	3.4	3.2
• Maintenance/repair of dwelling	0.3	0.9	- 0.6	2.5
• Property Rates & Charges	4.3	7.9	4.3	7.9
Utilities	0.2	5.7	19.4	6.7
Health	1.5	0.0	5.7	4.1
Transport	1.0	2.4	3.8	2.7
<b>CPI All Groups</b>	<b>0.9</b>	<b>1.2</b>	<b>3.4</b>	<b>2.2</b>

Source: ABS, 2013d Tables 12 & 13 (Data 4 & 5). NOTE: For disaggregated housing figures see ABS 2011c. \*see ABS 2011d

### Incomes

Given that welfare recipients have very low incomes, it is unlikely that any significant amount of the weekly benefit can be saved, at least for those not able to supplement their government transfer payments with additional income. For someone on the base level of benefits, and assuming they spend all their income, NTCOSS has calculated the dollar value of changes in cost of living over the past year, as shown in Table 2.

**Table 2: Cost of Living Change September Qtr 2012 –September Qtr 2013 Australia**

	Base Rate Benefit per week \$ (30 Sept 2012)	Base Rate Benefit per week \$ (30 Sept 2013)	Selected Living Cost Index change %	Amount per week increase in 'cost of living' \$	Amount per week increase in base payment rates \$
<b>Aged Pensioner</b>	\$356	\$382.70	2.0%	\$7.12	\$26.70
<b>Newstart single – no children</b>	\$246.30	\$254.75	2.0%	\$4.93	\$8.45
<b>Newstart single – 2 children &amp; FTB A &amp; B</b>	\$511.99	\$524.85	2.0%	\$10.24	\$12.86

Newstart Single 2 children figures based on one child under 13 and one b/w 13-19.

Sources: Centrelink, 2012 & 2013; ABS, SLCI 2013a See also Technical Note 5.

For those whose only source of income is a base-rate government benefit and (who spend all their income), the cost of living over the last year increased by \$7.12 a week for pensioners, by \$4.93 for single people on Newstart and \$10.24 for a sole parent with 2 children receiving Newstart and FTB (A & B). By comparison, the base rate pension rose by \$26.70 in the same period, and the base Newstart rate rose by \$8.45 per week, and the combined Newstart and FTB (A & B) rate rose by \$12.86 per week (Centrelink, 2012 & 2013). These figures are not typical and should be treated with caution, as they include the Household Assistance Package payments introduced to compensate for the impact of the carbon price, which was not in place 12 months ago, and it is only these payments which put the Newstart Allowance ahead of the cost of living pressures.

**“This underlines the importance of those payments, but it is likely that with the low base payment and inadequate indexing, that Newstart and other base level benefit payments will continue to lag behind pensions (currently \$118 lower p/w) unless the Federal Government commit to increase Newstart and other base level payments by \$50 per week.”**

## SECTION 2: Housing Costs

### The Importance of Household Expenditure on Housing

Shelter is a basic necessity for people, and housing costs are the largest category of expenditure for most households in Australia. The data shows that Northern Territorians spend significantly more than the national average on housing when it comes to rental properties, and is second only to NSW in terms of expenditure, in a comparison of all of the states and Territories. Rental households in the NT, on average, spend 26.6% of their weekly income on rent. In terms of income required to meet loan repayments, those households paying off a mortgage in the NT spend, on average, 21.4% of their family income to meet loan repayments.

**Table 3a: Proportion of Median Weekly Family Income required to rent a 3 bedroom home – National Figures**

Jurisdiction	NSW	Vic	Qld	SA	WA	Tas	NT	ACT	National
June 2013	28.3%	23.2%	23.9%	23.2%	25.8%	25.5%	35.8%	18.4%	25.6%

Source: REIA/Adelaide Bank (2013)

**Table 3b: Proportion of Median Weekly Family Income required to meet loan repayments – National Figures**

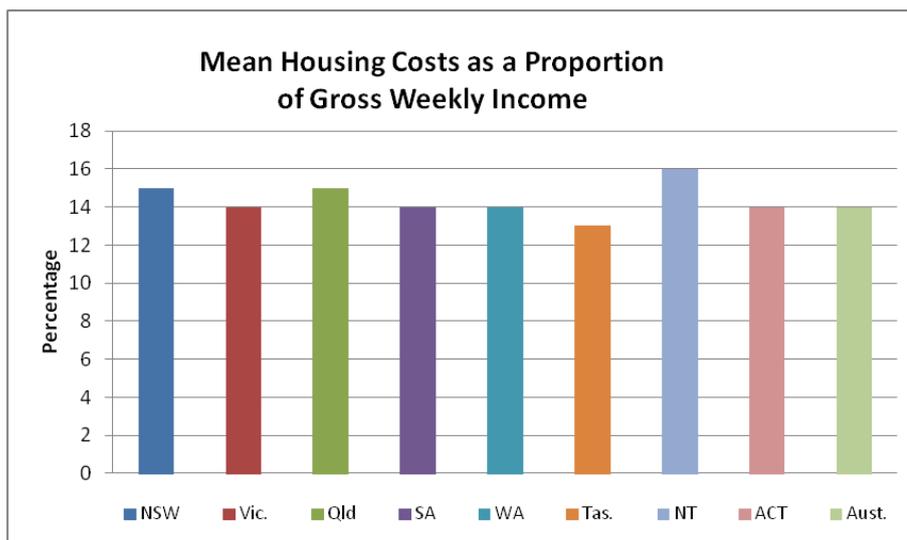
Jurisdiction	NSW	Vic	Qld	SA	WA	Tas	NT	ACT	National
June 2013	33.8%	30.9%	27.6%	26.5%	25.4%	24.6%	27.2%	19.8%	29.8%

Source: REIA/Adelaide Bank (2013)

**Given the reliance on rental housing for many low income households, it is alarming that the Northern Territory is the only place where renters pay a significantly greater proportion their income on housing costs than do home owners.**

While media coverage of housing costs is dominated by mortgages and interest rates, these figures show that when capital repayments are factored out, renters in the Northern Territory pay a much higher proportion of their income in current housing costs than do home-owners (see Tables 3a and 3b) . This expenditure on rent is a particular concern when looking at the experience of the people who are most stressed or vulnerable in the housing market. (in WA and Tasmania, renters also pay a higher proportion of their income on housing costs, compared with home owners, but the differences are marginal).

**Figure 2 Mean Housing costs as a proportion of income – Comparison of States and Territories**



Source: ABS Housing and Occupancy Data (2013f), Table 7

**On average, NT households spend the highest proportion of their income on housing in the country**

**Table 4: NT vs National Housing Expenditure and Proportion of Income, 2011/12**

Household Tenure	NT		Australia	
	Expenditure per week \$ (Mean Housing Costs)	% of Weekly Income	Expenditure per week \$ (Mean Housing Costs)	% of Weekly Income
Owner without a Mortgage	41	2%	40	3%
Owner with a Mortgage – interest only*	380	14%	328	14%
Owner with a Mortgage – interest and capital	500	18%	432	18%
Renters				
State/Territory Housing Authority	124	16%	136	19%
Private Landlord	427	20%	347	20%
Total Renters	350	19%	312	20%
All Households	347	16%	265	14%

Source: ABC (2013f), Table 22

**On average, NT households spend \$82 more per week on housing costs than the average Australian household**

It is also worth noting in relation to the figures in Table 4 that the ABS estimates that approximately 24% of the housing costs of owners with a mortgage is actually repaying the capital cost of the home, which in economic terms is a form of saving rather than expenditure on current housing (ABS, 2013e). To do a “like with like” comparison with rental expenditure, this capital component of the mortgage payment would need to be removed (as above) even though it remains a very real expenditure in the weekly budget of those paying off a home loan.

When the capital component is removed, it shows a higher proportion of total expenditure for renters than others, and this is particularly significant because renting is a major source of attaining housing for low income households. The reality is that renters will not become better off in the long term by their weekly housing expenditure, and renters are over-represented among low income households. In the last *HES*, rental households made up just over a quarter of the property market overall, but 40.8% of households in the lowest income quintile (ABS, 2011c, Table 4). For this reason, housing costs of renters are a particular concern.

**“The Northern Territory is the least affordable state or territory in which to rent”. REIA/Adelaide Bank (2013)**

#### **Rental payments for Income Support Recipients**

In this *Cost of Living Report*, NTCOSS has used median rental prices for Darwin to help to derive figures for different housing sizes which may be indicative of the types of rents faced by low income households. (See Explanatory Note 3 for more details). The following table compares potential rental costs of particular housing types with income for different categories of welfare payments (base rate plus rent assistance and other relevant allowances). It shows the extent of housing stress in particular instances. These rent figures show that Income Support recipients who are in private rental are likely either to be forced to share housing or are in housing stress. Housing stress is usually defined as where people on low incomes face housing costs amounting to more than 30% of their income, while *extreme* housing stress is where housing costs are more than 50% of income (see later section).

**Table 5: Selected Welfare Payments and NT Rental Costs (September 2013 Qtr)**  
*Centrelink figures taken from period 1 July-19 September 2013\**

	Weekly Payment	House Type	Median Rent Darwin#	Median Rent Alice Springs
<b>Unemployed</b> (single, no children)	\$314.20	1 Bedroom Flat	\$336	\$273
<b>Aged Pensioner</b> (single)	\$435.10	2 Bedroom Unit/Townhouse	\$448	\$396
<b>Sole Parent – Parenting Payment</b> (one child u13; one child b/w 13-16)	\$668.88	3 Bedroom House	\$605	\$533
<b>Sole Parent - Newstart</b> (one child u13; one child b/w 13-16)	\$598.78	1/2 share 2 Bed Unit	\$224	\$198
<b>Youth – 18 years old</b> (single, away from home)	\$247.85	1/2 Share 3 Bed House	\$303	\$267
<b>Minimum Wage (single)</b> (Gross Wage, full time, national)	\$622.20	1/3 Share 3 Bed House	\$202	\$178
<b>Minimum Wage (couple)</b> (Gross Wage, national, 1 f/time, 1 p/t; 3 children, receiving FTB A & B)	\$1319.51	4 Bedroom House	\$702	\$688

Source: (Centrelink, 2013c); REINT (2013)

\*Centrelink figures include rent assistance - For details on rates and calculation of figures, see Explanatory Notes 5 and 6  
 #Rental Figures based on available figures re lowest median rent in Darwin suburbs, from Sept 2013 - see footnote<sup>2</sup>

### **Darwin - Selected Welfare Payments & Wages and Rental Costs**

Based on these figures, a single unemployed person in Darwin could spend up to 71% (if sharing a 2 BR unit) and a single young person could be faced with paying up to 81% of their allowance on rent (1/3 share in a 3 bedroom house). A sole parent on Newstart with two children could spend as much as 74% (2 bedroom flat) and could simply not afford a 3 bedroom house, as the lowest end median rent would constitute more than 100% of their income. A sole parent on parenting payment could face rents constituting 67% (2 bedroom flat) of their income and also would be unlikely to be able to afford renting a 3 bedroom house, as the lowest end median rent would constitute 90% of their income. A working couple on the minimum wage (one full time and one part time), with three teenage children, could end up paying 53% of their gross income in rent for a 4 bedroom house. Each of the above examples would put these families in housing stress.

### **Alice Springs Alice Springs – Selected Welfare Payments & Wages and Rental Costs**

Based on these figures, a single unemployed person in Alice Springs could spend up to 63% (if sharing a 2 BR unit) and a single young person could be faced with paying up to 72% of their allowance on rent (1/3 share in a 3 bedroom house). A sole parent on newstart with two children could spend as much as 66% (2 bedroom flat) and could simply not afford a 3 bedroom house at the median price, as the median rent would constitute more than 89% of their income. A sole parent on parenting payment could face rents constituting 59% (2 bedroom flat) of their income and also would be unlikely to be able to afford renting a 3 bedroom house at the median price, as the median rent would constitute 80% of their income. A working couple on the minimum wage (one full time and one part time), with three teenage children, could end up paying 52% of their gross income in rent for a 4 bedroom house. Each of the above examples would also put these families in housing stress.

<sup>2</sup> 1BR Flat (Nightcliff); 2BR Nightcliff); 3BR house & 4 BR (Sanderson). Note discrepancies b/w these figures from REINT (2013) and Table – based on NT Shelter Fact Sheets Sept 2013, as NT Shelter December Fact Sheets not available at time of publication of this report)

**The NT faces the staggering situation where the median weekly rental price for a 3 bedroom house in Darwin, in the suburb with the lowest rental prices, is more than the total weekly income for a sole parent, with two children, on Newstart and Family Tax Benefit A & B**

Housing is very expensive in the suburban areas of Darwin and Palmerston, and significantly higher than in the regional and remote areas of the NT. While there is no separate data for remote areas, housing in these areas is predominantly charged at public housing rental rates.

**Table 6 Median weekly rents, NT by region Sept 2013**

	Darwin Suburbs	Palmerston	Katherine	Alice Springs
4 Br House	\$862	\$727	\$512	\$688
3Br House	\$636	\$583	\$440	\$533
2Br Unit	\$474	\$459	\$310	\$396
1 Br Unit	\$348	Figures Unavailable	\$210	\$273

*NT Shelter (2013) based on figures from REINT (2013)*

The median rent for a 4 bedroom house in Darwin's suburbs is \$862 per week, 25% higher (\$174) than rent on a 4 bedroom house in Alice Springs (Table 6). Palmerston rental prices are all lower than Darwin figures. The available figures also show that median rents for a 3 bedroom house are 19% higher in suburban Darwin compared with Alice Springs and 45% higher than Katherine. In addition median rental prices for 2 bedroom units are 20% higher in suburban Darwin compared with Alice Springs and 53% higher than in Katherine. The median rental prices for 2 bedroom units are 27% higher in suburban Darwin compared with Alice Springs and 66% higher than in Katherine (Calculations based on NT Shelter Fact Sheets using REINT (2013) figures).

Housing stress figures may therefore not be as bad in non-metropolitan areas, although average (mean) incomes in non-metro areas are also expected to be below Darwin incomes, (ABS, 2011e, Tables 15 & 17) and there are also issues around availability and accessibility, so the end result may not be very different.

**Table 7 NT Housing Expenditure and % of Income, by income quintiles 2011-12**

Income Quintile	Expenditure per week \$	% of Weekly Income
Lowest Quintile	138	26%
Second Quintile	242	21%
Third Quintile	376	22%
Fourth Quintile	387	17%
Highest Quintile	442	12%
<b>Second &amp; Third Deciles<sup>3</sup></b>	<b>191</b>	<b>23%</b>
All Households	347	16%

Source: ABS (2013f) Table 7

**It is clear from this data that housing costs are significant in most household budgets, and where people do not own their own home, housing costs are a particular strain on low income household and those on income support payments**

<sup>3</sup> NOTE: The second & third deciles of equivalised disposable household income information are included here, as this figure is more indicative of the expenditure of low income households – as the figure removes the first decile, which consists of many people who are on low incomes, who have large savings (i.e. retirees), and whose expenditure can exceed their regular 'income', and would otherwise skew the data.

The figures in Table 7 demonstrate that lower income households in the NT pay proportionately more of their income on housing costs. Households in the second and third deciles (a more accurate indicator of low income households than using data on the lowest and second quintiles – see footnote below – spend 26% of their income on housing costs, nearly double the 12% of income spent on housing costs for the highest quintile (12%), further reinforcing that housing costs are a particular strain on low income household and those on income support payments – who are a large proportion of the households in the second and third deciles.

### Public Housing in the NT – Diminishing Stock and Increasing Wait Times

The urban public housing stock has diminished by nearly 10% since 2003/04, and at the same time, not surprisingly, wait times have grown exponentially since 2006 (rising around 100% at a minimum in Darwin and all of the major centres (lowest rise being 97% for a 3 bedroom house in Alice Springs), with most wait time rises hovering around the 200% mark or higher. Katherine, which in 2006, had incredibly low wait times (the lowest in the NT), has seen the wait times rise the most, with a rise from 2 months to 47 months for a one bedroom house for a non-pensioner – a rise of 2550%!!

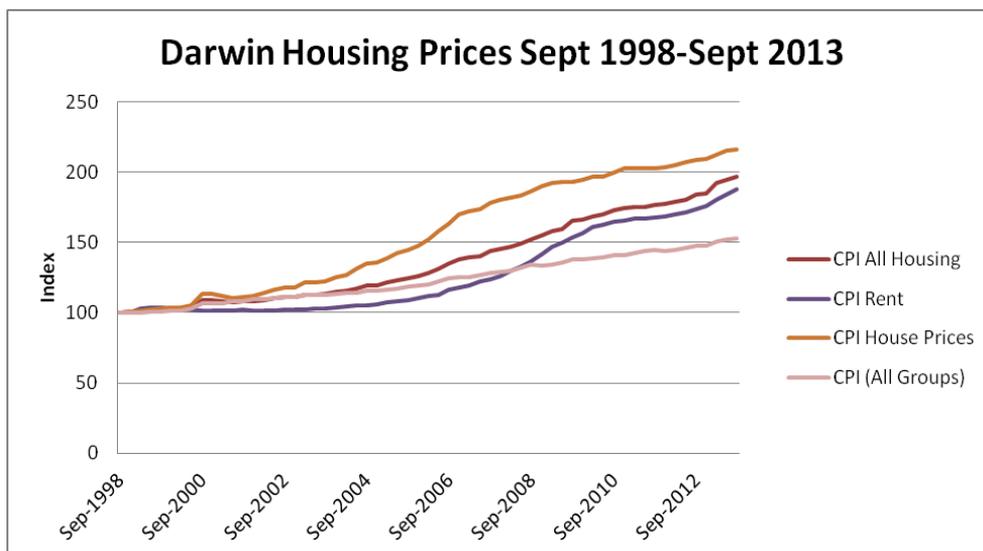
In 2006, most wait times hovered at around 20-30 months, with some much lower. Now, however, most wait times are at least around the 5 year mark – with some as high as 11 years, such as in Nhulunbuy.

It is noted that there has been a significant increase in investment in remote housing, which has been long overdue and is to be commended – notwithstanding that there is still a huge backlog to make up. **However, this increase should not have been at the expense of urban housing – which seems to be the case from an examination of the figures available.** There is still a massive need for affordable and Government supported housing in regional areas of the NT, and the demand for rental properties will only continue to rise (see projected figures in Appendix – Table 4. In particular the demand for public rental properties in the next ten years (to 2023) is expected to rise by 32.3%; and rental tenure demand overall to rise by 18.4 %. At the same time, the homelessness rate in the NT is 730 per 10,000 people, almost 15x the national homelessness rate.

### Summary of Housing Costs movements

The CPI for all housing in Darwin over the last year rose by 7.0%, well above the 2.2% increase in CPI for all goods (ABS, 2013d), and the national CPI for all housing of 4.0%. However, the individual components which make up this overall figure moved quite differently. Purchase prices of new houses rose by 3.4%, while rents rose 7.9%, and property rates and charges by 4.3%, while maintenance and repair of dwelling fell by -0.6%. In the CPI the 'All Housing' figure also includes utilities, so some of the increase is driven by utilities, such as water and sewerage which rose by 23.8% in Darwin, rather than by housing more narrowly defined. The changes in the prices of the different components of housing costs over a longer period are shown in Figure 3 (below).

Figure 3: Housing Prices and CPI – Darwin



ABS (2013d)

Since 1998, nearly all the components of housing prices<sup>4</sup>, apart from repairs and maintenance, have increased more than the generic CPI (All Groups) – and therefore have increased at a faster rate than the incomes of the many people whose incomes are pegged to CPI, or those whose incomes have risen at a rate slower than the generic CPI level<sup>5</sup>.

The graph shows that purchase prices for new houses have continued to rise in every quarter over the past two years, which has been the case for most of the last 15 years (only 5 of 61 quarters have seen a decrease), with an overall increase of 116% during this period, more than doubling – which continues to make it extremely difficult for new buyers to enter the market, and causes housing stress for many already paying off a mortgage.

**With homelessness rates in the NT almost 15x the national rate, NT households paying a higher proportion of their income on housing costs than elsewhere in the country, and urban public housing stocks dwindling while demand rises - it is hard to conclude anything other than the Northern Territory is in a state of continual housing crisis. In fact it has gone beyond a crisis. We have been living with low housing stock availability, appalling standards of housing, and homelessness rates which have been through the roof for so long, that such figures can lose their sting. This has to be unacceptable in 2013.**

**Table 8a: Median 3 Bedroom Housing Prices – Comparison All Regions for last 8 years June 2006 & June 2013**

	June 2006*	Sept 2013	Price Increase	% Increase
Darwin Suburbs	424,978	634,330	209,352	49.3%
Palmerston	317,246	558,500	241,254	76.0%
Katherine	215,500	368,000	152,500	70.8%
Tennant Creek	95,000	269,000	174,000	183.2%
Alice Springs	275,000	452,500	177,500	64.5%

Source: NT Shelter (2013a) and (2013b\*) based on REINT (2013)

The table (8a above) shows that purchase prices for houses have gone up by at least 49% across all major centres in the NT, with house prices in Tennant Creek rising by \$183 %. In dollar terms, median house prices across the regions of the Territory have gone up by between \$174,000 (Tennant Creek) and \$241,254 (Palmerston) over the 7 year period in Table 8a. Prices for 2 bedroom units follow a similar pattern.

**Table 8b: Median 2 Bedroom Housing Prices – Comparison All Regions for last 8 years June 2006 & June 2013**

	June 2006*	Sept 2013	Price Increase	% Increase
Darwin Suburbs	199,500	440,083	240,583	120.6%
Palmerston	193,000	426,000	233,000	120.7%
Katherine	136,250	248,500	112,250	82.4%
Tennant Creek	Figures Unavailable	190,000	N/A	N/A
Alice Springs	200,000	315,000	115,000	57.5%

Source: NT Shelter (2013a) and (2013b\*) based on REINT (2013)

### Rental Payments

The CPI time series in Table 10 (below) shows that housing rent prices in Darwin are currently increasing, and mostly increasing at a much greater rate than CPI for All Groups in Darwin. CPI went backwards in the December Quarters of 2008, 2009, 2010 and 2011, while rents continued to rise. In the last year the CPI for rent rose 7.9 %, compared with the CPI for all groups rising by 2.2 %, and rents nationally rising by 3.2%. The yearly figures for the past 5 years are shown in Table 7.

<sup>4</sup> The CPI is focused on purchase prices (not expenditures), so doesn't include or track changes in the level of mortgage repayments, which are a function of both purchase price and interest rates. Repayment figures, while vital to households weekly budgets, are less easy to calculate and track over time.

<sup>5</sup> The generic CPI is used as a proxy for wage rises (because of Newstart indexing, and the practice of many workplaces to give CPI increases), but some people on low wages do not even get a CPI increase.

**Table 9: CPI Time Series - Darwin Rent Increases and CPI, 2008-09 to 2012-13**

Year Ending Sep Qtr	CPI Rent	CPI All Groups
2008-09	12.5	2.7
2009-10	6.9	2.3
2010-11	2.1	2.8
2011-12	3.5	2.1
2012-13	7.9	3.4

Source: ABS (2013d), Data 4

These CPI increases represent significant dollar values to low income households. Based on calculations of the median rent prices across the various regional centres in the NT since June 2006, the median rent for a three bedroom house in the NT has increased by between \$165 and \$336 per week (depending on the region), and for a 2 bedroom unit the increase in median rents has been between \$110 and \$265 a week (using REINT figures, 2006-2013). By comparison, Commonwealth Rent Assistance increased by just \$11.20 per week (Centrelink, 2006, 2013) during this period. Rent assistance increases go nowhere near covering rising rental costs.

For a single person on Newstart, Rent Assistance in June 2006 covered 44% of the median rent of a half share in a two-bedroom unit. It currently covers only 26.5% of that rent. **Clearly, Commonwealth Rent Assistance needs to be increased and indexed to match rental prices – taking into account regional differences.**

In the same period, since June 2006, the base rate of Newstart has increased by \$21.60 per week, so even ignoring all the other price increases required to be met, the increase in Newstart and Rent Assistance together (**\$32.60**) would go nowhere near covering the rent increases in the NT (**\$117.50** for a half share in a two bedroom unit) . **This is a further argument as to why the Newstart and other base level allowances (eg. Youth Allowance, Widow’s Pension) need to be increased** (see ACOSS, 2012).

The rent figures are particularly alarming, as renting is disproportionately the domain of low income households and a cause of significant housing stress. In addition, increased housing prices represent wealth acquisition for those who own them – and bigger barriers for those who don’t.

**Table 10a: Median 3 Bedroom Housing Rentals – All Regions- Price change in 8 years June 2006 & Sept 2013**

	June 2006	Sept 2013	Rental Price Increase over 7 year period	% Increase in Rental Prices
Darwin Suburbs	300	636	336	112.0%
Palmerston	310	583	273	88.1%
Katherine	275	440	165	60.0%
Alice Springs	295	533	238	80.1%

Source: Real Estate Institute of the NT – Quarterly RELM Analysis June 2005- June 2013

**Table 10b: Median 2 Bedroom Housing Rentals – All Regions- Price change in 8 years June 2006 & June 2013**

	June 2006	Sept 2013	Rental Price Increase over 7 year period	% Increase in Rental Prices
Darwin Suburbs	230	474	235	102.2%
Palmerston	220	459	265	120.5%
Katherine	200	310	110	55.0%
Alice Springs	225	396	171	76.0%

Source: Real Estate Institute of the NT – Quarterly RELM Analysis June 2005- June 2013

## Impact on Household Budgets of rising housing costs

**Table 11: CPI Increases for Housing Costs over the last 15 years, Darwin**

	<b>% Increase Sept 1998-Sept 2013</b>
<b>Rent</b>	87.80
<b>New Dwelling Purchase (by owner/occupiers)</b>	116.40
<b>Other Housing</b>	66.60
<b>Maintenance and repair of the dwelling</b>	50.3
<b>Property Rates and Charges</b>	100.2
<b>Housing</b>	96.8
<b>CPI – All Groups</b>	53.1

Source: ABS (2013d Table 13, Data 4)

**Over the last 15 years, rent prices in the NT have risen by 87%, while the general CPI has risen by 53%.**

The lack of adequate assistance to low income renters is particularly problematic in light of the recent report from the Grattan Institute which showed that support through government subsidies to home owners was far greater than the support provided to renters. According to the report, (Kelly et al, 2013), subsidies to own-home owners amounted on average to \$6,100 each per year, which are mainly in the form of tax concessions and exemptions. For each investor household the subsidies were \$4,500 on average for each investor household. However, the direct rent support provided to very low income renters in Commonwealth Rent Assistance is only in the order of \$3,000 a year - for people often on very low incomes — well below the subsidies offered to those who can better afford housing costs.

However, despite government subsidies and even the recent favourable interest rate trends mortgage payments can still cause hardship for households - especially those on low incomes. This is partly a result of the large percentage of the households budget which goes to paying a mortgage (18%, when capital costs are included as per Table 4 above), but significant life events such as unemployment, accident or illness can create unexpected income problems and make mortgage payments problematic.

As a result of the rent price increases as well as mortgage pressures, many Territorian households are currently experiencing housing stress, and some, extreme housing stress.

### **Housing Stress**

Housing stress is usually defined as where households, and low income households in particular, face housing costs amounting to more than 30% of their income, while *extreme* housing stress is where housing costs are more than 50% of income.

#### All Territory Households and Housing Stress

As part of the *Housing Occupancy and Costs* data, the ABS compiled housing stress statistics which showed that 15.3% of all NT households were in housing stress at the time of the last SIH (i.e. 2011-12). This equates to 9945 Territory households, with about 2730 of these are experiencing extreme housing stress (ABS (2013f) Table20 & 2013g, Table 1)).

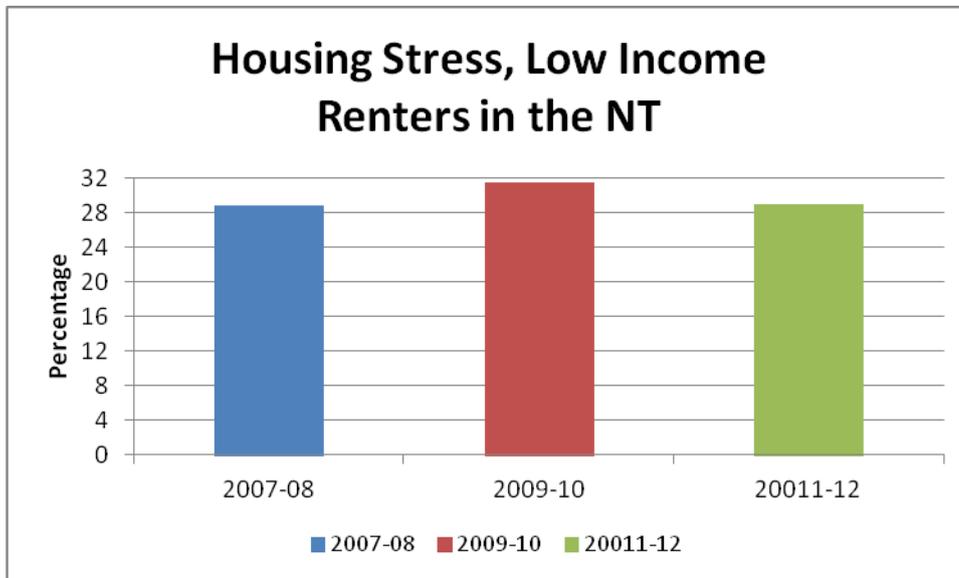
#### Low Income Renters and Housing Stress

The ABS data also contains historical data on low income renters facing housing stress (shown in Figure 4). The data refers only to low income households, defined as the 30% of households with equivalised disposable income between the 10th and 40th percentiles, that is, those in the bottom two income quintiles, but

excluding the bottom 10% (on the basis that they skew the statistics as their consumption patterns do not match income) (ABS, 2013e).

The figures below show that the number of households experiencing housing stress continuing to hover around 30% of Territory renters. Given the price trends noted above, this is not surprising. **Currently 29% of low income renters in the NT are in housing stress, which equates to 3,904 Northern Territory households spending more than 30% of their low income on rent** (calculations based on (ABS, 2013d)).

**Figure 4: Low Income Northern Territorian Renter Households in Housing Stress**



ABS (2013g) Tables 1,2,3

### Conclusion

The overwhelming conclusion from all of the above is that for renters on low incomes fixed to CPI, rent is becoming an increasing burden on the household budget. The clear trend that the sorts of housing stress indicated in the 2011-12 Housing and Occupancy data remaining very high as rent rises outstrip income. This is a particular problem because, given the large proportion of welfare recipients' income which can be dedicated to paying rent, these price rises represent a major problem and a potential driver of poverty and homelessness.

Of course, the sorts of weekly housing expenditure and rising costs discussed here represent only one dimension of the problems faced by low income earners in attaining decent and affordable housing. The weekly costs say nothing about the quality and accessibility of housing, the suitability of the location of housing and proximity to employment and services, the barriers to some groups in getting private rental, the supply/availability of public housing, or the costs and financial barriers to buying a first home and getting out of the rental market. All these things are important in ensuring that all Territorians have appropriate and affordable housing. However, the housing costs discussed in this report are important because housing is such a basic need and major part of household expenditure. In this context, it is alarming that vulnerable and disadvantaged Territorians, many of who are in the rental market, are suffering housing stress and that the trend is that the situation is getting worse.

To address these cost of living issues will require a range of policy responses from affordable housing strategies, rental affordability schemes, and increasing base level income support payments and rent assistance.

## Recommendations

A number of policy and operational changes are required as a matter of urgency to address issue of housing availability and the cost of housing – particularly rental properties. In this light NTCOSS supports the recommendations contained in the NT Shelter Pre-Budget Submission to the NT Government, “Key Messages from NT Shelter 2014/15 ‘Opening doors in the housing system’; and highlights a number of these recommendations here

*NTCOSS recommends urgent action on the following -from NT Shelter Pre-Budget Submission Recommendations*

- **The redevelopment of public housing estates without any loss of social housing stock numbers.**
- **That the NT Government ensures that the ‘Real Housing for Growth’ target of 2000 affordable rental dwellings for the NT is met by 2016**
- **That support be provided for a small number of Not for Profit (NFP) organisations to develop their capacity as viable community housing providers through the transfer and management of a Homelessness funding agreement**
- **That the NT Government reintroduce home loan schemes which support home ownership opportunities for lower income households; and the Stamp Duty Concession for First home Buyers**
- **That the NT Government takes a ‘Housing Plus’ approach to chronic homelessness, which is premised on the provision of housing and then the range of wrap around services needed to assist people to overcome long term conditions that develop when they cycle through insecure tenure and states of homelessness**
- **The establishment of Regional Indigenous Community Housing Organisations that are well resourced and supported to have a significant and ongoing role in NT Aboriginal Housing services**
- **Incentivise levers which generate affordable housing through the planning system**
- **Extend opportunities for mixed use building development to include commercial and affordable residential opportunities**
- **Promote high density, mixed tenure development in town centres and medium density, mixed tenure, well designed development in residential areas**

*In addition to the above, NTCOSS recommends the following (from its Framing the Future Submission):*

- **A strategy to identify support needs and establish strategies to move people from ‘homelessness’ into permanent, secure accommodation**
- **The development of NT specific targets aimed at ending ‘homelessness’**

*NTCOSS also recommends the following::*

- **That Commonwealth Rent Assistance needs to be increased and indexed to match rental prices – taking into account regional differences.**
- **That Newstart and other base level Centrelink allowances (eg. Youth Allowance, Widow’s Pension) be increased by \$50 per week**

## Appendix A: Public Housing in the NT

**Table 1 Public housing Stock – Urban and Remote – comparison b/w 2003-04 and 2012-13<sup>6</sup>**

(Includes Town Camps/Community Living Areas and excludes outstation dwellings not owned by Territory Housing)

Year	2003/04	2011/12	Difference	Percentage Change
Urban Public Housing Stock	5616	5077	- 539	-9.6%
Remote Public Housing Stock	4249	6181	+1932	+45.5%

NT Shelter (2013a) using information obtained from Northern Territory Government (2013)

**Table 2 Public housing stock & wait list numbers – Alice Springs & Darwin comparison 2000 & 2012**

Year	2000	2012	Difference	Percentage Change
Alice Springs Public Housing Stock	1350	849	- 501	-37.11%
Alice Springs Public Housing Waitlist Nos	387	552	165	+42.6%
Darwin Public Housing Stock	3143	2299	- 844	- 26.9%
Darwin Public Housing Waitlist Nos	871	1477	606	+69.6%

Source: NT Shelter (2013a) using information obtained from Northern Territory Government (2013)

**Table 3a Public Housing Wait times - Months – Alice Springs – comparison Dec 2005 & Oct 2013**

Year	Dec 2006	Oct 2013	Difference	Percentage Change
1BR Pens	42	85	43	+ 102.4%
1BR Non Pens	21	69	48	+ 228.6%
2 Bed	21	68	47	+ 223.8%
3 Bed	34	71	37	+ 108.8%

**Table 3b Public Housing Wait times - Months– Tennant Creek – comparison Dec 2005 & Oct 2013**

Year	Dec 2006	Oct 2013	Difference	Percentage Change
Alice Springs 1BR Pens	23	96	73	+ 317.4%
1BR Non Pens	22	60	38	+ 172.7%
2 Bed	27	85	58	+ 214.8%
3 Bed	27	83	56	+ 207.4%

**Table 3c Public Housing Wait times – Months - Darwin/Casuarina Dec 2005 & Oct 2013**

Year	Dec 2006	Oct 2013	Difference	Percentage Change
Alice Springs 1BR Pens	18	79	61	+ 338.9%
1BR Non Pens	23	88	65	+ 282.6%
2 Bed	10	67	57	+ 570%
3 Bed	25	71	46	+ 184%

<sup>6</sup> For latest report: [http://www.housing.nt.gov.au/\\_data/assets/pdf\\_file/0020/153542/Dept\\_of\\_Housing\\_Annual\\_Report\\_2012-13\\_Web\\_Ready.pdf](http://www.housing.nt.gov.au/_data/assets/pdf_file/0020/153542/Dept_of_Housing_Annual_Report_2012-13_Web_Ready.pdf)  
latest figures p.28 & p. 31

**Table 3d Public Housing Wait times – Months - Palmerston – comparison Dec 2005 & Oct 2013**

Year	Dec 2006	Oct 2013	Difference	Percentage Change
Alice Springs 1BR Pens	22	83	61	+ 259.1%
1BR Non Pens	21	70	49	+ 209.5%
2 Bed	9	59	50	+ 477.8%
3 Bed	18	29	11	+ 183.3%

**Table 3e Public Housing Wait times – Months - Katherine – comparison Dec 2005 & Oct 2013**

Year	Dec 2006	Oct 2013	Difference	Percentage Change
Alice Springs 1BR Pens	6	58	52	+ 866.7%
1BR Non Pens	2	53	51	+ 2550.0%
2 Bed	3	41	38	+ 1166.7%
3 Bed	5	56	51	+ 1020.0%

**Table 3f Public Housing Wait times – Months - Nhulunbuy – comparison Dec 2005 & Oct 2013**

Year	Dec 2006	Oct 2013	Difference	Percentage Change
1BR Non Pens	37	141	104	+ 281.8%
2 Bed	31	122	91	+ 293.5%
3 Bed	25	125	100	+ 400.0%

Source for Tables 3a-3f: NT Shelter (2013a) and (2013b) using information obtained from Northern Territory Government (2013)

**Table 4 Projected Underlying Demand for Rental Tenure in the NT**

Rental Tenure	2008	2013	2018	2023	% change from 2008 to 2023
Public rental	6232	7305	8355	9461	51.8%
Other Rental	29,525	32,423	34,953	37,368	26.6%
Total Rental	35,757	39,728	43,308	46,829	30.9%

Source: NT Shelter (2013a) using information obtained from Northern Territory Government (2013)

Year	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
2001	36.4	38.9	54.8	53.6	39.6	27.5	30.4	904.4	50.8
2006	33.9	35.3	48.3	42.3	37	24	29.3	791.7	45.2
2011	40.8	42.6	45.8	42.8	37.5	31.9	50	730.7	48.9

Source: NT Shelter Fact Sheets, information obtained from Northern Territory Government (2013)

## APPENDIX B: Explanatory Notes

### 1. CPI and Living Cost Indexes

The ABS Selected Living Cost Indexes (SLCI) uses a different methodology to the CPI in that the CPI is based on acquisition (i.e. the price at the time of acquisition of a product) while the living cost index is based on actual expenditure. This is particularly relevant in relation to housing costs where CPI traces changes in house prices, while the SLCI traces changes in the amount expended each week on housing (e.g. mortgage repayments). Further information is available in the Explanatory Notes to the Selected Living Cost Indexes (ABS, 2013b).

In that sense, the Selected Living Cost Indexes are not a simple disaggregation of CPI and the two are not strictly comparable. However, both indexes are used to measure changes in the cost of living over time (although that is not what CPI was designed for), and given the general usage of the CPI measure and its powerful political and economic status, it is useful to compare the two and highlight the differences for different household types.

### 2. Limitations of the Selected Living Cost Indexes

The Selected Living Cost Indexes are more nuanced than the generic CPI in that they measure changes for different household types, but there are still a number of problems with using those indexes to show cost of living changes faced by the most vulnerable and disadvantaged in the Northern Territory. While it is safe to assume that welfare recipients are among the most vulnerable and disadvantaged, any household-based data for multi-person households says nothing about distribution of power, money and expenditure within a household and may therefore hide particular (and often gendered) structures of vulnerability and disadvantage. Further, the living cost indexes are not state-based, so particular Northern Territory trends or circumstances may not show up.

At the more technical level, the Selected Living Cost Indexes are for households whose predominant income is from the described source (e.g. aged pension or government transfers). However, the expenditures that formed the base data and weighting (from the *2009-10 Household Expenditure Survey*) add up to well over the actual welfare payments available (even including other government payments like rent assistance, utilities allowance and family tax benefits). Clearly many households in these categories have other sources of income, or more than one welfare recipient in the same household. Like the CPI, the Living Cost Index figures reflect broad averages (even if more nuanced), but do not reflect the experience of the poorest in those categories.

Another example of this “averaging problem” is that expenditures on some items, like housing, are too low to reflect the real expenditures and changes for the most vulnerable in the housing market – again, because the worst case scenarios are “averaged out” by those in the category with other resources. For instance, if one pensioner owned their own home outright they would generally be in a better financial position than a pensioner who has to pay market rents – but if the market rent were \$300 per week, the average expenditure on rent between the two would be \$150 per week, much less than what the renting pensioner was actually paying.

The weightings in the Selected Living Cost Indexes are also based on a set point in time (from the *2009-10 Household Expenditure Survey*) and can't be changed until the next survey. In the meantime, the price of some necessities may increase rapidly, forcing people to change expenditure patterns to cover the increased cost. Alternatively or additionally, expenditure patterns may change for a variety of other reasons. However, the weighting in the indexes does not change and so does not track the expenditure substitutions and the impact that has on cost of living and lifestyle.

Finally, the Selected Living Cost Indexes' household income figures are based on households that are the average size for that household type: 1.52 people for the aged pensioners, and 2.57 for the other welfare recipients (ABS, 2013b). This makes comparison with allowances difficult. This Report generally focuses on single person households or a single person with two children (to align to the other welfare recipient household average of 2.57 persons). However, this is a proxy rather than statistical correlation.

It is inevitable that any summary measure will have limitations, and as noted in the main text, the Selected Living Cost Indexes provide a robust statistical base, a long time series, and quarterly tracking of changes in the cost of living which is somewhat sensitive to low income earners.

### **3. Rental Data**

Getting suitable data for rents paid by low income earners is complex. The Household Expenditure Surveys for the NT show either housing expenditure for those on different income support payments (ABS 2011c, Table 9) or expenditure for those in different rent categories (Table 15). However, the Table 9 figures are for housing costs and include in the averages the expenditure of mortgage payers and the lack of expenditure of those who own their own home outright - but are not rental figures. By contrast, the rental figures in Table 15 are for all renters, not just welfare recipients and include high end rents which increase the average figures.

The other data source is the quarterly median rent figures provided by the Real Estate Institute of the Northern Territory, based on sales and new rentals for the period concerned (September quarter 2013 figures used in this report). The median rental figures are useful for displaying trends over time, but as absolute values they are much higher than the actual cost of accommodation that welfare recipients looking at renting in those categories would probably face. This is partly because by definition a median is half-way up the market while welfare recipients are not likely to be in that bracket. Further, the figures are for new rentals, which have a higher proportion of actually new (and presumably more expensive) buildings than the rent market overall. There is also the possibility that landlords take the opportunity to increase prices for new rentals, so existing renters may not be paying the amount they would if they were to enter a new lease. Finally, housing costs vary by location, so that for instance, in relation to median rents for three bedroom houses in Darwin, figures are dominated by the city-centre (Inner Darwin), which was between \$ 174 and \$258 more than the median figures for the Darwin suburbs.

So for this report, general information on median rents comes from the calculations done by NT Shelter (2013) based on figures from the Real Estate Institute of the NT (REINT) – Quarterly RELM Analysis June 2005-June 2013, and 2005 – Sept 2013, which provide figures for Inner Darwin, and 3 suburbs of greater Darwin (Nightcliff, Marrara and Sanderson), as well as figures for Palmerston, Katherine and Alice Springs. However, there are no disaggregated figures for Alice Springs, for example, to show differences between the more affluent areas (Old Eastside and the Golf Course Estate) and suburbs with cheaper housing options (such as Gillen or Larapinta).

In addition, some reference is made in this report to figures calculated by NT Shelter to provide a more indicative median rental figure for Darwin suburbs, where inner Darwin is excluded, and an average is taken of the median rent of the three Darwin suburbs listed. But it must be borne in mind that, given that by definition, median is half-way up the market, low income households (especially those solely reliant on Centrelink payments) are not likely to be in that bracket.

The data in REINT (2013) is sorted by suburb area, and shows median prices. For the purposes of Table 5, Selected Welfare Payments and NT Rental Costs (September 2013 Qtr), this report uses the lowest of the three median rent figures from the REINT median rental prices for Darwin suburbs, to get closer to an indicative figure for the low end of the market. While this methodology is limited by the issues outlined above, and the small population base (i.e. limited number of suburbs across Darwin and the NT), in the absence of any other disaggregated data, it became the preferred methodological option to provide something of an indicative figure for the level of rent which might be paid by someone in the lower end of the market. Obviously some people will find cheaper rents below this, while others, particularly those who are not in the cheaper suburbs, will pay more.

Interestingly, the Real Estate Institute of Australia has recently “revised its methodology, to estimate the median family income, in order to bring the median family income data in line with the Census. The September quarter 2013 Adelaide Bank/REIA Housing Affordability Report is the first report where new estimates have been used.” Following the revision, significant changes have been brought to the analysis, and these include the level of affordability and the consistency of improvements.

#### 4. Use of Darwin CPI with NT figures

State CPI figures are not available through the ABS, Darwin CPI figures are used to calculate current expenditure figures from the 2009-10 HES Expenditure Data. Given the relatively similar expenditure figures for Darwin and the NT as a whole, use of the Darwin CPI provides a fairly accurate basis for deriving the figures.

#### 5. Pension and Newstart (and Family Tax Benefit) Calculations for Table 2

FTB A 30 Sept 2012 figure based on maximum payment for parent with one child under 13 (\$84.84) and one secondary student between 13-19 (\$110.32); FTB B based on \$50.33 maximum payable to family with youngest child over 5)) – assuming income test requirements are met.

FTB A 30 Sept 2013 figure based on maximum payment for parent with one child under 13 (\$86.10) and one secondary student between 13-19 (\$112). And FTB B based on \$51.10 maximum payable to family with youngest child over 5)) – assuming income test requirements are met.

*For simplicity, supplements & Rent Assistance not included in Table 2 – as these can vary from person to person*

The Household Assistance Package (HAS) payments to address carbon tax price increases were made available to most pensioners and adult allowance recipients (including Newstart) from 20 March 2013. For the period 1 July to 19 September 2013, these payments added \$6.75 a week to the single pension and \$4.20 to Newstart for singles and \$4.55 to those with dependent children – and are included in the calculations used in Table 4.

#### 6. Weekly Payments for Selected Welfare Recipients for Table 5

The Unemployed weekly payment is for a single person with no children and consists of:

Newstart Base Rate \$248.50 + Rent Assistance (single) \$61.50 + Household Assistance Package Payment \$4.20 = \$314.20.

The Age Pension weekly payment is for a single aged pensioner and consists of:

AP Base rate \$366.85 + Rent Assistance 61.50 + Household Assistance Package Payment \$6.75 = \$435.105.

The Sole Parent weekly payment (Newstart) is for a sole parent with 2 children and consists of:

Newstart \$268.90 + Family Tax Benefit Part A Base Rate \$86.10 (child 1, under 13) and FTB A \$112 (child 2, 13-15) + FTB B \$51.10 + Rent Assistance \$72.03 + Pharmaceutical Allowance \$3.10 + Household Assistance Package Payment \$4.55 = \$598.78.

The Sole Parent weekly payment (Parenting Payment) is for a sole parent with 2 children and consists of:

Parenting Payment \$341.75 + Family Tax Benefit Part A Base Rate \$86.10 (child 1, under 13) and FTB A \$112 (child 2, 13-15) + FTB B \$51.10 + Rent Assistance \$72.03 + Pharmaceutical Allowance \$3.10 + Household Assistance Package Payment \$5.80 = \$668.88.

The Youth Allowance payment is for a single person over 18 years old and living away from home, & consists of:

Youth Allowance \$203.75 + Rent Assistance (share house) \$41.00 + Pharmaceutical Allowance \$3.10 = \$247.85.

The Minimum Wage (couple) and Centrelink payments is for a couple (one working full time and one part time), with three children, and consists of:

Minimum Wage Full time \$622.20 + Minimum Wage Half Time \$311.10 + Family Tax Benefit A \$86.10 (child 1: under 13) + FTB A \$112 (child 2: 13-15) + FTB A \$112 (child 3: 13-15) + FTB B (part payment) \$8.81 + Rent Assistance \$61.50 + 5.80 HAS = \$1319.51

*Note: Payments for FTB B are reduced by 20 c in the dollar for every dollar of income earned over \$5183 for the lower income earner; this equates to a \$2198.84 reduction over the year equating to a reduction of \$42.29 per week, in this example.*

***This report draws on the: SACOSS (2012), Cost of Living Update No. 11, August 2012, and No.16, September Quarter 2013, South Australian Council of Social Service, Adelaide.***

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