

11. IMMUNITY POLICY

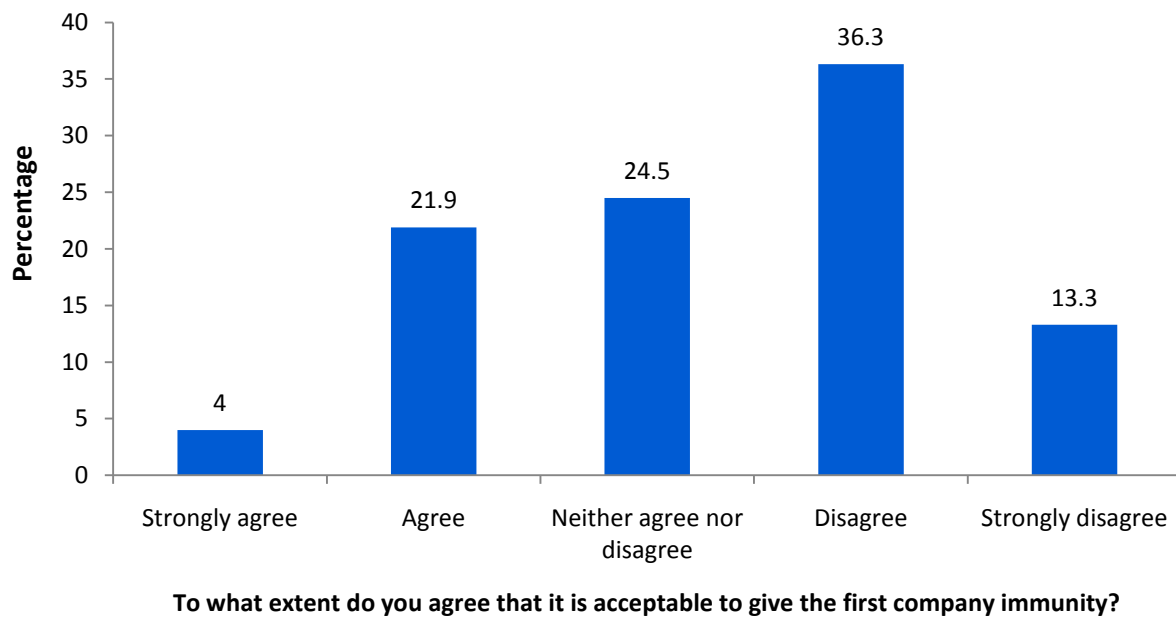
11.1 IMMUNITY POLICY – PRICE FIXING

Question

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

Figure 11.1 Immunity policy – Price fixing¹**Comments**

25.9% of respondents agreed with the acceptability of immunity policy in a case of an agreement between competitors on prices (of which 4% strongly agreed). Almost 50% of respondents disagreed (of which 13.3% strongly disagreed) with the acceptability of such a policy in this context and more than a third were undecided or neutral on the question.

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).

11.2 IMMUNITY POLICY – MARKET ALLOCATION

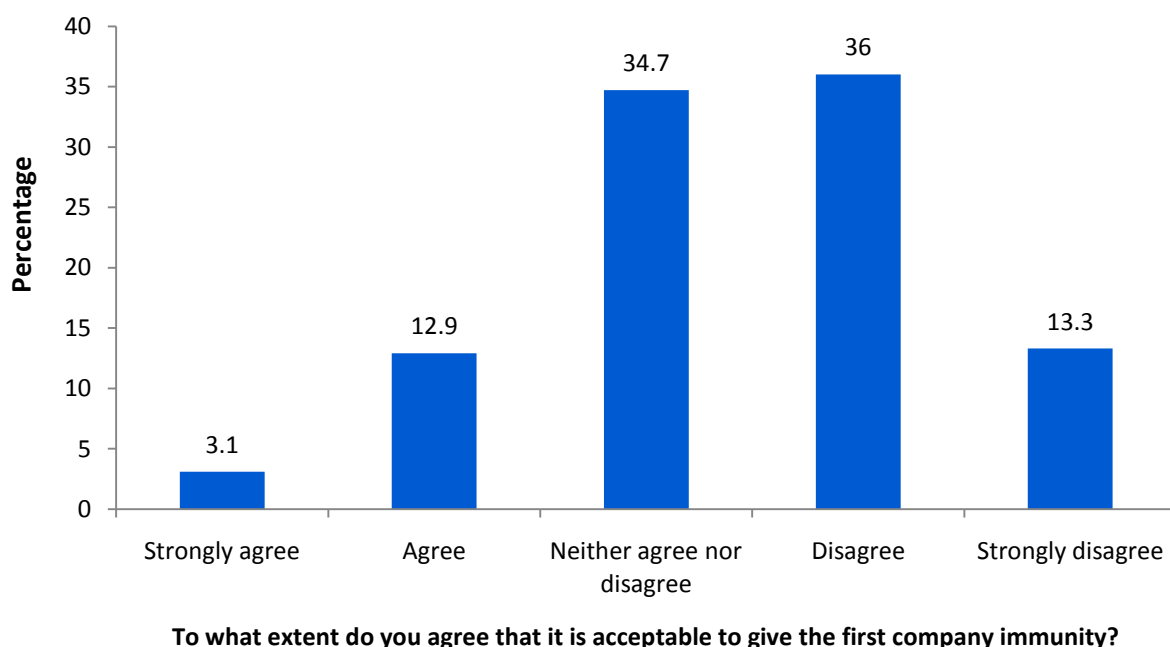
Question

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

Figure 11.2 Immunity policy – Market allocation²



² n=156 (representing respondents who responded 'Yes' to 'Do you think that an agreement between competitors to allocate customers should be against the law?', and for price fixing did not do the question on immunity policy – i.e. Question D1F).

Comments

16% of respondents agreed with the acceptability of immunity policy in a case of an agreement between competitors to allocate customers (of which 3.1% strongly agreed). Almost half of respondents disagreed (of which 13.3% strongly disagreed) with the acceptability of such a policy in this context and more than a third were undecided or neutral on the question.

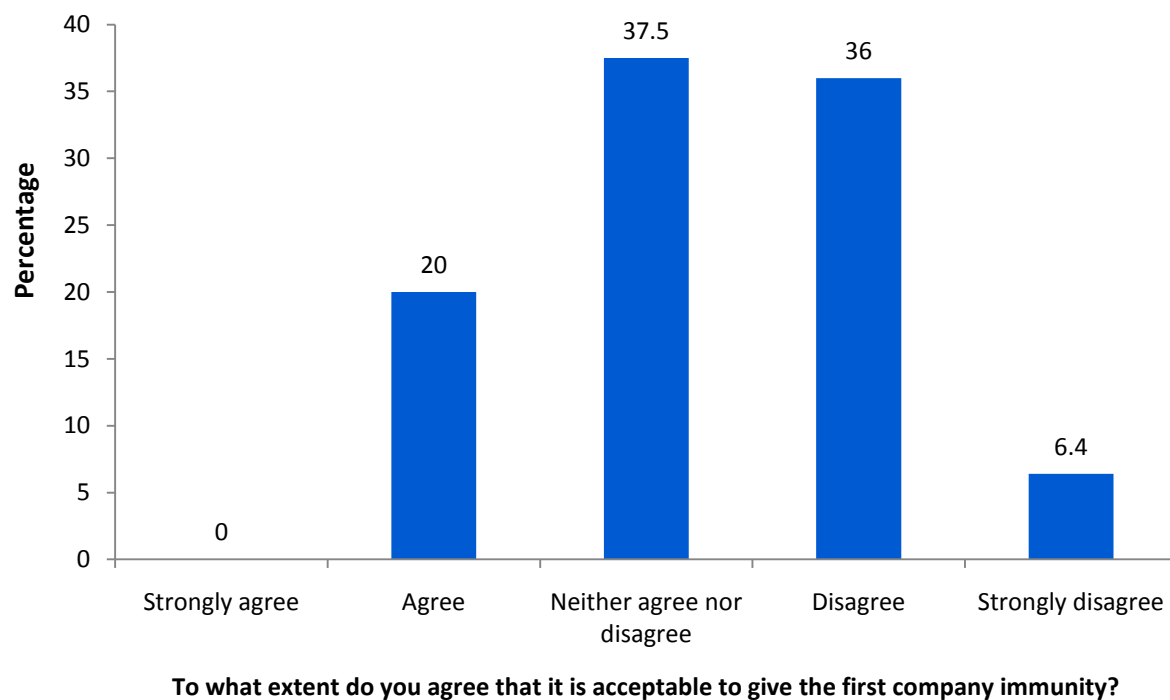
11.3 IMMUNITY POLICY – OUTPUT RESTRICTION

Question

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

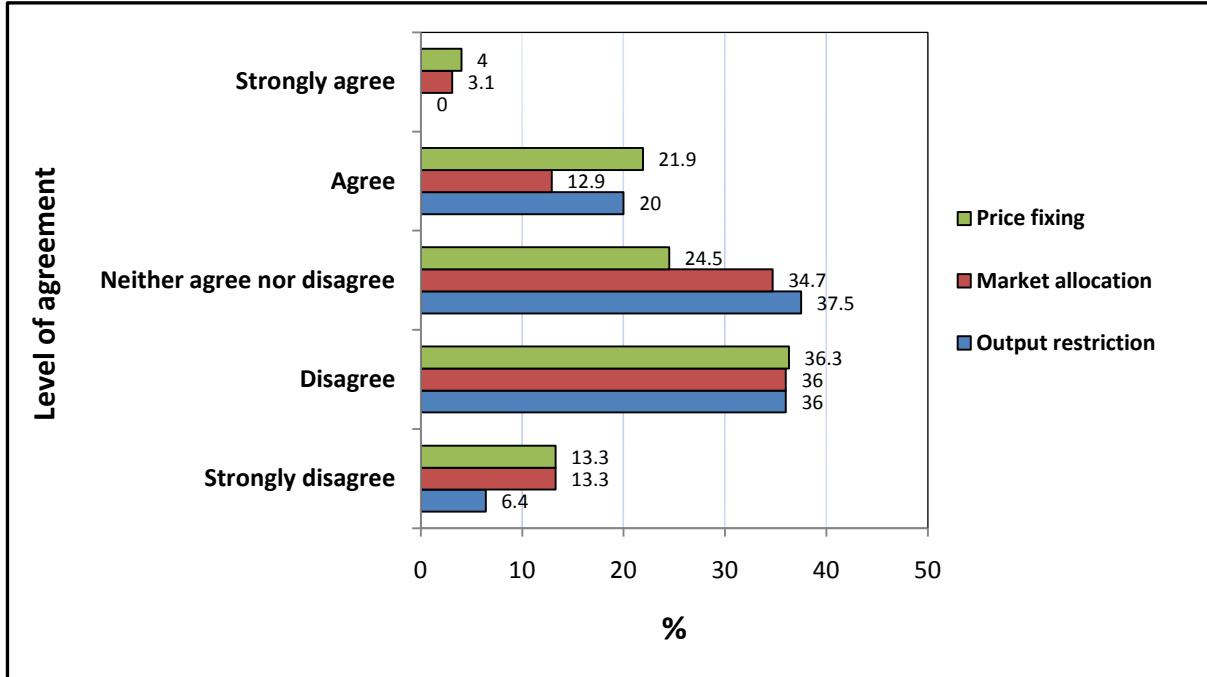
Figure 11.3 Immunity policy – Output restriction³

Comments

20% of respondents agreed with the acceptability of immunity policy in a case of an agreement between competitors to reduce production levels (of which no one strongly agreed). 42.4% of respondents disagreed (of which 6.4% strongly disagreed) with the acceptability of such a policy in this context and 37.5% were undecided or neutral on the question.

³ n=60 (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 for either or both price fixing and market allocation did not do the question on immunity policy – i.e. Questions D1F and D2F).

11.4 IMMUNITY POLICY - COMPARISON BETWEEN TYPES OF CARTEL CONDUCT

Figure 11.4 Immunity policy - Comparison between types of cartel conduct⁴

Comments

Across the three types of cartel conduct, disagreement with the view that it is acceptable to give the first company immunity ranged from 42.4% to 49.6%. Strong agreement with the view that it is acceptable to give the first company immunity was very low, regardless of the type of cartel conduct – 4% for price fixing, 3.1% for market allocation, and 0% for output restriction.

⁴ 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= 156 (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 for price fixing did not do the question on immunity policy – i.e. Question D1F); output restriction, n=60 (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 for either or both price fixing and market allocation did not do the question on immunity policy – i.e. Questions D1F and D2F).