

NTCOSS

Northern Territory Council of Social Service



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30 January 2025

To the Parliamentary Joint Committee on Northern Australia Inquiry into Energy, Food and Water Security

The Northern Territory Council of Social Service (NTCOSS) welcomes the opportunity to provide a submission to the Inquiry into Energy, Food and Water Security in Northern Australia.

NTCOSS is the peak body for the Northern Territory (NT) community and social services sector and advocates for people affected by social and economic disadvantage and inequality. NTCOSS membership is made up of community managed, non-government, not-for-profit organisations that work in social and community service delivery, sector development and advocacy. NTCOSS' vision is a fair, inclusive, and sustainable NT.

NTCOSS recognises the expertise of members and external stakeholders in matters relating to energy, food and water insecurity in the NT. NTCOSS endorses submissions to this Inquiry made by Central Land Council (CLC) and Menzies School of Health.

While the scope of this Inquiry is Northern Australia generally, this submission focuses on the Northern Territory (NT) as this is where our expertise lies. The NT is a large jurisdiction with a small population - 255,100 people¹ - dispersed across the whole region. Almost a third – 30.8% – of the NT population is Aboriginal, 74.6% of whom live in remote or very remote communities and homelands. For many Aboriginal and low income households in the NT, energy, food and water insecurity is a stark fact of everyday life.

Through member feedback, research conducted by NTCOSS, and participation in a number of coalitions and community actions, NTCOSS is aware of the extent, interconnectedness and impact of energy, food and water insecurity in the NT.

This submission will briefly discuss poverty, food and water insecurity in the NT, with a longer focus on energy insecurity. It also includes some recommendations of action that the Federal Government could take to improve energy, food and water security across Northern Australia. We also note key actions that state and territory

¹ <https://nteconomy.nt.gov.au/population#regional>

governments could take to do the same. We endorse all the recommendations in the CLC submission to this Inquiry (Submission 5).

Poverty

Almost 40% of the NT population – and almost 75% of the Aboriginal population of the NT – live in remote or very remote areas. Living and working remotely poses unique challenges to service delivery and support and adds particular pressure to the cost of meeting people's basic needs.

As detailed in CLC's submission to a 2024 inquiry conducted by the Select Committee on Cost of Living, poverty rates are dire in remote communities². Recent analysis by Dr Francis Markham shows that Indigenous income poverty rates between 2016 and 2021 have worsened. While in most parts of the country, Indigenous poverty rates are decreasing (albeit to a small degree), in remote NT, the poverty rates have escalated significantly – rising between 10-13 percentage points from 2016 to 2021.

NTCOSS regularly researches and publishes [Cost of Living](#) factsheets which show that the cost of living in remote NT is significantly higher than in major towns and regional centres in the NT.

Energy Insecurity

Through NTCOSS' NT Utilities Network, we have heard about energy insecurity and its impact on households right across the NT. Aboriginal people and people living in remote and regional NT experience particularly high levels of energy insecurity. Most people living in social housing, and everyone living in remote communities are required to use prepayment meters. Energy use is particularly high in the NT – average household energy use in the NT is about twice the average household energy use in NSW³.

The causes of energy security are multiple and complex. The cost of energy is a key factor, especially for households that use prepayment meters (PPM). The tariff for PPM users is higher than for account based customers (apparently to make up for the lack of the fixed daily access charge account customers pay)⁴. But due to poor quality housing, inefficient appliances and overcrowding – not to mention the already clear impact of climate change – those households are high energy users who pay a very high price for their energy.

² <https://www.clc.org.au/submissions-reports/>

³ <https://www.powerwater.com.au/your-say/recent-consultations/draft-plan/part-a/powering-the-nt#:~:text=The%20extreme%20heat%20in%20the,compared%20to%20the%20national%20average.>

⁴ https://utilicom.nt.gov.au/data/assets/pdf_file/0004/1398496/electricity-pricing-order-1july-2024-30june2025.pdf

There is a growing body of evidence about energy insecurity and the use of PPMs⁵. Tangentyere Council in Alice Springs has collected data and undertaken research with partners such as CSIRO and the Australian National University that reveals the huge number of disconnections experienced by households using PPMs.

Extensive research has been conducted that shows the impact of these high prices, as well as demonstrating the negative impact of other aspects of PPMs, including how “emergency credit” and “friendly credit” can contribute to energy insecurity. PPM users have limited if any access to hardship schemes offered by retailers. In fact, retailers have a relationship with the meter rather than the customer.

Another key cause of energy hardship in the NT is the poor state of housing generally, and poor thermal performance in particular⁶. The NT chose not to adopt the 2022 update to the National Construction Code – the minimum requirement is only 5 star, and the NT does not currently have a program or any commitment to improving the energy efficiency of social housing in the NT, let alone all rental housing, despite signing on to the Trajectory for Low Energy Buildings. The poor thermal performance, combined with overcrowding and harsh weather conditions, means that energy use per household in the NT is very high.

In the NT no customers are covered by the 5 standard protections⁷ available to most customers – in fact, about 19% of the total estimated resident population (ERP) in the NT are not covered by any of the standard protections, and the remaining 81% are covered by only 3 out of 5 of these standard protections⁸.

The result of cost and the lack of protections, combined with extreme weather conditions and overcrowded housing means that disconnection from energy is common, especially for households that rely on PPMs.

⁵ <https://www.nature.com/articles/s41560-021-00942-2> and [https://researchers-admin.westernsydney.edu.au/ws/portalfiles/portaV178829001/Connected rooftop solar prepay and reducing energy insecurity in remote Australia.pdf](https://researchers-admin.westernsydney.edu.au/ws/portalfiles/portaV178829001/Connected+rooftop+solar+prepay+and+reducing+energy+insecurity+in+remote+Australia.pdf) amongst others

⁶ <https://www.healthabitat.com/news-policy-ministers-agree-to-new-minimum-building-performance/#:~:text=The%20changes%20agreed%20to%20the,7%20stars%E2%80%9D%20NatHERS%20thermal%20performance.>

⁷ The 5 standard protections for energy consumers:

- life support
- rooftop solar connection
- disconnection reporting
- guaranteed service levels
- clear and independent complaints process

⁸ <https://www.nature.com/articles/s41560-023-01422-5>
<https://www.nature.com/articles/s41560-023-01433-2>

Research conducted by Tangentyere Council and partners shows that disconnection from power is widespread and frequent⁹. Without power, food and medicine can go off; cooking, washing and bathing become difficult; keeping premises at a safe and comfortable temperature becomes impossible, which in turns affects health. Sleep is affected, and all of these factors limit people's capacity to engage in community life, school and employment related activities, and can lead to homelessness¹⁰. This appalling level of energy insecurity is and should be considered as totally unacceptable.

Other factors include the slow roll out of solar energy in the NT. Despite a target of 50% renewable energy by 2030 – and some of the world's best opportunities for solar energy – the NT is currently producing less than 10% of its energy from renewable sources¹¹. Installing solar power in social housing across the NT would have an immediate and beneficial impact.

Climate change is already being felt across the NT – land and sea temperatures are rising, and rainfall patterns changing. We need housing and energy systems that acknowledge and respond to these changes, that are resilient and adaptive, that reduce carbon emissions, and that provide more equitable outcomes.

Food Insecurity

As noted above, the cost of living in remote NT is significantly higher than in regional and urban NT. Higher food prices are exacerbated by high fuel cost and limited transport options, particularly in remote and regional NT.

In our [October 2024 Cost of Living](#) Factsheet¹², we noted that the average cost of a healthy food basket costs 40% more in remote stores than in supermarkets in major towns throughout the NT, and the NT Market Basket Survey, conducted by NT Health since 2000, clearly shows that the gap is widening. When combined with widespread poverty, there is an impact on food security.

The Aboriginal Medical Services Alliance NT (AMSANT) has done extensive work around food insecurity in the NT¹³. A report prepared by AMSANT in 2021 includes recommendations from previous Inquiries going back to 2001. The fact that there have been so many Inquiries into food security in Northern Australia, so many

⁹ https://iced.s.anu.edu.au/files/Nature_policy_brief.pdf

¹⁰ See NTCOSS articles in Parity, June 2024 edition <https://chp.org.au/sector-learning-and-development/parity-magazine/>

¹¹ https://www.energy.gov.au/sites/default/files/2024-08/australian_energy_update_2024.pdf and <https://www.climatecouncil.org.au/resources/2024-progress-scorecard-how-states-and-territories-measure-up/>

¹² <https://ntcoss.org.au/media-releases/media-release-cost-of-living-october-2024/>

¹³ <https://www.amsant.org.au/wp-content/uploads/2021/10/Community-Consultation-Results-and-Discussion-Paper-V2.pdf>

recommendations made, yet food insecurity remains widespread should alarm committee members and hopefully lead to a commitment to identify and work towards real solutions.

Water insecurity

Water is essential to life and important for cultural and economic reasons. Yet there are numerous communities throughout the NT that do not have reliable access to water that meets the Australian Drinking Water Guidelines¹⁴. We endorse the comments and recommendations made in the CLC submission to this Inquiry and note that water security in the NT is further endangered by fracking.

What can be done?

There are many things governments can do to improve energy security in Northern Australia. Addressing poverty is a matter of choice – Parliament can and should make decisions that change policy and allocate resources to address the underlying causes of energy, food and water insecurity.

It is appalling and should be unacceptable that anyone, let alone so many people, should experience energy, food and water insecurity in one of the richest countries in the world. Australia has the resources and the expertise to change this – we hope this Inquiry is a step towards making that change happen.

Recommendations

Actions Australian Government should take:

1. Substantially increase the Remote Area Allowance
2. Permanently and adequately increase JobSeeker and all other income support payments to keep people out of poverty
3. Develop national poverty reduction targets and measures
4. Improve the ability to track levels of energy insecurity through a national database to actively monitor and measure levels of energy protections across the country, and adoption by all jurisdictions of mandatory electricity disconnection reporting
5. Establish a program to assist social housing providers in the NT to undertake energy efficiency upgrades
6. Establish a program of measures to assist private rental providers in the NT to undertake energy efficiency upgrades
7. Identify and implement programs and policies that drive improved energy performance for existing and new dwellings across Northern Australia

¹⁴ See NIT article, September 2024

<https://nit.com.au/13-09-2024/13695/getting-worse-unsafe-water-plagues-remote-residents> and CSIRO report 2023

<https://www.csiro.au/en/research/natural-environment/water/water-resource-assessment/water-supply-for-remote-australian-communities>

8. Identify and implement policies and programs that reduce carbon emissions and support adaptation and resilience building measures to address the impact of climate change

Action the Northern Territory Government could take:

1. Extend the NT Concession Scheme to include people on JobSeeker and other income support payments, and people eligible for the Centrelink Health Care Card
2. Adopt the National Construction Code 2022, which requires new dwellings to meet minimum 7 star energy efficiency standard
3. Mandatory disclosure of energy performance at the point of lease or sale of a property
4. Establish a timetable to introduce mandatory energy efficiency standards in rental accommodation
5. Plan and implement energy upgrades to social housing in the NT
6. Plan and implement energy upgrades to private rental housing in the NT and establish targeted financial supports conditional on renter protections for upgrades
7. Plan and implement NT wide program to roll out solar to social housing
8. Reduce prepayment meter tariff
9. Make a commitment and develop a plan to increase access to all standard protections for all energy consumers in the NT

Yours sincerely

Sally Sievers
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