

Cost of living

Fact sheet

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Budget 2023 supports Territorians, families and Territory businesses by reducing cost of living pressures through a range of concessions, subsidies and incentives.



Reducing the cost of utilities

The Territory Government continues to provide substantial cost of living relief to households and small businesses by subsidising the cost of electricity, water and sewerage services for households and small businesses across the Territory.

The Territory increased utility tariffs by 2.7% in 2022-23 and will increase them by the same level in 2023-24. These increases are far below the level of inflation and the increased costs of supply.

Tariffs in other jurisdictions have increased on average by 15.9% in the year to April 2023, and further increases of between 20% to 30% in 2023-24 are expected for Victoria, South Australia, New South Wales, and southeast Queensland.

Over the 2022-23 to 2023-24 period, the Territory Government's decision to adopt below-CPI tariff increases is expected to save households between \$184 and \$350 on electricity bills and a typical small business customer about \$864. Households will also save about \$168 on an average water and sewerage bill.

Budget 2023 provides an additional \$71.7 million in community service obligation funding to Power and Water Corporation and electricity retailers to subsidise utility costs.

In 2023-24, a total of \$161.3 million in community service obligation payments is allocated to Power and Water Corporation and electricity retailers to subsidise utility costs, including:

- \$138.5 million to maintain electricity supply to households and small business customers at uniform prices across the Territory below cost of supply
- \$7.6 million to subsidise water and sewerage services to customers at uniform tariffs
- \$15.2 million to Power and Water Corporation and electricity retailers for various pensioner and carer concessions.

Budget 2023 also provides \$3.5 million for small businesses and \$7.2 million for eligible households to support the National Energy Bill Relief Program, including Commonwealth and Territory funding, to deliver targeted and temporary relief on power bills for eligible households.

Supporting seniors, carers and concession holders

The Territory Government continues to recognise the important contribution of seniors to the Territory and support carers and concession holders.

Budget 2023 provides \$40.6 million for the Northern Territory Concession and Northern Territory Seniors Recognition schemes and the National Energy Bill Relief Program that deliver concessions on a range of essential goods and services to help reduce the cost of living.

The Concession Scheme assists more than 15,000 eligible Territorians with cost of living relief by providing access to up to \$3,492 in concessions, including:

- \$1,200 per annum for electricity (8000kW)
- \$800 per annum for water (471kL)
- \$486.12 per annum for sewerage (based on fixed daily concession of \$1.332)
- \$200 per annum for council rates
- \$150 per annum for garbage (varies between regions)
- \$154 per annum for vehicle registration
- \$502.20 every two years for concession holders or registered dependents for spectacles.

The \$7.5 million Seniors Recognition Scheme provides an annual \$500 prepaid card for Territory residents aged over 65 and recognises the valuable contribution that senior Territorians make to our community. The card can be used on a variety of items and at almost any business.

Reducing the cost of living for families

Budget 2023 supports Territory families through:

- \$6.1 million for the Sport Voucher Scheme, available to children enrolled in school from transition to year 12 for sports, recreation, cultural and music programs, and the Learn to Swim program for children aged 0-5 to participate in water safety programs. The scheme provides two \$100 vouchers each year
- \$6.9 million for the Back to School payment scheme, which provides a \$150 annual entitlement for all enrolled Territory students from preschool to year 12, including those enrolled in government and non-government schools, and registered home-educated students, to help offset the cost of educational items

- \$5.5 million for the Early Childhood Services subsidy paid directly to operators of child care providers to reduce the cost of child care for families and encourage parents and carers to participate in the workforce or study. The subsidy applies to long day care, family day care and three-year old kindergarten.

Budget 2023 also provides \$0.15 million to support long day care providers and three-year old kindergarten services through the toy and equipment grant program.

Homeowner incentives

The Territory Government continues to provide targeted home owner assistance to support new homeowners to enter the housing market through:

- the House and Land Package Exemption, providing a stamp duty exemption for eligible home buyers who acquire a house and land package on newly developed land
- the \$10,000 first home owner grant to buy or build a new home
- HomeBuild access loans to support home ownership through access to low deposit home loan options.

Apprenticeship incentives

The Territory Government also continues to provide up to \$1000 for the workwear and gear bonus to support first-year apprentices and trainees buying workwear and equipment.

Sustainability incentives

The Territory Government continues to provide cost of living support for sustainability initiatives including:

- up to \$1,500 in electric vehicle stamp duty concessions on the registration of new and second-hand battery electric vehicles and plug-in hybrid electric vehicles. This concession effectively removes stamp duty on purchase costs of up to \$50,000. The same vehicles are also exempt from the registration component of Territory vehicle registration fees
- continuation of the Home and Business Battery Scheme, allowing homeowners and businesses to save up to \$5,000 on the purchase and installation of rooftop solar batteries and inverters to reduce electricity costs.

Photograph courtesy of the Department of Education