



**SUMMARY TABLES AND GRAPHS OF THE  
BUSINESS NEW ZEALAND – KPMG COMPLIANCE COST SURVEY**

**October 2008**

## CONTENTS

Section	Title	Page
	<i>Contents</i>	2
1a.	<i>List of Tables</i>	3
1b.	<i>List of Figures</i>	5
2	<i>Respondent Profile</i>	6
3.	<i>Summary of Findings</i>	11
3.1	Compliance Cost Priorities	11
3.2	Helpfulness of Central and Local Government Agencies	18
3.3	Compliance Cost Trends	27
3.4	Estimating Total Compliance Costs	34
3.4.1	Tax-Related Compliance Costs	41
3.4.2	Employment Related Compliance Costs	49
3.4.3	Environment Related Compliance Costs	55
3.4.4	Other Compliance Costs	61
3.5	Methodology	67
3.6	Survey Form	70

## 1a. LIST OF TABLES

Table	Title	Page
1	Respondents by Number of Full Time Equivalent Employees (2007 & 2008)	6
2	Respondents by Annual Turnover (excluding GST) (2007 & 2008)	6
3	Number of Years in Operation (2008)	7
4	Respondents by Regional Council Area (2007 & 2008)	7
5	Respondents by Grouped Region (2007 & 2008)	7
6	Respondents by ANZSIC Group (2007 & 2008)	8
7	Respondents by Grouped Industries (2007 & 2008)	9
8	Average Respondent FTE Numbers by FTE Group (2007 & 2008)	10
9	Average Respondent FTE Numbers by Grouped Industries (2007 & 2008)	10
10	Average Respondent FTE Numbers by Grouped Regions (2007 & 2008)	10
11	Average Respondent FTE Numbers by Grouped Years in Operation (2007 & 2008)	10
12	Compliance Cost Priorities (2008)	11
13	Top 5 Compliance Cost Priorities (2006-2008)	12
14	Compliance Cost Priorities by FTE Group (2008)	12
15	Top Compliance Cost Priorities by FTE Group (2006-2008)	13
16	Compliance Cost Priorities by Grouped Industry (2008)	14
17	Top Compliance Cost Priorities by Grouped Industry (2006-2008)	14
18	Compliance Cost Priorities by Grouped Region (2008)	15
19	Top 5 Compliance Cost Priorities by Grouped Region (2006-2008)	15
20	Compliance Cost Priorities by Grouped Years in Operation (2008)	16
21	Top Compliance Cost Priorities by Grouped Years in Operation (2006-2008)	16
22	Contact with Government Agencies (2007 and 2008)	18
23	Helpfulness of Government Agencies (2008)	18
24	Grouping of Agencies by Perceived Helpfulness Scores (2007 and 2008)	19
25	Net Result of the Percentages for Very Helpful-Very Unhelpful (2007 & 2008)	19
26	Contact with Agencies by FTE Group (2008)	20
27	Helpfulness of Government Agencies by FTE Group (2008)	20
28	Contact with Agencies by Grouped Industry (2008)	21
29	Helpfulness of Government Agencies by Grouped Industry (2008)	22
30	Contact with Agencies by Grouped Region (2008)	23
31	Helpfulness of Government Agencies by Grouped Region (2008)	23
32	Contact with Agencies by Grouped Years in Operation (2008)	24
33	Helpfulness of Government Agencies by Grouped Years in Operation (2008)	24
34	Rating of Government in Minimising Compliance Burden of KiwiSaver in 1 <sup>st</sup> Year (2008)	25
35	Had Face-to-Face Meetings with Government Agencies during last 12 Months? (2008)	26
36	How Helpful did you find the Face-to-Face Meetings to be? (2008)	26
37	Compliance Cost Trends – Percent of Respondents Commenting (2007 & 2008)	27
38	Compliance Cost Trends over the Preceding 12 Months (2008)	27
39	Grouping of Compliance Cost Area by Perceived Scores (2007 & 2008)	28
40	Change in Compliance Cost Trend Scores (2007 & 2008)	29
41	Compliance Cost Trend Score by FTE Group (2008)	29
42	Compliance Cost Trend Scores by Grouped Industry (2008)	30
43	Compliance Cost Trend Scores by Grouped Region (2008)	31
44	Compliance Cost Trend Scores by Grouped Years in Operation (2008)	32
45	Summary of Total Compliance Costs (2006-2008)	34
46	Summary of Total Compliance Costs by FTE Group (2006-2008)	35
47	Summary of Total Compliance Costs by Grouped Industry (2006-2008)	36
48	Summary of Total Compliance Costs by Grouped Region (2006-2008)	38
49	Summary of Total Compliance Costs by Grouped Years in Operation (2006-2008)	39
50	Summary Comparison for Tax Compliance Costs (2006-2008)	41
51	Tax Compliance Costs by FTE Group (2006-2008)	41
52	Sources of External Tax Information and Advice by FTE Group (2006-2008)	42
53	Cost of Preparing Annual Accounts Included in External Advice Cost Estimate (2006-2008)	43
54	Tax Compliance Costs by Grouped Industry (2006-2008)	43
55	Sources of External Tax Information and Advice by Grouped Industry (2006-2008)	45
56	Tax Compliance Costs by Grouped Region (2006-2008)	46
57	Sources of External Tax Information and Advice by Grouped Region (2006-2008)	46
58	Tax Compliance Costs by Grouped Years in Operation (2006-2008)	47
59	Summary Comparison for Employment Compliance Costs (2006-2008)	49
60	Employment Compliance Costs by FTE Group (2006-2008)	49

61	Employment Compliance Costs by Grouped Industry (2006-2008)	50
62	Employment Compliance Costs by Grouped Region (2006-2008)	51
63	Employment Compliance Costs by Grouped Years in Operation (2006-2008)	53
64	Summary Comparison for Environmental Compliance Costs (2006-2008)	55
65	Environment Compliance Costs by FTE Group (2006-2008)	55
66	Environment Compliance Costs by Grouped Industry (2006-2008)	56
67	Environment Compliance Costs by Grouped Region (2006-2008)	57
68	Environment Compliance Costs by Grouped Years in Operation (2006-2008)	59
69	Summary Comparison for 'Other' Compliance Costs (2006-2008)	61
70	Other Compliance Costs by FTE Group (2006-2008)	61
71	Other Compliance Costs by Grouped Industry (2006-2008)	62
72	Other Compliance Costs by Grouped Region (2006-2008)	63
73	Other Compliance Costs by Grouped Years in Operation (2006-2008)	65

## 1b. LIST OF FIGURES

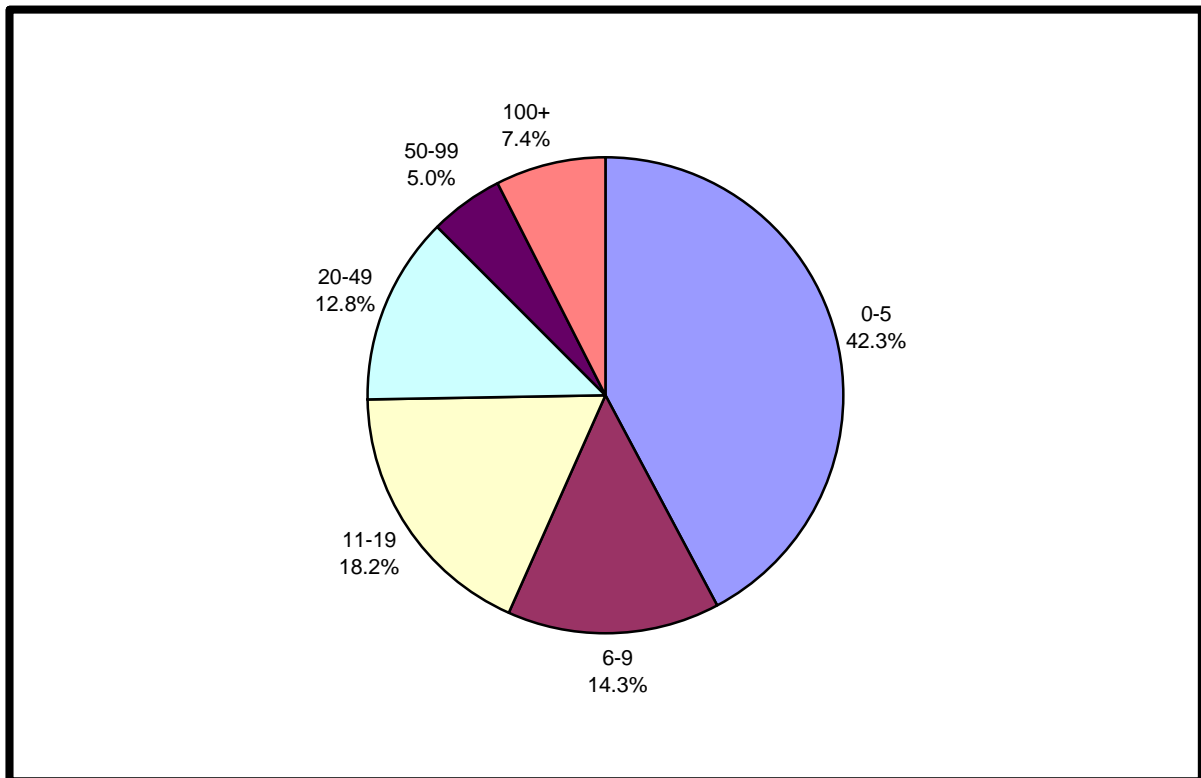
Figure	Title	Page
1	Survey Respondents by FTE Group (2008)	6
2	Survey Respondents by Grouped Region (2008)	8
3	Survey respondents by Grouped Industry (2008)	9
4	Compliance Cost Priorities (2008)	11
5	Compliance Cost Priorities by FTE Group (2008)	13
6	Compliance Cost Priorities by Grouped Years in Operation (2008)	17
7	Helpfulness Scores for Selected Government Agencies (2008)	19
8	Average Helpfulness Scores by Enterprise Size (FTE Group – 2007 & 2008)	21
9	Overall Helpfulness Scores by Grouped Industry (2007 & 2008)	22
10	Overall Helpfulness Scores by Grouped Region (2007 & 2008)	24
11	Overall Helpfulness Scores by Grouped Years in Operation (2007 & 2008)	25
12	Overall Rating of Government in Minimising Compliance Burden of KiwiSaver in 1 <sup>st</sup> Year (2008)	26
13	Overall Helpfulness of Face-to-Face Meetings with Government (2008)	26
14	Compliance Cost Trends Scores by Compliance Cost Area (2008)	28
15	Compliance Cost Trend Scores by Size of Enterprise (FTE Groups 2006-2008)	30
16	Overall Compliance Cost Trend Scores by Grouped Industry (2006-2008)	31
17	Compliance Cost Trend Scores by Grouped Region (2006-2008)	32
18	Overall Compliance Cost Trend Scores by Grouped Years in Operation (2006-2008)	33
19	Proportion of Total Compliance Costs (2008)	35
20	Total Compliance Costs per Employee by Size of Enterprise (FTE Group - 2003-2008)	36
21	Total Compliance Costs per Employee by Grouped Industry (2006-2008)	37
22	Total Compliance Costs per FTE by Grouped Region (2006-2008)	39
23	Total Compliance Costs per FTE by Grouped Years in Operation (2006-2008)	40
24	Tax Compliance Costs per Employee by Size of Enterprise (FTE Group - 2003-2008)	42
25	Tax Compliance Costs per Size of Enterprise by Grouped Industry (2006-2008)	44
26	Tax Compliance Costs per FTE by Grouped Region (2006-2008)	45
27	Tax Compliance Costs per FTE by Grouped Years in Operation (2006-2008)	48
28	Employment Compliance Costs per FTE by Enterprise Size (FTE Group - 2003-2008)	50
29	Employment Compliance Costs per FTE by Grouped Industry (2006-2008)	51
30	Employment Costs per FTE by Grouped Region (2006-2008)	52
31	Employment Costs per FTE by Grouped Years in Operation (FTE Group - 2006-2008)	54
32	Environmental Costs per FTE by Enterprise Size (FTE Group – 2003-2008)	56
33	Environment Costs per FTE by Grouped Industry (2006-2008)	57
34	Environment Costs per FTE by Grouped Region (2006-2008)	58
35	Environment Costs per FTE by Grouped Years in Operation (2006-2008)	60
36	Other Compliance Costs per FTE by Enterprise Size (FTE Groups – 2003-2008)	62
37	Other Compliance Costs per FTE by Grouped Industry (2006-2008)	63
38	Other Compliance Costs per FTE by Grouped Region (2006-2008)	64
39	Other Compliance Costs per FTE by Grouped Years in Operation (2006-2008)	66

## 2. RESPONDENT PROFILE

**Table 1: Respondents by Number of Full Time Equivalent Employees (2007 & 2008)**

Number of FTEs	Number of respondents (2008)	Percent of total valid responses (2008)	Number of respondents (2007)	Percent of total valid responses (2007)	Population (Business Demography Statistics 2003)
0-5	383	42.3%	524	39.3%	83.9%
6-9	130	14.3%	257	19.3%	7.3%
10-19	165	18.2%	242	18.1%	7.6%
20-49	116	12.8%	176	13.2%	0.7%
50-99	45	5.0%	64	4.8%	0.5%
100+	67	7.4%	71	5.3%	
<b>Total valid responses</b>	<b>906</b>	<b>100.0%</b>	<b>1334</b>	<b>100.0%</b>	<b>100.0%</b>

**Figure 1: Survey Respondents by FTE Group (2008)**



**Table 2: Respondents by Annual Turnover (excluding GST) (2007 & 2008)**

Annual turnover (Excluding GST)	Number of respondents (2008)	Percent of total valid responses (2008)	Number of respondents (2007)	Percent of total valid responses (2007)
\$99,999 or less	69	7.8%	84	6.5%
\$100,000-\$499,999	231	26.1%	346	26.6%
\$500,000-\$999,999	166	18.8%	237	18.2%
\$1,000,000-\$1,999,999	111	12.5%	205	15.8%
\$2,000,000-\$4,999,999	144	16.3%	183	14.1%
\$5,000,000-\$9,999,999	69	7.8%	95	7.3%
\$10,000,000-\$19,999,999	31	3.5%	59	4.5%
\$20,000,000-\$49,999,999	33	3.7%	59	4.5%
\$50,000,000+	31	3.5%	33	2.5%

<b>Total valid responses</b>	<b>885</b>	<b>100.0%</b>	<b>1301</b>	<b>100.0%</b>
Did not respond	21	-	33	-

**Table 3: Number of Years in Operation (2008)**

Number of years in operation	Number of respondents	Percent of total valid responses
1 year or less	29	3.2%
2-5 years	192	21.2%
6-10 years	155	17.1%
11-20 years	223	24.6%
21 years or more	307	33.9%
Total valid responses	906	100.0%
Did not respond	-	-

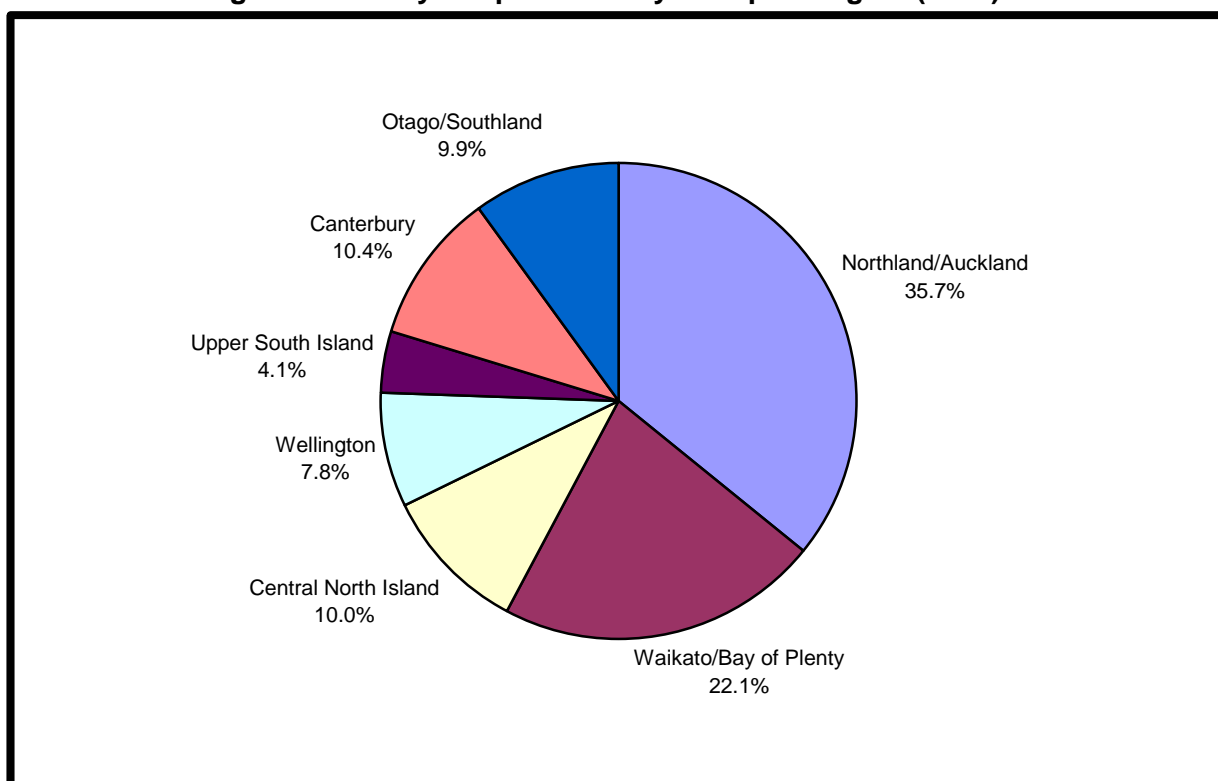
**Table 4: Respondents by Regional Council Area (2007 & 2008)**

Regional council area	Number of respondents (2008)	Percent of total valid responses (2008)	Number of respondents (2007)	Percent of total valid responses (2007)	Population (Business Demography Statistics - 2003)
Northland	32	3.5%	50	3.7%	3.4%
Auckland	291	32.1%	345	25.9%	35.3%
Waikato	112	12.4%	128	9.6%	8.8%
Bay of Plenty	88	9.7%	104	7.8%	6.2%
Gisborne	9	1.0%	12	0.9%	0.9%
Hawkes Bay	31	3.4%	43	3.2%	3.3%
Taranaki	18	2.0%	22	1.6%	2.3%
Manawatu-Wanganui	33	3.6%	44	3.3%	4.8%
Wellington	71	7.8%	128	9.6%	11.7%
Marlborough	10	1.1%	17	1.3%	1.2%
Nelson-Tasman	22	2.4%	35	2.6%	2.3%
West Coast	5	0.6%	20	1.5%	0.8%
Canterbury	94	10.4%	257	19.3%	12.0%
Otago	74	8.2%	99	7.4%	4.7%
Southland	16	1.8%	30	2.2%	2.2%
<b>Total valid responses</b>	<b>906</b>	<b>100.0%</b>	<b>1334</b>	<b>100.0%</b>	<b>100.0%</b>
Did not respond	0	-	0	-	-

**Table 5: Respondents by Grouped Region (2007 & 2008)**

Grouped region	Number of respondents (2008)	Percent of total valid responses (2008)	Number of respondents (2007)	Percent of total valid responses (2007)	Population (Business Demography Statistics - 2003)
Northland/Auckland	323	35.7%	395	29.6%	38.8%
Waikato/Bay of Plenty	200	22.1%	232	17.4%	15.0%
Central North Island (Gisborne, Hawkes Bay, Taranaki, & Manawatu-Wanganui)	91	10.0%	121	9.1%	11.4%
Wellington	71	7.8%	128	9.6%	11.7
Upper South Island (Marlborough, Nelson-Tasman, & West Coast)	37	4.1%	72	5.4%	4.3%
Canterbury	94	10.4%	257	19.3%	12.0
Otago/Southland	90	9.9%	129	9.7%	6.9%
<b>Total valid responses</b>	<b>906</b>	<b>100.0%</b>	<b>1334</b>	<b>100.0%</b>	<b>100.0%</b>
Did not respond	0	-	0	-	-

**Figure 2: Survey Respondents by Grouped Region (2008)**



**Table 6: Respondents by ANZSIC Group (2007 & 2008)**

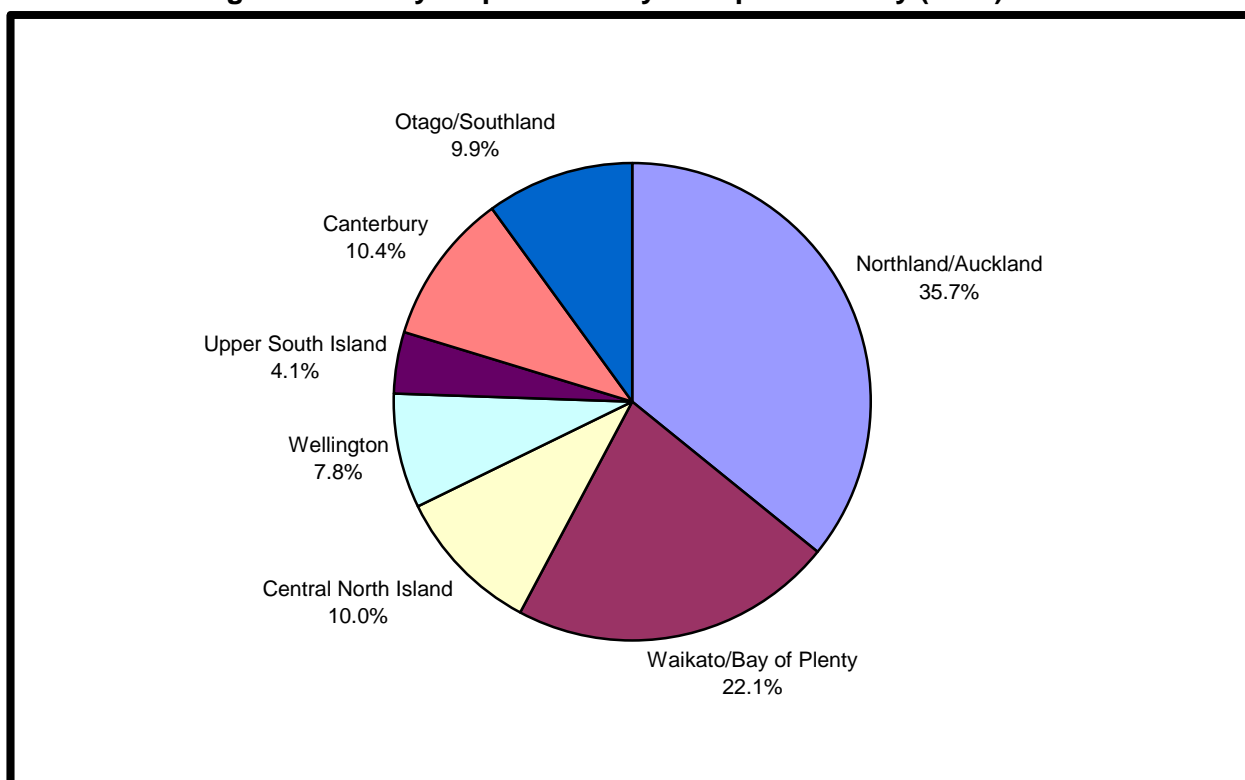
ANZSIC group	Number of respondents (2008)	Percent of total valid responses (2008)	Number of respondents (2007)	Percent of total valid responses (2007)	Population (Business Demography Statistics - 2003)
Agriculture	125	13.8%	142	10.6%	4.1%
Forestry, fishing, and mining	5	0.6%	11	0.8%	
Manufacturing	129	14.2%	167	12.5%	7.0%
Electricity, gas, and water	10	1.1%	25	1.9%	0.1%
Construction	33	3.6%	114	8.5%	11.4%
Wholesale trade	45	5.0%	81	6.1%	6.1%
Retail trade	166	18.3%	275	20.6%	12.2%
Accommodation, cafes, and restaurants	18	2.0%	76	5.7%	3.6%
Transport and storage	86	9.5%	107	8.0%	3.7%
Communication services	13	1.4%	25	1.9%	1.1%
Finance and insurance services	26	2.9%	25	1.9%	4.0%
Property and business services	89	9.8%	114	8.5%	31.2%
Government administration and defence	4	0.4%	3	0.2%	0.6%
Education, health, and community services	123	13.6%	138	10.3%	7.1%
Cultural, recreational, and personal services	34	3.8%	31	2.3%	7.9%
<b>Total valid responses</b>	<b>906</b>	<b>100.0%</b>	<b>1334</b>	<b>100.0</b>	<b>100.0%</b>
Did not respond	0		1		



**Table 7: Respondents by Grouped Industries (2007 & 2008)**

Industry group	Number of respondents (2008)	Percent of total valid responses (2008)	Number of respondents (2007)	Percent of total valid responses (2007)	Population (Business Demography Statistics - 2003)
Primary (agriculture, forestry, fishing, and mining)	130	14.3%	153	11.5%	4.1%
Manufacturing	129	14.2%	167	12.5%	7.0%
Construction and utilities (construction, electricity, gas, and water)	43	4.7%	139	10.4%	11.5%
Trade and hospitality (Wholesale and retail trade, accommodation, cafes, and restaurants)	229	25.3%	432	32.4%	21.9%
Transport, storage, and communication	98	10.8%	132	9.9%	4.8%
Finance and business services (finance, insurance, property and business services)	116	12.8%	139	10.4%	35.2%
Government, personal and other services (government, defence, education, health, community, cultural, and personal services)	161	17.8%	172	12.9%	15.6%
<b>Total valid responses</b>	<b>906</b>	<b>100.0%</b>	<b>1334</b>	<b>100.0%</b>	<b>100.0%</b>
Did not respond	0		0		

**Figure 3: Survey respondents by Grouped Industry (2008)**



**Table 8: Average Respondent FTE Numbers by FTE Group (2007 & 2008)**

FTE Group	Average size of survey respondents (FTEs) - 2008	Median size of respondent (FTEs) - 2008	Average size of survey respondents (FTEs) - 2007	Median size of respondent (FTEs) - 2007	Average FTE size for Population (Business Demography Stats - 2003)
0-5	3.16	3.0	3.10	3.0	1.42
6-9	7.4	7.0	7.26	7.0	6.95
10-19	13.41	13.0	13.46	13.0	13.04
20-49	29.83	28.0	30.84	29.0	29.41
50-99	68.27	65.0	69.20	67.0	67.87
100+	359.03	200.0	307.65	175.0	240.84
<b>All sizes</b>	<b>38.6</b>	<b>7.0</b>	<b>28.82</b>		<b>4.72</b>

**Table 9: Average Respondent FTE Numbers by Grouped Industries (2007 & 2008)**

Grouped Industry	Average size of respondents (FTEs - 2008)	Median size of survey respondents (FTEs - 2008)	Average size of respondents (FTEs - 2007)	Median size of survey respondents (FTEs - 2007)	Average FTE size for Population (Business Demography Stats - 2003)
Primary	12.20	4.0	14.84	4.0	3.04
Manufacturing	44.13	14.0	32.56	14.0	10.99
Construction & utilities	20.74	8.0	30.38	9.0	3.32
Trade & hospitality	43.77	6.0	18.38	7.0	5.26
Transport, storage & communications	47.63	6.0	31.51	7.0	6.13
Finance & business services	32.53	8.0	68.01	6.0	2.25
Government, personal & other services	51.78	11.0	28.88	10.0	7.75
<b>All industries</b>	<b>38.60</b>	<b>7.0</b>	<b>28.82</b>	<b>7.0</b>	<b>4.72</b>

**Table 10: Average Respondent FTE Numbers by Grouped Regions (2007 & 2008)**

Grouped Region	Average size of respondents (FTEs - 2008)	Median size of survey respondents (FTEs - 2008)	Average size of respondents (FTEs - 2007)	Median size of survey respondents (FTEs - 2007)	Average FTE size for Population (Business Demography Stats - 2003)
Northland/Auckland	59.2	10.0	44.09	8.0	4.61
Waikato/Bay of Plenty	20.77	8.5	23.77	8.0	4.35
Central North Island	25.42	5.0	13.35	5.0	4.84
Wellington	39.54	6.0	24.24	9.0	5.10
Upper South Island	19.16	5.0	16.17	6.0	4.28
Canterbury	36.71	5.0	23.09	7.0	5.10
Otago/Southland	26.86	8.0	28.73	8.0	4.87
<b>New Zealand</b>	<b>38.60</b>	<b>7.0</b>	<b>28.82</b>	<b>7.0</b>	<b>4.72</b>

**Table 11: Average Respondent FTE Numbers by Grouped Years in Operation (2007 & 2008)**

Grouped Years in Operation	Average size of respondents (FTEs - 2008)	Median size of survey respondents (FTEs - 2008)	Average size of respondents (FTEs - 2007)	Median size of survey respondents (FTEs - 2007)
1 year or less	28.83	4.0	9.12	4.0
2 to 5 years	10.02	4.0	7.47	4.0
6 to 10 years	25.10	6.0	13.99	7.0
11 to 20 years	37.83	10.0	26.36	9.0
21 years or more	64.78	12.0	57.10	13.0
<b>All Years in Operation</b>	<b>38.60</b>	<b>7.0</b>	<b>28.86</b>	<b>7.0</b>

### 3. SUMMARY OF FINDINGS

#### 3.1 COMPLIANCE COST PRIORITIES

Figure 4: Compliance Cost Priorities (2008)

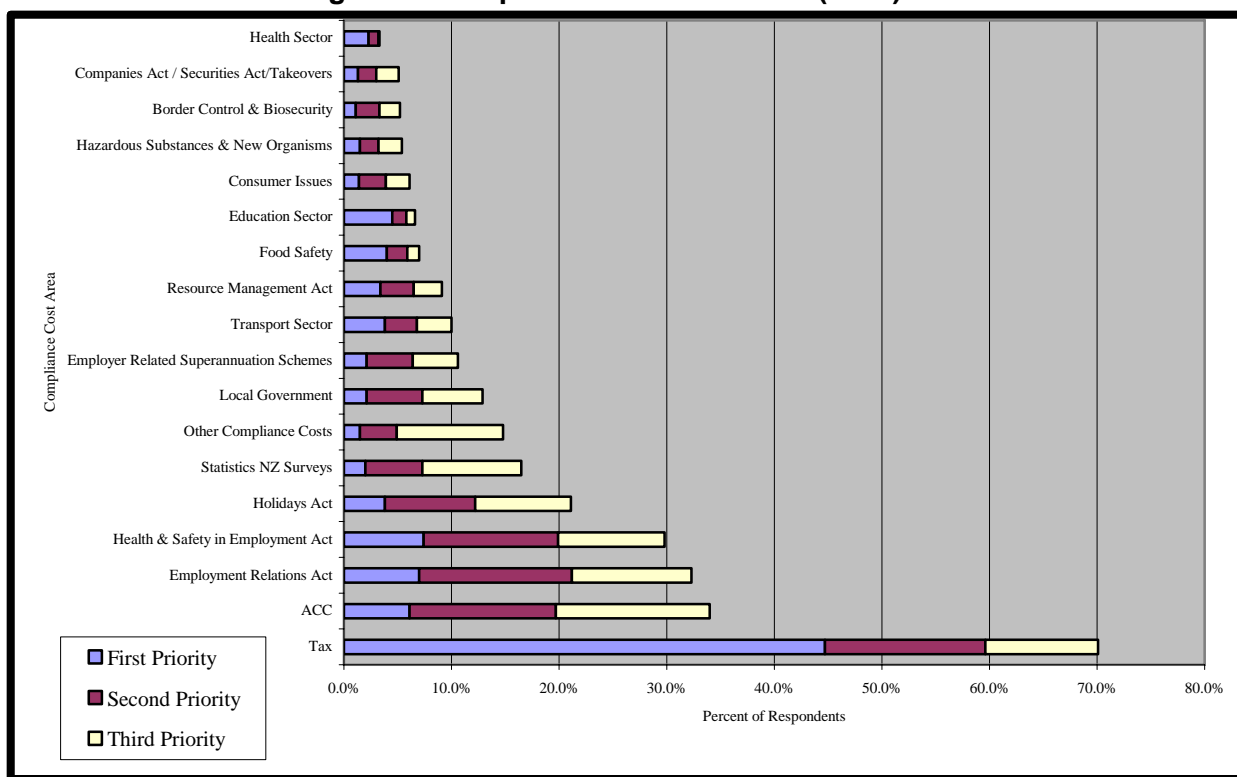


Table 12: Compliance Cost Priorities (2008)

Compliance cost area	First priority		Second priority		Third priority		Total (1,2,3)	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Tax	405	44.7%	135	14.9%	95	10.5%	635	70.1%
ACC	55	6.1%	123	13.6%	130	14.3%	308	34.0%
Employment Relations Act	63	7.0%	129	14.2%	101	11.1%	293	32.3%
Health & Safety in Employment Act	67	7.4%	113	12.5%	90	9.9%	270	29.8%
Holidays Act	34	3.8%	76	8.4%	81	8.9%	191	21.1%
Statistics NZ Surveys	18	2.0%	48	5.3%	83	9.2%	149	16.4%
Other Compliance Costs	14	1.5%	31	3.4%	90	9.9%	135	14.9%
Local Government	19	2.1%	47	5.2%	51	5.6%	117	12.9%
Employer Related Superannuation Schemes	19	2.1%	39	4.3%	38	4.2%	96	10.6%
Transport Sector	34	3.8%	27	3.0%	29	3.2%	90	9.9%
Resource Management Act	31	3.4%	28	3.1%	24	2.6%	83	9.2%
Food Safety	36	4.0%	17	1.9%	10	1.1%	63	7.0%
Education Sector	41	4.5%	12	1.3%	7	0.8%	60	6.6%
Consumer Issues	13	1.4%	23	2.5%	20	2.2%	56	6.2%
Hazardous Substances & New Organisms	14	1.5%	15	1.7%	20	2.2%	49	5.4%
Border Control & Biosecurity	10	1.1%	20	2.2%	17	1.9%	47	5.2%

Companies Act / Securities Act/Takeovers	12	1.3%	15	1.7%	19	2.1%	46	5.1%
Health Sector	21	2.3%	8	0.9%	1	0.1%	30	3.3%
	906	100.0%	906	100.0%	906	100.0%	2718	300.0%

**Table 13: Top 5 Compliance Cost Priorities (2006-2008)**

Priority	Tax	HSE	ERA	ACC	Holidays
<b>First priority</b>					
2008	44.7%	7.4%	7.0%	6.1%	3.8%
2007	43.5%	9.1%	8.8%	5.3%	4.3%
2006	45.5%	9.8%	9.4%	6.4%	4.5%
<b>Second priority</b>					
2008	14.9%	12.5%	14.2%	13.6%	8.4%
2007	16.1%	12.1%	12.7%	14.6%	12.8%
2006	16.3%	13.8%	15.1%	15.5%	9.5%
<b>Third priority</b>					
2008	10.5%	9.9%	11.1%	14.3%	8.9%
2007	10.0%	12.3%	9.7%	12.9%	11.6%
2006	11.1%	11.8%	11.9%	14.2%	10.9%
<b>Combined priorities</b>					
2008	70.1%	29.8%	32.3%	34.0%	21.1%
2007	69.6%	33.5%	31.2%	32.8%	28.8%
2006	72.9%	35.4%	36.5%	36.1%	24.9%

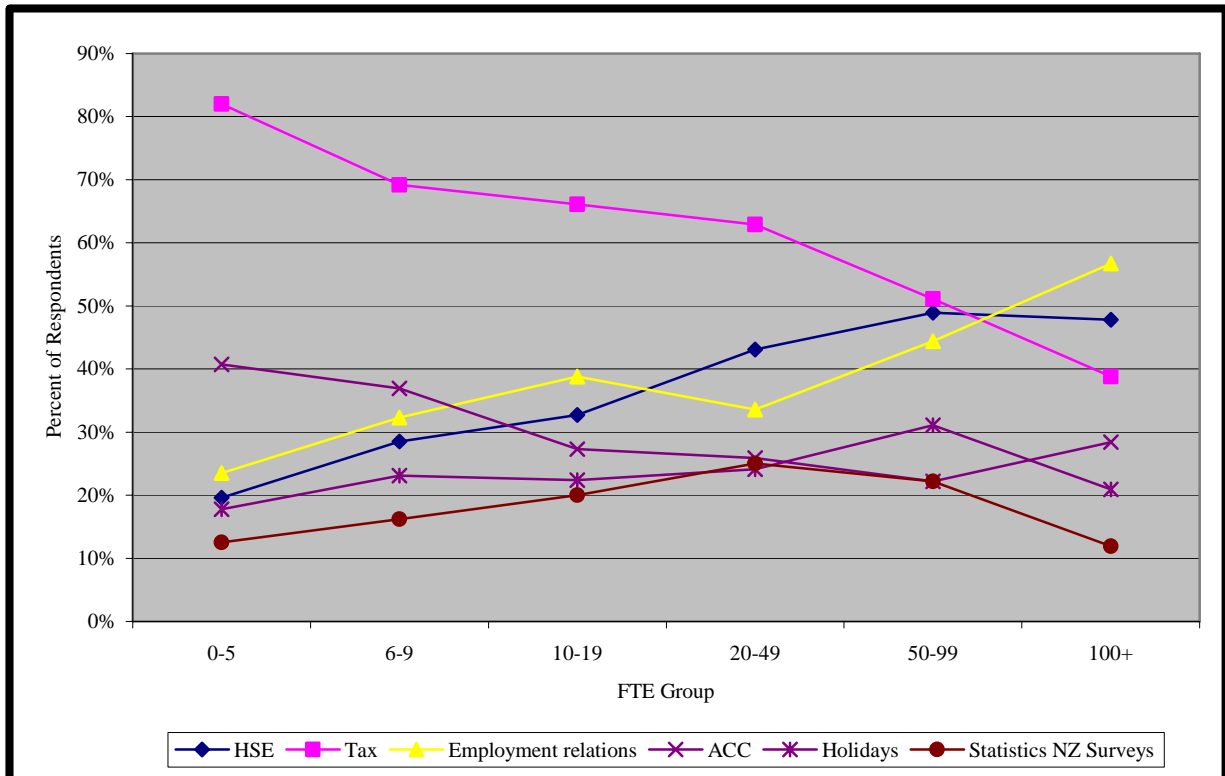
**Table 14: Compliance Cost Priorities by FTE Group (2008)**

Compliance cost area	0-5	6-9	10-19	20-49	50-99	100+	All Sizes
Tax	82.0%	69.2%	66.1%	62.9%	51.1%	38.8%	70.1%
ACC	40.7%	36.9%	27.3%	25.9%	22.2%	28.4%	34.0%
Employment Relations Act	23.5%	32.3%	38.8%	33.6%	44.4%	56.7%	32.3%
Health & Safety in Employment Act	19.6%	28.5%	32.7%	43.1%	48.9%	47.8%	29.8%
Holidays Act	17.8%	23.1%	22.4%	24.1%	31.1%	20.9%	21.1%
Statistics NZ Surveys	12.5%	16.2%	20.0%	25.0%	22.2%	11.9%	16.4%
Other Compliance Costs	19.3%	13.8%	12.7%	11.2%	13.3%	4.5%	14.9%
Local Government	18.5%	13.1%	9.1%	6.9%	2.2%	7.5%	12.9%
Employer Related Superannuation Schemes	9.7%	12.3%	12.7%	9.5%	15.6%	6.0%	10.6%
Transport Sector	12.8%	6.2%	4.8%	12.1%	4.4%	13.4%	9.9%
Resource Management Act	11.5%	7.7%	7.3%	6.0%	4.4%	11.9%	9.2%
Food Safety	6.0%	6.2%	7.3%	3.4%	13.3%	14.9%	7.0%
Education Sector	3.4%	9.2%	13.3%	7.8%	4.4%	3.0%	6.6%
Consumer Issues	7.6%	5.4%	7.3%	2.6%	2.2%	6.0%	6.2%
Hazardous Substances & New Organisms	5.5%	3.1%	6.7%	6.9%	6.7%	3.0%	5.4%
Border Control & Biosecurity	4.2%	6.9%	2.4%	9.5%	6.7%	6.0%	5.2%
Companies Act / Securities Act/Takeovers	3.9%	6.2%	5.5%	4.3%	2.2%	11.9%	5.1%
Health Sector	1.6%	3.8%	3.6%	5.2%	4.4%	7.5%	3.3%

**Table 15: Top Compliance Cost Priorities by FTE Group (2006-2008)**

Compliance cost area	0-5	6-9	10-19	20-49	50-99	100+	All Sizes
<b>Tax</b>							
2008	82.0%	69.2%	66.1%	62.9%	51.1%	38.8%	70.1%
2007	80.0%	70.0%	69.8%	55.7%	53.1%	40.8%	69.6%
2006	83.1%	73.2%	70.2%	62.8%	57.9%	51.8%	72.9%
<b>ERA</b>							
2008	23.5%	32.3%	38.8%	33.6%	44.4%	56.7%	32.3%
2007	21.4%	35.8%	33.9%	40.3%	42.2%	45.1%	31.2%
2006	25.2%	40.2%	43.5%	49.5%	43.4%	47.3%	36.5%
<b>ACC</b>							
2008	40.7%	36.9%	27.3%	25.9%	22.2%	28.4%	34.0%
2007	39.7%	31.1%	28.9%	26.1%	28.1%	22.5%	32.8%
2006	45.8%	39.8%	30.4%	22.4%	22.4%	19.6%	36.0%
<b>HSE</b>							
2008	19.6%	28.5%	32.7%	43.1%	48.9%	47.8%	29.8%
2007	22.9%	27.2%	37.6%	46.6%	64.1%	60.6%	33.5%
2006	24.4%	39.8%	38.2%	40.8%	50.0%	58.0%	35.4%
2005	21.9%	31.4%	41.9%	45.3%	56.1%	46.9%	37.1%
<b>Holidays</b>							
2008	17.8%	23.1%	22.4%	24.1%	31.1%	20.9%	21.1%
2007	23.5%	32.3%	33.1%	36.9%	23.4%	25.4%	28.8%
2006	16.9%	28.5%	36.1%	31.6%	27.6%	25.9%	24.9%
<b>SNZ Surveys</b>							
2008	12.5%	16.2%	20.0%	25.0%	22.2%	11.9%	16.4%
2007	13.5%	15.2%	12.0%	14.8%	14.1%	14.1%	13.8%
2006	12.1%	11.8%	14.1%	16.8%	21.1%	17.0%	13.9%

**Figure 5: Compliance Cost Priorities by FTE Group (2008)**



**Table 16: Compliance Cost Priorities by Grouped Industry (2008)**

Compliance cost area	Primry	Manu- factng	Cnstn & Util	Trade & Hsp	Tpt, Strg & Coms	Fin & Bus	Govt, Pers & Other	All Ind
Tax	67.7%	65.9%	60.5%	76.4%	69.4%	82.8%	60.2%	70.1%
ACC	35.4%	31.0%	48.8%	38.0%	42.9%	32.8%	21.1%	34.0%
Employment Relations Act	18.5%	40.3%	25.6%	33.2%	22.4%	39.7%	38.5%	32.3%
Health & Safety in Employment Act	20.0%	52.7%	48.8%	25.8%	37.8%	12.1%	28.0%	29.8%
Holidays Act	14.6%	16.3%	14.0%	27.9%	15.3%	31.0%	18.6%	21.1%
Statistics NZ Surveys	21.5%	14.0%	25.6%	16.6%	7.1%	19.8%	14.9%	16.4%
Other Compliance Costs	13.8%	7.8%	11.6%	12.2%	15.3%	24.1%	19.3%	14.9%
Local Government	35.4%	11.6%	16.3%	9.6%	2.0%	6.0%	11.2%	12.9%
Employer Related Superannuation Schemes	3.8%	14.0%	7.0%	13.1%	5.1%	13.8%	11.8%	10.6%
Transport Sector	7.7%	2.3%	9.3%	3.5%	57.1%	1.7%	4.3%	9.9%
Resource Management Act	33.1%	5.4%	16.3%	2.6%	5.1%	3.4%	6.8%	9.2%
Food Safety	13.8%	14.0%	0.0%	7.4%	2.0%	1.7%	3.7%	7.0%
Education Sector	0.8%	0.8%	0.0%	0.9%	1.0%	1.7%	32.9%	6.6%
Consumer Issues	1.5%	3.1%	4.7%	12.7%	2.0%	4.3%	7.5%	6.2%
Hazardous Substances & New Organisms	6.9%	8.5%	7.0%	6.6%	7.1%	0.9%	1.9%	5.4%
Border Control & Biosecurity	3.8%	7.8%	0.0%	9.6%	6.1%	1.7%	1.2%	5.2%
Companies Act / Securities Act/Takeovers	1.5%	4.7%	4.7%	2.2%	2.0%	21.6%	2.5%	5.1%
Health Sector	0.0%	0.0%	0.0%	1.7%	0.0%	0.9%	15.5%	3.3%

**Table 17: Top Compliance Cost Priorities by Grouped Industry (2006-2008)**

Compliance cost area	Primry	Manu- factng	Cnstn & Util	Trade & Hsp	Tpt, Strg & Coms	Fin & Bus	Govt, Pers & Other	All Ind
<b>Tax</b>								
2008	67.7%	65.9%	60.5%	76.4%	69.4%	82.8%	60.2%	70.1%
2007	65.4%	64.7%	66.2%	74.5%	69.7%	84.9%	56.4%	69.6%
2006	70.6%	69.0%	75.4%	76.5%	70.7%	89.0%	53.1%	72.8%
<b>ERA</b>								
2008	18.5%	40.3%	25.6%	33.2%	22.4%	39.7%	38.5%	32.3%
2007	24.2%	30.5%	19.4%	37.0%	29.5%	36.7%	29.7%	31.2%
2006	21.3%	41.4%	23.0%	43.2%	32.8%	39.2%	45.4%	36.5%
<b>ACC</b>								
2008	35.4%	31.0%	48.8%	38.0%	42.9%	32.8%	21.1%	34.0%
2007	36.6%	33.5%	38.1%	29.4%	37.9%	34.5%	27.9%	32.8%
2006	42.5%	28.2%	41.9%	34.9%	43.1%	41.0%	24.2%	36.0%
<b>HSE</b>								
2008	20.0%	52.7%	48.8%	25.8%	37.8%	12.1%	28.0%	29.8%
2007	37.9%	54.5%	56.8%	21.8%	35.6%	15.1%	33.1%	33.5%
2006	29.4%	51.7%	61.8%	24.4%	39.7%	19.4%	34.3%	35.4%
<b>Holidays</b>								
2008	14.6%	16.3%	14.0%	27.9%	15.3%	31.0%	18.6%	21.1%
2007	15.0%	29.3%	22.3%	36.8%	22.7%	30.9%	28.5%	28.8%
2006	11.9%	24.7%	14.1%	34.3%	25.9%	28.2%	26.6%	24.9%

**Table 18: Compliance Cost Priorities by Grouped Region (2008)**

Compliance cost area	Nthld/ Akld	Waik/ BOP	Cent Nth Is	Wgtn	Upper Sth Is	Ctby	Otago/ Sthld	NZ
Tax	71.8%	63.5%	70.3%	80.3%	67.6%	77.7%	63.3%	70.1%
ACC	34.1%	34.0%	34.1%	35.2%	32.4%	31.9%	35.6%	34.0%
Employment Relations Act	33.7%	37.0%	29.7%	26.8%	16.2%	31.9%	31.1%	32.3%
Health & Safety in Employment Act	31.3%	36.5%	18.7%	19.7%	37.8%	27.7%	27.8%	29.8%
Holidays Act	22.6%	21.5%	23.1%	14.1%	18.9%	17.0%	23.3%	21.1%
Statistics NZ Surveys	18.0%	13.5%	17.6%	16.9%	18.9%	16.0%	15.6%	16.4%
Other Compliance Costs	14.2%	13.5%	8.8%	25.4%	16.2%	14.9%	17.8%	14.9%
Local Government	9.6%	12.0%	18.7%	14.1%	21.6%	11.7%	17.8%	12.9%
Employer Related Superannuation Schemes	13.3%	9.5%	8.8%	11.3%	2.7%	7.4%	11.1%	10.6%
Transport Sector	9.0%	8.0%	11.0%	7.0%	10.8%	22.3%	5.6%	9.9%
Resource Management Act	6.8%	9.0%	13.2%	7.0%	24.3%	9.6%	8.9%	9.2%
Food Safety	5.3%	6.0%	13.2%	7.0%	13.5%	4.3%	8.9%	7.0%
Education Sector	7.1%	9.5%	6.6%	2.8%	0.0%	3.2%	7.8%	6.6%
Consumer Issues	5.6%	7.0%	9.9%	9.9%	0.0%	2.1%	6.7%	6.2%
Hazardous Substances & New Organisms	4.0%	6.5%	3.3%	4.2%	8.1%	8.5%	6.7%	5.4%
Border Control & Biosecurity	5.6%	5.5%	5.5%	2.8%	2.7%	6.4%	4.4%	5.2%
Companies Act / Securities Act/Takeovers	5.9%	4.5%	3.3%	7.0%	2.7%	7.4%	2.2%	5.1%
Health Sector	2.2%	3.0%	4.4%	8.5%	5.4%	0.0%	5.6%	3.3%

**Table 19: Top Compliance Cost Priorities by Grouped Region (2006-2008)**

Compliance cost area	Nthld/ Akld	Waik/ BOP	Cent Nth Is	Wgtn	Upper Sth Is	Ctby	Otago/ Sthld	NZ
<b>Tax</b>								
2008	71.8%	63.5%	70.3%	80.3%	67.6%	77.7%	63.3%	70.1%
2007	74.7%	63.8%	71.9%	78.9%	63.9%	70.8%	54.3%	69.6%
2006	75.3%	70.6%	72.8%	77.3%	76.8%	72.8%	61.0%	72.8%
<b>ERA</b>								
2008	33.7%	37.0%	29.7%	26.8%	16.2%	31.9%	31.1%	32.3%
2007	32.2%	39.2%	33.1%	34.4%	13.9%	24.1%	32.6%	31.2%
2006	38.7%	42.0%	30.9%	38.4%	32.1%	28.4%	36.0%	36.5%
<b>ACC</b>								
2008	34.1%	34.0%	34.1%	35.2%	32.4%	31.9%	35.6%	34.0%
2007	29.9%	33.2%	28.9%	32.0%	37.5%	36.2%	36.4%	32.8%
2006	35.7%	32.5%	43.8%	30.8%	37.5%	38.5%	36.0%	36.0%
<b>HSE</b>								
2008	31.3%	36.5%	18.7%	19.7%	37.8%	27.7%	27.8%	29.8%
2007	32.4%	41.4%	33.9%	26.6%	34.7%	27.6%	40.3%	33.5%
2006	35.5%	40.7%	30.9%	37.2%	33.9%	27.2%	39.7%	35.4%
2005	34.0%	37.1%	48.0%	32.4%	38.3%	34.2%	46.8%	37.2%
<b>Holidays</b>								
2008	22.6%	21.5%	23.1%	14.1%	18.9%	17.0%	23.3%	21.1%
2007	27.6%	28.9%	30.6%	26.6%	44.4%	26.8%	27.9%	28.8%
2006	24.3%	23.8%	24.1%	29.1%	16.1%	23.7%	30.1%	24.9%

**Table 20: Compliance Cost Priorities by Grouped Years in Operation (2008)**

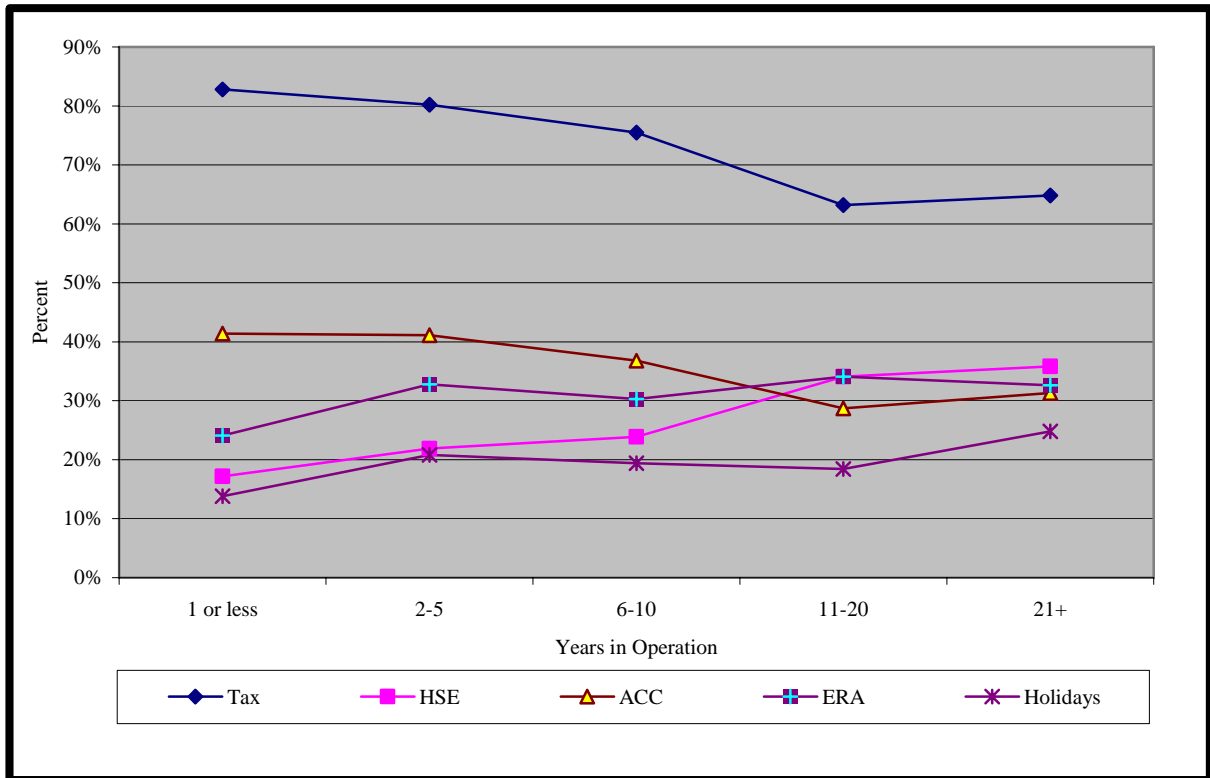
Compliance cost area	1 year or less	2 to 5 years	6 to 10 years	11 to 20 years	21 years or more	All years
Tax	82.8%	80.2%	75.5%	63.2%	64.8%	70.1%
ACC	41.4%	41.1%	36.8%	28.7%	31.3%	34.0%
Employment Relations Act	24.1%	32.8%	30.3%	34.1%	32.6%	32.3%
Health & Safety in Employment Act	17.2%	21.9%	23.9%	34.1%	35.8%	29.8%
Holidays Act	13.8%	20.8%	19.4%	18.4%	24.8%	21.1%
Statistics NZ Surveys	10.3%	8.3%	19.4%	17.0%	20.2%	16.4%
Other Compliance Costs	24.1%	18.2%	15.5%	17.0%	10.1%	14.9%
Local Government	10.3%	12.0%	10.3%	13.5%	14.7%	12.9%
Employer Related Superannuation Schemes	13.8%	12.0%	10.3%	11.2%	9.1%	10.6%
Transport Sector	10.3%	10.4%	9.0%	9.0%	10.7%	9.9%
Resource Management Act	10.3%	7.8%	4.5%	9.9%	11.7%	9.2%
Food Safety	3.4%	8.9%	5.8%	9.0%	5.2%	7.0%
Education Sector	6.9%	6.8%	9.0%	10.8%	2.3%	6.6%
Consumer Issues	10.3%	6.8%	9.7%	4.5%	4.9%	6.2%
Hazardous Substances & New Organisms	3.4%	2.15	5.2%	4.9%	8.1%	5.4%
Border Control & Biosecurity	3.4%	3.1%	5.8%	6.3%	5.5%	5.2%
Companies Act / Securities Act/Takeovers	10.3%	3.6%	7.1%	5.4%	4.2%	5.1%
Health Sector	3.4%	3.1%	2.6%	3.1%	3.9%	3.3%

**Table 21: Top Compliance Cost Priorities by Grouped Years in Operation (2006-2008)**

Compliance cost area	1 year or less	2 to 5 years	6 to 10 years	11 to 20 years	21 years or more	All years
<b>Tax</b>						
2008	82.8%	80.2%	75.5%	63.2%	64.8%	70.1%
2007	84.6%	81.9%	72.5%	67.0%	59.7%	69.7%
2006	79.2%	82.0%	80.5%	69.4%	65.1%	72.9%
<b>ERA</b>						
2008	24.1%	32.8%	30.3%	34.1%	32.6%	32.3%
2007	29.2%	27.4%	36.9%	34.2%	28.4%	31.2%
2006	30.2%	33.8%	35.5%	38.8%	37.6%	36.5%
<b>ACC</b>						
2008	41.4%	41.1%	36.8%	28.7%	31.3%	34.0%
2007	21.5%	37.2%	36.1%	33.0%	29.6%	32.8%
2006	39.6%	42.4%	41.4%	31.5%	32.1%	36.0%
<b>HSE</b>						
2008	17.2%	21.9%	23.9%	34.1%	35.8%	29.8%
2007	15.4%	21.3%	33.5%	32.8%	45.5%	33.6%
2006	22.6%	23.7%	33.6%	39.4%	41.6%	35.4%
<b>Holidays</b>						
2008	13.8%	20.8%	19.4%	18.4%	24.8%	21.1%
2007	26.2%	26.0%	25.3%	30.5%	31.8%	28.8%
2006	28.3%	21.6%	23.4%	23.2%	28.5%	24.9%



Figure 6: Compliance Cost Priorities by Grouped Years in Operation (2008)



## 3.2 HELPFULNESS OF CENTRAL AND LOCAL GOVERNMENT AGENCIES

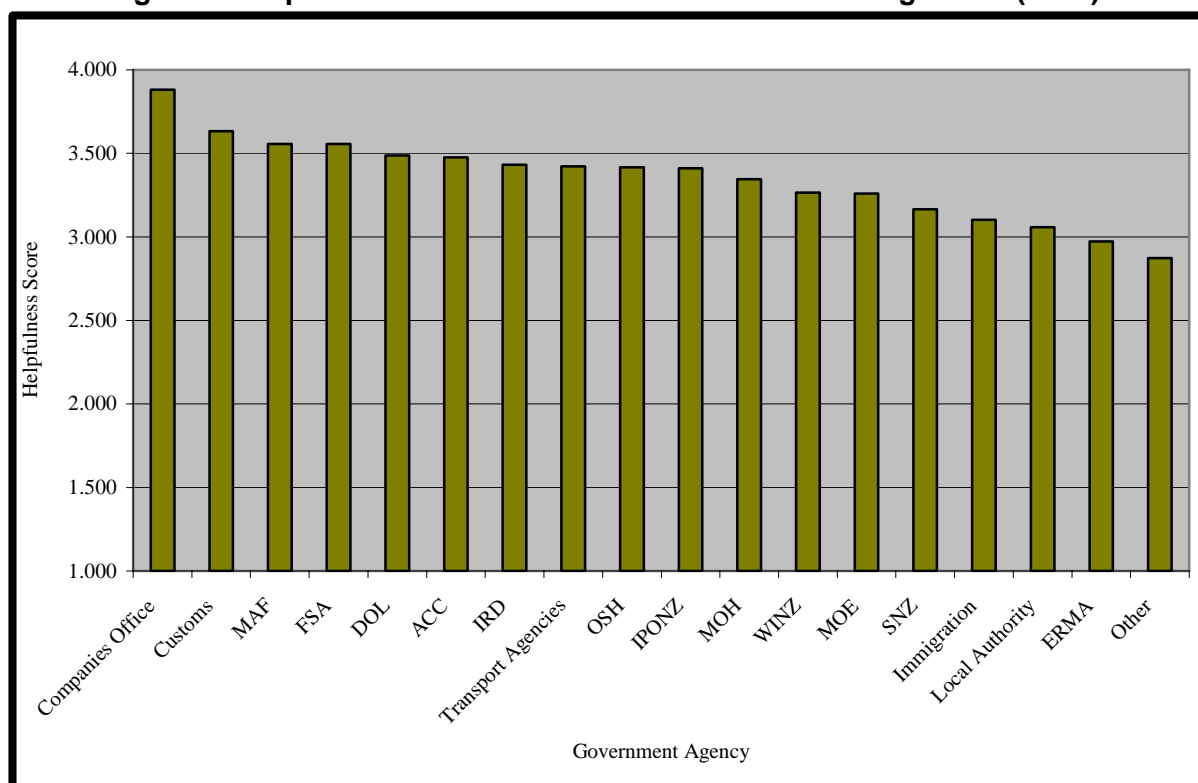
**Table 22: Contact with Government Agencies (2007 and 2008)**

Agency	2008: Respondents selecting 'yes' to contact		2007: Respondents selecting 'yes' to contact	
	Number	Percent	Number	Percent
Accident Compensation Corporation (ACC)	525	57.9%	757	60.1%
Companies Office (CO)	373	41.2%	525	45.6%
Department of Labour (DoL)	289	31.9%	449	36.2%
Environmental Risk Management Authority (ERMA)	107	11.8%	100	9.9%
Food Safety Authority (FSA)	108	11.9%	148	11.0%
Inland Revenue Department (IRD)	806	89.0%	1179	89.1%
Intellectual Property Office of NZ (IPONZ)	107	11.8%	-	-
Local Authority (LA)	556	61.4%	811	64.4%
Ministry of Agriculture & Forestry (MAF)	174	19.2%	177	14.6%
Ministry of Education (MoE)	139	15.3%	140	13.6%
Ministry of Health (MoH)	130	14.3%	142	13.4%
New Zealand Customs Service (NZCS)	275	30.4%	380	29.9%
New Zealand Immigration Service (NZIS)	206	22.7%	255	22.4%
Occupational Safety & Health (OSH)	214	23.6%	335	30.9%
Statistics New Zealand (SNZ)	431	47.6%	609	53.1%
Transport Agency (TA)	370	40.8%	536	37.1%
Work and Income New Zealand (WINZ)	417	46.0%	607	46.8%
Other	58	6.4%	105	6.4%

**Table 23: Helpfulness of Government Agencies (2008)**

Agency	Percentage breakdown of those respondents who answered 'yes' to contact (2008 Only)					
	Very Helpful (5)	Helpful (4)	Neither helpful nor unhelpful (3)	Un-Helpful (2)	Very Un-Helpful (1)	Helpfulness Score
CO	24.1%	46.6%	24.1%	3.5%	1.6%	3.882
NZCS	14.9%	47.6%	26.9%	6.9%	3.6%	3.633
MAF	13.8%	42.0%	33.3%	8.0%	2.9%	3.557
FSA	16.7%	39.8%	31.5%	6.5%	5.6%	3.556
DOL	15.6%	37.4%	31.8%	10.7%	4.5%	3.488
ACC	11.8%	42.9%	31.4%	9.0%	5.0%	3.476
IRD	13.5%	40.4%	27.2%	13.3%	5.6%	3.431
TA	12.2%	42.4%	26.8%	12.7%	5.9%	3.422
OSH	7.9%	43.5%	34.1%	11.2%	3.3%	3.416
IPONZ	14.0%	34.6%	36.4%	8.4%	6.5%	3.411
MOH	14.6%	32.3%	33.1%	13.1%	6.9%	3.346
WINZ	12.0%	29.7%	36.9%	15.6%	5.8%	3.266
MOE	11.5%	32.4%	36.0%	10.8%	9.4%	3.259
SNZ	7.7%	25.1%	50.3%	10.0%	7.0%	3.165
NZIS	8.3%	31.6%	32.0%	18.4%	9.7%	3.102
LA	6.3%	32.9%	32.4%	17.1%	11.3%	3.058
ERMA	9.3%	20.6%	40.2%	17.8%	12.1%	2.972
Other	12.7%	22.2%	25.4%	19.0%	20.6%	2.873

**Figure 7: Helpfulness Scores for Selected Government Agencies (2008)**



**Table 24: Grouping of Agencies by Perceived Helpfulness Scores (2007 & 2008)**

Excellent (3.750+)		Good (3.440-3.749)		Fair (3.126-3.439)		Poor (1.000-3.125)	
2008	2007	2008	2007	2008	2007	2008	2007
1 CO	1 CO	2 NZCS 3 MAF 4 FSA 5 DoL 6 ACC	2 NZCS 3 DoL 4 TA 5 IRD 6 FSA 7 MAF 8 OSH	7 IRD 8 TA 9 OSH 10 IPONZ 11 MoH 12 WINZ 13 MoE 14 SNZ	9 ACC 10 ERMA 11 WINZ 12 SNZ 13 MoE 14 MoH 15 LA	15 NZIS 16 LA 17 ERMA	16 NZIS

**Table 25: Net Result of the Percentages for Very Helpful-Very Unhelpful (2007 & 2008)**

Agency	2008	2007	Change from 2007
CO	22.5%	22.2%	0.3
NZCS	11.3%	12.7%	-1.4
MAF	10.9%	10.3%	0.6
NZFSA	11.1%	8.9%	2.2
DoL	11.1%	9.3%	1.8
ACC	6.9%	4.1%	2.8
IRD	7.9%	8.4%	-0.5
TA	6.2%	9.2%	-3.0
OSH	4.7%	5.8%	-1.1
IPONZ	7.5%	-	-
MoH	7.7%	0.0%	7.7
WINZ	6.2%	3.7%	2.5
MoE	2.2%	-1.3%	3.5
SNZ	0.7%	4%	-3.3

NZIS	-1.5%	-1.1%	-0.4
LA	-5.0%	-0.9%	-4.1
ERMA	-2.8%	4.2%	-7.0
Other	-7.9%	4.5%	-12.4

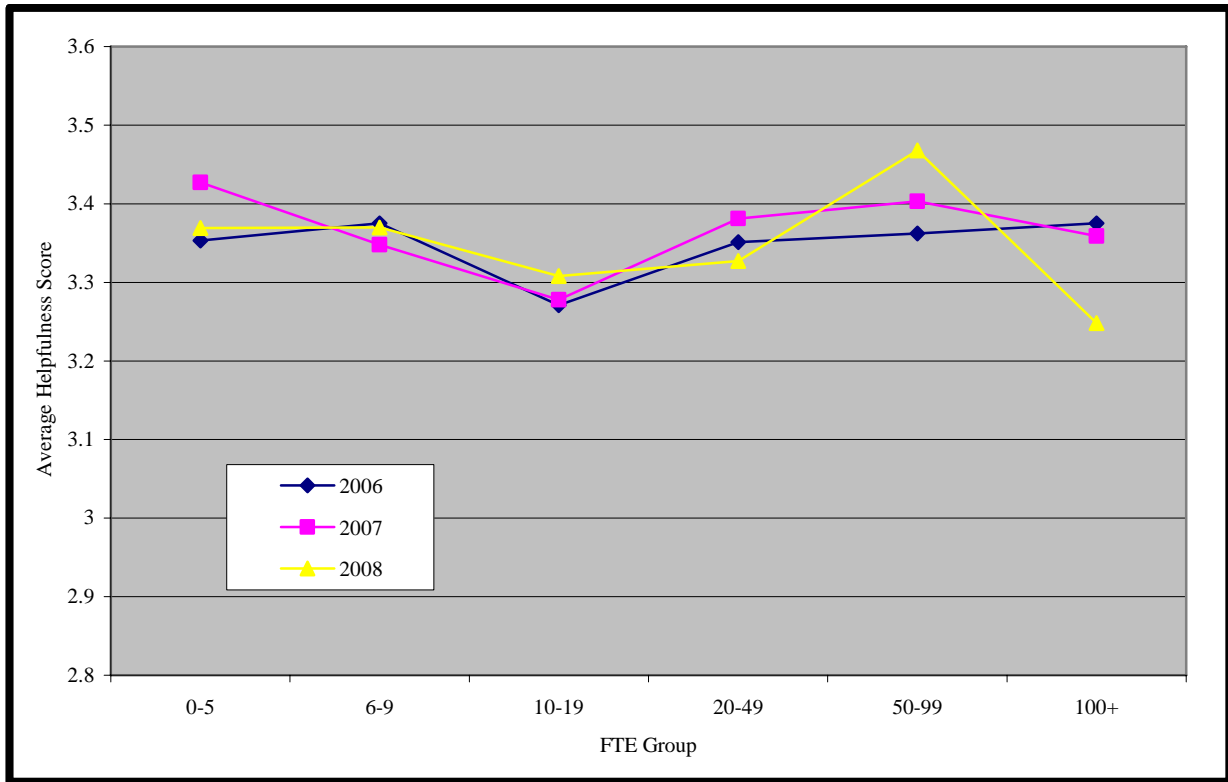
**Table 26: Contact with Agencies by FTE Group (2008)**

Agency	0-5	6-9	10-19	20-49	50-99	100+
CO	36.0%	37.7%	40.6%	45.7%	51.1%	64.2%
NZCS	24.5%	30.0%	27.3%	37.1%	46.7%	49.3%
MAF	18.3%	15.4%	13.3%	20.7%	26.7%	38.8%
FSA	8.4%	12.3%	12.7%	9.5%	20.0%	28.4%
DoL	22.2%	28.5%	33.3%	37.9%	53.3%	65.7%
ACC	49.1%	60.0%	58.2%	62.1%	82.2%	80.6%
IRD	83.8%	87.7%	93.3%	93.1%	97.8%	97.0%
TA	43.1%	38.5%	35.8%	46.6%	31.1%	41.8%
OSH	11.7%	20.0%	20.6%	38.8%	44.4%	65.7%
IPONZ	10.7%	10.0%	8.5%	17.2%	15.6%	17.9%
MoH	8.1%	16.9%	17.0%	15.5%	26.7%	28.4%
WINZ	33.2%	44.6%	53.9%	59.5%	64.4%	67.2%
MoE	9.9%	18.5%	21.2%	19.8%	15.6%	17.9%
SNZ	34.2%	46.9%	55.2%	63.8%	66.7%	65.7%
NZIS	13.3%	17.7%	25.5%	25.9%	35.6%	65.7%
LA	60.8%	61.5%	58.8%	62.1%	62.2%	68.7%
ERMA	11.7%	12.3%	9.7%	11.2%	11.1%	17.9%

**Table 27: Helpfulness of Government Agencies by FTE Group (2008)**

Agency	0-5	6-9	10-19	20-49	50-99	100+	All Sizes
CO	3.978	3.816	3.910	3.642	4.130	3.767	3.882
NZCS	3.830	3.487	3.400	3.651	3.476	3.636	3.633
MAF	3.571	3.250	3.773	3.708	3.833	3.308	3.557
FSA	3.719	3.125	3.571	3.636	3.333	3.684	3.556
DoL	3.482	3.676	3.218	3.727	3.667	3.341	3.488
ACC	3.383	3.423	3.583	3.597	3.486	3.519	3.476
IRD	3.520	3.596	3.351	3.259	3.364	3.215	3.431
TA	3.455	3.380	3.373	3.296	3.500	3.607	3.422
OSH	3.511	3.154	3.294	3.400	3.550	3.523	3.416
IPONZ	3.415	3.077	3.071	3.550	4.000	3.583	3.411
MoH	3.290	3.318	3.179	3.556	3.583	3.368	3.346
WINZ	3.268	3.397	3.247	3.319	3.000	3.222	3.266
MoE	3.132	3.458	3.457	2.913	3.571	3.167	3.259
SNZ	3.290	3.180	3.121	3.135	3.200	2.886	3.165
NZIS	3.333	3.435	2.762	3.167	3.188	2.909	3.102
LA	3.056	3.188	2.907	3.083	3.143	3.065	3.058
ERMA	2.756	3.125	3.000	3.000	3.400	3.333	2.972
All Agencies	3.369	3.370	3.308	3.327	3.468	3.248	3.351

**Figure 8: Average Helpfulness Scores by Enterprise Size (FTE Groups – 2006, 2007 & 2008)**



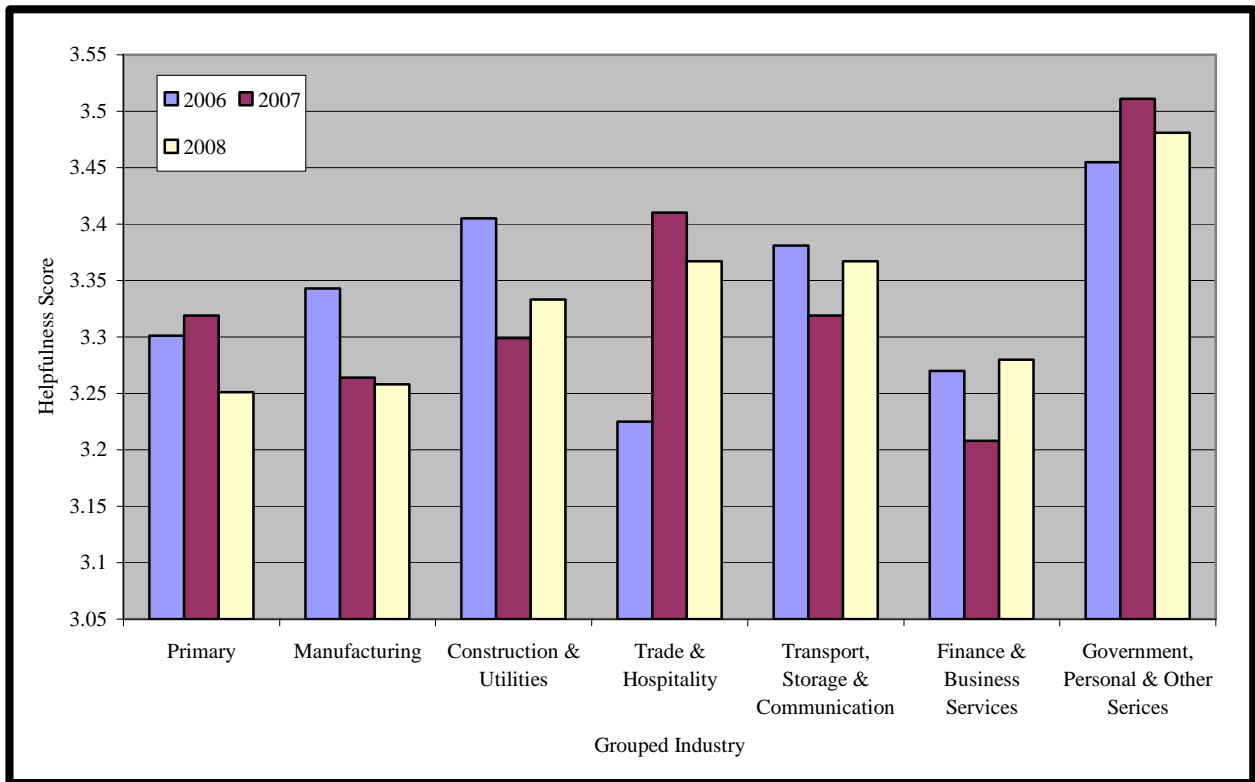
**Table 28: Contact with Agencies by Grouped Industry (2008)**

Agency	Primry	Manu- factng	Cnstrn & Util	Trade & Hsp	Tpt, Strg & Coms	Fin & Bus	Govt, Pers & Other
CO	22.3%	41.1%	58.1%	33.2%	40.8%	73.3%	40.4%
NZCS	28.5%	51.2%	20.9%	38.9%	34.7%	18.1%	11.8%
MAF	40.0%	25.6%	7.0%	16.2%	23.5%	12.9%	6.8%
FSA	13.1%	21.7%	4.7%	11.4%	10.2%	7.8%	9.9%
DoL	15.4%	45.7%	44.2%	27.5%	28.6%	35.3%	36.6%
ACC	47.7%	65.1%	86.0%	48.9%	65.3%	60.3%	59.6%
IRD	80.0%	86.8%	95.3%	91.7%	86.7%	94.0%	90.1%
TA	55.4%	34.9%	67.4%	31.0%	80.6%	28.4%	25.5%
OSH	14.6%	43.4%	44.2%	16.6%	18.4%	21.6%	24.2%
IPONZ	4.6%	20.2%	7.0%	11.8%	8.2%	20.7%	8.1%
MoH	6.2%	8.5%	7.0%	9.6%	9.2%	11.2%	39.8%
WINZ	27.7%	50.4%	48.8%	45.9%	34.7%	41.4%	67.1%
MoE	11.5%	7.0%	16.3%	3.5%	6.1%	17.2%	46.0%
SNZ	51.5%	50.4%	44.2%	44.5%	40.8%	52.6%	47.8%
NZIS	15.4%	23.3%	23.3%	22.3%	16.3%	30.2%	27.3%
LA	81.5%	59.7%	69.8%	61.1%	58.2%	44.0%	59.0%
ERMA	16.2%	19.4%	9.3%	10.0%	13.3%	8.6%	6.8%

**Table 29: Helpfulness of Government Agencies by Grouped Industry (2008)**

Agency	Primry	Manu- factng	Cnstn & Util	Trade & Hsp	Tpt, Strg & Coms	Fin & Bus	Govt, Pers & Other	All Ind
CO	4.034	3.830	3.920	3.934	4.150	3.788	3.738	3.882
NZCS	3.784	3.364	3.556	3.640	3.971	3.571	3.737	3.633
MAF	3.731	3.485	3.000	3.432	3.696	3.533	3.273	3.557
FSA	3.765	3.571	3.000	3.500	3.200	3.667	3.625	3.556
DoL	3.150	3.424	3.526	3.524	3.714	3.488	3.508	3.488
ACC	3.242	3.607	3.486	3.464	3.469	3.357	3.615	3.476
IRD	3.375	3.357	3.756	3.448	3.388	3.376	3.476	3.431
TA	3.389	3.378	3.310	3.493	3.367	3.303	3.683	3.422
OSH	3.158	3.304	3.368	3.368	3.611	3.480	3.641	3.416
IPONZ	3.167	3.538	3.333	3.222	4.000	3.250	3.615	3.411
MoH	2.875	3.273	2.333	3.409	2.889	3.538	3.469	3.346
WINZ	3.361	3.154	3.619	3.238	2.853	2.979	3.519	3.266
MoE	2.533	2.667	3.143	4.125	3.000	3.050	3.473	3.259
SNZ	3.194	3.062	3.158	3.147	2.975	2.934	3.532	3.165
NZIS	3.250	2.900	3.400	2.941	3.125	3.229	3.182	3.102
LA	3.075	2.844	3.333	2.957	3.088	3.000	3.284	3.058
ERMA	2.810	2.960	3.750	3.087	2.769	2.600	3.364	2.972
Other	2.625	2.933	3.000	2.667	3.333	2.900	2.933	2.873
<b>Average, all agencies</b>	<b>3.251</b>	<b>3.258</b>	<b>3.333</b>	<b>3.367</b>	<b>3.367</b>	<b>3.280</b>	<b>3.481</b>	

**Figure 9: Overall Helpfulness Scores by Grouped Industry (2006, 2007 & 2008)**



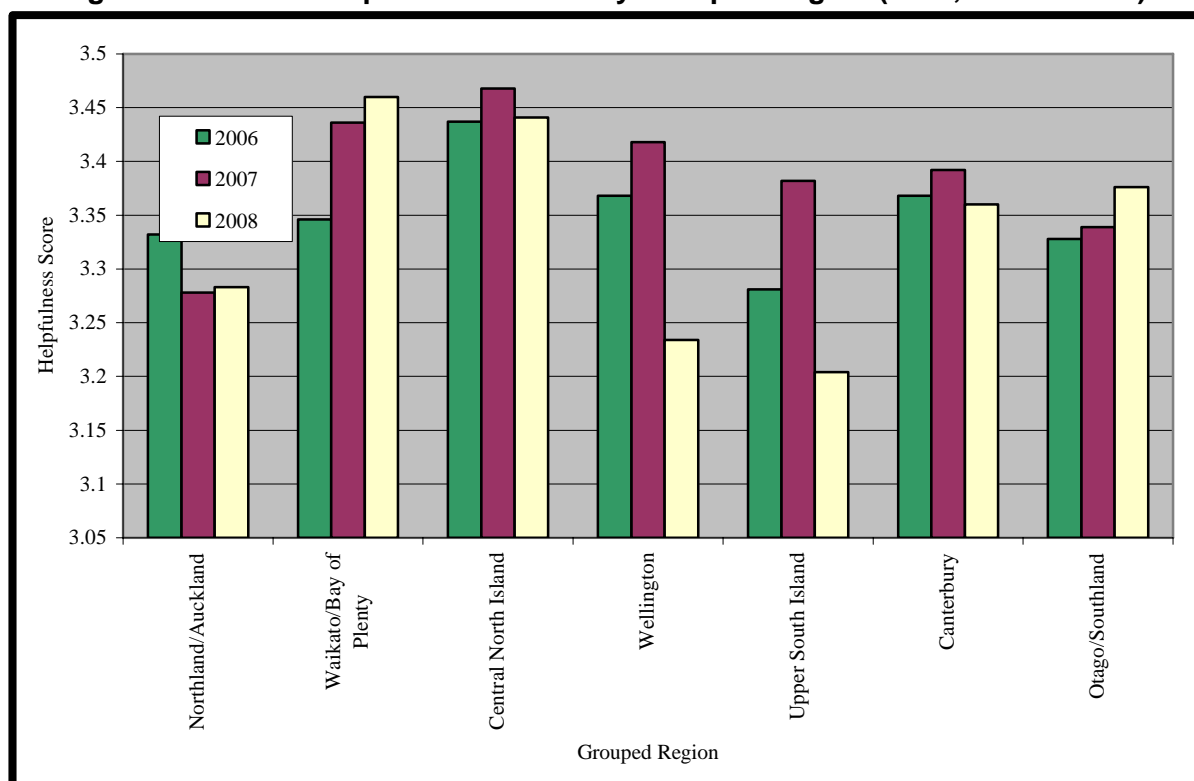
**Table 30: Contact with Agencies by Grouped Region (2008)**

Agency	Nthld/ Akld	Waik/ BOP	Cent Nth Is	Wgtn	Upper Sth Is	Ctby	Otago/ Sthld
ACC	59.8%	54.0%	59.3%	53.5%	51.4%	54.3%	68.9%
CO	47.7%	39.5%	27.5%	49.3%	18.9%	41.5%	37.8%
DoL	36.2%	31.5%	25.3%	29.6%	27.0%	29.8%	30.0%
ERMA	12.7%	13.5%	13.2%	8.5%	8.1%	11.7%	7.8%
FSA	11.5%	10.5%	14.3%	11.3%	8.1%	8.5%	20.0%
IRD	92.0%	87.5%	86.8%	94.4%	81.1%	87.2%	84.4%
IPONZ	16.1%	9.5%	5.5%	11.3%	16.2%	12.8%	5.6%
LA	52.9%	62.0%	63.7%	56.3%	75.7%	69.1%	77.8%
MAF	18.3%	18.0%	23.1%	22.5%	18.9%	22.3%	15.6%
MoE	16.1%	19.0%	15.4%	12.7%	21.6%	11.7%	7.8%
MoH	15.8%	12.5%	15.4%	21.1%	10.8%	9.6%	13.3%
NZCS	35.0%	27.5%	24.2%	33.8%	16.2%	35.1%	24.4%
NZIS	29.4%	19.5%	13.2%	19.7%	5.4%	24.5%	23.3%
OSH	25.7%	27.0%	15.4%	23.9%	24.3%	19.1%	21.1%
SNZ	48.0%	49.0%	49.5%	54.9%	45.9%	40.4%	43.3%
TA	33.4%	42.0%	53.8%	26.8%	48.6%	55.3%	44.4%
WINZ	49.8%	45.5%	45.1%	42.3%	45.9%	38.3%	45.6%

**Table 31: Helpfulness of Government Agencies by Grouped Region (2008)**

Agency	Nthld/ Akld	Waik/ BOP	Cent Nth Is	Wgtn	Upper Sth Is	Ctby	Otago/ Sthld	NZ
CO	3.870	4.013	4.120	3.571	3.857	3.897	3.765	3.882
NZCS	3.584	3.673	3.864	3.667	2.667	3.909	3.364	3.633
MAF	3.441	3.639	3.524	3.438	3.857	3.762	3.571	3.557
FSA	3.514	3.571	3.769	3.375	4.000	3.125	3.667	3.556
DoL	3.436	3.540	3.304	3.238	3.500	3.786	3.630	3.488
ACC	3.492	3.556	3.241	3.368	3.211	3.490	3.629	3.476
IRD	3.377	3.457	3.354	3.403	3.533	3.463	3.605	3.431
TA	3.352	3.357	3.490	3.368	3.111	3.538	3.675	3.422
OSH	3.373	3.444	3.571	3.059	3.667	3.389	3.632	3.416
IPONZ	3.365	3.789	4.000	4.000	3.000	2.833	2.800	3.411
MoH	3.255	3.400	3.500	3.333	2.250	3.778	3.500	3.346
WINZ	3.099	3.451	3.341	3.267	3.588	3.139	3.415	3.266
MoE	3.231	3.684	2.857	2.778	3.250	3.182	2.714	3.259
SNZ	3.155	3.184	3.311	2.974	3.412	2.868	3.359	3.165
NZIS	3.105	3.205	2.917	2.643	2.000	3.304	3.190	3.102
LA	2.819	3.161	3.276	2.900	3.179	3.062	3.314	3.058
ERMA	2.976	3.148	2.833	2.833	3.333	2.545	3.143	2.972
<b>Average (all agencies)</b>	3.283	3.460	3.441	3.234	3.204	3.360	3.376	

**Figure 10: Overall Helpfulness Scores by Grouped Region (2006, 2007 & 2008)**



**Table 32: Contact with Agencies by Grouped Years in Operation (2008)**

Agency	1 yr or less	2-5 yrs	6-10 yrs	11-20 yrs	21 yrs +
ACC	62.1%	58.3%	58.1%	59.2%	56.4%
CO	65.5%	40.1%	40.0%	40.8%	40.4%
DoL	20.7%	32.3%	28.4%	33.6%	33.2%
ERMA	3.4%	9.4%	10.3%	12.6%	14.3%
FSA	3.4%	12.5%	11.0%	15.7%	10.1%
IRD	96.6%	91.1%	85.2%	90.1%	87.9%
IPONZ	13.8%	13.5%	12.3%	13.9%	8.8%
LA	55.2%	51.0%	60.0%	65.5%	66.1%
MAF	10.3%	10.9%	19.4%	21.5%	23.5%
MoE	13.8%	13.0%	18.7%	20.2%	11.7%
MoH	3.4%	11.5%	13.5%	16.6%	16.0%
NZCS	24.1%	19.3%	29.0%	29.1%	39.4%
NZIS	13.8%	20.3%	25.8%	20.2%	25.4%
OSH	6.9%	17.2%	20.6%	29.1%	26.7%
SNZ	31.0%	36.5%	45.8%	49.3%	55.7%
TA	27.6%	37.5%	36.1%	44.8%	43.6%
WINZ	51.7%	41.7%	47.1%	49.8%	45.0%

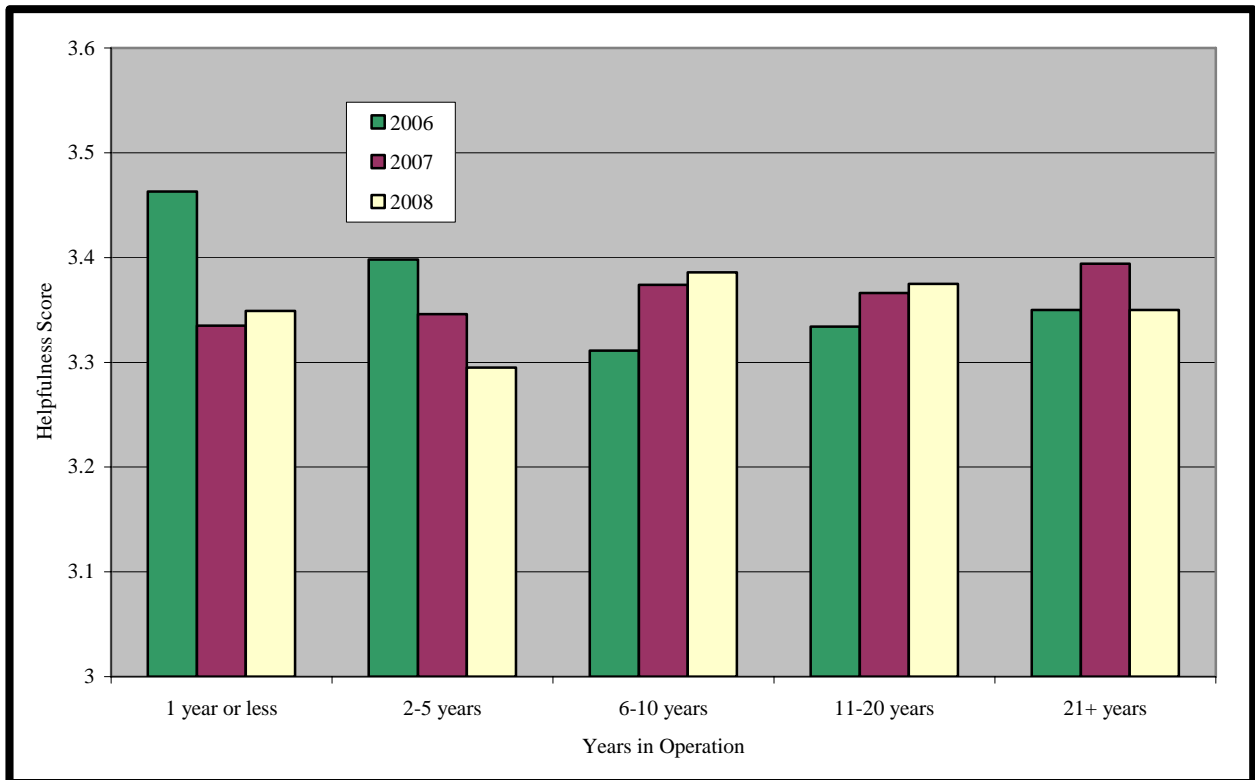
**Table 33: Helpfulness of Government Agencies by Grouped Years in Operation (2008)**

Agency	1 year or less	2 to 5 years	6 to 10 years	11 to 20 years	21 years or more	All years
CO	4.000	3.961	3.919	3.868	3.806	3.882
NZCS	4.000	3.568	3.867	3.631	3.545	3.633
MAF	4.333	3.333	3.633	3.479	3.611	3.557
FSA	5.000	3.625	3.412	3.457	3.645	3.556
DOL	3.833	3.613	3.318	3.427	3.510	3.488
ACC	3.167	3.563	3.533	3.515	3.393	3.476
IRD	3.500	3.417	3.523	3.448	3.374	3.431
TA	4.000	3.347	3.732	3.390	3.321	3.422
OSH	2.500	3.333	3.438	3.446	3.439	3.416
IPONZ	2.750	3.346	3.632	3.387	3.444	3.411



MOH	3.000	3.273	3.238	3.432	3.367	3.346
WINZ	2.867	3.300	3.151	3.342	3.290	3.266
MOE	2.750	3.400	3.414	3.222	3.139	3.259
SNZ	2.778	3.386	2.972	3.282	3.099	3.165
NZIS	3.500	3.128	2.725	3.311	3.141	3.102
LA	3.313	2.857	3.075	3.055	3.128	3.058
ERMA	2.000	2.444	3.000	3.214	3.045	2.972
<b>Average (all agencies)</b>	3.349	3.295	3.386	3.375	3.350	

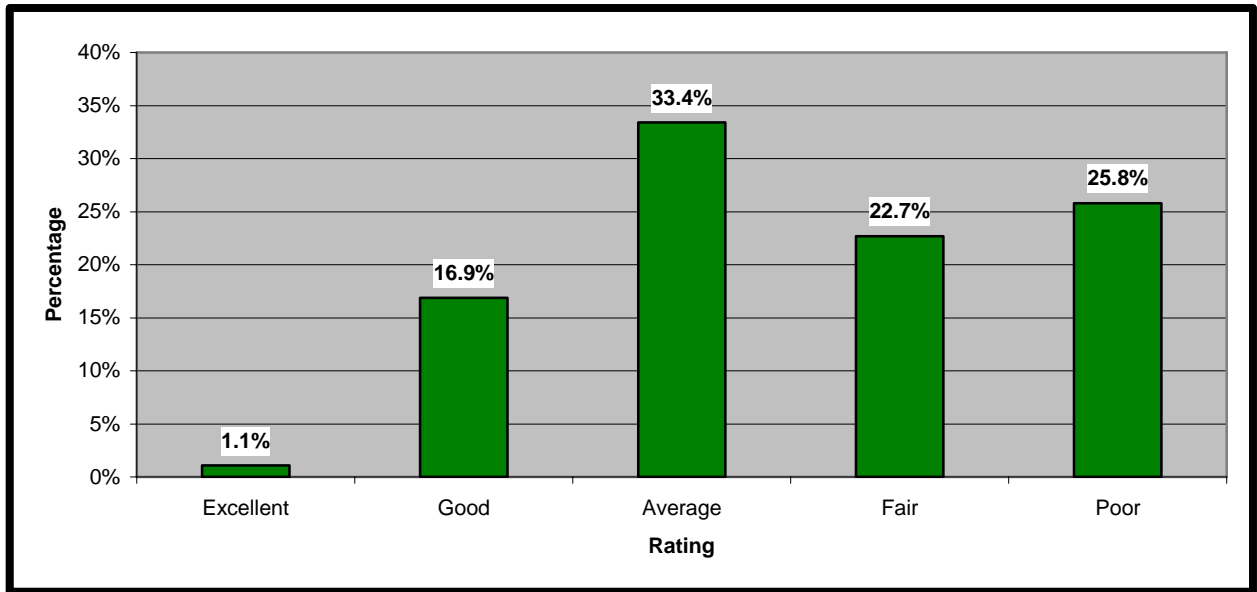
**Figure 11: Overall Helpfulness Scores by Grouped Years in Operation (2006, 2007 & 2008)**



**Table 34: Rating of Government in Minimising Compliance Burden of KiwiSaver in 1<sup>st</sup> Year (2008)**

Rating of the Government	0-5	6-9	10-19	20-49	50-99	100+	Total
Excellent	0.8%	1.5%	2.4%	0.9%	0.0%	0.0%	1.1%
Good	14.9%	24.6%	17.6%	17.2%	15.6%	11.9%	16.9%
Average	36.6%	30.0%	30.9%	30.2%	26.7%	38.8%	33.4%
Fair	25.3%	22.3%	20.0%	22.4%	20.0%	17.9%	22.7%
Poor	22.5%	21.5%	29.1%	29.3%	37.8%	31.3%	25.8%

**Figure 12: Overall Rating of Government in Minimising Compliance Burden of KiwiSaver in 1<sup>st</sup> Year (2008)**



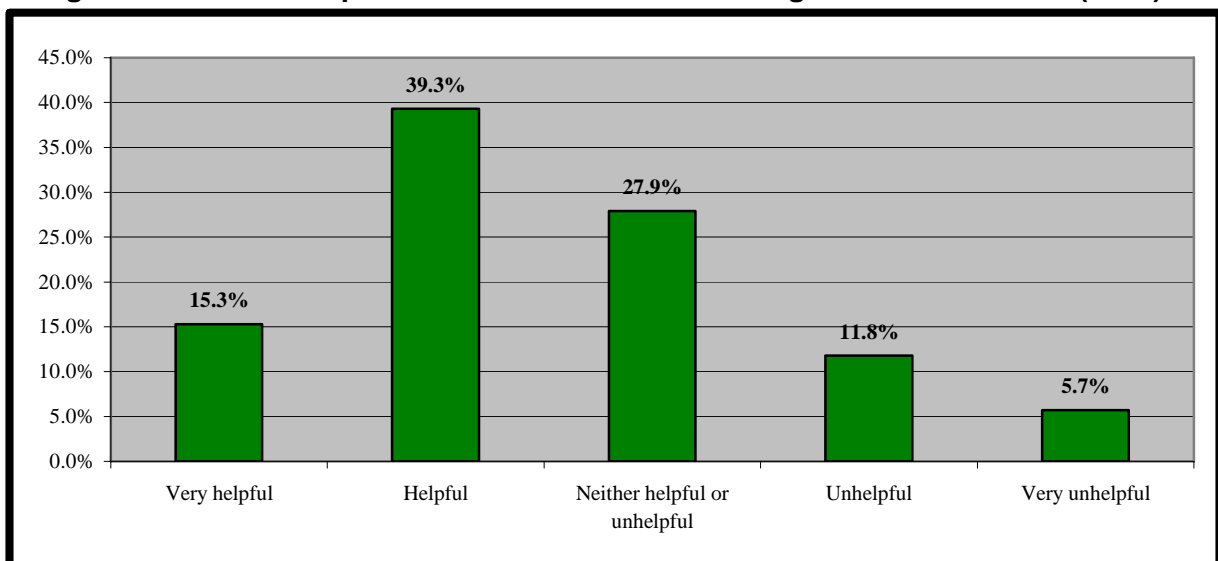
**Table 35: Had Face-to-Face Meetings with Government Agencies during last 12 Months? (2008)**

Frequency	0-5	6-9	10-19	20-49	50-99	100+	Total
Yes	18.8%	31.5%	25.5%	28.4%	33.3%	40.3%	25.4%
No	81.2%	68.5%	74.5%	71.6%	66.7%	59.7%	74.6%

**Table 36: How Helpful did you find the Face-to-Face Meetings to be? (2008)**

Frequency	0-5	6-9	10-19	20-49	50-99	100+	Total
Very Helpful	18.3%	19.5%	19.0%	6.1%	13.3%	7.4%	15.3%
Helpful	29.6%	39.0%	35.7%	42.4%	66.7%	51.9%	39.3%
Neither Helpful or Unhelpful	29.6%	26.8%	28.6%	39.4%	13.3%	18.5%	27.9%
Unhelpful	15.5%	4.9%	11.9%	9.1%	6.7%	18.5%	11.8%
Very Unhelpful	7.0%	9.8%	4.8%	3.0%	0.0%	3.7%	5.7%

**Figure 13: Overall Helpfulness of Face-to-Face Meetings with Government (2008)**



### 3.3 COMPLIANCE COST TRENDS

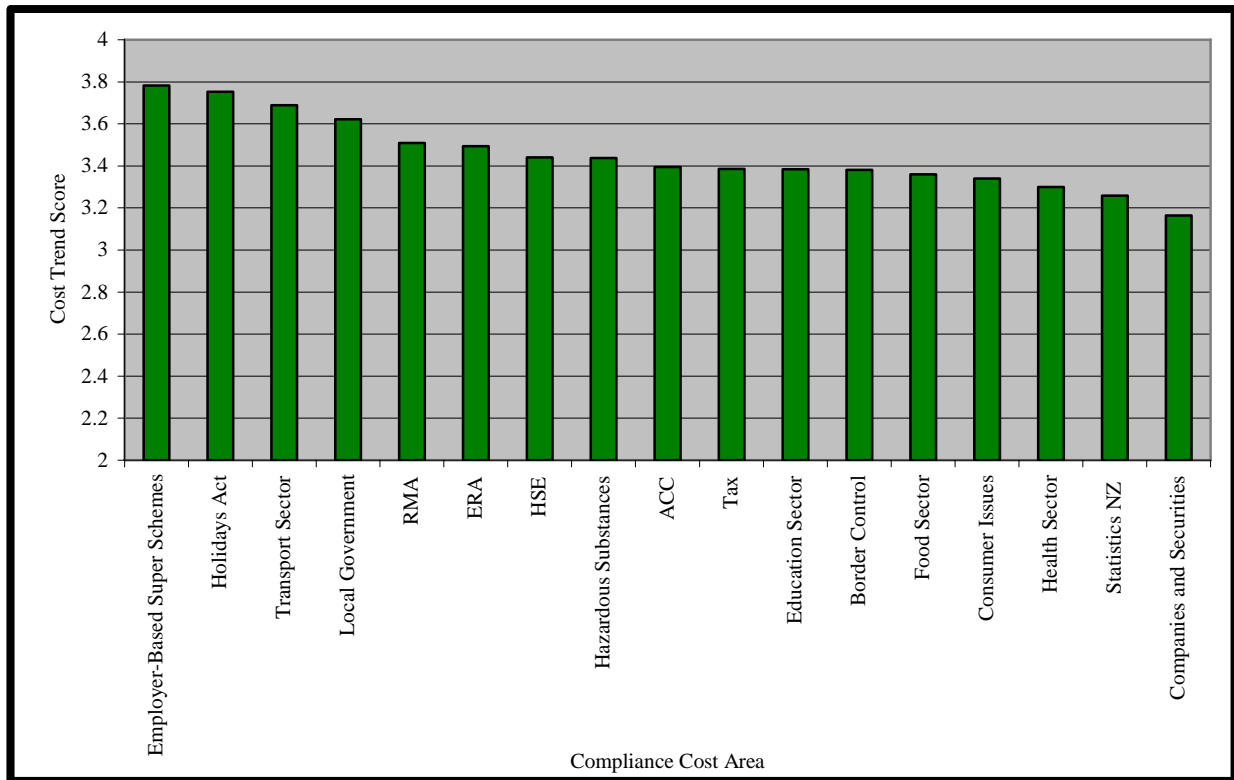
**Table 37: Compliance Cost Trends – Percent of Respondents Commenting (2007 & 2008)**

Compliance Cost Area	2008		2007	
	Number of respondents commenting	Percent of respondents commenting	Number of respondents commenting	Percent of respondents commenting
Tax – PAYE	825	91.1%	1223	91.7%
Tax – Fringe Benefit Tax	502	55.4%	751	56.3%
Tax – GST	887	97.9%	1308	98.1%
Tax – Provisional Tax	821	90.6%	1220	91.5%
Tax – Other deductions	714	78.8%	1038	77.8%
<i>Average, all tax</i>	<i>750</i>	<i>82.8%</i>	<i>1108</i>	<i>83.1%</i>
ACC	817	90.2%	1214	91.0%
Employer Related Superannuation Schemes	511	56.4%	758	56.8%
Employment Relations Act	729	80.5%	1066	79.9%
Health & Safety in Employment Act	769	84.9%	1123	84.2%
Holidays Act	784	86.5%	1180	88.5%
Border Control	335	37.0%	451	33.8%
Hazardous Substances & New Organisms (HSNO)	426	47.0%	573	43.0%
Local Government	697	76.9%	986	73.9%
Resource Management Act	503	55.5%	673	50.4%
Companies and Securities	483	53.3%	647	48.5%
Consumer Issues	561	61.9%	831	62.3%
Education Sector	385	42.5%	511	38.3%
Food Sector	333	36.8%	445	33.4%
Health Sector	368	40.6%	502	37.6%
Statistics NZ	718	79.2%	1056	79.2%
Transport Sector	525	57.9%	712	53.4%
Other Compliance Costs	403	44.5%	593	44.5%

**Table 38: Compliance Cost Trends over the Preceding 12 Months (2008)**

Compliance Cost Area	Large Rise (5)	Modest Rise (4)	No Change (3)	Modest Fall (2)	Large Fall (1)	Cost Trend Score
Tax – PAYE	8.8	43.5	43.4	3.9	0.4	3.566
Tax – Fringe Benefit Tax	2.2	17.9	75.7	3.6	0.6	3.175
Tax – GST	3.9	23.9	67.5	4.2	0.8	3.254
Tax – Provisional Tax	7.4	33.3	55.1	3.3	1.0	3.429
Tax – Other deductions	9.4	34.5	53.4	2.8	0.0	3.504
<i>Average, all Tax</i>	<i>6.3</i>	<i>30.6</i>	<i>59.0</i>	<i>3.6</i>	<i>0.6</i>	<i>3.386</i>
ACC	6.0	31.5	59.2	2.7	0.6	3.395
Employer Related Super Schemes	24.9	30.9	42.1	2.0	0.2	3.783
Employment Relations Act	8.4	34.7	55.1	1.5	0.3	3.494
Health & Safety in Employment Act	6.9	32.0	59.6	1.4	0.1	3.441
Holidays Act	16.8	43.8	37.5	1.7	0.3	3.753
Border Control	6.9	26.9	64.5	1.2	0.6	3.382
HSNO	10.3	27.0	58.9	3.5	0.2	3.437
Local Government	14.1	36.3	47.8	1.4	0.4	3.621
Resource Management Act	13.1	28.2	56.1	1.6	1.0	3.509
Companies and Securities	3.1	14.3	79.1	2.9	0.6	3.164
Consumer Issues	4.6	26.4	67.7	0.9	0.4	3.340
Education Sector	10.4	20.8	66.0	2.6	0.3	3.384
Food Sector	6.9	26.1	64.0	2.1	0.9	3.360
Health Sector	4.9	23.6	68.8	1.9	0.8	3.299
Statistics NZ	4.0	21.7	70.3	3.8	0.1	3.258
Transport Sector	20.0	31.0	46.9	1.9	0.2	3.688
Other compliance costs	17.6	51.1	28.8	1.2	1.2	3.826

**Figure 14: Compliance Cost Trends Scores by Compliance Cost Area (2008)**



**Table 39: Grouping of Compliance Cost Area by Perceived Scores (2007 & 2008)**

Very Large Increase (4.000+)		Large Increase (3.500-3.999)		Modest Increase (3.000-3.499)		Decrease (1.000 – 2.999)	
2008	2007	2008	2007	2008	2007	2008	2007
	1 Holidays Act	1 Other Compliance Costs 2 ERSS 3 Holidays Act 4 Transport 5 Local Govt 6 PAYE 7 RMA 8 Other Tax Deductions	2 Other Compliance Costs 3 ERSS 4 Local Govt 5 ERA 6 Transport 7 RMA	9 ERA 10 HSE 11 HSNO 12 Prov Tax 13 ACC 14 Education 15 Border 16 Food Sector 17 Consumer 18 Health 19 SNZ 20 GST 21 FBT 22 Company & Securities	8 HSE 9 Other Tax Deductions 10 HSNO 11 PAYE 12 ACC 13 Food Sector 14 Border 15 Education 16 Prov Tax 17 Health 18 Consumer 19 GST 20 SNZ 21 FBT 22 Company & Securities	Nil	Nil

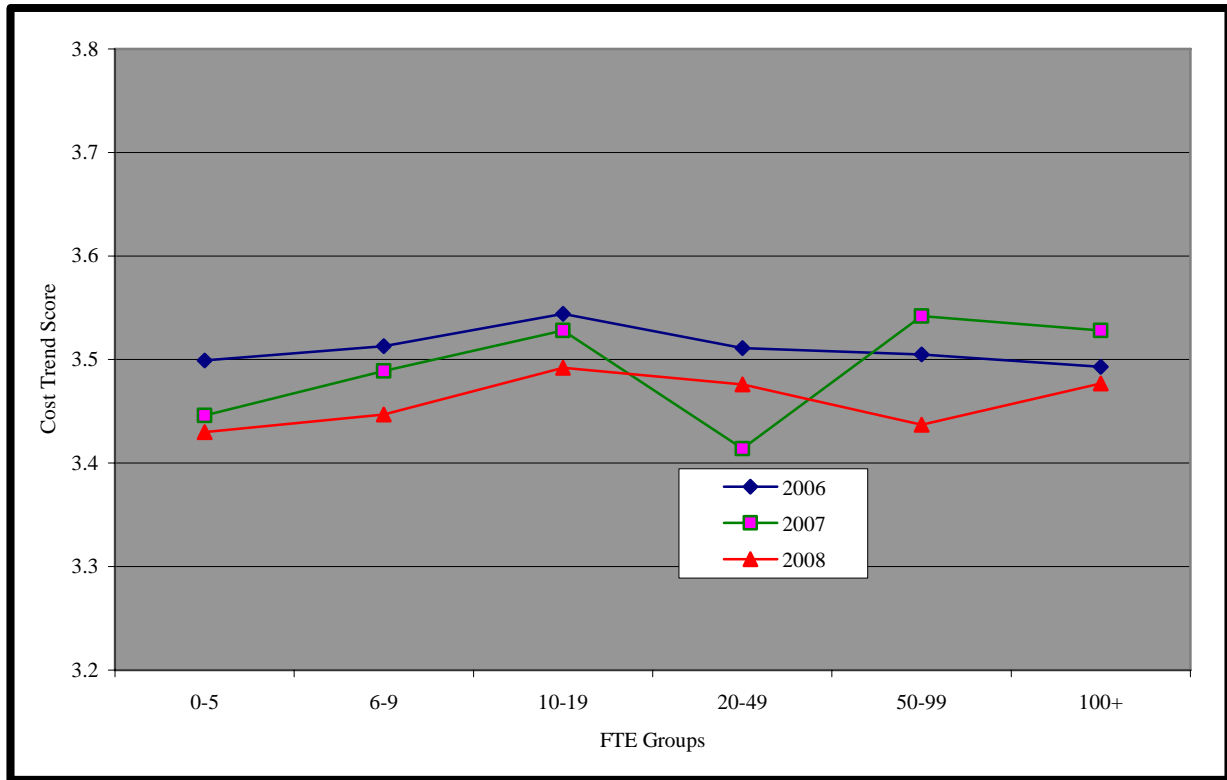
**Table 40: Change in Compliance Cost Trend Scores (2007 & 2008)**

Compliance Cost Area	2008	2007	Change	Increase or Decrease in Compliance Cost Trend Scores
Tax – PAYE	3.566	3.449	0.117	Increase
Tax – Fringe Benefit Tax	3.175	3.224	-0.049	Decrease
Tax – GST	3.254	3.298	-0.044	Decrease
Tax – Provisional Tax	3.429	3.373	0.056	Increase
Tax – Other deductions	3.504	3.469	0.035	Increase
<i>Average, all Tax</i>	3.386	3.363	0.023	Increase
ACC	3.395	3.431	-0.036	Decrease
Employer Related Super Schemes	3.783	3.856	-0.073	Decrease
Employment Relations Act	3.494	3.575	-0.081	Decrease
Health & Safety in Employment Act	3.441	3.479	-0.038	Decrease
Holidays Act	3.753	4.043	-0.29	Decrease
Border Control	3.382	3.393	-0.011	Decrease
HSNO	3.437	3.466	-0.029	Decrease
Local Government	3.621	3.608	0.013	Increase
Resource Management Act	3.509	3.566	-0.057	Decrease
Companies & securities	3.164	3.132	0.032	Increase
Consumer Issues	3.340	3.333	0.007	Increase
Education sector	3.384	3.380	0.004	Increase
Food sector	3.360	3.413	-0.053	Decrease
Health sector	3.299	3.335	-0.036	Decrease
Statistics NZ	3.258	3.228	0.03	Increase
Transport sector	3.688	3.567	0.121	Increase
Other compliance costs	3.826	3.875	-0.049	Decrease

**Table 41: Compliance Cost Trend Score by FTE Group (2008)**

Compliance Cost Area	0-5	6-9	10-19	20-49	50-99	100+	All sizes
Tax – PAYE	3.521	3.595	3.640	3.560	3.467	3.612	3.566
Tax – Fringe Benefit Tax	3.104	3.169	3.193	3.169	3.243	3.279	3.175
Tax – GST	3.257	3.268	3.276	3.276	3.133	3.194	3.254
Tax – Provisional Tax	3.407	3.436	3.497	3.436	3.300	3.438	3.429
Tax – Other deductions	3.498	3.393	3.589	3.518	3.500	3.500	3.504
<i>Average, all Tax</i>	3.357	3.372	3.439	3.392	3.329	3.404	3.386
ACC	3.378	3.488	3.353	3.381	3.386	3.439	3.395
Employer Related Super Schemes	3.718	3.714	3.938	3.753	4.063	3.692	3.783
Employment Relations Act	3.422	3.469	3.537	3.620	3.419	3.554	3.494
Health & Safety in Employment Act	3.313	3.442	3.473	3.574	3.533	3.606	3.441
Holidays Act	3.678	3.836	3.874	3.664	3.822	3.727	3.753
Border Control	3.312	3.523	3.292	3.488	3.583	3.353	3.382
HSNO	3.457	3.441	3.394	3.411	3.538	3.390	3.437
Local Government	3.717	3.574	3.615	3.516	3.294	3.607	3.621
Resource Management Act	3.548	3.455	3.581	3.507	3.313	3.435	3.509
Companies & securities	3.137	3.185	3.139	3.205	3.077	3.295	3.164
Consumer Issues	3.344	3.272	3.375	3.410	3.303	3.267	3.340
Education sector	3.265	3.389	3.527	3.436	3.364	3.400	3.384
Food sector	3.374	3.354	3.338	3.282	3.400	3.432	3.360
Health sector	3.285	3.200	3.368	3.283	3.240	3.412	3.299
Statistics NZ	3.190	3.318	3.221	3.300	3.381	3.361	3.258
Transport sector	3.741	3.597	3.677	3.711	3.615	3.595	3.688
Other compliance costs	3.787	3.721	3.924	3.964	3.647	3.897	3.826
<b>Average</b>	3.430	3.447	3.492	3.476	3.437	3.477	

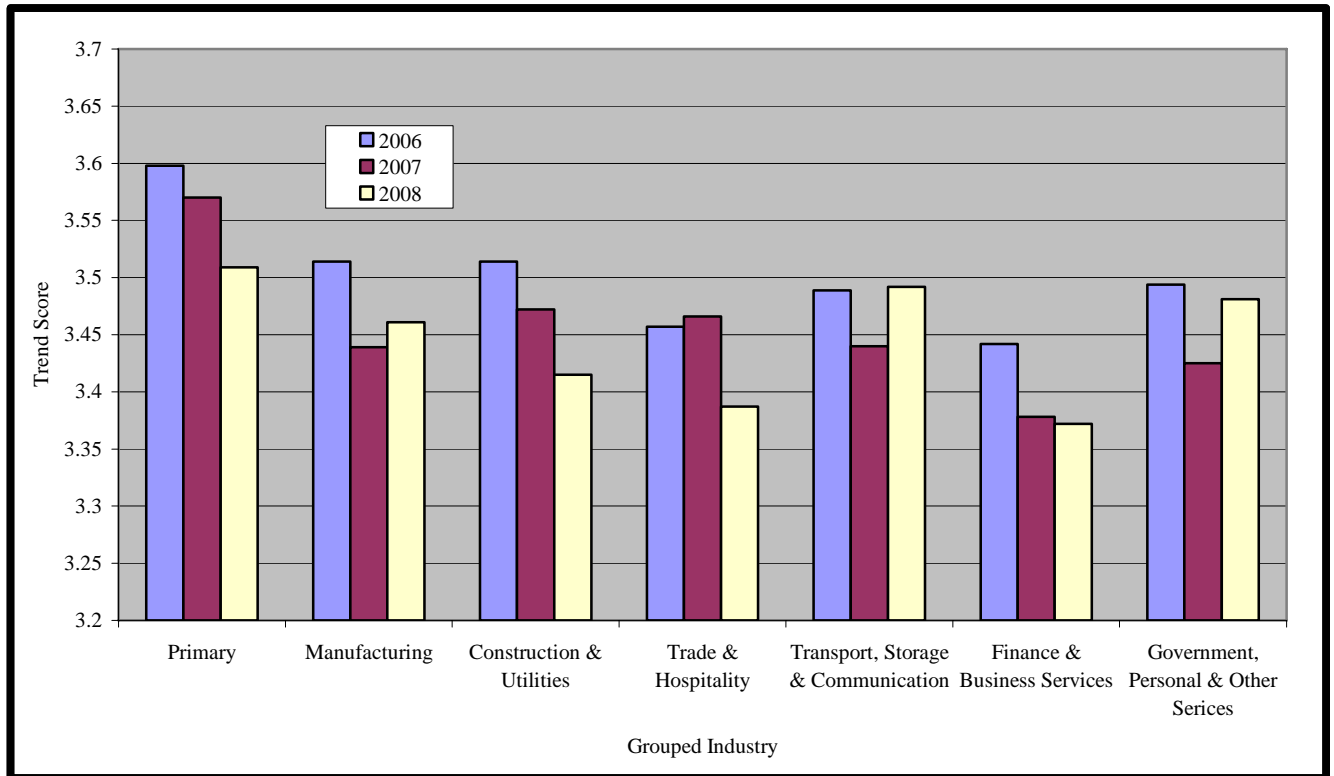
**Figure 15: Compliance Cost Trend Scores by Size of Enterprise (FTE Groups – 2006-2008)**



**Table 42: Compliance Cost Trend Scores by Grouped Industry (2008)**

Compliance Cost Area	Primry	Manu- factng	Cnstn & Util	Trade & Hsp	Tpt, Strg & Coms	Fin & Bus	Govt, Pers & Other	All Ind
Tax – PAYE	3.571	3.500	3.590	3.526	3.575	3.713	3.556	3.566
Tax – FBT	3.094	3.230	3.269	3.217	3.118	3.134	3.143	3.175
Tax – GST	3.244	3.186	3.167	3.205	3.281	3.366	3.312	3.254
Tax – Prov Tax	3.487	3.371	3.225	3.352	3.436	3.566	3.500	3.429
Tax – Other deductions	3.547	3.531	3.553	3.478	3.556	3.416	3.519	3.504
<i>Average, all Tax</i>	<i>3.389</i>	<i>3.364</i>	<i>3.361</i>	<i>3.356</i>	<i>3.393</i>	<i>3.439</i>	<i>3.406</i>	<i>3.386</i>
ACC	3.600	3.368	3.415	3.374	3.461	3.235	3.369	3.395
Employer Related Super Schemes	3.768	3.865	3.963	3.748	3.517	3.788	3.875	3.783
ERA	3.429	3.583	3.581	3.430	3.533	3.505	3.500	3.494
HSE	3.393	3.612	3.778	3.392	3.543	3.265	3.380	3.441
Holidays	3.680	3.818	3.865	3.736	4.051	3.571	3.708	3.753
Border Control	3.484	3.529	3.000	3.433	3.359	3.034	3.219	3.382
HSNO	3.629	3.482	3.211	3.404	3.432	3.188	3.298	3.437
Local Government	3.959	3.667	3.621	3.462	3.625	3.478	3.549	3.621
RMA	3.885	3.430	3.640	3.333	3.375	3.260	3.553	3.509
Companies & securities	3.080	3.174	3.040	3.073	3.135	3.361	3.179	3.164
Consumer Issues	3.333	3.256	3.462	3.364	3.350	3.333	3.353	3.340
Education sectors	3.236	3.154	3.231	3.132	3.459	3.159	3.946	3.384
Food sectors	3.500	3.509	2.750	3.231	3.333	3.148	3.426	3.360
Health sectors	3.241	3.132	2.917	3.250	3.371	3.129	3.560	3.299
SNZ	3.305	3.248	3.382	3.192	3.197	3.289	3.290	3.258
Transport sector	3.765	3.605	3.793	3.545	4.167	3.333	3.484	3.688
Other compliance costs	3.963	3.886	3.684	3.636	3.956	3.902	3.867	3.826
<b>Average</b>	<b>3.509</b>	<b>3.461</b>	<b>3.415</b>	<b>3.387</b>	<b>3.492</b>	<b>3.372</b>	<b>3.481</b>	

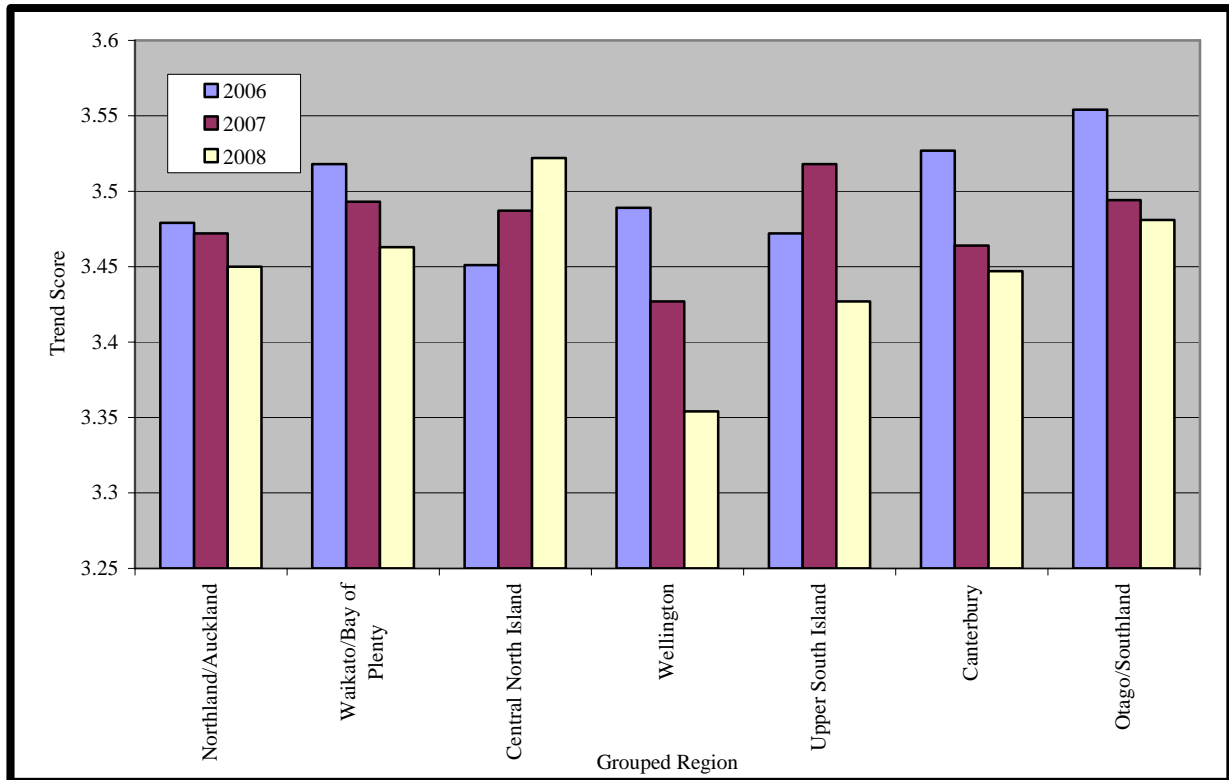
**Figure 16: Overall Compliance Cost Trend Scores by Grouped Industry (2006-2008)**



**Table 43: Compliance Cost Trend Scores by Grouped Region (2008)**

Compliance Cost Area	Nthld/ Akld	Waik/ BOP	Cent Nth Is	Wgtn	Upper Sth Is	Ctby	Otago/ Sthld	NZ
Tax – PAYE	3.587	3.595	3.620	3.523	3.300	3.573	3.494	3.566
Tax – FBT	3.176	3.259	3.167	3.000	3.286	3.180	3.070	3.175
Tax – GST	3.264	3.272	3.191	3.232	3.086	3.326	3.247	3.254
Tax – Prov Tax	3.500	3.369	3.370	3.383	3.424	3.483	3.333	3.429
Tax – Other deductions	3.533	3.479	3.587	3.481	3.238	3.529	3.449	3.504
<i>Average, all Tax</i>	<i>3.412</i>	<i>3.395</i>	<i>3.387</i>	<i>3.324</i>	<i>3.267</i>	<i>3.418</i>	<i>3.319</i>	<i>3.386</i>
ACC	3.343	3.468	3.474	3.227	3.500	3.405	3.432	3.395
Employer Related Super Schemes	3.784	3.731	3.800	3.674	3.667	3.769	4.020	3.783
ERA	3.506	3.514	3.529	3.375	3.120	3.493	3.600	3.494
HSE	3.468	3.474	3.486	3.310	3.290	3.350	3.479	3.441
Holidays	3.755	3.754	3.863	3.656	3.480	3.696	3.863	3.753
Border Control	3.452	3.397	3.429	3.111	3.455	3.308	3.292	3.382
HSNO	3.354	3.466	3.463	3.320	3.632	3.491	3.500	3.437
Local Government	3.576	3.629	3.684	3.535	3.724	3.696	3.613	3.621
RMA	3.406	3.547	3.596	3.351	3.800	3.542	3.583	3.509
Companies & securities	3.176	3.179	3.071	3.341	3.091	3.115	3.068	3.164
Consumer Issues	3.340	3.395	3.508	3.279	3.200	3.189	3.267	3.340
Education sectors	3.414	3.462	3.460	3.188	3.200	3.235	3.367	3.384
Food sectors	3.243	3.301	3.625	3.200	3.533	3.452	3.545	3.360
Health sectors	3.286	3.214	3.488	3.324	3.500	3.133	3.344	3.299
SNZ	3.260	3.202	3.338	3.151	3.233	3.310	3.333	3.258
Transport sector	3.667	3.618	3.869	3.419	3.909	3.688	3.780	3.688
Other compliance costs	3.800	3.868	3.857	3.697	3.722	3.878	3.900	3.826
<b>Average</b>	<b>3.450</b>	<b>3.463</b>	<b>3.522</b>	<b>3.354</b>	<b>3.427</b>	<b>3.447</b>	<b>3.481</b>	

**Figure 17: Compliance Cost Trend Scores by Grouped Region (2006-2008)**

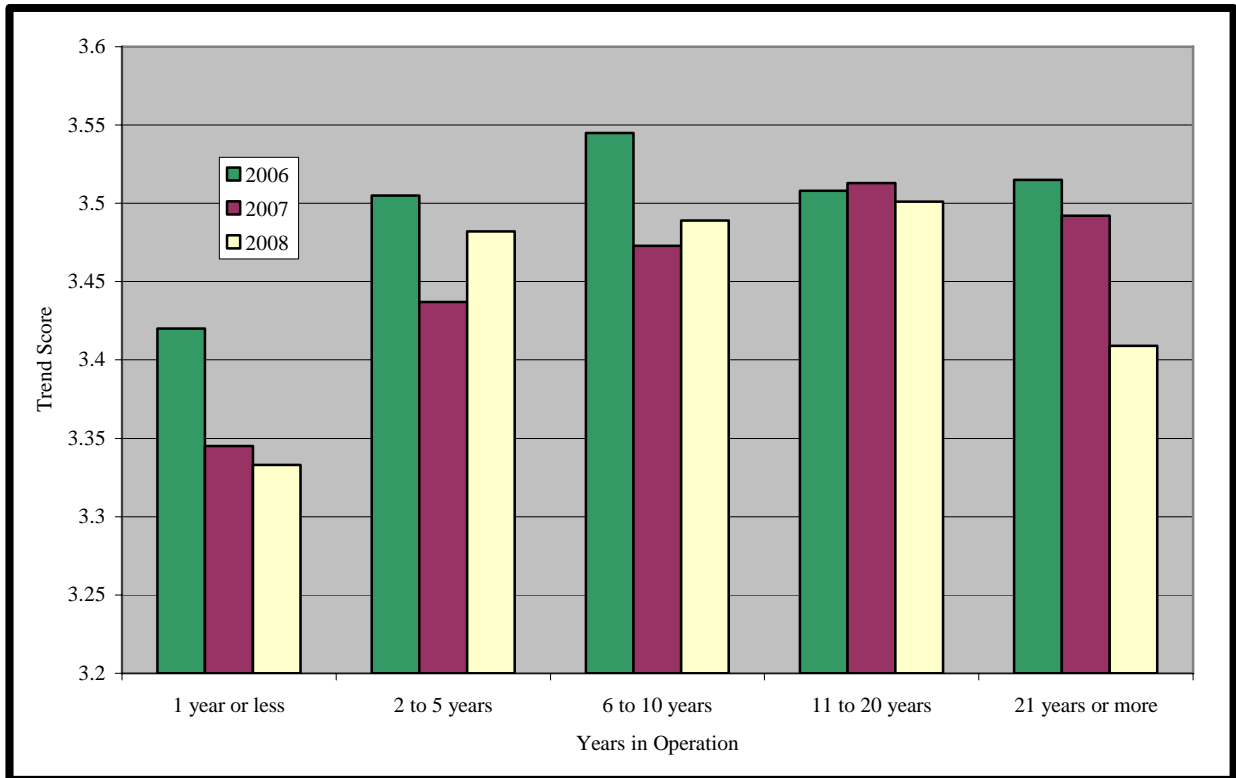


**Table 44: Compliance Cost Trend Scores by Grouped Years in Operation (2008)**

Compliance Cost Area	1 year or less	2 to 5 years	6 to 10 years	11 to 20 years	21 years or more	All Years
Tax – PAYE	3.619	3.618	3.732	3.608	3.422	3.566
Tax – Fringe Benefit Tax	3.071	3.193	3.190	3.274	3.113	3.175
Tax – GST	3.167	3.309	3.301	3.306	3.165	3.254
Tax – Provisional Tax	3.435	3.420	3.490	3.507	3.344	3.429
Tax – Other deductions	3.412	3.566	3.525	3.537	3.443	3.504
<i>Average, all Tax</i>	<i>3.341</i>	<i>3.421</i>	<i>3.447</i>	<i>3.446</i>	<i>3.297</i>	<i>3.386</i>
ACC	3.412	3.409	3.412	3.401	3.374	3.395
Employer-Related Super Schemes	3.571	3.771	3.875	3.833	3.724	3.783
Employment Relations Act	3.471	3.473	3.523	3.591	3.427	3.494
Health & Safety in Employment Act	3.333	3.387	3.457	3.418	3.484	3.441
Holidays Act	3.429	3.728	3.863	3.722	3.761	3.753
Border Control	3.222	3.408	3.351	3.524	3.312	3.382
HSNO	3.400	3.542	3.475	3.390	3.419	3.437
Local Government	3.350	3.678	3.538	3.624	3.652	3.621
Resource Management Act	3.333	3.613	3.437	3.507	3.507	3.509
Companies & securities	3.176	3.149	3.195	3.188	3.138	3.164
Consumer Issues	3.200	3.404	3.316	3.370	3.312	3.340
Education sector	3.364	3.357	3.459	3.524	3.240	3.384
Food sector	2.667	3.441	3.389	3.364	3.333	3.360
Health sector	3.250	3.293	3.316	3.340	3.270	3.299
Statistics NZ	3.353	3.274	3.355	3.241	3.212	3.258
Transport sector	3.583	3.716	3.753	3.763	3.607	3.688
Other compliance costs	3.438	3.860	3.815	3.990	3.743	3.826
<b>Average</b>	<b>3.330</b>	<b>3.482</b>	<b>3.489</b>	<b>3.501</b>	<b>3.409</b>	



**Figure 18: Overall Compliance Cost Trend Scores by Grouped Years in Operation (2006-2008)**

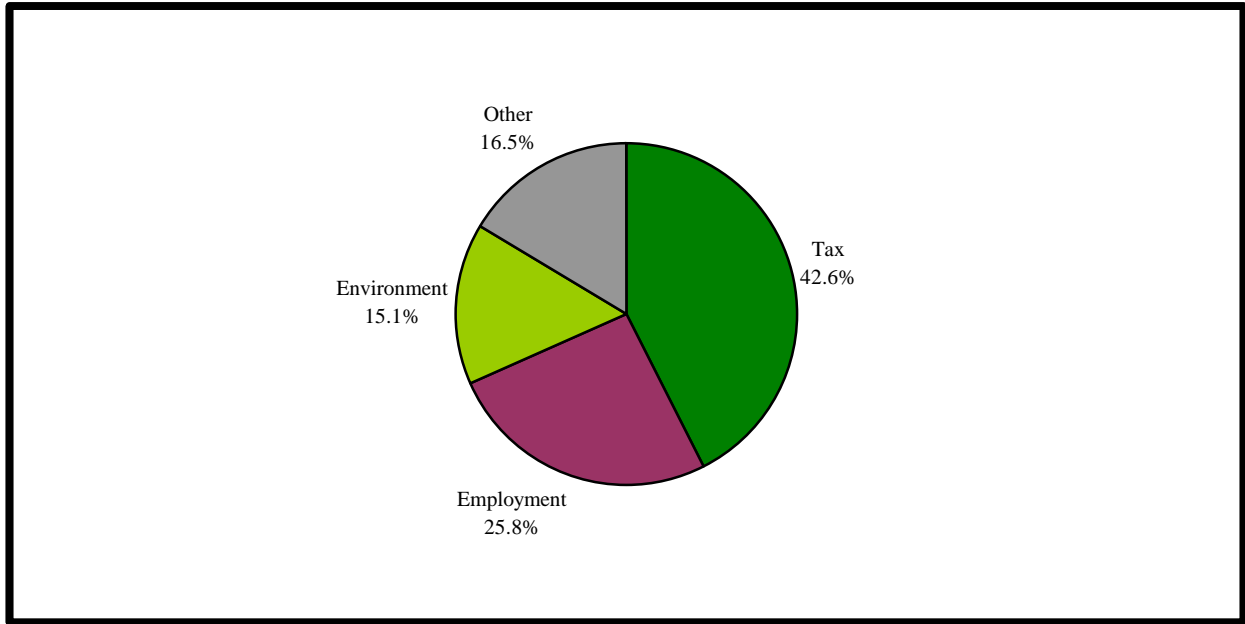


### 3.4 ESTIMATING TOTAL COMPLIANCE COSTS

**Table 45: Summary of Total Compliance Costs (2006-2008)**

	<b>Tax</b>	<b>Employment</b>	<b>Environment</b>	<b>Other</b>
<b>Mean annual hours spent within the enterprise</b>				
2006	274.2	270.9	94.6	212.2
2007	138.3	186.6	95.0	119.8
2008	142.6	198.1	94.8	116.3
<b>Average internal cost</b>				
2006 (hours at \$21.63 per hour)	\$5,931	\$5,860	\$2,046	\$4,590
2007 (hours at \$22.63 per hour)	\$3,130	\$4,223	\$2,150	\$2,710
2008 (hours at \$23.66 per hour)	\$3,374	\$4,687	\$7,243	\$2,752
<b>% of respondents that used external advice</b>				
2006	81.4%	41.4%	16.1%	19.3%
2007	78.2%	37.3%	15.7%	16.2%
2008	80.6%	34.8%	15.6%	17.3%
<b>Average external cost</b>				
2006	\$12,170	\$7,274	\$20,367	\$23,308
2007	\$10,844	\$5,893	\$21,685	\$20,941
2008	\$10,569	\$7,202	\$13,567	\$11,163
<b>Average total cost</b>				
2006	\$15,716	\$8,747	\$5,195	\$8,574
2007	\$11,592	\$6,418	\$5,499	\$6,069
2008	\$11,956	\$7,238	\$4,250	\$4,638
<b>Average total cost by average FTE size</b>				
2006	\$284	\$158	\$94	\$155
2007	\$402	\$223	\$191	\$211
2008	\$310	\$188	\$110	\$120
<b>Average total cost as % of turnover</b>				
2006	0.10%	0.06%	0.03%	0.06%
2007	0.17%	0.10%	0.08%	0.09%
2008	0.16%	0.10%	0.06%	0.06%
<b>% of total compliance costs</b>				
2006	41.1%	22.9%	13.6%	22.4%
2007	39.2%	21.7%	18.6%	20.5%
2008	42.6%	25.8%	15.1%	16.5%

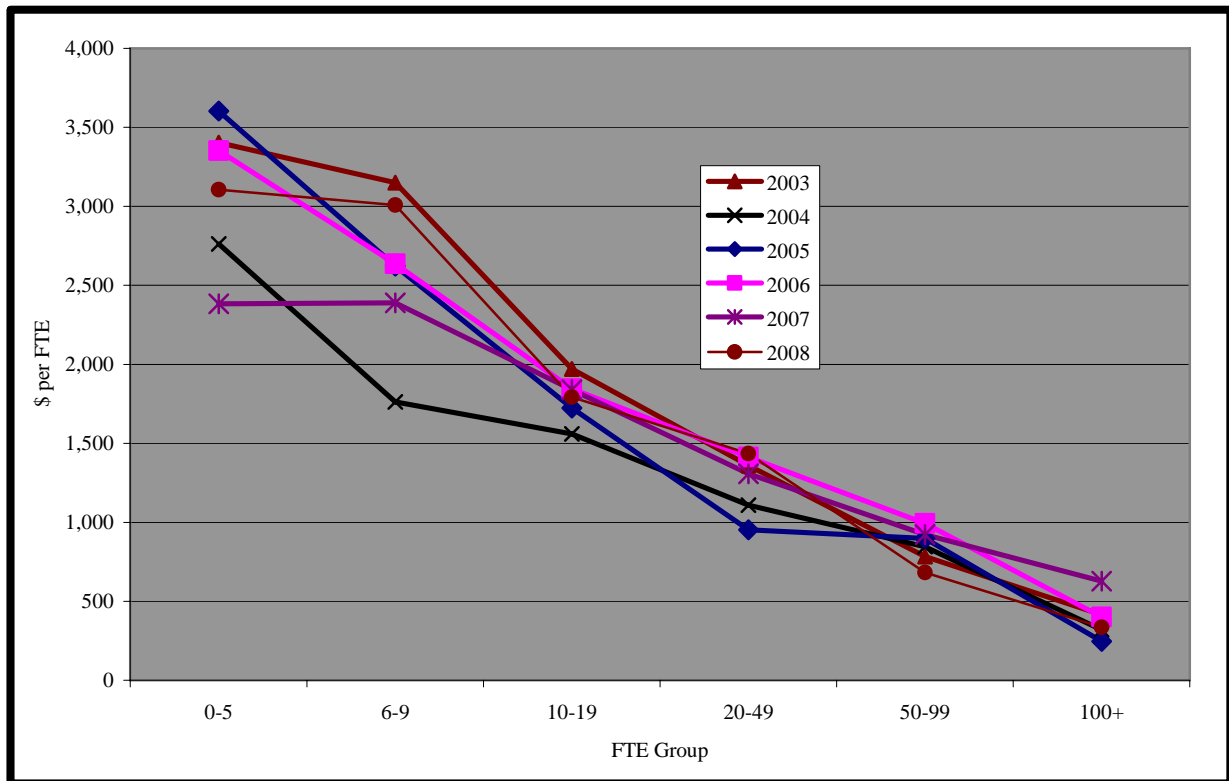
**Figure 19: Proportion of Total Compliance Costs (2008)**



**Table 46: Summary of Total Compliance Costs by FTE Group (2006-2008)**

	0-5	6-9	10-19	20-49	50-99	100+	All Sizes
<b>Mean annual hours spent within the enterprise</b>							
2006	238	563	524	996	1244	4352	852
2007	155	367	502	675	1584	2857	540
2008	177	422	474	683	1173	2587	552
<b>Average internal cost</b>							
2006	\$5,145	\$12,180	\$11,324	\$21,546	\$26,910	\$94,122	\$18,427
2007	\$3,498	\$8,305	\$11,369	\$15,278	\$35,843	\$64,643	\$12,213
2008	\$4,197	\$9,989	\$11,208	\$16,162	\$27,741	\$61,206	\$18,056
<b>% of respondents that used external advice</b>							
2006	33.0%	39.0%	41.8%	45.2%	49.3%	54.7%	39.6%
2007	30.1%	38.6%	37.8%	40.6%	47.3%	58.1%	36.9%
2008	30.6%	40.8%	37.4%	44.8%	39.5%	50.8%	37.1%
<b>Average external cost</b>							
2006	\$16,762	\$19,310	\$41,096	\$53,213	\$102,140	\$268,925	\$63,119
2007	\$16,280	\$28,250	\$44,818	\$86,968	\$86,815	\$223,005	\$59,363
2008	\$22,506	\$30,355	\$36,460	\$70,567	\$45,237	\$92,251	\$42,501
<b>Average total cost</b>							
2006	\$10,096	\$19,680	\$25,405	\$42,148	\$69,403	\$215,284	\$38,232
2007	\$7,390	\$17,339	\$24,753	\$40,327	\$63,825	\$192,738	\$29,578
2008	\$9,815	\$22,254	\$24,023	\$42,783	\$46,513	\$120,542	\$28,082
<b>Average total cost by FTE</b>							
2006	\$3,353	\$2,636	\$1,845	\$1,412	\$993	\$401	\$691
2007	\$2,384	\$2,389	\$1,839	\$1,307	\$922	\$627	\$1,026
2008	\$3,106	\$3,008	\$1,792	\$1,435	\$681	\$335	\$728
<b>Average total cost as % of turnover</b>							
2006	1.41%	1.16%	0.84%	0.47%	0.33%	0.15%	0.25%
2007	1.37%	1.34%	0.60%	0.56%	0.39%	0.27%	0.44%
2008	0.46%	1.46%	0.99%	0.58%	0.24%	0.22%	0.38%

**Figure 20: Total Compliance Costs per Employee by Size of Enterprise (FTE Group 2003-2008)**

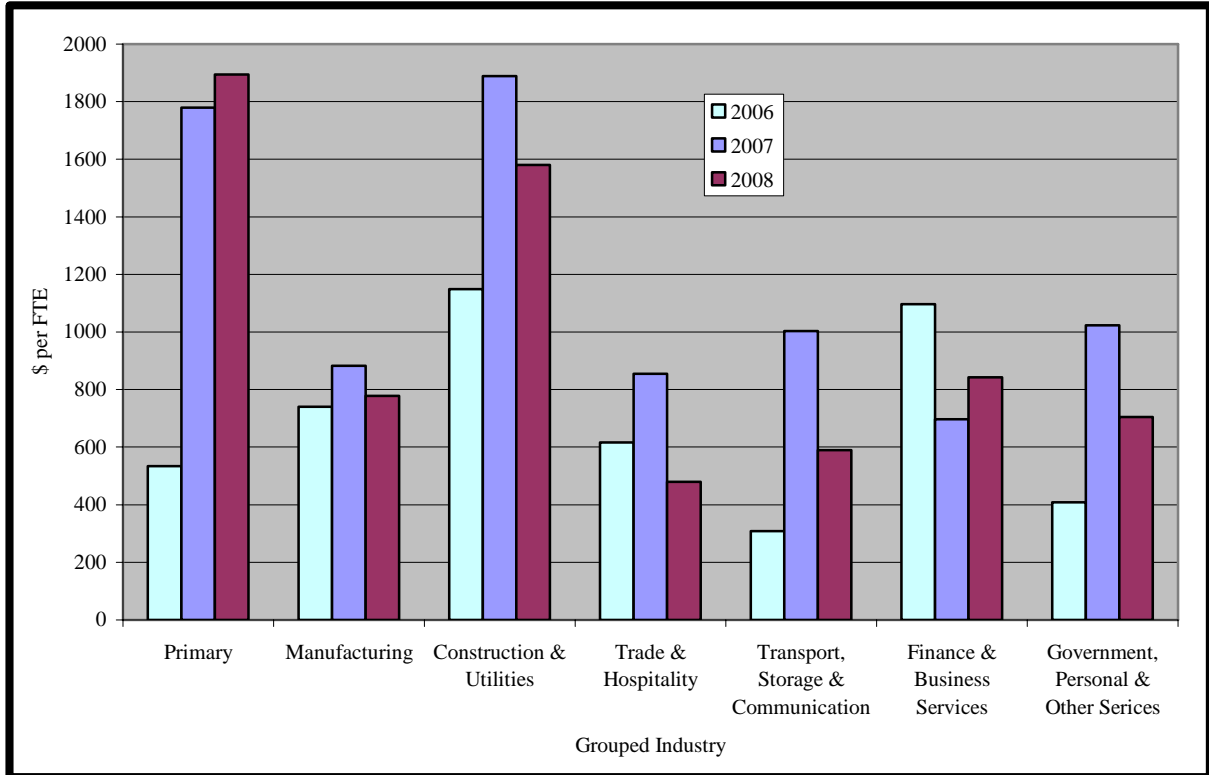


**Table 47: Summary of Total Compliance Costs by Grouped Industry (2006-2008)**

	Primry	Manu- factng	Cnstn & Util	Trade & Hsp	Tpt, Strg & Coms	Fin & Bus	Govt, Pers & Other
<b>Mean annual hours spent within the enterprise</b>							
2006	480.2	1244.5	777.4	425.3	506.9	1326.8	1035.3
2007	553.8	551.3	870.6	315.3	540.8	583.2	776.0
2008	330.0	756.7	629.8	390.4	634.1	457.7	793.2
<b>Average internal cost</b>							
2006	\$10,387	\$26,919	\$16,815	\$9,199	\$10,964	\$28,700	\$22,394
2007	\$12,532	\$12,475	\$19,701	\$7,134	\$12,237	\$13,196	\$17,561
2008	\$7,807	\$17,907	\$14,903	\$9,238	\$15,003	\$10,829	\$18,769
<b>% of respondents that used external advice</b>							
2006	41.9%	48.3%	40.8%	37.8%	40.6%	33.4%	38.3%
2007	37.8%	42.8%	41.2%	35.3%	35.1%	35.3%	33.3%
2008	35.0%	44.4%	46.5%	35.7%	36.0%	31.1%	37.3%
<b>Average external cost</b>							
2006	\$29,517	\$43,517	\$111,813	\$32,466	\$111,106	\$105,291	\$67,094
2007	\$35,265	\$40,780	\$125,269	\$27,008	\$80,618	\$123,937	\$42,098
2008	\$34,993	\$32,347	\$37,770	\$25,895	\$36,400	\$85,116	\$70,412
<b>Average total cost</b>							
2006	\$26,098	\$48,340	\$47,019	\$19,324	\$36,994	\$27,039	\$41,207
2007	\$26,416	\$28,702	\$57,418	\$15,723	\$31,606	\$47,438	\$29,551
2008	\$23,120	\$34,344	\$32,805	\$20,974	\$28,053	\$27,366	\$36,468

Average total cost by FTE							
2006	\$534	\$740	\$1,149	\$616	\$308	\$1,097	\$408
2007	\$1,779	\$882	\$1,889	\$855	\$1,003	\$697	\$1,023
2008	\$1,895	\$778	\$1,581	\$479	\$589	\$842	\$705
Average total cost as % of turnover							
2006	0.23%	0.17%	0.19%	0.18%	0.29%	0.33%	0.31%
2007	0.69%	0.33%	0.55%	0.39%	0.42%	0.27%	1.13%
2008	1.11%	0.23%	0.62%	0.27%	0.30%	0.59%	0.49%

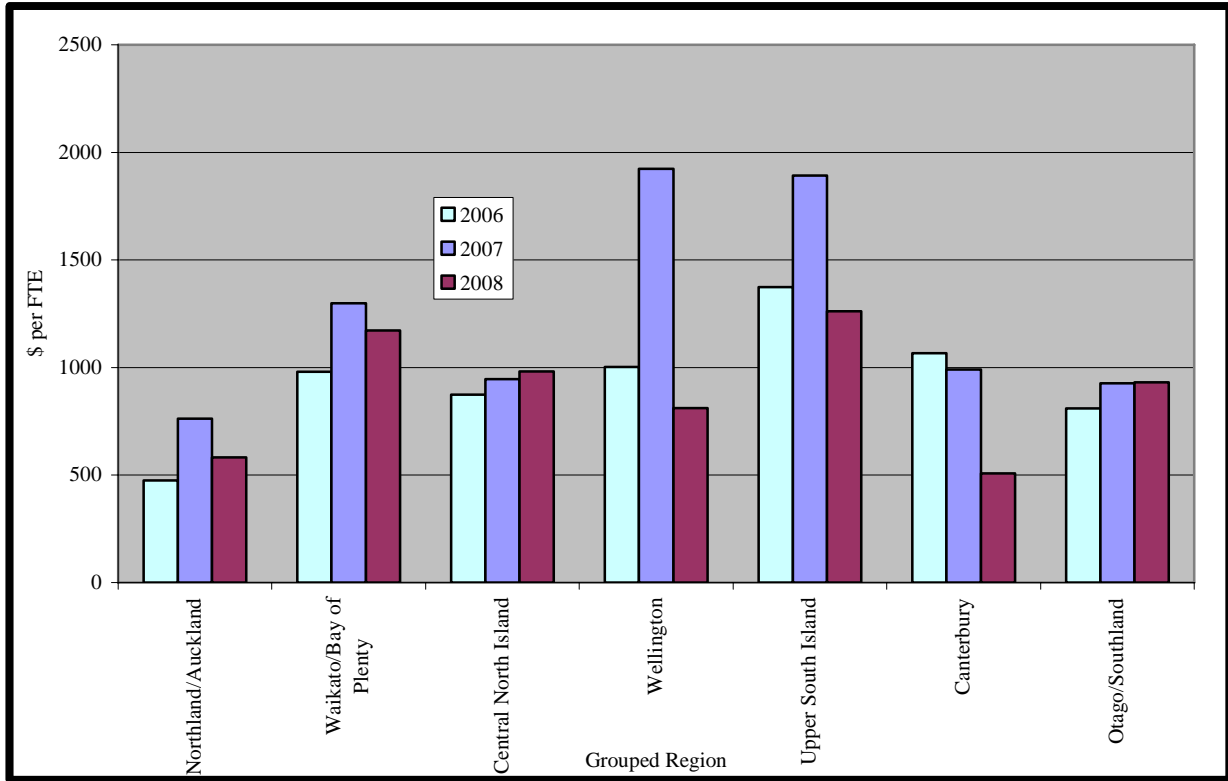
**Figure 21: Total Compliance Costs per Employee by Grouped Industry (2006-2008)**



**Table 48: Summary of Total Compliance Costs by Grouped Region (2006-2008)**

	<b>Nthld/ Akld</b>	<b>Waik/ BOP</b>	<b>Cent Nth Is</b>	<b>Wgtn</b>	<b>Upper Sth Is</b>	<b>Ctby</b>	<b>Otago/ Sthld</b>
<b>Mean annual hours spent within the enterprise</b>							
2006	873.8	1160.5	569.6	810.3	708.4	483.1	879
2007	529.3	693.6	317.1	571.3	559.7	440.6	658.7
2008	614.7	477	634.1	517.3	789.3	347.2	556.8
<b>Average internal cost</b>							
2006	\$18,901	\$25,102	\$12,321	\$17,527	\$15,323	\$10,450	\$19,013
2007	\$11,977	\$15,695	\$7,175	\$12,928	\$12,669	\$9,969	\$14,904
2008	\$14,543	\$11,285	\$15,003	\$12,239	\$18,675	\$8,215	\$13,174
<b>% of respondents that used external advice</b>							
2006	39.6%	42.1%	35.8%	40.0%	36.2%	38.9%	41.8%
2007	37.4%	38.1%	36.6%	33.8%	33.7%	35.7%	40.4%
2008	38.1%	36.8%	34.4%	41.2%	29.1%	34.1%	40.0%
<b>Average external cost</b>							
2006	\$87,584	\$57,544	\$35,591	\$67,088	\$22,670	\$42,578	\$46,331
2007	\$71,158	\$50,509	\$13,718	\$141,101	\$98,085	\$47,735	\$29,768
2008	\$58,017	\$30,582	\$43,288	\$50,700	\$19,981	\$33,625	\$26,826
<b>Average total cost</b>							
2006	\$44,343	\$46,368	\$22,734	\$46,609	\$23,458	\$23,287	\$33,711
2007	\$33,596	\$30,867	\$12,630	\$46,631	\$30,594	\$22,923	\$26,626
2008	\$34,537	\$24,364	\$24,951	\$32,068	\$24,178	\$18,636	\$25,009
<b>Average total cost by FTE</b>							
2006	\$475	\$980	\$873	\$1,003	\$1,374	\$1,067	\$810
2007	\$762	\$1,299	\$946	\$1,924	\$1,892	\$991	\$927
2008	\$583	\$1,172	\$982	\$811	\$1,261	\$508	\$931
<b>Average total cost as % of turnover</b>							
2006	0.18%	0.24%	0.32%	0.52%	0.73%	0.40%	0.32%
2007	0.29%	0.63%	0.57%	0.64%	0.92%	0.43%	0.64%
2008	0.33%	0.65%	0.51%	0.99%	0.92%	0.18%	0.28%

**Figure 22: Total Compliance Costs per FTE by Grouped Region (2006-2008)**

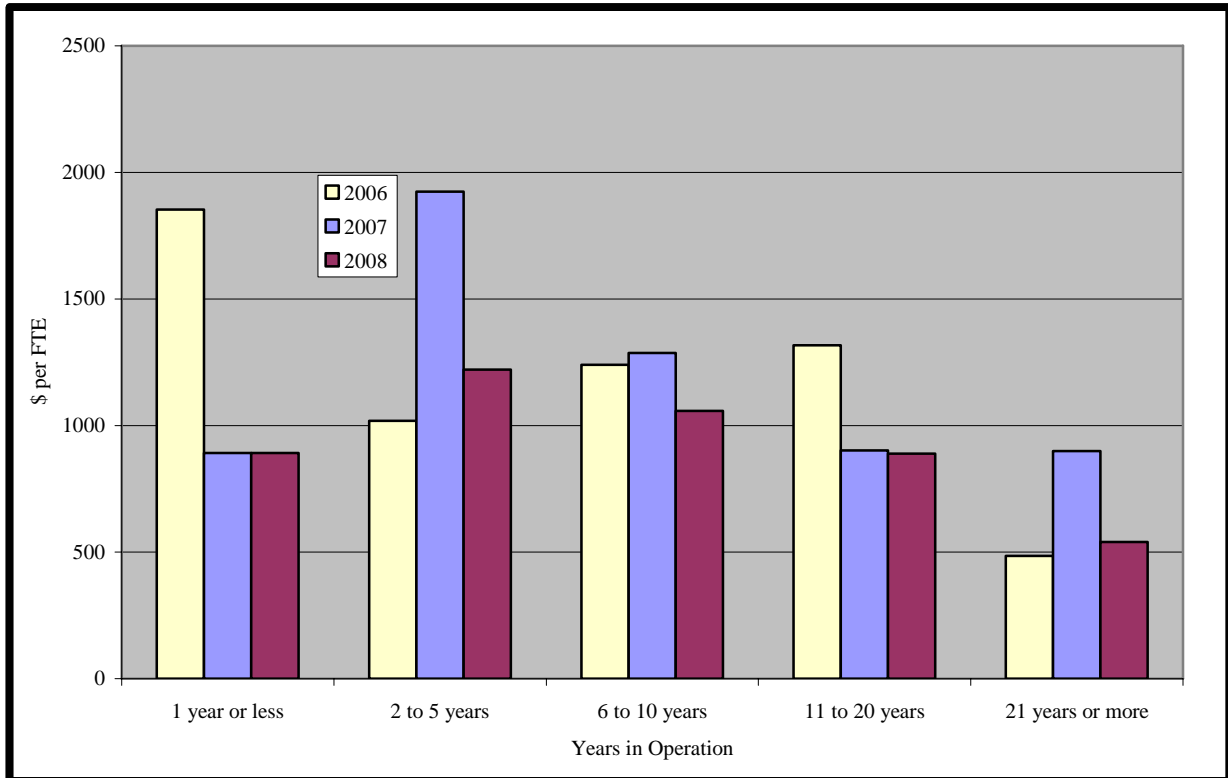


**Table 49: Summary of Total Compliance Costs by Grouped Years in Operation (2006-2008)**

	1 yr or less	2-5 years	6-10 years	11-20 years	21+ years
Mean annual hours spent within enterprise on total compliance costs					
2006	126.8	588.1	624.5	729.7	1219.5
2007	182.3	323.1	419.0	549.6	805.9
2008	282.1	274.3	573	693.8	638
Average internal cost					
2006	\$2,742	\$12,718	\$13,507	\$15,785	\$26,376
2007	\$4,124	\$7,314	\$9,484	\$12,437	\$18,238
2008	\$6,673	\$6,489	\$13,560	\$16,411	\$15,095
% of respondents that used external advice					
2006	31.1%	35.5%	39.2%	41.0%	42.0%
2007	29.2%	34.8%	33.2%	36.3%	41.9%
2008	29.3%	32.6%	35.3%	460.9%	39.3%
Average external cost					
2006	\$17,962	\$23,282	\$24,410	\$85,685	\$86,606
2007	\$12,989	\$20,048	\$28,084	\$58,687	\$94,306
2008	\$95,466	\$18,677	\$30,091	\$43,653	\$53,813
Average total cost					
2006	\$7,412	\$20,188	\$22,382	\$41,277	\$58,153
2007	\$8,130	\$14,365	\$17,997	\$23,745	\$51,387
2008	\$25,675	\$12,249	\$26,533	\$33,651	\$35,044
Average total cost by FTE					
2006	\$1,854	\$1,019	\$1,240	\$1,317	\$485
2007	\$892	\$1,924	\$1,286	\$901	\$899

2008	\$892	\$1,221	\$1,058	\$889	\$540
Average total cost as % of turnover					
2006	1.17%	0.67%	0.54%	0.36%	0.18%
2007	1.21%	1.10%	0.60%	0.41%	0.36%
2008	2.34%	0.24%	0.47%	0.45%	0.32%

**Figure 23: Total Compliance Costs per FTE by Grouped Years in Operation (2006-2008)**





### 3.4.1 TAX-RELATED COMPLIANCE COSTS

**Table 50: Summary Comparison for Tax Compliance Costs (2006-2008)**

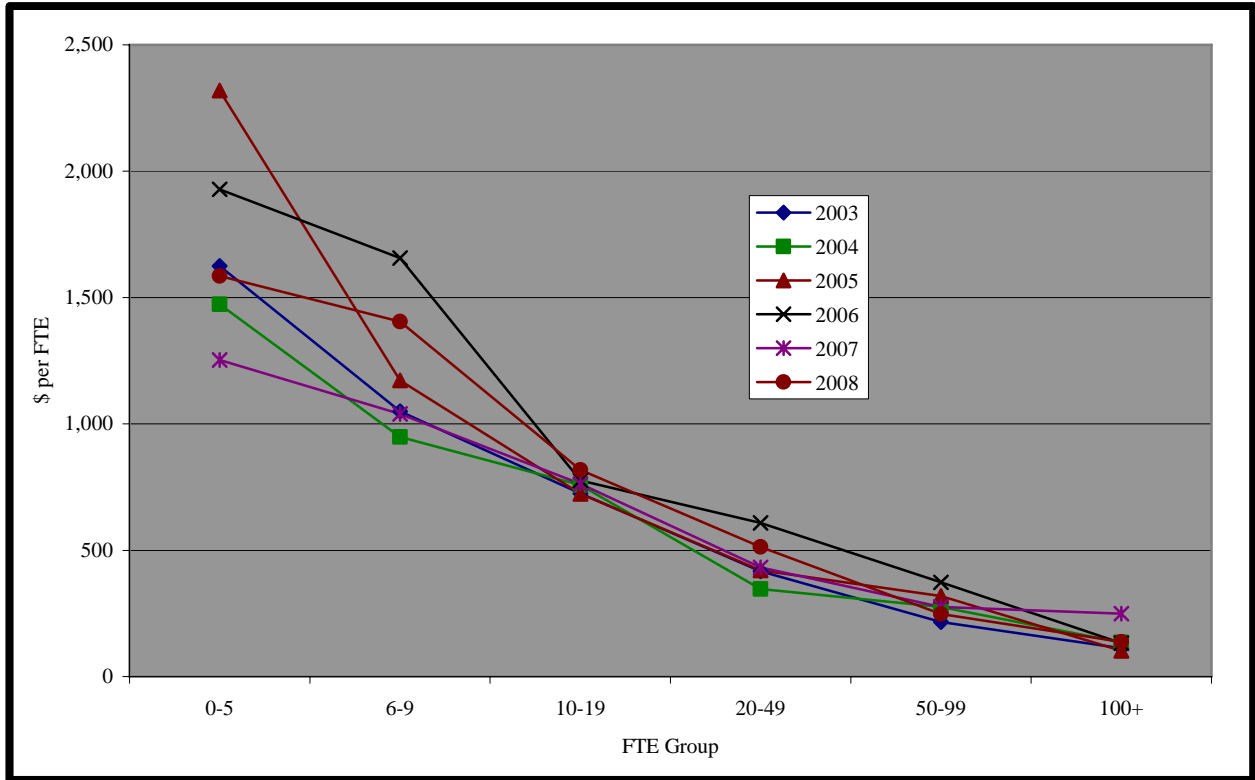
Overall trend (2008)	Mixed		
Respondents answering this section (2008)	100.0%		
Internal cost trend (2008)	Increase		
External cost trend (2008)	Decrease		
<b>Year</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Average total cost	\$15,716	\$11,592	\$11,956
Average total cost per FTE	\$284	\$402	\$310
Average mean annual hours spent within enterprise on tax (all sizes)	274.2	138.3	142.6
Average internal cost	\$5,931	\$3,130	\$3,374
Maximum annual hours spent by enterprise internally on tax*	15,000	5,000	5,160
Average external cost	\$12,170	\$10,844	\$10,569
Maximum annual amount spent by enterprise externally on tax*	\$1,000,000	\$1,000,000	\$600,000
Tax as a % of total compliance costs	41.1%	39.2%	42.6%
% of respondents who obtained information from Inland Revenue	78.6%	75.9%	77.9%
% of respondents who employed external tax advisers	76.0%	72.7%	72.4%
% of respondents who directly accessed tax legislation	37.6%	30.0%	32.8%
% of respondents who used other publications and advice	32.3%	29.2%	29.9%

**Table 51: Tax Compliance Costs by FTE Group (2006-2008)**

	0-5	6-9	10-19	20-49	50-99	100+	All Sizes
Mean annual hours spent within enterprise on tax							
2006	126.0	352.2	141.0	371.9	328.9	887.9	274.2
2007	67.8	127.8	152.9	139.6	256.2	537.0	138.3
2008	68.5	158.2	137.7	150.6	213.2	502.4	142.6
Average internal cost							
2006	\$2,725	\$7,618	\$3,050	\$8,044	\$7,114	\$19,205	\$5,931
2007	\$1,535	\$2,892	\$3,461	\$3,160	\$5,797	\$12,152	\$3,130
2008	\$1,621	\$3,743	\$3,258	\$3,563	\$5,044	\$11,887	\$3,374
% of respondents that used external advice							
2006	80.1%	82.9%	84.3%	82.7%	77.3%	80.4%	81.4%
2007	78.1%	79.0%	76.4%	77.8%	79.7%	81.7%	78.2%
2008	80.9%	83.1%	77.6%	81.0%	75.6%	83.6%	80.6%
Average external cost							
2006	\$3,875	\$5,764	\$9,122	\$12,454	\$24,849	\$68,083	\$12,170
2007	\$3,015	\$5,898	\$8,939	\$13,057	\$16,739	\$78,851	\$10,844
2008	\$4,234	\$7,907	\$9,750	\$13,943	\$16,216	\$43,322	\$10,569
Average total cost							
2006	\$5,803	\$12,369	\$10,690	\$18,148	\$26,077	\$71,483	\$15,716
2007	\$3,883	\$7,550	\$10,258	\$13,323	\$19,136	\$76,566	\$11,592
2008	\$5,012	\$10,396	\$10,971	\$15,331	\$16,935	\$49,708	\$11,956
Average total cost by FTE							
2006	\$1,928	\$1,656	\$776	\$608	\$373	\$133	\$284
2007	\$1,253	\$1,040	\$762	\$432	\$276	\$249	\$402
2008	\$1,586	\$1,405	\$818	\$514	\$248	\$138	\$310
Average total cost as % of turnover							
2006	0.81%	0.73%	0.35%	0.20%	0.12%	0.05%	0.10%
2007	0.72%	0.58%	0.25%	0.18%	0.12%	0.11%	0.17%
2008	0.23%	0.68%	0.45%	0.21%	0.09%	0.09%	0.16%

Tax as a % of total compliance costs							
2006	57.5%	62.9%	42.1%	43.1%	37.6%	33.2%	41.1%
2007	52.5%	43.5%	41.4%	33.0%	30.0%	39.7%	39.2%
2008	51.1%	46.7%	45.7%	35.8%	36.4%	41.2%	42.6%

**Figure 24: Average Tax Compliance Costs per FTE by Size of Enterprise (2003-2008)**



**Table 52: Sources of External Tax Information and Advice by FTE Group (2006-2008)**

Source of Advice and/or Information	0-5	6-9	10-19	20-49	50-99	100+	All Sizes
IRD (e.g., publications, website, call centre)							
2006	74.3%	79.7%	78.5%	82.7%	77.6%	92.9%	78.6%
2007	73.1%	76.7%	76.0%	79.5%	70.3%	90.1%	75.9%
2008	74.9%	76.2%	78.2%	81.0%	91.1%	83.6%	77.9%
Legislation (e.g., Income Tax Act, GST Act)							
2006	30.7%	34.1%	33.5%	43.4%	53.9%	67.0%	37.6%
2007	19.3%	27.6%	35.1%	36.9%	51.6%	63.4%	30.0%
2008	25.1%	30.0%	34.5%	34.5%	46.7%	65.7%	32.8%
Out of house tax advisers, agents and intermediaries							
2006	73.1%	75.2%	75.9%	80.1%	82.9%	81.3%	76.0%
2007	68.3%	75.5%	75.6%	71.0%	78.1%	84.5%	72.7%
2008	68.1%	72.3%	74.0%	79.3%	73.3%	80.6%	72.4%
Other publications or advice							
2006	26.9%	31.3%	28.3%	41.8%	40.8%	46.4%	32.3%
2007	24.0%	25.7%	32.6%	31.8%	42.2%	50.7%	29.2%
2008	24.3%	28.5%	32.1%	30.2%	48.9%	46.3%	29.9%

**Table 53: Cost of Preparing Annual Accounts Included in External Advice Cost Estimate (2006-2008)**

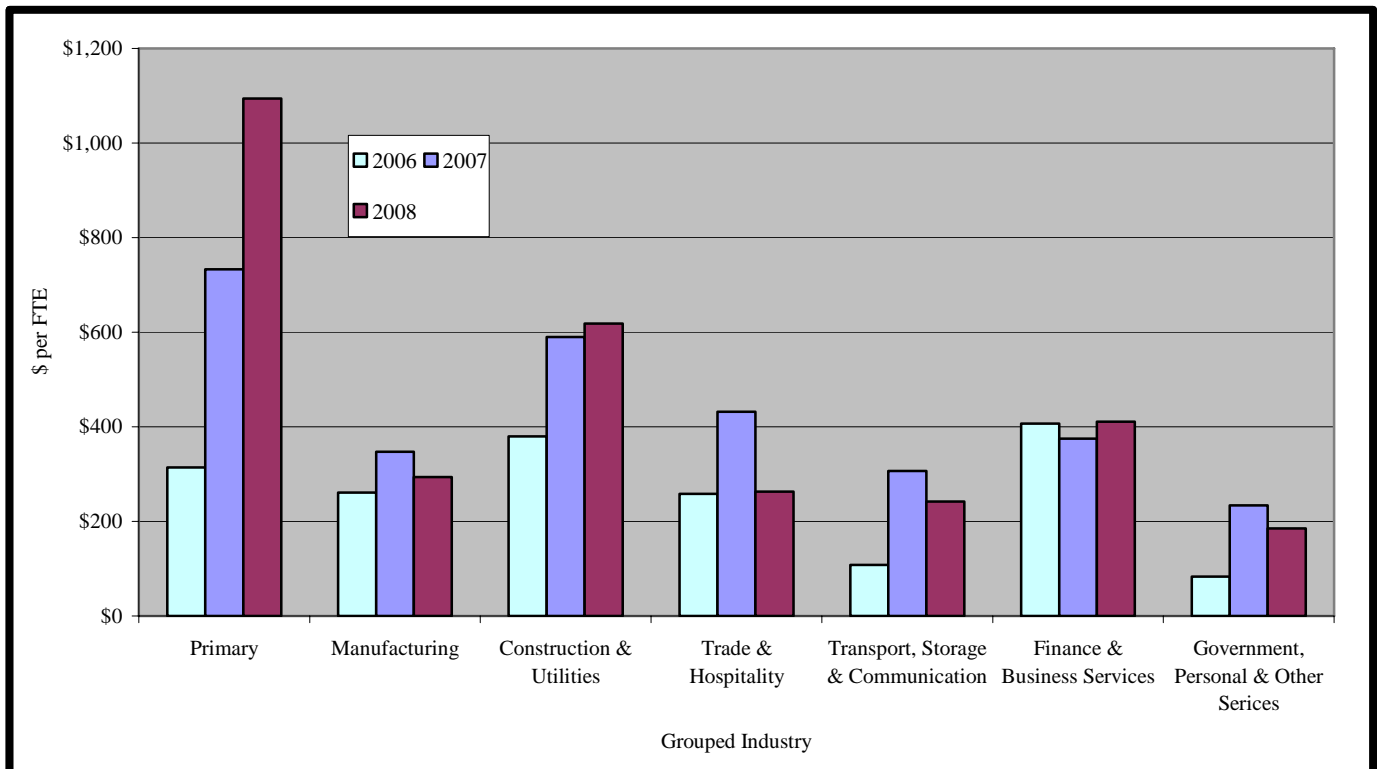
FTE Group	Yes	No
<b>0-5</b>		
2006	65.8%	34.2%
2007	73.8%	26.2%
2008	71.8%	28.2%
<b>6-9</b>		
2006	61.4%	38.6%
2007	73.9%	26.1%
2008	62.4%	37.6%
<b>10-19</b>		
2006	47.6%	52.4%
2007	60.9%	39.1%
2008	60.3%	39.7%
<b>20-49</b>		
2006	46.7%	53.3%
2007	56.9%	43.1%
2008	55.2%	44.8%
<b>50-99</b>		
2006	30.0%	70.0%
2007	39.2%	60.8%
2008	31.4%	68.6%
<b>100+</b>		
2006	15.5%	84.5%
2007	25.9%	74.1%
2008	23.2%	76.8%
<b>All sizes</b>		
<b>2006</b>	<b>53.9%</b>	<b>46.1%</b>
<b>2007</b>	<b>64.9%</b>	<b>35.1%</b>
<b>2008</b>	<b>60.8%</b>	<b>39.2%</b>

**Table 54: Tax Compliance Costs by Grouped Industry (2006-2008)**

	Primry	Manu- factng	Cnstn & Util	Trade & Hsp	Tpt, Strg & Coms	Fin & Bus	Govt, Pers & Other
Mean annual hours spent within enterprise on Tax							
2006	176.0	267.5	202.4	120.2	121.7	845.1	122.5
2007	142.9	134.1	161.7	124.5	115.0	225.3	101.7
2008	97.1	127.5	123.7	114.6	192.0	213.2	154.7
Average internal cost							
2006	\$3,807	\$5,786	\$4,378	\$2,600	\$2,632	\$18,280	\$4,661
2007	\$3,234	\$3,035	\$3,659	\$2,816	\$2,603	\$5,098	\$2,650
2008	\$2,297	\$3,017	\$2,927	\$2,711	\$4,543	\$5,044	\$3,660
% of respondents that used external advice							
2006	88.1%	88.4%	89.5%	82.7%	82.8%	75.3%	66.7%
2007	85.6%	82.0%	84.9%	79.2%	75.8%	80.6%	59.9%
2008	86.9%	85.3%	83.7%	84.3%	81.6%	71.6%	71.4%
Average external cost							
2006	\$13,091	\$12,966	\$12,475	\$6,720	\$13,045	\$20,990	\$8,944
2007	\$8,936	\$10,065	\$16,820	\$6,495	\$9,348	\$25,353	\$7,495
2008	\$12,629	\$11,714	\$11,880	\$10,362	\$8,471	\$11,604	\$8,080

Average total cost							
2006	\$15,320	\$17,038	\$15,546	\$8,092	\$12,978	\$10,043	\$8,440
2007	\$10,885	\$11,291	\$17,938	\$7,943	\$9,685	\$25,527	\$6,747
2008	\$13,348	\$12,992	\$12,826	\$11,498	\$11,514	\$13,363	\$9,589
Average total cost by FTE							
2006	\$314	\$261	\$380	\$258	\$108	\$407	\$83
2007	\$733	\$347	\$590	\$432	\$307	\$375	\$234
2008	\$1,094	\$294	\$618	\$263	\$242	\$411	\$185
Average total cost as % of average turnover							
2006	0.13%	0.06%	0.06%	0.07%	0.10%	0.12%	0.06%
2007	0.28%	0.13%	0.17%	0.20%	0.13%	0.15%	0.26%
2008	0.64%	0.09%	0.24%	0.15%	0.13%	0.29%	0.13%
Tax as a % of total compliance costs							
2006	58.7%	35.2%	33.1%	41.9%	35.1%	37.1%	20.5%
2007	41.2%	39.3%	31.2%	50.5%	30.6%	53.8%	22.8%
2008	57.7%	37.8%	39.1%	54.8%	41.0%	48.8%	26.3%

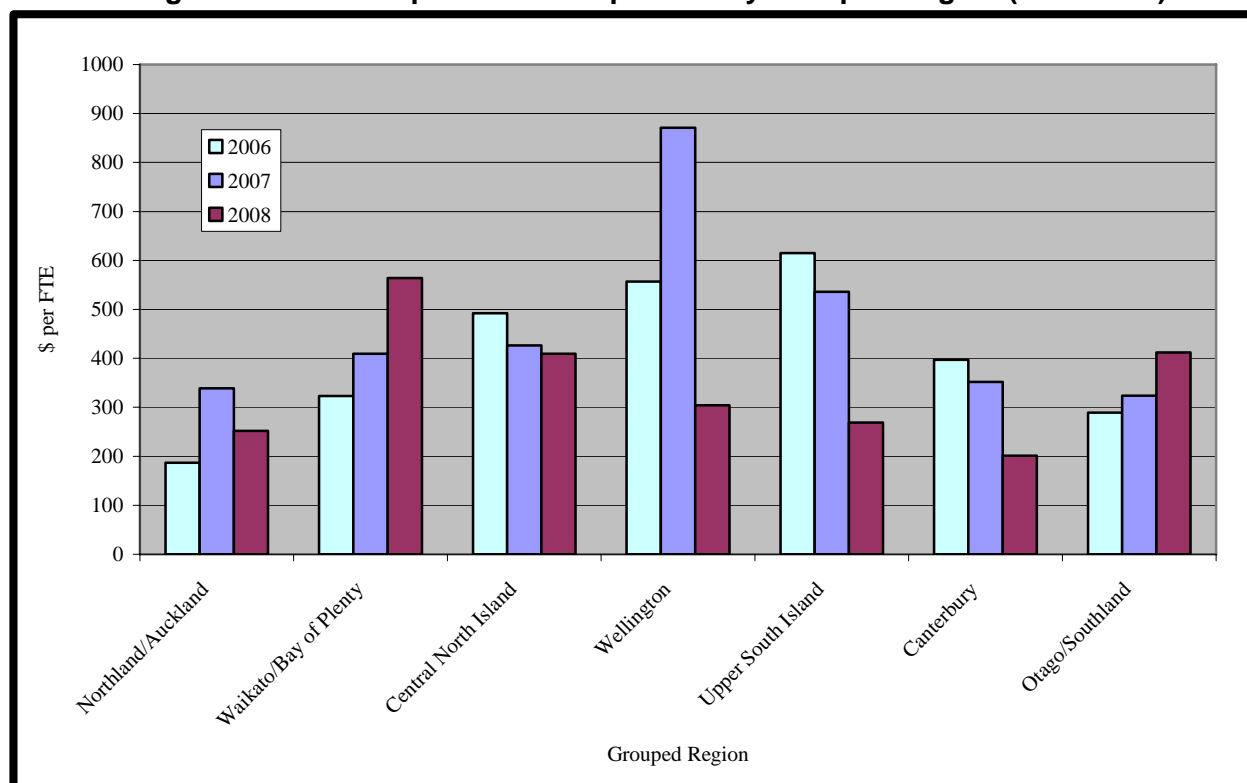
**Figure 25: Tax Compliance Costs per FTE by Grouped Industry (2006-2008)**



**Table 55: Sources of External Tax Information and Advice by Grouped Industry (2006-2008)**

Source of Advice and/or Information	Primry	Manu- factng	Cnstn & Util	Trade & Hsp	Tpt, Strg & Coms	Fin & Bus	Govt, Pers & Other	All Ind
IRD (e.g., publications, website, call centre)								
2006	67.5%	76.4%	74.9%	76.9%	82.8%	91.6%	78.7%	78.6%
2007	72.5%	67.7%	69.8%	76.6%	81.0%	86.3%	77.9%	75.9%
2008	59.2%	76.0%	79.1%	81.2%	78.6%	87.9%	82.0%	77.9%
Legislation (e.g., Income Tax Act, GST Act)								
2006	28.8%	33.9%	35.6%	30.6%	37.1%	62.6%	33.8%	37.6%
2007	24.2%	27.5%	35.3%	25.5%	31.8%	44.6%	31.4%	30.0%
2008	16.2%	34.9%	37.2%	28.8%	33.7%	54.3%	32.9%	32.8%
Out of house tax advisers, agents and intermediaries								
2006	80.0%	79.9%	78.0%	72.8%	73.3%	85.0%	64.7%	76.0%
2007	75.8%	80.2%	77.7%	67.4%	78.0%	85.6%	57.6%	72.7%
2008	80.0%	82.2%	72.1%	71.2%	67.3%	76.7%	60.2%	72.4%
Other publications or advice								
2006	25.6%	33.9%	27.2%	24.1%	31.0%	53.7%	30.9%	32.3%
2007	32.0%	25.7%	25.9%	25.9%	30.3%	42.4%	29.6%	29.2%
2008	23.8%	30.2%	34.9%	24.9%	23.5%	50.9%	29.2%	29.9%

**Figure 26: Tax Compliance Costs per FTE by Grouped Region (2006-2008)**



**Table 56: Tax Compliance Costs by Grouped Region (2006-2008)**

	Nthld/ Akld	Waik/ BOP	Cent Nth Is	Wgtn	Upper Sth Is	Ctby	Otago/ Sthld
Mean annual hours spent within enterprise on Tax							
2006	317.2	205.7	279.6	359.4	245.9	152.5	290.7
2007	163.8	141.7	102.8	155.4	86.6	125.4	125.3
2008	178.5	110.2	185.5	110.6	96.9	95.5	136.6
Average internal cost							
2006	\$6,861	\$4,449	\$6,048	\$7,774	\$5,319	\$3,299	\$6,288
2007	\$3,706	\$3,206	\$2,327	\$3,517	\$1,960	\$2,837	\$2,835
2008	\$4,223	\$2,607	\$4,389	\$2,617	\$2,293	\$2,260	\$3,232
% of respondents that used external advice							
2006	79.7%	83.5%	80.2%	80.8%	83.9%	83.4%	82.4%
2007	80.0%	76.7%	82.6%	77.3%	73.6%	77.4%	76.0%
2008	81.1%	78.5%	89.0%	81.7%	67.6%	81.9%	77.8%
Average external cost							
2006	\$13,424	\$13,170	\$8,583	\$22,597	\$6,173	\$6,486	\$7,105
2007	\$14,133	\$8,484	\$4,060	\$22,754	\$9,109	\$6,847	\$8,532
2008	\$12,978	\$11,461	\$6,700	\$11,633	\$4,288	\$6,265	\$10,033
Average total cost							
2006	\$17,419	\$15,282	\$12,818	\$25,904	\$10,500	\$8,665	\$12,035
2007	\$14,941	\$9,715	\$5,682	\$21,116	\$8,665	\$8,138	\$9,317
2008	\$14,913	\$11,718	\$10,403	\$12,025	\$5,152	\$7,366	\$11,074
Average total cost by FTE							
2006	\$187	\$323	\$492	\$557	\$615	\$397	\$289
2007	\$339	\$409	\$426	\$871	\$536	\$352	\$324
2008	\$252	\$564	\$409	\$304	\$269	\$201	\$412
Average total cost as % of turnover							
2006	0.07%	0.08%	0.18%	0.29%	0.33%	0.15%	0.11%
2007	0.13%	0.20%	0.26%	0.29%	0.26%	0.15%	0.22%
2008	0.14%	0.31%	0.21%	0.37%	0.20%	0.07%	0.12%
Tax as a % of total compliance costs							
2006	39.3%	33.0%	56.4%	55.6%	44.8%	37.2%	35.7%
2007	33.7%	21.0%	25.0%	45.3%	36.9%	34.9%	27.6%
2008	43.2%	48.1%	41.7%	37.5%	21.3%	39.5%	44.3%

**Table 57: Sources of External Tax Information and Advice by Grouped Region (2006-2008)**

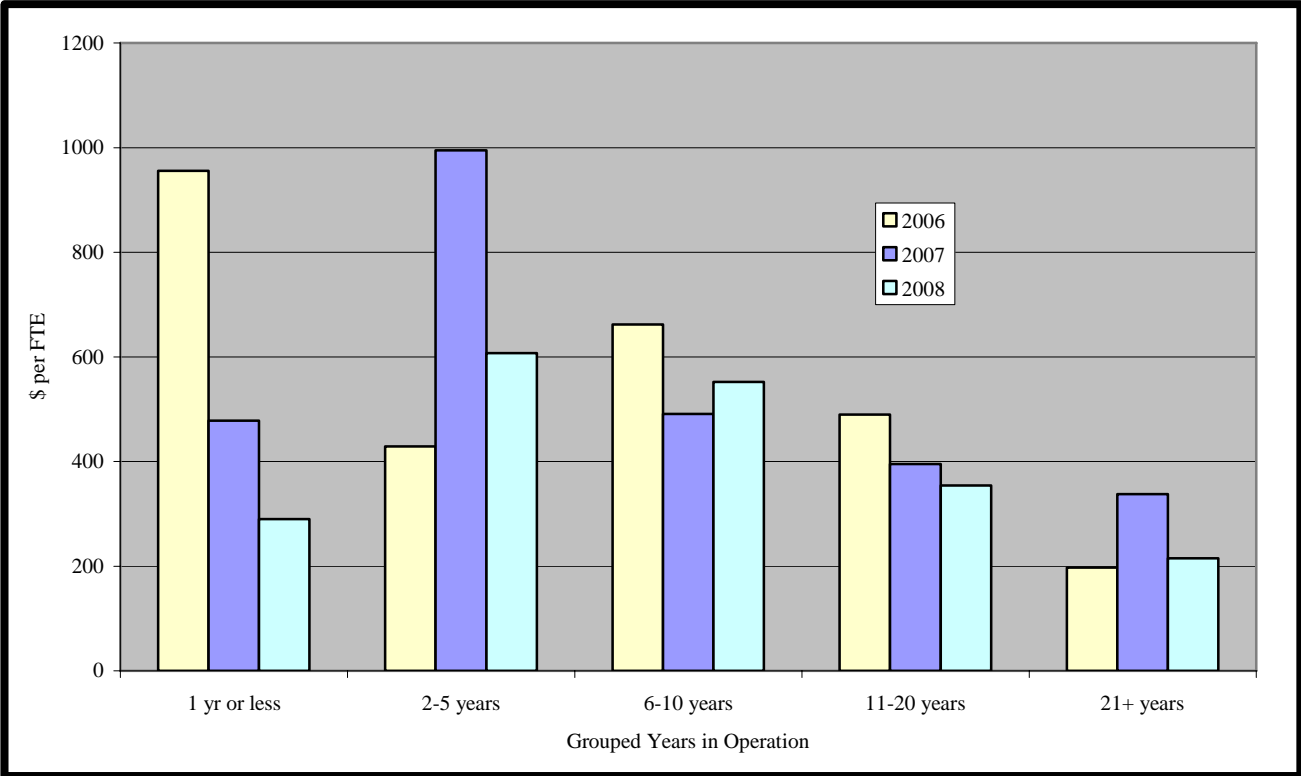
Source of Advice and/or Information	Nthld/ Akld	Waik/ BOP	Cent Nth Is	Wgtn	Upper Sth Is	Ctby	Otago/ Sthld	NZ
IRD (e.g., publications, website, call centre)								
2006	82.9%	77.9%	77.2%	77.3%	76.8%	74.6%	74.3%	78.6%
2007	77.0%	79.3%	74.4%	78.9%	75.0%	73.2%	71.3%	75.9%
2008	81.4%	75.5%	72.5%	76.1%	75.7%	83.0%	73.3%	77.9%
Legislation (e.g.,								

Income Tax Act, GST Act)								
2006	40.2%	37.2%	34.0%	40.1%	33.9%	34.3%	36.8%	37.6%
2007	30.4%	32.3%	29.8%	32.0%	30.6%	28.8%	24.8%	30.0%
2008	38.1%	30.5%	24.2%	35.2%	16.2%	38.3%	26.7%	32.8%
Out of house tax advisers, agents and intermediaries								
2006	76.1%	75.3%	73.5%	76.7%	75.0%	84.0%	69.9%	76.0%
2007	76.5%	72.0%	74.4%	78.9%	55.6%	72.4%	65.1%	72.7%
2008	73.1%	70.0%	75.8%	77.5%	59.5%	74.5%	71.1%	72.4%
Other publications or advice								
2006	32.6%	32.5%	34.6%	36.0%	25.0%	30.8%	28.7%	32.3%
2007	30.1%	29.7%	29.7%	28.9%	29.2%	31.1%	21.7%	29.2%
2008	33.7%	32.0%	26.4%	31.0%	16.2%	25.5%	24.4%	29.9%

**Table 58: Tax Compliance Costs by Grouped Years in Operation (2006-2008)**

	1 yr or less	2-5 years	6-10 years	11-20 years	21+ years
Mean annual hours spent within enterprise on Tax					
2006	50.5	190.8	299.4	239.7	360.0
2007	72.3	122.1	96.5	130.5	190.8
2008	132.6	105.8	186.0	138.0	148.0
Average internal cost					
2006	\$1,091	\$4,127	\$6,476	\$5,185	\$7,785
2007	\$1,637	\$2,764	\$2,184	\$2,954	\$4,318
2008	\$3,137	\$2,503	\$4,401	\$3,260	\$3,502
% of respondents that used external advice					
2006	77.4%	83.5%	82.0%	82.6%	79.4%
2007	70.8%	83.4%	76.0%	76.7%	78.5%
2008	62.1%	78.1%	84.5%	83.4%	79.8%
Average external cost					
2006	\$3,532	\$5,316	\$6,833	\$12,444	\$20,099
2007	\$3,847	\$5,619	\$6,168	\$9,762	\$19,091
2008	\$8,466	\$4,589	\$11,054	\$12,220	\$12,830
Average total cost					
2006	\$3,823	\$8,506	\$11,947	\$15,359	\$23,617
2007	\$4,359	\$7,429	\$6,869	\$10,416	\$19,302
2008	\$8,347	\$6,086	\$13,844	\$13,397	\$13,955
Average total cost by FTE					
2006	\$956	\$429	\$662	\$490	\$197
2007	\$478	\$995	\$491	\$395	\$338
2008	\$290	\$607	\$552	\$354	\$215
Average total cost as % of turnover					
2006	0.60%	0.28%	0.29%	0.13%	0.07%
2007	0.65%	0.57%	0.23%	0.18%	0.14%
2008	0.76%	0.12%	0.24%	0.18%	0.13%
Tax as a % of total compliance costs					
2006	51.6%	42.1%	53.4%	37.2%	40.6%
2007	53.6%	51.7%	38.2%	43.9%	37.6%
2008	32.5%	49.7%	52.2%	39.8%	39.8%

Figure 27: Tax Compliance Costs per FTE by Grouped Years in Operation (2006-2008)





### 3.4.2 EMPLOYMENT RELATED COMPLIANCE COSTS

**Table 59: Summary Comparison for Employment Compliance Costs (2006-2008)**

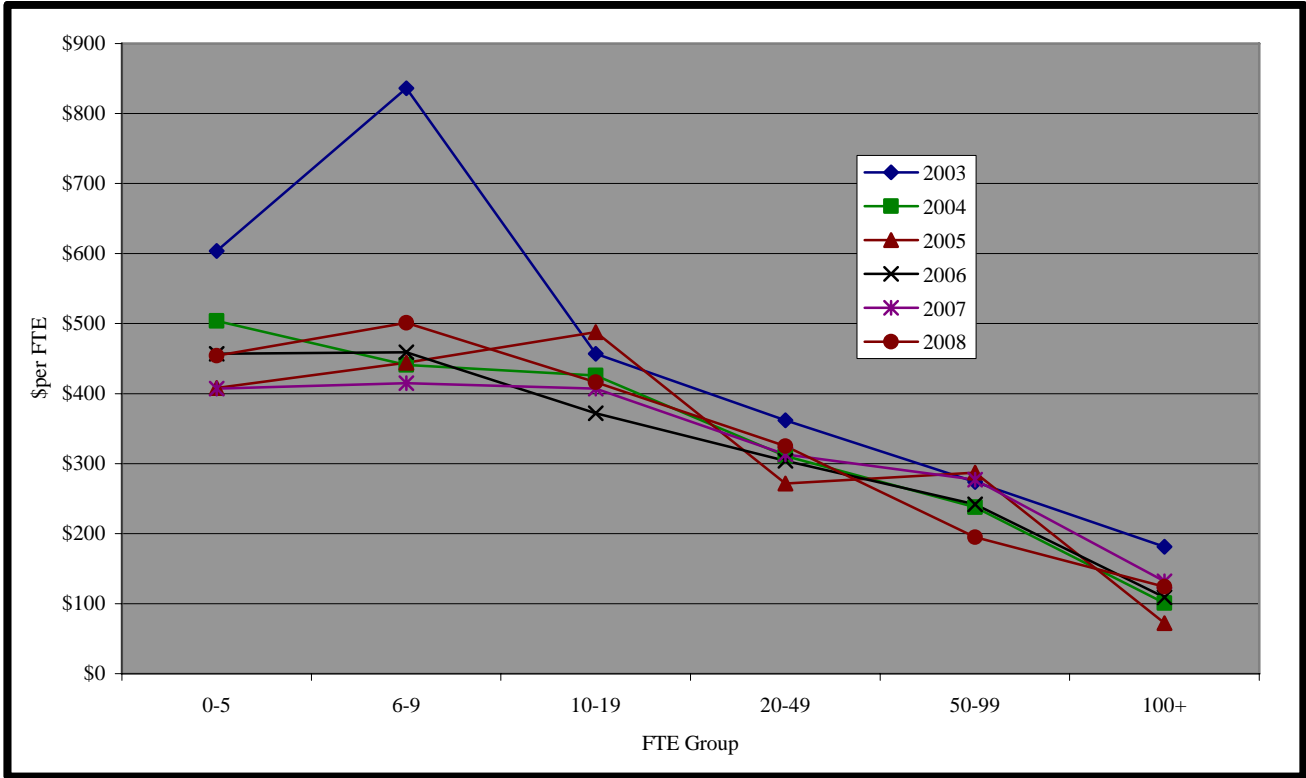
Overall trend (2008)	Increase		
Respondents answering this section (2008)	100.0%		
Internal cost trend (2008)	Increase		
External cost trend (2008)	Increase		
<b>Year</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Average total cost	\$8,747	\$6,418	\$7,238
Average total cost per FTE	\$158	\$223	\$188
Average mean annual hours spent within enterprise on employment costs (all sizes)	270.9	186.6	198.1
Average internal cost	\$5,860	\$4,223	\$4,687
Maximum annual hours spent by enterprise internally on employment costs	40,000	6,720	9,500
Average external cost	\$7,274	\$5,893	\$7,202
Maximum annual amount spent by enterprise externally on employment costs	\$120,000	\$200,000	\$100,000
Employment as a % of total compliance costs	22.9%	21.7%	25.8%
% of respondents who employed external employment advisers	41.4%	37.3%	34.8%

**Table 60: Employment Compliance Costs by FTE Group (2006-2008)**

	0-5	6-9	10-19	20-49	50-99	100+	All Sizes
<b>Mean annual hours spent within enterprise on Employment</b>							
2006	45.7	110.2	155.7	221.4	452.3	1944.3	270.9
2007	39.3	91.6	177.3	287.2	603.4	1024.2	186.6
2008	40.0	105.4	139.3	232.5	390.5	1284.0	198.1
<b>Average internal cost</b>							
2006	\$988	\$2,384	\$3,368	\$4,789	\$9,783	\$42,055	\$5,860
2007	\$889	\$2,072	\$4,013	\$6,500	\$13,656	\$23,177	\$4,223
2008	\$946	\$2,494	\$3,296	\$5,501	\$9,239	\$30,379	\$4,687
<b>% of respondents that used external advice</b>							
2006	24.3%	40.2%	47.1%	57.1%	69.7%	75.9%	41.4%
2007	21.6%	40.1%	42.1%	49.4%	64.1%	73.2%	37.3%
2008	19.8%	31.5%	43.0%	51.7%	48.9%	67.2%	34.8%
<b>Average external cost</b>							
2006	\$1,727	\$2,632	\$3,837	\$7,750	\$10,405	\$22,785	\$7,274
2007	\$1,739	\$2,340	\$3,464	\$6,394	\$8,598	\$23,671	\$5,893
2008	\$2,480	\$3,722	\$5,302	\$7,881	\$8,164	\$19,627	\$7,202
<b>Average total cost</b>							
2006	\$1,377	\$3,426	\$5,116	\$9,059	\$16,903	\$58,533	\$8,747
2007	\$1,261	\$3,010	\$5,473	\$9,661	\$19,164	\$40,513	\$6,418
2008	\$1,436	\$3,705	\$5,572	\$9,689	\$13,321	\$44,625	\$7,238
<b>Average total cost by FTE</b>							
2006	\$457	\$459	\$372	\$304	\$242	\$109	\$158
2007	\$407	\$415	\$407	\$313	\$277	\$132	\$223
2008	\$454	\$501	\$416	\$325	\$195	\$124	\$188
<b>Average total cost as % of turnover</b>							
2006	0.19%	0.20%	0.17%	0.10%	0.08%	0.04%	0.06%
2007	0.23%	0.23%	0.13%	0.13%	0.12%	0.06%	0.10%
2008	0.07%	0.24%	0.23%	0.13%	0.07%	0.08%	0.10%
<b>Employment as % of total compliance costs</b>							

2006	13.6%	17.4%	20.1%	21.5%	24.4%	27.2%	22.9%
2007	17.1%	17.4%	22.1%	24.0%	30.0%	21.0%	21.7%
2008	14.6%	16.6%	23.2%	22.6%	28.6%	37.0%	25.8%

**Figure 28: Employment Compliance Costs per FTE by Enterprise Size (FTE Groups – 2003-2008)**

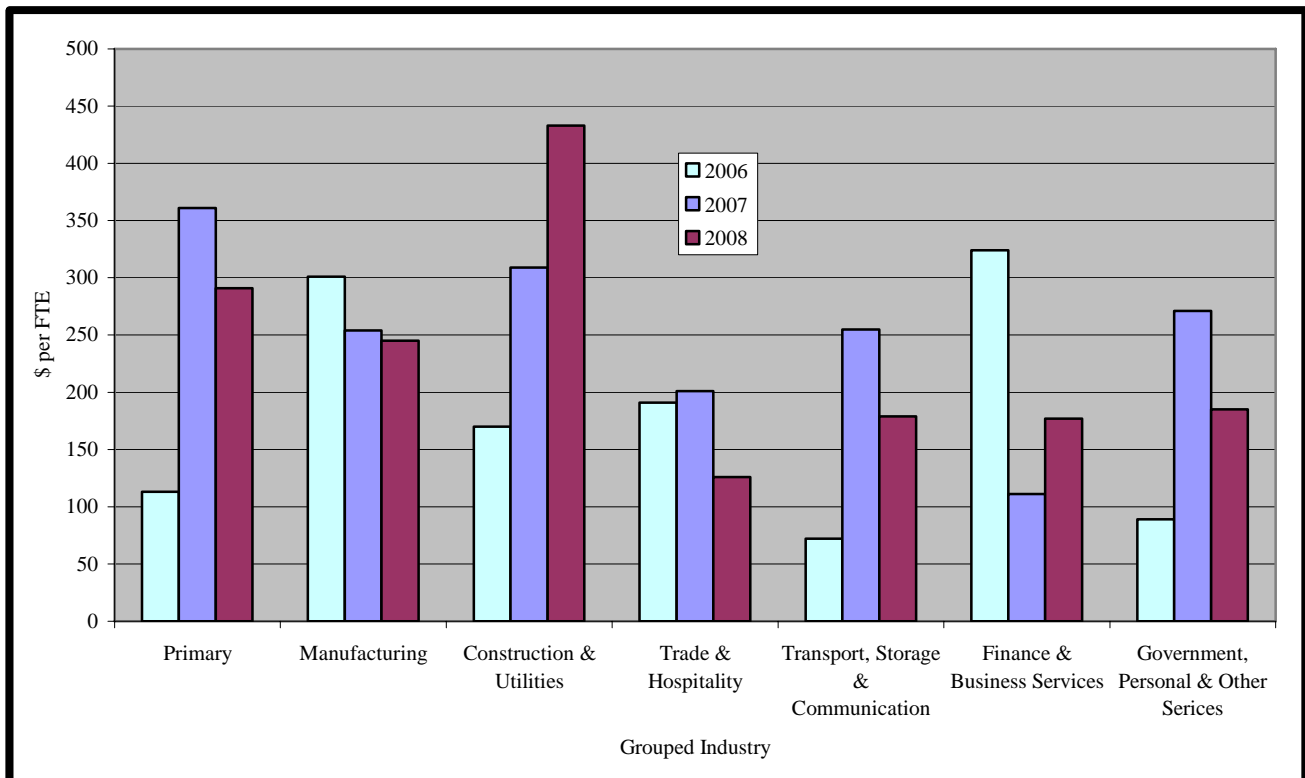


**Table 61: Employment Compliance Costs by Grouped Industry (2006-2008)**

	Primry	Manu- factng	Cnstrn & Util	Trade & Hsp	Tpt, Strg & Coms	Fin & Bus	Govt, Pers & Other
<b>Mean annual hours spent within enterprise on Employment</b>							
2006	176.5	682.1	221.7	192.7	202.4	230.4	249.3
2007	154.3	255.1	251.5	113.2	213.2	194.3	254.2
2008	97.1	301.0	251.7	166.0	219.4	161.7	239.2
<b>Average internal cost</b>							
2006	\$3,818	\$14,754	\$4,795	\$4,168	\$4,378	\$4,984	\$5,392
2007	\$3,492	\$5,773	\$5,692	\$2,561	\$4,824	\$4,397	\$5,752
2008	\$2,297	\$7,122	\$5,955	\$3,929	\$5,191	\$3,826	\$5,659
<b>% of respondents that used external advice</b>							
2006	34.0%	56.1%	36.6%	40.7%	44.0%	37.4%	43.5%
2007	28.1%	50.3%	38.8%	35.9%	33.3%	38.1%	37.8%
2008	22.3%	49.6%	44.2%	32.3%	31.6%	30.2%	39.1%
<b>Average external cost</b>							
2006	\$5,265	\$9,052	\$5,943	\$4,911	\$10,684	\$7,990	\$8,370
2007	\$6,642	\$5,033	\$9,533	\$3,169	\$9,603	\$8,299	\$5,494
2008	\$5,474	\$7,455	\$6,826	\$4,793	\$10,247	\$6,221	\$9,680
<b>Average total cost</b>							
2006	\$5,540	\$19,644	\$6,972	\$5,992	\$8,614	\$7,975	\$8,950

2007	\$5,359	\$8,275	\$9,396	\$3,698	\$8,025	\$7,561	\$7,828
2008	\$3,548	\$10,790	\$8,972	\$5,510	\$8,535	\$5,749	\$9,556
<b>Average total cost by FTE</b>							
2006	\$113	\$301	\$170	\$191	\$72	\$324	\$89
2007	\$361	\$254	\$309	\$201	\$255	\$111	\$271
2008	\$291	\$245	\$433	\$126	\$179	\$177	\$185
<b>Average total cost as % of turnover</b>							
2006	0.05%	0.07%	0.03%	0.06%	0.07%	0.10%	0.07%
2007	0.14%	0.09%	0.09%	0.09%	0.11%	0.04%	0.30%
2008	0.17%	0.07%	0.17%	0.07%	0.09%	0.12%	0.13%
<b>Employment as % of total compliance costs</b>							
2006	21.2%	40.6%	14.8%	31.0%	23.3%	29.5%	21.7%
2007	20.3%	28.8%	16.4%	23.5%	25.4%	15.9%	26.5%
2008	15.3%	31.4%	27.3%	26.3%	30.4%	21.0%	26.2%

**Figure 29: Employment Compliance Costs per FTE by Grouped Industry (2006-2008)**

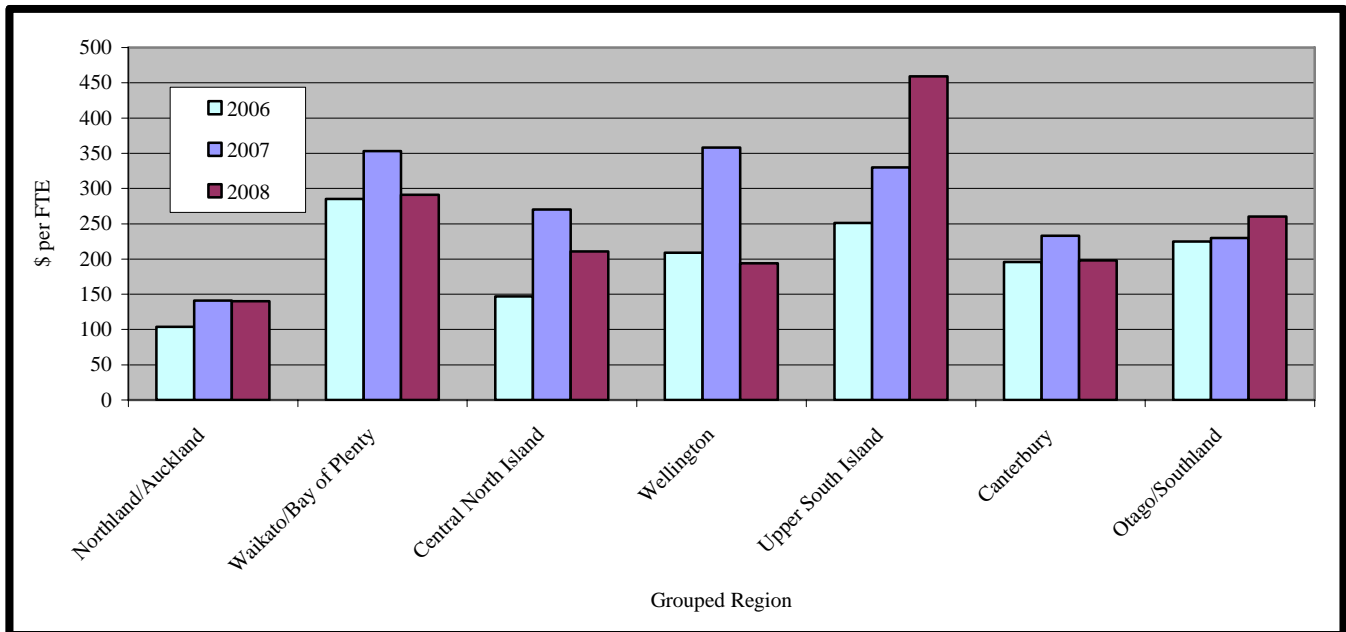


**Table 62: Employment Compliance Costs by Grouped Region (2006-2008)**

	Nthld/ Akld	Waik/ BOP	Cent Nth Is	Wgtn	Upper Sth Is	Ctby	Otago/ Sthld
<b>Mean annual hours spent within enterprise on Employment</b>							
2006	275.8	493.6	123.8	242.7	114.7	127.3	328.9
2007	178.6	241.0	101.3	202.0	160.0	166.6	232.8
2008	213.7	179.8	172.7	123.3	330.1	177.4	235.8
<b>Average internal cost</b>							
2006	\$5,966	\$10,677	\$2,678	\$5,250	\$2,481	\$2,753	\$7,114
2007	\$4,040	\$5,454	\$2,292	\$4,572	\$3,622	\$3,770	\$5,269

2008	\$5,056	\$4,254	\$4,086	\$2,917	\$7,810	\$4,197	\$5,579
<b>% of respondents that used external advice</b>							
2006	42.9%	43.3%	38.1%	47.7%	33.9%	32.5%	43.4%
2007	36.7%	43.5%	34.7%	35.9%	34.7%	33.1%	41.9%
2008	35.6%	37.5%	29.7%	39.4%	18.9%	28.7%	40.0%
<b>Average external cost</b>							
2006	\$8,990	\$6,698	\$3,468	\$9,621	\$5,330	\$5,062	\$5,261
2007	\$5,942	\$6,723	\$3,777	\$11,389	\$4,948	\$4,900	\$3,177
2008	\$8,950	\$4,704	\$4,233	\$11,970	\$4,943	\$10,085	\$3,522
<b>Average total cost</b>							
2006	\$9,710	\$13,489	\$3,834	\$9,724	\$4,289	\$4,270	\$9,357
2007	\$6,207	\$8,381	\$3,603	\$8,666	\$5,340	\$5,390	\$6,599
2008	\$8,316	\$6,049	\$5,357	\$7,670	\$8,799	\$7,257	\$6,971
<b>Average total cost by FTE</b>							
2006	\$104	\$285	\$147	\$209	\$251	\$196	\$225
2007	\$141	\$353	\$270	\$358	\$330	\$233	\$230
2008	\$140	\$291	\$211	\$194	\$459	\$198	\$260
<b>Average total cost as % of turnover</b>							
2006	0.04%	0.07%	0.05%	0.11%	0.13%	0.07%	0.09%
2007	0.06%	0.17%	0.16%	0.12%	0.16%	0.10%	0.16%
2008	0.08%	0.16%	0.11%	0.24%	0.33%	0.07%	0.08%
<b>Employment as % of total compliance costs</b>							
2006	21.9%	29.1%	16.9%	20.9%	18.3%	18.3%	27.8%
2007	14.0%	18.1%	15.8%	18.6%	22.8%	23.1%	19.6%
2008	24.1%	24.8%	21.5%	23.9%	36.4%	38.9%	27.9%

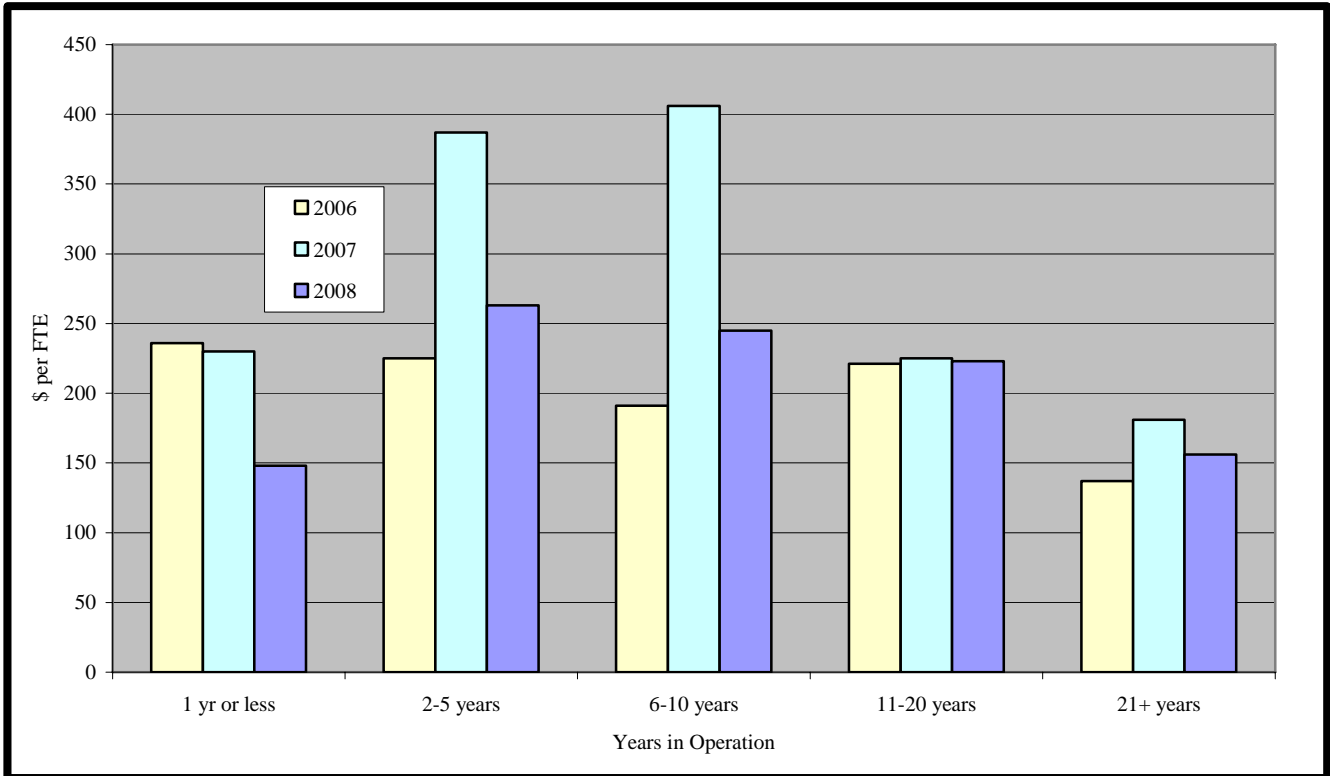
Figure 30: Employment Costs per FTE by Grouped Region (2006-2008)



**Table 63: Employment Compliance Costs by Grouped Years in Operation (2006-2008)**

	1 yr or less	2-5 years	6-10 years	11-20 years	21+ years
Mean annual hours spent within enterprise on Employment					
2006	26.9	155.1	107.8	189.9	513.8
2007	55.2	87.5	176.8	181.2	285.7
2008	94.9	82.9	187.7	244.4	252.0
Average internal cost					
2006	\$582	\$3,354	\$2,331	\$4,108	\$11,113
2007	\$1,248	\$1,980	\$4,002	\$4,101	\$6,465
2008	\$2,245	\$1,961	\$4,441	\$5,783	\$5,962
% of respondents that used external advice					
2006	26.4%	30.2%	39.2%	43.5%	49.4%
2007	29.2%	28.5%	30.9%	39.7%	46.0%
2008	24.1%	25.0%	28.4%	40.4%	41.0%
Average external cost					
2006	\$1,469	\$3,799	\$3,049	\$6,732	\$10,968
2007	\$2,903	\$3,225	\$5,446	\$4,641	\$8,449
2008	\$9,050	\$2,644	\$6,067	\$6,536	\$9,719
Average total cost					
2006	\$942	\$4,461	\$3,451	\$6,919	\$16,353
2007	\$2,097	\$2,888	\$5,685	\$5,941	\$10,348
2008	\$4,256	\$2,640	\$6,140	\$8,451	\$10,108
Average total cost by FTE					
2006	\$236	\$225	\$191	\$221	\$137
2007	\$230	\$387	\$406	\$225	\$181
2008	\$148	\$263	\$245	\$223	\$156
Average total cost as % of turnover					
2006	0.15%	0.15%	0.08%	0.06%	0.05%
2007	0.31%	0.22%	0.19%	0.10%	0.07%
2008	0.39%	0.05%	0.11%	0.11%	0.09%
Employment as a % of total compliance costs					
2006	12.7%	22.1%	15.4%	16.8%	28.1%
2007	25.8%	20.1%	31.6%	25.0%	20.1%
2008	16.6%	21.6%	23.1%	25.1%	28.8%

Figure 31: Employment Costs per FTE by Grouped Years in Operation (2006-2008)



### 3.4.3 ENVIRONMENT RELATED COMPLIANCE COSTS

**Table 64: Summary Comparison for Environmental Compliance Costs (2006-2008)**

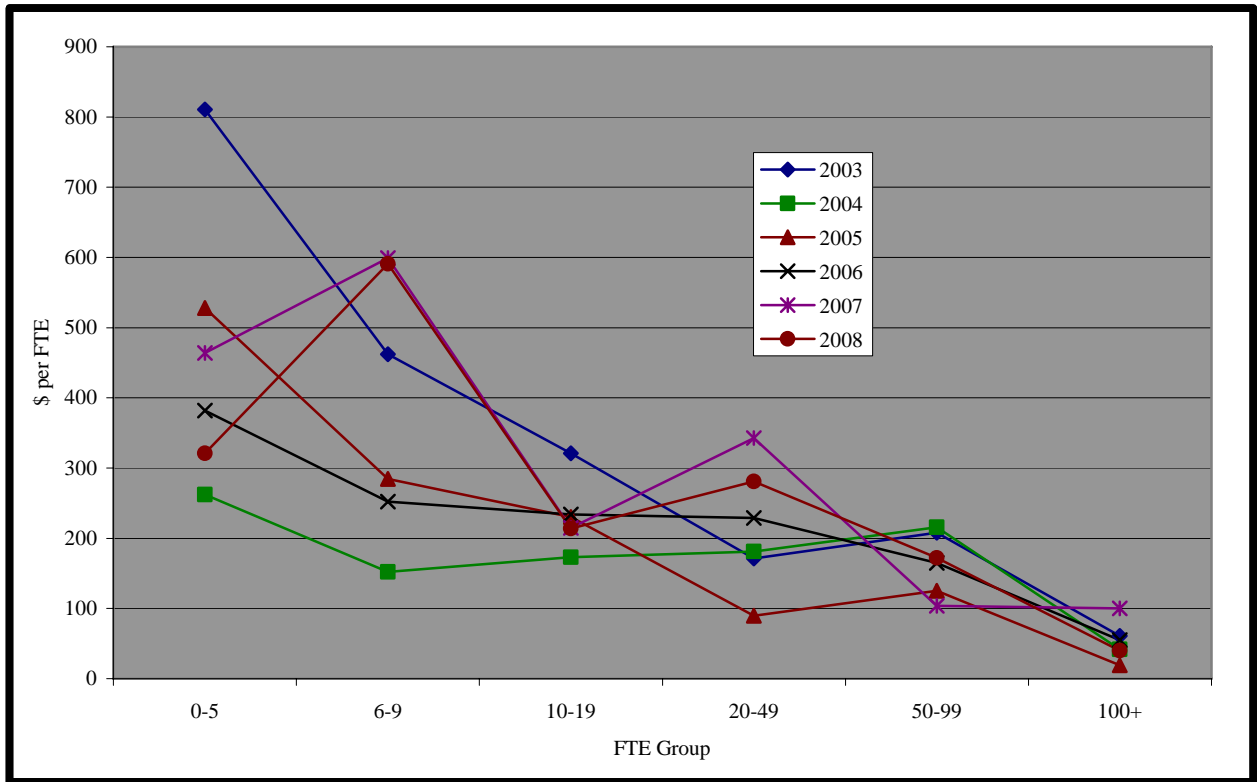
Overall trend (2008)	Decrease		
Respondents answering this section (2008)	100.0%		
Internal cost trend (2008)	Mixed		
External cost trend (2008)	Decrease		
<b>Year</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Average total cost	\$5,195	\$5,499	\$4,250
Average total cost per FTE	\$94	\$191	\$110
Average mean annual hours spent within enterprise on Environmental costs (all sizes)	94.6	95.0	64.8
Average internal cost	\$2,046	\$2,150	\$7,243
Maximum annual hours spent by enterprise internally on environmental costs	200,000	10,000	12,000
Average external cost	\$20,367	\$21,685	\$13,567
Maximum annual amount spent by enterprise externally on environmental costs	\$500,000	\$500,000	\$500,000
Environmental costs as a % of total compliance costs	13.6%	18.6%	15.1%
% of respondents who employed external environmental advisers	16.1%	15.7%	15.6%

**Table 65: Environment Compliance Costs by FTE Group (2006-2008)**

	0-5	6-9	10-19	20-49	50-99	100+	All Sizes
<b>Mean annual hours spent within enterprise on Environment</b>							
2006	24.2	35.6	54.5	126.1	129.2	576.7	94.6
2007	25.9	64.0	64.9	102.0	208.3	700.2	95.0
2008	20.9	65.6	56.0	95.9	425.7	467.5	94.8
<b>Average internal cost</b>							
2006	\$523	\$770	\$1,179	\$2,728	\$2,795	\$12,474	\$2,046
2007	\$586	\$1,449	\$1,469	\$2,308	\$4,714	\$15,846	\$2,150
2008	\$494	\$1,552	\$1,325	\$2,269	\$10,072	\$11,061	\$7,243
<b>% of respondents that used external advice</b>							
2006	12.4%	14.6%	14.7%	17.9%	26.3%	31.3%	16.1%
2007	9.9%	17.1%	16.9%	17.0%	21.9%	39.4%	15.7%
2008	10.4%	23.1%	11.5%	23.3%	17.8%	25.4%	15.6%
<b>Average external cost</b>							
2006	\$5,267	\$7,576	\$14,446	\$23,814	\$34,572	\$61,500	\$20,367
2007	\$8,594	\$16,919	\$8,835	\$48,463	\$32,985	\$37,446	\$21,685
2008	\$5,111	\$12,536	\$14,005	\$28,497	\$10,857	\$13,833	\$13,567
<b>Average total cost</b>							
2006	\$1,151	\$1,879	\$3,221	\$6,844	\$11,553	\$29,496	\$5,195
2007	\$1,439	\$4,346	\$2,893	\$10,569	\$7,171	\$30,614	\$5,499
2008	\$1,013	\$4,370	\$2,872	\$8,375	\$11,761	\$14,462	\$4,250
<b>Average total cost by FTE</b>							
2006	\$382	\$252	\$234	\$229	\$165	\$55	\$94
2007	\$464	\$599	\$215	\$343	\$104	\$100	\$191
2008	\$321	\$591	\$214	\$281	\$172	\$40	\$110
<b>Average total cost as % of turnover</b>							
2006	0.16%	0.11%	0.11%	0.08%	0.06%	0.02%	0.03%
2007	0.27%	0.34%	0.07%	0.15%	0.04%	0.04%	0.08%
2008	0.05%	0.29%	0.12%	0.11%	0.06%	0.03%	0.06%
<b>Environment costs as % of total compliance costs</b>							

2006	11.4%	9.5%	12.7%	16.2%	16.6%	13.7%	13.6%
2007	19.5%	25.1%	11.7%	26.2%	11.2%	15.9%	18.6%
2008	10.3%	19.6%	12.0%	19.6%	25.3%	12.0%	15.1%

**Figure 32: Environmental Costs per FTE by Enterprise Size (2003-2008)**



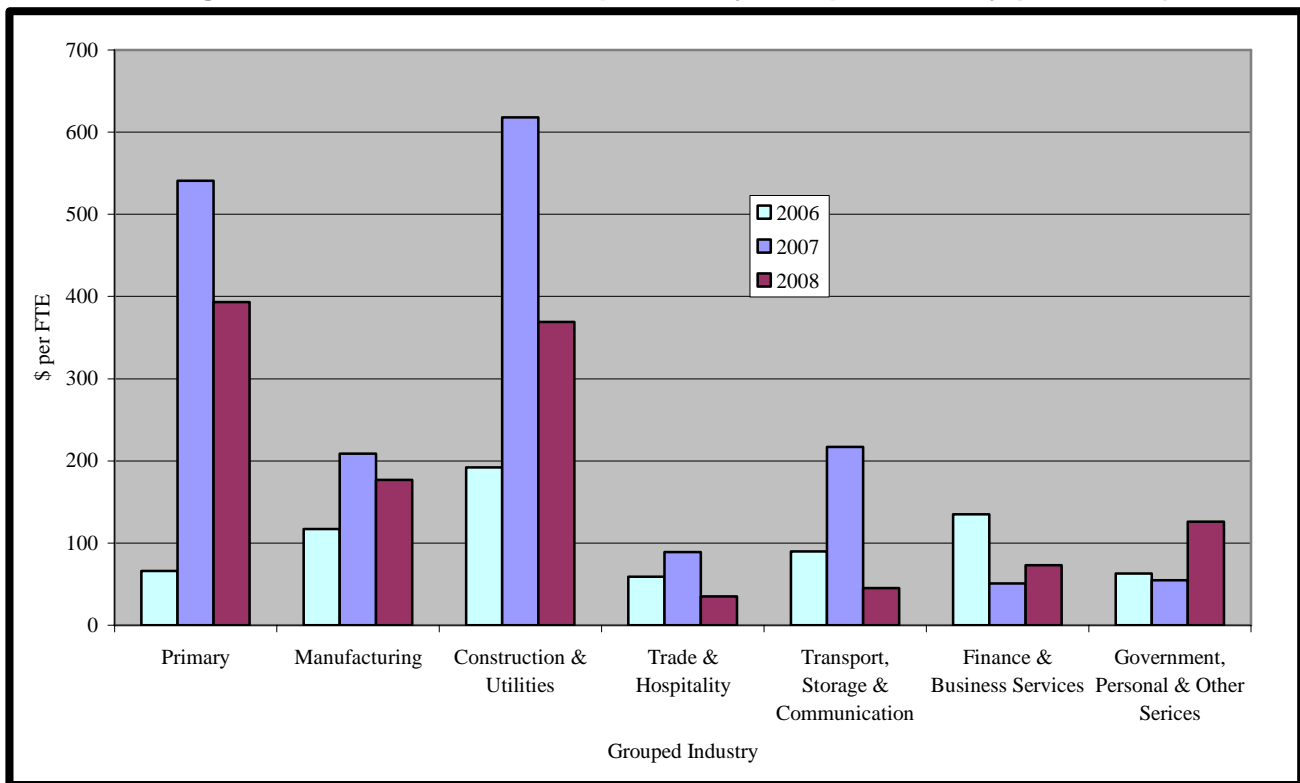
**Table 66: Environment Compliance Costs by Grouped Industry (2006-2008)**

	Primry	Manu- factng	Cnstn & Util	Trade & Hsp	Tpt, Strg & Coms	Fin & Bus	Govt, Pers & Other
<b>Mean annual hours spent within enterprise on Environment</b>							
2006	78.4	190.6	163.2	38.3	124.1	40.4	95.6
2007	187.6	111.1	303.3	47.0	74.3	32.2	16.0
2008	96.2	261.9	154.9	40.1	47.7	24.8	99.0
<b>Average internal cost</b>							
2006	\$1,696	\$4,123	\$3,530	\$828	\$2,684	\$874	\$2,068
2007	\$4,244	\$2,515	\$6,863	\$1,064	\$1,681	\$728	\$362
2008	\$2,276	\$6,199	\$3,667	\$949	\$1,129	\$587	\$2,345
<b>% of respondents that used external advice</b>							
2006	28.1%	27.0%	19.4%	11.1%	12.1%	7.0%	15.0%
2007	26.8%	24.6%	22.3%	11.6%	12.9%	7.2%	11.0%
2008	22.3%	23.3%	34.9%	12.7%	12.2%	4.3%	13.0%
<b>Average external cost</b>							
2006	\$5,763	\$13,327	\$23,390	\$9,569	\$72,600	\$34,837	\$30,670
2007	\$14,120	\$17,461	\$57,109	\$4,893	\$40,122	\$37,800	\$11,744
2008	\$11,122	\$7,040	\$14,308	\$4,972	\$7,867	\$40,720	\$38,036
<b>Average total cost</b>							
2006	\$3,228	\$7,665	\$7,861	\$1,864	\$10,820	\$3,329	\$6,364
2007	\$8,028	\$6,802	\$18,777	\$1,630	\$6,849	\$3,448	\$1,591



2008	\$4,795	\$7,804	\$7,658	\$1,544	\$2,143	\$2,373	\$6,515
<b>Average total cost by FTE</b>							
2006	\$66	\$117	\$192	\$59	\$90	\$135	\$63
2007	\$541	\$209	\$618	\$89	\$217	\$51	\$55
2008	\$393	\$177	\$369	\$35	\$45	\$73	\$126
<b>Average total cost as % of turnover</b>							
2006	0.03%	0.03%	0.03%	0.02%	0.08%	0.04%	0.05%
2007	0.21%	0.08%	0.18%	0.04%	0.09%	0.02%	0.06%
2008	0.23%	0.05%	0.15%	0.02%	0.02%	0.05%	0.09%
<b>Environment as % of total compliance costs</b>							
2006	12.4%	15.9%	16.7%	9.6%	29.2%	12.3%	15.4%
2007	30.4%	23.7%	32.7%	10.4%	21.7%	7.3%	5.4%
2008	20.7%	22.7%	23.3%	7.4%	7.6%	8.7%	17.9%

**Figure 33: Environment Costs per FTE by Grouped Industry (2006-2008)**

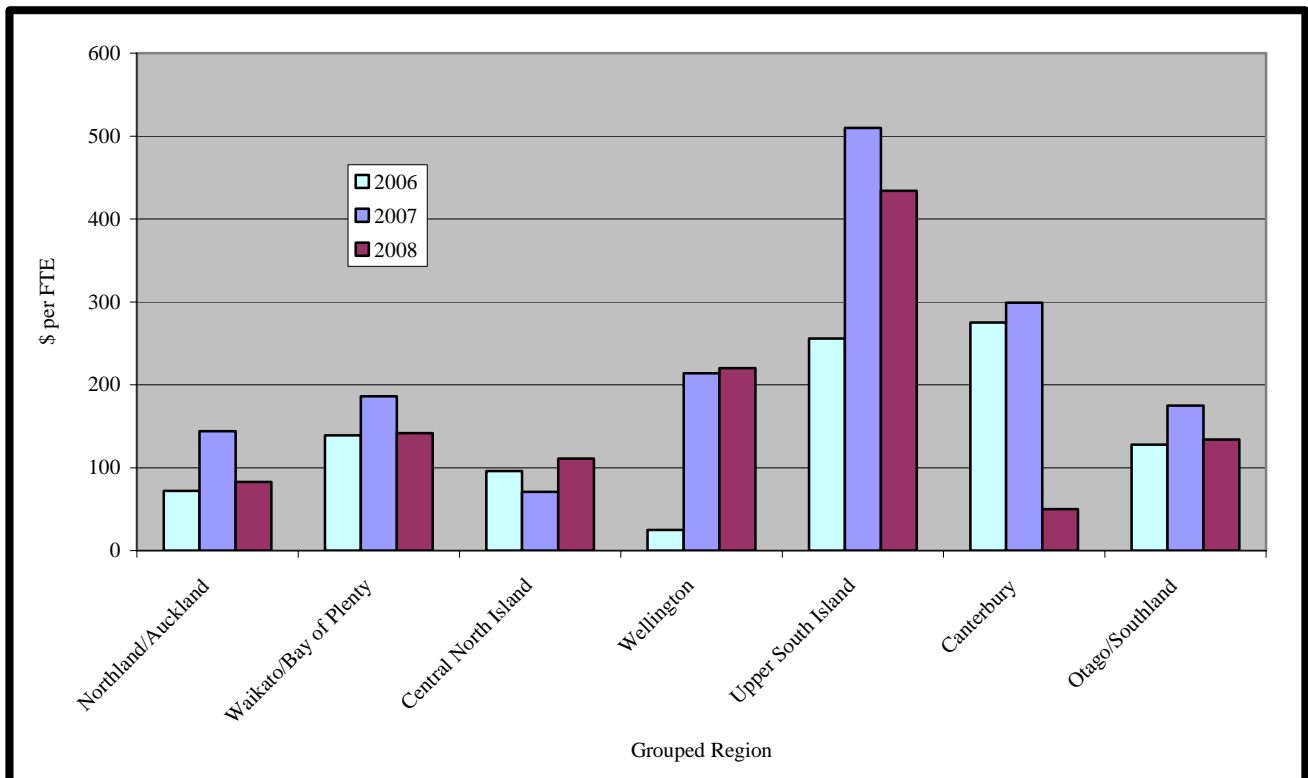


**Table 67: Environment Compliance Costs by Grouped Region (2006-2008)**

	Nthld/ Akld	Waik/ BOP	Cent Nth Is	Wgtn	Upper Sth Is	Ctby	Otago/ Sthld
<b>Mean annual hours spent within enterprise on Environment</b>							
2006	107.9	120.9	74.3	28.4	164.6	116.3	56.9
2007	90.9	119.0	23.1	61.8	223.2	96.3	91.0
2008	93.7	82.5	53.2	210.4	306.6	31.2	59.9
<b>Average internal cost</b>							
2006	\$2,334	\$2,615	\$1,607	\$614	\$3,560	\$2,516	\$1,231
2007	\$2,057	\$2,693	\$522	\$1,398	\$5,052	\$2,178	\$2,058
2008	\$2,217	\$1,952	\$1,259	\$4,978	\$7,254	\$738	\$1,417

<b>% of respondents that used external advice</b>							
2006	17.8%	19.0%	6.8%	11.0%	10.7%	20.7%	19.9%
2007	14.7%	15.9%	11.6%	7.8%	16.7%	18.7%	23.3%
2008	15.5%	13.5%	13.2%	18.3%	18.9%	12.8%	22.2%
<b>Average external cost</b>							
2006	\$26,253	\$21,108	\$14,275	\$4,758	\$9,100	\$17,171	\$21,354
2007	\$29,288	\$10,843	\$3,691	\$48,501	\$19,192	\$26,454	\$13,218
2008	\$19,438	\$7,660	\$12,455	\$19,231	\$5,500	\$8,542	\$10,824
<b>Average total cost</b>							
2006	\$6,727	\$6,562	\$2,494	\$1,139	\$4,374	\$6,011	\$5,343
2007	\$6,357	\$4,423	\$949	\$5,187	\$8,250	\$6,913	\$5,030
2008	\$4,931	\$2,958	\$2,816	\$8,708	\$8,325	\$1,853	\$3,607
<b>Average total cost by FTE</b>							
2006	\$72	\$139	\$96	\$25	\$256	\$275	\$128
2007	\$144	\$186	\$71	\$214	\$510	\$299	\$175
2008	\$83	\$142	\$111	\$220	\$434	\$50	\$134
<b>Average total cost as a % of turnover</b>							
2006	0.03%	0.03%	0.04%	0.01%	0.14%	0.10%	0.05%
2007	0.06%	0.09%	0.04%	0.07%	0.25%	0.13%	0.12%
2008	0.05%	0.08%	0.06%	0.27%	0.32%	0.02%	0.04%
<b>Environment as a % of total compliance costs</b>							
2006	15.2%	14.2%	11.0%	2.4%	18.6%	25.8%	15.8%
2007	18.9%	14.3%	7.5%	11.1%	27.0%	30.2%	18.9%
2008	14.3%	12.1%	11.3%	27.2%	34.4%	9.9%	14.4%

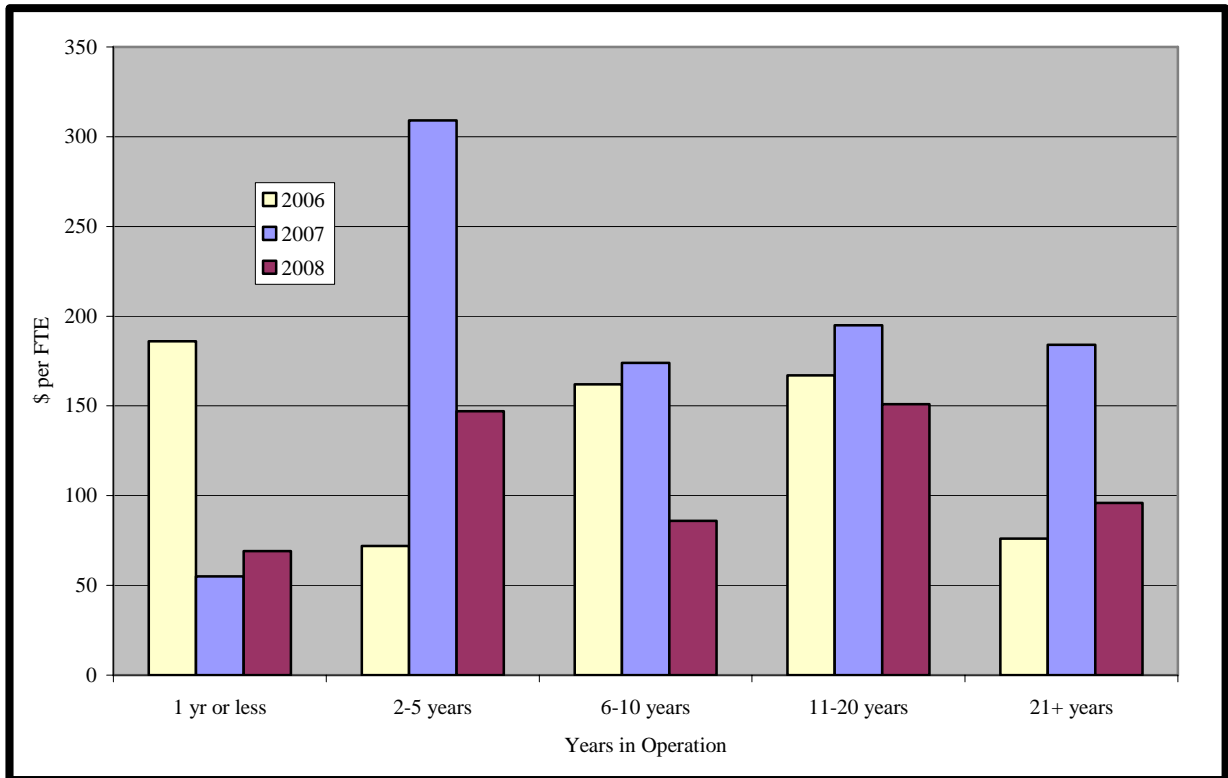
**Figure 34: Environment Costs per FTE by Grouped Region (2006-2008)**



**Table 68: Environment Compliance Costs by Grouped Years in Operation (2006-2008)**

	1 yr or less	2-5 years	6-10 years	11-20 years	21+ years
<b>Mean annual hours spent within enterprise on Environment</b>					
2006	26.0	29.2	78.5	73.0	165.3
2007	13.3	49.1	49.0	116.9	147.1
2008	25.8	37.5	61.5	145.5	118.0
<b>Average internal cost</b>					
2006	\$562	\$631	\$1,698	\$1,579	\$3,575
2007	\$301	\$1,112	\$1,110	\$2,645	\$3,329
2008	\$610	\$887	\$1,455	\$3,443	\$2,792
<b>% of respondents that used external advice</b>					
2006	7.5%	12.9%	14.5%	17.1%	19.2%
2007	4.6%	13.0%	13.7%	13.5%	22.0%
2008	17.2%	10.4%	11.0%	17.0	19.9%
<b>Average external cost</b>					
2006	\$2,375	\$6,060	\$9,188	\$22,930	\$29,784
2007	\$4,333	\$9,226	\$9,673	\$19,247	\$33,093
2008	\$7,700	\$5,906	\$6,667	\$13,543	\$18,770
<b>Average total cost</b>					
2006	\$742	\$1,419	\$2,918	\$5,242	\$9,151
2007	\$501	\$2,311	\$2,438	\$5,134	\$10,530
2008	\$1,984	\$1,476	\$2,161	\$5,710	\$6,233
<b>Average total cost by FTE</b>					
2006	\$186	\$72	\$162	\$167	\$76
2007	\$55	\$309	\$174	\$195	\$184
2008	\$69	\$147	\$86	\$151	\$96
<b>Average total cost as % of turnover</b>					
2006	0.12%	0.05%	0.07%	0.05%	0.03%
2007	0.07%	0.18%	0.08%	0.09%	0.07%
2008	0.18%	0.03%	0.04%	0.08%	0.06%
<b>Environment as a % of total compliance costs</b>					
2006	10.0%	7.0%	13.0%	12.7%	15.7%
2007	6.2%	16.1%	13.5%	21.6%	20.5%
2008	7.7%	12.0%	8.1%	17.0%	17.8%

**Figure 35: Environment Costs per FTE by Grouped Years in Operation (2006-2008)**



### 3.4.4 OTHER RELATED COMPLIANCE COSTS

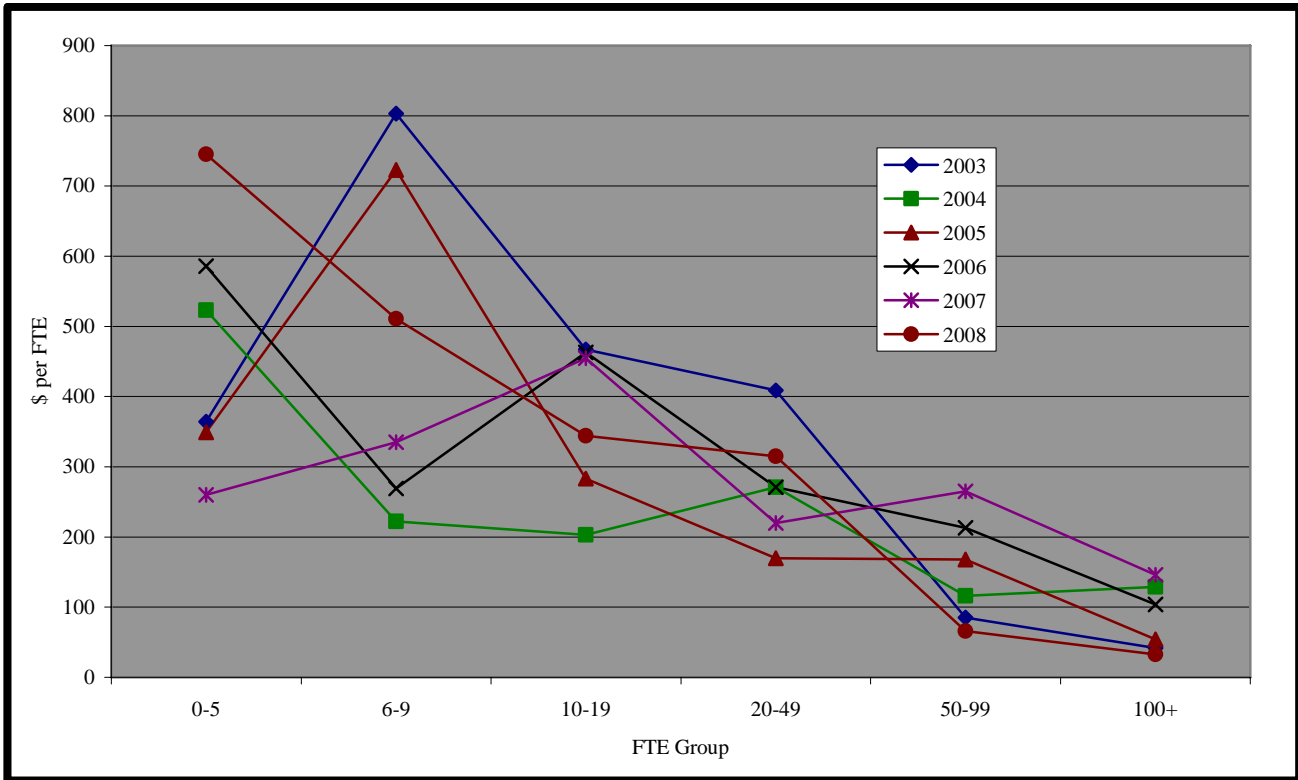
**Table 69: Summary Comparison for 'Other' Compliance Costs (2006-2008)**

Overall trend (2008)				Decrease
Respondents answering this section (2008)				100.0%
Internal cost trend (2008)				Decrease
External cost trend (2008)				Decrease
<b>Year</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	
Average total cost	\$8,574	\$6,069	\$4,638	
Average total cost per FTE	\$155	\$211	\$120	
Average mean annual hours spent within enterprise on 'other' costs (all sizes)	212.2	119.2	116.3	
Average internal cost	\$4,590	\$2,710	\$2,752	
Maximum annual hours spent by enterprise internally on 'other' compliance costs	40,000	11,440	4160	
Average external cost	\$23,308	\$20,941	\$11,163	
Maximum annual amount spent by enterprise externally on 'other' costs	\$2,000,000	\$3,000,000	\$280,000	
'Other' costs as a % of total compliance costs	22.4%	20.5%	16.3%	
% of respondents who employed external advisers	19.3%	16.2%	17.3%	

**Table 70: Other Compliance Costs by FTE Group (2006-2008)**

	0-5	6-9	10-19	20-49	50-99	100+	All Sizes
<b>Mean annual hours spent within enterprise on Other Costs</b>							
2006	42.0	65.1	172.3	276.7	333.7	942.6	212.2
2007	21.5	83.6	107.2	146.3	516.0	595.1	119.8
2008	48.0	93.0	140.7	204.1	143.1	333.0	116.3
<b>Average internal cost</b>							
2006	\$909	\$1,408	\$3,727	\$5,985	\$7,218	\$20,388	\$4,590
2007	\$488	\$1,892	\$2,426	\$3,310	\$11,676	\$13,468	\$2,710
2008	\$1,136	\$2,200	\$3,329	\$4,829	\$3,386	\$7,879	\$2,752
<b>% of respondents that used external advice</b>							
2006	15.0%	18.3%	20.9%	23.0%	23.7%	31.3%	19.3%
2007	10.9%	18.3%	15.7%	18.2%	23.4%	38.0%	16.2%
2008	11.2%	25.4%	17.6%	23.3%	15.6%	26.9%	17.3%
<b>Average external cost</b>							
2006	\$5,893	\$3,338	\$13,691	\$9,195	\$32,314	\$116,557	\$23,308
2007	\$2,932	\$3,093	\$23,580	\$19,054	\$28,493	\$83,037	\$20,941
2008	\$10,681	\$6,190	\$7,403	\$20,246	\$10,000	\$15,469	\$11,163
<b>Average total cost</b>							
2006	\$1,765	\$2,006	\$6,378	\$8,097	\$14,870	\$55,772	\$8,574
2007	\$807	\$2,433	\$6,129	\$6,774	\$18,354	\$45,045	\$6,069
2008	\$2,354	\$3,783	\$4,608	\$9,388	\$4,496	\$11,747	\$4,638
<b>Average total cost by FTE</b>							
2006	\$586	\$269	\$463	\$271	\$213	\$104	\$155
2007	\$260	\$335	\$455	\$220	\$265	\$146	\$211
2008	\$745	\$511	\$344	\$315	\$66	\$33	\$120
<b>Average total cost as % of turnover</b>							
2006	0.25%	0.12%	0.21%	0.09%	0.07%	0.04%	0.06%
2007	0.15%	0.19%	0.15%	0.09%	0.11%	0.06%	0.09%
2008	0.11%	0.25%	0.19%	0.13%	0.02%	0.02%	0.06%
<b>Other costs as a % of total compliance costs</b>							
2006	17.5%	10.2%	25.1%	19.2%	21.4%	25.9%	22.4%
2007	10.9%	14.0%	24.8%	16.8%	28.8%	23.4%	20.5%
2008	24.0%	17.0%	19.2%	21.9%	9.7%	9.7%	16.5%

**Figure 36: Other Compliance Costs per FTE by Enterprise Size (2006-2008)**

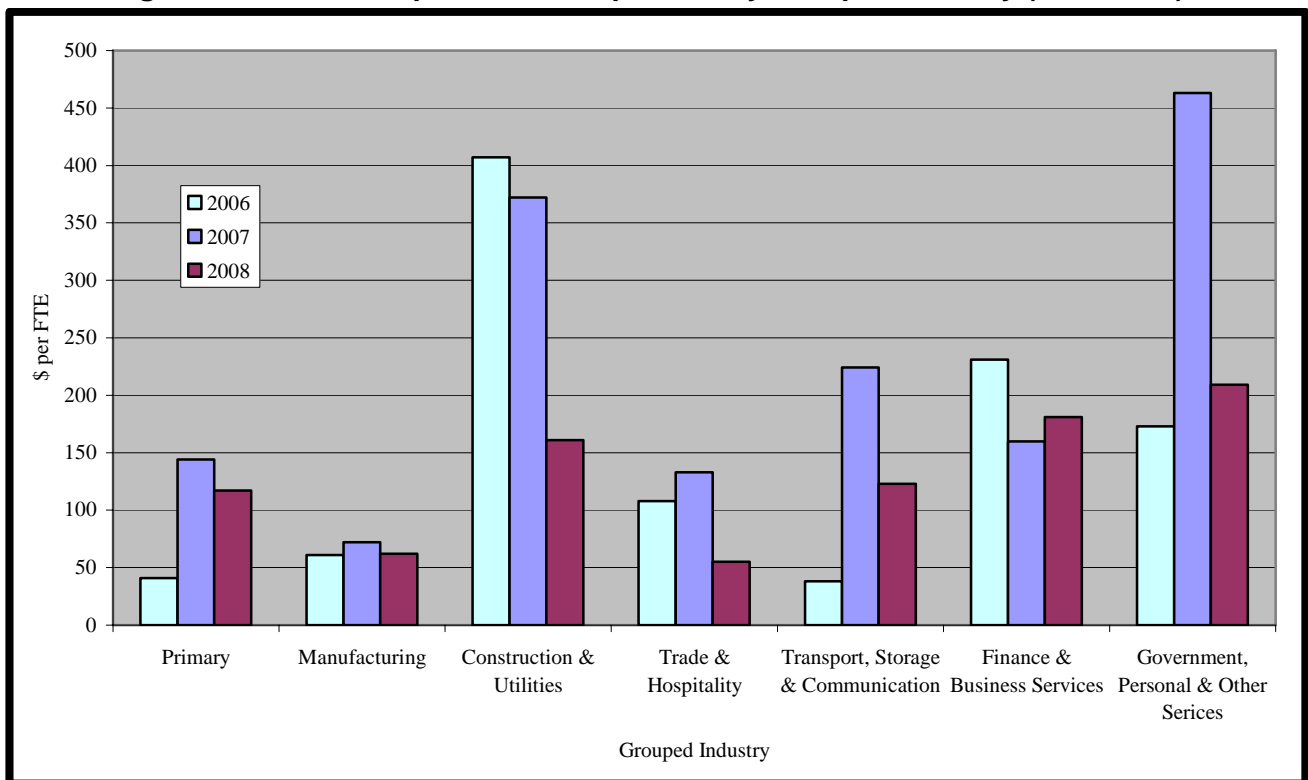


**Table 71: Other Compliance Costs by Grouped Industry (2006-2008)**

	Primry	Manu- factng	Cnstn & Util	Trade & Hsp	Tpt, Strg & Coms	Fin & Bus	Govt, Pers & Other
<b>Mean annual hours spent within enterprise on Other Costs</b>							
2006	49.3	104.3	190.1	74.1	58.7	210.9	567.9
2007	69.0	51.0	154.1	30.6	138.3	131.4	404.1
2008	39.6	66.3	99.5	69.7	175.0	58.0	300.3
<b>Average internal cost</b>							
2006	\$1,066	\$2,256	\$4,112	\$1,603	\$1,270	\$4,562	\$12,284
2007	\$1,562	\$1,152	\$3,487	\$693	\$3,129	\$2,973	\$9,145
2008	\$937	\$1,569	\$2,354	\$1,649	\$4,140	\$1,372	\$7,105
<b>% of respondents that used external advice</b>							
2006	17.5%	21.8%	17.8%	16.7%	23.3%	13.7%	28.0%
2007	10.5%	14.4%	18.7%	14.6%	18.2%	15.1%	24.4%
2008	8.5%	19.4%	23.3%	13.5%	18.4%	18.1%	25.5%
<b>Average external cost</b>							
2006	\$5,398	\$8,172	\$70,005	\$11,266	\$14,777	\$41,474	\$19,110
2007	\$5,567	\$8,221	\$41,807	\$12,451	\$21,545	\$52,485	\$17,365
2008	\$5,768	\$6,138	\$4,756	\$5,768	\$9,815	\$26,571	\$14,616
<b>Average total cost</b>							
2006	\$2,010	\$3,993	\$16,640	\$3,376	\$4,582	\$5,692	\$17,453
2007	\$2,144	\$2,334	\$11,307	\$2,452	\$7,047	\$10,902	\$13,385
2008	\$1,429	\$2,758	\$3,349	\$2,422	\$5,861	\$5,881	\$10,808
<b>Average total cost by FTE</b>							

2006	\$41	\$61	\$407	\$108	\$38	\$231	\$173
2007	\$144	\$72	\$372	\$133	\$224	\$160	\$463
2008	\$117	\$62	\$161	\$55	\$123	\$181	\$209
<b>Average total cost as % of turnover</b>							
2006	0.02%	0.01%	0.07%	0.03%	0.04%	0.07%	0.13%
2007	0.06%	0.03%	0.11%	0.06%	0.09%	0.06%	0.51%
2008	0.07%	0.02%	0.06%	0.03%	0.06%	0.13%	0.14%
<b>Other costs as a % of total compliance costs</b>							
2006	7.7%	8.3%	35.4%	17.5%	12.4%	21.1%	42.4%
2007	8.1%	8.1%	19.7%	15.6%	22.3%	23.0%	45.3%
2008	6.2%	8.0%	10.2%	11.5%	20.9%	21.5%	29.6%

**Figure 37: Other Compliance Costs per FTE by Grouped Industry (2006-2008)**

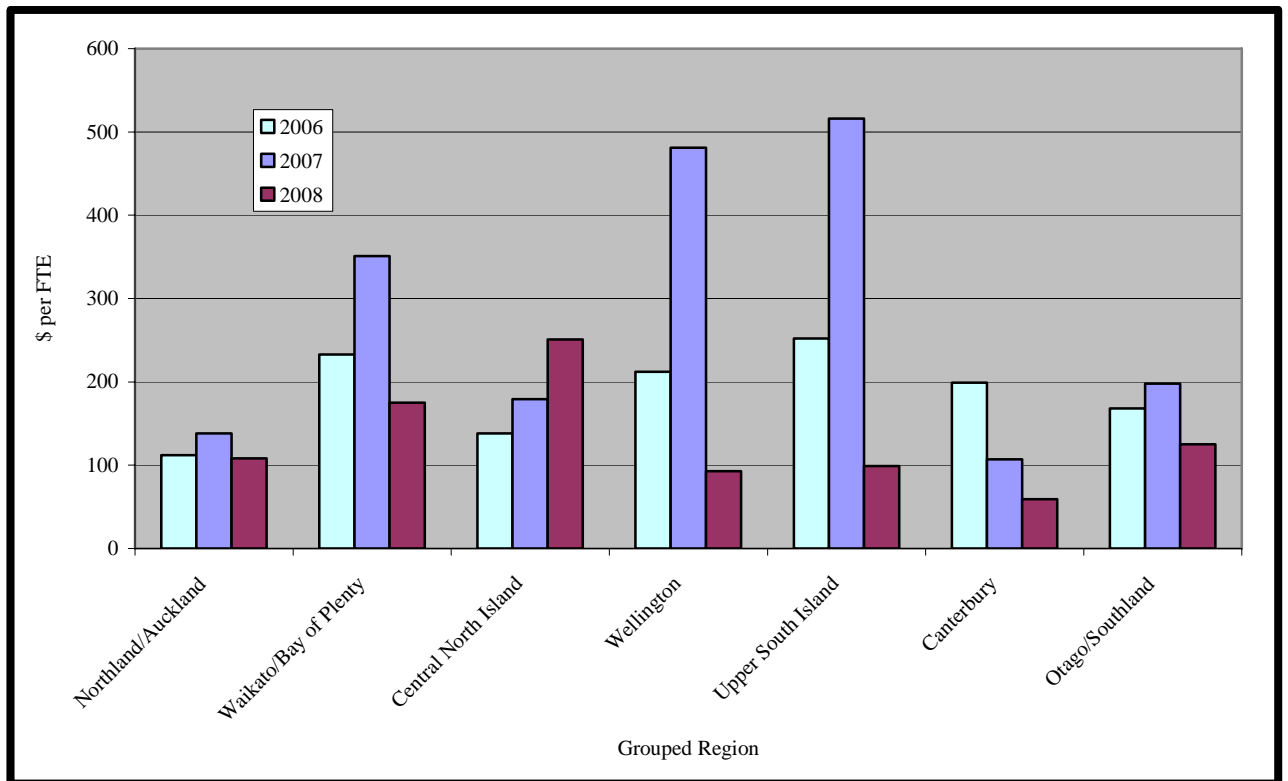


**Table 72: Other Compliance Costs by Grouped Region (2006-2008)**

	Nthld/ Akld	Waik/ BOP	Cent Nth Is	Wgtn	Upper Sth Is	Ctby	Otago/ Sthld
<b>Mean annual hours spent within enterprise on Other Costs</b>							
2006	172.9	340.3	91.9	179.8	183.2	87.0	202.5
2007	96.0	191.9	89.9	152.1	89.9	52.3	209.6
2008	128.8	104.5	222.7	73.0	55.7	43.1	124.5
<b>Average internal cost</b>							
2006	\$3,740	\$7,361	\$1,988	\$3,889	\$3,963	\$1,882	\$4,380
2007	\$2,174	\$4,342	\$2,034	\$3,441	\$2,035	\$1,184	\$4,742
2008	\$3,047	\$2,472	\$5,269	\$1,727	\$1,318	\$1,020	\$2,946
<b>% of respondents that used external advice</b>							
2006	17.8%	22.5%	17.9%	20.3%	16.1%	18.9%	21.3%

2007	18.0%	16.4%	17.4%	14.1%	9.7%	13.6%	20.2%
2008	20.1%	17.5%	5.5%	25.4%	10.8%	12.8%	20.0%
<b>Average external cost</b>							
2006	\$38,917	\$16,568	\$9,265	\$30,112	\$2,067	\$13,859	\$12,611
2007	\$21,795	\$24,459	\$2,190	\$58,457	\$64,836	\$9,534	\$4,841
2008	\$16,651	\$6,757	\$19,900	\$7,866	\$5,250	\$8,733	\$2447
<b>Average total cost</b>							
2006	\$10,487	\$11,035	\$3,588	\$9,842	\$4,295	\$4,341	\$6,976
2007	\$6,091	\$8,348	\$2,396	\$11,662	\$8,339	\$2,482	\$5,680
2008	\$6,377	\$3,639	\$6,375	\$3,665	\$1,902	\$2,160	\$3,357
<b>Average total cost by FTE</b>							
2006	\$112	\$233	\$138	\$212	\$252	\$199	\$168
2007	\$138	\$351	\$179	\$481	\$516	\$107	\$198
2008	\$108	\$175	\$251	\$93	\$99	\$59	\$125
<b>Average total cost as % of turnover</b>							
2006	0.04%	0.06%	0.05%	0.11%	0.13%	0.08%	0.07%
2007	0.05%	0.17%	0.11%	0.16%	0.25%	0.05%	0.14%
2008	0.06%	0.10%	0.13%	0.11%	0.07%	0.02%	0.04%
<b>Other costs as a % of total compliance costs</b>							
2006	23.6%	23.8%	15.8%	21.1%	18.3%	18.6%	20.7%
2007	18.1%	27.0%	19.0%	25.0%	27.3%	10.8%	21.3%
2008	18.5%	14.9%	25.6%	11.4%	7.9%	11.6%	13.4%

**Figure 38: Other Compliance Costs per FTE by Grouped Region (2006-2008)**

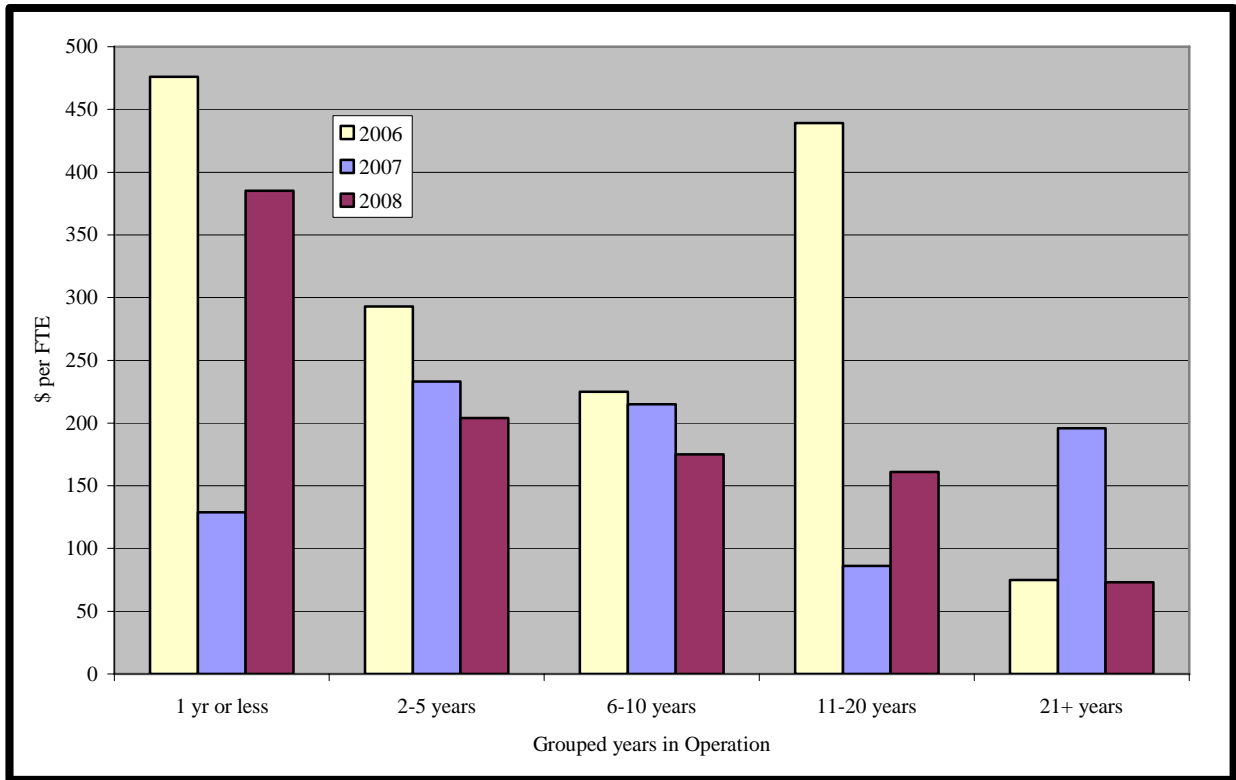




**Table 73: Other Compliance Costs by Grouped Years in Operation (2006-2008)**

	1 yr or less	2-5 years	6-10 years	11-20 years	21+ years
Mean annual hours spent within enterprise on other compliance costs					
2006	23.4	213.0	138.8	227.1	180.4
2007	41.5	64.4	96.7	121.0	182.3
2008	28.8	48.1	137.8	165.9	120.0
Average internal cost					
2006	\$507	\$4,606	\$3,002	\$4,913	\$3,903
2007	\$938	\$1,458	\$2,188	\$2,737	\$4,126
2008	\$681	\$1,138	\$3,263	\$3,925	\$2,839
% of respondents that used external advice					
2006	13.2%	15.5%	21.1%	20.9%	20.1%
2007	12.3%	14.4%	12.0%	15.2%	21.0%
2008	13.8%	16.7%	17.4%	19.7%	16.3%
Average external cost					
2006	\$10,586	\$8,107	\$5,340	\$43,579	\$25,755
2007	\$1,906	\$1,978	\$6,797	\$25,037	\$33,673
2008	\$70,250	\$5,538	\$6,303	\$11,354	\$12,494
Average total cost					
2006	\$1,905	\$5,802	\$4,066	\$13,757	\$9,032
2007	\$1,173	\$1,737	\$3,005	\$2,254	\$11,207
2008	\$11,088	\$2,047	\$4,388	\$6,093	\$4,748
Average total cost by FTE					
2006	\$476	\$293	\$225	\$439	\$75
2007	\$129	\$233	\$215	\$86	\$196
2008	\$385	\$204	\$175	\$161	\$73
Average total cost as % of turnover					
2006	0.30%	0.19%	0.10%	0.12%	0.03%
2007	0.18%	0.13%	0.10%	0.04%	0.08%
2008	1.01%	0.04%	0.08%	0.08%	0.04%
Other compliance costs as a % of total compliance costs					
2006	25.7%	28.7%	18.2%	33.3%	15.5%
2007	14.4%	12.1%	16.7%	9.5%	21.8%
2008	43.2%	16.7%	16.5%	18.1%	13.5%

**Figure 39: Other Compliance Costs per FTE by Grouped Years in Operation (2006-2008)**



## 3.5 METHODOLOGY

### Purpose of the Survey

The purpose of this survey is to measure compliance cost perceptions and trends over time. The six surveys undertaken thus far have been in an environment where there has been ongoing discussion on the need to reduce the compliance burden, particularly on small and medium sized enterprises.

### Target Population

The target population was identified as any New Zealand enterprise, since the aim of the survey was to collect information on business compliance costs in New Zealand.

Business New Zealand has an appropriately broad sub-population base on which to conduct a survey on business compliance costs through the member enterprises of its four regional associations (Employers' and Manufacturers' Association (Northern); Employers' and Manufacturers' Association (Central); Canterbury Employers' Chambers of Commerce; and Otago Southland Employers' Association). It also has over 70 affiliated industry groups from which the survey can also be sent out to. For the 2008 survey, the survey was sent out for dissemination amongst four industry groups, as well as the New Zealand Institute of Chartered Accountants, KPMG taxmail recipients, Business Mentors New Zealand, Buy NZ Made and 22 industry groups.

### Questionnaire Design, Consultation, and Testing

#### Definition Used

In all six questionnaires we have used the following definition of compliance costs:

*Compliance costs are the administrative and paperwork costs businesses incur when meeting a regulatory obligation. They include the costs of:*

- *Collecting taxes and rates for central and local government (but not the actual amounts of taxes or rates);*
- *Requirements to submit information to the Government.*
- *Obligations imposed on businesses to benefit others (e.g., consumer rights, health and safety, border control, etc).*

*Compliance costs can be both tangible and intangible and they can also be non-monetary, e.g. time spent dealing with paperwork as well as stress and anxiety. They can also include the time and costs of any disputes, the time taken to prepare and make applications (e.g., for permits or consents) and the subsequent wait for decisions to be made on them.*

It is important to note that the survey definition excludes the additional wage and salary costs from increases in minimum entitlements under employment-related legislation. This is particularly relevant for the 2004 survey, which fell shortly after major changes were made to the Holidays Act.

#### Changes in the 2008 survey

After the 2003 compliance costs report was released, Business New Zealand undertook to review the questionnaire in the lead up to the 2004 survey, which overall, increased the size of the questionnaire

from 19 to 29 questions. The 2008 survey is largely similar to surveys conducted from 2004-2007, with the main changes involving:

- The inclusion of the Intellectual Property Office of New Zealand (IPONZ) to the list of Government departments that we ask to rate their helpfulness of. The office was included given the increasing issues involved with intellectual property, as well as providing a gauge on the level of contact businesses tend to have with the office.
- The removal of a question asking to rate the Government's helpfulness in terms of the compliance issues associated with KiwiSaver for their business. This was replaced with a more relevant KiwiSaver question as mentioned below.
- The inclusion of a question that asks how well the Government has done in terms of minimising the compliance costs associated with KiwiSaver over the last year. This was followed up by a question that asked if there was one thing Government could do to significantly lower the compliance costs associated with KiwiSaver, what that would be.
- The inclusion of a question that asked if they had had any face-to-face meetings with representatives from Government departments. As last years questions in this section was focussed on whether businesses generally found Government websites useful in terms of finding the exact information they required, it was decided to focus on another area where businesses typically contact Government agencies. There was also a follow-up question that asked respondents how helpful they had found the representatives to be.

### **Delivery of the Survey**

Like all previous surveys, Business New Zealand continued to use a web-based delivery option for the 2008 survey.

A high proportion of businesses currently have e-mail and Internet access and Business New Zealand has found that the web-based option is user-friendly and results in a relatively high response rate. Importantly, a web-based survey also has considerable time and cost advantages over phone or paper-based surveys. Business New Zealand decided to provide a paper copy of the survey if requested for 2008, as we found the increased number of respondents that came from the industry associations often did not have access to high speed internet, therefore a paper version was the optimal way in which to fill in the survey.

### **Data Capture and Confidentiality**

The regional associations and other industry groups were assigned the task of sending the survey into the field by e-mailing the URL links to their members. The survey was sent out to the population of the regional associations with e-mail access.

The regional associations sent an e-mail message to each participant informing them of the background and aims of the survey, along with a URL link to the survey and a unique identification number that the respondent would input when completing the survey.

Only the regional association/industry group and the respondent knew what their identification number was and the relationship between the number and the enterprise was not disclosed to any other party, including either Business New Zealand or KPMG. After respondents submitted their responses over the web, the data was automatically transferred to a data capture system, run by an independent IT contractor.

To avoid respondents submitting information more than once, a cookie control was set up by the IT contractor, which automatically stored a random code to the respondent's PC. If the respondent tried

to submit the survey again, they would be taken to the URL link that informed them that they had already completed the survey. As the code was random, it did not have any connection with a respondent's identification number and the cookie code was not retained on any database, so further assuring the confidentiality of respondents.

Considering the length of the survey and the burden this might have placed on some respondents, Business NZ also provided incentives for participation, which involved those submitting a response being entered into a prize draw.

### **Field Time**

The survey was conducted over a two-week period from 18 to 31 August 2008. The timing of the 2008 survey was later than in previous years due to the running of the Business NZ Election Survey in July.

### **Final Dataset**

906 responses were received for the 2008 survey. After the survey was closed, the raw dataset was sent to Business New Zealand, with the data compiled and analysed by Business New Zealand staff using SPSS statistical software.

### **Limitations to the Dataset**

The survey was conducted within the population of members of Business New Zealand's four regional associations, as well as selected industry groups. As such, it is not a fully representative sample of New Zealand enterprises as set out in Statistics New Zealand's Business Demography Statistics.

For example, the number of respondents has a bias towards medium and large sized enterprises with relatively fewer micro or small enterprises, although the proportion of micro-small enterprises has continued to increase. In terms of industry sector and region, demographic results continue to become more in line with overall business population demographics.

However, while these limitations may impact upon the overall results, the breakdowns by enterprise size, industry, and region nevertheless provide credible data for even those areas that were under-represented. For example, even though only 42.3% of respondents had five or fewer employees (compared to around 84% of the population), this still constituted 524 respondents. The proportion of respondents with 0-9 FTEs in 2008 (56.6%) was similar lower than that of 2007 (58.6%), but much higher than for 2003-2005.

In summary, the important point to note is that the survey results are indicative rather than conclusive.

### 3.6 SURVEY FORM



#### **BUSINESS NEW ZEALAND – KPMG COMPLIANCE COST SURVEY**

##### Statement of Purpose

Business New Zealand, in conjunction with KPMG, undertake an annual compliance cost survey of the business community with its four founder members, the Employers' and Manufacturers' Association (Northern), Employers' and Manufacturers' Association (Central), Canterbury Employers' Chamber of Commerce, and the Otago-Southland Employers' Association. Business New Zealand provides coordination and analysis of the survey, while Employers and Manufacturers' Association (Central) is providing technical support for the survey. The survey is also supported by Business Mentors New Zealand, as well as various industry groups.

Most businesses accept that a certain degree of regulation and associated compliance cost requirements are necessary. However, if they are overly complex and onerous they can create significant costs. This is particularly so for small businesses, which face disproportionately higher compliance costs and penalties for non-compliance. According to the 2001 Report of the Ministerial Panel on Business Compliance Costs, high compliance costs stifle innovation, hinder competitiveness, deter compliance, and discourage firms from growing and taking on more staff.

This will be the sixth annual compliance cost survey conducted. The results of this survey will be critical for our ability to monitor compliance cost trends and will enable us to better advocate for a more business-friendly policy and regulatory environment, including lower compliance costs.

Thank you for taking the time to complete this survey.

Phil O'Reilly  
Chief Executive  
Business New Zealand

Jan Dawson  
National Chairman  
KPMG

KPMG issue real-time information on key tax updates and changes that effect business in their taxmail electronic publication. If you or your business is interested in receiving these electronic updates, or you are interested in looking back at key tax changes and Government announcements over the last 12 months please visit [www.taxmail.co.nz](http://www.taxmail.co.nz)

Please take a moment to read the following section before completing the survey.

## Definition of Compliance Costs

Compliance costs are the administrative and paperwork costs businesses incur when meeting a regulatory obligation. They include the costs of:

- Collecting taxes and rates for central and local government (but not the actual amounts of tax or rates);
- Requirements to submit information to the Government; and
- Obligations imposed on businesses to benefit others (e.g., consumer rights, health & safety, border control etc).

Compliance costs can be both tangible and intangible and they can also be non-monetary, e.g. time spent dealing with paperwork as well as stress and anxiety. They can also include the time and costs of any disputes, the time taken to prepare and make applications (e.g., for permits or consents) and the subsequent wait for decisions to be made on them.

For the purpose of this survey, please exclude the cost of preparing your enterprise's end of year financial accounts.

This survey involves 29 questions, and should take around 20 minutes to complete

Note: Where a question is marked with an \* this means that a response is required to allow the survey to be completed.

## COMPLIANCE COST SURVEY - 2008

Please enter your respondent identifier number/code from the e-mail that informed you of this survey (for example KPMG001 or EMAN001).

\_\_\_\_\_

### Section A. Compliance Cost Priorities

1. Please select in priority order the *three* most significant compliance cost areas facing your enterprise over the last 12 months.

Compliance Cost	Priority (Please insert 1, 2 and 3 to indicate your 3 selections)
ACC	
Border Control & Biosecurity	
Companies Act/Securities Act/Takeovers	
Consumer Issues	
Education Sector	
Employer Related Superannuation Schemes	
Employment Relations Act	
Food Safety	
Hazardous Substances & New Organisms	

Health Sector	
Health & Safety in Employment Act	
Holidays Act	
Local Government	
Resource Management Act	
SNZ Surveys	
Tax	
Transport Sector	
Other Compliance Costs	

## Section B. Helpfulness of Central and Local Government Agencies

2. Please indicate whether in the past 12 months your enterprise has had contact with the following central and local government agencies (e.g. individual person-to-person contact, call centre or websites) and how helpful you have found them.

Agency	Have you had contact with this agency over the past 12 months?	If yes, how helpful did you find the agency?				
		Very helpful	Helpful	Neither helpful or unhelpful	Un-helpful	Very un-helpful
Accident Compensation Corporation	Yes/No	1	2	3	4	5
Companies Office	Yes/No	1	2	3	4	5
Department of Labour	Yes/No	1	2	3	4	5
Environmental Risk Management Authority	Yes/No	1	2	3	4	5
Food Safety Authority	Yes/No	1	2	3	4	5
Inland Revenue Department	Yes/No	1	2	3	4	5
Intellectual Property Office of New Zealand	Yes/No	1	2	3	4	5
Local Authority	Yes/No	1	2	3	4	5
Ministry of Agriculture & Forestry	Yes/No	1	2	3	4	5
Ministry of	Yes/No	1	2	3	4	5



Education						
Ministry of Health	Yes/No	1	2	3	4	5
New Zealand Customs Service	Yes/No	1	2	3	4	5
New Zealand Immigration Service	Yes/No	1	2	3	4	5
Occupational Safety & Health Service	Yes/No	1	2	3	4	5
Statistics NZ	Yes/No	1	2	3	4	5
Transport Agencies (i.e., CAA, LTSA, MSA)	Yes/No	1	2	3	4	5
Work and Income NZ	Yes/No	1	2	3	4	5
Other (please specify)		1	2	3	4	5

3. If you have indicated a rating of 1 (very helpful) or 5 (very unhelpful) with any of the government agencies mentioned in question two above, please feel free to discuss the reason why you allocated these ratings in the box below:

4. Overall, how would you rate the Government in terms of minimising the compliance burden of KiwiSaver during its first year?

- Excellent
- Good
- Average
- Fair
- Poor

4a. In your view, what one thing could the Government do to significantly lower compliance costs associated with KiwiSaver?

5. Have you had any face-to-face meetings with representatives from Government agencies over the last year regarding compliance matters?

- Yes
- No

5a. If you answered yes to question 5, how have you generally found them to be in terms of helpfulness?

- Very helpful
- Helpful
- Neither helpful or unhelpful

Unhelpful  
Very unhelpful

### Section C. Change in Compliance Burden

6. Please estimate the degree of change you feel that your enterprise has experienced in the regulatory and compliance burden compared to 12 months ago, with respect to (please circle one number for each compliance area):

Compliance Cost Area	Degree of change in regulatory and compliance burden over past 12 months				
	Large Rise	Modest Rise	No Change	Modest Fall	Large Fall
<b>Tax Compliance Costs</b>					
• PAYE	1	2	3	4	5
• FBT	1	2	3	4	5
• GST	1	2	3	4	5
• Provisional Tax	1	2	3	4	5
• Other source deductions (e.g., student loans, demands for deductions from IRD, child support etc)	1	2	3	4	5
<b>Employment Compliance Costs</b>					
Accident Compensation and Rehabilitation	1	2	3	4	5
Employer Related Superannuation Schemes	1	2	3	4	5
Employment Relations Act	1	2	3	4	5
Health & Safety in Employment Act	1	2	3	4	5
Holidays Act	1	2	3	4	5
<b>Environmental Compliance Costs</b>					
Border Control & Biosecurity	1	2	3	4	5
Hazardous Substances & New Organisms Act	1	2	3	4	5
Local Government and Rating	1	2	3	4	5
Resource Management Act	1	2	3	4	5
<b>Other Compliance Costs</b>					
Companies Act/Securities Act/Takeovers	1	2	3	4	5
Consumer Issues	1	2	3	4	5
Education Sector	1	2	3	4	5
Food Standards	1	2	3	4	5
Health Sector	1	2	3	4	5
Statistics NZ Surveys	1	2	3	4	5
Transport Sector	1	2	3	4	5
Other compliance costs (please specify the most significant one)	1	2	3	4	5

7. If you have indicated a rating of 1 (large rise) or 5 (large fall) with any of the compliance costs areas mentioned in question 6 above, please feel free to discuss the reason why you allocated these ratings in the box below:

#### Section D. Estimating Tax Compliance Costs

8. What sources of *external* information and/or advice on **tax matters** has your enterprise accessed over the past 12 months? (Please select any source that applies)

- IRD (e.g., through their publications, website, call centre).
- Legislation (e.g., Income Tax Act, GST Act etc).
- Out of house tax advisers, agents or intermediaries.
- Other publications/advice.
- No external information/or advice

9. How much time *within your enterprise* (i.e., both staff and employer) was spent on **tax-related** compliance matters over the past 12 months?

- Total hours: \_\_\_\_\_

10. Did your enterprise employ *out-of-house* **tax** advisers/ agents/intermediaries over the past 12 months?

- Yes
- No (please go to Section E – Estimating Employment Compliance Costs)

If **yes**, please provide an estimate of the annual cost of this work. \$ \_\_\_\_\_

11. Does the amount in your answer to question 10 include the cost of preparing your enterprise's annual accounts?

- Yes
- No

12. Do you have any additional comments regarding tax-related compliance costs? (e.g. which tax-related compliance matters take up the majority of your time and cost?)

### Section E. Estimating Employment Compliance Costs

13. How much time *within your enterprise* (i.e., both staff and employer) was spent on **employment-related** compliance matters (e.g. employment relations, holidays, health and safety, ACC, KiwiSaver etc) over the past 12 months?

- Total hours: \_\_\_\_\_

14. Did your enterprise employ *out-of-house* advisers on **employment-related** compliance issues (e.g. employment relations, holidays, health and safety, ACC etc) over the past 12 months?

- Yes
- No (please go to Section F – Estimating Environmental Compliance Costs)

If **yes**, please provide an estimate of the annual cost of this work. \$ \_\_\_\_\_

14. Do you have any additional comments regarding employment-related compliance costs? (e.g. which employment-related compliance matters take up the majority of your time and cost?)

### Section F. Estimating Environmental Compliance Costs

16. How much time *within your enterprise* (i.e., both staff and employer) was spent on meeting on **environment-related** compliance matters (e.g., RMA, local authority requirements, HSNO, border control etc) over the past 12 months?

- Total hours: \_\_\_\_\_

17. Did your enterprise employ *out-of-house* advisers on **environment-related** compliance issues (e.g., RMA, local authority requirements, HSNO, border control etc) over the past 12 months?

- Yes
- No (please go to Section G – Estimating Other Compliance Costs)

If **yes**, please provide an estimate of the annual cost of this work. \$ \_\_\_\_\_

18. Do you have any additional comments regarding environment-related compliance costs? (e.g. which environmental-related compliance matters take up the majority of your time and cost?)

### Section G. Estimating Other Compliance Costs

19. How much time *within your enterprise* (i.e., both staff and employer) was spent on meeting government requirements with respect to **other** compliance matters (e.g., Statistics NZ surveys, health sector, education sector, transport sector, consumer issues, Companies Act/Securities Act etc) over the past 12 months?

- Total hours: \_\_\_\_\_

20. Did your enterprise employ one or more *out-of-house* advisers on **other** compliance matters (e.g., Statistics NZ surveys, health sector, education sector, transport sector, consumer issues, Companies Act/Securities Act etc) over the past 12 months?

- Yes
- No

If **yes**, please provide an estimate of the annual cost of this work. \$ \_\_\_\_\_

21. Of the 'other' compliance costs you have provided information for in Section G, which would be the most significant compliance cost for your business?

### **Section H. Your Ideas**

22. Compliance cost reduction is the key goal for this survey. If you have any ideas on how this can reasonably be achieved (e.g. tax, employment, health & safety), please provide your comments below:

### **Section I. About Your Business**

23. How many years has your enterprise been in operation? (if less than one year, please state the number of months).

\_\_\_\_\_

24. How many full time people (i.e. those who work 30 or more hours per week) work in your enterprise, including owners?

\_\_\_\_\_

25. How many part time people (i.e. those who work less than 30 hours per week) work in your enterprise, including owners?

\_\_\_\_\_

26. What was your enterprise's approximate turnover (excluding GST) for your last accounting year?

\$ \_\_\_\_\_

27. In which region is your enterprise predominantly located? (please choose one region only)

- Northland
- Auckland
- Waikato
- Bay of Plenty

- Gisborne
- Hawkes Bay
- Taranaki
- Manawatu-Wanganui
- Wellington
- Marlborough
- Nelson-Tasman
- West Coast
- Canterbury
- Otago
- Southland

28. In which industry is your enterprise primarily involved? (please choose one industry only)

- Agriculture
- Forestry, Fishing and Mining
- Manufacturing
- Electricity, Gas and Water
- Construction
- Wholesale Trade
- Retail Trade
- Accommodation, Cafes and Restaurants
- Transport and Storage
- Communication Services
- Finance and Insurance Services
- Property and Business Services
- Government Administration and Defence
- Education, Health and Community Services
- Cultural, Recreation, and Personal Services
- Other (please specify)\_\_\_\_\_

29. Finally, would you be prepared to participate in answering some more detailed questions about a particular area of compliance costs? (e.g. You may receive through us on a confidential basis some questions from Government Agencies)

- Yes
- No

Thank you very much for completing the survey.