Survey of Community Views on Energy Affordability - South Australia
Background

CHOICE, the Brotherhood of St Laurence and the Energy Efficiency Council all have the goal of improving the affordability of energy services. These three groups commissioned a joint survey on energy affordability, building on work carried out by CHOICE in 2012.

The group commissioned Essential Research to include a number questions in its regular online surveys in late September 2013. The supplementary first question (household concern about different areas of expenses) was included in the survey from 17th to the 24th September and is representative at the National level, with 975 national respondents. The second and third questions were included in surveys over two weeks from the 17th to the 30th September 2013, and are representative at the National level and in the larger states, and indicative only for South Australia, with 2061 national respondents that included 186 South Australian households.

This report is a summary of South Australian results. Other reports are available with National data and data specific to NSW, Victoria, Queensland and Western Australia.
Households are still very concerned about electricity costs

The survey indicated that 'electricity' is still the most concerning cost-of-living pressure for households. Almost 85 per cent of households were concerned about electricity costs, and 44 per cent were very concerned.

A recent Australian Bureau of Statistics report indicated that in 2012 the average Australian household spent 53 per cent more on fuel for vehicles ($60 a week) than energy used within a dwelling, such as gas and electricity ($39 a week)\(^1\). However, our survey found that household concern is much higher for electricity costs than transport costs. There are a number of possible reasons for this, such as:

- Electricity costs have risen much faster than transport costs in the past two years
- Most households don't know how much electricity they are using at a particular point in time, and bills are generally paid after use. This means that bills can be larger than expected and households cannot retrospectively take strategies to reduce these bills. In comparison, it is easier for consumers to see how their transport usage relates to their expenses.
- Electricity bills are generally in large quarterly 'lumps', while transport costs are often paid in small daily or weekly instalments.

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Households want state governments to act on electricity bills

The vast majority (90 per cent) of South Australian believe it is important, or very important, that their State Government helps reduce energy bills for households and businesses.

South Australians were much more likely to say that it was 'very important' for the State Government to take action on energy bills than the national average, with 63 per cent of South Australians stating it was 'very important' for the State Government to take action, compared to 53 per cent nationally.
Some strategies to reduce household energy bills are more popular

We suggested a number of options for reducing their energy bills. The most popular option was helping homes and businesses save energy, with a net support 78 per cent. This was by far the most popular option, with just 2 per cent opposition.

While using tax revenue to subsidise energy bills for all households was much less popular, South Australians were unique in having this as their second-most popular option. In every other state time-of-use pricing and subsidies energy bills for just low-income households were more popular than subsidies for all households. This may reflect some of the demographic features of South Australia.

As the focus of the survey was state government policy, carbon policy was not included in the survey.

Would you support or oppose the following ways in which the State Government could help reduce energy bills? (South Australia)

- Help homes and businesses save energy: 33% Strongly Support, 48% Support, 2% Neither Support or Oppose, 2% Oppose, 2% Strongly Oppose
- Use tax revenue to subsidise energy bills for all homes and businesses: 10% Strongly Support, 38% Support, 14% Neither Support or Oppose, 3% Oppose, 7% Strongly Oppose
- Use tax revenue to subsidise energy bills for just low-income households: 19% Strongly Support, 31% Support, 13% Neither Support or Oppose, 7% Oppose, 6% Strongly Oppose
- Introduce time-of-use pricing (this means electricity is more expensive in peak periods and cheaper off-peak): 10% Strongly Support, 31% Support, 19% Neither Support or Oppose, 6% Oppose, 8% Strongly Oppose
- Reduce the electricity grid’s reliability standard (this means lower bills but a slightly greater chance of power outages): 7% Strongly Support, 21% Support, 23% Neither Support or Oppose, 8% Oppose, 3% Strongly Oppose
- Reduce incentives for renewable energy: 10% Strongly Support, 19% Support, 19% Neither Support or Oppose, 18% Oppose, 8% Strongly Oppose
Would you support or oppose the following ways in which the State Government could help reduce energy bills? (South Australia - net approval)

- Help homes and businesses save energy: 78%
- Subsidise energy bills for all homes and businesses: 31%
- Subsidise energy bills for just low-income households: 30%
- Introduce time-of-use pricing: 16%
- Reduce the electricity grid's reliability standard: -3%
- Reduce incentives for renewable energy: -8%