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Darwin costs rise higher than national rate and hit the poor hardest: new report

A new report by the Northern Territory Council of Social Service shows that price increases for Territorians in key areas such as health, housing and food continue to be higher than the national average, placing great strain on lower income households.

The 5th NT *Cost of Living Report* released today reveals that prices for health (6.0%), rent (4.8%) and food (3.2%) have risen at a faster rate than the national rate for those items, and higher than the national CPI (3%).

“While costs of living have been rising over the past 15 years, the report paints a disturbing picture of the current cost of living pressures facing Territorians and points to the need for greater efforts on behalf of both the Territory and Federal Governments to ensure the Territory continues to be a great place to live,” according to Jonathan Pilbrow, Policy Advisor, NTCOSS.

“Over the past year, rents in Darwin (4.8%) have gone up more than four times the rate of increase in the cost of new housing (1.1%) and this is a real concern, as rent increases disproportionately hurt poorer households.”

“At the same time the prices of Medical, Dental and Hospital services (8.3%) have gone up nearly three times the national CPI rate increase. All of these are essential services, and with health prices rising, it is the poor who will feel it more,” Mr Pilbrow said.

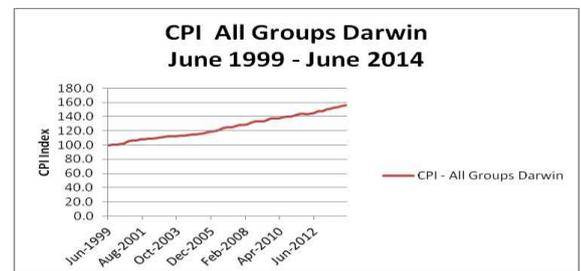
“The situation is particularly dire for those trying to budget on the Newstart Allowance of just \$36 a day. With the inadequacy of the historical system of indexing Newstart and other base level benefit payments to CPI only, increases in allowances simply cannot keep up with the cost of living.

“Currently the Newstart Payment is more than \$160 per week lower than the Pension for a single person. It’s crucial the Federal Government raises this payment, especially since it hasn’t increased in real terms since 1994.”

“Pensioners will soon be in the same position of seeing their income fall further behind cost of living increases if the Federal Government’s proposal to index pensions to CPI only is passed in federal parliament. Indexing pensions to CPI only will mean pension payment levels will not keep up with the rest of the community, and we urge our Territory Federal members to strongly oppose the move.

“NTCOSS echoes the call of the Australian Council of Social Service (ACOSS) for the Federal Government to drop this and other harsh Budget proposals until the Welfare Review has completed its work.

“The cost of living in the NT has been very high for a long time, and these latest cost increases will make it even harder for low income and disadvantaged Territorians who are already doing it tough. We must ensure measures that ease the cost of living burden for those who need it,” concluded Mr. Pilbrow.



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