



IMPACT OF HIGHER ELECTRICITY PRICES ON BUSINESSES IN REGIONAL QUEENSLAND

SURVEY REPORT OVERALL RESULTS



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DISCLAIMER

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The views expressed in this document do not necessarily reflect the views of the Energy Consumers Australia Panel or the Australian Energy Market Commission.”



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IMPACT OF HIGHER ELECTRICITY PRICES ON BUSINESSES IN REGIONAL QUEENSLAND OVERVIEW

Background

Over the period July to early October, Compass Research carried out independent surveying among businesses in four representative Queensland regions on behalf of Queensland Electricity Users Network with support from Energy Consumers Australia.

The following gives an overview of the results.

Full detailed reports for the four areas overall and for each region can be viewed on the QEUN website www.qeun.com.au

The Four Regions Surveyed

The four rural regions selected - Mareeba (northern agricultural, especially irrigated), Southern Downs (southern agricultural), Whitsundays (tourism) and Mt Isa (mining), are representative of the diversity of regional Queensland outside of the main regional cities.

This diversity was also represented, at the time of the surveying, in a range of economic conditions - good growth based on agricultural expansion in Mareeba, slow conditions in the Southern Downs, Mt Isa doing it tough with the collapse of the mining boom and Whitsundays struggling to recover from the effects of Cyclone Debbie. However, while there was some variation, the main results were remarkably similar.

The four regions represented a population of 109,000.

The survey sample was large at 741 and covered all industry sectors.

The Rising Costs

Almost all relied on Ergon, the Queensland Government owned near monopoly retailer/supplier in regional Queensland, and have faced major increases of the order of 15 – 20% in the last two years as regulated retail electricity prices for a typical small business rose 11.2% in 2016-17 and 4.1% in 2017-18 = 15.3% in two years.

Electricity costs of the businesses responding as a proportion of their total costs ranged from less than 5% to more than 30% with an average of 13%.

How did Businesses Adjust?

The overwhelming response (70%) was that the businesses had suffered a loss in profitability. Only 22% said they were able or willing to pass on the cost to customers – very few in full.

Some two-thirds tried to reduce electricity consumption by modifying behaviour (e.g. adjusting air-conditioners) and 42% by installing more efficient equipment.

Some 15% invested in alternative energy generation.

Resulting losses in jobs or staff hours were recorded by 15%.

Some 25% said they increased debt carried by their businesses.

The survey indicated that about 50% of businesses are experiencing bill stress and this is common across the four regions and across most industry sectors including sectors like agriculture, tourism, mining, manufacturing & retail that underpin regional economies.

What Will Happen if Electricity Costs Continue to Rise?

Some 22% of respondents indicated they were now extremely concerned about their ability to pay their electricity bills – that they were experiencing bill stress.

If electricity prices go up again, some 52% said they would experience strong to severe stress in their business. Some 30% said they would consider reducing staff/staff hours – a leap from the 15% who have already cut back.

Conversely if prices went down, 86% said it would increase the viability of their businesses and 35% said they would consider employing more staff.

Impact on the Regional Economy

Almost all said that the rises in electricity prices were adversely affecting their regional economies; some 34% recording effects as severe.

Conclusions

Businesses have tried to accommodate rising power bills by modifying electricity consumption, installing more efficient equipment and in some cases turning to alternative energy sources.

Most businesses reported they were unable to pass on the rising costs or make other compensating adjustments.

The main result has been that profitability, incomes & viability of important industry sectors have suffered. Nearly half are now reporting bill stress and about a quarter have survived by taking on more debt. The squeeze on profitability will have meant a lesser ability to pay staff higher wages.

While job and employee work hour losses have so far not been large, the reduction in employment is adversely affecting regional Queensland economies.

If the price of electricity rises again, half of businesses said they would experience strong to severe stress, more will seek to recover costs by increasing prices. Loss of employment can be expected to increase with effects on regional economies.

On the other hand, businesses clearly indicated that if electricity prices were reduced their viability would improve, with many considering employing more staff and expanding their business.

Contents

O V E R V I E W	2
S U M M A R Y O F M A I N F I N D I N G S	5
1.0 I N T R O D U C T I O N	8
1.1 General	8
1.2 Survey Methodology	8
1.3 Timing	8
2.0 S A M P L E C H A R A C T E R I S T I C S	9
2.1 Number of Responses	9
2.2 Industry Classifications	9
2.3 Size of Business, Employment and Turnover	10
2.4 Locally Owned or Branch Office	12
2.5 Rent or Lease Premises	12
3.0 H O W E L E C T R I C I T Y D E L I V E R E D T O B U S I N E S S	13
3.1 How Receive Electricity Bills	13
3.2 Own Generation	13
3.3 Proportion Electricity of Business Costs	13
4.0 A W A R E N E S S O F E L E C T R I C I T Y C O S T R I S E S	14
4.1 Rises in 2016	14
4.2 Rises in 2017	14
5.0 D E C I S I O N S T O A C C O M M O D A T E E L E C T R I C I T Y P R I C E R I S E S	15
5.1 Electricity Costs Risen	15
5.2 Consumption of Electricity	15
5.3 Decisions Made to Enable Business to Accommodate Electricity Cost Rises	15
6.0 S A T I S F A C T I O N W I T H S I T U A T I O N	21
6.1 Prices	21
6.2 Reliability	21
6.3 Concerns About Paying Electricity Bills	22
7.0 I M P A C T S I F C O S T S O F E L E C T R I C I T Y R E D U C E D O R I N C R E A S E D	24
7.1 Financial Stress if Electricity Costs Increased	24
7.2 If Cost of Electricity Reduced	25
7.3 If Cost of Electricity Increases	25
8.0 I M P A C T O N R E G I O N	26
8.1 Regional Impact	26
8.2 Business Types in Community Especially Affected	26
9.0 S U P P L E M E N T A R Y I N F O R M A T I O N A B O U T E L E C T R I C I T Y B I L L S	27
9.1 Number of Connections	27
9.2 Tariffs	28
9.3 Inclusion of Home	28
9.4 Annual Power Bills	29
10.0 G E N E R A L C O M M E N T S	30
 Appendices	
1 Background Compass Research	31
2 Survey Questionnaire	32
3 Responses to Higher Electricity Costs by Acceptance of Greater Debt by Other Responses	39
4 Responses to Higher Electricity Costs by Business Size & Proportion Electricity Costs of Total Costs	40
5 Business Types Especially Affected	44
6 Annual Power Bills Recorded	45
7 Why Not Pass on Extra Costs	52
8 General Comments	47

SUMMARY OF MAIN FINDINGS

Introduction

- A survey of businesses was carried out in four representative Queensland regional centres to ascertain the reactions of businesses in regional Queensland to rising electricity prices – Mareeba - northern agricultural, Southern Downs – southern agricultural, Mt Isa – mining and Whitsundays – tourism.

Characteristics

- The sample of 741 was generally representative of industry classifications as per data from the Australian Bureau of Statistics (ABS), but tended to be low compared with ABS data in micro businesses with no employees apart from owners.
- Some 94% of respondents were locally owned and about 56% owned their own premises.

Electricity Delivered to Businesses

- Almost all were Ergon customers but 26% had an element of their own generation.
- Of the 69% of respondents who could answer the question about electricity costs as a proportion of total business costs, 29% said less than 5%, some 18% said over 11% - 20%. Average recorded was 13.3%.

Decisions to Accommodate Electricity Price Rises

- About 40% indicated they didn't know the extent of rises in electricity prices in July 2016 and 30% for July 2017.
- However, 92% said their electricity costs had risen with only 4% saying they hadn't.
- While 72% said their electricity consumption had stayed about the same, some 13% said it had risen against 13% who said it had fallen. The indications are that on balance, consumption has remained about the same.
- The key question in the survey was, "Which of the following decisions have you made to enable your business to accommodate rising electricity costs over the past 12 months?" The following responses were received.

Have you:	No.	% of Respondents (741)
Accepted lower income from the business	516	70%
Reduced electricity consumption through changing behaviour, eg. adjusted the temperatures set for air-conditioners, heaters and hot water systems, turned off equipment and lights not in use	470	63%
Reduced electricity consumption through investment in more energy efficient appliances & equipment, eg. air-conditioners, fridges/freezers, cold rooms, irrigation pumps, lighting, etc.	308	42%
Increased the debt carried by the business	182	25%
Passed the increased cost of electricity on to your customers through higher prices for your products/services	160	22%
Reduced staff hours or staff numbers	114	15%
Invested in alternative electricity generation	110	15%
Other	12	2%
Total	1872	254%

- Many gave more than one response resulting in an average of 2.5 per respondent.

- The indications are that as a result of increased electricity costs, some 70% of businesses have become less profitable. (Note: The survey does not include businesses that may have gone out of business.)
- Over 63% have tried to reduce consumption by modifying behaviour.
- Some 42% had invested in more energy efficient equipment.
- A quarter indicated they had increased the debt carried by the business. (Cross tabulations indicated this was mainly due to reduced profits, but also to investment in equipment.)
- Only 22% had passed the increase on to customers – many saying only partially (only 6% in full). Most of those who didn't, said they couldn't (eg. farmers, miners, etc.). For others, they didn't because they felt the market for their services wouldn't stand an increase, others because of competition. Average increase was 4.9% of those reporting. The indications are that overall price increases for the whole sample was of the order of 1%.
- About 15% said they had invested in alternative electricity generation most in solar, but some in diesel.
- Some 15% said they had reduced staff hours with average loss calculating at 3.7 hours a week across the whole sample. Actual job losses recorded were 110, ie. about 1.5% of the recorded workforce of the businesses surveyed.
- Businesses with employment 20+ were less likely to have reduced staff hours.
- Those with electricity more than 10% of total costs were more likely to have increased debt and those 21% - 30% more likely to have reduced staff.

Satisfaction with Electricity Prices and Reliability

- Some 64% recorded they were very dissatisfied with electricity prices being charged to their business. On a scale of 1 to 10, with 10 being very satisfied, only 5% gave a score of over 5 and average rating was a very low 1.9.
- On the other hand, on a scale of 1 to 10, the average satisfaction rating for the reliability of supply was 6.9.

Impacts if Costs of Electricity Increased Further or Reduced

- Some 22% were extremely concerned about their ability to pay electricity bills on a scale of 1 to 10 with 10 being extremely concerned, the average was 6.8.
- If electricity prices increased further:
 - Some 52% of respondents indicated they would experience strong to severe stress;
 - Some 47% responded they would consider investing in solar and 10% in diesel and 16% in battery storage;
 - Some 30% responded they would consider reducing staff (cf 15% who had already reduced staff).
- If prices decreased, some 86% said the viability of their business would increase, 35% would consider upgrading machinery and equipment necessary for their business and 35% said they would consider employing more staff.

Impact on Regional Economy

- Respondents indicated they believed the electricity price rises were severely impacting the regional economy. On a scale of 1 to 10 with 10 being severely impacted by rising electricity costs, only 4% gave a score of less than 5, some 34% severely impacted and average score was 8.5.
- Business types in communities especially affected by higher electricity costs were widely spread but led by responses “farmers”, “all” and “food and beverage”.

Supplementary Information

- Number of bills (ie. connections per business), averaged 2.3.
- Some 57% did not respond to a question of what tariff they were on indicating that they may not have known.
- Some 37% indicated their bills included a portion of home consumption.
- Median electricity bill was \$10,000. Average was \$40,800 but excluding one very large user, \$30,000.

General Comments

- General comments were varied but led by “impacting business viability and the economy” and “issues relating to Ergon” including lack of competition.

1.0 INTRODUCTION

1.1 General

Compass Research (see background, [Appendix 1](#)), was asked by the Queensland Electricity Users Network (QEUN) with financial support from Energy Consumers Australia to carry out a survey of a sample of businesses in regional Queensland to ascertain the impact of rising electricity prices on businesses and the economy of regional Queensland.

Businesses in four regional centres in Queensland were targeted:

Mareeba – tropical climate in far north Queensland with an economy mainly based on irrigated agricultural industries.

Southern Downs – cooler climate in southern Queensland based on the towns of Warwick and Stanthorpe with an economy mainly based on agriculture.

Whitsundays – tropical climate in central Queensland with a diverse economy and a strong tourism element.

Mt Isa – hot drier climate in far west Queensland with an economy mainly based on mining.

Surveying was commenced in July 2017 and continued through to early October 2017. Surveying was commenced in order of Mareeba, Southern Downs, Whitsundays, Mt Isa. This report analyses the overall results from surveying in the four areas.

1.2 Survey Methodology

A set questionnaire was developed as given in [Appendix 2](#).

Lists of business contacts were obtained from a number of sources including the local telephone books and on-line directories.

The survey was sent to members in each area by local business organisations including Chambers of Commerce, farming and development organisations.

This was followed with contact by trained interviewers by telephone of identified business numbers to offer to complete the questionnaire over the telephone or where arranged to email or mail a copy of the questionnaire.

This process was accompanied by media coverage advising of the survey and encouraging businesses to respond.

1.3 Timing

The survey was carried out commencing July and continued through to early October 2017.

2.0 SAMPLE CHARACTERISTICS

2.1 Number of Responses

A total of 800 responses were targeted and a total of 741 received before cut off.

2.2 Industry Classifications

Responses were allocated into Australian Bureau of Statistics (ABS) standard industrial classifications.

The following compares the responses received by industry classification with the Australian Bureau of Statistics data on the number of businesses registered by industry classification in the Southern Downs Region.

Table #1: Q12 - Responses by Industry Sample Compared with ABS Data on Number of Registered Businesses

	No.	Survey	ABS	Difference ABS
Agriculture, Forestry & Fishing	169	23%	27%	+4%
Mining	4	1%	1%	0%
Manufacturing	32	4%	4%	0%
Electricity, Gas, Water & Waste services	7	1%	0%	(-1%)
Construction	55	7%	15%	+8%
Wholesale/Retail trade	135	18%	10%	(-8%)
Accommodation & Food services	121	16%	4%	(-12%)
Transport, Postal & Warehousing	14	2%	6%	+4%
Information, Media & Telecommunications	11	1%	0%	(-1%)
Financial & Insurance services	8	1%	5%	+4%
Rental, Hiring & Real Estate services	15	2%	11%	+9%
Professional, Scientific & Technical services	18	2%	5%	+3%
Administrative & Support services	21	3%	3%	0%
Public Administration & Safety	1	0%	0%	0%
Education & Training	12	2%	1%	(-1%)
Health Care & Social Assistance	30	4%	3%	(-1%)
Arts & Recreation services	13	2%	1%	(-1%)
Other Services	64	9%	5%	(-4%)
Not stated	11	1%	1%	0%
Total	741	100%	100%	

By and large, the sample roughly reflects the spread of businesses by industry in the four areas but there is over representation of Accommodation and Food services and Retail Trade in the sample and some under representation of Construction and Rental, Hiring and Real Estate, Financial Services and Transport.

Other services category mainly consists of repair and maintenance, and personal care services.

2.3 Size of Business, Employment and Turnover

The following gives size of businesses by employment.

Table #2: Q14 - Size of Businesses by Employment

Business Employees	No.	%
0	8	1%
1	60	8%
1.5	1	0%
1.6	1	0%
2	126	17%
3	81	11%
4	74	10%
5	69	9%
6	47	6%
7	32	4%
8	25	3%
9	24	3%
10	19	3%
11	17	2%
12	25	3%
13	7	1%
14	11	1%
15	4	1%
16	5	1%
17	3	0%
18	7	1%
19	2	0%
20	6	1%
21	4	1%
22	3	0%
23	2	0%
24	6	1%
25	4	1%
26	2	0%
27	3	0%
28	2	0%
29	1	0%
30	4	1%
31	1	0%
32	2	0%
33	4	1%
34	1	0%
35	1	0%
38	1	0%
40	3	0%
41	2	0%
42	1	0%
43	1	0%
46	1	0%
49	1	0%
50	2	0%
52	1	0%
57	1	0%
59	1	0%
60	2	0%
65	1	0%
70	2	0%
75	1	0%
76	1	0%
79	1	0%
80	1	0%
100	1	0%
105	1	0%
170	1	0%
175	1	0%
200	1	0%
250	2	0%
270	1	0%
420	1	0%
Total	741	100%

Average per business was 10.8 employees.

Total number of employees recorded was 7852 compared with ABS Census for the four regions of 42,286 including government and non-business. The indications are the survey picked up a substantial proportion of business employment in the four areas.

This distribution compares with ABS data on registered businesses by employment as follows.

Table #3: Survey & ABS Registered Businesses by Employment Compared, Four Regions

Business Employees	Survey	ABS
1-4	46%	25%
5 – 19	40%	12%
20+	12%	3%
Not stated	2%	0%
0	0%	60%
Total	100%	

While there appears to be a large difference, the survey counted owners as employees, the ABS statistics do not. Also many of those who are registered as having no employees are single tradesmen who do not advertise and list themselves as businesses.

However, even taking these factors into account, the results indicate that the survey sample tended to record a higher proportion in the 5 – 19 range and a lower proportion of micro businesses.

The following table gives survey results.

Table #4: Q17 - Survey Results by Turnover, Four Regions

\$ '000	Survey
<\$500	49%
\$500 – \$1 million	23%
\$1 million – \$5 million	19%
Over \$5 million	5%
Not stated	4%
Total	100%

This compares with ABS data for registered businesses.

Table #5: ABS Registered Businesses by Turnover, Four Regions

Turnover	ABS
\$0 - \$50,000	27%
\$50,000 – \$100,000	16%
\$100,000 – \$200,000	17%
\$200,000 - \$500,000	19%
\$500,000 - \$2 million	15%
\$2 million & more	6%
Total	100%

Once again, the ABS registered businesses in relation to turnover are likely to include a very substantial number of single tradesmen who do not advertise themselves and operate as businesses. However, even taking this factor into account, the results tend to confirm that the survey responses were probably from a higher proportion of medium and larger businesses with a lower proportion from “micro” businesses.

2.4 Locally Owned or Branch Office

Survey responses were predominantly from locally owned businesses.

Table #6: Q15 - Locally Owned or Branch Office

	No.	%
Locally owned	693	94%
Branch office	32	4%
No response	16	2%
Total	741	100%

2.5 Rent or Lease Premises

The majority of responding businesses owned their premises.

Table #7: Q16 - Rent or Own Premises

	No.	%
Rent	313	42%
Owned	416	56%
No response	12	2%
Total	741	100%

3.0 HOW ELECTRICITY DELIVERED TO BUSINESS

3.1 How Receive Electricity Bills

Almost all received electricity supply bills from Ergon.

Table #8: QB - Electricity Supply

	No.	%
Ergon	709	96%
Ergon Other	9	1%
Landlord	6	1%
Other	17	2%
Total	741	100%

Almost all were Ergon customers.

3.2 Own Generation

However, some 26% supplemented Ergon supply by generating their own electricity.

Table #9: QC - Generate Own Electricity

	No.	%
Yes	190	26%
No	546	74%
Total	741	100%

All businesses were connected to the grid except for one.

3.3 Proportion Electricity of Business Costs

Some 140 responded.

Table #10: Q6 - Percent Electricity Costs of Total Business Costs

<u>% of Business Costs</u>	Of those Responding	
	No.	%
1% – 5%	212	29%
6% – 10%	130	18%
11% – 20%	101	14%
21% – 30%	61	8%
30%+	34	5%
Total	538	100%

Some 29% recorded 5% or lower. Apart from that, the next biggest group (18%), were 6% – 10%.

Average proportion recorded was 13.3%.

4.0 AWARENESS OF ELECTRICITY COST RISES

4.1 Rises in 2016

Table #11: Q4a - “Are you aware that electricity charges for regional Queensland businesses increased on 1st July 2016 by a further 11.2% to 15.8%?”

	No.	%
Yes	406	55%
No	323	44%
Not sure/don't know	8	1%
No response	4	1%
Total	741	100%

Some 44% recorded they didn't know.

4.2 Rises in 2017

Table #12: Q4b - “Are you aware that electricity charges for regional Queensland businesses increased on 1st July 2017?”

	No.	%
Yes	505	68%
No	221	30%
Not sure/don't know	6	1%
No response	9	1%
Total	741	100%

Some 30% recorded they didn't know.

5.0 DECISIONS TO ACCOMMODATE ELECTRICITY PRICE RISES

5.1 Electricity Costs Risen

Table #13: Q1 - “Has cost of electricity for your business risen in the last 12 months?”

	No.	%
Yes	685	92%
No	26	4%
Not sure/don't know	22	3%
Total	741	100%

Only a few businesses recorded that their electricity costs had not risen.

5.2 Consumption of Electricity

Table #14: Q2 - “Has the consumption of electricity by your business changed over the last 12 months?”

	No.	%
Fallen	95	13%
Stayed about the same	533	72%
Risen	98	13%
Not sure/don't know	10	1%
No response	5	1%
Total	741	100%

Dominant response was “Stayed about the same” but 13% “Risen” and 13% responded “Fallen”. The indication is that on balance, electricity consumption has probably been about the same.

5.3 Decisions Made to Enable Business to Accommodate Electricity Cost Rises

Table #15: Q5 - “Which of the following decisions have you made to enable your business to accommodate rising electricity costs over the past 12 months?”

<u>Have you:</u>	No.	% of Respondents
Accepted lower profits from the business	516	70%
Reduced electricity consumption through changing behaviour, eg. adjusted the temperatures set for air-conditioners, heaters and hot water systems, turned off equipment and lights not in use	470	63%
Reduced electricity consumption through investment in more energy efficient appliances & equipment, eg. air-conditioners, fridges/freezers, cold rooms, irrigation pumps, lighting, etc.	308	42%
Increased the debt carried by the business	182	25%
Passed the increased cost of electricity on to your customers through higher prices for your products/services	160	22%
Reduced staff hours or staff numbers	114	15%
Invested in alternative electricity generation	110	15%
Other	12	2%
Total	1872	254%

The first conclusion to be drawn from this table is that businesses have responded by taking multiple actions – an average of 2.5.

The most prevalent response (70%) has been a passive one of accepting lower profits. Just behind that was 63% reporting they tried to reduce consumption by modifying behaviour (e.g. by doing things like running the air conditioners at marginally higher temperatures).

The next most prevalent action, 42% of respondents, was to invest in appliances that used electricity more efficiently, e.g. lighting, air conditioners, etc.

(Note: However it should be noted that in response to Question 2, there was no widespread indication of a major decrease in consumption. A conclusion can be drawn that if those actions to reduce consumption as a result of higher costs had not been taken, electricity consumption would have grown more strongly)

The next highest response, 25% of respondents, recorded increased debt. Presumably this could be because of reduced profitability or investment in electricity saving or other generation. Cross tabulation with other responses indicated that increased debt was largely associated with responses indicating both but also correlated with staff reduction.

Analysis of cross tabulation by proportion of electricity costs of total business costs (see Appendix 3), indicated that proportion of those saying increased debt tended to be higher among those with higher proportion of electricity costs of total business costs, as might be expected.

Some 22% of respondents (ie. towards a quarter), responded by increasing prices to customers. Of these, 43 or 6% of the sample passed their costs on fully and 115 or 16% of the sample passed on the costs in part. Respondents passing on costs were asked to estimate the resulting increase in prices and responded as follows.

Table #16: Q5a2 - Resulting Percent Increase in Prices to Customers

Percent Increase	No.
0.5%	1
1%	5
1.5%	1
2%	11
2.5%	2
3%	8
4%	1
4.2%	1
5%	28
6%	1
7.5%	1
8%	2
10%	15
12%	1
15%	3
20%	2
25%	1
50%	2
60%	1
Total	89

Average increase was 4.9% of those responding. Assuming those who passed on costs who did not answer this question had a similar profile to those who did, total increase in prices by total sample respondents would be of the order of 1.0%.

Respondents were asked why they didn't pass on increased costs (Q5a3). Appendix 7 gives responses.

Agricultural businesses and mining businesses indicated that they couldn't. They were price takers.

Otherwise, there were a number of major themes:

- a) Competition didn't allow them to increase;
- b) The market for their product/service wouldn't stand higher prices.
- c) With a sub theme that business/customers/community were "doing it tough". This applied especially in Mt Isa but also in the Whitsundays.

The main sectors passing on some of the increased electricity costs included transport and warehousing (43%), media and telecommunications (36%), health care and social assistance (37%), construction (35%) and professional services (33%).

% Businesses passing on some of the increased cost of electricity

Agriculture, Forestry and Fishing	8%
Information Media and Telecommunications	36%
Financial and Insurance Services	13%
Rental, Hiring and Real Estate Services	7%
Professional, Scientific and Technical Services.....	33%
Administrative and Support Services	14%
Public Administration and Safety.....	0%
Education and Training.....	0%
Health Care and Social Assistance.....	37%
Arts and Recreation Services.....	23%
Other Services.....	17%
Mining	25%
Inadequately described	0%
Not stated	20%
Manufacturing.....	31%
Electricity, Gas, Water and Waste Services.....	14%
Construction.....	35%
Wholesale Trade	0%
Retail Trade	23%
Accommodation and Food Services	31%
Transport, Postal and Warehousing.....	43%
Total	22%

There were also a few "non-profit" organisations dependent on donations/fundraising.

Some 108 or 15% indicated they responded by installing alternative energy generation with the following details given.

Table #17: Q5b - Alternative Energy Generation Installed Since 1st July 2016

% Increase	No.	% of Sample
Roof top solar panels	84	11%
Solar hot water	4	1%
Batteries	1	0%
Diesel/petrol generators	17	2%
Solar lights throughout	1	0%
Gas hot water	1	0%
Total	108	

The major response was to install solar generation in one form or another with 17 saying diesel/petrol generators.

Comments on alternative generation included:

"I have had a lot of trouble with Ergon...I have solar but still my bills are high...they keep changing the tariffs and I feel I am being given the run around."

"If this was my household we are talking about, it would be completely different. I have solar and still getting high bills."

"More affordable solar powers...interest free loan to put up solar with batteries."

"Put up solar and have been totally screwed. Put in 76 panels and have no benefits."

"Since getting solar panels installed at the Yard I've found that the fees are higher than my bill which is unjust we feel. They should be encouraging people to go Green!"

"Aside from cost constraints the reason we haven't moved to solar is that we need access to power at night as well as daytime and we would have to do too many installations to cover everything."

"Small businesses are struggling in this region due to the downturn in mining over the last 3 years. Most small businesses can't afford to invest in alternative energy."

"Solar generation and battery storage is something I definitely am aiming for, just don't currently have the capital available to invest."

"The actual energy cost is approx 47% of the overall account, other charges include Network Charges / Regulated charges / Environmental charges / metering & service charges and retail services. Why is this so???"

"We are installing a number of solar spot lights throughout the facility in an effort to reduce electricity consumption. These are not suitable for the entire facility however, due to our extensive tree coverage throughout the yards."

"With our solar on and working the biggest part of our power bill is the service fee or connection fee cannot remember exactly what they call it but this is now half our power bill which is ridiculous."

The comments indicate the structure of tariffs, such as the high proportion of fixed charges, are eroding the benefits of the investment in alternative generation. Some other obstacles to investment include the suitability of the premises to generate electricity, demand for night time supply and access to capital.

Some 114 (15%) said that they compensated by reducing staff/staff hours.

Table #18: Q5c – “Approximately how many staff hours per week have been reduced to accommodate rising electricity bills?”

Hours Lost	No. Responding	% of Total Sample	Total Hours Reduced
1	1	0%	1
2	2	0%	4
3	3	0%	9
4	3	0%	12
5	9	1%	45
6	4	1%	24
8	8	1%	64
9	1	0%	9
10	13	2%	130
12	4	1%	48
15	3	0%	45
16	2	0%	32
18	2	0%	36
20	13	2%	260
25	1	0%	25
30	6	1%	180
32	1	0%	32
35	3	0%	105
36	1	0%	36
38	1	0%	38
40	15	2%	600
48	1	0%	48
49	1	0%	49
50	2	0%	100
60	2	0%	120
80	3	0%	240
100	1	0%	100
105	1	0%	105
120	1	0%	120
160	1	0%	160
Total	109	15%	2777

(Note: It should be noted that this is likely to understate losses in employment in recent years as the sample would not include businesses that had gone out of business with rising electricity costs being a factor.)

The total hours lost recorded was 2777, i.e. average 25 hours per business reducing hours and an average of 3.7 hours over the whole sample.

Of the hours lost, 64 recorded job losses as follows.

Table #19: Q5e - Loss of Jobs

No. of Jobs	Full Time	Part Time
0.7	0	1
1	19	22
2	7	5
3	3	2
4	1	2
6	1	0
11	1	0

This calculates to total jobs lost at 110 (Full time 63, Part time 47).

This compares with total jobs recorded by respondents of 7582, i.e. about 1.5%.

Other responses recorded to accommodate electricity costs were as follows.

Table #20: Q5 - Other Responses to accommodate electricity costs.

Being holiday apartments we aim to work as efficiently as possible
Bought a diesel powered irrigation pump
Use as necessary
Complain whenever I am in the mood to waste the Ergon monopoly's time. Tell sacked workers to complain to the Qld Government that has their hand in the till
As farmers we have to pump water or no crop to feed you
No other provider – cop the price – no one interested in addressing problem
Reduce hour, after hour activities
Accepted that we may need to pay off electricity bills in instalments.
Customers spending less for lunches because of money shortage means less takings daily
Have to pay off bill over time
I can't afford to pay my account and I think they will cut me off this week therefore closing me down after 15 years in business.
Less money to spend in local towns e.g. hardware, machinery dealer.
Obtaining quotes for more solar for the business.
Put in LED lights all through the business - cost us nearly \$2,000 but trying so hard to keep bills down.
Started investigating the viability of small scale solar installation about 100KW.
We will be moving into a smaller location to try and limit increases in power costs
We will have to increase our visitors site fees to cover the costs
We cannot pass our cost onto customers as our business is horticulture, we cannot change staff hours
We already feel our electricity consumption is used wisely and that we cannot reduce our consumption
Recently I put our electricity account out to tender, and changed to a company with better pricing
We use small diesel engines to run things where practical rather than electricity. Where is the carbon sense in this?

Analysis of responses by size of business and proportion electricity costs of total business costs (see [Appendix 4](#)) indicated that for most questions, there were no significant differences with the following exceptions.

Those with electricity costs more than 10% of total business costs were more likely to have increased debt and those 21% - 30% more likely to have reduced staff.

Those businesses with 20 plus employees were less likely to have reduced staff.

6.0 SATISFACTION WITH SITUATION

6.1 Prices

Table #21: Q7 - “On a scale of 1 to 10, how satisfied are you with the electricity prices being charged to your business with 1 being very dissatisfied and 10 being very satisfied?”

Rating	No.	%
1 Very dissatisfied	472	64%
2	96	13%
3	66	9%
4	29	4%
5	40	5%
6	10	1%
7	5	1%
8	8	1%
9	2	0%
10 Very satisfied	5	1%
No response	8	1%
Total	741	100%

The response indicates a high level of dissatisfaction with 64% rating at the lowest level of 1 very dissatisfied and only 5% giving a score of over 5. Average rating was very low at 1.9.

6.2 Reliability

On the other hand, only 15% gave a satisfaction rating of less than 5 for reliability.

Table #22A: Q8 - “On a scale of 1 to 10, how satisfied are you with the reliability of the electricity supply to your business with 1 being very dissatisfied and 10 being very satisfied?”

Rating	No.	%
1 Very dissatisfied	33	4%
2	21	3%
3	35	5%
4	20	3%
5	83	11%
6	53	7%
7	78	11%
8	201	27%
9	145	20%
10 Very satisfied	60	8%
No response	12	2%
Total	741	100%

Average rating was 6.9.

6.3 Concerns About Paying Electricity Bills

Table #22B: Q3 - “On a scale of 1 to 10, how concerned are you about the ability of your business to pay electricity bills in full and on time with 1 being not concerned and 10 being extremely concerned?”

Rating	No.	%
1 Not concerned	65	9%
2	26	4%
3	25	3%
4	35	5%
5	74	10%
6	58	8%
7	78	11%
8	143	19%
9	61	8%
10 Extremely concerned	166	22%
No response	10	1%
Total	741	100%

Responses varied but 49% ranked 8 – 10 and average was 6.8.

Analysis by whether they generated some of their own electricity indicated that those generating some of their own power had similar levels of concern to those that didn't.

- 74% of respondents do not generate any of their own electricity and 50% were very concerned (rating 8 to 10) about their ability to pay their power bills in full and on time
- 26% of respondents did generate some of their own electricity and 49% were very concerned (rating 8 to 10) about their ability to pay their power bills in full and on time

The risk of not paying power bills is not significantly influenced by the size of a business.

Businesses very concerned (8 to 10 rating) about their ability to pay power bills in full & on time

1 to 4 employees	52%
5 to 19 employees	47%
20 plus employees	51%

The business sectors most at risk of not paying their power bills include major drivers of the Queensland economy; agriculture, manufacturing, tourism and mining. Together, the four sectors account for almost all of the export income of Queensland.

Business sectors with over 50% of businesses very concerned (8 to 10 rating) about their ability to pay power bills in full and on time

Arts and Recreation	69%
Agriculture	67%
Electricity, Gas, Water and Waste	57%
Manufacturing.....	56%
Retail Trade.....	53%
Accommodation and Food	52%
Mining.....	50%

There are five business sectors very concerned about their ability to pay their power bills in full and on time and who also indicated they would be very stressed financially if the cost of electricity increased again:

- accommodation and food services
- agriculture
- arts and recreation
- manufacturing
- retail trade

Any further increase in electricity prices also caused businesses involved in public administration, education and training and the wholesale trade to be very stressed financially.

7.0 IMPACTS IF COSTS OF ELECTRICITY REDUCED OR INCREASED

7.1 Financial Stress if Electricity Costs Increased

Table #23: Q9 - “On a scale of 1 to 10, how much financial stress would be caused to your business if the cost of electricity increased again, with 1 being no stress and 10 being severe stress?”

Rating	No.	%
1 No stress	16	2%
2	16	2%
3	26	4%
4	29	4%
5	97	13%
6	50	7%
7	107	14%
8	154	21%
9	94	13%
10 Severe stress	137	18%
No response	15	2%
Total	741	100%

Almost 52% responded with a rating of 8 to 10, i.e. Recording very strong levels of financial stress if costs increase again. Average was 7.2.

Business sectors with over 50% of businesses very stressed financially (8 to 10 rating) if electricity prices increased further

Public Administration	100%
Arts and recreation.....	77%
Accommodation and Food	65%
Agriculture	63%
Education and Training	58%
Retail trade	55%
Manufacturing	50%
Wholesale trade	50%

Business Sector Businesses very stressed financially (8 to 10 rating) if the cost of electricity increased again

Agriculture, Forestry and Fishing	63%
Information Media and Telecommunications	36%
Financial and Insurance Services	25%
Rental, Hiring and Real Estate Services	41%
Professional, Scientific and Technical Services	34%
Administrative and Support Services	38%
Public Administration and Safety	100%
Education and Training	58%
Health Care and Social Assistance.....	37%
Arts and Recreation Services	77%
Other Services	36%
Mining	25%
Inadequately described.....	100%
Not stated	30%
Manufacturing	50%
Electricity, Gas, Water and Waste Services.....	43%
Construction.....	37%
Wholesale Trade.....	50%
Retail Trade	55%
Accommodation and Food Services	65%
Transport, Postal and Warehousing.....	35%
Total	52%

7.2 If Cost of Electricity Reduced

Table #24: Q10a - "If the cost of electricity was reduced, which of the following would apply to your business?"

	No.	% of Sample
The viability of my business would improve	636	86%
I would consider employing more staff and/or increase staff hours	243	33%
I would consider upgrading equipment & machinery necessary for my business	256	35%
I would consider expanding my business	181	24%
Total	1316	

Some 86% said it would improve viability of their business. Some 33% said they would consider employing more staff and 35% consider upgrading equipment and machinery necessary for their business. Importantly, nearly one quarter of businesses would consider expanding.

7.3 If Cost of Electricity Increases

Table #25: Q10b - "If the cost of electricity increases, please select which of the following would apply to your business?"

	No.	% of Sample
I would consider investing in solar generation	349	47%
I would consider investing in diesel generation	75	10%
I would consider investing in battery storage	118	16%
I would consider reducing staff hours	221	30%
Total	763	

There were a few multiple responses. The leading response would be to invest in solar (47%) 10% in diesel generation and 16% in battery storage. Some 30% indicated they would consider reducing staff/hours. (Note: This percentage is much higher than the numbers recording past reductions in staff hours (15%) and tends to indicate that further rises are likely to result in much higher rates of impacts on employment.)

The seven business sectors most at risk of reducing staff hours are those already very concerned (rating 8 to 10) about their ability to pay power bills in full and on time and indicating they will be very stressed financially if electricity costs increased further. Employees in the wholesale trade, retail trade, accommodation & food and agriculture are most at risk of losing hours or jobs.

High risk business sectors considering a reduction in staff hours due to further electricity price increases by business sector

Public Administration.....	0%
Arts and recreation	23%
Accommodation and Food	39%
Agriculture	27%
Education and Training	17%
Retail trade	40%
Manufacturing.....	25%
Wholesale trade	50%

8.0 IMPACT ON REGION

8.1 Regional Impact

Table #26: Q22 - “On a scale of 1 to 10, how much do you believe the economy of your regional community is impacted by rising business and household electricity bills, with 1 being not impacted and 10 being severely impacted?”

Rating	No.	%
1 Not impacted	1	0%
2	1	0%
3	2	0%
4	5	1%
5	34	5%
6	33	4%
7	72	10%
8	157	21%
9	166	22%
10 Severely impacted	252	34%
No response	18	2%
Total	741	100%

Only 4% recorded an impact of less than 5.

A third recorded severely impacted. Average rating was 8.5 indicating a very high impact on the economies of the four areas.

8.2 Business Types in Community Especially Affected

Respondents were asked, “Can you name any businesses (or types) in your community that are especially affected by rising electricity costs?”

Appendix 5 gives responses. The following table seeks to group and summarise.

Table #27: Q11 - Summary of business Types Especially Affected

Business Types	No.
Agriculture Farming	192
All/Small business	138
Accommodation/Food	79
Manufacturing/Mining	56
Retail/Wholesale	49
Other	30

Three areas have a great deal of agriculture and “agriculture” led mentions, especially irrigation.

There was a strong group that specified “All”, especially small businesses.

Outside those, leading mentions related to accommodation and food and beverage outlets.

Retail, manufacturing, mining (especially in Mt Isa) and “Other” mentions were significant.

9.0 SUPPLEMENTARY INFORMATION ABOUT ELECTRICITY BILLS

9.1 Number of Connections

One Ergon customer can have a number of different connections and receive more than one account. The following question aimed at obtaining information about the number of different electricity bills businesses were receiving indicating the number of connections.

Table #28: Q18 - "How many electricity bills for different accounts do you receive for your business monthly or quarterly?"

No. of bills	Number of Responses			Total Bills
	Monthly	Quarterly	Bills	
1	163	318	481	481
2	28	52	80	160
3	5	40	45	135
4	4	32	36	144
5	4	10	14	70
6	4	12	16	96
7	3	9	12	84
8	1	7	8	64
9	2	4	6	54
10	1	6	7	70
11	1	0	1	11
12	1	1	2	24
14	1	1	2	28
15	0	2	2	30
19	0	1	1	19
20	0	2	2	40
22	0	1	1	22
25	0	2	2	50
27	0	1	1	27
35	0	1	1	35
Total	218	502	720	1644

The indications are that businesses receive an average of 2.3 bills per business.

The agricultural sector had the highest reliance on quarterly power bills. The uncertain cashflow of many businesses, particularly agricultural businesses, would make it difficult for many businesses to commit to the Queensland Government's recently announced EasyPay Rewards for Ergon Energy Retail. (*Note: EasyPay Rewards requires a business to commit to SmoothPay (smooths out the highs and lows of a power bill over the year) and direct debiting on either a weekly, fortnightly or monthly basis.*)

Business sector	Quarterly Power Bills	Monthly Power Bills
Agriculture	89%	12%
Manufacturing	63%	41%
Retail Trade.....	62%	35%
Accommodation and Food.....	55%	44%
Mining.....	50%	75%
Total survey.....	68%	29%

9.2 Tariffs

Some 422 (57%) did not respond, indicating they may not have known the tariff they were on. Tariffs recorded were as follows.

Table #29: Q19 - “What are the tariffs listed on your electricity bills?”

Tariff	No.	%
11	134	18%
20	122	16%
20 (large)	24	3%
21	29	4%
22 (small)	22	3%
22 (large)	34	5%
22 (A)	5	1%
31	5	1%
33	39	5%
37	7	1%
44	9	1%
45	0	0%
46	0	0%
47	0	0%
48	2	0%
62	57	8%
65	19	3%
66	38	5%
Other	62	8%
Total	608	100%

The figures indicate a substantial number with more than one tariff.

A significant number (18%) recorded the residential Tariff 11 indicating some businesses operated partially or wholly from home. Next largest numbers were on Tariff 20 (16%), followed by Tariffs 62 and 66 used mainly by irrigated farmers.

The business sector with the highest number of businesses being able to list the tariffs on their power bill is agriculture (72%). The other business sectors ranged from zero to 60%.

The tariffs used by the business sectors most at risk of not paying their power bills are below. The four most mentioned tariffs are the first four tariffs.

Business sector	Tariffs utilised ¹
Arts and Recreation	20,66
Agriculture	11, 62, 66, 20, 20 (Lrg), 21, 22 (Sml), 22 (Lrg), 37, 44,65
Electricity, Gas, Water and Waste	20 (Lrg)
Manufacturing	22 (Lrg),11,20,20 (Lrg), 22A
Retail Trade	11,20,20 (Lrg), 21,
Accommodation and Food	20, 11, 22 (Lrg), 20 (Lrg), 33, 44, 22 (Sml), 21, 31,48
Mining	48,11

Note¹ The four most mentioned tariffs are the first four tariffs.

9.3 Inclusion of Home

Some 82 (37%) indicated that their business bills included a portion of home consumption.

9.4 Annual Power Bills

Some 191 respondents recorded their annual power bills. Appendix 6 sets out detailed responses.

The following table summarises.

Table #30: Q21 - Summary of annual Power Bills

	No.	%
\$0 - \$2,500	103	16%
Over \$2,500 to \$6,000	148	23%
Over \$6,000 to \$10,000	96	15%
Over \$10,000 to \$20,000	111	17%
Over \$20,000 to \$50,000	115	18%
Over \$50,000 to \$100,000	43	7%
Over \$100,000 to \$500,000	36	6%
Over \$500,000	1	0%
Total	653	100%

Over a half (54%), were \$10,000 or less and median was \$10,000..

However, average was \$40,800 including one very large user. Excluding that very large user, average was \$30,000.

10.0 GENERAL COMMENTS

A wide range of general comments were recorded and are given in [Appendix 8](#).

The following table seeks to group and summarise.

Table #31: Summary of General Comments

	No.
Impacting business viability and the economy	55
Various Ergon issues including lack of competition	36
Comments relating to government failure and costs out of control	17
A range of comments about solar including too expensive, calls to subsidise costs, installed but costs still go up	16
Costs to farming, especially irrigation	14
Plenty of coal exporting cheaper overseas vs green/Don't invest in coal fired stations	13
Other	38

Leading comments related to impacts on business viability and the economy and various issues relating to Ergon including lack of competition.

SURVEY REPORT OVERALL RESULTS

Appendices

About Compass Research

Compass Research is a professional market research firm that has been carrying out market and community research in regional Queensland and across northern Australia over a 30-year period.

Clients over the years have included numerous businesses, local government, regional organisations, airports, universities and government departments.

Research carried out has included numerous quantitative surveys, telephone, online, intercept, interviewing, intercept surveys with written questionnaires and qualitative surveys in the form of focus groups, and in-depth interviewing. The firm has been especially strong in quantitative surveying, including longitudinal among households, businesses, at airports and in indigenous communities in regional areas.

Most recent ongoing work has been:

- To provide community feedback over 10 years to Queensland Health, James Cook University and more recently Monash University to help guide the development of the Eliminate Dengue program.
- To provide intercept surveying responses at two airports on departing passenger movements and reactions.
- To assist Cairns Regional Council with its community responses and guidance surveys.
- To assist research into responses to the government's primary health initiative.

The firm carried out a special survey of electricity among households and businesses in the Daintree area to determine how they coped with not being connected to the electricity grid.

As the market research arm of Cummings Economics, one of the most experienced professional economic research firms in regional Australia, Compass Research has the benefit of being able to formulate and assess results of market research among businesses, against a background of in-depth knowledge of business and industry structures and trends in regional Australia, especially Queensland and northern Australia.

Compass Research has a highly experienced team in survey design, questionnaire development, telephone and intercept interviewing, data entry and analysis.

Further information is available on www.compassresearch.net.au



QEUN QUEENSLAND ELECTRICITY USERS NETWORK

THE IMPACT OF HIGHER ELECTRICITY BILLS ON BUSINESSES IN REGIONAL QUEENSLAND

Compass Research is carrying out an independent survey in regional Queensland to help ascertain the impact of rising electricity prices on businesses and the economy of regional Queensland.

We are seeking responses from all types of businesses including agricultural businesses and would be grateful if you could complete the following brief survey. *(Your best estimate is better than no response).*

Confidentiality:

Responses from individual businesses **are confidential** and are only used to develop aggregate estimates of regional impacts.

If preferred please feel free to ring Compass Research (business hours) on 40 312 970 to complete over the telephone or you can print the survey out [here](#) and return through the mail.

Further information:

[Who for and why?](#)

[About Compass Research](#)

START SURVEY

QA. Where does your business operate?

- ☐ Mareeba Shire Council
- ☐ Mt Isa City Council
- ☐ Southern Downs Regional Council
- ☐ Whitsunday Regional Council
- ☐ Regional Queensland *(Where outside of the 4 regional council areas above)*
- ☐ South East Queensland *(Brisbane, Ipswich, Gold Coast, Lockyer Valley, Logan, Moreton Bay, Redland, Scenic Rim, Somerset, Sunshine Coast and Toowoomba)*

QB. How does your business receive electricity bills?

- ☐ From Ergon only
- ☐ From a landlord or body-corporate
- ☐ From an electricity retailer other than Ergon
- ☐ From Ergon + another electricity retailer
- ☐ Do not receive an electricity bill

QC. Does your business generate any of its own electricity? e.g Solar, Diesel or Petrol generation.

- ☐ Yes
- ☐ No

QD. Is your business off grid?

- ☐ Yes
- ☐ No

Awareness

Q1. Has the **cost** of electricity for your business risen in the last 12 months?

- ☐ Yes
- ☐ No
- ☐ Not sure / don't know

Q2. Has the **consumption** of electricity by your business changed over the last 12 months?

- ☐ Risen
- ☐ Fallen
- ☐ Stayed about the same
- ☐ Not sure / don't know

Q3. On a scale of 1 to 10, how **concerned** are you about the ability of your business to pay electricity bills in full and on time, with 1 being not concerned at all and 10 being extremely concerned.

Not concerned 1 2 3 4 5 6 7 8 9 10 Extremely concerned

Q4a. Are you **aware** that electricity charges for regional Queensland businesses increased on **1st July 2016** by a further **11.2% to 15.8%**?

- ☐ Yes
- ☐ No
- ☐ Not sure / don't know

Q4b. Are you **aware** that electricity charges for regional Queensland businesses increased on **1st July 2017**?

- ☐ Yes
- ☐ No
- ☐ Not sure / don't know

Own business / industry

Q5. Which of the following **decisions** have you made to enable your business to **accommodate electricity costs** over the past 12 months? Have you:

Yes	No	
<input type="radio"/>	<input type="radio"/>	Passed the increased cost of electricity onto your customers through higher prices for your products / services
<input type="radio"/>	<input type="radio"/>	Reduced electricity consumption through changing behaviour eg. adjusted the temperatures set for air-conditioners, heaters and hot water systems, turned off equipment and lights not in use.
<input type="radio"/>	<input type="radio"/>	Reduced electricity consumption through investment in more energy efficient appliances and equipment, eg. air-conditioners, fridges/freezers, coldrooms, irrigation pumps, lighting etc.
<input type="radio"/>	<input type="radio"/>	Invested in alternative electricity generation
<input type="radio"/>	<input type="radio"/>	Reduced staff hours or staff numbers
<input type="radio"/>	<input type="radio"/>	Accepted lower profits from the business
<input type="radio"/>	<input type="radio"/>	Increased the debt carried by the business
<input type="radio"/>	<input type="radio"/>	Other: <input type="text"/>

Q5a1. Did you pass part or the full cost of rising electricity costs onto your customers?

☐ Partial

☐ Full

Q5a2. What was the resulting percentage increase in prices to your customers?

Your best estimate is better than no response.

% ☐ Don't know

Q5a3. Why didn't you pass the increased cost of electricity onto your customers?

Q5b. What alternative electricity generation have you installed since **1st of July 2016**?

☐ Solar panels

☐ Solar hot water

☐ Battery storage for electricity

☐ Diesel or petrol generation

☐ Other:

Q5c. Approximately how many staff **hours** per week have been reduced to accommodate rising electricity bills?

hrs per week

Q5d. Has the reduction in staff hours resulted in the loss of any full or part time jobs?

☐ Yes

☐ No

Q5e. How many?

Full time jobs lost

Part time jobs lost

Q6. Approximately what percentage of your total business costs is your annual electricity costs?
Your best estimate is better than no response.

% ☐ Don't know

Q7. On a scale of 1 to 10, how **satisfied** are you with the **electricity prices** being charged to your business with 1 being very dissatisfied and 10 being very satisfied?

Very dissatisfied ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ 8 ☐ 9 ☐ 10 Very satisfied

Q8. On a scale of 1 to 10, how **satisfied** are you with the **reliability** of the **electricity supply** to your business with 1 being very dissatisfied and 10 being very satisfied?

Very dissatisfied ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ 8 ☐ 9 ☐ 10 Very satisfied

Q9. On a scale of 1 to 10, how much **financial stress** would be caused to your business if the cost of electricity **increased again on 1st July 2017**, with 1 being no stress and 10 being severe stress?

No stress ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ 8 ☐ 9 ☐ 10 Severe stress

Q10a. If the cost of electricity was **reduced**, please select which of the following would apply to your business. *Multiple responses allowed.*

☐ The viability of my business would improve

☐ I would consider employing more staff and / or increase staff hours

☐ I would consider upgrading equipment and machinery necessary for my business

☐ I would consider expanding my business

Q10b. If the cost of electricity **increases**, please select which of the following would apply to your business. *Multiple responses allowed.*

☐ I would consider investing in solar generation

☐ I would consider investing in diesel or petrol generation

☐ I would consider investing in battery storage

☐ I would consider reducing staff hours

Q11. Can you name any businesses (or types) in your community that are especially affected by rising electricity costs?

Demographics

Q12. What type of business do you own or manage? Please describe in a few words. *(For farming businesses please specify the crop or animal which is your primary source of income).*

Q13. What is the postcode of your business?

Q14. How many staff are usually employed including owners?

Full time	<input type="text"/>
Part time	<input type="text"/>
Casual	<input type="text"/>

Q15. Is your business locally owned or a branch office?

<input type="radio"/>	Locally owned
<input type="radio"/>	Branch office

Q16. Do you rent or lease all or part of your place of business or farm?

<input type="radio"/>	Yes
<input type="radio"/>	No

Q17. What is the approximate annual gross turnover of your business:
(Annual gross turnover is the annual sales revenue)

<input type="radio"/>	Under \$500,000
<input type="radio"/>	\$500,000 to \$1M
<input type="radio"/>	\$1M to \$5M
<input type="radio"/>	Over \$5M

Q18. How many electricity bills for different accounts do you receive for your business monthly or quarterly?
(For example, a farm business can have different accounts e.g machinery shed, irrigation pump and home office and thus receives 3 electricity bills for the one farm business.)

No. of accounts	
Monthly	<input type="text" value="0"/>
Quarterly	<input type="text" value="0"/>
<input type="checkbox"/> Don't know / Not sure	

Q19. What are the tariffs listed on your electricity bills? *Multiple responses allowed.*

<input type="checkbox"/> Tariff 11	<input type="checkbox"/> Tariff 22A	<input type="checkbox"/> Tariff 47
<input type="checkbox"/> Tariff 20	<input type="checkbox"/> Tariff 37	<input type="checkbox"/> Tariff 48
<input type="checkbox"/> Tariff 20 (large)	<input type="checkbox"/> Tariff 44	<input type="checkbox"/> Tariff 62
<input type="checkbox"/> Tariff 21	<input type="checkbox"/> Tariff 45	<input type="checkbox"/> Tariff 65
<input type="checkbox"/> Tariff 22 (small)	<input type="checkbox"/> Tariff 46	<input type="checkbox"/> Tariff 66
<input type="checkbox"/> Tariff 22 (large)	<input type="checkbox"/> <input type="text"/> Tariff Other	
<input type="checkbox"/> Don't know / Not sure		

Q20. Do any of the electricity bills received by your business include a portion for home consumption?

☐ Yes

☐ No

☐ Don't know / Not sure

Q21. What is the annual power bill of your business?

Your best estimate is better than no response.

\$ per year ☐ Don't know / Not sure

Q22. On a scale of 1 to 10, how much do you believe the **economy of your regional community is impacted** by rising business and household electricity bills, with 1 being not impacted and 10 being severely impacted?

Not impacted ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ 8 ☐ 9 ☐ 10 ☐ Severely impacted

Thank your for your time, this business survey is only for customers supplied partially or fully by grid supplied electricity. Please feel free to make comments in the box below.

Thank you for your time. We are unable to ascertain how your business pays for electricity. Please feel free to make comments in the box below.

CONFIDENTIAL

To help with any clarifications can you please provide contact details.

Business name	<input type="text"/>
Contact name	<input type="text"/>
Contact tel no.	<input type="text"/>

If you would like to receive a copy of the Survey Report on the four regions of Mareeba, Mt Isa, Southern Downs and Whitsundays, please provide your email address.

Email	<input type="text"/>
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Please record any other comments regarding the impact of higher electricity bills.

Your individual comments are confidential and will only be used to develop aggregate estimates of regional impacts.

Our contact number is (07) 4031 2970.

Thank you very much for your time, your participation will help to estimate the impact of rising electricity costs on your regional community.

SUBMIT SURVEY

Compass Research | T: 61 (0)7 40 312 970
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APPENDIX 3

Cross Tabulation - Responses to Higher Electricity Costs
Acceptance of Greater Debt by Other Responses

q5a.pass increase to customers	no		q5g.increase debt yes		Total	%
	Count	%	Count	%		
no	441	79%	140	77%	581	78%
yes	118	21%	42	23%	160	22%
Total	559	100%	182	100%	741	100%

q5b.reduced consumption.behaviour	no		q5g.increase debt yes		Total	%
	Count	%	Count	%		
no	208	37%	63	35%	271	37%
yes	351	63%	119	65%	470	63%
Total	559	100%	182	100%	741	100%

q5c.reduced consumption.appliances	no		q5g.increase debt yes		Total	%
	Count	%	Count	%		
no	340	61%	93	51%	433	58%
yes	219	39%	89	49%	308	42%
Total	559	100%	182	100%	741	100%

q5d.invested in alternative	no		q5g.increase debt yes		Total	%
	Count	%	Count	%		
no	487	87%	144	79%	631	85%
yes	72	13%	38	21%	110	15%
Total	559	100%	182	100%	741	100%

q5e.reduce staff numbers hours	no		q5g.increase debt yes		Total	%
	Count	%	Count	%		
no	497	89%	130	71%	627	85%
yes	62	11%	52	29%	114	15%
Total	559	100%	182	100%	741	100%

q5f.accepted lower profits	no		q5g.increase debt yes		Total	%
	Count	%	Count	%		
no	204	36%	21	12%	225	30%
yes	355	64%	161	88%	516	70%
Total	559	100%	182	100%	741	100%

APPENDIX 4

**Cross Tabulation - Responses to Higher Electricity Costs by
Business Size (staff) & Proportion Electricity Costs of Total Costs**

q5a.pass increase to customers	q14.total									
	1. 1-4		2. 5-19		3. 20+		4. DK/No answer		Total	%
	Count	%	Count	%	Count	%	Count	%		
no	274	80%	226	76%	74	79%	7	78%	581	78%
yes	67	20%	71	24%	20	21%	2	22%	160	22%
Total	341	100%	297	100%	94	100%	9	100%	741	100%

q5b.reduced consumption.behaviour	q14.total									
	1. 1-4		2. 5-19		3. 20+		4. DK/No answer		Total	%
	Count	%	Count	%	Count	%	Count	%		
no	119	35%	107	36%	42	45%	3	33%	271	37%
yes	222	65%	190	64%	52	55%	6	67%	470	63%
Total	341	100%	297	100%	94	100%	9	100%	741	100%

q5c.reduced consumption.appliances	q14.total									
	1. 1-4		2. 5-19		3. 20+		4. DK/No answer		Total	%
	Count	%	Count	%	Count	%	Count	%		
no	206	60%	168	57%	55	59%	4	44%	433	58%
yes	135	40%	129	43%	39	41%	5	56%	308	42%
Total	341	100%	297	100%	94	100%	9	100%	741	100%

q5d.invested in alternative	q14.total									
	1. 1-4		2. 5-19		3. 20+		4. DK/No answer		Total	%
	Count	%	Count	%	Count	%	Count	%		
no	297	87%	250	84%	77	82%	7	78%	631	85%
yes	44	13%	47	16%	17	18%	2	22%	110	15%
Total	341	100%	297	100%	94	100%	9	100%	741	100%

q5e.reduce staff numbers hours	q14.total									
	1. 1-4		2. 5-19		3. 20+		4. DK/No answer		Total	%
	Count	%	Count	%	Count	%	Count	%		
no	289	85%	244	82%	85	90%	9	100%	627	85%
yes	52	15%	53	18%	9	10%		0%	114	15%
Total	341	100%	297	100%	94	100%	9	100%	741	100%

**IMPACT OF HIGHER ELECTRICITY PRICES ON BUSINESSES
OVERALL RESULTS**

q5f.accepted lower profits	q14.total									
	1. 1-4		2. 5-19		3. 20+		4. DK/No answer		Total	%
	Count	%	Count	%	Count	%	Count	%		
no	98	29%	96	32%	31	33%		0%	225	30%
yes	243	71%	201	68%	63	67%	9	100%	516	70%
Total	341	100%	297	100%	94	100%	9	100%	741	100%

q5g.increase debt	q14.total									
	1. 1-4		2. 5-19		3. 20+		4. DK/No answer		Total	%
	Count	%	Count	%	Count	%	Count	%		
no	265	78%	219	74%	67	71%	8	89%	559	75%
yes	76	22%	78	26%	27	29%	1	11%	182	25%
Total	341	100%	297	100%	94	100%	9	100%	741	100%

APPENDIX 4 Cont'd

**Cross Tabulation - Responses to Higher Electricity Costs by
Business Size (staff) & Proportion Electricity Costs of Total Costs**

q5a.pass increase to customers	q6.% of business.electricity												Total	%
	1. 1%-5%		2. 6%-10%		3. 11%-20%		4. 21%-30%		5. 31+		6. DK/No answer			
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%		
no	176	83%	107	82%	75	74%	44	72%	26	76%	153	75%	581	78%
yes	36	17%	23	18%	26	26%	17	28%	8	24%	50	25%	160	22%
Total	212	100%	130	100%	101	100%	61	100%	34	100%	203	100%	741	100%

q5b.reduced consumption.behaviour	q6.% of business.electricity												Total	%
	1. 1%-5%		2. 6%-10%		3. 11%-20%		4. 21%-30%		5. 31+		6. DK/No answer			
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%		
no	78	37%	44	34%	43	43%	26	43%	9	26%	71	35%	271	37%
yes	134	63%	86	66%	58	57%	35	57%	25	74%	132	65%	470	63%
Total	212	100%	130	100%	101	100%	61	100%	34	100%	203	100%	741	100%

q5c.reduced consumption.appliances	q6.% of business.electricity												Total	%
	1. 1%-5%		2. 6%-10%		3. 11%-20%		4. 21%-30%		5. 31+		6. DK/No answer			
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%		
no	123	58%	75	58%	62	61%	39	64%	18	53%	116	57%	433	58%
yes	89	42%	55	42%	39	39%	22	36%	16	47%	87	43%	308	42%
Total	212	100%	130	100%	101	100%	61	100%	34	100%	203	100%	741	100%

q5d.invested in alternative	q6.% of business.electricity												Total	%
	1. 1%-5%		2. 6%-10%		3. 11%-20%		4. 21%-30%		5. 31+		6. DK/No answer			
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%		
no	187	88%	108	83%	90	89%	52	85%	29	85%	165	81%	631	85%
yes	25	12%	22	17%	11	11%	9	15%	5	15%	38	19%	110	15%
Total	212	100%	130	100%	101	100%	61	100%	34	100%	203	100%	741	100%



**IMPACT OF HIGHER ELECTRICITY PRICES ON BUSINESSES
OVERALL RESULTS**

q5e.reduce staff numbers hours	q6.% of business.electricity												Total	%
	1. 1%-5%		2. 6%-10%		3. 11%-20%		4. 21%-30%		5. 31+		6. DK/No answer			
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%		
no	187	88%	112	86%	83	82%	47	77%	28	82%	170	84%	627	85%
yes	25	12%	18	14%	18	18%	14	23%	6	18%	33	16%	114	15%
Total	212	100%	130	100%	101	100%	61	100%	34	100%	203	100%	741	100%

q5f.accepted lower profits	q6.% of business.electricity												Total	%
	1. 1%-5%		2. 6%-10%		3. 11%-20%		4. 21%-30%		5. 31+		6. DK/No answer			
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%		
no	61	29%	24	18%	27	27%	21	34%	8	24%	84	41%	225	30%
yes	151	71%	106	82%	74	73%	40	66%	26	76%	119	59%	516	70%
Total	212	100%	130	100%	101	100%	61	100%	34	100%	203	100%	741	100%

q5g.increase debt	q6.% of business.electricity													
	1. 1%-5%		2. 6%-10%		3. 11%-20%		4. 21%-30%		5. 31+		6. DK/No answer		Total	%
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%		
	no	172	81%	105	81%	65	64%	40	66%	23	68%	154	76%	559
yes	40	19%	25	19%	36	36%	21	34%	11	32%	49	24%	182	25%
Total	212	100%	130	100%	101	100%	61	100%	34	100%	203	100%	741	100%



Business Types Especially Affected

Note: The large number of individual responses can be viewed in the appendices for each of the reports for the areas of:

- Mareeba,
- Southern Downs,
- Mt Isa, and
- Whitsundays

These reports can be found on www.qeun.com.au or www.compassresearch.net.au

Annual Power Bills Recorded

Note: The large number of individual responses can be viewed in the appendices for each of the reports for the areas of:

- Mareeba,
- Southern Downs,
- Mt Isa, and
- Whitsundays

These reports can be found on www.qeun.com.au or www.compassresearch.net.au

Why Not Pass on Extra Costs

Note: The large number of individual responses can be viewed in the appendices for each of the reports for the areas of:

- Mareeba,
- Southern Downs,
- Mt Isa, and
- Whitsundays

These reports can be found on www.qeun.com.au or www.compassresearch.net.au

APPENDIX 8

General Comments

Note: The large number of individual responses can be viewed in the appendices for each of the reports for the areas of:

- Mareeba,
- Southern Downs,
- Mt Isa, and
- Whitsundays

These reports can be found on www.geun.com.au or www.compassresearch.net.au