

9. PENALTIES/REMEDIES FOR CARTEL CONDUCT

9.1 COMPANIES

9.1.1 COMPANIES – PRICE FIXING - PENALTIES/REMEDIES

Question

D1Cint. Now we would like you to think about how the law should deal with this conduct. First we will ask you about how the law should deal with the COMPANIES involved. Then we will ask you about how the law should deal with the INDIVIDUALS responsible for the conduct while working for the companies.

D1C How do you think the law should deal with **COMPANIES** that make an **agreement between competitors on prices?**

Please mark all that apply

Figure 9.1.1 Companies – Price fixing - Penalties/remedies¹

| | NOT SELECTED Freq. (%) | SELECTED Freq. (%) |
|----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-----------------------|
| The companies should pay a fine | 18.6 | 81.4 |
| The companies should be publicly named (e.g. on the TV news) as having been involved in the conduct | 19.9 | 80.1 |
| The companies should pay compensation to anyone who suffered loss or damage as a result of the conduct | 46.8 | 53.2 |
| The companies should have to take measures to make sure the conduct does not happen again (e.g. by providing a training program for its employees) | 35.3 | 64.7 |
| There should be no penalties for the companies | 99.8 | 0.2 |
| Don't know | 99.5 | 0.5 |
| Other | 98.1 | 1.9 |

¹ n=952 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors on prices should be against the law?', Question D1). Nine respondents did not choose 'The companies should pay a fine', however did include fines in their open-ended response to the 'other' category.

Comments

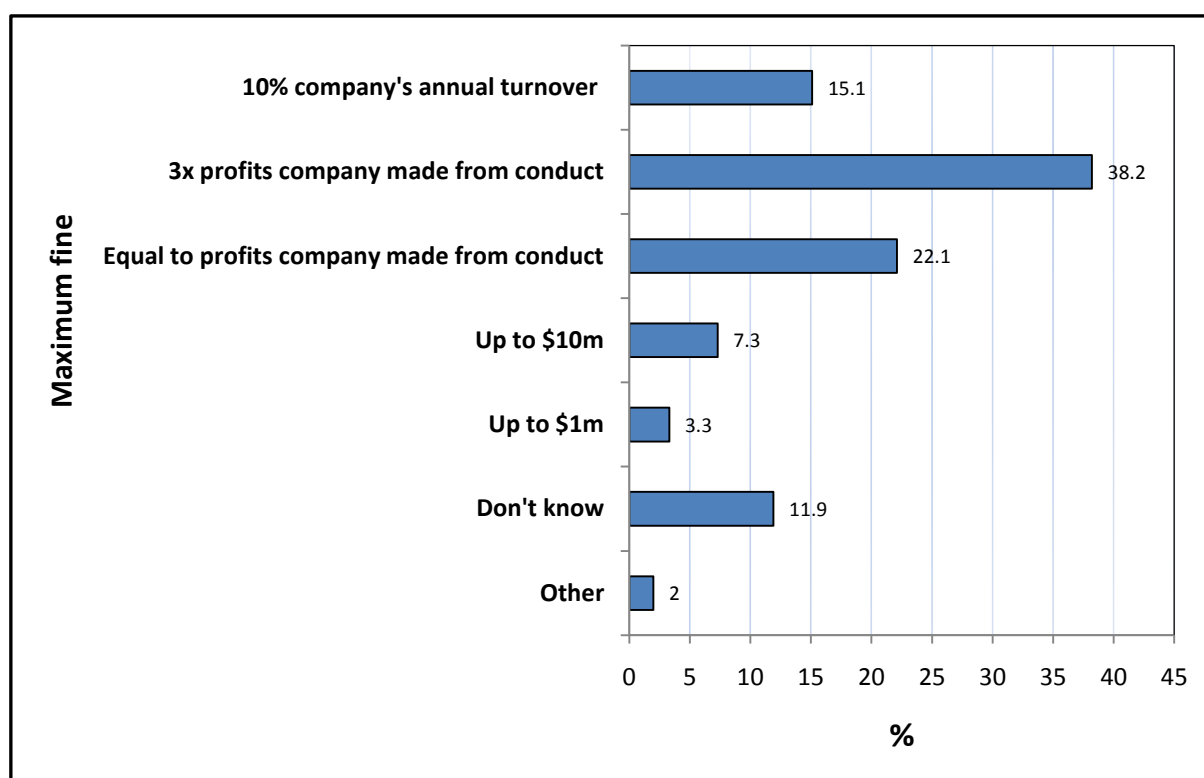
In considering how the law should deal with companies involving in making an agreement between competitors on prices, the highest levels of support were for payment of a fine (81.4%) and the company being publicly named for its involvement in the conduct (80.1%). Only just over half of respondents considered the companies should have to pay compensation. There was negligible support for the view that the companies should not have to face penalties.

9.1.1.1 COMPANIES – PRICE FIXING - PENALTIES/REMEDIES – MAXIMUM FINE

Question

D1Ca. If the companies each had to pay a fine for making an agreement between competitors on prices, how should this fine be calculated?

Figure 9.1.1.1 Companies – Price fixing - Penalties/remedies – Maximum fine²



Comments

More than a third of respondents considered that the fine for a company involved in making an agreement between competitors on prices should be calculated based on a maximum of three times the profit the company made from the conduct. Less than 10% of respondents considered the maximum fine should be \$10 million and less than 5% thought that the maximum should be \$1 million.

² n=952 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors on prices should be against the law?', Question D1, and 'Yes' to 'The companies should pay a fine', Question D1C_1).

9.1.2 COMPANIES – MARKET ALLOCATION - PENALTIES/REMEDIES

Question

D2Cint. Now we would like you to think about how the law should deal with this conduct. First we will ask you about how the law should deal with the COMPANIES involved. Then we will ask you about how the law should deal with the INDIVIDUALS responsible for the conduct while working for the companies.

D2C How do you think that the law should deal with **COMPANIES** for making an **agreement between competitors to allocate customers?**

Please mark all that apply

Figure 9.1.2 Companies – Market Allocation - Penalties/remedies³

| | NOT SELECTED (%) | SELECTED (%) |
|----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------|
| The companies should pay a fine | 22.8 | 77.2 |
| The companies should be publicly named (e.g. on the TV news) as having been involved in the conduct | 24.9 | 75.1 |
| The companies should pay compensation to anyone who suffered loss or damage as a result of the conduct | 40.5 | 59.5 |
| The companies should have to take measures to make sure the conduct does not happen again (e.g. by providing a training program for its employees) | 40.2 | 59.8 |
| There should be no penalties for the companies | 99.6 | 0.4 |
| Don't know | 97.8 | 2.2 |
| Other | 99.0 | 1.0 |

³ n=898 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to allocate customers should be against the law?', Question D2). Four respondents did not choose 'The companies should pay a fine', however did include fines in their open-ended response to the 'other' category.

Comments

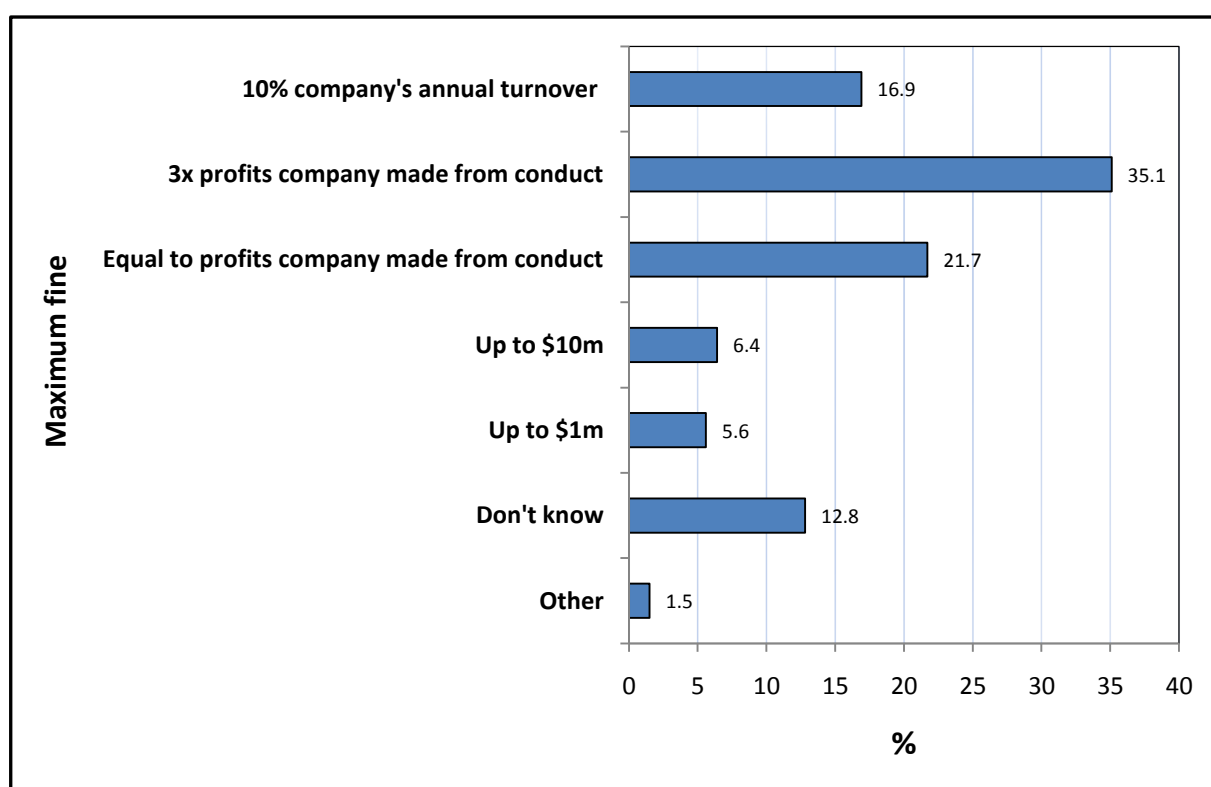
In considering how the law should deal with companies involving in making an agreement between competitors to allocate customers, the highest levels of support were for payment of a fine (77.2%) and the company being publicly named for its involvement in the conduct (75.1%). There were similar levels of support for the company having to pay compensation and having to take measures to make sure the conduct does not happen again (59.5% and 59.8% respectively). There was negligible support for the view that the companies should not have to face penalties.

9.1.2.1 COMPANIES – MARKET ALLOCATION - PENALTIES/REMEDIES – MAXIMUM FINE

Question

D2Ca. If the companies each had to pay a fine for making an **agreement between competitors to allocate customers**, how should this fine be calculated?

Figure 9.1.2.1 Companies – Market allocation - Penalties/remedies – Maximum fine⁴



Comments

More than a third of respondents considered that the fine for a company involved in making an agreement between competitors to allocate customers should be calculated based on a maximum of three times the profit the company made from the conduct. Less than 10% of respondents considered the maximum fine should be \$10 million.

⁴ n=703 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to allocate customers should be against the law?', Question D2, and 'Yes' to 'The companies should pay a fine', Question D2C_1).

9.1.3 COMPANIES – OUTPUT RESTRICTION - PENALTIES/REMEDIES

Question

D3Cint. Now we would like you to think about how the law should deal with this conduct. First we will ask you about how the law should deal with the COMPANIES involved. Then we will ask you about how the law should deal with the INDIVIDUALS responsible for the conduct while working for the companies.

D3C How do you think that the law should deal with COMPANIES for making an **agreement between competitors to reduce production levels?**

Please mark all that apply

Figure 9.1.3 Companies – Output restriction - Penalties/remedies⁵

| | NOT SELECTED Freq. (%) | SELECTED Freq. (%) |
|----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|--------------------------|
| The companies should pay a fine | 18.0 | 82.0 |
| The companies should be publicly named (e.g. on the TV news) as having been involved in the conduct | 19.2 | 80.8 |
| The companies should pay compensation to anyone who suffered loss or damage as a result of the conduct | 47.0 | 53.0 |
| The companies should have to take measures to make sure the conduct does not happen again (e.g. by providing a training program for its employees) | 36.1 | 63.9 |
| There should be no penalties for the companies | 100.0 | 0.0 |
| Don't know | 98.5 | 1.5 |
| Other | 98.7 | 1.3 |

⁵ n=920 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to reduce production levels should be against the law?', Question D3). Four respondents did not choose 'The companies should pay a fine', however did include fines in their open-ended response to the 'other' category.

Comments

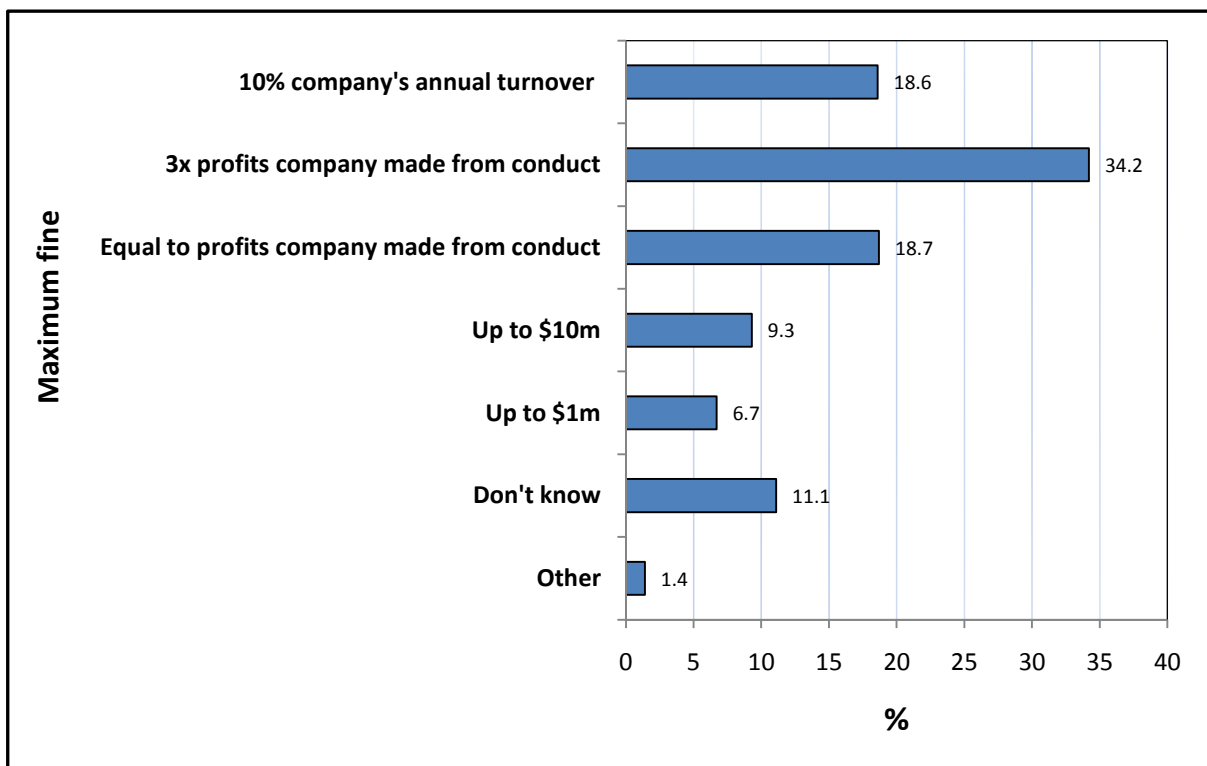
In considering how the law should deal with companies involving in making an agreement between competitors to reduce production levels, the highest levels of support were for payment of a fine (82%) and the company being publicly named for its involvement in the conduct (80.8%). Only just over half of respondents considered the companies should have to pay compensation. There was no support for the view that the companies should not have to face penalties.

9.1.3.1 COMPANIES – OUTPUT RESTRICTION - PENALTIES/REMEDIES – MAXIMUM FINE

Question

D3Ca. If the companies each had to pay a fine for making an **agreement between competitors to reduce production levels**, how do you think this fine should be calculated?

Figure 9.1.3.1 Companies – Output restriction – Penalties/remedies – Maximum fine⁶



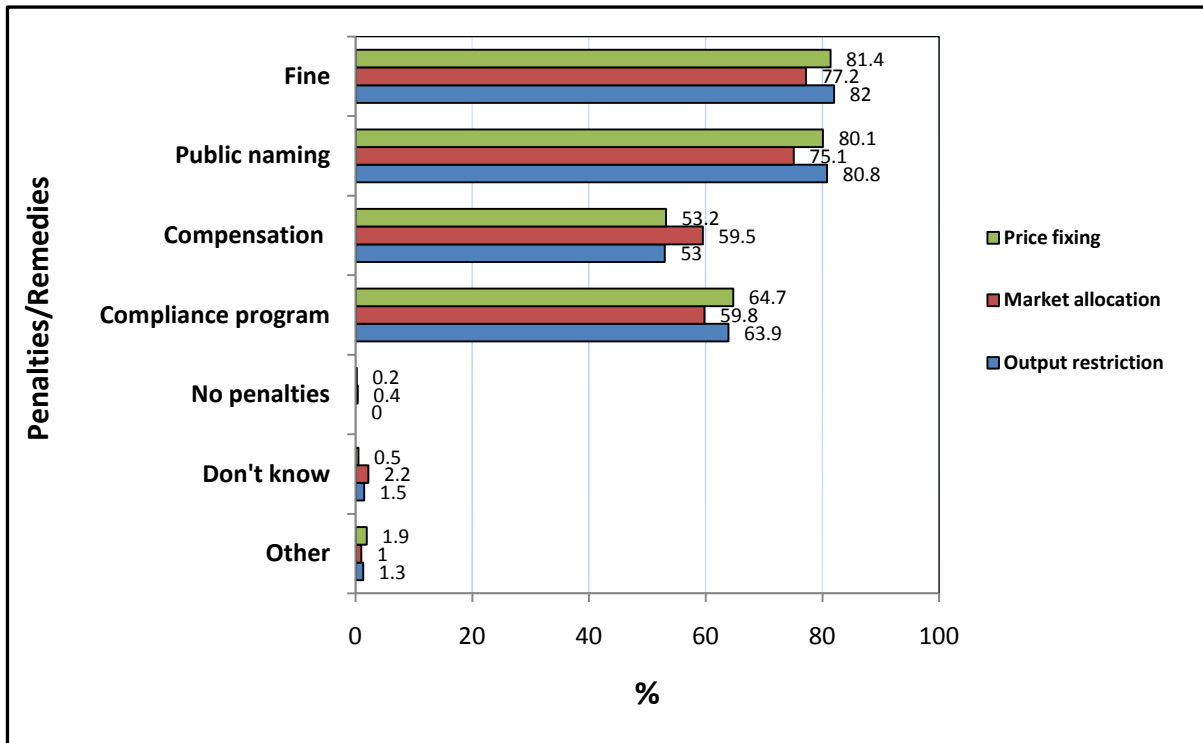
Comments

More than a third of respondents considered that the fine for a company involved in making an agreement between competitors to reduce production levels should be calculated based on a maximum of three times the profit the company made from the conduct. Less than 10% of respondents considered the maximum fine should be \$10 million.

⁶ n=756 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to reduce production levels should be against the law?', Question D3, and 'Yes' to 'The companies should pay a fine' Question D3C_1).

9.1.4 COMPANIES – COMPARISON BETWEEN TYPES OF CARTEL CONDUCT - PENALTIES/REMEDIES

Figure 9.1.4 Companies – Comparison between types of cartel conduct - Penalties/remedies⁷



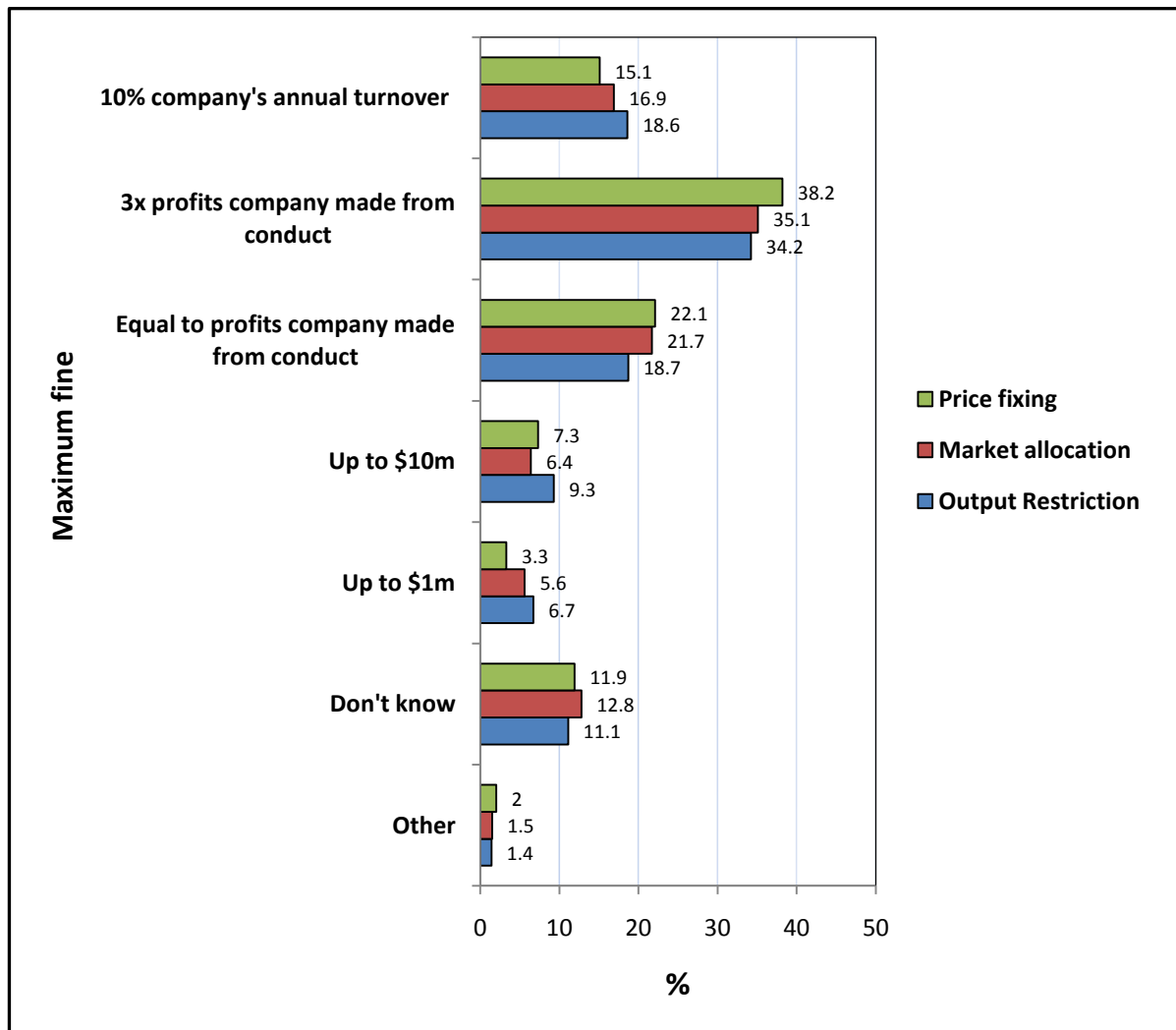
Comments

The most common types of penalty/remedy selected across all three types of cartel conduct were ‘fine’ and ‘public naming’. There were no major differences between types of cartel conduct in the choice of penalty/remedy.

⁷ For price fixing, n=781 (representing respondents who responded ‘Yes’ to ‘Do you think that an agreement between competitors on prices should be against the law?’, Question D1, and ‘Yes’ to ‘The companies should pay a fine’ Question D1C_1); market sharing, n=703 (representing respondents who responded ‘Yes’ to ‘Do you think that an agreement between competitors to allocate customers should be against the law?’, Question D2, and ‘Yes’ to ‘The companies should pay a fine’ Question D2C_1); output restriction, n=756 (representing respondents who responded ‘Yes’ to ‘Do you think that an agreement between competitors to reduce production levels should be against the law?’, Question D3, and ‘Yes’ to ‘The companies should pay a fine’ Question D3C_1).

9.1.4.1 COMPANIES – COMPARISON BETWEEN TYPES OF CARTEL CONDUCT - PENALTIES/REMEDIES -MAXIMUM FINE

Figure 9.4.1.1 Companies – Comparison between types of cartel conduct – Penalties/remedies - Maximum fine⁸



⁸ n=952 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors on prices should be against the law?', Question D1, and 'Yes' to 'The companies should pay a fine', Question D1C_1); n=703 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to allocate customers should be against the law?', Question D2, and 'Yes' to 'The companies should pay a fine', Question D2C_1); n=756 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to reduce production levels should be against the law?', Question D3, and 'Yes' to 'The companies should pay a fine' Question D3C_1).

Comments

The most common types of penalty maximum selected across all three types of cartel conduct was 'three times the profits that the company made from the conduct'. There were no major differences between types of cartel conduct in the choice of method for calculating the penalty maximum.

9.2 INDIVIDUALS

9.2.1 INDIVIDUALS – PRICE FIXING – PENALTIES/REMEDIES

Question

D1D. How do you think that the law should deal with **INDIVIDUALS** responsible for making an **agreement between competitors on prices**?

Please mark all that apply

Figure 9.2.1 Individuals – Price fixing - Penalties/remedies⁹

| | NOT SELECTED (%) | SELECTED Freq. (%) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------------|
| The individuals responsible should go to jail | 84.2 | 15.8 |
| The individuals responsible should pay a fine | 29.0 | 71.0 |
| The individuals responsible should be banned from being a director or manager of any company for a number of years | 33.8 | 66.2 |
| The individuals responsible should be publicly named (e.g. on the TV news) as having been involved in the conduct | 34.7 | 65.3 |
| The individuals responsible should pay compensation to anyone who suffered loss or damage as a result of the conduct | 65.0 | 35.0 |
| The individuals responsible should have to take measures to make sure the conduct does not happen again (e.g. by taking part in a training program) | 45.8 | 54.2 |
| There should be no penalties for the individuals responsible | 99.1 | 0.9 |
| Don't know | 98.7 | 1.3 |
| Other | 98.8 | 1.2 |

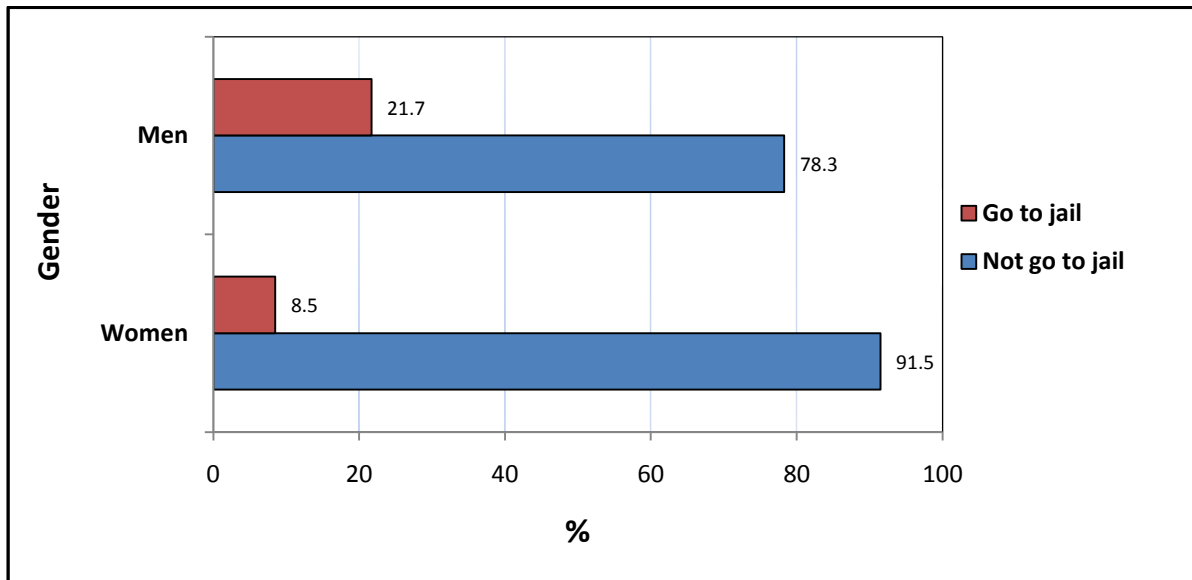
⁹ n=952 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors on prices should be against the law?', Question D1). One respondent did not choose 'The individuals responsible should go to jail', however did include jail in their open-ended response to the 'other' category. Similarly, one respondent did not choose 'There should be no penalties for the individual's responsible', however did include 'no penalties' in their open-ended response to the 'other' category.

Comments

In considering how the law should deal with individuals involving in making an agreement between competitors on prices, the highest level of support was for payment of a fine (71.0%), the individual being banned from being a director or manager of any company for a number of years (66.2%) and the individuals being publicly named for involvement in the conduct (65.3%). 54.2% of respondents considered the individuals should have to take measures to make sure the conduct does not happen again. Only 15.8% indicated that individuals should go to jail. There was negligible support for the view that the individuals should not have to face penalties.

9.2.1.1 INDIVIDUALS – PRICE FIXING - PENALTIES/REMEDIES – GO TO JAIL AND DEMOGRAPHIC FACTORS

Figure 9.2.1.1 Individuals – Price fixing - Penalties/remedies – Go to Jail and Gender¹⁰



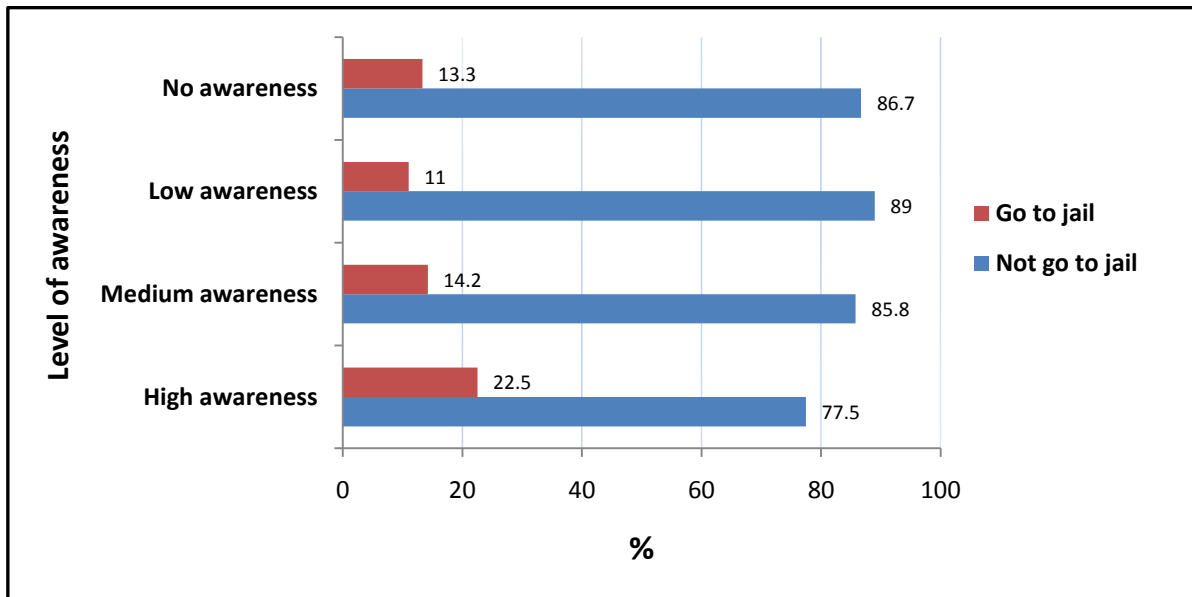
Comments

21.7% of men indicated that individuals should go to jail for price fixing, compared to 8.4% of women.

¹⁰ n=952 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors on prices should be against the law?', Question D1).

9.2.1.2 INDIVIDUALS – PRICE FIXING - PENALTIES/REMEDIES – GO TO JAIL AND PRIOR AWARENESS

Figure 9.2.1.2 Individuals – Price fixing - Penalties/remedies – Go to Jail and Prior awareness¹¹



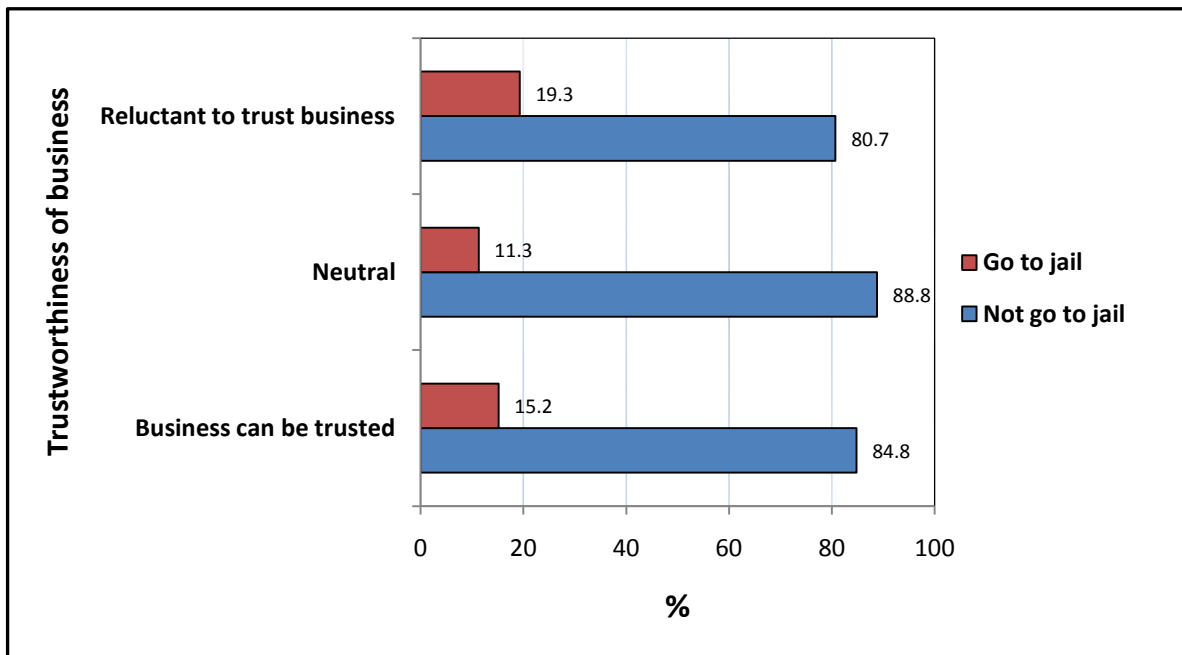
Comments

For the high awareness group 22.5% selected jail while 77.5% did not. For the no awareness group 13.3% selected jail while 86.7% did not. Less than a quarter of the high awareness group selected jail.

¹¹ n=952 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors on prices should be against the law?', Question D1.

9.2.1.3 INDIVIDUALS – PRICE FIXING - PENALTIES/REMEDIES – GO TO JAIL AND BUSINESS AS TRUSTWORTHY/UNTRUSTWORTHY

Figure 9.2.1.3 Individuals – Price fixing - Penalties/remedies – Go to jail and Trustworthiness of business¹²



Comments

Over 80% of each of the trustworthiness of business groups did not select 'go to jail' as a penalty or remedy for price fixing.

¹² n=678 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors on prices should be against the law?', Question D1.

9.2.1.4 INDIVIDUALS – PRICE FIXING - PENALTIES/REMEDIES –MAXIMUM FINE

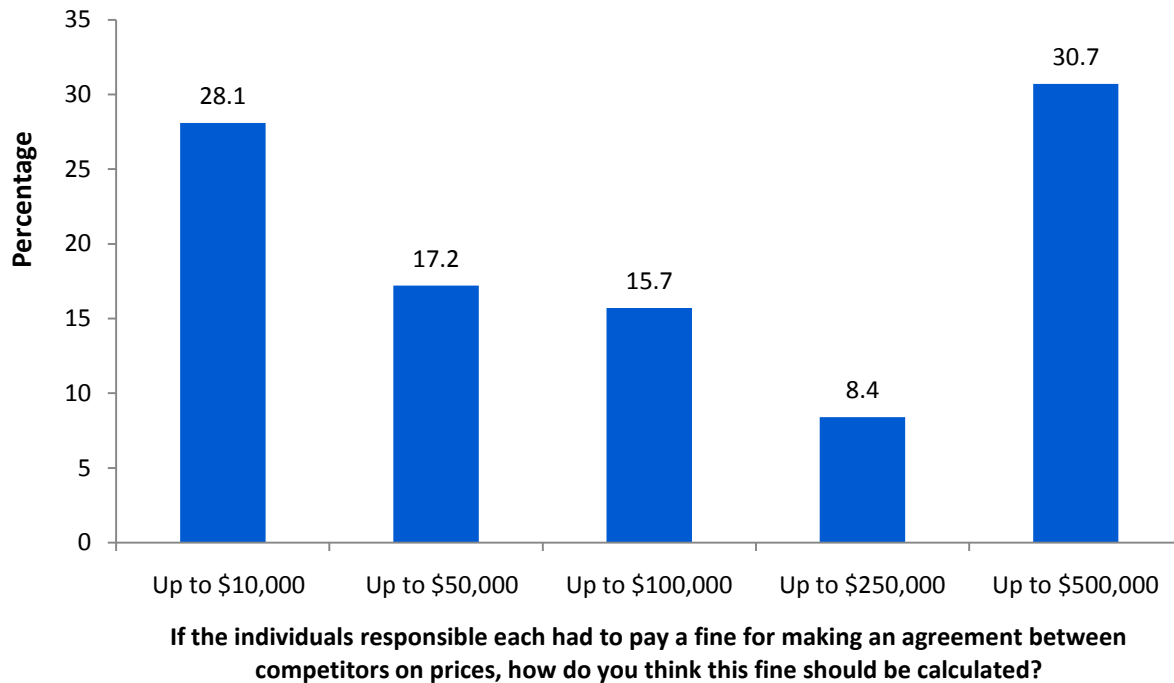
Question

D1Da. If the individuals responsible each had to pay a fine for making an **agreement between competitors on prices**, how do you think this fine should be calculated?

1. Up to \$10,000
2. Up to \$50,000
3. Up to \$100,000
4. Up to \$250,000
5. Up to \$500,000

Comments (optional):

Figure 9.2.1.4 Individuals – Price fixing - Penalties/remedies – Maximum fine¹³



Comments

The fine category for price fixing that was selected the most was 'up to \$500,000' (30.7%), followed by 'up to \$10,000' (28.1%). Overall respondents were highly divided over what should be the maximum individual fine for an agreement between competitors on prices.

¹³ n=678 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors on prices should be against the law?', Question D1, and 'Yes' to 'The individuals responsible should pay a fine', Question D1D_2).

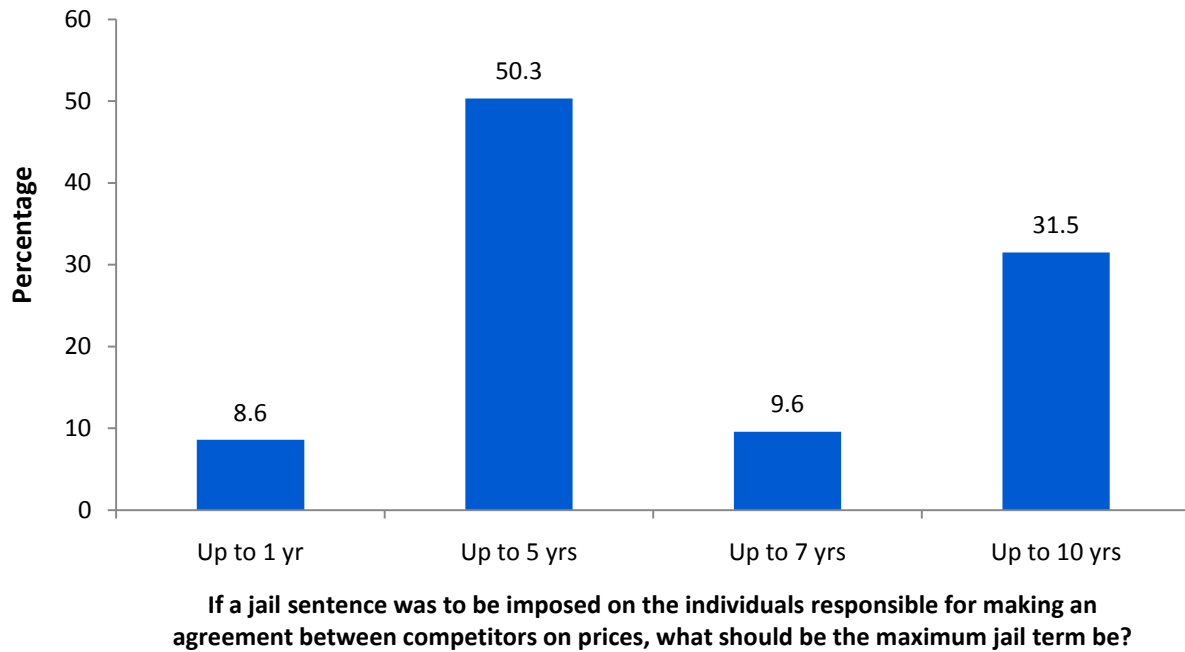
9.2.1.5 INDIVIDUALS – PRICE FIXING - PENALTIES/REMEDIES – MAXIMUM JAIL SENTENCE

Question

D1Db. If a jail sentence was to be imposed on the individuals responsible for making an **agreement between competitors on prices**, what should the maximum jail term be?

1. Up to 1 year
2. Up to 5 years
3. Up to 7 years
4. Up to 10 years

Comments (optional):

Figure 9.2.1.5 Individuals – Price fixing - Penalties/remedies – Maximum jail sentence¹⁴

Comments

The maximum jail sentence for an agreement between competitors on prices that was selected the most was 'up to 5 years' (50.3%), followed by 'up to 10 years' (31.5%). There were much lower percentages for 'up to 1 year' (8.6%), and 'up to 7 years' (9.6%).

¹⁴ n=157 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors on prices should be against the law?', Question D1, and 'Yes' to 'Individuals responsible should go to jail', Question D1D_1).

9.2.2 INDIVIDUALS – MARKET ALLOCATION - PENALTIES/REMEDIES

Question

D2D. How do you think that the law should deal with **INDIVIDUALS** responsible for making an **agreement between competitors to allocate customers**?

Please mark all that apply

Figure 9.2.2.1 Individuals – Market allocation - Penalties/remedies¹⁵

| | NOT SELECTED (%) | SELECTED (%) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------|
| The individuals responsible should go to jail | 85.7 | 14.3 |
| The individuals responsible should pay a fine | 30.3 | 69.7 |
| The individuals responsible should be banned from being a director or manager of any company for a number of years | 39.2 | 60.8 |
| The individuals responsible should be publicly named (e.g. on the TV news) as having been involved in the conduct | 35.6 | 64.4 |
| The individuals responsible should pay compensation to anyone who suffered loss or damage as a result of the conduct | 56.0 | 44.0 |
| The individuals responsible should have to take measures to make sure the conduct does not happen again (e.g. by taking part in a training program) | 46.9 | 53.1 |
| There should be no penalties for the individuals responsible | 98.9 | 1.1 |
| Don't know | 96.8 | 3.2 |
| Other | 99.6 | 0.4 |

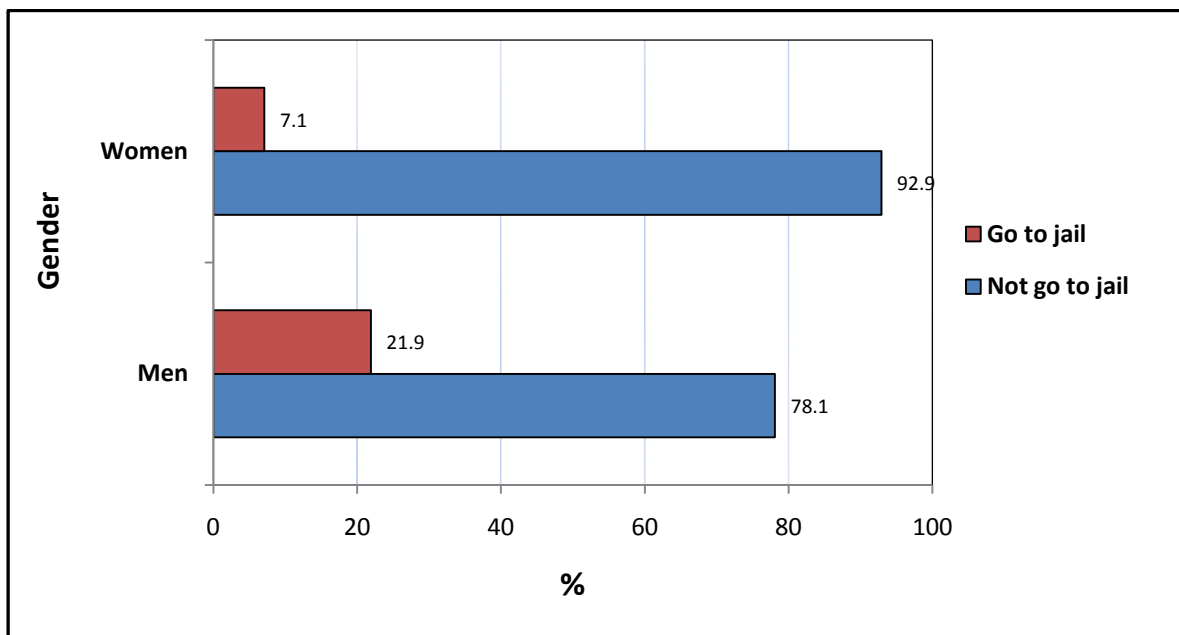
¹⁵ n=898 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to allocate customers should be against the law?', Question D2). One respondent did not choose 'The individuals responsible should go to jail', nor 'The individuals responsible should pay a fine', however did include jail and fine in the open-ended response to the 'other' category: "Fine for first offence, jail for subsequent offences".

Comments

In considering how the law should deal with individuals involved in making an agreement between competitors to allocate customers, the highest level of support was for payment of a fine (69.7%), the individual being banned from being a director or manager of any company for a number of years (60.8%) and the individuals being publicly named for involvement in the conduct (64.4%). Just over half of respondents considered the individuals should have to take measures to make sure the conduct does not happen again. Only 14.3% indicated that individuals should go to jail. There was negligible support for the view that the individuals should not have to face penalties.

9.2.2.1 INDIVIDUALS – MARKET ALLOCATION - PENALTIES/REMEDIES - GO TO JAIL AND DEMOGRAPHIC FACTORS

Figure 9.2.2.1A Individuals – Market allocation - Penalties/remedies - Go to jail and Gender¹⁶



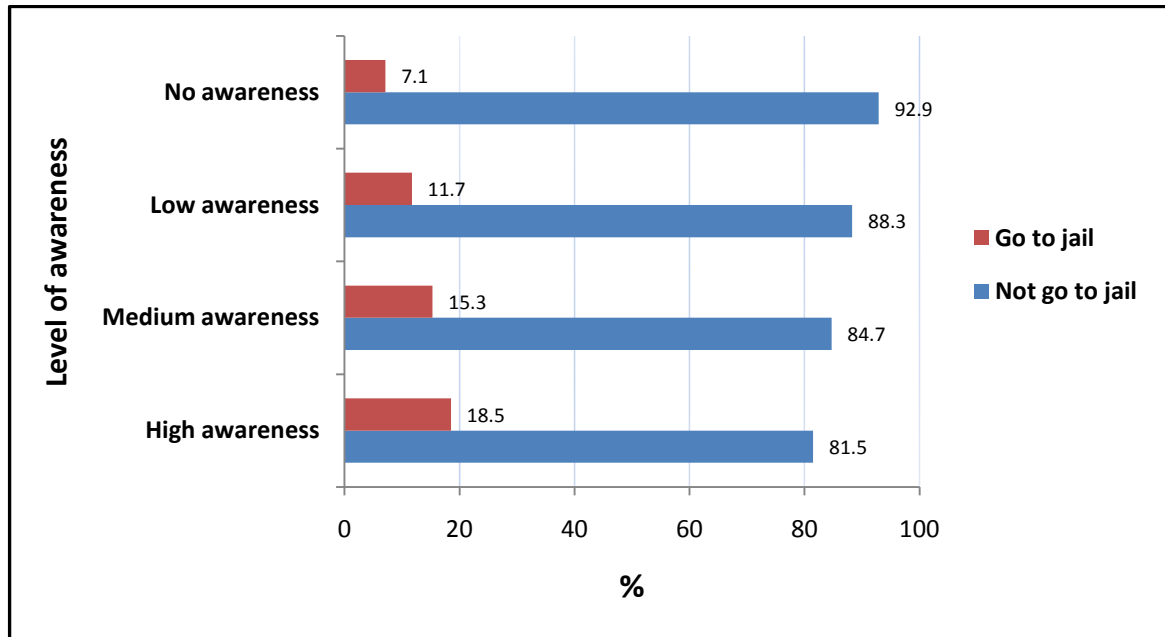
Comments

21.9% of men indicated that individuals should go to jail for making an agreement between competitors to allocate customers, compared to 7.1% of women.

¹⁶ n=898 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to allocate customers should be against the law?', Question D2).

1.2.2.2 INDIVIDUALS – MARKET ALLOCATION - PENALTIES/REMEDIES - GO TO JAIL AND PRIOR AWARENESS

Figure 9.2.2.2 Individuals – Market allocation - Penalties/remedies - Go to jail and Prior awareness¹⁷



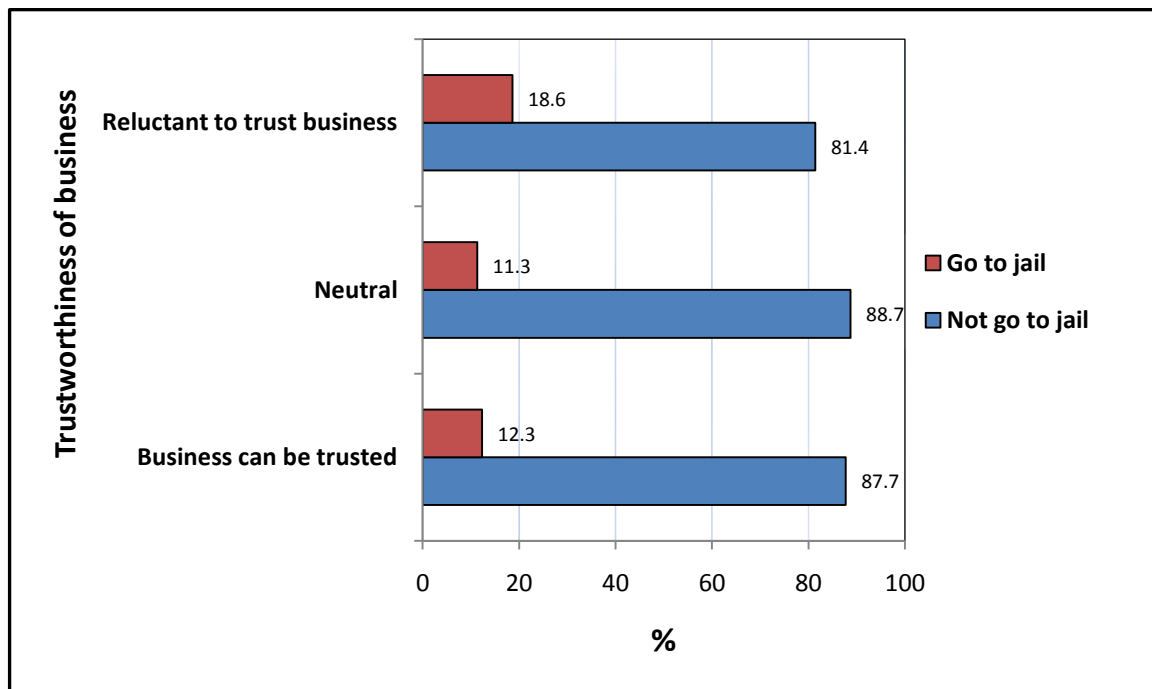
Comments

With higher awareness respondents were more likely to select 'Go to jail'. 7.1% of the no awareness group selected jail, compared to 18.5% of the high awareness group.

¹⁷ n=898 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to allocate customers should be against the law?', Question D2).

9.2.2.3 INDIVIDUALS – MARKET ALLOCATION - PENALTIES/REMEDIES – GO TO JAIL AND BUSINESS AS TRUSTWORTHY/UNTRUSTWORTHY

Figure 9.2.2.3 Individuals – Market allocation - Penalties/remedies – Go to jail and Business as trustworthy/untrustworthy¹⁸



Comments

Respondents who were reluctant to trust business were more likely to hold the view that the individuals responsible for an agreement between competitors to allocate customers should go to jail, than not go to jail.

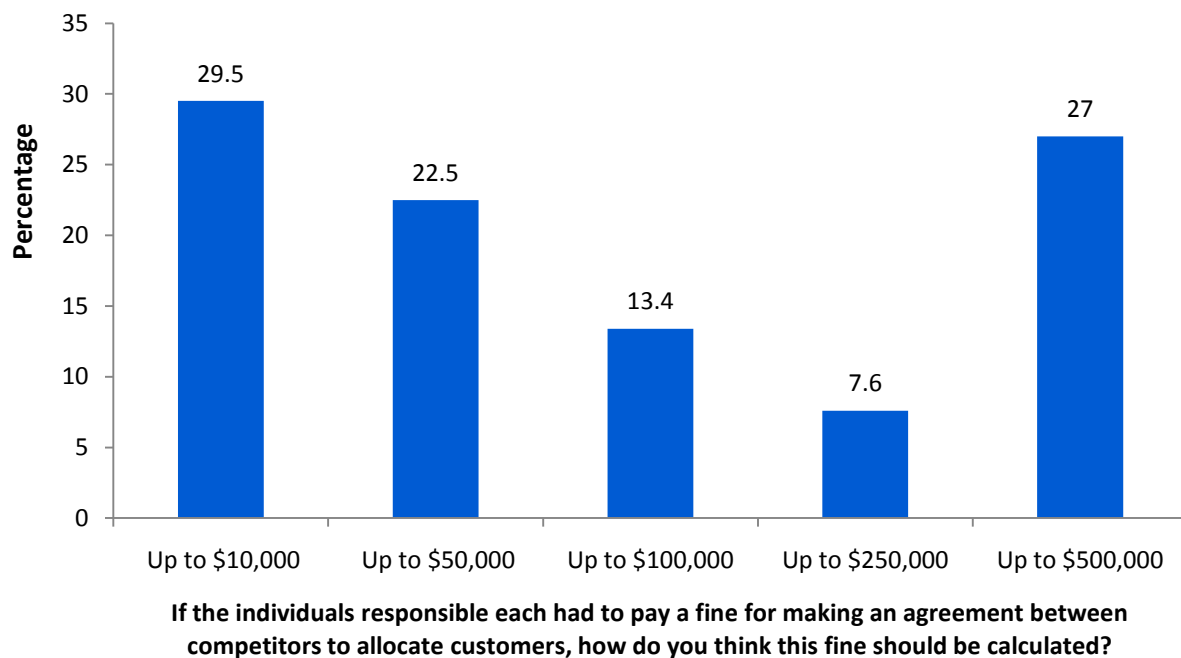
¹⁸ n=898 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to allocate customers should be against the law?', Question D2).

9.2.2.4 INDIVIDUALS – MARKET ALLOCATION - PENALTIES/REMEDIES – MAXIMUM FINE

Question

D2Da. If the individuals responsible each had to pay a fine for making an **agreement between competitors to allocate customers**, how do you think this fine should be calculated?

Figure 9.2.2.4 Individuals – Market allocation - Penalties/remedies – Maximum fine¹⁹



Comments

The fine category for market allocation that was selected the most was 'up to \$10,000' (29.5%), followed closely by 'up to \$500,000' (27%) and 'up to \$50,000' (22.5%). Overall respondents were highly divided over what should be the maximum individual fine for an agreement between competitors to allocate customers.

¹⁹ n=633 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to allocate customers should be against the law?', Question D2, and 'Yes' to 'The individuals responsible should pay a fine', Question D2D_2).

9.2.2.5 INDIVIDUALS – MARKET ALLOCATION - PENALTIES/REMEDIES – MAXIMUM JAIL SENTENCE

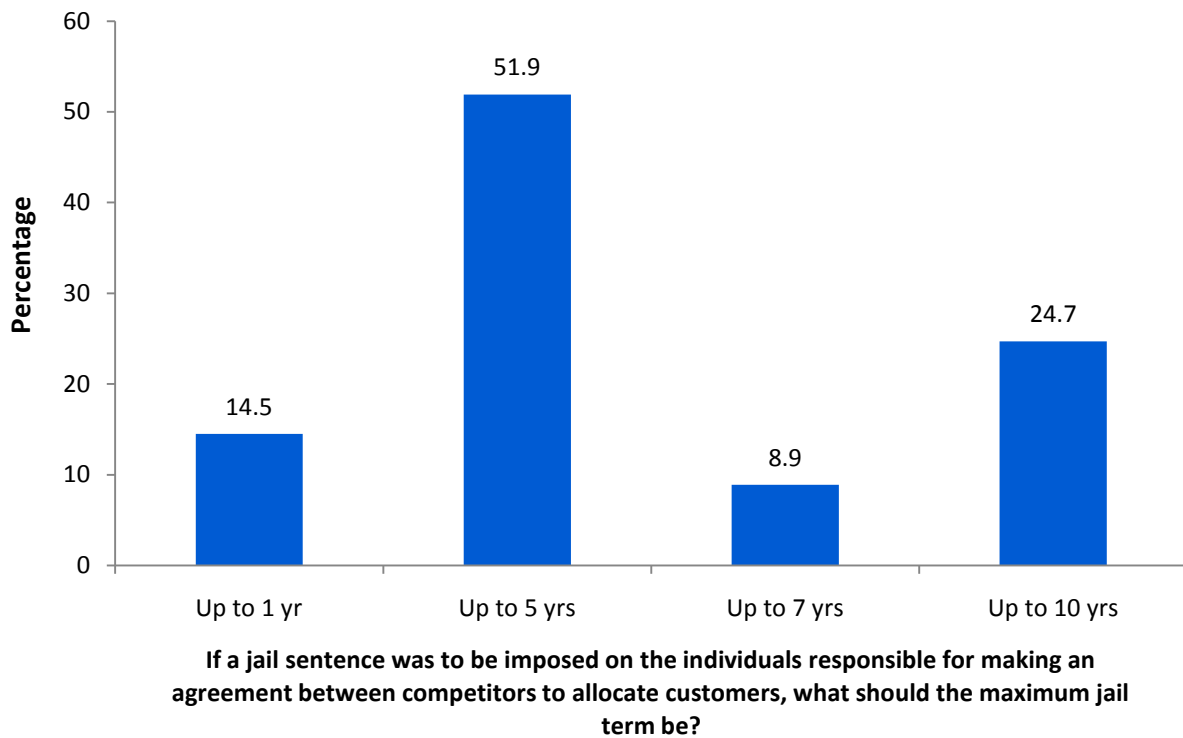
Question

D2Db. If a jail sentence was to be imposed on the individuals responsible for making an **agreement between competitors to allocate customers**, what should the maximum jail term be?

1. Up to 1 year
2. Up to 5 years
3. Up to 7 years
4. Up to 10 years

Comments (optional):

Figure 9.2.2.5 Individuals – Market allocation - Penalties/remedies – Maximum jail sentence²⁰



Comments

Just over half of respondents considered the maximum jail term for individuals involved in making an agreement to allocate customers should be 5 years. Less than a quarter supported a maximum of 10 years.

²⁰ n=131 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to allocate customers should be against the law?', Question D2, and 'Yes' to 'The individuals responsible should go to jail', Question D2D_1).

9.2.3 INDIVIDUALS – OUTPUT RESTRICTION - PENALTIES/REMEDIES

Question

D3D. How do you think that the law should deal with **INDIVIDUALS** responsible for making an **agreement between competitors to reduce production levels**?

Please mark all that apply

Figure 9.2.3 Individuals – Output restriction - Penalties/remedies²¹

| | NOT SELECTED (%) | SELECTED (%) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------|
| The individuals responsible should go to jail | 81.0 | 19.0 |
| The individuals responsible should pay a fine | 23.3 | 76.7 |
| The individuals responsible should be banned from being a director or manager of any company for a number of years | 34.1 | 65.9 |
| The individuals responsible should be publicly named (e.g. on the TV news) as having been involved in the conduct | 29.8 | 70.2 |
| The individuals responsible should pay compensation to anyone who suffered loss or damage as a result of the conduct | 54.9 | 45.1 |
| The individuals responsible should have to take measures to make sure the conduct does not happen again (e.g. by taking part in a training program) | 45.9 | 54.1 |
| There should be no penalties for the individuals responsible | 99.2 | 0.8 |
| Don't know | 98.0 | 2.0 |
| Other | 99.9 | 0.1 |

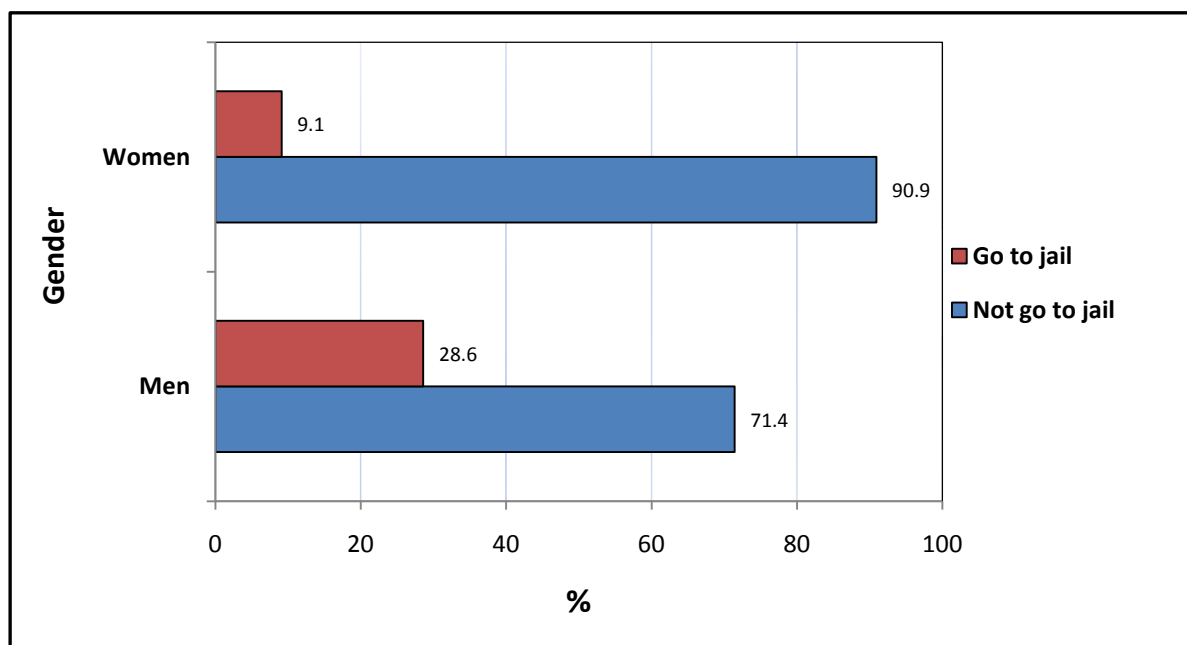
²¹ n=920 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to reduce production levels should be against the law?', Question D3).

Comments

In considering how the law should deal with individuals involving in making an agreement between competitors to reduce production levels, the highest level of support was for payment of a fine (76.7%), the individual being banned from being a director or manager of any company for a number of years (65.9%) and the individuals being publicly named for involvement in the conduct (70.2%). Just over half of respondents considered the individuals should have to take measures to make sure the conduct does not happen again. 19% (just less than a fifth) indicated that individuals should go to jail. There was negligible support (less than 1%) for the view that the individuals should not have to face penalties.

9.2.3.1 INDIVIDUALS – OUTPUT RESTRICTION – PENALTIES/REMEDIES – GO TO JAIL AND DEMOGRAPHIC FACTORS

Figure 9.2.3.1A Individuals – Output restriction – Penalties/remedies – Go to jail and Gender²²



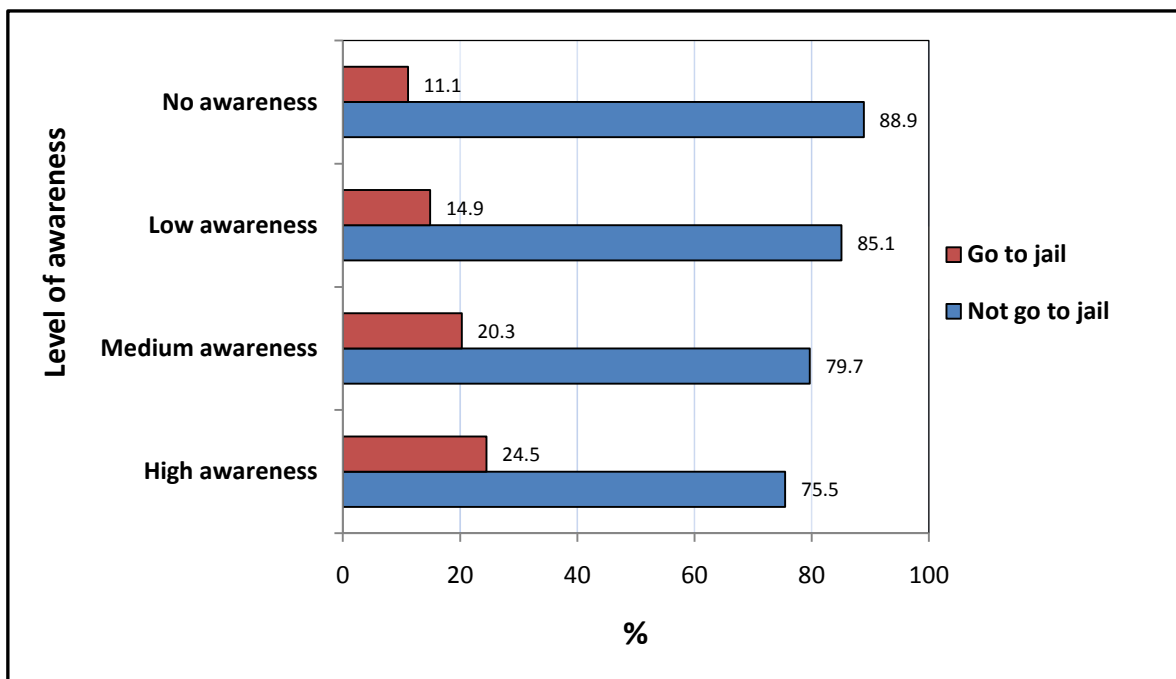
Comments

²² n=920 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to reduce production levels should be against the law?', Question D3).

28.6% of men indicated that individuals should go to jail for an agreement between competitors to reduce production levels, compared to 9.1% of women.

9.2.3.2 INDIVIDUALS – OUTPUT RESTRICTION – PENALTIES/REMEDIES – GO TO JAIL AND PRIOR AWARENESS

Figure 9.2.3.2 Individuals – Output restriction – Penalties/remedies – Go to jail and Prior awareness²³



Comments

Moving from no awareness to high awareness there was an incremental increase in proportion of respondents who selected 'go to jail' as a penalty for output restriction. 24.5% of the high awareness group chose 'go to jail' while 14.9% of the low awareness group and 11.1% of the no awareness group chose 'go to jail'.

²³ n=920 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to reduce production levels should be against the law?', Question D3).

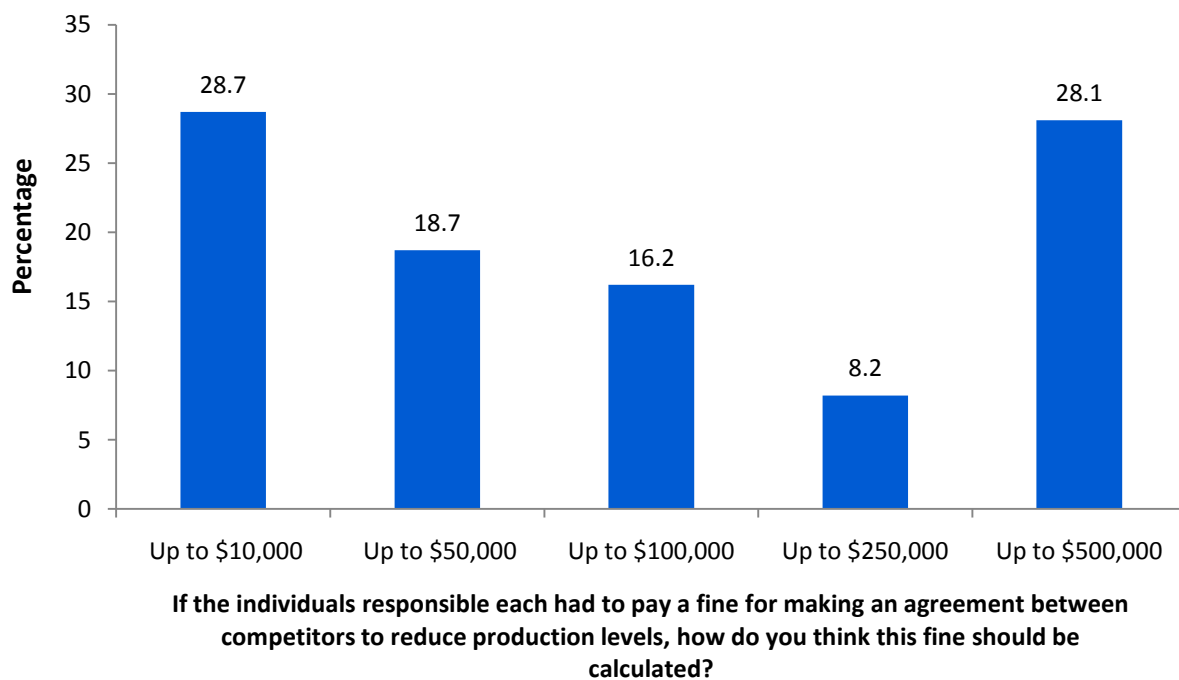
9.2.3.2 INDIVIDUALS – OUTPUT RESTRICTION - PENALTIES/REMEDIES – MAXIMUM FINE

Question

D3Da. If the individuals responsible each had to pay a fine for making an **agreement between competitors to reduce production levels**, how do you think this fine should be calculated?

1. Up to \$10,000
2. Up to \$50,000
3. Up to \$100,000
4. Up to \$250,000
5. Up to \$500,000

Figure 9.2.3.2 Individuals – Output restriction - Penalties/remedies – Maximum Fine²⁴



²⁴ n=695 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to reduce production levels should be against the law?', Question D3, and 'Yes' to 'The individuals responsible should pay a fine', Question D3D_2).

Comments

The fine category for output restriction that was selected the most was 'up to \$10,000' (28.7%), followed closely by 'up to \$500,000' (28.1%). 8.2% selected 'up to \$250,000'.

9.2.3.3 INDIVIDUALS – OUTPUT RESTRICTION - PENALTIES/REMEDIES – MAXIMUM JAIL SENTENCE

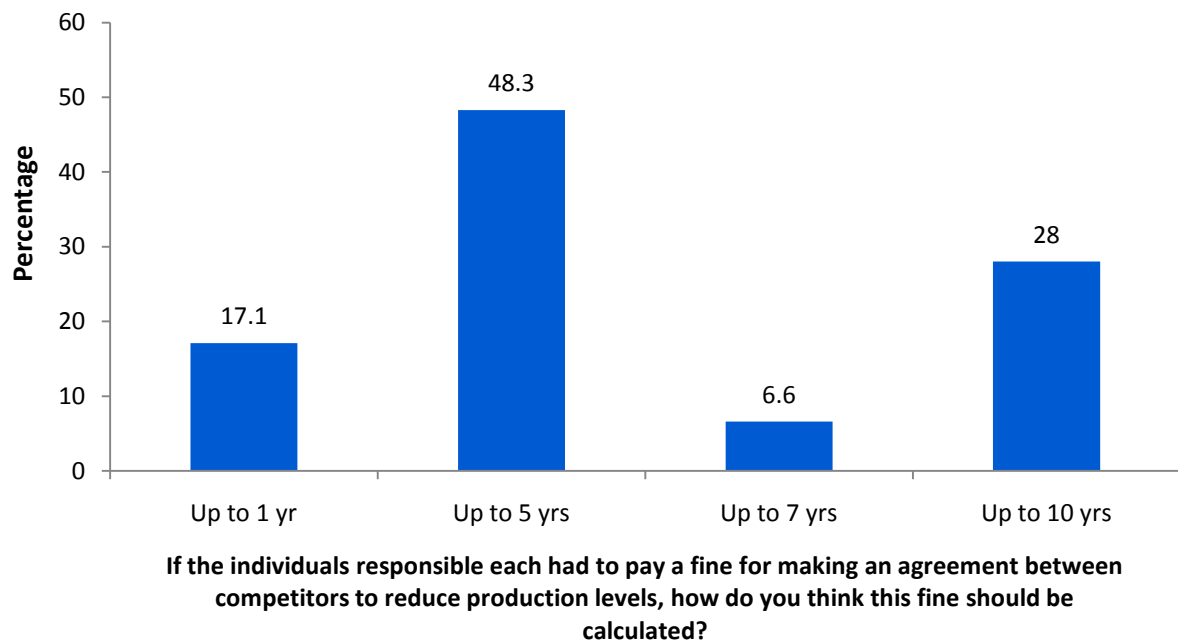
Question

D3Db. If a jail sentence was to be imposed on the individuals responsible for making an **agreement between competitors to reduce production levels**, what should the maximum jail term be?

1. Up to 1 year
2. Up to 5 years
3. Up to 7 years
4. Up to 10 years

Comments (optional):

Figure 9.2.3.3 Individuals – Output restriction - Penalties/remedies – Maximum jail sentence²⁵



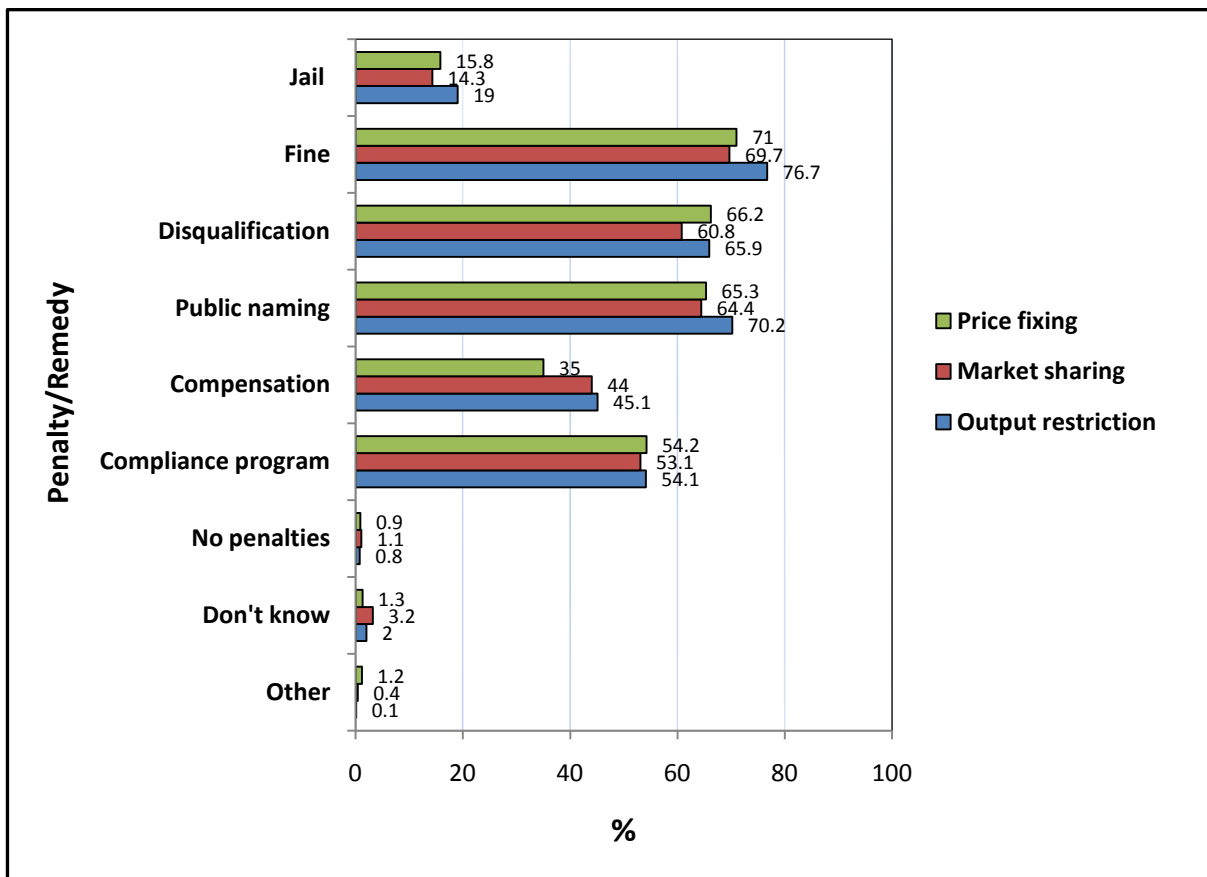
Comments

Just under half of respondents considered the maximum jail term for individuals involved in making an agreement to reduce production levels should be 5 years. Just over a quarter supported a maximum of 10 years.

²⁵ n=172 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to reduce production levels should be against the law?', Question D3, and 'Yes' to 'The individuals responsible should go to jail', Question D3D_1).

9.2.4 INDIVIDUALS – COMPARISON BETWEEN TYPES OF CARTEL CONDUCT - PENALTIES/REMEDIES

Figure 9.2.4 Individuals – Comparison between types of cartel conduct - Penalties/remedies²⁶



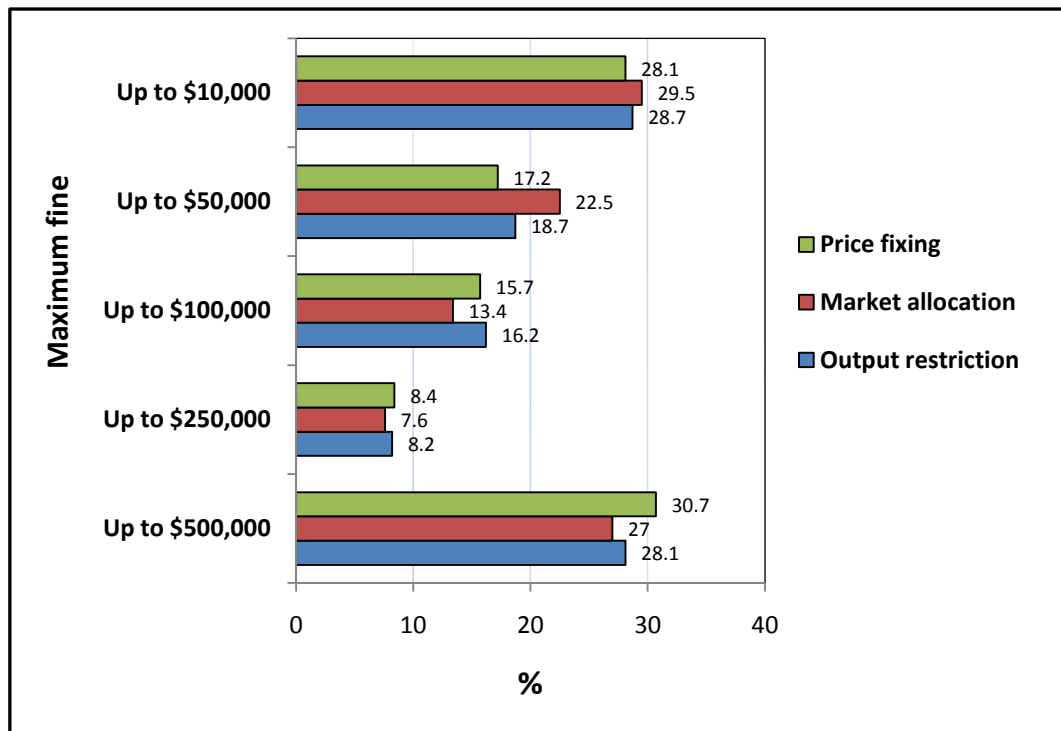
Comments

There were no major differences between types of cartel conduct in the choice of penalty/remedy for individuals.

²⁶ For price fixing, n=952 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors on prices should be against the law?', Question D1); market sharing, n=898 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to allocate customers should be against the law?', Question D2); output restriction, n=920 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to reduce production levels should be against the law?', Question D3).

9.2.4.1 INDIVIDUALS – COMPARISON BETWEEN TYPES OF CARTEL CONDUCT – PENALTIES/REMEDIES – MAXIMUM FINE

Figure 9.2.4.1 Individuals – Comparison between types of cartel conduct - Penalties/remedies – Maximum fine²⁷



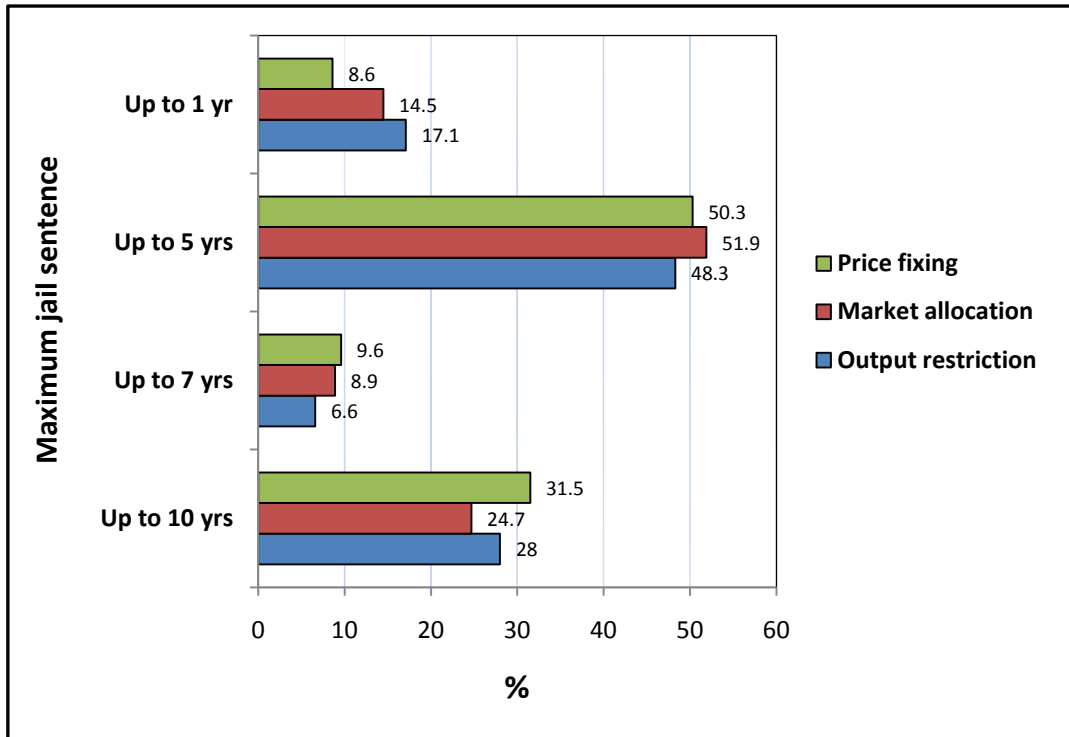
Comments

For all types of cartel conduct the most common responses in relation to maximum fines for individuals were 'up to \$10,000' and 'up to \$500,000'.

²⁷ For price fixing, n=678 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors on prices should be against the law?', Question D1, and 'Yes' to 'The individuals responsible should pay a fine', Question D1D_2); market sharing, n=633 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to allocate customers should be against the law?', Question D2, and 'Yes' to 'The individuals responsible should pay a fine', Question D2D_2); output restriction, n=695 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to reduce production levels should be against the law?', Question D3, and 'Yes' to 'The individuals responsible should pay a fine', Question D3D_2).

9.2.4.2 INDIVIDUALS – COMPARISON BETWEEN TYPES OF CARTEL CONDUCT - PENALTIES/REMEDIES– MAXIMUM JAIL SENTENCE

Figure 9.2.4.2 Individuals – Comparison between types of cartel conduct - Penalties/remedies– Maximum jail sentence²⁸



Comments

For all types of cartel conduct, the most common responses in relation to maximum jail sentences for individuals were for ‘up to 5 years’ and ‘up to 10 years’.

²⁸ For price fixing, n=157 (representing respondents who responded ‘Yes’ to ‘Do you think that an agreement between competitors on prices should be against the law?’, Question D1, and , and ‘Yes’ to ‘The individuals responsible should go to jail’, Question D1D_1); market sharing, n=131 (representing respondents who responded ‘Yes’ to ‘Do you think that an agreement between competitors to allocate customers should be against the law?’, Question D2, and , and ‘Yes’ to ‘The individuals responsible should go to jail’, Question D2D_1); output restriction, n=172 (representing respondents who responded ‘Yes’ to ‘Do you think that an agreement between competitors to reduce production levels should be against the law?’, Question D3, and ‘Yes’ to ‘The individuals responsible should go to jail’, Question D3D_1).