

Context Paper – Northern Territory Housing Strategy

Contents

Executive Summary	2
Emerging Insights	2
Northern Territory context	3
Overview of housing markets and tenure.....	3
Key issues	4
Remote housing and community context	4
Housing supply across urban and regional markets.....	5
Social and affordable housing.....	5
Housing affordability and access	6
System coordination and integration.....	7
Supply chains, workforce and delivery capacity	7
Key opportunities.....	8
Land, planning and enabling infrastructure.....	8
Construction methods.....	8
Workforce	8
Market Health.....	9
Urban renewal, affordability and key-worker housing.....	9
Appendix A: Sources of information	10
Appendix B: Housing System.....	11

Executive Summary

This paper provides an overview of the available evidence on housing in the Northern Territory. It brings together data, analysis and stakeholder insights to describe how the housing system is currently performing, the key factors influencing supply and demand, and emerging system pressures and opportunities.

The Northern Territory is well positioned for economic and population growth, supported by opportunities in defence, critical minerals, energy, logistics and tourism. A well-functioning housing system is critical to unlocking this growth, supporting workforce participation and delivering safe, connected communities.

Evidence indicates that housing outcomes in the Territory are shaped by a combination of structural factors, including high construction and infrastructure costs, workforce availability, market scale, and the geographic distribution of communities. These factors influence the timing, cost and feasibility of housing delivery across urban, regional and remote areas.

Significant investment and reform is underway, including the \$4 billion remote housing commitment and recent planning initiatives. At the same time, the evidence highlights ongoing pressures in parts of the system, including overcrowding in some remote communities, rental availability in tighter markets, and constraints on construction capacity.

This paper is intended to inform the development of a new whole-of-system housing strategy. It outlines key evidence and emerging insights to be tested with stakeholders to identify priorities for action.

Emerging Insights

Analysis of the available evidence highlights several consistent themes across the housing system:

- Housing delivery is influenced by the interaction of multiple factors, including land, infrastructure, construction capacity and market conditions, rather than any single constraint.
- Construction costs, workforce availability and market scale are key determinants of delivery across both urban and remote contexts.
- Project feasibility is a key determinant of whether housing supply proceeds in practice.
- Housing outcomes vary across the Territory, reflecting differences in geography, infrastructure and market depth.
- Social and affordable housing plays a central role in supporting both vulnerable cohorts and workforce participation.
- Alignment across government, industry and communities influences the timing and efficiency of housing delivery.

These insights provide a foundation for the development of the Housing Strategy.

Northern Territory context

The Northern Territory housing system operates within a unique geographic, economic and demographic context. The Territory has a relatively small and dispersed population, with around half of Territorians living outside Greater Darwin.

Housing plays a central role in supporting economic growth, workforce attraction, and community wellbeing. Demand for housing is expected to increase in line with growth in key sectors such as defence, resources, energy and tourism.

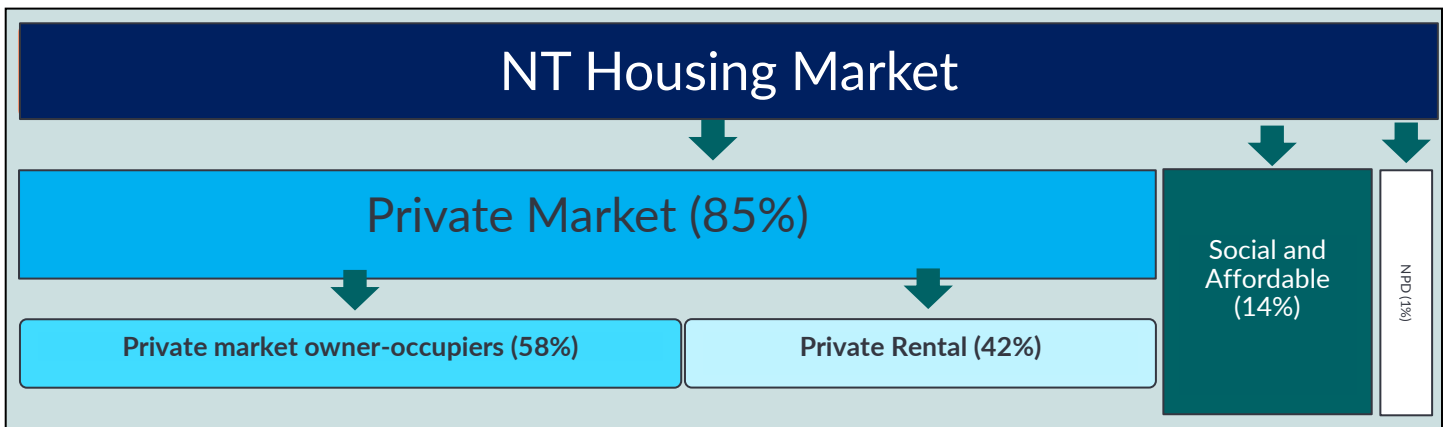
The NT Government holds significant levers within the housing system. These levers provide opportunities to influence the location, timing and type of housing delivered.

Housing delivery is influenced by construction costs, workforce availability and market scale – these factors vary across locations, with different conditions in Greater Darwin, regional centres and remote communities.

Overall, the evidence highlights that the NT housing system is complex and interconnected, with outcomes shaped by multiple factors operating across government, industry and communities.

Overview of housing markets and tenure

Fig 1. Breakdown of the NT Housing Market



The Northern Territory housing system comprises a mix of private market housing, social and affordable housing, and a small proportion of non-private dwellings. Each component plays a distinct role in meeting housing demand and supporting population and economic growth across the Territory.

Private market housing (85%)

Owner-occupiers (58%)

The private housing market provides the majority of housing in the Northern Territory and is the primary source of new supply across urban and regional areas.

Home ownership remains an important tenure in the NT, with a significant proportion of households owning or purchasing their homes. In some locations, housing prices remain comparatively lower than in other capital cities.

In addition, investment activity, including investor demand and market conditions, influences the availability and pricing of housing. In smaller markets, relatively small shifts in demand can have a noticeable impact on supply.

Private rental market (42%)

The private rental market plays a critical role in supporting workforce mobility and access to housing.

Evidence indicates that rental conditions vary across the Territory. In some locations, particularly in major centres, vacancy rates are low and demand is strong. In smaller markets, relatively small changes in population or workforce demand can have a noticeable impact on availability.

These dynamics can influence access to housing for lower-income households and essential workers.

Social and affordable housing (14%)

Social and affordable housing provides essential support for vulnerable Territorians and plays a central role in remote communities. Evidence indicates that demand for social housing remains high, particularly among priority cohorts. In remote communities, social housing is the dominant tenure.

Housing condition and asset age influence maintenance requirements and investment needs.

Affordable housing also supports workforce participation, particularly for essential workers.

Non-private dwellings (NPDs) (1%)

Non-private dwellings, including aged care and institutional accommodation, represent a small proportion of housing. These facilities support specific cohorts and can influence broader housing demand where transitions between housing types are constrained.

INSIGHT: The NT housing system is characterised by strong reliance on the private market, a central role for social housing in remote communities, and variability across locations.

Key issues

These themes reflect how the insights identified above manifest across different parts of the housing system.

Remote housing and community context

Remote housing is a central component of the NT housing system, with social housing representing the dominant tenure in many communities.

Evidence indicates that overcrowding remains a significant issue in some remote communities, which can place pressure on housing condition, infrastructure and service delivery. Housing outcomes are also influenced by factors such as the age and condition of existing stock, the availability of enabling infrastructure, and the cost and logistics of construction in remote locations.

Delivery in remote areas is shaped by seasonal conditions, freight requirements and workforce availability. These factors highlight the importance of sustained investment, locally informed approaches and ongoing maintenance programs to support long-term housing outcomes.

INSIGHT: Remote housing outcomes are shaped by sustained investment, local delivery capacity and infrastructure constraints.

Housing supply across urban and regional markets

Urban and regional housing markets in the NT play a key role in supporting population growth, workforce mobility and economic development.

Evidence suggests that housing supply in these markets is influenced by construction costs, market scale and the capacity of the development and construction sector. In some locations, the delivery of more diverse housing types, including medium-density housing, can be affected by feasibility considerations and market conditions.

Housing supply dynamics can also vary across the Territory. Greater Darwin has a relatively active private housing market, while regional centres experience more variable supply due to smaller markets and more limited development pipelines.

INSIGHT: Housing supply is influenced as much by construction capacity and feasibility as by land availability.

Social and affordable housing

Social and affordable housing plays a critical role in supporting vulnerable Territorians and enabling access to stable housing.

Demand for social housing remains high, particularly among priority cohorts including Aboriginal Territorians, families experiencing overcrowding, and people requiring additional support. In remote communities, social housing is the primary form of housing, with supply and condition continuing to influence outcomes.

Evidence also suggests that some existing housing stock, particularly in the social housing portfolio, may not meet contemporary standards for safety, climate performance or cultural suitability.

Evidence suggests that affordable housing options in the NT are currently limited and vary across programs, with potential to improve consistency and scale.

CURRENT PROGRAMS INCLUDE:

- Social Housing Accelerator: 100 new social housing dwellings across major centres (Darwin, Alice Springs, Katherine, Tennant Creek)
- Housing Australia Future Fund (HAFF): ~460 social and affordable dwellings committed; 6 sites identified for first phase delivery
- Social and affordable housing targets in Crown land greenfield developments where feasible

INSIGHT: Social and affordable housing supports both vulnerable cohorts and workforce participation.

Housing affordability and access

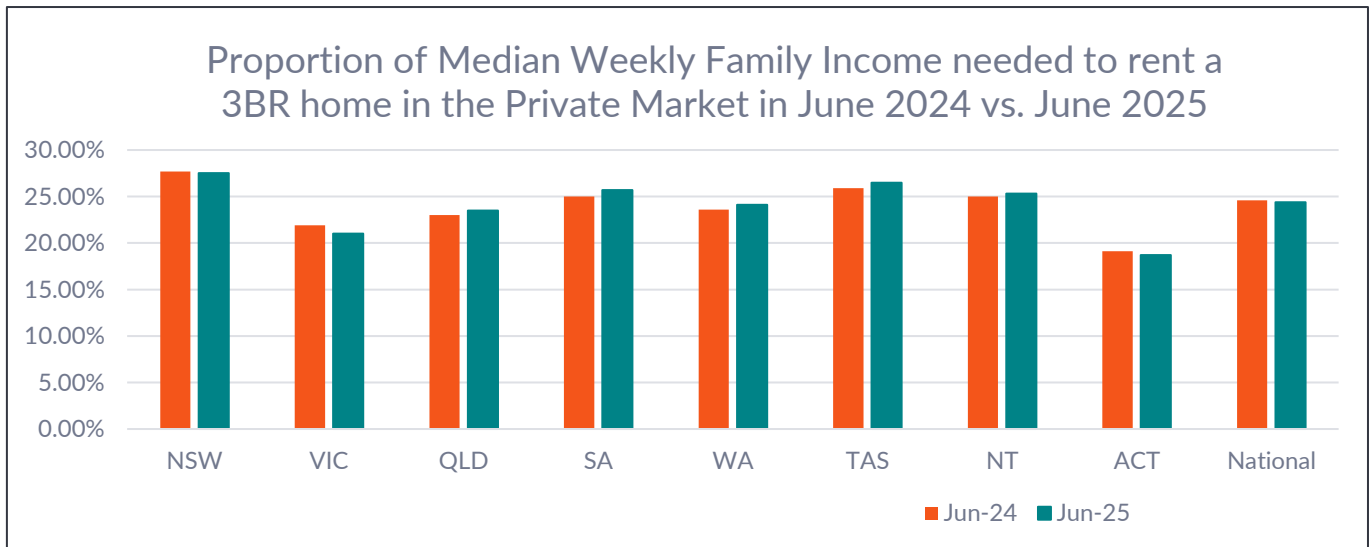


Table from NT COSS – Cost of Housing in the Northern Territory Report October 2025

Housing affordability is a key factor influencing access to housing in the Northern Territory.

Housing costs in the NT have increased in recent years, with impacts varying across income groups and locations. Rental affordability is a particular pressure point for some households, especially in tighter markets and for those on lower or fixed incomes. In these contexts, a higher proportion of household income may be directed toward housing costs, which can affect financial resilience and housing stability.

At the same time, the NT housing market continues to support relatively strong levels of home ownership compared to some jurisdictions. However, access to home ownership continues to be influenced by a range of factors, including deposit requirements, availability of suitable housing products and broader cost-of-living pressures.

Government programs, including grants and bond assistance, play an important role in supporting access to housing across the ownership and rental spectrum. National policy settings and programs, such as the wind-down of the National Rental Affordability Scheme, also influence the availability of affordable rental options in the Territory.

Affordability outcomes are closely linked to overall housing supply, market conditions and the availability of diverse housing options. In smaller and higher-cost markets such as the NT, these factors can have a more pronounced impact on both rental and ownership affordability.

Housing appropriateness, including dwelling size, design and location, also influences access to suitable housing for different household types.

INSIGHT: Affordability outcomes are closely linked to supply, market scale and income distribution.

Planning, delivery and construction capacity

Housing delivery in the NT is influenced by the interaction between planning settings, infrastructure provision, construction capacity and market conditions.

While planning processes have been streamlined, delivery outcomes are shaped by factors such as construction capacity, project feasibility and the sequencing of development.

The construction sector operates within a relatively small labour market, with demand from multiple sectors. In remote and regional areas, logistics, climate and market scale can further affect delivery approaches and timeframes.

These factors highlight the importance of considering housing delivery as a system, where multiple elements must align to support timely and efficient outcomes.

INSIGHT: Delivery timing is primarily influenced by construction capacity and sequencing rather than planning approvals alone.

System coordination and integration

Housing outcomes in the NT are shaped by a range of interconnected systems, including land use planning, infrastructure, construction, homelessness services, health and justice.

Better coordination of these elements can support the efficiency, timing and effectiveness of housing delivery and provide better outcomes for communities.

Stakeholder feedback highlights opportunities to strengthen coordination across government portfolios, industry and communities, including Aboriginal organisations. This includes improving alignment between land release, infrastructure investment and housing delivery, as well as strengthening integration with related services.

INSIGHT: Alignment across land, infrastructure, construction and services is a key determinant of delivery efficiency.

Supply chains, workforce and delivery capacity

Construction in the NT is influenced by national supply conditions, transport logistics and the need for materials suited to local climatic conditions. Workforce availability remains a key factor, with demand for skilled trades intersecting with other sectors such as mining and energy.

There are opportunities to improve productivity and delivery through more consistent construction practices, better coordination of demand, and approaches that support workforce development and retention, particularly in regional and remote areas.

INSIGHT: Workforce availability and supply chains are key constraints on delivery.

Key opportunities



The evidence outlined above highlights a number of areas where targeted action could strengthen housing outcomes across the Territory.

Land, planning and enabling infrastructure

The Territory is in a unique position of having Crown land to support residential land releases. It also invests significantly in forward planning activities and enabling infrastructure to facilitate land development by private industry.

Greater transparency and clarity on the pipeline of works, and aligning it with major works across transport and energy, could provide greater development certainty and a more predictable, efficient and investment-ready housing system.

Sales programs, such as releasing government land to market with clear development requirements, or offering well-located lots to support home ownership and small-scale development, also stimulate private construction activity and improve housing choice.

Construction methods

A shift toward modern and efficient construction methods presents a strong opportunity for the Territory, especially in remote communities. Increasing the use of modular and prefabricated building approaches can speed up delivery, improve quality and reduce the impact of weather and logistics.

By coordinating demand across government projects, including housing, health and education, the NT can also secure more reliable access to key building materials and components, helping to stabilise costs and ensure consistent supply.

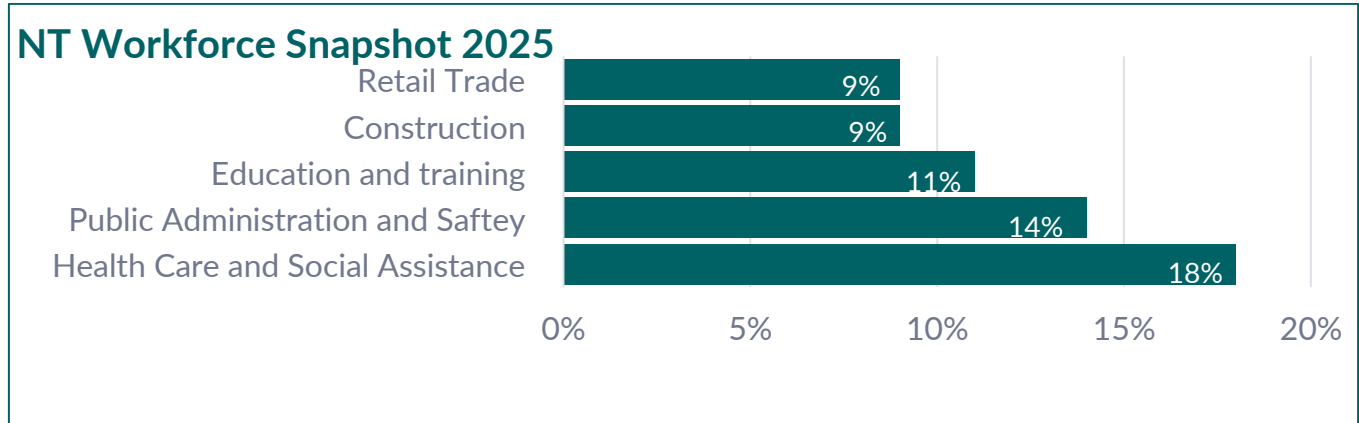
Upgrading ageing public housing with climate-ready features can reduce living costs for tenants, improve health and comfort, and increase the lifespan of homes in the Territory's harsh climate.

Workforce

There may be an opportunity to deliver modern methods of construction micro-credentials across the Territory to grow a local workforce. Other approaches could include embedding local apprentice / trainee ratios in contracts.

Innovative approaches to delivering construction and maintenance across the NT may include establishing multi-trade crews that rotate across the regions.

The NT Workforce Snapshot 2025 shows that the construction industry makes up a relatively small portion of the Territory’s workforce. To support housing needs across the Territory, it is important to grow the industry.



Data from Northern Territory Workforce Snapshot 2025

Market Health

Clearer development pipelines, regulatory reform and more consistent engagement with industry could support investment and improve market participation.

There are opportunities to develop an approach that sequences development at an appropriate scale that enables feasible, staged projects that can maximise participation by industry.

There is a further opportunity to move toward longer-term partnerships with industry that reward on-time, high-quality delivery and strengthen local capability, including participation by Aboriginal businesses and workers. Clearer, performance-based contracts, supported by better data on what is working well and what needs improvement could create a more stable, accountable and transparent delivery environment.

Urban renewal, affordability and key-worker housing

There are opportunities to progress targeted urban renewal by redeveloping under-utilised public land into mixed-tenure precincts that incorporate social and affordable housing alongside private market supply. Renewal of public land close to jobs, transport and services could support the attraction and retention of key workers.

Supporting models like build-to-rent and other affordable rental options, particularly those designed for essential workers, may help increase supply and improve access to stable, well-located housing.

Targeted government incentives, such as partnerships with investors, may also be considered if they deliver clear community benefit.

Appendix A: Sources of information

The Department of Housing, Local Government and Community Development drew on the following resources to develop this synthesis paper:

1. 2025 Infrastructure Market Capacity Report, Infrastructure Australia
2. Australian Institute of Health and Welfare
3. Bringing Land to Market report
4. Cost of Housing in the Northern Territory, October 2025, Northern Territory Council of Social Service and NT Shelter
5. Growing Central Australia, Solutions for Regional Development and Sustainability, December 2025, NT Property Council
6. HAFF and NHAF Fact Sheet, Developers, Builders, Financiers and Investors, January 2024
7. Healthy Homes Monitoring and Evaluation Project, Final Report, Menzies School of Health Research, 2023
8. Northern Australia Housing Working Group Report
9. Northern Territory Homelessness Strategy 2025-30
10. Northern Territory Workforce Snapshot 2025
11. Report on Government Services (RoGs) data 2026
12. 'Saying 'Yes' to Business' Approvals Fast-Track Taskforce report
13. State of the Housing System 2024, National Housing Supply and Affordability Council
14. State of the Housing System 2025, National Housing Supply and Affordability Council

Appendix B: Housing System

