



Raise remote area allowance to ease worsening cost of living squeeze out bush

The Central Land Council is urging the federal government to urgently increase the remote area allowance to deliver real cost of living relief to the country's poorest households in the face of rising fuel costs.

Already, Aboriginal people in remote communities are paying up to twice as much for fuel as people in cities, with diesel prices reaching \$4 a litre in some areas. Soaring fuel costs are driving up the price of essentials and deepening cost of living pressures out bush.

Labor's low-cost essentials subsidy scheme, while very welcome, is vulnerable to global uncertainty and energy price rises.

CLC general manager Dr Josie Douglas said rising fuel costs will wipe out the scheme's gains by pushing up the price of fresh food and other essentials.

Without a meaningful increase in Centrelink income there is no buffer against an inevitable surge in the cost of living.

"The subsidy helps, but fuel prices will quickly erode those savings," she said.

"Prices for key items like fresh food will rise sharply, and families will struggle to keep up."

Most people in remote communities rely on fixed incomes and have little capacity to absorb rising costs.

The 42-year-old remote area allowance provides a small supplementary payment to income support recipients in remote areas to offset extreme living costs out bush. It has failed to keep pace with reality.

Living costs in remote communities since 2000 have consistently been around 40 per cent higher than in capital cities. Yet the allowance pays just \$9.10 a week for singles, \$15.60 for couples, and \$3.65 per child. It is not indexed and has increased only twice in more than four decades.

"The last increase was more than 25 years ago. With fuel prices hitting our people so hard, it's time for the government to raise it," Dr Douglas said.

"Cost of living pressures are being felt nationwide, but low-income families in remote communities are particularly hard hit."

With more than half of all allowance recipients living in the Northern Territory, the CLC is calling on the federal government to make this cost of living reform a priority.

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