APPENDIX A: SURVEY QUESTIONNAIRE

University of Melbourne

Cartel Survey

Questionnaire script for main study (22 June 2010)

Incorporates changes arising from review of soft launch data

Contents

Section A: Demographic background

*[ALL]

A1.   What is your age?

1. 18-24 years
2. 25-34 years
3. 35-44 years
4. 45-54 years
5. 55-64 years
6. 65+ years

*[ALL]

A2.   Are you male or female?

1. Male
2. Female

*[ALL]

A3.   What is your postcode?

☐☐☐☐

*[ALL]

A4.   What is the highest level of education you have completed?

1. Year 8 or below
2. Year 9 or 10 (or equivalent)
3. Year 11 or 12 (or equivalent)
4. Certificate, Diploma (TAFE or business college) or trade qualification
5. Bachelor Degree (including Honours)
6. Postgraduate Degree or Postgraduate Diploma

*A4=5 or 6 ('bachelor' or 'postgraduate' for A4]

A5.   Do you have a formal qualification in law (undergraduate or postgraduate)?

1. Yes

2. No

*A4=5 or 6 ('bachelor' or 'postgraduate' for A4]

A6.   Do you have a formal qualification in economics, commerce or business (undergraduate or postgraduate)?

1. Yes
2. No

*[ALL]

A7.   Last week, did you do any paid work of any kind?

1. Yes
2. No

4

*A7=2 [Did not do paid work of any kind last week]

A7a.   Were you mainly….?

1. Doing volunteer work
2. Unemployed and looking for work
3. Not in paid employment (e.g. home duties)
6. Retired
4. Studying
5. Other (please specify):

*A7=1 [Did paid work of any kind last week]

A7b.   Were you ….?

1. Self-employed
2. Employed for wages or salary
3. Other (please specify):

*A7=1 [Did paid work of any kind last week]

A8.   About how many people are employed at your workplace?

Note: this question refers to the site / branch / office where you work

1. 0-19 employees
2. 20-199 employees
3. 200 or more employees

*A7=1 [Did paid work of any kind last week]

A9.   Which of the following best describes the main position that you held in your job last week?

1. Owner
2. Member of Board of Directors
3. Senior manager
4. Middle manager
5. Employee without managerial responsibility

*A7=1 [Did paid work of any kind last week]

*programmer note: option 10 is an exclusive code

5

A10.   In the main job you held last week, did your role include any aspect of:

Please mark all that apply

1. Deciding, revising or negotiating prices for goods or services
2. Deciding, revising or negotiating the cost of producing goods or supplying services
3. Marketing or promoting goods or services
4. Setting production, capacity or supply levels
5. Dealing with customers in any capacity
6. Dealing with suppliers in any capacity
7. Dealing with competitors in any capacity
8. Tendering for contracts
9. Overseeing or managing any of the above
10. None of the above

*[ALL]

A11.   Which of the following ranges best describes your household's approximate income from all sources, before tax is taken out, over the last 12 months?

1. Less than $50,000
2. Between $50,000 and $149,999
3. Between $150,000 and $249,999
4. $250,000 and over
5. Don't know

*[ALL]

A12.   Which one of the following sources of information would you say you rely on MOST for news and information?

1. ABC and/or SBS television
2. Commercial television (free-to-air)
3. Pay-TV
4. ABC and/or SBS radio
5. Talkback radio
6. Commercial radio
7. Newspapers, either in print or online
8. Internet sites
9. Friends and family
10. I don't follow the news

*[ALL]

A13.   On how many days in a typical week do you read the newspaper (in print or online)?

1. Every day
2. Most days
3. 2 to 3 days a week
4. Once a week
5. Less than once a week
6. Never read the newspaper

*Refer to separate mapping of newspaper to state

*A13 not 6 [Reads newspaper]

A14.   Which newspapers do you usually read (in print or online)?

Please mark all that apply

1. The Australian
2. Australian Financial Review
3. Sydney Morning Herald
4. Daily Telegraph
5. Sunday Telegraph
6. The Age
7. Herald Sun
8. The Courier Mail
9. Adelaide Advertiser
10. West Australian
11. Hobart Mercury
12. Canberra Times
13. Northern Territory News
14. The Gold Coast Bulletin
15. Weekly Times
16. National Indigenous Times
17. The Advocate
18. Other newspaper (please specify):

*[ALL]

A15.   If a federal election was held today, which one of the following parties or candidates would you vote for?

1. Liberal
2. Labor (ALP)
3. National
4. Australian Democrats
5. Green
6. One Nation
7. Family First
10. Independent candidates
8. No Party
9. Other Party (please specify):

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│                                                   │
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*A15 not 8 [Nominated party at A15]

A16.   Would you call yourself a very strong, fairly strong or not very strong supporter of that party?

1. Very strong supporter
2. Fairly strong supporter
3. Not very strong supporter

Section B: Attitudes towards business

*[ALL]

B1   Overall, how interested are you in business issues generally?

1	2	3	4	5	6	7

Not at all interested

in business issues

I don't follow business issues in the news

I rarely read the business section of the newspaper – I typically read other sections first

I'm not really interested in the stock market

Very interested

in business issues

I follow business issues in the news

I tend to look at the business section first in the newspaper

I take an interest in the stock market

*[ALL]

B2.   On the scale below, where would you place your own views on the **trustworthiness of business**?

1	2	3	4	5	6	7

I think business

can mostly be trusted

Business tries to provide goods and services that are safe and meet consumer needs

By and large business tries to be fair with employees

Business contributes to the community in various other ways

I am reluctant

to trust business

Business sometimes skimps on safety, or advertises in a misleading way

Business tries to get away with paying unfair wages

Business could do more good generally in society

Section C: Attitudes towards competition

*[ALL]

C1.   On the scale below, where would you place your own views on **competition** between businesses?

1	2	3	4	5	6	7

Competition   Competition

is **healthy**   is **harmful**

Competition means lower prices for consumers   *Competition makes it hard for small businesses to have a 'fair go'*

Competition leads to better quality goods or services   *Competition results in cost- cutting and may lead to lower wages*

Competition provides greater choice for consumers   *Competition can disadvantage consumers in rural or regional areas*

*[ALL]

Dintro

In the next questions, we describe a number of imaginary business scenarios.

These could apply to companies of **any** size in **any** industry.

When you answer the questions, please focus on **how the businesses have acted**, rather than the type of business or the industry.

Section D: Attitudes towards cartel conduct

*D1 Price fixing

*PROGRAMMER NOTE: RESPONDENTS MUST SELECT ONE OF OPTIONS 1 TO 3 AT D1. RESPONDENTS CANNOT PROGRESS IF THEY HAVE ONLY SELECTED THE 'COMMENT' OPTION.

*[ALL]

D1　　There are two butchers in a town. In the past they have set their prices independently of each other. This has meant that if one butcher put up its prices, consumers could switch to the other butcher to find a lower price.

　　　　The butchers have now reached an agreement with each other to set the prices they charge for the most popular cuts. As a result, they can charge higher prices because if consumers are unhappy with the price at one butcher, they are unable to switch to the other butcher for a better price.

　　　　Do you think that an **agreement between competitors on prices** should be against the law?

　　　　1.　　　　Yes, I think it should be against the law
　　　　2.　　　　No, I don't think it should be against the law
　　　　3.　　　　I'm not sure whether it should be against the law

　　　　Comment (optional):

　　　　_____

*D1=1 [Thinks agreement between competitors on prices should be against the law]

D1A　　Do you think that an **agreement between competitors on prices** should be a criminal offence?

　　　　1.　　　　Yes, I think it should be a criminal offence
　　　　2.　　　　No, I think it should be against the law but not a criminal offence
　　　　3.　　　　I'm not sure about whether it should be a criminal offence
　　　　4.　　　　I'm not sure about the difference between something being a criminal offence and something being against the law

*D1A=1 [Thinks agreement between competitors on prices should be a criminal offence]

D1B.   Why do you think that an **agreement between competitors on prices** should be a criminal offence?

	Strongly disagree	Disagree	Neither disagree nor agree	Agree	Strongly agree
Because consumers may have to pay more	1	2	3	4	5
Because the conduct involves deceiving consumers	1	2	3	4	5
Because the conduct may harm or be unfair to other competitors	1	2	3	4	5
Because the conduct is dishonest	1	2	3	4	5
Because making the conduct a criminal offence will mean that the companies or people involved can be punished for it	1	2	3	4	5
Because the conduct will harm competition or the free market	1	2	3	4	5
Because making it a criminal offence will deter companies or people from engaging in this sort of conduct in the future	1	2	3	4	5
Because the conduct should be seen as the same as theft	1	2	3	4	5

Comments (optional - please note that we are particularly interested to understand which reason or reasons are most important to you):

*D1=1 [Thinks agreement between competitors on prices should be against the law]

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.

*Codes 5 and 6 are exclusive codes

*D1=1 [Thinks agreement between competitors on prices should be against the law]

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

Please mark all that apply

    1.   The companies should pay a fine
    2.   The companies should be publicly named (e.g. on the TV news) as having been involved in the conduct
    3.   The companies should pay compensation to anyone who suffered loss or damage as a result of the conduct
    4.   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)
    5.   There should be no penalties for the companies
    6.   Don't know
    7.   Other (please specify):

    [   ]

*D1C=1 [Thinks companies should pay fine for agreement between competitors on prices]

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

    1.   Ten per cent of the company's annual turnover
    2.   An amount that is three times the profits that the company made from the conduct
    3.   An amount that is equal to profits that the company made from the conduct
    4.   Up to $10 million
    5.   Up to $1 million
    6.   Don't know
    7.   Other (please specify):

    [   ]

    1.   Comments (optional):

    [   ]

*Codes 7 and 8 are exclusive codes

*D1=1 [Thinks agreement between competitors on prices should be against the law]

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

1. The individuals responsible should go to jail
2. The individuals responsible should pay a fine
3. The individuals responsible should be banned from being a director or manager of any company for a number of years
4. The individuals responsible should be publicly named (e.g. on the TV news) as having been involved in the conduct
5. The individuals responsible should pay compensation to anyone who suffered loss or damage as a result of the conduct
6. 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)
7. There should be no penalties for the individuals responsible
8. Other

9. Don't know

Comments (optional):

*D1D=2 [Thinks individuals responsible should pay fine]

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):

*D1D=1 [Thinks individuals responsible should go to jail]

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):

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*D1=1 [Thinks agreement between competitors on prices should be against the law]

D1E.   Now we would like you to consider the following additional facts to see if they change your view.

All things considered, please tell us how you would view an **agreement between competitors on prices** if…..:

	Less serious	Just as serious	More serious
Prices did not go up as a result of the conduct			
The conduct included bullying another company into joining the agreement			
The reason for the conduct was that it would prevent factories from closing and would save jobs			
The companies involved in the conduct were small businesses			
Elaborate steps were taken to make sure the authorities did not find out about the conduct			
The profits from the conduct were used to make products that are environmentally friendly			

Comments (optional):

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*D1=1 [Thinks agreement between competitors on prices should be against the law]

D1F.   Imagine that one company decides to report the **agreement on prices** to the authorities in return for immunity from prosecution for the company. The other company is prosecuted. If the agreement had not been reported, the authorities would not have found out about it.

To what extent do you agree that it is acceptable to give the first company immunity?

1.   Strongly agree
2.   Agree
3.   Neither agree nor disagree
4.   Disagree
5.   Strongly disagree

*D2 Market sharing

*[ALL]

D2int.   Now for a different scenario….

Remember, the scenario could apply to a company of **any** size in **any** industry.

When you answer the questions, please focus on **how the businesses have acted**, rather than the type of business or the industry.

D2   This time, there are two plumbing companies that compete against each other in providing plumbing services to a town. They are the only plumbing companies in the town. In the past, if one plumbing company put up its prices, customers could switch to the other plumbing company.

The plumbing companies have now reached an agreement to allocate customers between them. One company will only service buildings north of the river; the other will only service buildings south of the river. As a result, they can charge higher prices because customers can't switch between the plumbing companies when they are unhappy about the price they are being charged.

Do you think that an **agreement between competitors to allocate customers** should be against the law?

1.   Yes, I think it should be against the law
2.   No, I don't think it should be against the law
3.   I'm not sure whether it should be against the law

Comment (optional):

*D2=1 [Thinks agreement between competitors to allocate customers should be against the law]

D2A.   Do you think that an **agreement between competitors to allocate customers** should be a criminal offence?

1.   Yes, I think it should be a criminal offence
2.   No, I think it should be against the law but not a criminal offence
3.   I'm not sure about whether it should be a criminal offence
4.   I'm not sure about the difference between something being a criminal offence and something being against the law

*D2A=1 [Thinks agreement between competitors to allocate customers should be a criminal offence]

D2B.   Why do you think that an **agreement between competitors to allocate customers** should be a criminal offence?

	Strongly disagree	Disagree	Neither disagree nor agree	Agree	Strongly agree
Because consumers may have to pay more					
Because the conduct involves deceiving consumers					
Because the conduct may harm or be unfair to other competitors					
Because the conduct is dishonest					
Because making the conduct a criminal offence will mean that the companies or people involved can be punished for it					
Because the conduct will harm competition or the free market					
Because making it a criminal offence will deter companies or people from engaging in this sort of conduct in the future					
Because the conduct should be seen as the same as theft					

Comments (optional- please note that we are particularly interested to understand which reason or reasons are most important to you):

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*D2=1 [Thinks agreement between competitors to allocate customers should be against the law]

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.

*Codes 5 and 6 are exclusive codes

*D2=1 [Thinks agreement between competitors to allocate customers should be against the law]

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

1. The companies should pay a fine
2. The companies should be publicly named (e.g. on the TV news) as having been involved in the conduct
3. The companies should pay compensation to anyone who suffered loss or damage as a result of the conduct
4. 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)
5. There should be no penalties for the companies
6. Don't know
7. Other (please specify):

*D2C=1 [Thinks companies should pay a fine for agreement between competitors to allocate customers]

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?

1. Ten per cent of the company's annual turnover
2. An amount that is three times the profits that the company made from the conduct
3. An amount that is equal to profits that the company made from the conduct
4. Up to $10 million
5. Up to $1 million
6. Don't know
7. Other (please specify):

Comments (optional):

*Codes 7 and 8 are exclusive codes

*D2=1 [Thinks agreement between competitors to allocate customers should be against the law]

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

1. The individuals responsible should go to jail
2. The individuals responsible should pay a fine
3. The individuals responsible should be banned from being a director or manager of any company for a number of years
4. The individuals responsible should be publicly named (e.g. on the TV news) as having been involved in the conduct
5. The individuals responsible should pay compensation to anyone who suffered loss or damage as a result of the conduct
6. 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)
7. There should be no penalties for the individuals responsible
8. Don't know
9. Other (please specify):

Comments (optional):

*D2D=2 [Thinks individuals responsible should pay a fine for making agreement between competitors to allocate customers]

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?

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):

*D2D=1 [Thinks individuals responsible should go to jail for making agreement between competitors to allocate customers]

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):

[ ]

*D2=1 [Thinks agreement between competitors to allocate customers should be against the law]

D2E.   Now we would like you to consider the following additional facts to see if they change your view.

All things considered, please tell us how you would view an **agreement between competitors to allocate customers** if….

	Less serious	Just as serious	More serious
Prices did not go up as a result of the conduct			
The conduct included bullying another company into joining the agreement			
The reason for the conduct was that it would prevent factories from closing and would save jobs			
The companies involved in the conduct were small businesses			
Elaborate steps were taken to make sure the authorities did not find out about the conduct			
The profits from the conduct were used to make products that are environmentally friendly			

Comments (optional):

[ ]

*D2=1 [Thinks agreement between competitors to allocate customers should be against the law] and *D1F not populated [i.e. do not ask D2F if already answered immunity question at D1F]

D2F.   Imagine that one company decides to report the **agreement to allocate customers** to the authorities in return for immunity from prosecution for the company. The other company is prosecuted. If the agreement had not been reported, the authorities would not have found out about it.

To what extent do you agree that it is acceptable to give the first company immunity?

1. Strongly agree
2. Agree
3. Neither agree nor disagree
4. Disagree
5. Strongly disagree

*D3 Output restriction

*[ALL]

D3int.   Now for one more scenario….

Again, the scenario could apply to a company of **any** size in **any** industry.

When you answer the questions, please focus on **how the businesses have acted**, rather than the type of business or the industry.

*[ALL]

D3.   This time, there are two companies that compete against each other as producers of cheese. They are the only companies that produce cheese in a particular region. In the past they have decided what volume they would produce depending on how much consumers in the region wanted to buy.

However, the companies have now made an agreement with each other to reduce the amount of cheese they produce. As a result of the agreement, they are no longer producing enough cheese to satisfy everyone in the region and can therefore charge higher prices. This is because consumers want to buy more cheese than is available for sale and are therefore prepared to pay more to try and get as much as they want.

Do you think that an **agreement between competitors to reduce production levels** should be against the law?

1.   Yes, I think it should be against the law
2.   No, I don't think it should be against the law
3.   I'm not sure whether it should be against the law

Comments (optional):

*D3=1 [Thinks agreement between competitors to reduce production levels should be against the law]

D3A.   Do you think that an **agreement between competitors to reduce production levels** should be a criminal offence?

1.   Yes, I think it should be a criminal offence
2.   No, I think it should be against the law, but not a criminal offence
3.   I'm not sure about whether it should be a criminal offence
4.   I'm not sure about the difference between something being a criminal offence and something being against the law

*D3A=1 [Thinks an agreement between competitors to reduce production levels should be a criminal offence]

D3B.   Why do you think that an **agreement between competitors to reduce production levels** should be a criminal offence?

	Strongly disagree	Disagree	Neither disagree nor agree	Agree	Strongly agree
Because consumers may have to pay more	1	2	3	4	5
Because the conduct involves deceiving consumers	1	2	3	4	5
Because the conduct may harm or be unfair to other competitors	1	2	3	4	5
Because the conduct is dishonest	1	2	3	4	5
Because making the conduct a criminal offence will mean that the companies or people involved can be punished for it	1	2	3	4	5
Because the conduct will harm competition or the free market	1	2	3	4	5
Because making it a criminal offence will deter companies or people from engaging in this sort of conduct in the future	1	2	3	4	5
Because the conduct should be seen as the same as theft	1	2	3	4	5

Comments (optional- please note that we are particularly interested to understand which reason or reasons are most important to you):

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*D3=1 [Thinks agreement between competitors to reduce production levels should be against the law]

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.

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*Codes 5 and 6 are exclusive codes

*D3=1 [Thinks agreement between competitors to reduce production levels should be against the law]

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

1. The companies should pay a fine
2. The companies should be publicly named (e.g. on the TV news) as having been involved in the conduct
3. The companies should pay compensation to anyone who suffered loss or damage as a result of the conduct
4. 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)
5. There should be no penalties for the companies
6. Don't know
7. Other (please specify):

| |
| |

*D3C=1 [Thinks companies should pay a fine]

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?

1. Ten per cent of the company's annual turnover
2. An amount that is three times the profits that the company made from the conduct
3. An amount that is equal to profits that the company made from the conduct
4. Up to $10 million
5. Up to $1 million
6. Don't know
7. Other (please specify):

| |
| |

Comments (optional):

| |
| |

*Codes 7 and 8 are exclusive codes

*D3=1 [Thinks agreement between competitors to reduce production levels should be against the law]

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

1. The individuals responsible should go to jail
2. The individuals responsible should pay a fine
3. The individuals responsible should be banned from being a director or manager of any company for a number of years
4. The individuals responsible should be publicly named (e.g. on the TV news) as having been involved in the conduct
5. The individuals responsible should pay compensation to anyone who suffered loss or damage as a result of the conduct
6. 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)
7. There should be no penalties for the individuals responsible
8. Don't know
9. Other (please specify):

Comments (optional):

*D3D=2 [Thinks individuals should pay a fine]

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

Comments (optional):

*D3D=1 [Thinks individuals should go to jail]

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):

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*D3=1 [Thinks agreement between competitors to reduce production levels should be against the law]

D3E.   Now we would like you to consider the following additional facts to see if they change your view.

         All things considered, please tell us how you would view an **agreement between competitors to reduce production levels** if….

	Less serious	Just as serious	More serious
Prices did not go up as a result of the conduct			
The conduct included bullying another company into joining the agreement			
The reason for the conduct was that it would prevent factories from closing and would save jobs			
The companies involved in the conduct were small businesses			
Elaborate steps were taken to make sure the authorities did not find out about the conduct			
The profits from the conduct were used to make products that are environmentally friendly			

Comments (optional):

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*D3=1 [Thinks agreement between competitors on production levels should be against the law] and [D1F not populated and D2F not populated] [i.e. do not ask D3F if already answered immunity question at D1F or D2F]

D3F.   Imagine that one company decides to report the **agreement between competitors to reduce production levels** to the authorities in return for immunity from prosecution for the company. The other company is prosecuted. If the agreement had not been reported, the authorities would not have found out about it.

         To what extent do you agree that it is acceptable to give the first company immunity?

1. Strongly agree
2. Agree
3. Neither agree nor disagree
4. Disagree
5. Strongly disagree

Section E: Crime seriousness

*ALL

PROGRAMMER CREATE DUMMY VARIABLE

CRIMOFF

1. D1A=1 OR D2A=1 OR D3A=1 (THINKS AT LEAST ONE OF SECTION D SCENARIOS IS CRIMINAL OFFENCE)
2. All others

*CRIMOFF=1

*PROGRAMMER NOTE

IF D1A=1 AND D2A=1 AND D3A = 1, ASK E1

IF D1A=1 AND D2A = 1, ASK E1

IF ID1A=1 AND D3A = 1, ASK E1

IF D2A=1 AND D3A = 1, randomly allocate respondent to be asked EITHER E2 OR E3.

IF ONLY D1A = 1, ASK E1

IF ONLY D2A = 1, ASK E2

IF ONLY D3A = 1, ASK E3

*CRIMOFF=1

CRIMOFF1   SHOW ALLOCATION ACROSS E1, E2 AND E3

1. ASK E1
2. ASK E2
3. ASK E3

*D1A=1 (AS DEFINED IN CRIMOFF1)

E1   Earlier in the survey you were asked to consider the following scenario:

There are two butchers in a town. In the past they have set their prices independently of each other. This has meant that if one butcher put up its prices, consumers could switch to the other butcher to find a lower price.

The butchers have now reached an agreement with each other to set the prices they charge for the most popular cuts. As a result, they can charge higher prices because if consumers are unhappy with the price at one butcher, they are unable to switch to the other butcher for a better price.

You thought that an agreement between competitors on prices should be a criminal offence.

In this section we would like you to rate how SERIOUS you think a range of other crimes are, when compared with competitors agreeing on prices.

		A lot less serious	A little less serious	Just as serious	A little more serious	A lot more serious	
A	A person stealing another person's property is…	1	2	3	4	5	
B	An insurance company denying a valid claim to save money is…	1	2	3	4	5	
C	A company director using their position dishonestly to gain personal advantage is…	1	2	3	4	5	
D	A company misleading consumers about the safety of goods is…	1	2	3	4	5	
E	A company failing to ensure worker safety is…	1	2	3	4	5	than competitors agreeing on prices
F	A person killing another person is…	1	2	3	4	5	
G	A person driving while drunk is…	1	2	3	4	5	
H	A company evading government income taxes is…	1	2	3	4	5	
I	A person using inside information in deciding to buy or sell shares is…	1	2	3	4	5	
J	A person sexually abusing another person is..	1	2	3	4	5	

*AS DEFINED IN CRIMOFF1

E2   Earlier in the survey you were asked to consider the following scenario:

There are two plumbing companies that compete against each other in providing plumbing services to a town. They are the only plumbing companies in the town. In the past, if one plumbing company put up its prices, customers could switch to the other plumbing company.

The plumbing companies have now reached an agreement to allocate customers between them. One company will only service buildings north of the river; the other will only service buildings south of the river. As a result, they can charge higher prices because customers can't switch between the plumbing companies when they are unhappy about the price they are being charged.

You thought that an agreement between competitors to allocate customers should be a criminal offence.

In this section, we would like you to rate how SERIOUS you think a range of other crimes are, when compared with competitors agreeing to allocate customers.

		A lot less serious	A little less serious	Just as serious	A little more serious	A lot more serious	
A	A person stealing another person's property is…	1	2	3	4	5	
B	An insurance company denying a valid claim to save money is…	1	2	3	4	5	
C	A company director using their position dishonestly to gain personal advantage is…	1	2	3	4	5	
D	A company misleading consumers about the safety of goods is…	1	2	3	4	5	
E	A company failing to ensure worker safety is…	1	2	3	4	5	than competitors agreeing to allocate customers
F	A person killing another person is…	1	2	3	4	5	
G	A person driving while drunk is…	1	2	3	4	5	
H	A company evading government income taxes is…	1	2	3	4	5	
I	A person using inside information in deciding to buy or sell shares is…	1	2	3	4	5	
J	A person sexually abusing another person is..	1	2	3	4	5	

*AS DEFINED IN CRIMOFF1

E3   Earlier in the survey you were asked to consider the following scenario:

There are two companies that compete against each other as producers of cheese. They are the only companies that produce cheese in a particular region. In the past they have decided what volume they would produce depending on how much consumers in the region wanted to buy.

However, the companies have now made an agreement with each other to reduce the amount of cheese they produce. As a result of the agreement, they are no longer producing enough cheese to satisfy everyone in the region and can therefore charge higher prices. This is because consumers want to buy more cheese than is available for sale and are therefore prepared to pay more to try and get as much as they want.

You thought that an agreement between competitors to reduce production levels should be a criminal offence.

In this section, we would like you to rate how **SERIOUS** you think a range of other crimes are when compared with competitors agreeing to reduce production levels.

		A lot less serious	A little less serious	Just as serious	A little more serious	A lot more serious	
A	A person stealing another person's property is…	1	2	3	4	5	
B	An insurance company denying a valid claim to save money is…	1	2	3	4	5	
C	A company director using their position dishonestly to gain personal advantage is…	1	2	3	4	5	
D	A company misleading consumers about the safety of goods is…	1	2	3	4	5	than competitors agreeing to reduce production levels
E	A company failing to ensure worker safety is…	1	2	3	4	5	
F	A person killing another person is…	1	2	3	4	5	
G	A person driving while drunk is…	1	2	3	4	5	
H	A company evading government income taxes is…	1	2	3	4	5	
I	A person using inside information in deciding to buy or sell shares is…	1	2	3	4	5	
J	A person sexually abusing another person is…	1	2	3	4	5	

Section F: Compliance and deterrence

*ALL

*PROGRAMMER CREATE DUMMY VARIABLE "ATRISK"

ATRISK
1. ATRISK (A9=1 OR 2 OR 3 OR 4 (owner, board member, senior / middle manager)) OR (A10 not 10 (role includes at least one of specified aspects))
2. All others

*ATRISK=1 [ATRISK]

F1aintro In this next section, we have a few more business scenarios that we'd like you to consider very carefully….

*ATRISK=1 [ATRISK]

F1a.   Lee, a sales manager at Brick Company, considers whether to get together with representatives from companies that compete with Brick Company to agree on product prices for the next year. Brick Company is currently experiencing growing sales and revenues in an industry that is economically healthy. Lee's conduct would boost revenues further and therefore result in a very positive impression of Lee by top management.

Lee decides to meet with representatives from competitor brick companies to agree on the prices for the next year. As a result brick prices rise throughout the big city in which Brick Company and its competitors are based. This means that governments, companies and individuals all have to pay more for new buildings and houses and Brick Company makes millions of dollars in extra profits.

Please answer the next questions given what you think the law **ACTUALLY IS**, rather than what you think the law **SHOULD BE**.

Do you think that Lee has broken the law by agreeing on prices with competitors?

1.   Yes
2.   No
3.   I'm not sure

Comments (optional):

*F1A=1 [Thinks the law has been broken]

F1b.   Do you think that Lee has committed a criminal offence by agreeing on prices with competitors?

1. Yes
2. No
3. I'm not sure

Comments (optional):

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*F1A=1 [Thinks the law has been broken]

*programmer note: options 7 and 8 are exclusive codes

F1c.   As far as you know, what penalties are available under the law for someone like Lee who agrees on prices with competitors?

Please answer according to what you think the law **actually is**, rather than what you think the law should be. *Please mark all that apply*

1.   Lee could be sent to jail
2.   Lee could have to pay a fine
3.   Lee could be banned from being a director or manager of any company for a number of years
4.   Lee could be publicly named (e.g. on the TV news) as having been involved in the conduct
5.   Lee could have to pay compensation to anyone who suffered loss or damage as a result of the conduct
6.   Lee could be forced to take measures to ensure the conduct did not happen again (e.g. by taking part in a training program), or
7.   No penalties would apply
8.   I'm not sure

*ATRISK=1 [ATRISK]

*PROGRAMMER NOTE: All "ATRISK" respondents to be asked one of following question sets, so that there are equal numbers of at risk respondents in each rotation

COMPARE BY CIVIL / CRIMINAL WITHIN PRESSURE TYPE (2 PER RESPONDENT)

ROTATION 1: F2 (Civil actions, no pressure) and F5 (Criminal sanctions, no pressure)

ROTATION 2: F3 (Civil actions, economic pressure) and F6 (Criminal sanctions, economic pressure)

ROTATION 3: F4 (Civil actions, social pressure) and (F7 Criminal sanctions, social pressure)

*Before the <u>first</u> scenario in the selected rotation, display:

Fintro2   Now for a different scenario…..

*Before <u>second</u> scenario in the selected rotation, display:

Fintro2   This scenario is the same as the last one, except that this time, the conduct is against the law **and is a criminal offence…..**

Just to remind you, the full scenario is repeated below

*display existing F5 / F6 / F7 scenario as currently scripted, but bold and underline the words "This conduct is against the law and is a criminal offence"

*F2. Civil sanctions - no pressure

*ATRISK=1 [ATRISK] ROTATION 1

F2a.   Ashley, a manager at Express Freight Company, considers whether to get together with representatives from Express Freight Company's competitors in order to make an agreement not to try to win over each other's customers.

This would mean Ashley does not have to discount prices or increase the quality of service in order to keep existing customers**.** This would increase firm revenues, and result in a positive impression of Ashley by top management.

This conduct is against the law but it is **not** a criminal offence

If Ashley goes ahead and agrees with the competitors not to win over each other's customers, how likely do you think it is that Ashley would be found out by the law enforcement authorities for doing this?

1	2	3	4	5	7	8	9	10

Very

Unlikely

Very

Likely

*ATRISK=1 [ATRISK] ROTATION 1

F2b.   If Ashley is found out by the authorities, how likely do you think it is that the authorities will actually take legal action against Ashley?

1	2	3	4	5	7	8	9	10

Very   Very

Unlikely   Likely

*ATRISK=1 [ATRISK] ROTATION 1

F2c.   In recent years the average fine that the courts have imposed on individuals involved in the same sort of conduct that Ashley is considering has been $40,000. The maximum fine available under the law against individuals for this sort of conduct is $500 000. The law also says that individuals who take part in this sort of conduct can be banned from managing a company in the future.

All things considered, how likely do you think it is that Ashley will decide to make an agreement with competitors not to try to win over each other's customers?

1.   Very unlikely
2.   Unlikely
3.   Likely
4.   Very likely

Comments (optional):

*ATRISK=1 [ATRISK] ROTATION 1

F2d.   If you found yourself in the same circumstances as Ashley, how likely is it that you would make an agreement with your competitors not to try to win over each other's customers?

1.   Very unlikely
2.   Unlikely
3.   Likely
4.   Very likely

Comments (optional):

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F3. Civil sanctions - economic pressure

*ATRISK=1 [ATRISK] ROTATION 2

F3a.   Ashley, a manager at Express Freight Company, considers whether to get together with representatives from Express Freight Company's competitors in order to make an agreement not to win over each other's customers.

This would mean Ashley does not have to discount prices or increase the quality of service in order to keep existing customers.

Express Freight Company is currently experiencing declining sales and revenues, and Ashley is struggling to meet sales targets. This agreement would stabilise revenues and secure Ashley's job.

This conduct is against the law but it is **not** a criminal offence

If Ashley goes ahead and agrees with the competitors not to win over each other's customers, how likely do you think it is that Ashley would be found out by the law enforcement authorities for doing this?

1	2	3	4	5	7	8	9	10

Very   Very

Unlikely   Likely

*ATRISK=1 [ATRISK] ROTATION 2

F3b.   If Ashley is found out by the authorities, how likely do you think it is that the authorities will actually take legal action against Ashley?

1	2	3	4	5	7	8	9	10

Very   Very

Unlikely   Likely

*ATRISK=1 [ATRISK] ROTATION 2

F3c. In recent years the average fine that the courts have imposed on individuals involved in the same sort of conduct that Ashley is considering has been $40,000. The maximum fine available under the law against individuals for this sort of conduct is $500 000. The law also says that individuals who take part in this sort of conduct can be banned from managing a company in the future.

All things considered, how likely do you think it is that Ashley will decide to make an agreement with competitors not to try to win over each other's customers?

1. Very unlikely
2. Unlikely
3. Likely
4. Very likely

Comments (optional):

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*ATRISK=1 [ATRISK] ROTATION 2

F3d. If you found yourself in the same circumstances as Ashley, how likely is it that you would make an agreement with your competitors not to try to win over each other's customers?

1. Very unlikely
2. Unlikely
3. Likely
4. Very likely

Comments (optional):

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F4. Civil sanctions - social pressure

*ATRISK=1 [ATRISK] ROTATION 3

F4a. Ashley, a manager at Express Freight Company, considers whether to get together with representatives from Express Freight Company's competitors in order to make an agreement not to win over each other's customers.

This would mean Ashley does not have to discount prices or increase the quality of service in order to keep existing customers. This would increase firm revenues, and result in a positive impression of Ashley by top management. Such conduct is common within the firm.

Ashley is friendly with several other managers in other parts of Express Freight Company who have engaged in similar conduct. They are encouraging Ashley to do so too.

This conduct is against the law but it is **not** a criminal offence.

If Ashley goes ahead and agrees with the competitors not to win over each other's customers, how likely do you think it is that Ashley would be found out by the law enforcement authorities for doing this?

1	2	3	4	5	7	8	9	10

Very

Unlikely

Very

Likely

*ATRISK=1 [ATRISK] ROTATION 3

F4b.   If Ashley is found out by the authorities, how likely do you think it is that the authorities will actually take legal action against Ashley?

1	2	3	4	5	7	8	9	10

Very

Unlikely

Very

Likely

*ATRISK=1 [ATRISK] ROTATION 3

F4c.   In recent years the average fine that the courts have imposed on individuals involved in the same sort of conduct that Ashley is considering has been $40,000. The maximum fine available under the law against individuals for this sort of conduct is $500 000. The law also says that individuals who take part in this sort of conduct can be banned from managing a company in the future.

All things considered, how likely do you think it is that Ashley will decide to make an agreement with competitors not to try to win over each other's customers?

1.   Very unlikely

2. Unlikely
3. Likely
4. Very likely

Comments (optional):

_____

*ATRISK=1 [ATRISK] ROTATION 3

F4d.   If you found yourself in the same circumstances as Ashley, how likely is it that you would make an agreement with your competitors not to try to win over each other's customers?

1. Very unlikely
2. Unlikely
3. Likely
4. Very likely

Comments (optional):

_____

F5. Criminal sanctions - no pressure

*ATRISK=1 [ATRISK] ROTATION 1

F5a.   Ashley, a manager at Express Freight Company, considers whether to get together with representatives from Express Freight Company's competitors in order to make an agreement not to win over each other's customers.

This would mean Ashley does not have to discount prices or increase the quality of service in order to keep existing customers.

This would increase firm revenues, and result in a positive impression of Ashley by top management.

This conduct is against the law and **is** a criminal offence.

If Ashley goes ahead and agrees with the competitors not to win over each other's customers, how likely do you think it is that Ashley would be found out by the law enforcement authorities for doing this?

1	2	3	4	5	7	8	9	10

Very

Unlikely

Very

Likely

*ATRISK=1 [ATRISK] ROTATION 1

F5b.   If Ashley is found out by the authorities, how likely do you think it is that the authorities will actually take legal action against Ashley?

1	2	3	4	5	7	8	9	10

Very

Unlikely

Very

Likely

*ATRISK=1 [ATRISK] ROTATION 1

F5c.   If Ashley is found guilty, how likely do you think it is that Ashley will be sentenced to jail for making an agreement with competitors not to try to win over each other's customers?

1	2	3	4	5	7	8	9	10

Very

Unlikely

Very

Likely

*ATRISK=1 [ATRISK] ROTATION 1

F5e.   The law says that people who engage in the sort of conduct that Ashley is considering can be convicted and put in jail. The maximum jail term available under the law against individuals for this sort of conduct is 10 years. The law also says that individuals who take part in this sort of conduct can be banned from managing a company in the future.

All things considered, how likely do you think it is that Ashley will decide to make an agreement with competitors not try to win over each other's customers?

1.   Very unlikely
2.   Unlikely
3.   Likely
4.   Very likely

Comments (optional):

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*ATRISK=1 [ATRISK] ROTATION 1

F5f. If you found yourself in the same circumstances as Ashley, how likely is it that you would make an agreement with your competitors not to try to win over each other's customers?

1. Very unlikely
2. Unlikely
3. Likely
4. Very likely

Comments (optional):

F6. Criminal sanctions – economic pressure

*ATRISK=1 [ATRISK] ROTATION 2

F6a. Ashley, a manager at Express Freight Company, considers whether to get together with representatives from Express Freight Company's competitors in order to make an agreement not to win over each other's customers.

This would mean Ashley does not have to discount prices or increase the quality of service in order to keep existing customers.

Express Freight Company is currently experiencing declining sales and revenues, and Ashley is struggling to meet sales targets. This agreement would stabilise revenues and secure Ashley's job.

This conduct is against the law and **is** a criminal offence.

If Ashley goes ahead and agrees with the competitors not to win over each other's customers, how likely do you think it is that Ashley would be found out by the law enforcement authorities for doing this?

1	2	3	4	5	7	8	9	10

Very

Unlikely

Very

Likely

*ATRISK=1 [ATRISK] ROTATION 2

F6b.   If Ashley is found out by the authorities, how likely do you think it is that the authorities will take legal action against Ashley?

1	2	3	4	5	7	8	9	10

Very

Unlikely

Very

Likely

*ATRISK=1 [ATRISK] ROTATION 2

F6c.   If Ashley is found guilty, how likely do you think it is that Ashley will be sentenced to jail for making an agreement with competitors to no longer try to win over each other's customers?

1	2	3	4	5	7	8	9	10

Very

Unlikely

Very

Likely

*ATRISK=1 [ATRISK] ROTATION 2

F6d.   The law says that people who engage in the sort of conduct that Ashley is considering can be convicted and put in jail. The maximum jail term available under the law against individuals for this sort of conduct is 10 years. The law also says that individuals who take part in this sort of conduct can be banned from managing a company in the future.

All things considered, how likely do you think it is that Ashley will decide to make an agreement with competitors not to try to win over each other's customers?

1. Very unlikely
2. Unlikely
3. Likely
4. Very likely

Comments (optional):

*ATRISK=1 [ATRISK] ROTATION 2

F6e.   If you found yourself in the same circumstances as Ashley, how likely is it that you would make an agreement with your competitors not to try to win over each other's customers?

1. Very unlikely
2. Unlikely
3. Likely
4. Very likely

Comments (optional):

F7. Criminal sanctions - social pressure

*ATRISK=1 [ATRISK] ROTATION 3

F7a.   Ashley, a manager at Express Freight Company, considers whether to get together with representatives from freight companies that compete with Express Freight Company in order to make an agreement not to win over each other's customers.

This would mean Ashley does not have to discount prices or increase the quality of service in order to keep existing customers.

This would increase firm revenues, and result in a positive impression of Ashley by top management. Such conduct is common within the firm.

Ashley is friendly with several other managers in other parts of Express Freight Company who have engaged in similar conduct. They are encouraging Ashley to do so too.

This conduct is against the law and **is** a criminal offence.

If Ashley goes ahead and agrees with representatives from competitors not to win over each other's customers, how likely do you think it is that Ashley would be found out by the law enforcement authorities for doing this?

1	2	3	4	5	7	8	9	10

Very

Unlikely

Very

Likely

*ATRISK=1 [ATRISK] ROTATION 3

F7b.　　If Ashley is found out by the authorities, how likely do you think it is that the authorities will take legal action against Ashley?

1	2	3	4	5	7	8	9	10

Very

Unlikely

Very

Likely

*ATRISK=1 [ATRISK] ROTATION 3

F7c.　　If Ashley is found guilty, how likely do you think it is that Ashley will be sentenced to jail for making an agreement with competitors not to try to win over each other's customers?

1	2	3	4	5	7	8	9	10

Very

Unlikely

Very

Likely

*ATRISK=1 [ATRISK] ROTATION 3

F7d.　　The law says that people who engage in the sort of conduct that Ashley is considering can be convicted and put in jail. The maximum jail term available under the law against individuals for this sort of conduct is 10 years. The law also says that individuals who take part in this sort of conduct can be banned from managing a company in the future.

All things considered, how likely do you think it is that Ashley will decide to make an agreement with competitors not to try to win over each other's customers?

1. Very unlikely
2. Unlikely
3. Likely
4. Very likely

Comments (optional):

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*ATRISK=1 [ATRISK] ROTATION 3

F7f.   If you found yourself in the same circumstances as Ashley, how likely is it that you would make an agreement with your competitors not to try to win over each other's customers?

1. Very unlikely
2. Unlikely
3. Likely
4. Very likely

Comments (optional):

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Section G: Prior knowledge and comments

*[ALL]

Programmer note: option 8 is an exclusive code

G1.   Prior to completing this survey, had you heard or read about any of the following people, organisations or topics?

Please mark all that apply

1. The Australian Competition and Consumer Commission (ACCC)
2. Cartels or cartel conduct
3. Graeme Samuel
9. Allan Fels
4. Price fixing
5. A case involving Visy and Amcor for price fixing
6. Criminal penalties for cartel conduct
7. A case involving Richard Pratt and the Australian Competition and Consumer Commission
8. Haven't heard or read about any of these.

*[ALL]

G2.   Finally, is there anything else you would like to tell us about the scenarios or issues in this survey?

1. Yes

2. No