

# UMR RESEARCH REPORT: Quantitative Survey

February 2015



## METHODOLOGY

Results in this report are from a standalone telephone survey from UMR Research’s national interview facility in Auckland. This was an Auckland survey of 500 residents in the Entrust region, 18 years of age and over.

The survey was conducted from 29th January to 1st February 2015.

The sample size was n=500, with the margin for error for a 50% figure at the 95% confidence level being  $\pm 4.4\%$ .

The associated regional subsamples are as follows:

SAMPLE SIZES AND ASSOCIATED MARGIN OF ERRORS	n=	MARGIN OF ERROR +/-
ALL	500	4.4
AUCKLAND	268	6.0
MANUKAU	169	7.5
FRANKLIN / PAPAURA	63	12.3

**At the time of the survey, Entrust was known as the Auckland Energy Consumer Trust (AECT).**

## SUMMARY OF KEY FINDINGS

### Awareness and knowledge

A total of 80% of those surveyed declared awareness of the Auckland Energy Consumer Trust, with central Aucklanders (85%) slightly more likely to be aware than Manukau (77%) or Franklin/Papakura residents (68%).

Levels of declared knowledge amongst respondents who were aware of the Trust were low. Of those aware of the Trust, 20% said they knew ‘a lot’ or ‘a fair amount’ (equates to 16% of all respondents), while 79% said they knew ‘not that much’ or ‘hardly anything’. Higher incomes (\$100K plus) (25%), older residents (26%) and males (26%) were more likely to declare higher levels of knowledge.

Respondents who declared they knew a lot or a fair amount were asked what their understanding of the Trust’s role was. Most (78%) said they distributed a dividend to Auckland households, and a sizable portion (38%) knew the Trust was a major shareholder of Vector.

### Performance

Those who declared they knew a lot or a fair amount were also asked to rate the performance of the Trust. A total of 60% said they did a good job (‘1’ + ‘2’ out of a 1 to 5 scale where 1 means ‘very good’ and 5 means ‘very poor’). Only a small number (9%) believed they did a poor job (‘4’ + ‘5’), and the remainder were neutral (‘3’) or unsure (31%).

When asked to elaborate on why they gave a good performance rating, most said they received money or a dividend from the Trust. Other reasons included

‘helping people’, ‘keeping costs down (with electricity)’ and a few respondents felt they ‘do a good job’ or simply had ‘no problem’ with the Trust.

### **Future of Trust**

Residents (89%) were overwhelmingly supportive of retaining the Trust, while just 7% felt it should be wound up and the shares passed to Auckland Council. This support ran across all demographics.

The twin pillars of this near-overwhelming support for retaining the Trust are wanting the dividend and general distrust of the Council.

The most cited specific reason for retaining the Trust was the dividend the respondents received. Nearly half of the respondents, however, were likely to mention a negative view of Auckland Council. They did not trust the Council to spend the money wisely or did not want the Council to receive the money or shares in general or argued the Council already had enough money or would not be in favour of them using it for other projects.

The few respondents who were in favour of closing the Trust predominantly believed the Council needed the money to fund projects. There was a small number that were only in favour of the Trust ‘wind-up’ if the money was put solely into transport initiatives.

The arguments tested for retaining the Trust were much more powerful than those for winding it up.

**83% agreed** (‘1’ + ‘2’ out of 1 to 5 scale where 1 means ‘strongly agree’ and 5 means ‘strongly disagree’) that **“Electricity prices are so high it is fair to get**

**at least some of that back in the annual dividend.”** Those earning more than \$100K were noticeably less likely to agree with this statement.

**77% agreed** that **“The Auckland Council are just as likely to waste the money from the Vector shares as they are to invest it in sensible projects.”** Females and 18 to 44-year-olds were less likely to agree with this statement.

**63% agreed** that **“I and/or my family need that annual dividend to help meet rising living costs.”** Central Auckland residents, males, those aware of the AECT and those on higher incomes were less likely to agree.

A minority of respondents agreed with statements that were in favour of closing the Trust:

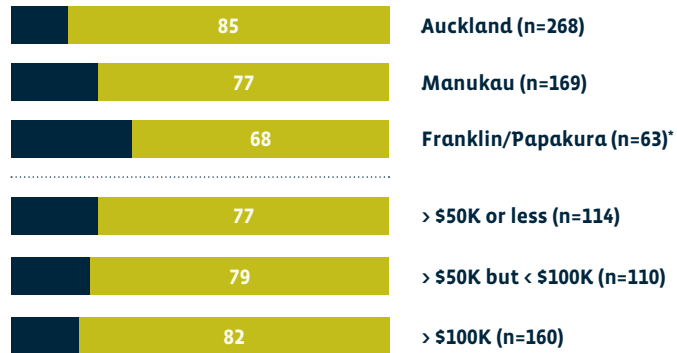
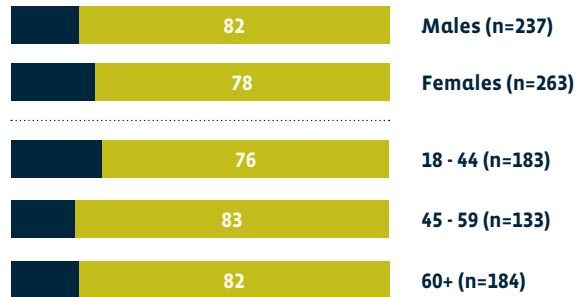
**30% agreed** that **“There is no logical reason why people who live in a house in one part of Auckland should get the dividend payment.”** Over 60 year olds were less likely to agree, while those who weren't aware of the Trust were more likely.

**27% agreed** that **“The Council can use the \$100 million annual revenue from the Vector shares to fund major projects, such as tackling traffic congestion or improvements to parks and theatres.”** Females, younger residents, Central Aucklanders and those on high incomes were more likely to agree.

**23% agreed** that **“The Trust was set up to soften opinion to the 1990s' electricity reforms. There is no need to pay the Trust's running costs now.”** There were no notable demographic differences.

## DECLARED AWARENESS OF AECT

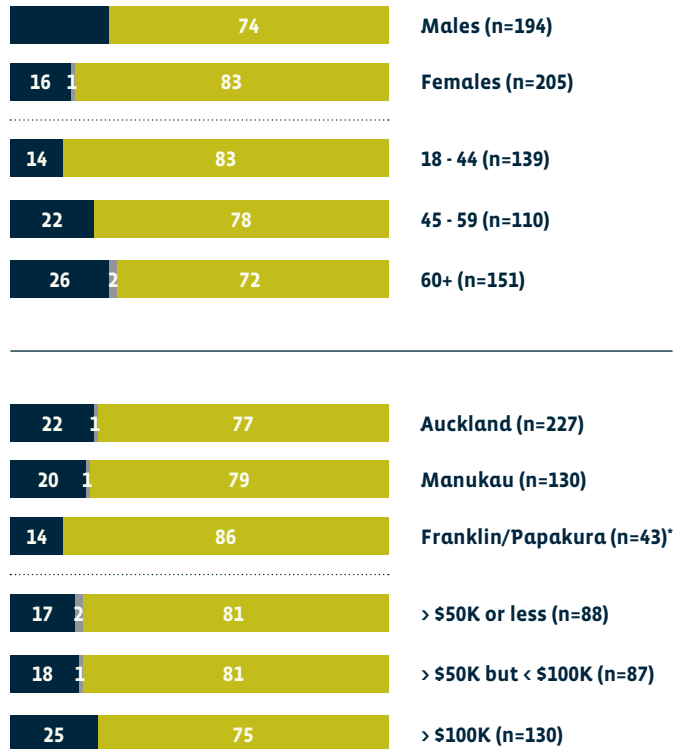
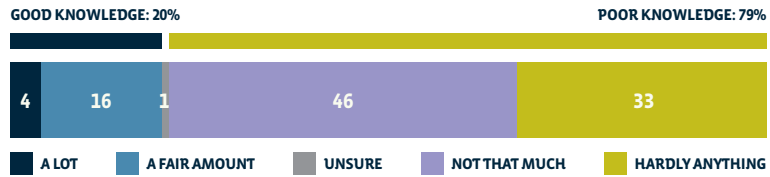
Have you heard of the Auckland Energy Consumer Trust?



\*Low sample size.  
Result must be treated as indicative only.

## DECLARED KNOWLEDGE OF AECT

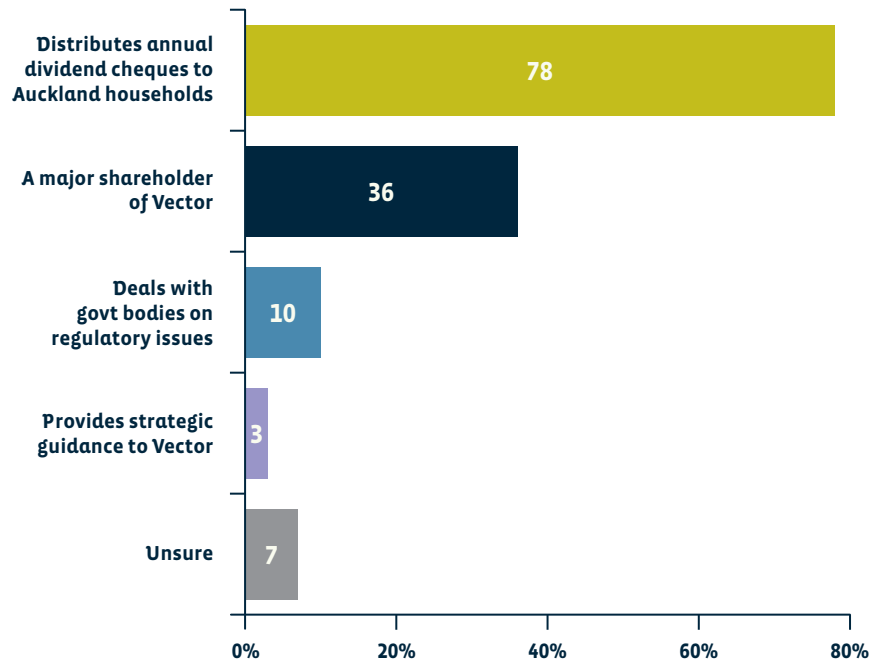
How much do you know about what the Auckland Energy Consumer Trust does?



Base: 80% of respondents who said they were aware of AECT (n=400)  
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## UNDERSTANDING OF AECT

What is your understanding of what the Auckland Energy Consumer Trust does?

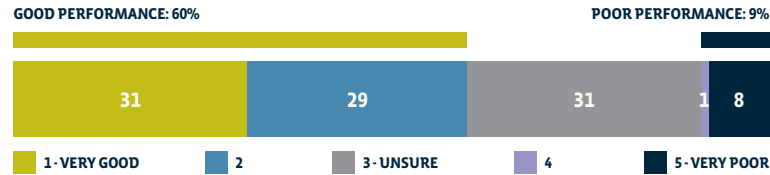


Base: 17% of respondents who said they were aware and had a good knowledge of AECT (n=400)  
Multiple response question - percentages will add to more than 100%.



## DECLARED KNOWLEDGE OF AECT

Using a scale from 1 to 5 where 1 means very good and 5 means very poor, how good a job does the Auckland Energy Consumer Trust do?



### Reasons for good performance (n=50) (counts)

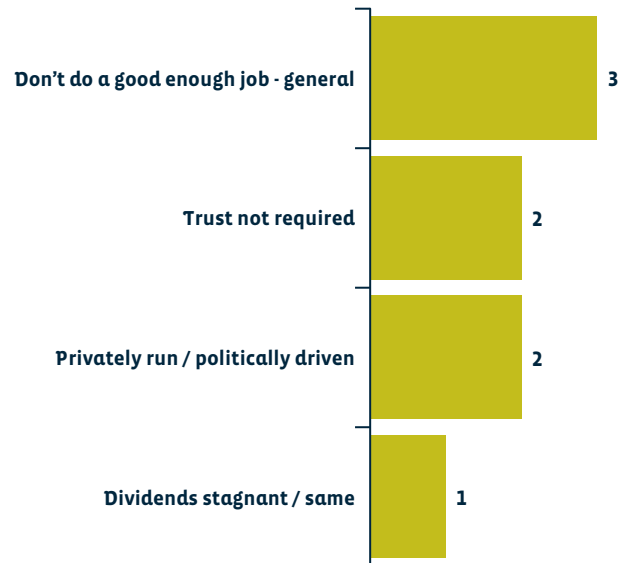


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Multiple response question - counts will add to more than sample size.

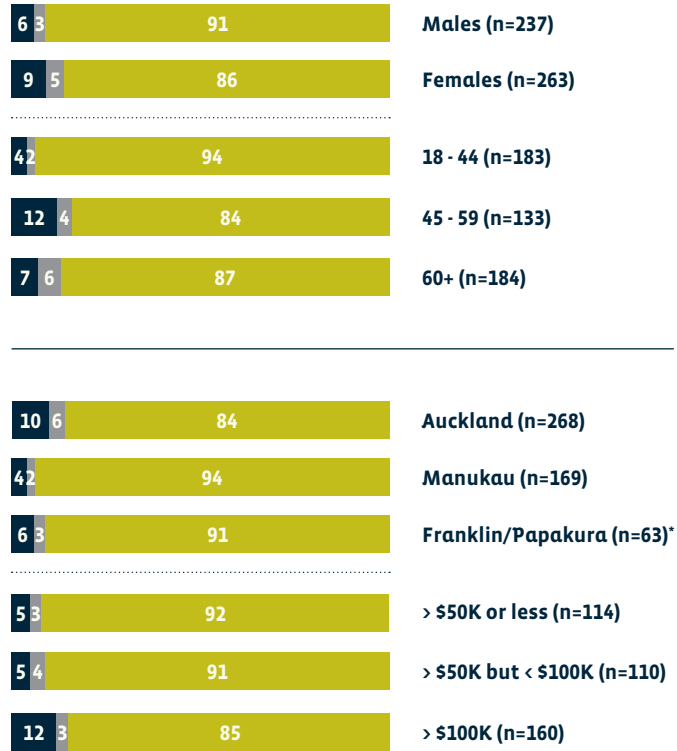
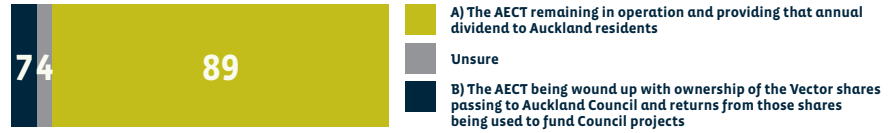
## DECLARED KNOWLEDGE OF AECT

### Reasons for poor performance (n=8) (counts)



## AECT – RETAIN VS WIND UP

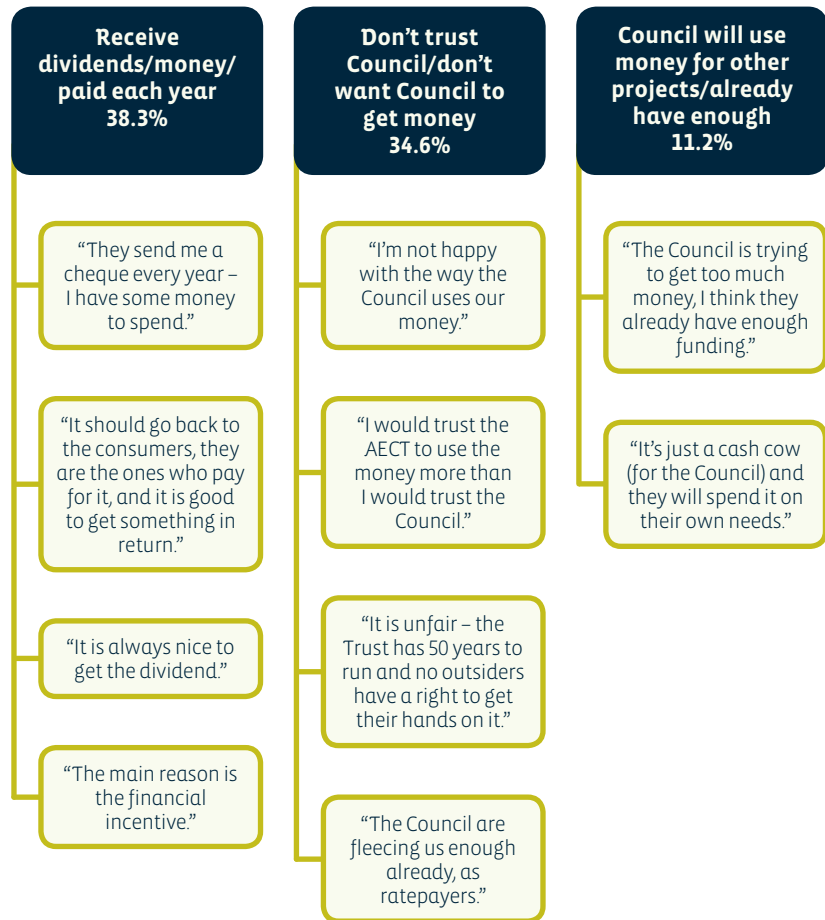
As you may be aware, the Auckland Energy Consumer Trust is a major shareholder in the electricity lines company Vector. Each year, it distributes an annual dividend from Vector profits to Auckland residents. In 2014 that dividend was \$335. There has been some debate about the future of the Auckland Energy Consumer Trust. Do you support:



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## REASONS FOR RETAINING THE AECT

What are the main reasons you support the AECT remaining in operation?



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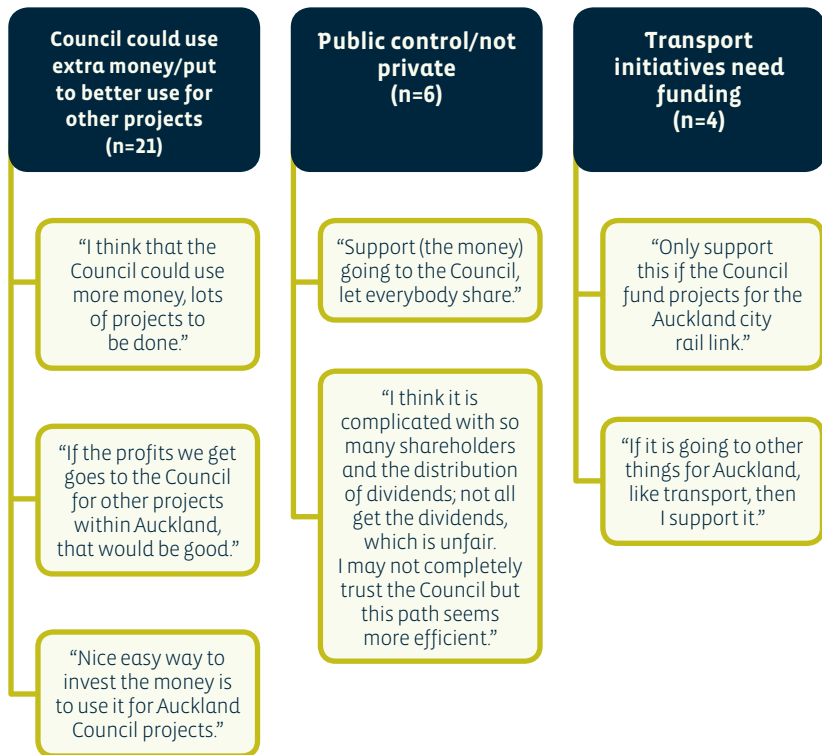
### Other reasons:

- Do a good job (in general)
- No problem/happy with Trust
- Keeps costs down/power rates cheaper/controls rates
- Needs to remain with public
- Ratepayers have more power
- Keeps us informed/more aware of what is going on
- Heard good things

Base: 89% of respondents who said they support retaining the AECT (n=442)  
Multiple response question - percentages will add to more than 100%.

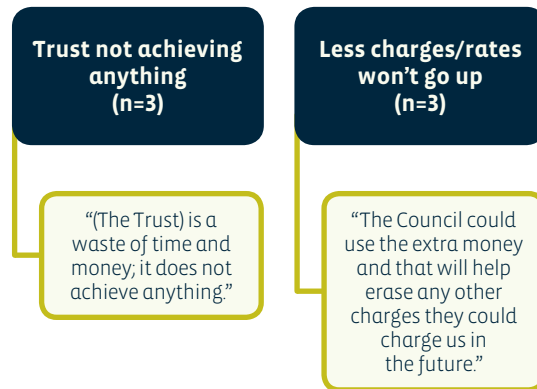
## REASONS FOR WINDING UP THE AECT

What are the main reasons you support the Auckland Energy Consumer Trust being wound up?



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### Other reasons:

- Don't get dividend/not all shareholders get dividends
- Don't know/unsure of what the Trust does
- Same dividends for everyone regardless of power usage

Base: 7% of respondents who said they support winding up the AECT (n=442)  
Multiple response question - counts will add to more than sample size.

## ARGUMENTS FOR RETAINING THE AECT

Using a scale of 1 to 5 where 1 means strongly agree and 5 strongly disagree, how much do you agree or disagree with the following?

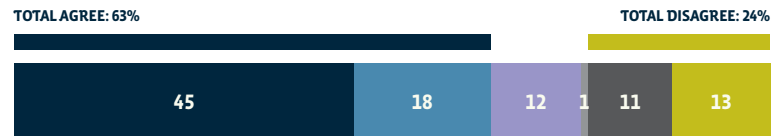
Electricity prices are so high it is fair to get at least some of that back in the annual dividend.



The Auckland Council are just as likely to waste the money from the Vector shares as they are to invest it in sensible projects.



I and/or my family need that annual dividend to help meet rising living costs.



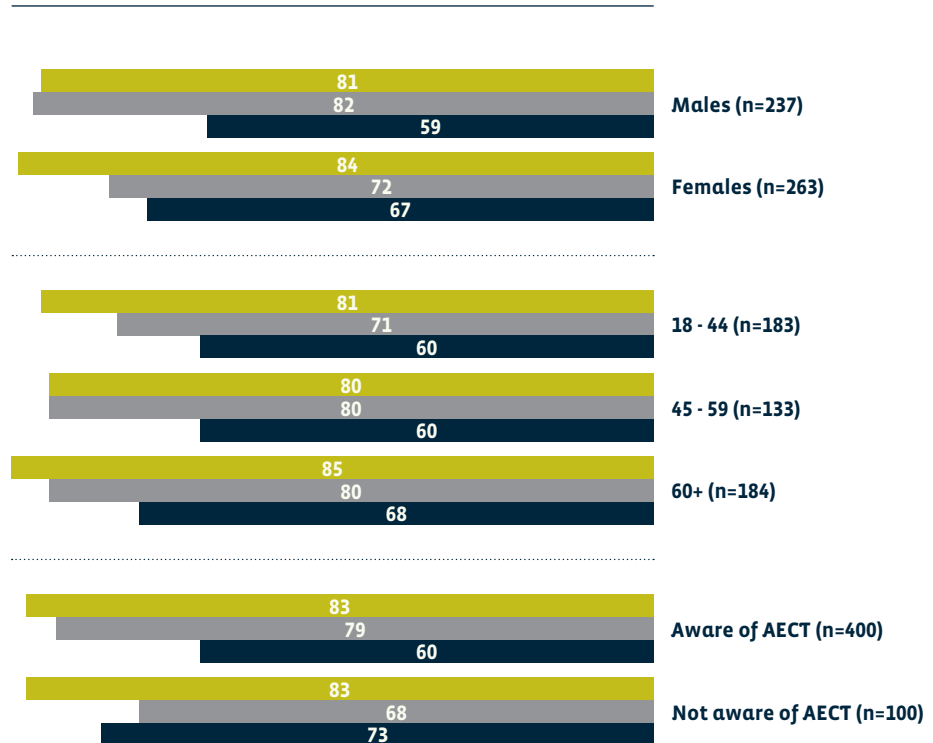
1 - STRONGLY AGREE
  2
  3
  UNSURE
  4
  5 - HARDLY ANYTHING



## ARGUMENTS FOR RETAINING THE AECT DEMOGRAPHICS – TOTAL AGREE

Using a scale of 1 to 5 where 1 means strongly agree and 5 strongly disagree, how much do you agree or disagree with the following?

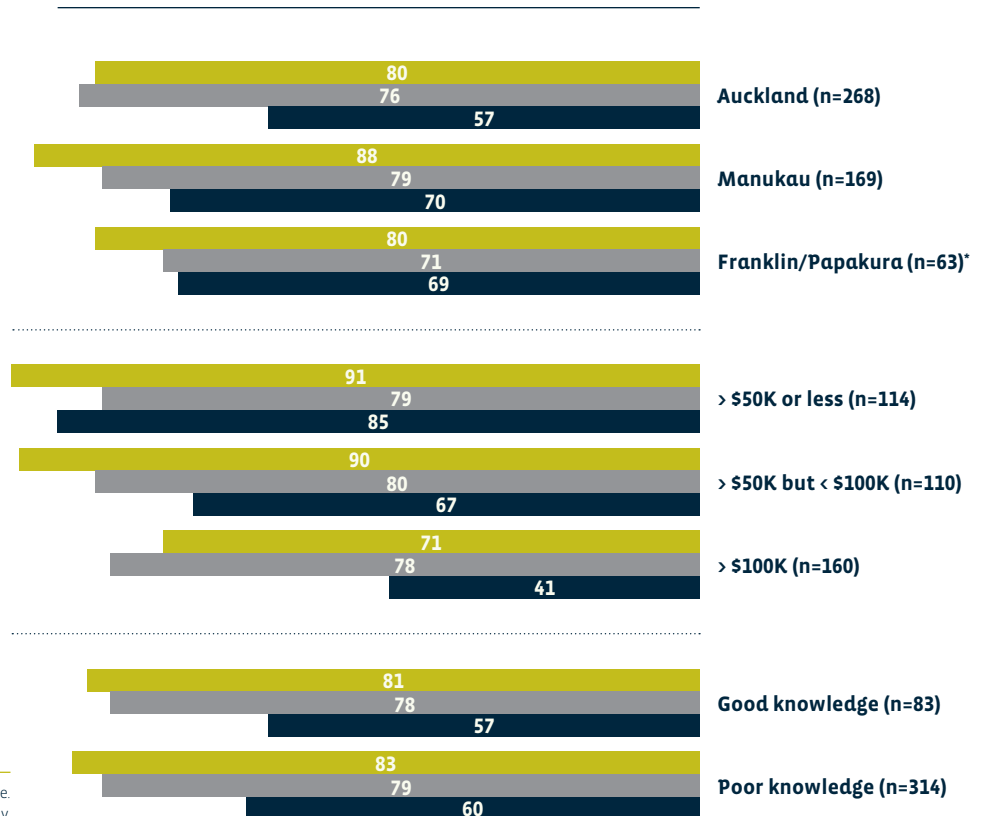
- Electricity prices are so high it is fair to get at least some of that back in the annual dividend.
- The Auckland Council are just as likely to waste the money from the Vector shares as they are to invest it in sensible projects.
- I and/or my family need that annual dividend to help meet rising living costs.



## ARGUMENTS FOR RETAINING THE AECT DEMOGRAPHICS – TOTAL AGREE

Using a scale of 1 to 5 where 1 means strongly agree and 5 strongly disagree, how much do you agree or disagree with the following?

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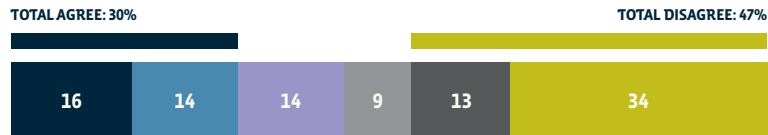


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## ARGUMENTS FOR WINDING UP THE AECT

Using a scale of 1 to 5 where 1 means strongly agree and 5 strongly disagree, how much do you agree or disagree with the following?

There is no logical reason why people who live in a house in one part of Auckland should get the dividend payment.



The Council can use the \$100 million annual revenue from the Vector shares to fund major projects, such as tackling traffic congestion or improvements to parks and theatres.



The Trust was set up to soften opinion to the 1990s' electricity reforms. There is no need to pay the Trust's running costs now.

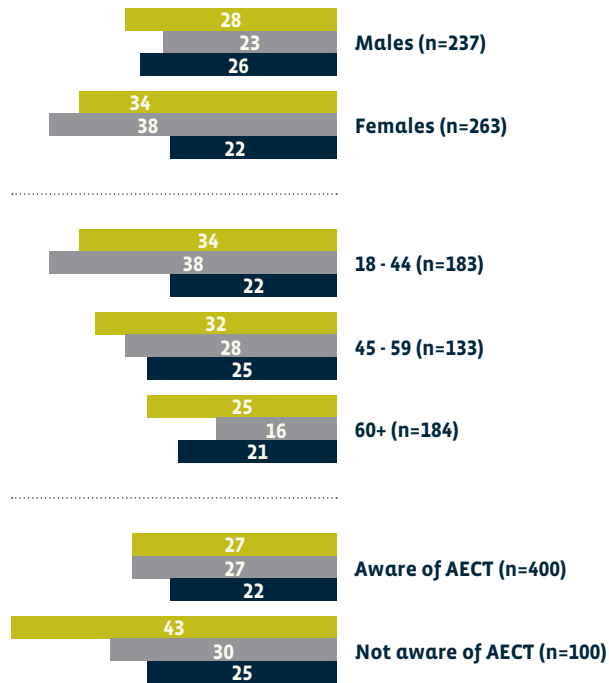


1 - STRONGLY AGREE
  2
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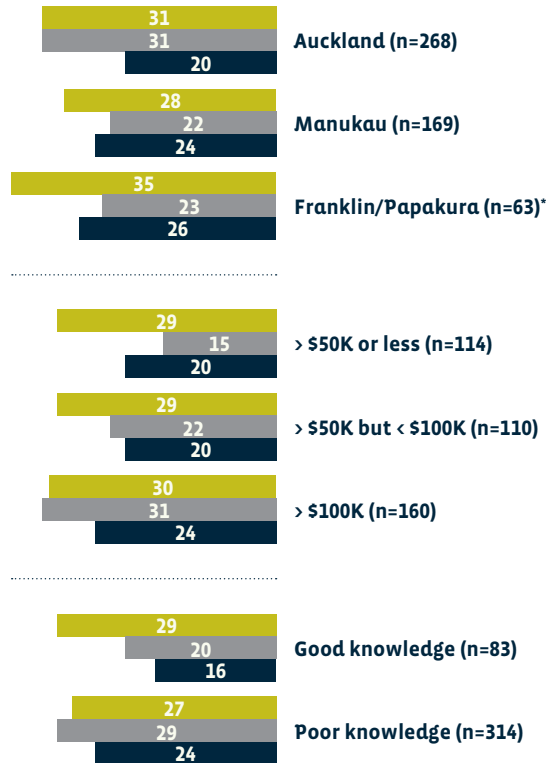


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