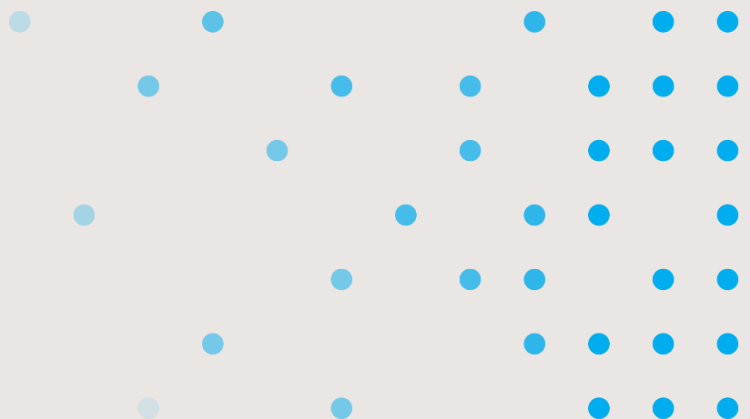


Market Forces

Banks and Climate Change Survey: 2016



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Banks and Climate Change Survey: 2016

Date: 12 September 2016
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Prepared By: Essential Research
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Research methodology

This was an online survey. The survey was in the field from Monday 15th August to Friday 19th August 2016.

The survey fieldwork was conducted by the Online Research Unit (ORU). Data tables were prepared by Essential Research.

The target population for this research was Australian adults aged 18+.

The survey was completed by 1017 respondents.

This data was weighted to ABS figures for age, gender and location. Loose quotas were placed on age, gender and location also.

The survey was designed by Essential Research (Kate Whelan) in conjunction with Market Forces. The analysis of this data was conducted by Kate Whelan.

SPSS and Excel were used to analyse the results.



Survey Reliability

Properly constructed sample surveys can provide results that are described as statistically reliable. The level of statistical reliability is dependent upon the sample size and (except where it is extremely small) the size of the population has no practical effect.

A survey that has 1000 respondents will provide results that are – at the 95% confidence level – subject to a sampling variation of between 2% and 3% at the total response level. Sub-samples, because of their smaller size, will exhibit larger sampling variances. The following table shows the sampling variances at the 95% confidence level for a range of sample sizes and response levels.

Sample Size	Variation where the answer is near the percentage of				
	10% or 90%	20% or 80%	30% or 70%	40% or 60%	50%
100	6%	8%	9%	9%	10%
200	4%	5%	6%	7%	7%
300	3%	5%	5%	6%	6%
400	3%	4%	4%	5%	5%
500	3%	4%	4%	4%	4%
600	2%	3%	4%	4%	4%
700	2%	3%	3%	4%	4%
800	2%	3%	3%	3%	3%
900	2%	3%	3%	3%	3%
1000	2%	3%	3%	3%	3%

Overall the confidence level was set as 95%. In this report where variation in sub-samples is statistically significant a comment has been made.

For the purposes of simplicity, we have rounded percentages to the nearest whole number. This may result in some percentage totals being 99% or 101%.



Executive summary

- Almost three quarters (72%) of the Australian population consider it to be important that their bank invests in companies and projects that don't harm the environment and contribute to climate change.
- Almost half of Australians (46%) say that if they learned that their bank was lending to projects that harmed the environment and contributed to climate change they would be more likely to consider moving to another bank.
- Around half of Australians believe it to be likely that they would consider moving to another bank if their current bank lent to:
 - Coal and gas export projects in the Great Barrier Reef World Heritage Area (47%)
 - Coal seam gas (e.g. fracking) near agricultural communities (48%)
- 71% of Australians support the Big 4's decision to support the Paris Agreement (limiting global warming to below two degrees). Furthermore, 65% of Australians agree that given the Big 4 banks have supported the Paris Agreement, they would now expect them to avoid funding and lending to projects that expand the size of the fossil fuel industry.



Summary of results

1.1. Importance of projects that do no harm

Question: How important is it to you that your bank invests in companies and projects that don't harm the environment and contribute to climate change?

	%	Big 4	CommBank & subsidiaries	Westpac & subsidiaries	ANZ	NAB
TOTAL Important	72%	74%	70%	74%	76%	75%
Very important	29%	32%	33%	26%	32%	28%
Somewhat important	43%	42%	37%	47%	44%	47%
Not very important	14%	14%	19%	13%	12%	11%
Not important at all	8%	7%	4%	8%	9%	9%
Not sure	6%	5%	7%	5%	4%	6%

Comments

Approximately three quarters (72%) of the Australian population consider it to be important that their bank invest in companies and project that don't harm the environment and contribute to climate change.

29% of these consider it to be 'very important'.

Differences between Banks

- Overall, customers of the Big 4 banks were just as likely (74%) as the overall population to think that it was important that their bank invest in companies and projects that don't hurt the environment and contribute to climate change.
- Those who bank with CommBank were slightly less likely to think it was important than the other Big 4 Banks; 70% think it is important compared to 74% of Westpac, 76% of ANZ and 75% of NAB customers.

Other Differences

- At least 71% of all age groups analysed consider it to be important that their bank invest in companies and projects that don't harm the environment and contribute to climate change. 75% of those aged under 30, 71% of those aged 30 to under 55 and 71% of those aged 55+ considered it to be important.
- Females (76%) were more likely than males (68%) to consider it to be important

	%	Male	Female	Under 30	30 -55	55+
TOTAL Important	72%	68%	76%	75%	71%	71%
Very important	29%	27%	32%	32%	29%	27%
Somewhat important	43%	42%	44%	44%	42%	44%
Not very important	14%	17%	12%	10%	17%	14%
Not important at all	8%	11%	4%	5%	7%	10%
Not sure	6%	4%	7%	9%	5%	4%

1.2. Likelihood to switch banks

Question: If you learned that your bank was lending to projects that harmed the environment and contributed to climate change, would you be more or less likely to move to another bank?

	%	Big 4	CommBank & subsidiaries	Westpac & subsidiaries	ANZ	NAB
TOTAL More likely	46%	48%	46%	51%	48%	48%
TOTAL Less likely	6%	7%	6%	6%	7%	10%
Much more likely	12%	12%	11%	12%	15%	10%
More likely	34%	36%	35%	39%	32%	38%
Makes no difference	37%	34%	38%	34%	29%	33%
Less likely	4%	5%	4%	4%	4%	7%
Much less unlikely	2%	2%	2%	2%	3%	3%
Not sure	11%	11%	11%	9%	17%	8%

Comments

Overall, almost half of Australians (46%) say that if they learned that their bank was lending to projects that harmed the environment and contributed to climate change they would be more likely to consider moving to another bank.

12% of these said they would be 'much more likely'.

37% of Australians say it makes no difference to them.

Differences between Banks

- 48% of customers of the Big 4 say they are more likely to consider switching if they learned that their bank was lending to projects that harmed the environment and contributed to climate change.
- This figure was consistent across the four major lenders and their subsidiaries; with 46% of CommBank, 51% of Westpac and 48% of both ANZ and NAB saying they would consider switching.

Other Differences

- Females (50%) were more likely than males (43%) to consider switching.
- Those aged under 30 were also more likely to consider switching (54%, compared to 49% of those aged 30 – 55 and just 39% of those aged 55+).

	%	Male	Female	Under 30	30 -55	55+
TOTAL More likely	46%	43%	50%	54%	49%	39%
TOTAL Less likely	6%	7%	6%	5%	7%	5%
Not sure	11%	7%	14%	17%	9%	7%

1.3. Specific projects

Question: Specifically, if you learned that your bank was lending to the following projects, how likely would you be to consider moving to another bank?

	TOTAL Likely	TOTAL Unlikely	Highly likely	Likely	Unlikely	Highly unlikely	Not sure
Coal and gas export projects in the Great Barrier Reef World Heritage Area	47%	36%	18%	29%	27%	9%	16%
Coal seam gas (e.g. fracking) near agricultural communities	48%	36%	20%	28%	26%	10%	15%

Comments

Around half of Australians believe it to be likely that they would consider moving to another bank if their current bank lent to:

- Coal and gas export projects in the Great Barrier Reef World Heritage Area (47%)
- Coal seam gas (e.g. fracking) near agricultural communities (48%)

In both cases 36% say it is unlikely.

Differences between Banks

- In both cases customers of the Big 4 banks reflected the attitudes of the general Australian population, with 47% saying they would be likely to consider changing banks if this was the case.
- CommBank customers were – in both cases – slightly less likely to consider switching; 43% would in the case of the Great Barrier Reef, while 45% would in the case of fracking.
- Half or more of Westpac customers would consider switching in both cases; 50% for the Great Barrier Reef and 54% for fracking.

	Big 4		CommBank & subsidiaries		Westpac & subsidiaries		ANZ		NAB	
	TOTAL Likely	TOTAL Unlikely	TOTAL Likely	TOTAL Unlikely	TOTAL Likely	TOTAL Unlikely	TOTAL Likely	TOTAL Unlikely	TOTAL Likely	TOTAL Unlikely
Coal and gas export projects in the Great Barrier Reef World Heritage Area	47%	37%	43%	38%	50%	34%	50%	33%	50%	40%
Coal seam gas (e.g. fracking) near agricultural communities	47%	36%	45%	37%	54%	33%	42%	35%	51%	41%

Comments continued

Other Differences

- Those in NSW appear to be more concerned about these investments than other states, with:
 - 52% saying they would consider switching if their bank invested in coal and gas export projects in the Great Barrier Reef World Heritage Area
 - 56% saying they would consider switching if their bank invested in coal seam gas (e.g. fracking) near agricultural communities.

	NSW		VIC		QLD		OTHER	
	TOTAL Likely	TOTAL Unlikely	TOTAL Likely	TOTAL Unlikely	TOTAL Likely	TOTAL Unlikely	TOTAL Likely	TOTAL Unlikely
Coal and gas export projects in the Great Barrier Reef World Heritage Area	52%	34%	47%	36%	42%	39%	44%	39%
Coal seam gas (e.g. fracking) near agricultural communities	56%	33%	50%	34%	45%	39%	38%	41%



1.4. Support for limiting warming

Question: Last year, the United Nations Convention of Climate Change and supporting countries agreed to the goal of limiting global warming to below two degrees. This became known as ‘the Paris Agreement’.

Each of the big four Australian banks (ANZ, Commonwealth Bank, National Australia Bank and Westpac) publicly supported this goal (limiting global warming to below two degrees).

Do you support or oppose the banks’ decisions to support this goal?

	%	Big 4	CommBank & subsidiaries	Westpac & subsidiaries	ANZ	NAB
TOTAL Support	71%	73%	73%	76%	72%	70%
TOTAL Oppose	9%	8%	8%	8%	10%	9%
Strongly support	26%	29%	28%	28%	33%	27%
Support	45%	44%	45%	48%	39%	43%
Oppose	5%	5%	4%	5%	6%	5%
Strongly oppose	4%	3%	4%	3%	4%	4%
Not sure	20%	18%	20%	16%	18%	22%

Comments

Overall, 71% support the Big 4’s decision to support the Paris Agreement (limiting global warming to below two degrees).

Just 9% oppose this decision.

Differences between Banks

- Customers of the Big 4 banks were slightly more likely to support this decision (73%).
- Westpac customers (76%) were even more likely, while ANZ (72%), CommBank (73%) and NAB (70%) customers were closer to the average.

Other Differences

- There were no significant differences based on age or gender, although high income Australians (those earning \$120,000+) were more likely to support the decision (83%).

	%	Under \$40k	\$40-80k	\$80-120k	\$120k+
TOTAL Support	71%	67%	74%	76%	83%
TOTAL Oppose	9%	9%	13%	6%	4%
Not Sure	20%	24%	13%	18%	13%



1.5. Agreement with halting expansion of fossil fuel industry

Question: Given that the big four banks now support the goal of limiting global warming to below two degrees and acknowledge they have a role to play in achieving that goal, do you agree that they would from now on be expected to avoid funding and lending to projects that expand the size of the fossil fuel industry?

	%	Big 4	CommBank & subsidiaries	Westpac & subsidiaries	ANZ	NAB
TOTAL Agree	65%	66%	66%	67%	64%	64%
TOTAL Disagree	15%	13%	14%	16%	14%	15%
Strongly agree	24%	24%	23%	27%	25%	22%
Agree	41%	42%	43%	40%	39%	42%
Disagree	9%	9%	7%	12%	9%	12%
Strongly disagree	6%	4%	7%	4%	5%	3%
Not sure	20%	21%	20%	17%	22%	22%

Comments

65% of Australians agree that given the Big 4 banks have supported the Paris Agreement, they would now expect them to avoid funding and lending to projects that expand the size of the fossil fuel industry.

Just 15% disagree with this.

Differences between Banks

- There were no significant differences between the banks, with the attitudes of all the Big 4 Banks being in line with the overall population.

Other Differences

- There were no significant differences based on age or gender, indicating universal agreement with this proposition.

1.6. Main Bank

Question: Which bank do you do most of your banking with (i.e. who would you describe as your main bank)?

	%
ANZ	15%
Commonwealth Bank	31%
NAB	12%
Westpac	11%
Bankwest	3%
Bank of Melbourne	1%
St George	5%
Bendigo Bank	3%
Suncorp Bank	2%
Bank Australia	<1%
ING	3%
HSBC	1%
Rabobank	<1%
Other bank (please specify)	7%
Other credit union or mutual (please specify)	8%

Demographics

Gender	
Male	49%
Female	51%

Age	
Under 18	-
18-25	12%
26-30	9%
31-35	9%
36-40	9%
41-45	9%
46-50	9%
51-55	9%
56-60	8%
61-65	7%
66-70	6%
70-75	4%
75+	8%

Location	
Sydney	21%
Regional NSW	12%
Melbourne	19%
Regional VIC	6%
Brisbane	10%
Regional QLD	10%
Adelaide	6%
Regional SA	2%
Darwin	6%
Regional NT	2%
Perth	2%
Regional WA	1%
Hobart	1%
Regional TAS	1%
ACT	2%
Other	-

Income	
Less than \$20,000	22%
\$20,000 to under \$40,000	22%
\$40,000 to under \$60,000	16%
\$60,000 to under \$80,000	10%
\$80,000 to under \$100,000	11%
\$100,000 to under \$120,000	4%
\$120,000 to under \$150,000	3%
\$150,000 or more	4%
Don't know	1%
Prefer not to say	7%

Vote	
Labor	30%
Liberal	28%
National	5%
Greens	10%
Family First	2%
Nick Xenophon Party	4%
Independent or other	8%
Don't know	7%
Not enrolled	4%
I'd rather not say	4%



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