Full report

Inland Revenue
Te Tari Taake

Understanding attitudes towards business data secrecy

– A telephone survey among business audiences

Quantitative Report

May 2016

UMR Research

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Context for this research

One of the New Zealand government's objectives is to unlock the value of the information it holds on behalf of citizens and businesses so it can be used to improve the economic and social wellbeing of New Zealanders. This includes agencies reusing information to improve the quality and speed of services to customers. IR understands that its customers are sensitive about how increased information sharing would affect their right to confidentiality. Therefore, as part of its policy development, IR has conducted multiple research projects in the last seven years to gather the opinions of the general public, businesses, and tax professionals.

These earlier studies have focused on understanding the circumstances and safeguards that would make increased information sharing acceptable, and the impact of increased information sharing on the integrity of the tax system. These studies showed that people generally accept information sharing between government departments, as long as: strong protocols are in place; there is a definite improvement in customer service, and/or; a specific need is being addressed such as combating crime.

However, one finding from our prior research was that the business community had particular concerns about commercially confidential business information being potentially being exposed outside of IR. IR wanted to explore this further, in particular, to understand the impact on businesses views of (i) the purpose that the information would be used for (for example gaining insights to contribute to a more productive economy) and (ii) what type of organisation would be accessing it.

This study was, therefore, undertaken to get a deeper understanding of the business community' views. We explored how the business community's attitudes differ depending on whether IR shares information with government or non-government organisations. We also explored how the type of information being shared and the aim of the information sharing affect these opinions.

Executive summary

Within government, there has been increasing focus on improving access to data held by government departments that could potentially help improve people's economic and social wellbeing. Regarding the possible value in widening this sharing outside of government departments, prior research with business owners indicated they have concerns about this widening. The research findings outlined in this report are aimed at further clarifying this aspect of public opinion, and adds to Inland Revenue's understanding of attitudes towards data sharing.

Overall support for Inland Revenue sharing business data with government and non-government organisations

Overall support for sharing of business data by Inland Revenue is highest when sharing this information with other government departments (46% total support) and also with university researchers working on government projects (41%)[1].

Support declined significantly if university researchers (19%) or consulting companies (14%) were working on projects for private companies indicating that who the project was for was an important consideration in data sharing. An SME interviewed during cognitive testing explained that while he was supportive of data sharing for New Zealand's benefit he did not want his IR data shared with private companies[2].

SMEs - less supportive of IR sharing information with consulting companies working on projects for private sector companies than other business groups. (note small sample size)

A microbusiness owner who was interviewed was very positive about sharing data, opining that transparency was likely to benefit not only researchers and government departments but other businesses as well[3].

- *Support for IR sharing business data with university researchers is relatively strong when working on government projects and less so if working on private company projects.*
- *Support for business data sharing is less strong for consulting companies working on private sector projects.*
- *Support for sharing business information with the general public was very weak.*

[1] The questionnaire included a number of 5-point-scale questions which asked respondents for their level of support/agreement/comfort for various statements. In all of these questions 1=strongly against or disagreeing with the statement and 5=strongly for or agreeing with the statement. Percentages for agreeing strongly were calculated from the number of respondents selecting 4 or 5 and opposing were 1 or 2.

[2] SME interview, March 2016.[Five cognitive interviews were conducted at the beginning of this project as well as eight in-depth interviews with key stakeholders (both internal IRD and external tax experts).]

[3] Interview with microbusiness owner, March 2016

Increased support for data sharing

Support rose for business data sharing by Inland Revenue when business respondents had the opportunity to consider the risks and benefits of information sharing.

Business support increased the most for university researchers working on projects for private companies (30%, up 11 percentage points) and university researchers working on government projects (51%, up 10 percentage points). For consulting companies working on projects for private companies (19%, up 5 percentage points) and government projects (34%, up 7 percentage points) there was less support. Businesses are therefore more comfortable data sharing for government projects.

Significant enterprise - more in favour of data sharing with government departments and university researchers for a government project. Less supportive for data sharing with consulting companies working on projects for private sector companies than other business group.

Micro-businesses - less supportive of sharing business information with university researchers working on projects for private companies.

Self-employed - there were no significant differences compared to other business groups. (note small sample size)

Sharing business data with non-government organisations with safeguards

There are indications that having safeguards in place lifts support for sharing business information with non-government organisations.

Anonymised data: If all financial and business information was anonymised and no individual business was identifiable, 40% of respondents support business data sharing with non-government organisations. Nonetheless a majority of business respondents still opposed Inland Revenue sharing business data with the general public even if anonymised.

Purpose of data sharing: The majority of business respondents supported sharing of business data by Inland Revenue if:

- The sharing of the information would aid Government policy and decision-making.
- The sharing of the information would help a particular business sector grow.

However, they were less likely to support business data sharing if the benefit was to a specific business. The owner of an SME who was interviewed was concerned that increased data sharing might give competitors an advantage, locally, nationally and even internationally, especially if overseas countries did not have the same tax reporting requirements as New Zealand.[4]

[4] Interview with SME, March 2016

How comfortable businesses are with information sharing

Business respondents were most comfortable with Inland Revenue potentially sharing anonymised individual business information with other government departments, (50% comfortable,) and with university researchers (45%). One not-for-profit interviewed, a charity, was very willing to share their information, pointing out everything was readily available from the Charities Commission[5].

Not-for-profits most supportive of data sharing with all organisations including the general public.

Types of information businesses are comfortable with IR sharing

To explore how different types of business information being shared with different non-government and government organisations impacted on levels of support for Inland Revenue business data sharing, four scenarios were tested with business respondents:

- Scenario one - Inland Revenue sharing small business information with university researchers.
- Scenario two - Inland Revenue sharing large corporation information with business and economic consulting groups.
- Scenario three - Inland Revenue sharing small business information with government departments.
- Scenario four - Inland Revenue sharing large business information with the general public.[6]

Business information that could potentially be shared included taxable income, tax paid by business, level of tax debt, employee numbers, GST return data, broad geographic location, profit and loss. In all four scenarios the respondents were more willing to share general information like 'broad geographic information' (between 70% and 85%) and 'employee numbers' (between 67% and 82%)[7]. More sensitive information such as 'profit and loss' was the type that respondents were least comfortable sharing (between 42% and 65%).

- *Support for IR sharing business data with university researchers is relatively strong when working on government projects and less so if working on private company projects.*
- *Support increases when risks and benefits are explored for business data sharing for university researchers working on projects for private companies.*
- *Support for business data sharing is less strong for consulting companies working on private sector projects and the general public.*

[5] Interview NFP charity, March 2016

[6] The four scenarios were tested with sub-samples within the total sample due to questionnaire length and the need to reduce respondent burden.

[7] Broad geographic information was individually interpreted by each respondent - no definition was applied during the survey.

One of the issues raised in the cognitive testing was that the financial information may be misinterpreted, for example, carrying tax debt may be perceived as a negative if the reasoning behind this was not fully understood[8]. Businesses were therefore less comfortable sharing sensitive or specific information types.

Scenario summary table: information and sharing

Scenarios	Type of information	Purpose for the sharing	Information sharing (%)	Comfortable sharing
Scenario one University Researchers	Small business	Grow sector locally and internationally	65% plus	Share all
Scenario two Consulting group	Large corporation	Increase profitability and efficiency	51% plus	Share all Less comfortable sharing Profit and Loss
Scenario three Government Departments	Small business	Grow sector locally and internationally	57% plus	Share all Least comfortable sharing tax debt
Scenario four General public	Large business	Increase profitability and efficiency	38-44%	Share general location and employee numbers only (67% plus)

Respondents were generally more comfortable sharing small business information with university researchers and with other government departments.

- *There are indications that safeguards make a difference if sharing with non-government organisations; although not with the general public.*
- *There is less support if the benefit of the data sharing is for a specific business.*
- *Business respondents indicated they are comfortable in sharing 'Employee numbers' with non-government organisations; they are less comfortable sharing profit and loss information.*

Benefits of information sharing

Main benefit: Respondents thought that the main benefit for New Zealand business overall if non-government organisations were given access to anonymised individual business information was an 'improvement in business productivity and/or efficiency' (16.5%). The microbusiness owner interviewed felt that the more information available, the better, in order to improve business[9].

[8] Interview self-employed, March 2016
[9] Interview micro-business owner, March 2016

Scenario benefits: The perceived benefits of sharing the anonymised business data by respondents varied depending on the scenario:

- Scenario one (university researchers) - 'improved information is made available to small businesses in your industry who are then able to make better investment decisions' (60%).
- Scenarios two and three (consulting groups and government departments) - 'government is more informed about businesses in your industry sector and is able to provide better support to businesses to grow internationally' (48% and 56% respectively).
- Scenario four (general public) - 'improved information is made available to members of the general public which encourages New Zealanders to invest in your industry sector' (37%).

Risks of information sharing

Main risk: Respondents thought that the main risk to New Zealand business overall if IR gave non-government organisations access to anonymised individual business information was that it could result in a 'breach of individual business privacy' (39%). The problem of keeping data anonymised in a small country like New Zealand was one of the issues raised by both a self-employed business owner and a tax expert. Drilling down to regional and territorial authority level data or using high value data sets could allow larger businesses to be re-identified[10].

Scenario risk: For each of the four scenarios, if non-government organisations were given access to anonymised individual business information, the risk respondents thought most likely to occur was 'there is potential for misuse of the data e.g. by the media' ranging from 54% in scenario one to 69% in scenario four.

Views of Inland Revenue and non-government organisations

Most respondents (69%) have trust and confidence in the Inland Revenue indicating IR is seen by the majority of respondents as a safe and responsible custodian of business data.

Issues of client confidentiality were a predominant concern of the not-for-profits who were interviewed and worked in a sensitive area. The trust component in relationship between IR and this not-for-profit for keeping their data safe was vital for data sharing[11].

However, respondents' trust and confidence in university researchers (38%) and consulting companies (18%) in using anonymised business information, was significantly less when compared to the Inland Revenue.

[10] Interview 1st March with tax expert and self-employed, March 2016
[11] Interview with not-for-profit, March 2016

Views on current information sharing and ownership of business information

Forty-four percent of all respondents believe that the IR does not currently share any financial and business information it holds about individual businesses with non-government organisations.

Nearly all respondents (91%) agree with the statement that they own their business and financial information and 79% agree with the statement that their consent is needed for this information to be shared with non-government organisations such as universities and private business organisations. The evidence suggests that ownership and consent are likely to be significant considerations for businesses when data sharing.

- *The majority of respondents have trust and confidence in IR.*
- *Almost half of the respondents believe IR does not share any financial and business information it holds.*
- *Business and financial information is viewed by nearly all respondents as the property of the business owner*.
- *Over three-quarters of respondents want a consent requirement for business and financial information to be shared with non-government organisations.*

The following summary table also highlights any significant differences between individual business types and the overall figure.

	Significant Enterprises	SMEs	Microbusinesses	Self-employed	Not-for-profit
Overall support for information sharing (before being prompted on potential risks and benefits)		Significantly less supportive for sharing with consulting companies working on private projects. Generally low support relative to other groups			Generally the highest level of support
Overall support for information sharing (after being prompted on potential risks and benefits)	Significantly less supportive of sharing with university researchers and consulting companies working on private projects		Significantly less support for sharing with university researchers working on private projects	Highly supportive relative to other groups for sharing with university researchers working on private projects	Generally highly supportive still
Support with safeguards - sharing with non-government organisations	Equal lowest support for both safeguards	Equal lowest support for both safeguards			Significantly more supportive for both safeguards
Support with safeguards - sharing with members of the general public	lowest support for both safeguards				Significantly more supportive for both safeguards
Support for sharing in certain situations	Second highest level of support for aid Govt. policy, lowest in other two situations		Highest level of support for sharing to aid a particular business sector to grow		Highest level of support for aiding Govt. Policy, and aid one specific business
Level of comfort with information sharing	Significant enterprise more comfortable than other groups to share with other Govt. departments	Generally lower level of comfort than other groups	Generally lower level of comfort than other groups (except SMEs)		Not-for-profit significantly more comfortable with sharing with members of the general public

Trust and confidence in how Inland Revenue uses business information	Significantly more trust and confidence		Lowest level of trust and confidence	
Awareness of Inland Revenue sharing information with non-government organisations	Highest level saying inland revenue does not share information		Highest level think Inland Revenue does, or probably does share information	
Trust and confidence in how university researchers would use shared information				Highest level trust and confidence in how information would be used
Trust and confidence in how consulting companies would use shared information			lowest level trust and confidence in how information would be used	Highest level trust and confidence in how information would be used
Consider information is owned and belongs to them				Significantly lower agreement
Consent needed to share information		Very similar and high agreement across the board		

Note: the table identifies where there are significant differences between individual business types and the overall figure. It also identifies which business types have the highest or lowest level relative to the other types where appropriate, even if the differences are not significant from the overall figure. Generally the significant differences are among the 'significant enterprise' and 'not-for-profit' groups. There were no significant differences between the 'self-employed' group and the overall figure, but this is a result of the fact that the self-employed business sector makes up 66.59% of the weighted 'all' figure, hence the results in the 'self-employed' group drive the results in the 'all' figure. A similar reasoning can be applied to the 'microbusiness' group which makes up 23.78% of the weighted 'all' figure.

Introduction and methodology

Within government, there has been a considerable focus on improving access to data about people for research and analysis. Frameworks and practices for the release of businesses' data are less advanced. Improving access to businesses' data involves resolving issues around the use of commercially sensitive data. In this research, 'commercially sensitive' means that the data could lead to:

i. A business being financially disadvantaged, and, or
ii. Other entities gaining a financial or other benefit.

For IR, it also involves consideration of the impact of wider access on the integrity of the tax system, specifically whether greater access to data that businesses are required to provide to Inland Revenue for tax purposes may impact on businesses' willingness to provide this data to Inland Revenue.

Previous research with business has shown that they dislike the idea of Inland Revenue sharing businesses' information with private-sector companies. Sharing information with government agencies was more acceptable as long as information sharing matched businesses' expectations of the purpose for this sharing.

This research is to support IR's understanding of businesses' attitudes towards wider data sharing.

Objectives

The study was designed to explore:

- Level of comfort and support for Inland Revenue business data sharing with a range of government and non-government organisations.
- What types of information does business consider acceptable to share.
- Which government and non-government organisations/ general public is business comfortable sharing with.
- Impact of wider data sharing on the integrity of the New Zealand tax system.

Method

Questionnaire design

The research design included a prior round of eight stakeholder interviews that included internal Inland Revenue staff, other interested government staff and external business community representatives. The findings from these interviews were then reported on in an internal Inland Revenue workshop where key areas for the telephone questionnaire were explored and developed.

The resultant draft questionnaire underwent a round of cognitive testing (n=5) and also refinement with input from the Inland Revenue research team.

The questionnaire included four hypothetical information-sharing scenarios designed to test a range of options for business data sharing that highlighted potential business benefits, types of information to be shared and differentiated with who this business information would be shared. Due to the complexity and length of the questionnaire half of the sample were asked scenarios one and two and the other half of the sample were asked scenarios three and four.

Key audiences

The survey was designed to gather the opinions of a range of business owners and managers about the sharing and other new uses of information collected.

In order to have views from all business types the sampling regime was designed in such a way so that each business type sub-group had at least 100 respondents. However, due to time constraints and telephone sample issues, only 80 surveys were completed for Significant Enterprises.

The table below shows the number of surveys achieved for each sub-group as well as the true population. The total survey sample (n=480) represented 0.04% of the total number of businesses (n=1,261,500) in the true population count.

TRUE POPULATION VS. ACTUAL NUMBER OF SURVEYS [12]				
Population counts have been provided by Inland Revenue				
	True population count	**True population proportion**	**Total sampled**	**Total businesses in survey**
	n=	**%**	**n=**	**%**
Significant Enterprises	4,500	0.36	80	1.7
SMEs	100,000	7.93	100	0.1
Microbusinesses	300,000	23.78	100	0.03
Self-employed	840,000	66.59	100	0.01
Not-for-profit	17,000	1.35	100	0.59
TOTAL	**1,261,500**	**100**	**480**	**0.04**

For tables contained in the body of this report the All figure has been weighted to be representative of businesses as a whole and the individual business types have been left unweighted to show actual sub-sample sizes.

Fieldwork and margin of error

Fieldwork was conducted from the 21st April to the 10th of May 2016.

The margin of error for a 50% figure at the 95% confidence level for a sample size of 480 is ±4.5%.

- The margin of error for a 50% figure at the 95% confidence level for a sample size of 239 is ±6.3%.
- The margin of error for a 50% figure at the 95% confidence level for a sample size of 241 is ±6.3%.
- The margin of error for a 50% figure at the 95% confidence level for a sample size of 100 is ±9.8%.
- The margin of error for a 50% figure at the 95% confidence level for a sample size of 80 is ±11%.

All fieldwork was conducted using the Quancept survey system which is a leading Computer Assisted Telephone Interviewing system. It is known for its power and flexibility, as well as the ease of use for supervisors and interviewers. It works in conjunction with a fully customizable sample management system, as well as a predictive dialler.

[12] The survey was carried out in two waves to shorten the overall length. Numbers for each sub-group by wave can be found in the Appendix.

Sample make-up

BUSINESS DEMOGRAPHICS		
	Unweighted %	**Weighted %**
Base: n=	***480***	***480***
Including yourself. How many employees are currently working in your organisation?		
1-2 employees	37.3	57.9
3-5 employees	19.2	19.1
6-9 employees	11.9	8.0
10-19 employees	11.0	6.6
20-49 employees	7.1	4.2
50-99 employees	2.7	0.6
100-249 employees	2.3	1.5
250-499 employees	2.5	0.1
500 or more employees	2.5	-
Unsure/ Refused	3.5	2.0

Sample make-up continued

BUSINESS DEMOGRAPHICS	Unweighted %	Weighted %
Base: n=	***480***	***480***
What type of business is your organisation? [Statistics NZ codes]		
Primary (A: Agriculture/ Forestry/ Fishing - B: Mining)	15.2	17
Secondary (C: Manufacturing - D: Electricity/ Gas/ Waste/ Waste - E: Construction)	11.9	13.3
Trade (F: Wholesale trade - G: Retail trade - H: Accommodation/ Food services I: Transport/ Postal/ Warehousing)	14.8	19.3
Professional services (J: Information media & telecommunications - K: Financial & Insurance - L: Rental/ Hiring/ Real Estate - M: Professional/ Scientific/ Technical - N: Administrative & Support)	31.5	33.9
Social/ Other Services (O: Public administration/ Safety - P: Education & Training - Q: Healthcare & Social assistance - R: Arts & Recreation - S: Other Services)	25.8	15.2
Refused	0.8	1.3
Can you please provide an estimate of your company's annual turnover?		
Less than $60,000	11.7	19.8
$60,000 - $99,000	8.5	11.7
$100,000 - $249,999	13.5	13.7
$250,000 - $499,999	6.7	5.4
$500,000 - $749,999	4.0	2.9
$750,000 - $999,999	4.6	3.6
$1 million but less than $2 million	7.3	5.4
$2 million but less than $3 million	4.6	2.3
$3 million but less than $4 million	2.5	1.4
$4 million but less than $5 million	1.0	0.3
$5 million but less than $10 million	1.7	1.5
$10 million but less than $20 million	1.2	0.2
$20 million but less than $50 million	2.5	0.1
$50 million but less than $100 million	2.1	0.9
$100 million or more	3.1	0.1
Unsure	9.8	14.9[13]
Refused	15.2	15.8

[13] The percentages for those who were unsure (9.8% unweighted, 14.9% weighted) and refused (15.2% weighted, 14.9% unweighted) were quite high, indicating concerns among some respondents at sharing annual turnover information with IR and a research company.

Support for and comfort with sharing information

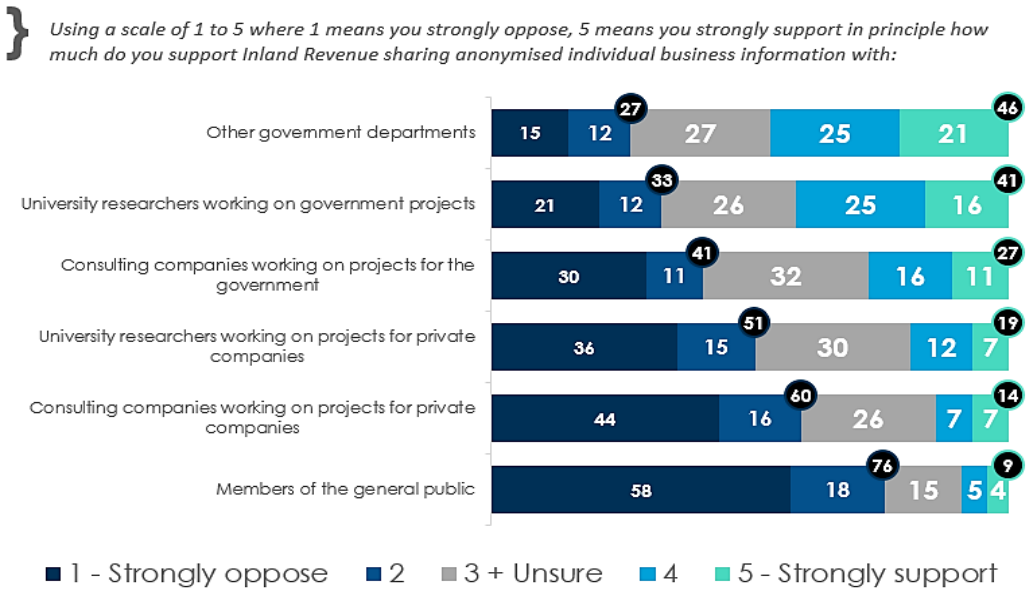
Overall support

Sharing information with government and government projects garners the best support from business

Respondents were asked how much they support, in principle, Inland Revenue sharing anonymised business information with a range of different groups.

- In general, the highest level of support for information sharing was with groups that are government related.
- The highest level of support was for Inland Revenue sharing anonymised individual business information with other government departments (46%).
  - 41% supported Inland Revenue sharing anonymised individual business information with university researchers working on government projects, however, only 19% supported sharing with university researchers working on projects for private companies.
  - 27% supported Inland Revenue sharing anonymised individual business information with consulting companies working on government projects, although there was only 14% support for Inland Revenue sharing with consulting companies working on private company projects.
- The lowest level of support was for sharing anonymised individual business information with members of the general public (9%).

Figure 1: Level of support for Inland Revenue business data sharing



Base: All respondents

Sub-group differences

- Not-for-profit businesses gave the highest level of support for Inland Revenue sharing anonymised individual business information with each group.
- Significant enterprises had the second highest level of support for the following groups:
  - 55% support for Inland Revenue sharing information with other government organisations.
  - 31% support for Inland Revenue sharing information with consulting companies working on projects for the government.
  - 21% support for Inland Revenue sharing information with university researchers working on projects for private companies.
- Micro-businesses had the second highest level of support for university researchers working on government projects at 48%.
- SME's were significantly less supportive of Inland Revenue sharing information with consulting companies working on projects for private companies (7% support).

Table 1: Level of support for Inland Revenue data sharing - by sub group

SUPPORT OR OPPOSE INFORMATION SHARING WITH THE FOLLOWING ORGANISATIONS OR GROUPS – SUMMARY (TOTAL SUPPORT 4+5)

Using a scale of 1 to 5 where 1 means you strongly oppose, 5 means you strongly support in principle how much do you support Inland Revenue sharing anonymised individual business information with:

	All	Significant Enterprises	SMEs	Micro-businesses	Self-employed	Not-for-profit
	%	%	%	%	%	%
Base: n=	***480***	***80***	***100***	***100***	***100***	***100***
Other Government departments	**46**	**55**	**42**	**44**	**47**	**58**
University researchers working on Government projects	**41**	**44**	**42**	**48**	**38**	**52**
Consulting companies working on projects for the Government	**27**	**31**	**26**	**30**	**26**	**42**
University researchers working on projects for private companies	**19**	**21**	**16**	**20**	**19**	**23**
Consulting companies working on projects for private companies	**14**	**11**	**7**	**10**	**16**	**16**
Members of the general public	**9**	**6**	**7**	**6**	**10**	**17**

Base: All respondents

After considering potential risks and benefits of sharing anonymised individual business data; support increases across all organisations/ groups tested albeit marginally for general public and with other government departments

After being exposed to potential risks and benefits through four separate scenarios of information sharing in action, respondents were asked to state their level of support for sharing anonymised individual business information.

- Overall support has risen, albeit increases in support for some groups were marginal.
  - Around half of respondents support Inland Revenue sharing anonymised business information with university researchers working on government projects (51%, increase in support of 10%) and other government departments (47%, increase in support of 1%).
  - Over a third of respondents (34%, increase in support of 7%) support Inland Revenue sharing anonymised business information with consulting companies working on projects for the government. Thirty percent of respondents support anonymised business information being shared with university researchers working on projects for private companies, an increase in support of 11%.
  - Around one in five respondents (19%, increase in support of 5%) support Inland Revenue sharing anonymised business information being shared with consulting companies working on projects for private companies.
- There was little change for sharing with the general public with 10% support for Inland Revenue sharing anonymised business information (increase in support of 1%).
- The two largest changes in support were for Inland Revenue sharing information with university researchers; both with university researchers working on projects for private companies and working on projects for government projects.

Table 2: Comparison Table - Level of support for Inland Revenue business data sharing BEFORE AND AFTER considering potential benefits and risks

ALL: COMPARISON OF SUPPORT FOR INLAND REVENUE SHARING ANONYMISED INDIVIDUAL BUSINESS INFORMATION

In principle, using a scale of 1 to 5 where 1 means you strongly oppose, 5 means you strongly support. How much do you support Inland Revenue sharing anonymised individual business information with....:

	Pre risks and benefits			Post risks and benefits			Difference in support
	TOTAL 1 + 2 (Oppose) %	3 %	Total 4 + 5 (Support) %	TOTAL 1 + 2 (Oppose) %	3 %	Total 4 + 5 (Support) %	(Post - Pre) %
University researchers working on projects for **private companies**	51	30	19	42	28	30	+11
University researchers working on **Government projects**	33	25	41	30	19	51	+10
Consulting companies working on projects for the **Government**	41	31	27	38	27	34	+7
Consulting companies working on projects for **private companies**	60	24	14	53	28	19	+5
Other Government departments	27	26	46	27	26	47	+1
Members of the general public	76	15	9	74	16	10	+1

Base: All respondents (n=480)

Sub-group differences

- Significant enterprises gave significantly lower support for Inland Revenue sharing anonymised individual business information with university researchers working on projects for private companies (16%).
    - For significant enterprises the support for Inland Revenue sharing with university researchers working on private sector projects also decreased 5% compared to their support before the scenario questions, while overall support increased 11%.
- Significant enterprises also gave significantly lower support for Inland Revenue sharing information with consulting companies working on projects for private companies (11%).
    - Their support was unchanged from their pre-scenario question support, however overall support after the scenario questions went up 5 percentage points.
- Micro-businesses showed significantly lower support for Inland Revenue sharing anonymised individual business information with university researchers working on projects for private companies (21%).
- While the overall support for university researchers working on projects for private companies increased by 11% (pre vs post scenario question support), this change was driven almost entirely by a 15% increase in support by the self-employed group.
- Not-for-profits had the highest level of support for all groups (except one), however there was not a lot of change in their level of support before and after the scenario questions[14].

Table 3: Level of support for Inland Revenue business data sharing AFTER considering potential benefits and risks - sub-group differences

SUPPORT FOR INLAND REVENUE SHARING ANONYMISED INDIVIDUAL BUSINESS INFORMATION – SUMMARY (TOTAL SUPPORT 4+5)						
Now that you have had a chance to think about the RISKS AND BENEFITS of sharing anonymised business information, I would like to ask you again. In principle, using a scale of 1 to 5 where 1 means you strongly oppose, 5 means you strongly support. How much do you support Inland Revenue sharing anonymised individual business information with....:						
	All	**Significant Enterprises**	**SMEs**	**Micro-businesses**	**Self-employed**	**Not-for-profit**
	%	**%**	**%**	**%**	**%**	**%**
Base: n=	***480***	***80***	***100***	***100***	***100***	***100***
University researchers working on **Government projects**	**51**	**46**	**46**	**45**	**53**	**53**
Other Government departments	**47**	**51**	**50**	**41**	**48**	**55**
Consulting companies working on projects for the **Government**	**34**	**33**	**36**	**34**	**35**	**40**
University researchers working on projects for **private companies**	**30**	**16**	**25**	**21**	**34**	**28**
Consulting companies working on projects for **private companies**	**19**	**11**	**18**	**18**	**19**	**20**
Members of the general public	**10**	**7**	**10**	**7**	**11**	**21**

Base: All respondents

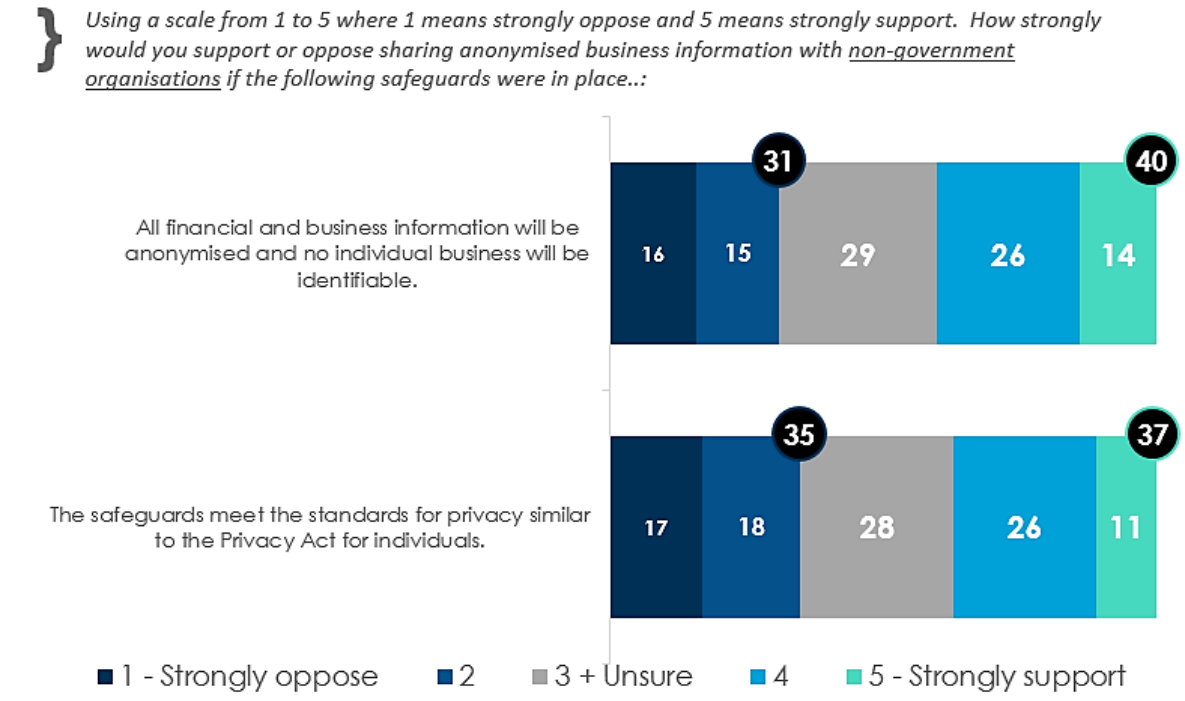
[14] Not-for-profits are more used to transparency due to the need to secure funding and are therefore less worried about commercial sensitivity.

Support with safeguards and in certain situations

There is some support for sharing information with non-government organisations with safeguards in place

- Two in five respondents (40%) support Inland Revenue sharing information with non-government organisations if all financial and business information will be anonymised and no individual business will be identifiable.
- Over a third of respondents (37%) support Inland Revenue sharing anonymised business information with non-government organisations if the safeguards meet the standards for privacy similar to the Privacy Act for individuals.
- Conversely, around a third oppose sharing business data with non-government organisations even with safeguards.
- Note there appears to be some lift in support when compared to results 'support for Inland Revenue sharing anonymised individual business information with other non-government organisations' see Figure 1.

Figure 2: Level of support for Inland Revenue business data sharing with non-government organisations with safeguards

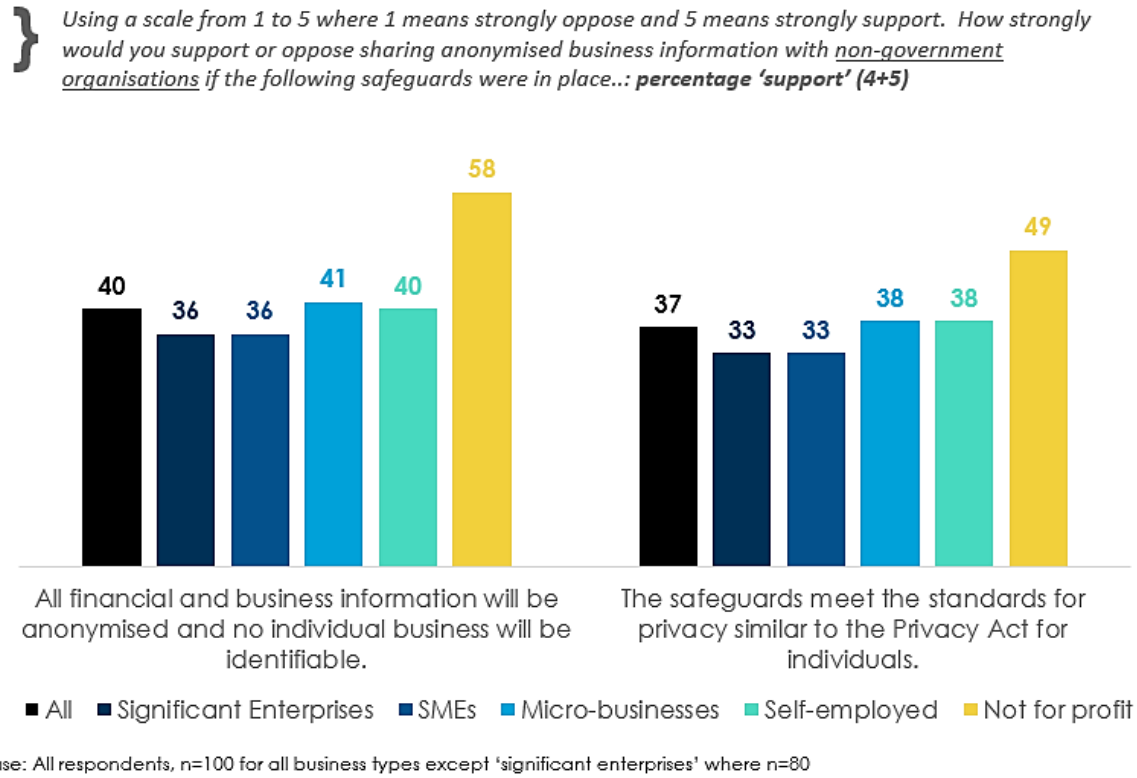


Base: All respondents

Sub-group differences

- Not-for-profits were significantly more supportive about Inland Revenue sharing anonymised individual business information with non-government organisations than the whole sample for both safeguards (58% and 49% respectively).
- Micro-businesses (41%) and self-employed (40%) were also fairly supportive if all financial and business information will be anonymised and no individual business will be identified.
- The least supportive were significant enterprises and SME's at 36% respectively.
- Micro-businesses (38%) and self-employed (38%) were fairly supportive if the safeguards meet the standards for privacy similar to the privacy act for individuals.
- The least supportive were significant enterprises and SME's at 33% respectively.

Figure 3: Level of support for Inland Revenue business data sharing with non-government organisations with safeguards - sub-group differences

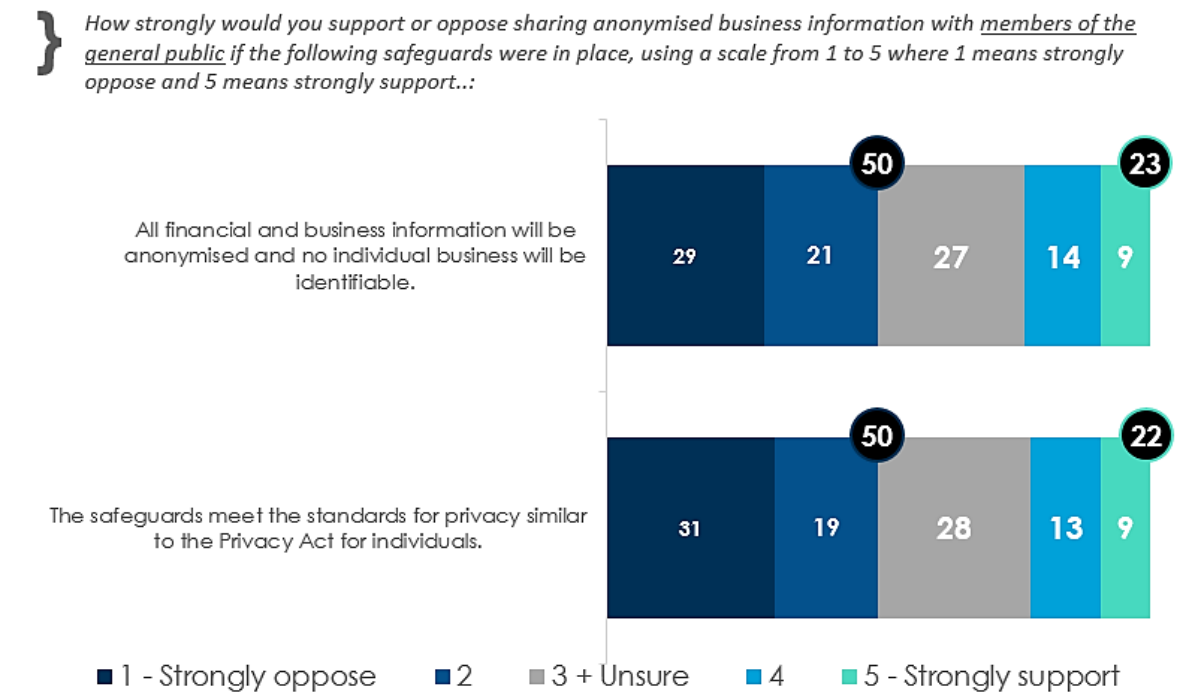


Base: All respondents, n=100 for all business types except 'significant enterprises' where n=80

There is low support for sharing information with members of the general public

- Around one in five respondents support Inland Revenue sharing anonymised business information with members of the general public if the following safeguards are in place:
  - 'All financial and business information will be anonymised and no individual business will be identifiable' (23%).
  - 'The safeguards meet the standards for privacy similar to the Privacy Act for individuals' (22%).
- However, a majority are opposed/ neutral regarding Inland Revenue business data sharing with the general public even with safeguards in place.

Figure 4: Level of support for Inland Revenue business data sharing with general public with safeguards

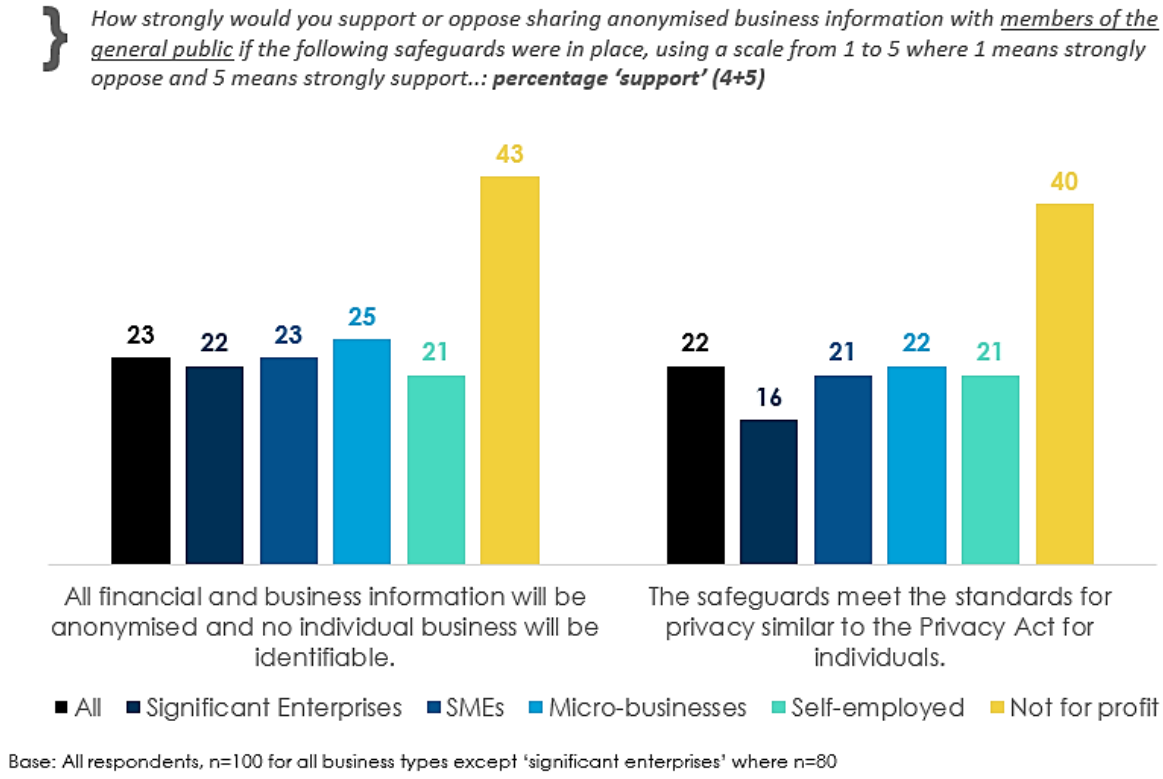


Base: All respondents

Sub-group differences

- Not-for-profits were significantly more supportive about Inland Revenue sharing anonymised individual business information with members of the general public than the whole sample for both safeguards at 43% and 40% respectively.
- Other groups were less encouraging. A quarter of microbusinesses and 23% of SME's were supportive if all financial and business information will be anonymised and no individual business will be identifiable.
- Only 22% of microbusinesses and 21% of SME's and self-employed were supportive if the safeguards meet the standards for privacy similar to the privacy act for individuals.

Figure 5: Level of support for Inland Revenue business data sharing with general public with safeguards - sub-group differences

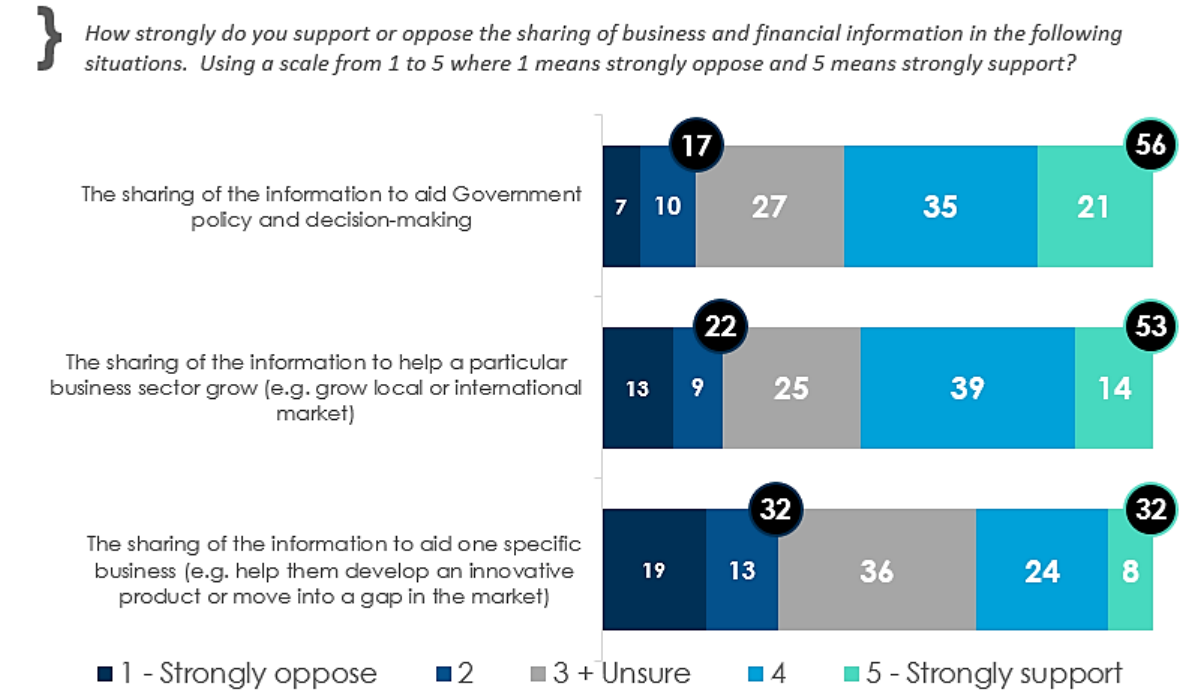


Base: All respondents, n=100 for all business types except 'significant enterprises' where n=80

Highest support was for sharing business and financial information to aid Government policy and decision-making AND to help a business sector grow

- Over half of respondents supported Inland Revenue sharing anonymised business and financial information in the following situations:
  - 'The sharing of the information to aid Government policy and decision-making' (56%).
  - 'The sharing of the information to help a particular business sector grow (e.g. grow local or international market)' (53%).
- A third of respondents (32%) supported Inland Revenue sharing anonymised business and financial information to aid one specific business (e.g. help them develop an innovative product or move into a gap in the market), conversely, a third opposed and a third were neutral.

Figure 6: Level of support for Inland Revenue business data sharing in the following situations

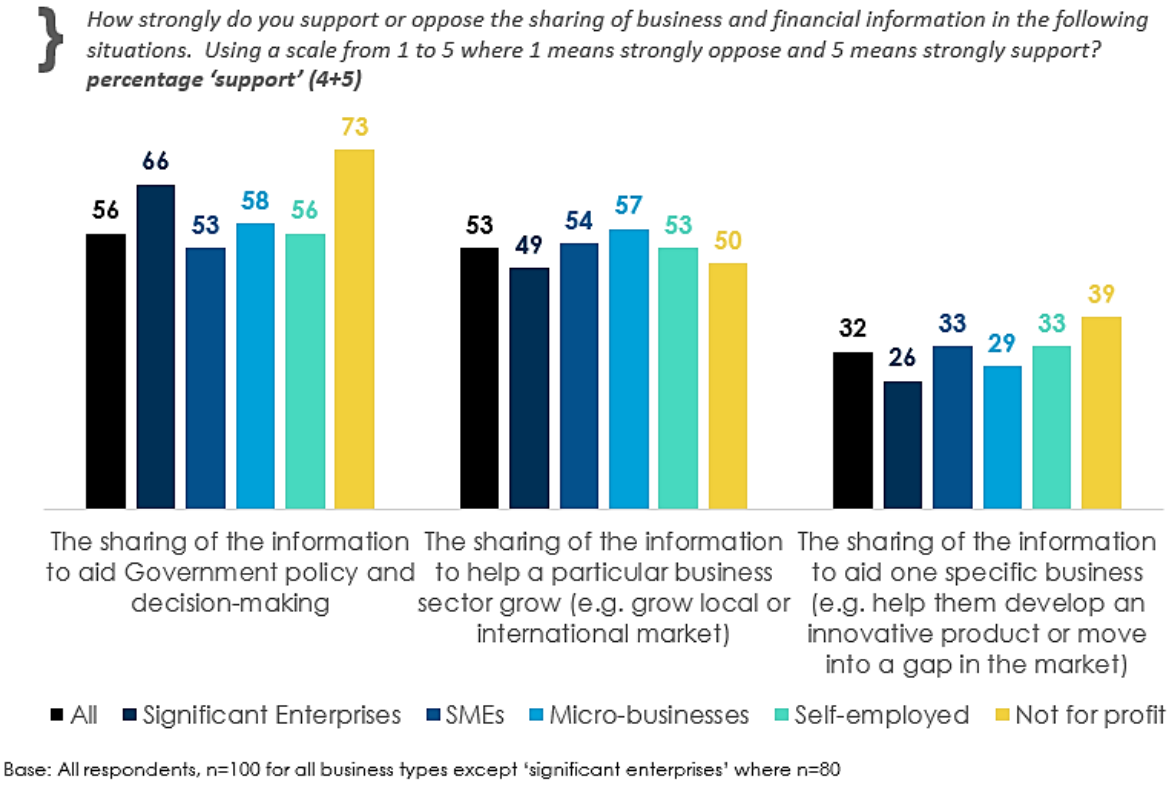


Base: All respondents

Sub-group differences

- Not-for-profits were the most supportive of the sharing of business and financial information if it is to aid government policy and decision making at 73%.
- Significant enterprises had the second highest level of support for sharing information if it was to aid government policy and decision making (66% support); however, they had the lowest level of support in the remaining two situations.
    - 49% support if sharing the information will help a particular business sector grow (53% for all).
    - 26% support if sharing the information will aid one specific business (32% for all).
- Microbusinesses (57%) had the highest level of support for the sharing of information to help a particular business sector grow.
- There was less support overall (32%) for the sharing of information to aid one specific business with not-for-profits showing the most support on 39%, followed by a third of SME's.

Figure 7: Level of support for Inland Revenue business data sharing in the following situations - sub-group differences



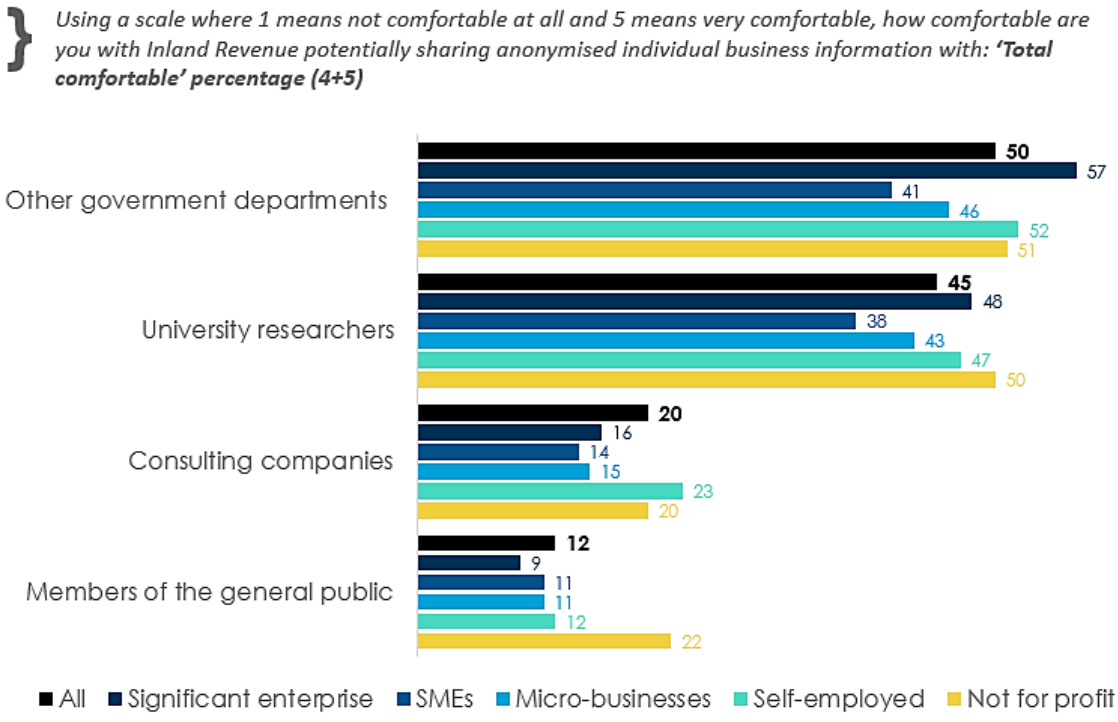
Base: All respondents, n=100 for all business types except 'significant enterprises' where n=80

Level of comfort with information sharing

Businesses are most comfortable with sharing information with other government departments and university researchers

- Half of businesses said they were comfortable with Inland Revenue sharing anonymised individual business information with other government departments.
  - 45% of businesses also said they were comfortable with Inland Revenue sharing anonymised information with university researchers.
- Businesses were much less comfortable with the idea of Inland Revenue sharing anonymised information with either consulting companies (20%) or members of the general public (12%).
- Significant enterprises were more comfortable than the other four business groups with having Inland Revenue share anonymised information with other government departments (57%).
- Not-for-profits were more comfortable than the other four business groups with Inland Revenue sharing anonymised information with university researchers (50%) and members of the general public (22%).
- Self-employed business people were more comfortable than the other four business groups with having Inland Revenue sharing anonymised information with consulting companies (23%).

Figure 8: Level of comfort with Inland Revenue sharing business data with the following organisations



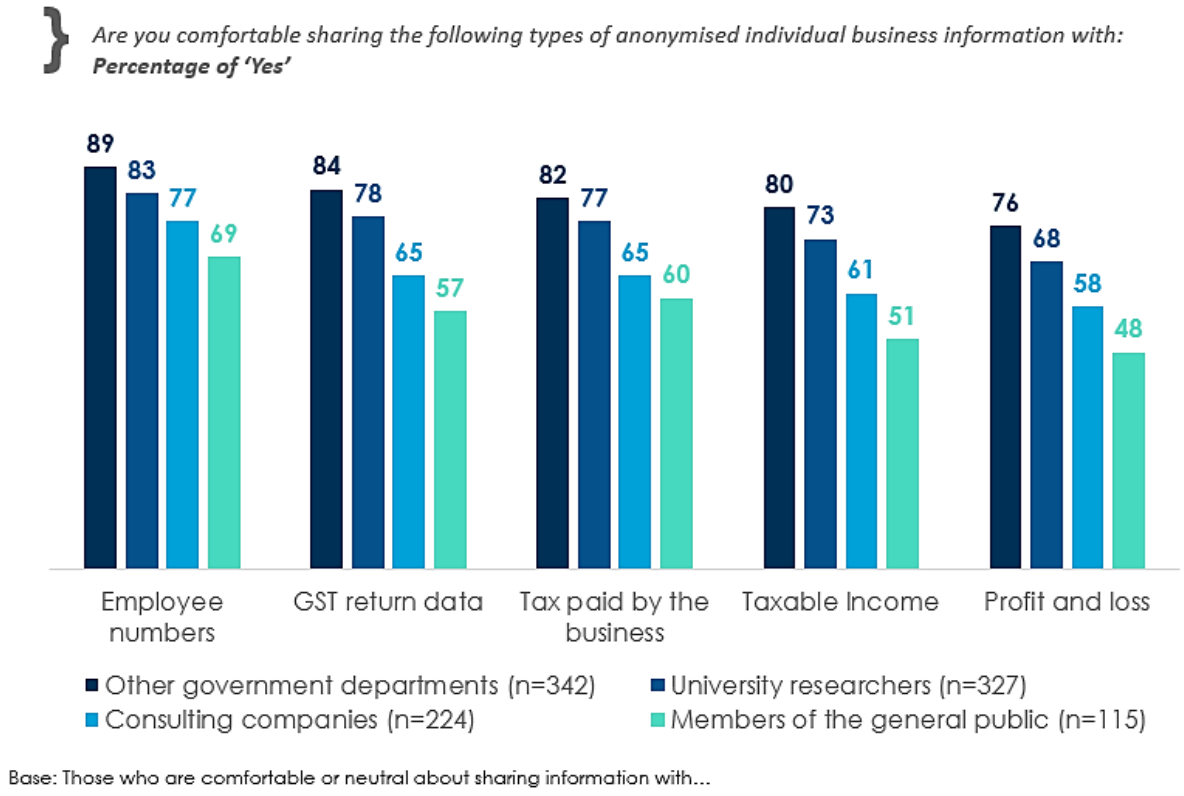
Base: All respondents, n=100 for all business types except 'significant enterprises' where n=80

Businesses are most comfortable sharing employee numbers; least comfortable sharing profit and loss information

Businesses who had already stated they were comfortable with Inland Revenue sharing anonymised individual business information were asked their level of comfort on sharing specific information types.

- The level of comfort was greatest for sharing the tested information types with other government departments.
- Generally, 'employee numbers' was the information type businesses were most comfortable with Inland Revenue anonymising and sharing, while 'profit and loss' was the type of information businesses were least comfortable with Inland Revenue anonymising and sharing.
- However, the majority of businesses (who were already comfortable with Inland Revenue sharing anonymised individual business information) were also comfortable sharing all information types tested with Government, university researchers and consulting companies and to a lesser extent the general public.

Figure 9: Level of comfort with Inland Revenue sharing the following specific information type with the following organisations[15]



Base: Those who are comfortable or neutral about sharing information with...

[15] The base also includes neutrals. Margins of error at 95% confidence are: n=342 5.3%, n=327 5.4%, n=224 6.5%, n=115 9.1%

Lower support for information sharing with non-government organisations working on private sector projects compared with government projects

When we narrow down how the non-government organisation will use the shared information we see clear differences between how comfortable businesses are sharing information and their actual support for sharing information.

- While 45% of businesses are comfortable having Inland Revenue sharing anonymised information with university researchers, only 19% before the scenario questions actually support Inland Revenue sharing information with university researchers if they are working on private sector projects.
    - If the university researcher is working on a government project support for information sharing increases to 41% before the scenario questions.
- While 20% of businesses are comfortable having Inland Revenue sharing anonymised information with consultancy companies, a larger percentage (27% before the scenario questions) would support Inland Revenue sharing information with consultancy companies if they were using it to work on government projects.
    - In contrast there is only 14% support (before the scenario questions) for sharing information with consultancy companies working on private sector projects.

Table 4: Comparison Table - Level of comfort and support for Inland Revenue business data sharing for Government vs private sector projects

Level of comfort with information sharing vs support for it

	Using a scale where 1 means not comfortable at all and 5 means very comfortable, how comfortable are you with Inland Revenue potentially sharing anonymised individual business information with:	*Using a scale of 1 to 5 where 1 means you strongly oppose, 5 means you strongly support. How much do you support Inland Revenue sharing anonymised individual business information with:*	*Using a scale of 1 to 5 where 1 means you strongly oppose, 5 means you strongly support. how much do you support Inland Revenue sharing anonymised individual business information with:* ***After scenario questions***
	All **% of 4+5 (comfortable)**	**All** **% of 4+5 (support)**	**All** **% of 4+5 (support)**
Base: n=	***480***	***480***	***480***
Other government departments	50	46	47
University researchers	45	-	-
--Working on government projects	-	41	51
--Working on private sector projects	-	19	30
Consultancy companies	20	-	-
--Working on government projects	-	27	34
--Working on private sector projects	-	14	19
Members of the general public	12	9	10

Base: All respondents

Information sharing in different scenarios

The survey was intentionally split into two sub-groups (waves) and each wave was presented with two different scenarios. The four scenarios are outlined below, wave one (n=216) was presented with scenarios one and two, while wave two (n=264) was presented with scenarios three and four.

Scenario one: Small business information shared with university researchers

In the first scenario respondents were presented with a situation where anonymised business and financial information on **small businesses** could be used by **university researchers**. The information would be shared with the industry sector to support and grow the sector locally and possibly internationally.

Scenario two: Large corporate information shared with business and economic consulting group

In the second scenario respondents were presented with a situation where individual business information could be shared with the private sector such as **business and economic consulting companies**. In this scenario business information from a number of **large corporations** in their sector could be used to identify the key drivers of profitability and efficiency, for example, looking at the impact of capital and the use of labour. This could be shared with those businesses not doing so well to help them increase profitability and efficiency.

Scenario three: Small business information shared with government departments

In the third scenario respondents were presented with a situation where business and financial information could be used by other **government departments**. In this scenario business information on **small businesses**, employing five or less employees, is used to identify the potential for growth locally and internationally.

Scenario four: Large business information shared with general public

In the fourth scenario respondents were presented with a situation where anonymised business and financial information on **large businesses** could be shared with **members of the general public**. In this scenario business information from a number of large corporations in their sector could be used to identify the key drivers of profitability and efficiency, for example, looking at the impact of capital and the use of labour. This could be shared with those businesses not doing so well to help them increase profitability and efficiency.

Types of information businesses are comfortable with Inland Revenue sharing

Broad geographic location and employee numbers are the types of information businesses are most comfortable with sharing across all four scenarios

- The sharing of broad geographic location information rated highly for all four scenarios (85%, 75%, 84%, and 70% for scenarios one through four respectively).
- This was followed by employee numbers with a significant majority stating they were comfortable with sharing it for all four scenarios (82%, 75%, 80%, and 67%, for scenarios one through four respectively).
- Respondents were least comfortable with sharing profit and loss information
    - Rating lowest of all the information types for scenarios one and two, and the second lowest for scenarios three and four.
- However, the majority stated 'Yes' to sharing all information types tested with university researchers, consulting companies and other government departments. We note that there were lower majorities for the sharing of financial information and more specifically sharing with consulting companies.
- Respondents were least comfortable with sharing large business information with the general public. (scenario four)
    - On average respondents who said 'yes' to being comfortable with sharing each type of information in scenario four was 14% lower than the next lowest response from the other three scenarios (which in every case was scenario two).
    - The difference was lowest for broad geographic information (5% lower), and highest for GST return data (23% lower).
- They were more comfortable sharing information with university researchers and other government departments.
    - Scenarios one and three received the top two percentages of 'yes' responses for each type of information discussed.

Table 5: Comparison Table - Information type and with who[16]

COMPARISON OF SCENARIOS ONE THROUGH FOUR – (PERCENTAGE OF 'YES')

Which of the following types of information about… in your industry sector would you be comfortable with Inland Revenue sharing with …? ***Percentage of 'Yes'***

	Scenario one: *Small business information shared with university researchers?*	***Scenario two:*** *Large corporation information shared with consulting companies?*	***Scenario three:*** *Small business information shared with other government departments?*	***Scenario four:*** *Large business information shared with members of the general public?*
	All **%**	**All** **%**	**All** **%**	**All** **%**
Base: n=	***216***	***216***	***264***	***264***
Broad geographic location	85	75	84	70
Employee numbers	82	75	80	67
Taxable income	73	58	69	40
Tax paid by the business	74	59	68	44
GST return data	74	61	63	38
Profit and Loss	65	51	63	42
Level of tax debt	70	54	57	38

Base: All wave one respondents for scenario one and two all wave two respondents for scenario three and four

[16] The margin of error for a 50% figure at the 95% confidence level for a sample size of:
n=264 is ±6.0%
n=216 is ±6.7%

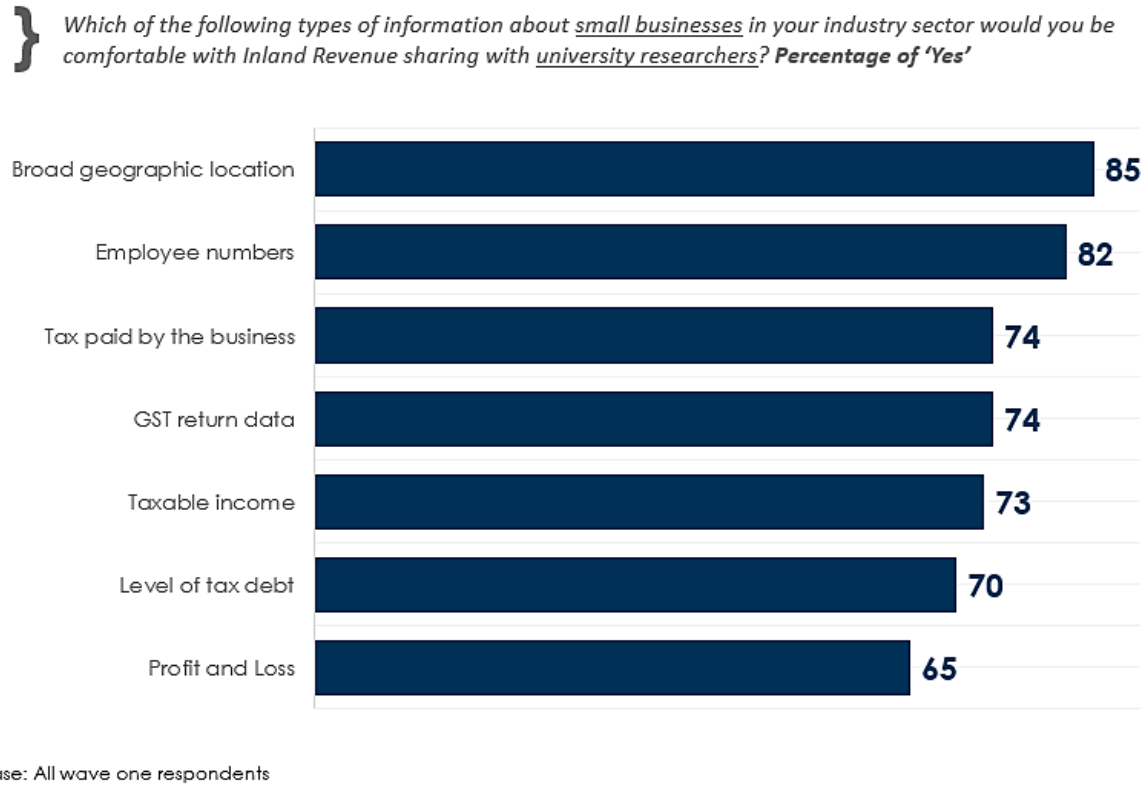
Scenario one: Small business information shared with university researchers

Businesses most comfortable with Inland Revenue sharing broad geographic information and employee numbers for small business with university researchers, solid majority comfortable with all information types being shared, they were least comfortable with profit and loss information being shared

Respondents were asked which types of information about small businesses in their industry sector they would be comfortable with Inland Revenue sharing with university researchers.

- The vast majority of respondents stated that they were comfortable with Inland Revenue sharing broad geographic location (85%) and employee numbers (82%).
- Around three-quarters of respondents indicated they were comfortable with Inland Revenue sharing the tax paid by the business (74%), GST return data (74%), taxable income (73%) and the level of tax debt (70%).
- Just below two-thirds of respondents (65%) were comfortable with Inland Revenue sharing profit and loss information about small businesses with university researchers.

Figure 10: Sharing specific information about small business with university researchers



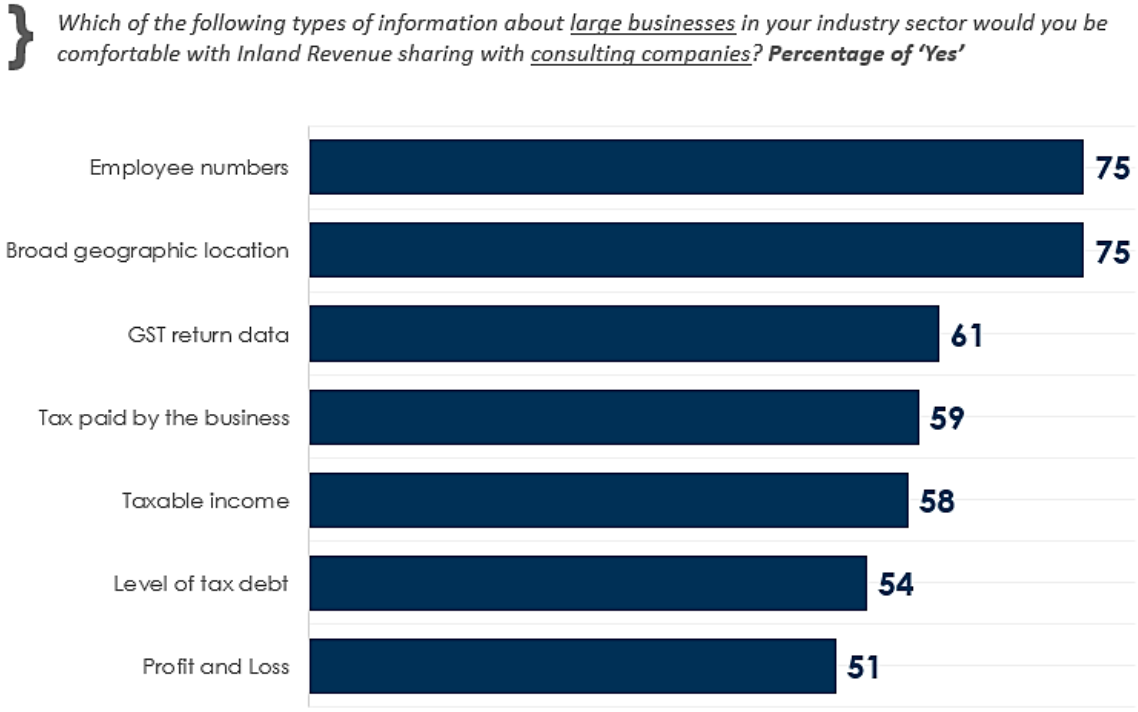
Base: All wave one respondents

Scenario two: **Large corporate information shared with business and economic consulting group**

Businesses most comfortable with Inland Revenue sharing broad geographic information[17] and employee numbers for small business with consulting companies, they were less comfortable with financial information and least comfortable with profit and loss information being shared

- Three-quarters of respondents (75%) stated they were comfortable with Inland Revenue sharing large businesses employee numbers and broad geographic location information with consulting companies.
- Around three in five respondents were comfortable with Inland Revenue sharing the following information about large businesses with consulting companies; GST return data (61%), tax paid by businesses (59%) and taxable income (58%).
- A little over half of respondents claimed to be comfortable with the following information about large businesses being shared with consulting companies; level of debt (54%) and profit and loss (51%)[18].

Figure 11: Sharing specific information about large corporates with business and consulting groups



Base: All wave one respondents

17 Broad geographic information was individually interpreted by each respondent - no definition was applied during the survey.

18 This information is available publically through shareholder information if the business is listed on the stock exchange.

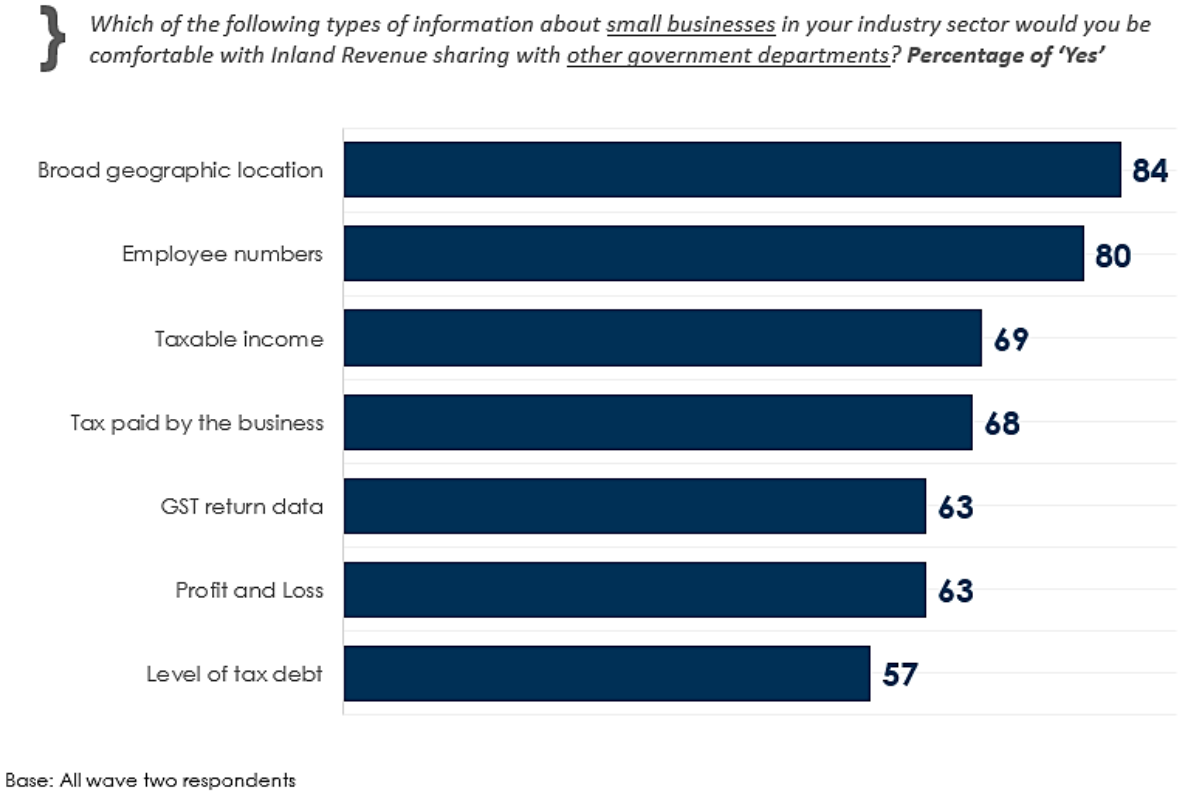
Scenario three: Small business information shared with government departments

Strong support for all tested business information about small business being shared with other government departments

Looking at small business information:

- A significant majority of respondents indicated they are comfortable with Inland Revenue sharing the broad geographic location (84%) and the employee number (80%) with other government departments.
- Over two-thirds of respondents stated they were comfortable with sharing taxable income (69%) and tax paid by the business (68%) with other government departments.
- Just under two-thirds of respondents claimed they were comfortable with sharing the GST return data (63%) and profit and loss (63%) with other government departments.
- While rating lowest, a majority (57%) indicated they were comfortable with the level of tax debt information on small businesses being shared with other government departments.

Figure 12: Sharing specific information about small business with other government departments



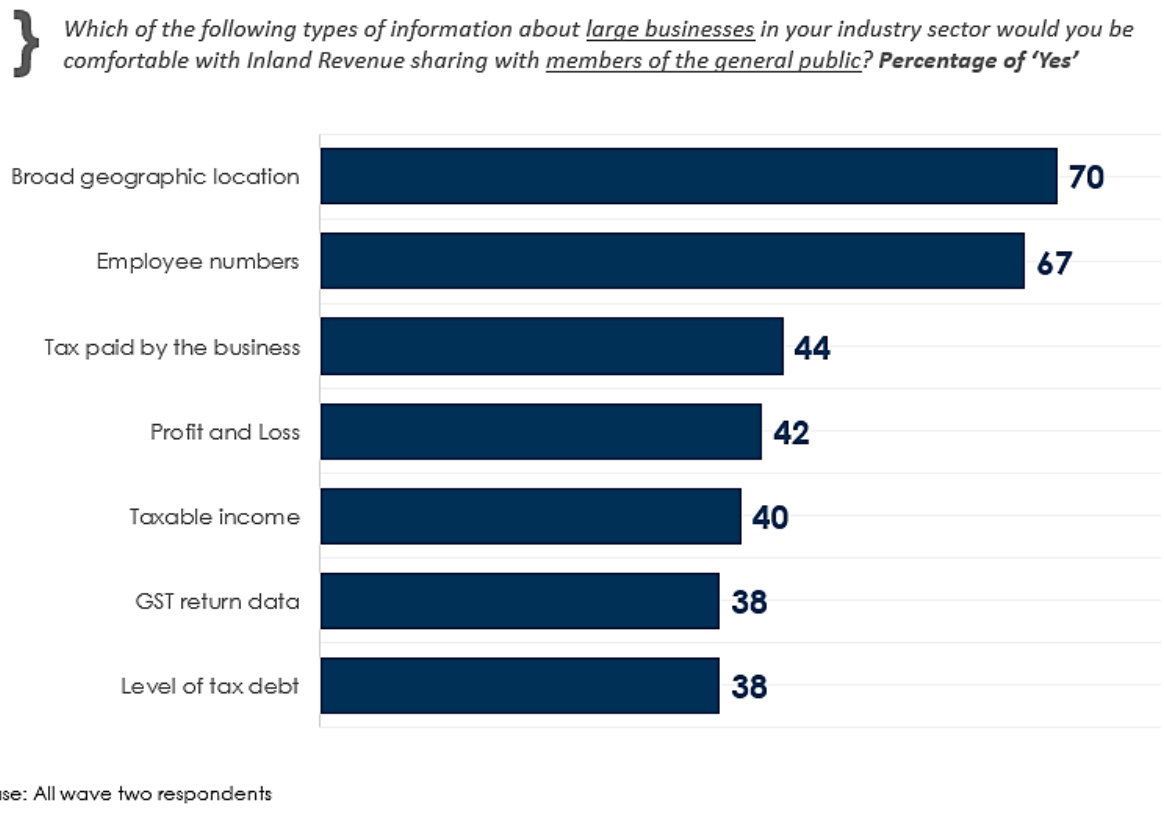
Scenario four: Large business information shared with the general public

Businesses are most comfortable with Inland Revenue sharing broad geographic information and employee numbers of large business with members of the general public. They are not comfortable sharing financial information about large businesses with the general public

Looking at large business information:

- Over two-thirds of respondents claimed to be comfortable with Inland Revenue sharing broad geographic location (70%) and employee numbers (67%) of large businesses with members of the general public.
- Less than a majority were comfortable sharing financial information about large businesses with the general public.

Figure 13: Sharing specific information about large business with the general public



Base: All wave two respondents

Benefits of information sharing

Perceived benefits include improvements to productivity, efficiency, sustainability, growth, government decision making, and the community generally

Respondents were asked what they think would be the main benefits for New Zealand businesses overall if non-government organisations like university researchers and consulting companies were allowed to access anonymised individual business information.

- The most common response was along the lines of 'improving business productivity and/or efficiency' (17%) and 'improvements to New Zealand business and communities in generally' (15%).
- Thirty percent of respondents were not sure what the benefits would be, or thought it 'depends'.
- Another 13% said that there would be no benefits from non-government organisations being given access to anonymised individual business information.

Table 6: Benefits of information sharing

PERCEIVED BENEFITS OF INFORMATION SHARING	
What do you think would be the main BENEFITS for New Zealand businesses overall if non-government organisations like university researchers and consulting companies were allowed to use this information?	
	All **%**
Base: n=	***480***
Improve business productivity and / or efficiency	16.5
Improve New Zealand business and communities generally	14.7
Improve sustainability and business growth in some sectors	9.9
Improve Government decision-making	8.1
Greater understanding of NZ businesses/ More accurate information	4.5
Provides benchmarks for industries	4.3
Innovation and development of new products and services	2.7
Ability to analyse data/ Statistical analysis	2.2
Less tax/ Fairer tax system	2.2
Help New Zealand businesses to be more competitive internationally	2.0
Use data for forecasting	1.7
Prevent tax evasion	1.1
Lower compliance costs	0.7
Greater transparency	0.7
Data could be used for educational purposes (e.g. new businesses)	0.6
Marketing/ demographic information available/ Targeting markets	0.2
Unsure/ Depends	29.2
None	13.3

Base: All respondents; multiple response

Likelihood of benefit generally higher in scenario one and scenario two, where information is shared with university researchers and other government departments

- The main benefits that had some traction were regarding better investment decisions for small/large businesses and government being better informed and able to support small/large businesses to grow.
- The least likely perceived benefits were:
  - Members of the general public were supportive of Government programmes that support large businesses to grow internationally.
  - Efficiencies identified that leads to increased profitability for small/large businesses in their industry sector.
  - New products and services being identified that entrepreneurial members of the general public can develop to support their industry sector to grow.

Table 7: Comparison Table –Potential benefits and with who

COMPARISON OF SCENARIOS ONE THROUGH FOUR – (PERCENTAGE 'LIKELY')

If Inland Revenue shared anonymised individual business information about … in your industry sector with …; how likely do you think the following BENEFITS might occur, using a scale from 1 to 5 where 1 means extremely unlikely and 5 means extremely likely. ***(Percentage 4+5)***

	Scenario one: *Small businesses information shared with university researchers?*	***Scenario two:*** *Large businesses information shared with consulting companies?*	***Scenario three:*** *Small businesses information shared with other government departments?*	***Scenario four:*** *Large businesses information shared with members of the general public?*
	All	**All**	**All**	**All**
	%	**%**	**%**	**%**
Base: n=	***216***	***216***	***264***	***264***
Improved information is made available to (small/large) businesses in your industry sector who are then able to make better investment decisions	60	43	55	-
Improved information is made available to members of the general public which encourages New Zealanders to invest in your industry sector	-	-	-	37
Government is more informed about (small/large) businesses in your industry sector and is able to provide better support to (small businesses/large business to grow internationally).	57	48	56	-
New products and services are identified that help (small/large) businesses in your industry sector to grow	51	36	45	-
New products and services are identified that entrepreneurial members of the general public can develop to support your industry sector to grow	-	-	-	35
Efficiencies identified that leads to increased profitability for (small/ large) businesses in your industry sector	43	34	39	-
Lower compliance costs for small businesses in your industry sector	-	-	36	-
Members of the general public are supportive of Government programmes that support large businesses to grow internationally	-	-	-	25

Base: All wave one respondents for scenario one and two all wave two respondents for scenario three and four

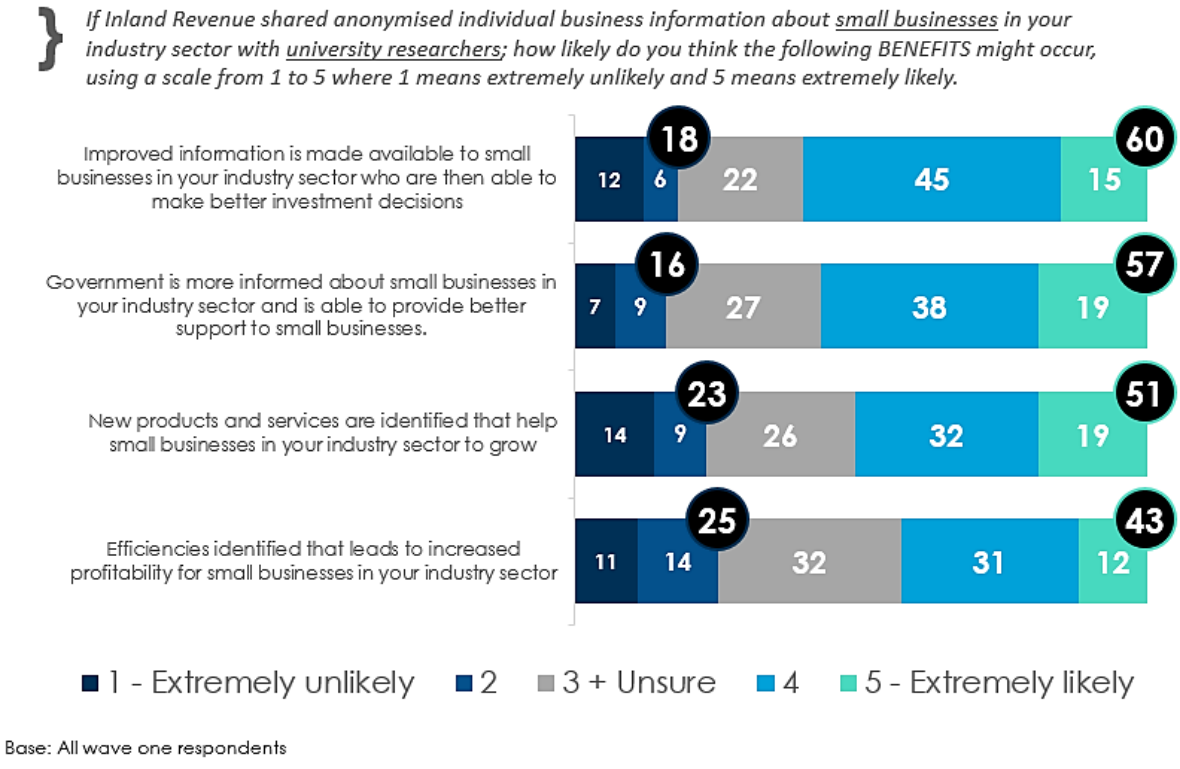
Scenario one: Small business information shared with university researchers

Businesses thought the most likely benefit would be small businesses being able to use improved information to make better business decisions, followed by improved government support to small business

Respondents were asked how likely possible benefits were to occur from Inland Revenue sharing anonymised individual business information about small businesses in their industry sector with university researchers.

- Three out of five respondents (60%) indicated that 'Improved information is made available to small businesses in your industry sector who are then able to make better investment decisions' was likely to occur.
- A slightly smaller proportion (57%) thought that 'Government is more informed about small businesses in your industry sector and is able to provide better support to small businesses' was likely to occur.
- Around half of respondents (51%) indicated that 'New products and services are identified that help small businesses in your industry sector to grow' was a likely benefit of information sharing by Inland Revenue.
- Less than a majority (43%) considered that 'Efficiencies identified that leads to increased profitability for small businesses in your industry sector' was a likely benefit of Inland Revenue sharing anonymised business information with university researchers.

Figure 14: Benefits from sharing small business with the university researchers



Base: All wave one respondents

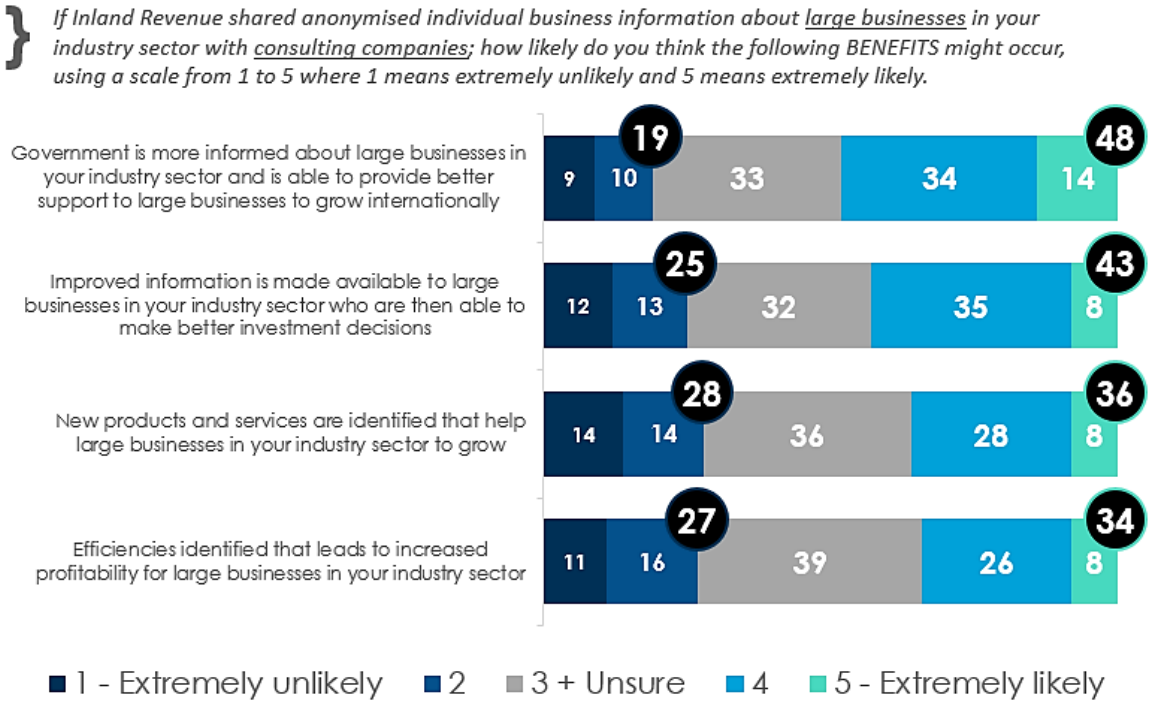
Scenario two: Large corporate information shared with Business and Economic Consulting group

Less than a majority of businesses considered the benefits tested were likely to occur. The most likely benefit would be improved government support to large business as a result of them being better informed

Respondents were asked how likely possible benefits were to occur from Inland Revenue sharing anonymised individual business information about large corporates in their industry sector with consulting companies.

- Just under half of respondents (48%) indicated that 'Government is more informed about large businesses in your industry sector and is able to provide better support to large businesses to grow internationally' was a likely benefit of Inland Revenue sharing anonymised individual business information about large businesses with consulting companies.
- Around two in five respondents (43%) claimed that 'Improved information is made available to large businesses in your industry sector who are then able to make better investment decisions' was a likely benefit of this information sharing.
- Over a third of respondents indicated that they believed the following benefits of Inland Revenue sharing business information about large businesses with consulting companies were likely; 'New products and services are identified that help large businesses in your industry sector to grow' (36%) and 'Efficiencies identified that leads to increased profitability for large businesses in your industry sector' (34%).

Figure 15: Benefits from sharing corporate business information with the consulting companies



Base: All wave one respondents

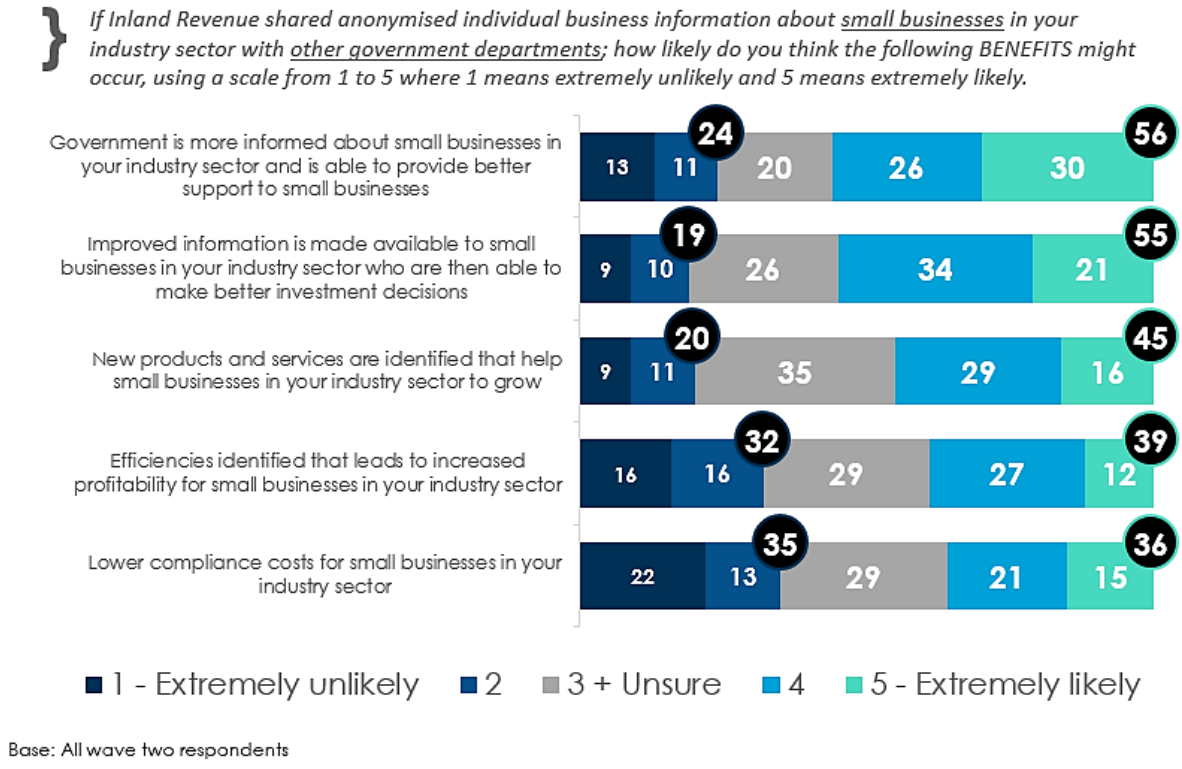
Scenario three: Small business information shared with Government departments

A small majority of businesses thought the most likely benefits would be improved government support to small business as a result of them being better informed, and small business being able to make better investment decisions because of improved information

Respondents were asked how likely possible benefits were to occur from Inland Revenue sharing anonymised individual business information about small businesses in their industry sector with other government departments.

- Over half of the respondents indicated that 'Government is more informed about small businesses in your industry sector and is able to provide better support to small businesses' (56%) and 'Improved information is made available to small businesses in your industry sector who are then able to make better investment decisions' (55%) were likely (4 + 5 - extremely likely) benefits that might occur
- Around two in five respondents indicated that 'New products and services are identified that help small businesses in your industry sector to grow' (45%) and 'Efficiencies identified that leads to increased profitability for small businesses in your industry sector' (39%) were likely benefits.
- Over a third (36%) stated that 'Lower compliance costs for small businesses in your industry sector' is a likely benefit.

Figure 16: Benefits from sharing small business information with other government departments



Base: All wave two respondents

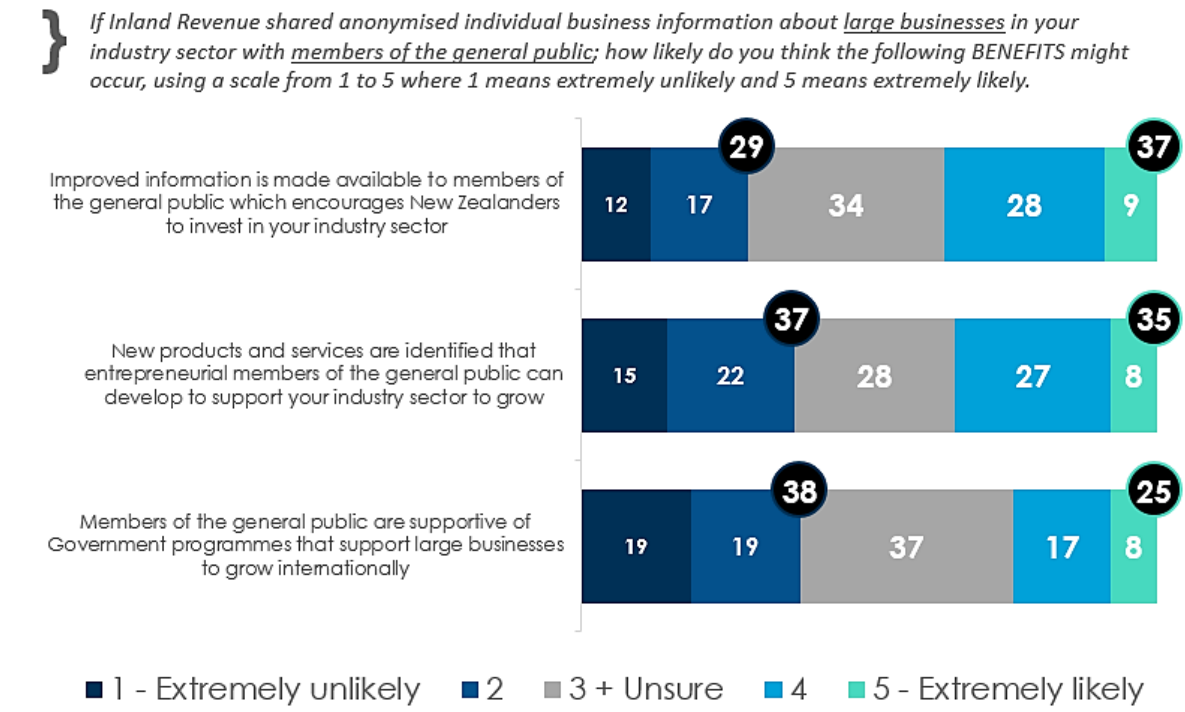
Scenario four: Large business information shared with General public

Businesses thought the most likely benefit would be encouraging New Zealanders to invest, followed by entrepreneurial members of the general public developing new products and services as a result

Respondents were asked how likely three possible benefits were to occur from Inland Revenue sharing anonymised individual business information about large businesses in their industry sector with members of the general public.

- Generally, the tested benefits rated low and were seen as less likely to occur compared to the other scenarios tested.
- Over a third of respondents indicated that the following benefits were likely to occur if Inland Revenue shared anonymised individual business information about large businesses with the general public:
  - 'Improved information is made available to members of the general public which encourages New Zealanders to invest in your industry sector' (37%)
  - 'New products and services are identified that entrepreneurial members of the general public can develop to support your industry sector to grow' (35%).
- A quarter of respondents (25%) stated 'Members of the general public are supportive of Government programmes that support large businesses to grow internationally' was a likely benefit.

Figure 17: Benefits from sharing small business information with the general public



Base: All wave two respondents

Risks of information sharing

Perceived risks all related to privacy breaches and misuse of data

Respondents were asked what they considered would be the main risks for New Zealand businesses overall if non-government organisations like university researchers and consulting companies were allowed to access anonymised individual business information.

- The main risks were in relation to possible breaches of individual business privacy (39%).
- 19% thought the main risk would be the possibility of their own business being disadvantaged i.e. their competitors might get access to their personal business information.
- 16% were worried about the potential for the data to be misused by the media, while another 14% were concerned about potential data breaches.

Table 8: Perceived risks of information sharing

PERCEIVED RISKS OF INFORMATION SHARING	
What do you think would be the main RISKS for New Zealand businesses overall if non-Government organisations like university researchers and consulting companies were allowed to use this information?	
	All **%**
Base: n=	***480***
Breach of individual business privacy	39.0
May disadvantage my business (my competitors might get access to this information	19.0
Misuse of the data by the media	16.0
Data breaches	13.9
Low confidence that Inland Revenue will keep my business information confidential	6.0
General misuse of data	4.3
Skewed data/ Biased data	3.2
Impact on quality tax information provided to Inland Revenue	0.7
Being targeted by sales people	0.5
Information being used overseas/ Not directly benefiting NZ	0.3
Corruption	0.1
Unsure/ Depends	16.0
None	11.1
Other	1.0

Base: All respondents; multiple response

Likelihood of risks are generally higher for sharing information with members of the general public; followed by sharing information with other government departments

- The main risks of sharing both small and large business information with university researchers, consulting companies, other government departments and the general public was the potential for misuse of the data.
- In addition, privacy and data breaches were a concern for sharing of small business information with other government departments and sharing large business information with the general public.
- The least likely risks were:
  - That it would lead to the withholding of information from Inland Revenue by businesses
  - That there would be more tax evasion by business.

Table 9: Comparison Table – Perceived risks of information sharing and with who

COMPARISON OF SCENARIOS ONE THROUGH FOUR – (PERCENTAGE 'LIKELY')

If Inland Revenue shared anonymised individual business information about … in your industry sector with …; how likely do you think the following RISKS might occur, using a scale from 1 to 5 where 1 means extremely unlikely and 5 means extremely likely. ***(Percentage 4+5)***

	Scenario one: *small businesses information shared with university researchers?*	***Scenario two:*** *large businesses information shared with consulting companies?*	***Scenario three:*** *small businesses information shared with other government departments?*	***Scenario four:*** *large businesses information shared with members of the general public?*
	All %	**All %**	**All %**	**All %**
Base: n=	***216***	***216***	***264***	***264***
There is potential for misuse of the data e.g. by the media	54	56	64	69
Someone could identify who is who when looking at individual business data even if anonymised	42	44	37	43
This would lead to privacy breaches and data leaks by the people and organisations Inland Revenue is sharing the information with	40	41	53	58
Some businesses may be disadvantaged if data is shared	38	35	48	54
This would lead to a loss of confidence in Inland Revenue	38	40	46	52
This would lead businesses to withhold information from Inland Revenue	37	34	46	50
This would result in more tax evasion by businesses	15	19	19	30

Base: All wave one respondents for scenario one and two all wave two respondents for scenario three and four

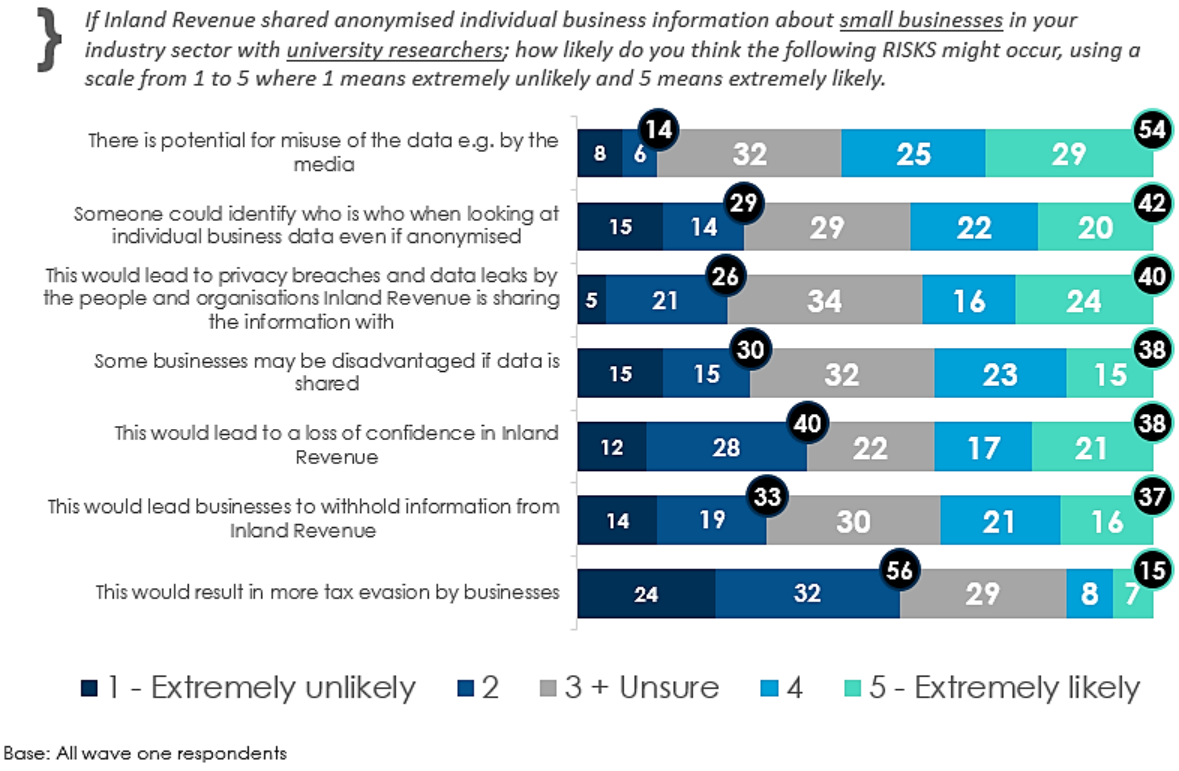
Scenario one: Small business information shared with University Researchers

Businesses thought the most likely risk would be the potential for the misuse of data

Respondents were then asked how likely certain risks were to occur if Inland Revenue shared anonymised individual business information about small businesses with university researchers.

- Over half of the respondents (54%) indicated that 'There is potential for misuse of the data was a likely risk that might occur from Inland Revenue sharing information.
- Around two in five respondents indicated that the following risks might occur if Inland Revenue shared anonymised individual business information; 'Someone could identify who is who when looking at individual business data even if anonymised' (42%) and 'This would lead to privacy breaches and data leaks by the people and organisations Inland Revenue is sharing the information with' (40%).
- Over a third of respondents claimed that the following risk might occur; 'some businesses may be disadvantaged if data is shared' (38%)
- There was some likelihood of risks to Inland Revenue with:
    - 38% stating 'This would lead to a loss of confidence in Inland Revenue'.
    - 37% stating 'This would lead businesses to withhold information from Inland Revenue'.
    - However only 15% considered 'This would result in more tax evasion by businesses'.

Figure 18: Risks from sharing small business information with university researchers



Base: All wave one respondents

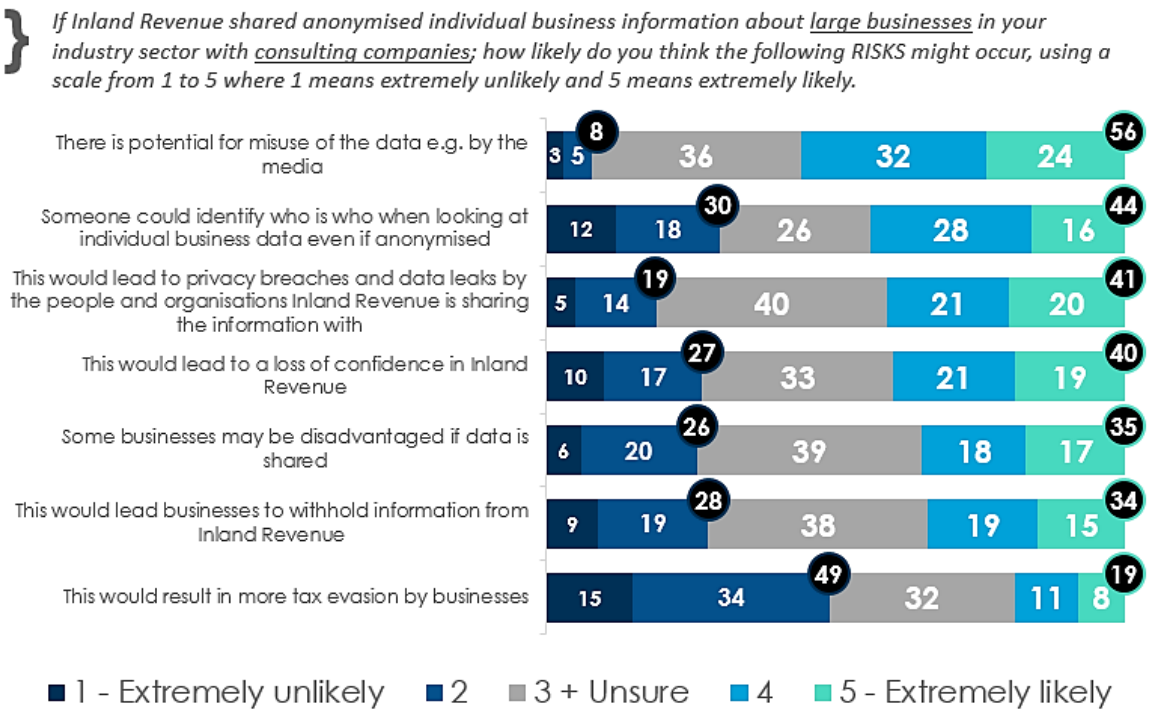
Scenario two: Large corporate information shared with Business and Economic Consulting group

Businesses thought the most likely risk would be the potential for the misuse of data

Respondents were then asked how likely certain risks were to occur if Inland Revenue shared anonymised individual business information about large businesses with consulting companies.

- Similar to scenario one, 'There is potential for misuse of the data e.g. by the media' was the top risk amongst respondents with over half of respondents (56%) indicating that it is likely (4 + 5 - extremely likely) that this risk might occur.
- Around two in five respondents indicated that the following risks were likely to occur if Inland Revenue shared anonymised individual business information with consulting companies; 'Someone could identify who is who when looking at individual business data even if anonymised' (44%), 'This would lead to privacy breaches and data leaks by the people and organisations Inland Revenue is sharing the information with' (41%).
- Just over a third indicated that 'some businesses may be disadvantaged if data is shared' (35%).
- There was some likelihood of risks to Inland Revenue with:
  - 40% stating 'This would lead to a loss of confidence in Inland Revenue'.
  - 34% stating 'This would lead businesses to withhold information from Inland Revenue'.
  - 19% considered 'This would result in more tax evasion by businesses'.

Figure 19: Risks from sharing large business information with consulting companies



Base: All wave one respondents

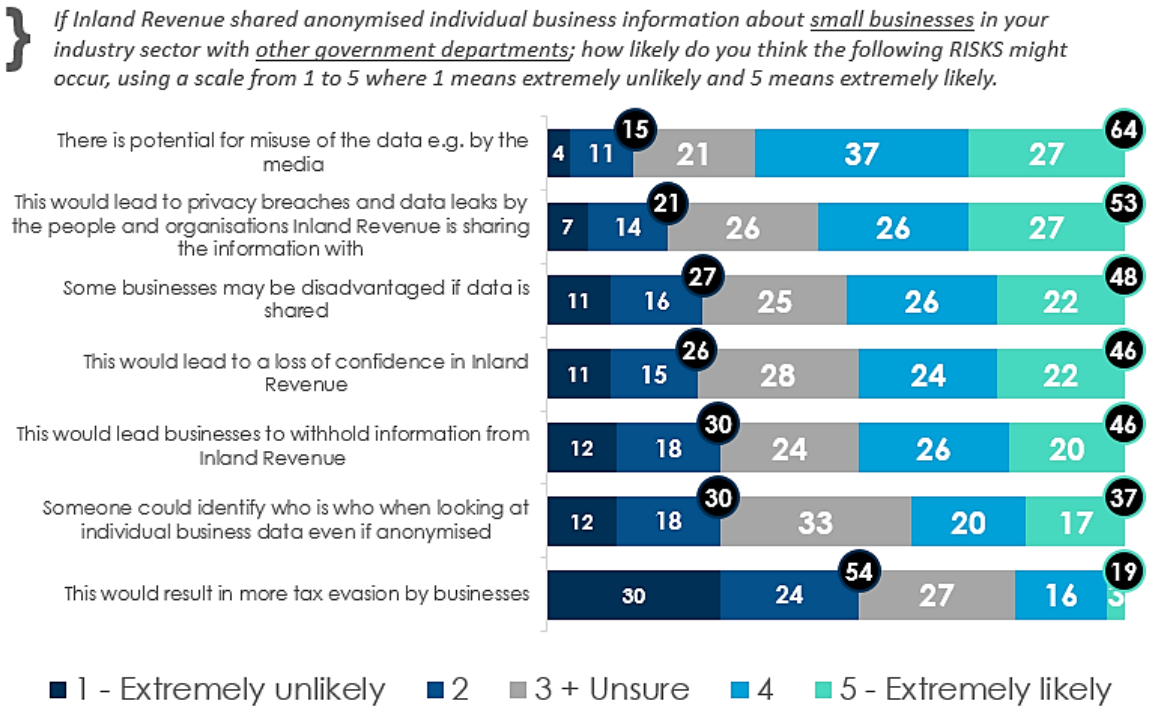
Scenario three: Small business information shared with Government departments

Businesses thought the most likely risk would be the potential for the misuse of data

Respondents were then asked how likely certain risks were to occur if Inland Revenue shared anonymised individual business information about small businesses with other government departments.

- Yet again the potential for misuse of the data was considered a likely risk by the majority of respondents.
  - Just under two-thirds of respondents (64%) thought 'There is potential for misuse of the data e.g. by the media' was a likely (4 + 5 - extremely likely) risk.
- Around half of respondents thought that 'This would lead to privacy breaches and data leaks by the people and organisations Inland Revenue is sharing the information with' (53%) and 'some businesses may be disadvantaged if data is shared' (48%) were likely risks.
- Over a third of respondents (37%) claimed that 'someone could identify who is who when looking at individual business data even if anonymised' is a likely risk.
- There was some likelihood of risks to Inland Revenue with:
  - 46% stating 'This would lead to a loss of confidence in Inland Revenue'.
  - 46% stating 'This would lead businesses to withhold information from Inland Revenue'.
  - 19% considered 'This would result in more tax evasion by businesses'.

Figure 20: Risks from sharing small business information with other government departments



Base: All wave two respondents

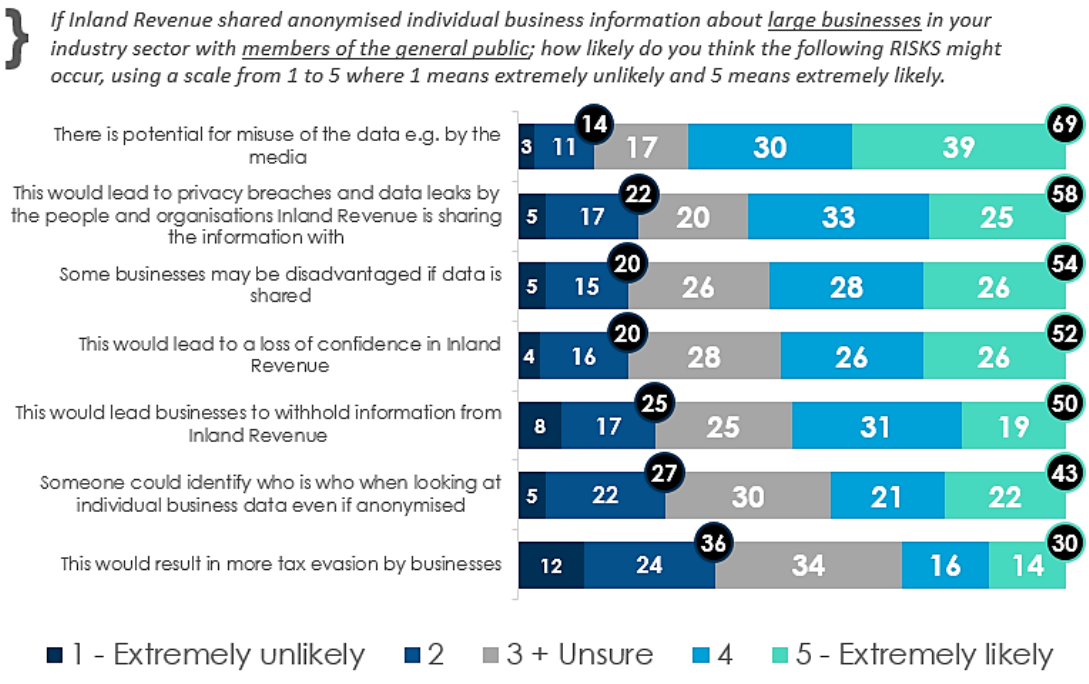
Scenario four: Large business information shared with General public

Potential misuse of data and data breaches and were the most likely risks

Respondents were then asked how likely certain risks were to occur if Inland Revenue shared anonymised individual business information about large businesses with members of the general public.

- As shown in the other scenarios, the potential for misuse of the data was considered a likely risk by the majority of respondents. 69% of respondents indicated that 'There is potential for misuse of the data e.g. by the media' was a likely risk.
- Around three in five respondents (58%) claimed that 'This would lead to privacy breaches and data leaks by the people and organisations Inland Revenue is sharing' was a likely risk.
- Around half of respondents indicated that the following risks were likely if Inland Revenue shared business information about large businesses with members of the general public; 'Some businesses may be disadvantaged if data is shared' (54%), 'This would lead to a loss of confidence in Inland Revenue' (52%) and 'This would lead businesses to withhold information from Inland Revenue' (50%).
- There was a strong likelihood of risks to Inland Revenue with:
    - 52% stating 'This would lead to a loss of confidence in Inland Revenue'.
    - 50% stating 'This would lead businesses to withhold information from Inland Revenue'.
    - 30% considered 'This would result in more tax evasion by businesses'.
- Two in five respondents (43%) stated that if Inland Revenue shared information about large businesses with members of the general public 'someone could identify who is who when looking at individual business data even if anonymised' was a likely risk.

Figure 21: Risks from sharing large business information with general public



Base: All wave two respondents

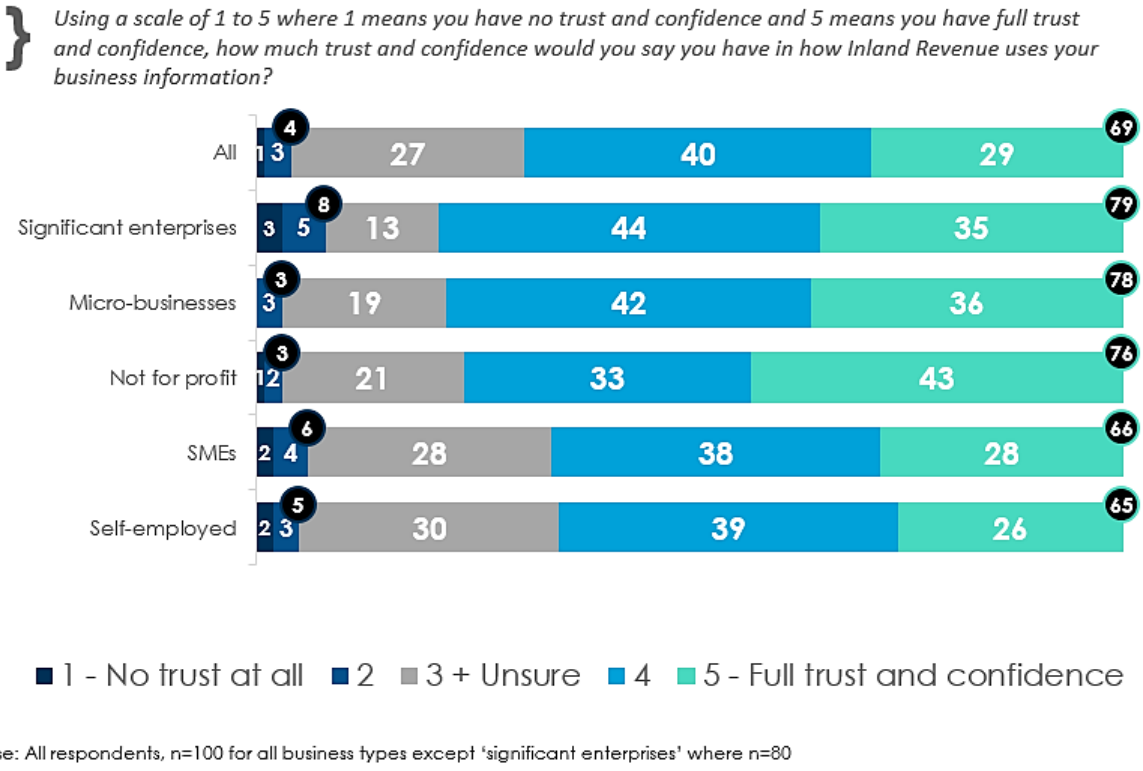
View of Inland Revenue Non-Government Organisations and Business Information

More than two-thirds have trust and confidence in the Inland Revenue

Overall there is a high level of trust and confidence in how the Inland Revenue uses business information.

- 69% of the businesses said they have trust and confidence in how the Inland Revenue uses their business information.
- The level of trust and confidence varied by business type, the most trusting was significant enterprises (79%).
- The least trusting were self-employed business people (65%) and SMEs (66%).

Figure 22: Trust and confidence in how Inland Revenue uses business information

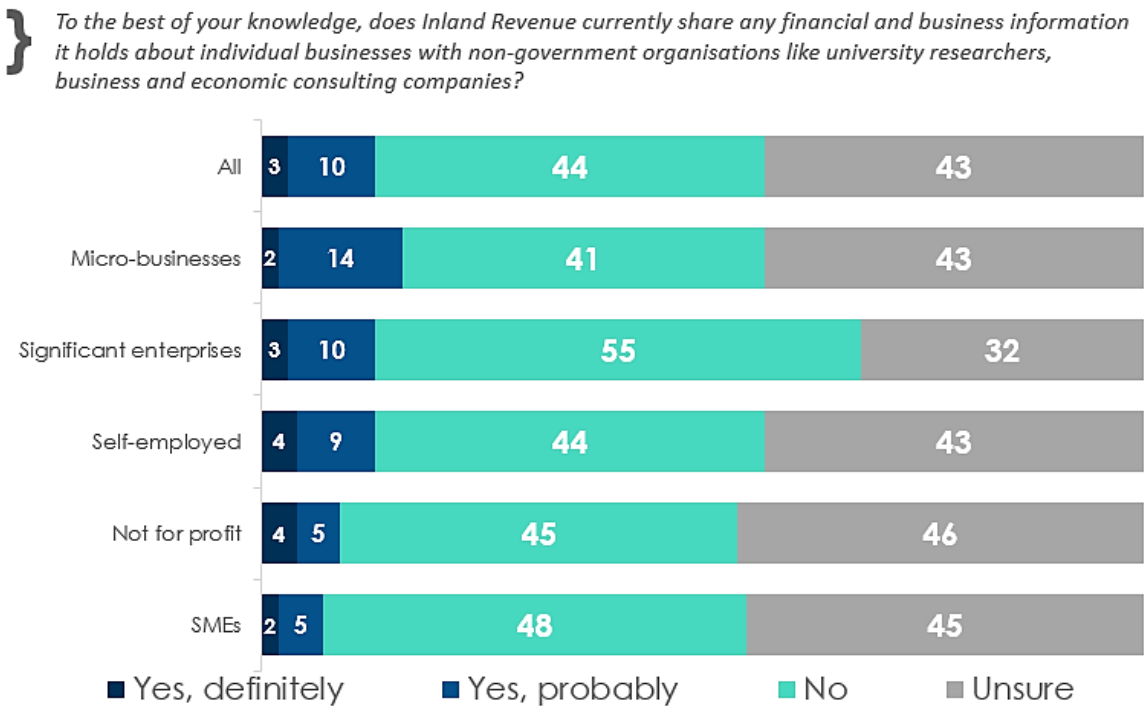


Base: All respondents, n=100 for all business types except 'significant enterprises' where n=80

Business believes Inland Revenue does not share information with non-government organisations

- Nearly half (44%) of businesses were confident that Inland Revenue does not currently share any financial or business information it holds with non-government organisations like university researchers, or business and economic consulting companies.
- A very small percentage (3%) were sure that Inland Revenue does currently share financial and business information, while 10% thought they 'probably' do share financial and business information they hold about individual businesses.
- There were no significant differences among the key business audiences.

Figure 23: Awareness of Inland Revenue sharing of financial and business information with non-government organisations



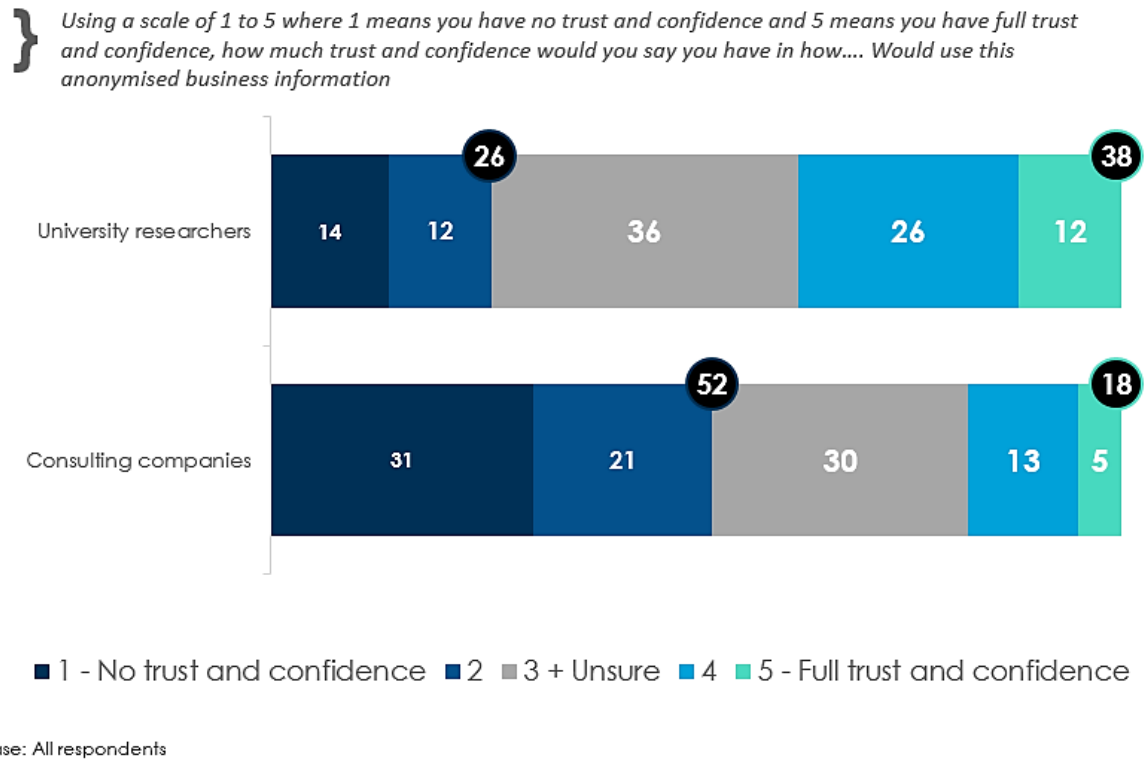
Base: All respondents, n=100 for all business types except 'significant enterprises' where n=80

Higher level of trust and confidence in university researchers than with consulting companies

Businesses placed a lot more trust and confidence in in how university researchers would use the anonymised business information provided by Inland Revenue.

- 38% of businesses had full trust and confidence in how university researchers would use anonymised information.
- Only 18% of businesses had trust and confidence in how consulting companies would use anonymised business information. Conversely a majority had no trust and confidence in how consulting companies would use anonymised data and 30% were neutral.

Figure 24: Trust and confidence in how university researchers and consulting companies would use anonymised business data

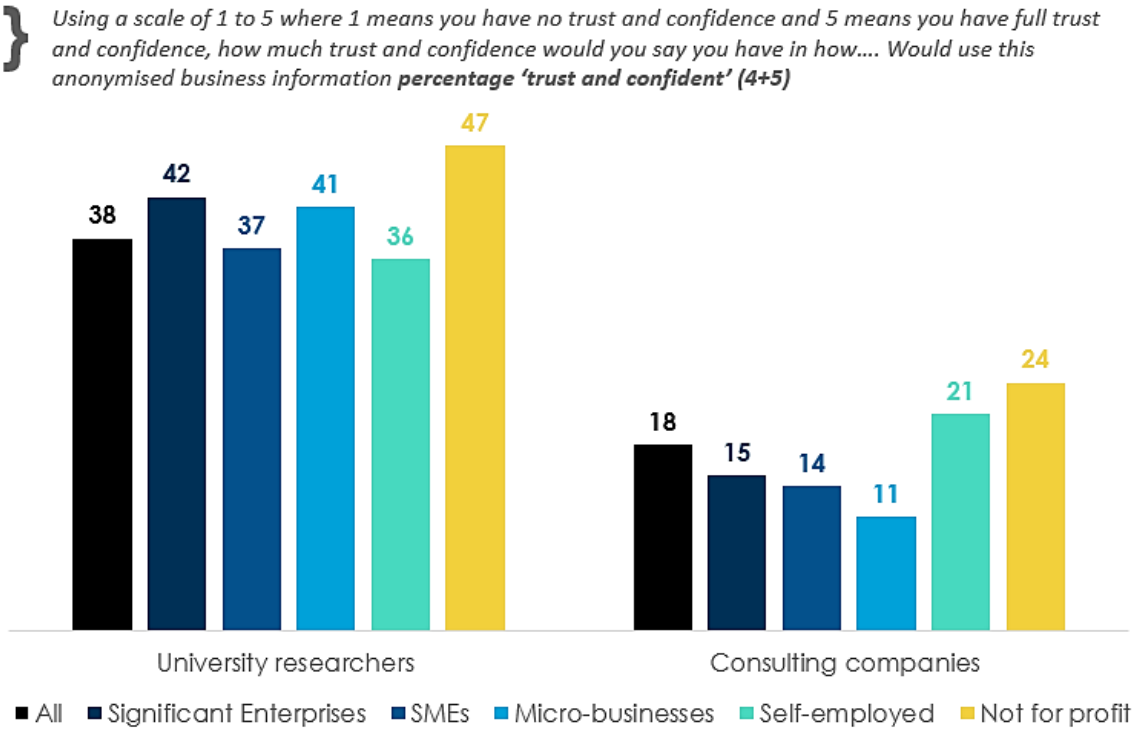


Base: All respondents

Sub-group differences

- There were no significant differences between the subgroups and their levels of trust and confidence in how university researchers and consulting companies would use anonymised business information provided to them by Inland Revenue.
- However, not-for-profit businesses gave a higher level of trust and confidence than the other five business sub-groups for both university researchers and consulting companies.
    - 47% of not-for-profits said they had trust and confidence in how university researchers would use anonymised individual information.
    - 24% of not-for-profits said the same about consulting companies.

Figure 25: Trust and confidence in how university researchers and consulting companies would use anonymised business data – sub-sample differences

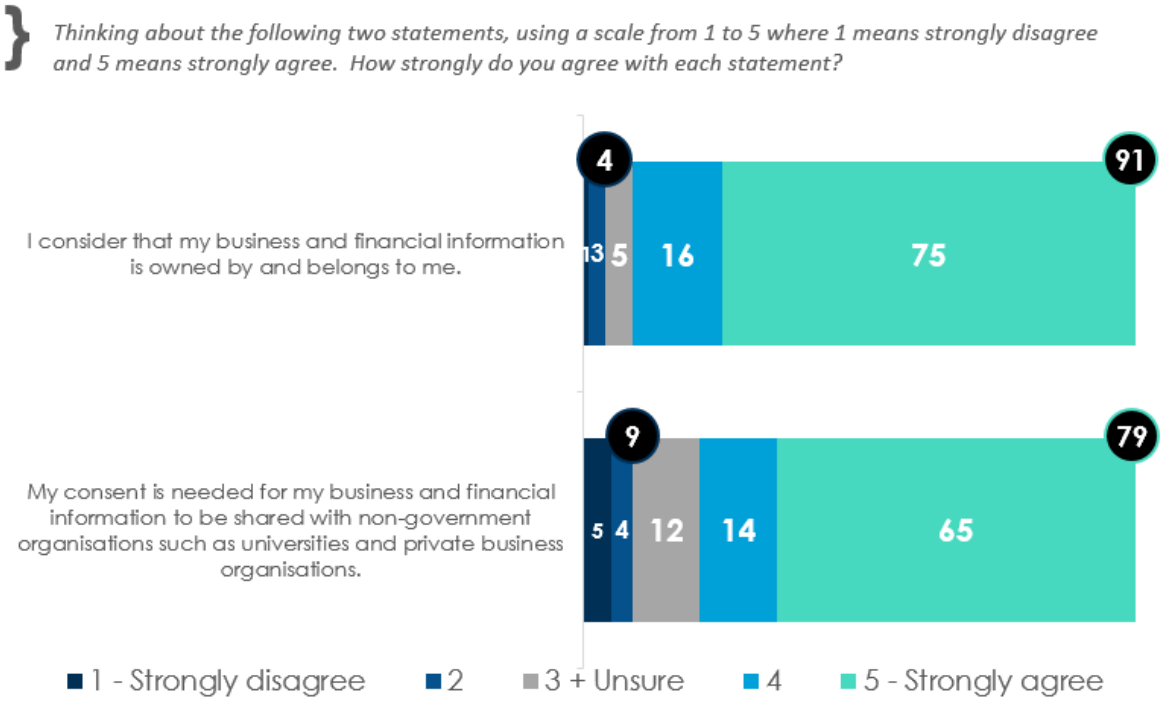


Base: All respondents, n=100 for all business types except 'significant enterprises' where n=80

Businesses consider they own their data and consent is required to share it with non-government organisations

- The vast majority of respondents (91%) agreed that they considered their business and financial information is owned by and belongs to them.
  - Moreover 75% strongly agreed with this statement.
- Four out of five respondents (79%) agreed that their consent is needed for their business and financial information to be shared with non-government organisations such as universities and private business organisations. Only 9% disagreed and 12% were neutral or unsure.

Figure 26: Trust and confidence in how university researchers and consulting companies would use anonymised business data

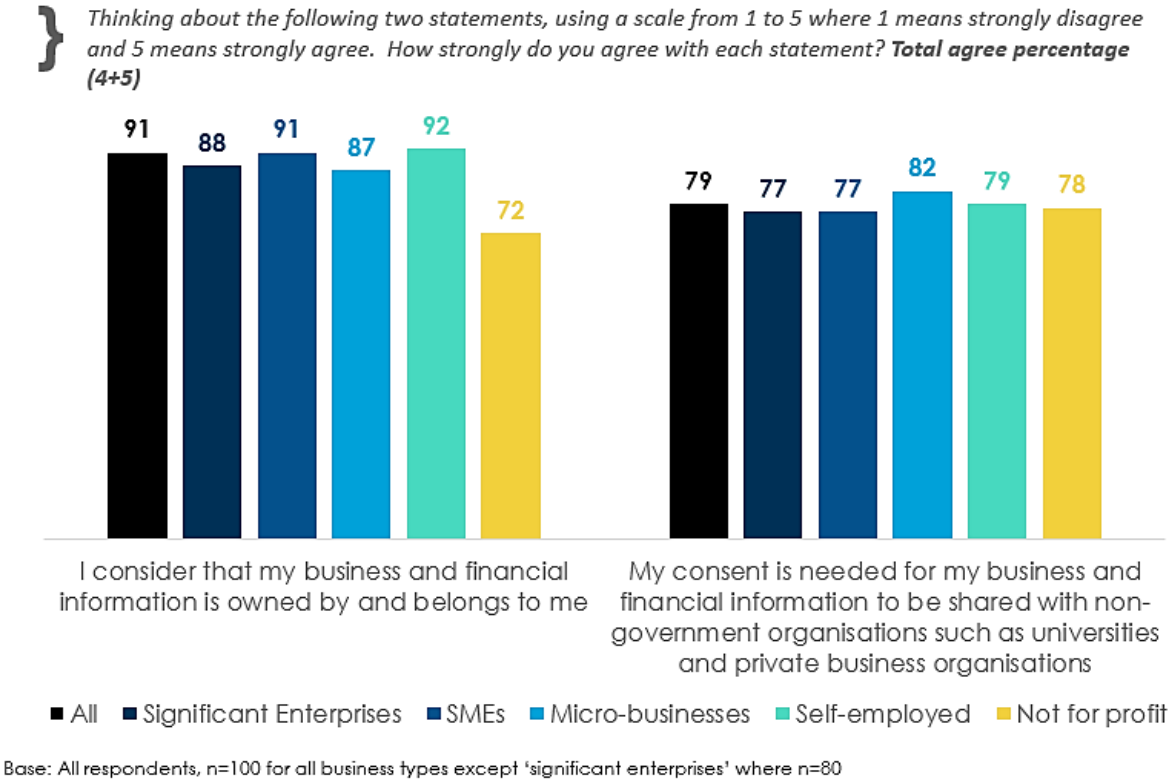


Base: All respondents

Sub-group difference

- Significantly less not-for-profits agree with the statement 'I consider that my business and financial information is owned by and belongs to me'.
    - Only 72% of not-for-profits agreed with that statement compared to 91% of all business.
- There were no real differences in the levels of agreement between the sub-groups for the statement 'My consent is needed for my business and financial information to be shared with non-government organisations such as universities and private business organisations'.
    - Agreement with that statement was between 77% and 82% for all the subgroups.

Figure 27: Trust and confidence in how university researchers and consulting companies would use anonymised business data



Base: All respondents, n=100 for all business types except 'significant enterprises' where n=80

Appendix A

TOTAL SAMPLE BY WAVES*			
	Total sampled	**Wave one**	**Wave two**
	n=	**n=**	**n=**
Significant Enterprises	80	39	41
SMEs	100	52	48
Microbusinesses	100	45	55
Self-employed	100	44	56
Not-for-profit	100	59	41
TOTAL	**480**	**239**	**241**

*Waves were included in the survey to shorten the overall length

Appendix B

Understanding Attitudes to Business Data Secrecy – March 2016

INTRO
[You have called: %KEY% in market: %MARKET%] Good morning / afternoon. My name is %INAME% from UMR Research, an independent market research company. I am calling on behalf of Inland Revenue. Recently Inland Revenue sent your business a letter about research we are conducting on their behalf. Can I please speak to the [NAME] / the owner or manager of this organisation? Currently there is very limited sharing of business information but there is interest to make more of this available. This survey is being done to gather the opinions of owners and managers about the sharing and other new uses of information collected. Your details and answers will remain completely confidential. We report summary results about groups; we do not identify which individuals have said what. This survey takes about 15 minutes. Is now a good time or can we make an appointment for another time. REINTRODUCE AS NECESSARY Good morning / afternoon. My name is %INAME% from UMR Research, an independent market research company. I am calling on behalf of Inland Revenue. Recently Inland Revenue sent your business a letter about some research we are conducting on their behalf. This survey is being done to gather the opinions of owners and managers about the possible sharing of information collected for tax or other purposes and how Inland Revenue manages data privacy for businesses' information. Would you be interested in taking part? This survey takes about 15 minutes.
Back ground information only if needed: - This is genuine market research. I am not selling anything. - The survey does not involve asking questions of a confidential, financial nature about your business - Sharing more business information is being considered in response to requests from government, businesses and academics. And to bring NZ into line with what is available internationally. The findings from this research will provide input and guidance to IR.
Check quotas 1. Self-employed n=100 2. Micro businesses n=100 3. SMEs n=100 4. Significant Enterprises n=100 5. Not-for-Profits n=100

A	**Qualifying questions**
Q1.	Can I begin by confirming that you are the owner or manager of the business? 1) Yes, owner — Go to Q3 2) Yes, manager — Go to Q3 3) No — Go to Q2
Q2.	Thank you very much for your time, but I need to talk to the owner or manager of your business. Can I please speak to that person? 1) Yes — Reintroduce and start at Q1 2) No, not available 3) Make appointment 4) Refused — Terminate
Termination Statement: Thank you very much for your time.	

B	**Trust and Confidence in how IR handles information**
Q3.	Using a scale of 1-5 where 1 means you have no trust and confidence and 5 means you have full trust and confidence, how much trust and confidence would you say you have in how Inland Revenue uses your business information?

C.	**Current awareness of information sharing**
Q4.	To the best of your knowledge, does Inland Revenue currently share any financial and business information it holds about individual businesses <u>with non-government organisations like university researchers, business and economic consulting companies</u>? 1) Yes, definitely 2) Yes, probably 3) No 4) Don't know 5) Refused

Now, thinking about Inland Revenue sharing different types of individual business information with different organisations and people.

[RANDOMISE Q5A,Q5B,Q5C,Q5D]

Q5A How comfortable are you with Inland Revenue sharing the following information types with [Other government departments]?

[MULTI-RESPONSE]
[RANDOMISE 1-4]

1) Taxable Income
2) Tax paid by the business
3) GST return data
4) Profit and loss
5) Employee numbers
6) None of the above
7) [DO NOT READ] Unsure

Q5B How comfortable are you with Inland Revenue sharing the following information types with [University Researchers]?

[MULTI-RESPONSE]
[RANDOMISE 1-4]

1) Taxable income
2) Tax paid by the business
3) GST return data
4) Profit and loss
5) Employee numbers
6) None of the above
7) [DO NOT READ] Unsure

Q5C How comfortable are you with Inland Revenue sharing the following information types with [consulting companies]?

[MULTI-RESPONSE]
[RANDOMISE 1-4]

1) Taxable income
2) Tax paid by the business
3) GST return data
4) Profit and loss
5) Employee numbers
6) None of the above
7) [DO NOT READ] Unsure

Q5D How comfortable are you with Inland Revenue sharing the following information types with [members of the general public]?

[MULTI-RESPONSE]
[RANDOMISE 1-4]

1) Taxable income
2) Tax paid by the business
3) GST return data
4) Profit and loss
5) Employee numbers
6) None of the above
7) [DO NOT READ] Unsure

D Trust and Confidence in how non-government organisations handles information

Q6. Using a scale of 1-5 where 1 means you have no trust and confidence and 5 means you have full trust and confidence, how much trust and confidence would you say you have in how …

1) University researchers would use this anonymised individual business information
2) Consulting companies would use this anonymised individual business information

INTERVIEWER NOTE IF ASKED WHAT ARE CONSULTING COMPANIES; CONSULTING COMPANIES ARE PRIVATE CONSULTING COMPANIES LIKE DELOITTES, KPMG, PRICEWATERHOUSE COOPERS, NZIER, MOTU

E Initial Reactions to Information Sharing [Unprompted]

Q7. In principle, using a scale of 1-5 where 1 means you strongly oppose, 5 means you strongly support, how much do you support Inland Revenue sharing anonymised individual business information with…

(REPEAT FOR EACH)
(RANDOMISE ORDER)
Repeat Support scale if necessary.

1) Other Government departments
2) University researchers working on Government projects
3) University researchers working on projects for private companies
4) Consulting companies working on projects for the Government
5) Consulting companies working on projects for private companies
6) Members of the general public

Q8A. What do you think would be the main benefits for New Zealand businesses **overall** if other government departments were allowed to use this information?

UNPROMPTED PRECODES DO NOT READ

- o Lower compliance costs
- o Improve business productivity and/or efficiency
- o Improve sustainability and business growth in some sectors
- o Improve Government decision-making
- o Help New Zealand businesses to be more competitive internationally
- o Improve New Zealand business and communities generally
- o Innovation and development of new products and services
- o Don't know
- o Probe - Anything else?

Q8B. What do you think would be the main benefits for New Zealand businesses **overall** if university researchers were allowed to use this information?

UNPROMPTED PRECODES DO NOT READ

- o Improve business productivity and/or efficiency
- o Improve sustainability and business growth in some sectors
- o Improve Government decision-making
- o Help New Zealand businesses to be more competitive internationally
- o Improve New Zealand business and communities generally
- o Innovation and development of new products and services
- o Don't know
- o Probe - Anything else?

Q8C. What do you think would be the main benefits for New Zealand businesses **overall** if consulting companies were allowed to use this information?

PRECODES DO NOT READ

- o Improve business productivity and/or efficiency
- o Improve sustainability and business growth in some sectors
- o Improve Government decision-making
- o Help New Zealand businesses to be more competitive internationally
- o Improve New Zealand business and communities generally
- o Innovations and development of new products and services
- o Probe - Anything else?

Q8D. What do you think would be the main benefits for New Zealand businesses **overall** if members of the general public were allowed to use this information?

PRECODES DO NOT READ

- o Improve business productivity and/or efficiency
- o Improve sustainability and business growth in some sectors
- o Improve Government decision-making
- o Help New Zealand businesses to be more competitive internationally
- o Improve New Zealand business and communities generally
- o Innovation and development of new products and services
- o Probe - Anything else?

Q9A. What do you think would be the main risks for New Zealand businesses **overall** if Government departments were allowed to use this information?

PRECODES DO NOT READ

- o Breach of individual business privacy
- o May disadvantage my business (my competitors might get access to this information)
- o Low confidence that Inland Revenue will keep my business information confidential
- o Misuse of the data by the media
- o Data breaches
- o Impact on quality tax information provided to Inland Revenue
- o Probe - Anything else?

Q9B. What do you think would be the main risks for New Zealand businesses **overall** if university researchers were allowed to use this information?

PRECODES DO NOT READ

- o Breach of individual business privacy
- o May disadvantage my business (my competitors might get access to this information)
- o Low confidence that Inland Revenue will keep my business information confidential
- o Misuse of the data by the media
- o Data breaches
- o Impact on quality tax information provided to Inland Revenue
- o Probe - Anything else?

Q9C. What do you think would be the main risks for New Zealand businesses **overall** if consulting companies were allowed to use this information?

PRECODES DO NOT READ

- Breach of individual business privacy
- May disadvantage my business (my competitors might get access to this information)
- Low confidence that Inland Revenue will keep my business information confidential
- Misuse of the data by the media
- Data breaches
- Impact on quality tax information provided to Inland Revenue
- Probe - Anything else?

Q9D. What do you think would be the main risks for New Zealand businesses overall if members of the general public were allowed to use this information?

PRECODES DO NOT READ

- Breach of individual business privacy
- May disadvantage my business (my competitors might get access to this information)
- Low confidence that Inland Revenue will keep my business information confidential
- Misuse of the data by the media
- Data breaches
- Impact on quality tax information provided to Inland Revenue
- Probe - Anything else?

E. Attitudes and behaviours towards Information Sharing

WAVE ONE will be asked scenarios One and Two Q10, 11, 12, 13

I am now going to tell you a situation where business and financial information could be used by university researchers. Remember, the information would be anonymised and no business could be individually identified.

Business information on small businesses (up to 0-5 employees) working in the building sector is used to identify the potential for growing locally and internationally. This could be shared with the building sector and support given to help grow the sector.

In the following questions please keep this situation in mind when thinking how individual business information could be used.

Q10. Which of the following types of information about small businesses in the building sector would you be comfortable Inland Revenue sharing with **university researchers**? Yes/ No/ Depends DO NOT READ

1) Taxable income
2) Tax paid by the business
3) Level of tax debt
4) Employee numbers
5) **GST return data**
6) **Broad geographic location**
7) **Profit and Loss**
8) Other type of any information [Please specify]
9) None of the above [Do not read]
10) Refused [Do not read]

Q11A If Inland Revenue shared anonymised individual business information about small businesses in the building sector with **university researchers**; how likely do you think the following benefits might occur, using a scale from 1-5 where 1 means extremely unlikely and 5 means extremely likely.

[RANDOMISE]
REPEAT SCALE IF NECESSARY

1) Efficiencies identified that leads to increased profitability for small businesses in the building sector
2) Improved information is made available to small businesses in the building sector who are then able to make better investment decisions
3) New products and services are identified that help small businesses in the building sector to grow
4) Government is more informed about small businesses in the building sector and is able to provide better support to small businesses.

Q11B If Inland Revenue shared anonymised individual business information about small businesses in the building sector with **university researchers**; how likely do you think the following risks might occur, using a scale from 1-5 where 1 means extremely unlikely and 5 means extremely likely

[RANDOMISE]
REPEAT SCALE IF NECESSARY

1) Someone could identify who is who when looking at individual business data even if anonymised
2) Some businesses may be disadvantaged if data is shared
3) There is potential for misuse of the data e.g. by the media
4) This would lead businesses to withhold information from IR
5) This would result in more tax evasion by businesses
6) This would lead to privacy breaches and data leaks by the people and organisations IR is sharing the information with
7) This would lead to a loss of confidence in IR

Now we are going to think about situations where individual business information could be shared with the private sector such as business and economic **consulting companies**.

Business information from a number of large corporations in the building sector could be used to identify the key drivers of profit and efficiency. They will look at things like the impact of capital, and the use of labour. This could be shared with those businesses not doing so well to help them increase profit and efficiency.

In the following questions please keep this situation in mind when thinking how individual business information could be used.

Q12. Which of the following types of information about large businesses in the building sector would you be comfortable Inland Revenue sharing with **consulting companies** ? Yes/ No/ Depends (DO NOT READ)

1) Taxable income
2) Tax paid by the business
3) Level of tax debt
4) Employee numbers
5) GST return data
6) Broad geographic location
7) Profit and Loss
8) Other type of any information [Please specify]
9) None of the above [Do not read]
10) Refused [Do not read]

Q13A If Inland Revenue shared anonymised individual business information about large businesses in the building sector with consulting companies; how likely do you think the following benefits might occur, using a scale from 1-5 where 1 means extremely unlikely and 5 means extremely likely

[RANDOMISE]
REPEAT SCALE IF NECESSARY

1) Efficiencies identified that leads to increased profitability for large businesses in the building sector
2) Improved information is made available to large businesses in the building sector who are then able to make better investment decisions
3) New products and services are identified that help large businesses in the building sector to grow
4) Government is more informed about large businesses in the building sector and is able to provide better support to large businesses to grow internationally

Q13B If Inland Revenue shared anonymised individual business information about larger businesses in the building sector with consulting companies, how likely do you think the following RISKS might occur, using a scale from 1-5 where 1 means extremely unlikely and 5 means extremely likely

[RANDOMISE]
REPEAT SCALE IF NECESSARY

1) Someone could identify who is who when looking at individual business data even if anonymised
2) Some businesses may be disadvantaged if data is shared
3) There is potential for misuse of the data e.g. by the media
4) This would lead businesses to withhold information from IR
5) This would result in more tax evasion by businesses
6) This would lead to privacy breaches and data leaks by the people and organisations IR is sharing the information with
7) This would lead to a loss of confidence in IR

WAVE TWO will be asked scenarios Three and Four Q14, 15,16,17

I am now going to tell you a situation where business and financial information could be used by government. Remember, the information would be anonymised and no business could be individually identified.

Business information on small businesses (up to 0-5 employees) working in the building sector is used to identify the potential for growing locally and internationally. This could be shared with the building sector and support given to help grow the sector.

In the following questions please keep this situation in mind when thinking how individual business information could be used……

Q14. Which of the following types of information about small businesses in the building sector would you be comfortable Inland Revenue sharing with other **Government departments**? Yes/ No/ Depends DO NOT READ

1) Taxable income
2) Tax paid by the business
3) Level of tax debt
4) Employee numbers
5) **GST return data**
6) **Broad geographic location**
7) **Profit and Loss**
8) Other type of any information [Please specify]
9) None of the above [Do not read]
10) Refused [Do not read]

Q15A If Inland Revenue shared anonymised individual business information about small businesses in the building sector with **other government departments**; how likely do you think the following benefits might occur, using a scale from 1-5 where 1 means extremely unlikely and 5 means extremely likely.

[RANDOMISE]
REPEAT SCALE IF NECESSARY

1) Efficiencies identified that leads to increased profitability for small businesses in the building sector
2) Improved information is made available to small businesses in the building sector who are then able to make better investment decisions
3) New products and services are identified that help small businesses in the building sector to grow
4) Government is more informed about small businesses in the building sector and is able to provide better support to small businesses.
5) Lower compliance costs for small businesses in the building sector when dealing with government departments

Q15B If Inland Revenue shared anonymised individual business information about small businesses in the building sector with other **government departments**; how likely do you think the following risks might occur, using a scale from 1-5 where 1 means extremely unlikely and 5 means extremely likely.

[RANDOMISE]
REPEAT SCALE IF NECESSARY

1) Someone could identify who is who when looking at individual business data even if anonymised
2) Some businesses may be disadvantaged if data is shared
3) There is potential for misuse of the data e.g. by the media
4) This would lead businesses to withhold information from IR
5) This would result in more tax evasion by businesses
6) This would lead to privacy breaches and data leaks by the people and organisations IR is sharing the information with
7) This would lead to a loss of confidence in IR

Now we are going to think about situations where individual business information could be shared with the members of the general public.

Business information from a number of large corporations in the building sector could be used to identify the key drivers of profit and efficiency. They will look at things like the impact of capital, and the use of labour. This could be shared with those businesses not doing so well to *help them increase profit and efficiency.*

In the following questions please keep this situation in mind when thinking how individual business information could be used.

Q16. Which of the following types of information about large businesses in the building sector would you be comfortable Inland Revenue sharing with **members of the general public** ? Yes/ No/ Depends (DO NOT READ)

1) Taxable income
2) Tax paid by the business
3) Level of tax debt
4) Employee numbers
5) GST return data
6) Broad geographic location
7) Profit and Loss
8) Other type of any information [Please specify]
9) None of the above [Do not read]
10) Refused [Do not read]

Q17A If Inland Revenue shared anonymised individual business information about large businesses in the building sector with members of the general public; how likely do you think the following benefits might occur, using a scale from 1-5 where 1 means extremely unlikely and 5 means extremely likely.

[RANDOMISE]
REPEAT SCALE IF NECESSARY

1) Improved information is made available to members of the general public which encourages New Zealanders to invest in the building sector.
2) New products and services are identified that entrepreneurial members of the general public can develop to support the building sector to grow.
3) Members of the general public are supportive of Government programmes that support large businesses to grow internationally.

Q17B If Inland Revenue shared anonymised individual business information about larger businesses in the building sector with members of the general public, how likely do you think the following risks might occur, using a scale from 1-5 where 1 means extremely unlikely and 5 means extremely likely.

[RANDOMISE]
REPEAT SCALE IF NECESSARY

1) Someone could identify who is who when looking at individual business data even if anonymised
2) Some businesses may be disadvantaged if data is shared
3) There is potential for misuse of the data e.g. by the media
4) This would lead businesses to withhold information from IR
5) This would result in more tax evasion by businesses
6) This would lead to privacy breaches and data leaks by the people and organisations IR is sharing the information with
7) This would lead to a loss of confidence in IR

F. General risks and benefits of IR sharing

Q18. Now that you have had a chance to think about the risks and benefits of sharing anonymised business information, I would like to ask you again …

In principle, using a scale of 1-5 where 1 means you strongly oppose, 5 means you strongly support, how much do you support Inland Revenue sharing anonymised individual business information with …

REPEAT FOR EACH
RANDOMISE ORDER
REPEAT SCALE IF NECESSARY

1) Government departments
2) University researchers working on Government projects
3) University researchers working on projects for private companies
4) Consulting companies working on projects for the Government
5) Consulting companies working on projects for private companies
6) Members of the general public

G. Safeguards and Frameworks

Q19. How strongly would you support sharing anonymised business information with non-government organisation if the following safeguards were in place, using a scale from 1-5 where 1 means strongly oppose and 5 means strongly support.

[RANDOMISE]

I. The safeguards meet the standards for privacy similar to the Privacy Act for individuals.
II. All financial and business information will be anonymised and no individual business will be identifiable.

Q19A. How strongly would you support sharing anonymised business information with members of the general public if the following safeguards were in place, using a scale from 1-5 where 1 means strongly oppose and 5 means strongly support.

[RANDOMISE]

I. The safeguards meet the standards for privacy similar to the Privacy Act for individuals.
II. All financial and business information will be anonymised and no individual business will be identifiable.

H. Attitudes to information sharing [Prompted]

I would like to ask a few more follow-up questions.

Q20. How strongly do you support the sharing of business and financial information in the following situations; using a scale from 1-5 where 1 means strongly oppose and 5 means strongly support?

READ LIST
REPEAT SCALE IF NECESSARY

1) the sharing of the information to help a particular business sector grow (e.g. grow local or international market)
2) the sharing of the information to aid Government policy and decision-making
3) the sharing of the information to aid one specific business (e.g. help them develop an innovative product; or move into a gap in the market)

Q21. Thinking about the following statements, using a scale from 1-5 where 1 means strongly disagree and 5 means strongly agree, how strongly do you agree with these?

REPEAT SCALE IF NECESSARY

1. My consent is needed for my business and financial information being shared with non-government organisations such as universities and private business organisations.
2. I consider that my business and financial information is owned by and belongs to me.

Thank you.