



the gandalf group

CWB 2007 Producer's Survey Results

June 21st, 2007



- ❑ Telephone survey conducted from April 3 to April 15, 2007

- ❑ 1300 interviews in Manitoba, Saskatchewan and Alberta with CWB permit book holders
 - +/- 2.72 Margin of error
 - The margin of error is higher when looking at individual provinces or sub groups



- ❑ Most farmers are positive or satisfied with the CWB's marketing of wheat and durum
 - There is significantly less satisfaction with malting and, especially, feed barley

- ❑ There is a consensus around single desk marketing for wheat, but no consensus on the appropriate method of marketing barley

- ❑ The plebiscite is both more and less than it is claimed to be. It is seen to have been a consultative exercise which did allow farmers a voice and generally reflects the state of opinion. However, it was seen to be manufactured for success and not to constitute final approval of a policy approach.



- Farmers are not prepared to put the CWB at risk in order to have the government completely open up the barley market – ensuring that the CWB remains strong is important to them
- Farmers believe they should have the final say over any change to the CWB
- The CWB is the institution that most farmers identify with
- The current federal government has the strongest relationship with farmers of any government in ten years

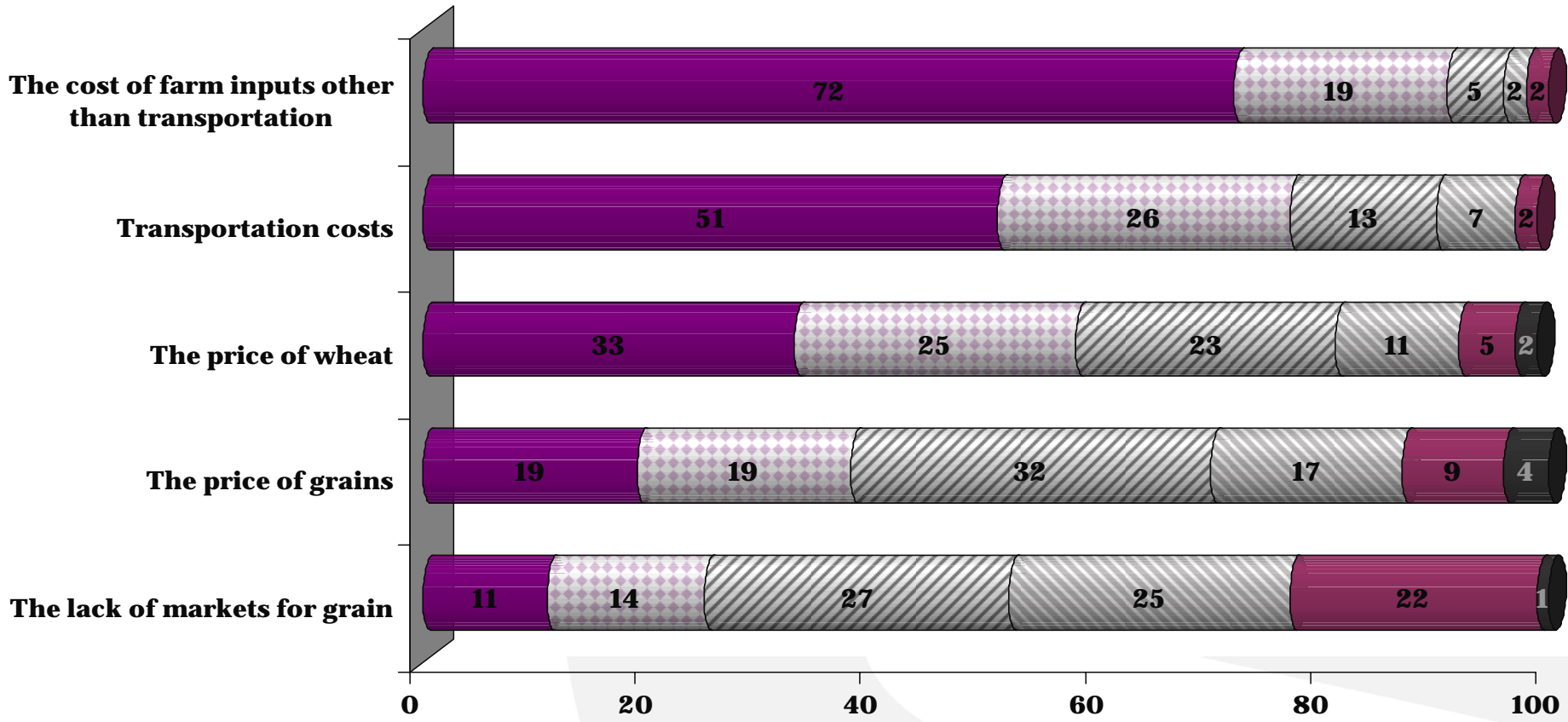


- ❑ Input costs remain the biggest problem facing the most farmers
- ❑ Ironically, given the energy devoted to the marketing issue, it pales in importance to farmers compared to getting their cost structure under control
- ❑ CWB performance in marketing is seen as having improved dramatically relative to a couple of years ago
- ❑ Most farmers think the CWB is doing a good job of marketing wheat and durum
 - Barley, especially feed barley, is more controversial



Problems In The Coming Year

How much of a problem will _____ be for your farm in the coming year?

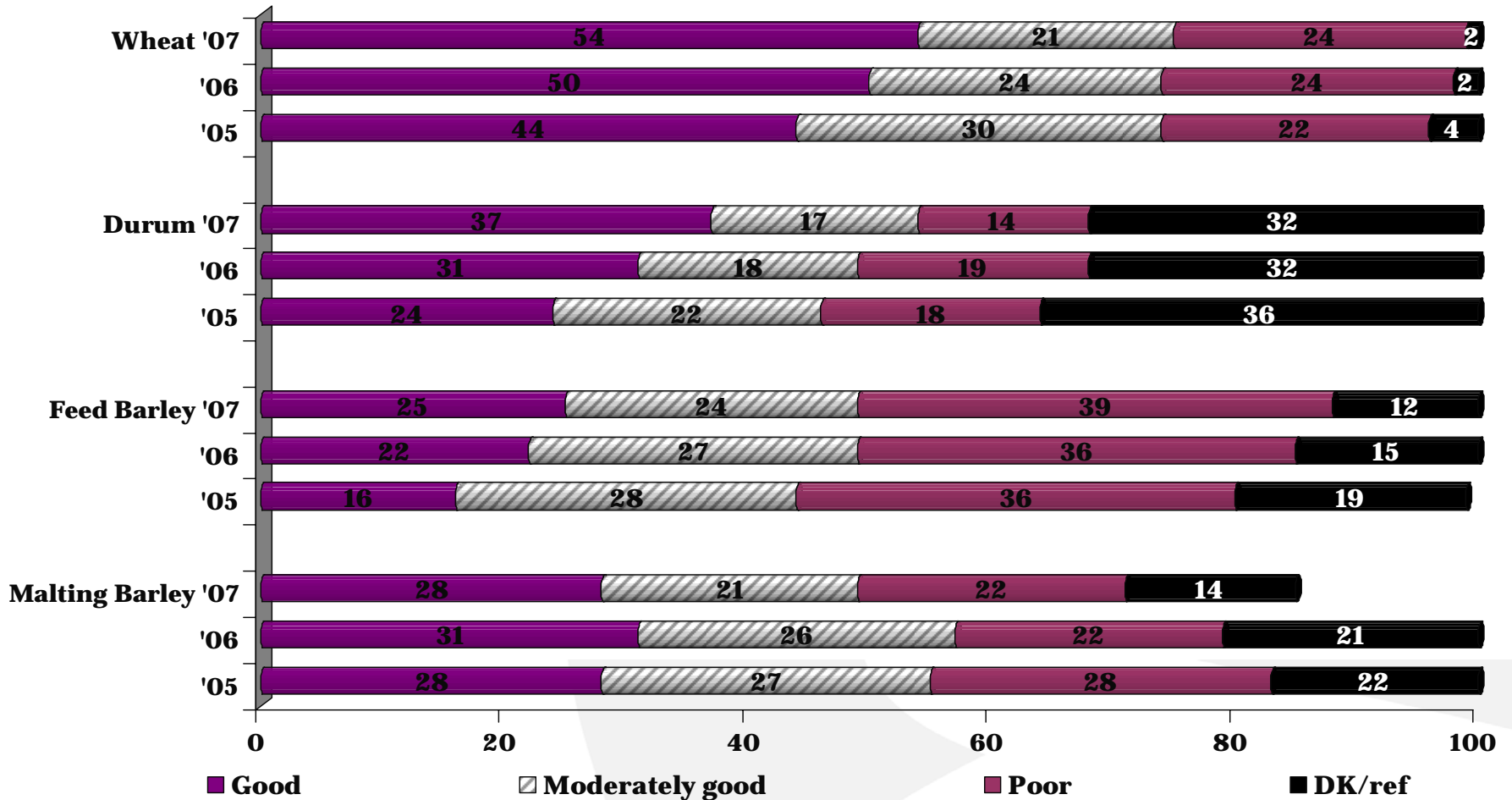


■ A major problem □ A problem ▨ Somewhat of a problem □ Not really a problem ■ Not a problem at all ■ DK/ref



Rating of the CWB: Marketing of Different Grains

Please give your rating of the performance of the Canadian Wheat Board in the marketing of _____?





- ❑ Even with the “dual market” option on the table, the plurality of farmers prefer a single desk for wheat

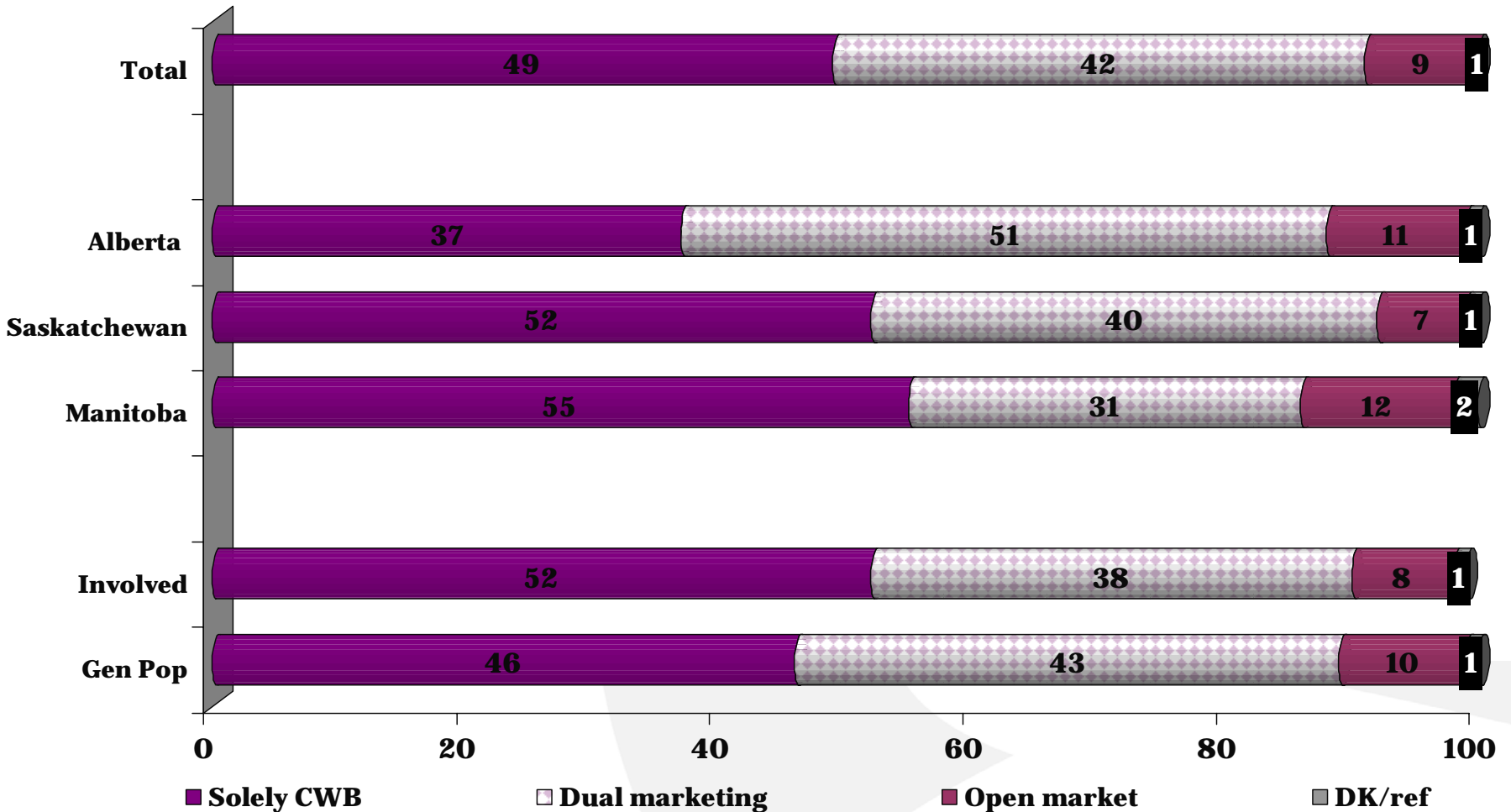
- ❑ As between the single desk and an open market for wheat, 50% in Alberta and two thirds in Saskatchewan and Manitoba prefer a single desk
 - Single desk supporters hold their opinions more strongly than dual market supporters or open market supporters

- ❑ Dual market supporters are motivated primarily by the idea of choice
 - They want to decide when they get paid, and they think having more options to sell to will increase their revenues, despite not being sure that private companies will get better prices than the CWB does



Approaches to Marketing Wheat

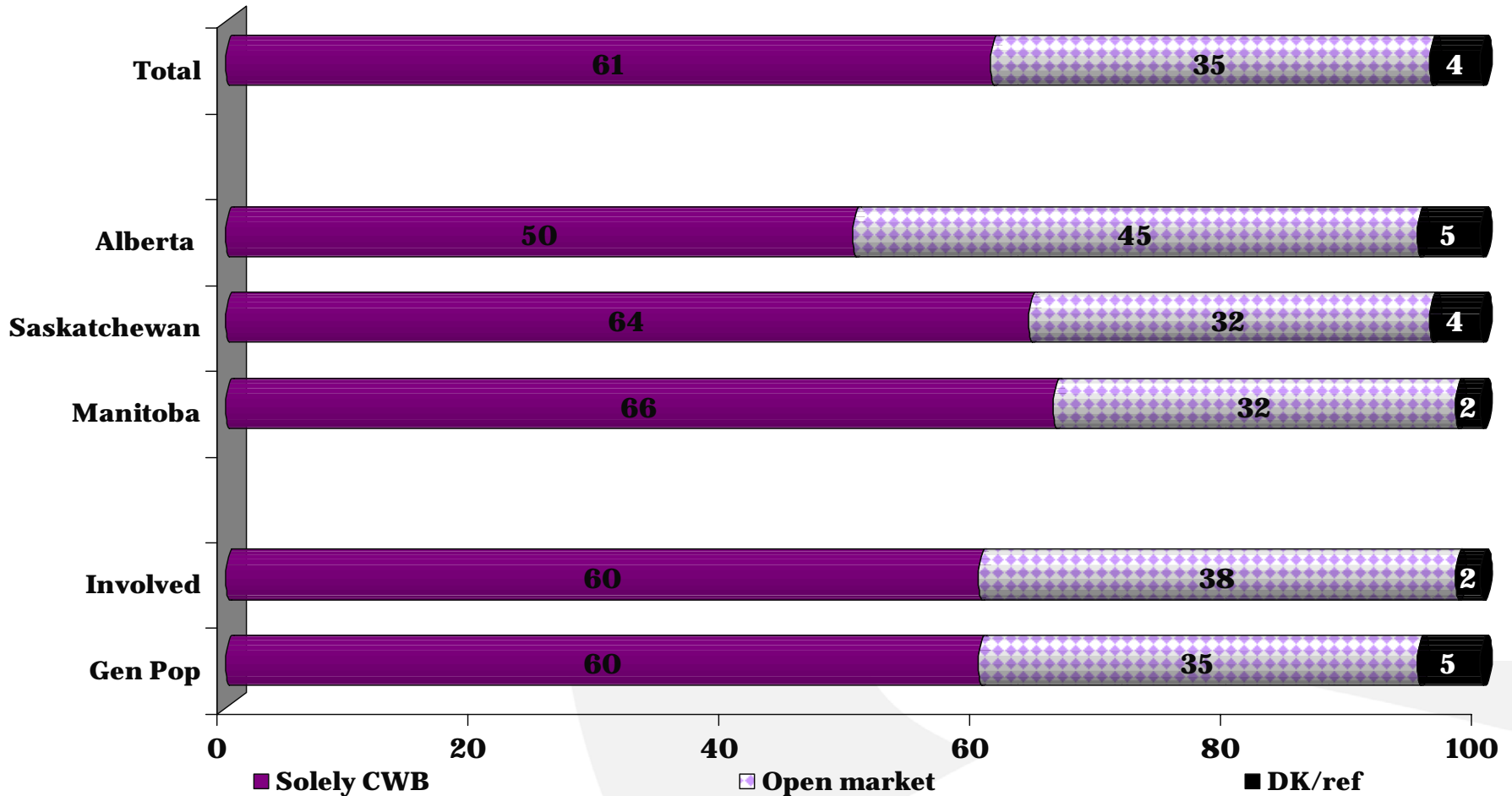
If you had to choose between three different approaches to marketing wheat, which of the following would you prefer?





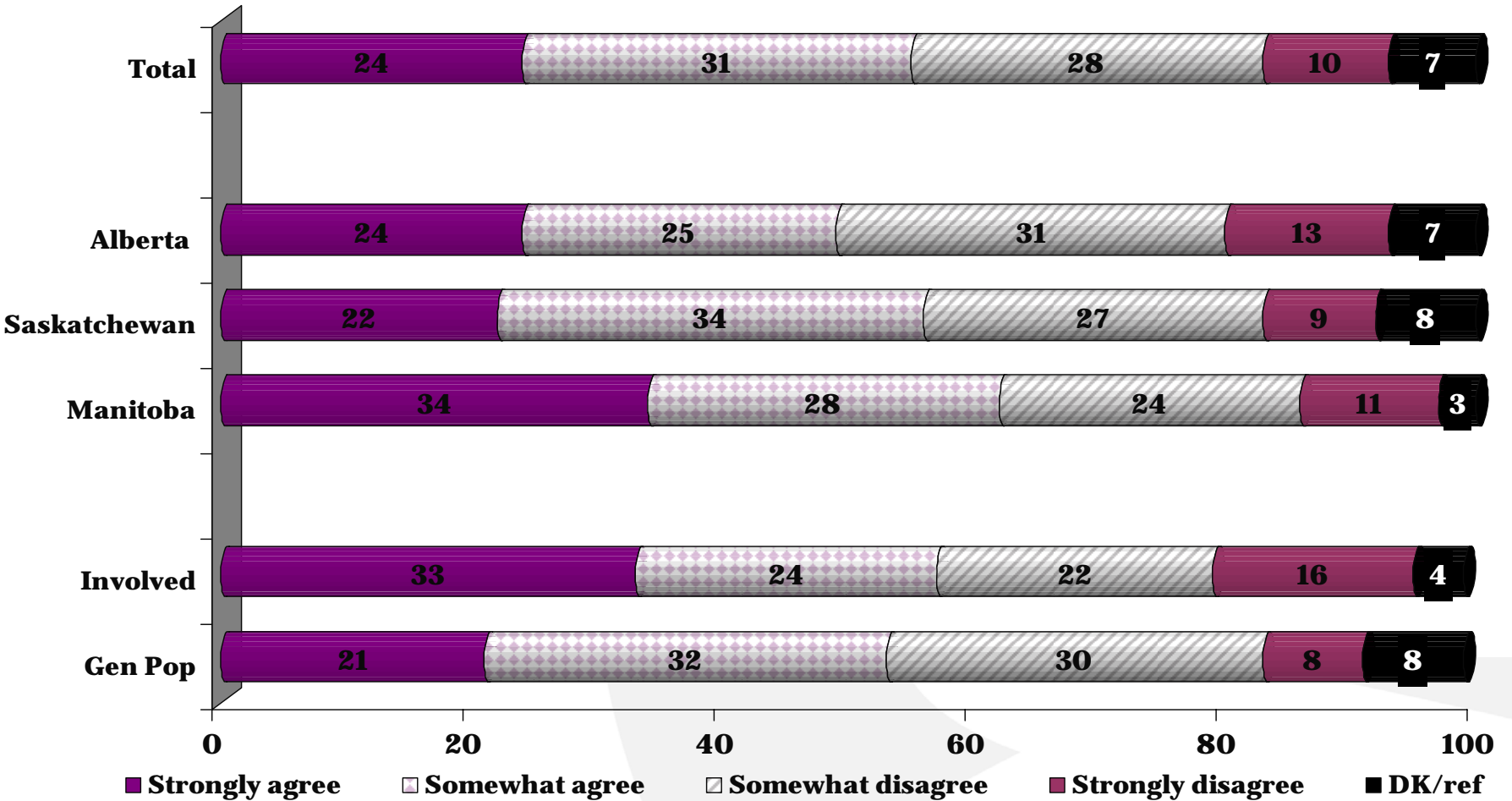
Options For Wheat Marketing

If you had to choose between the following two options for wheat marketing, which one would you prefer?





Agree/disagree: You don't like taking a 'pooled' price for grain*

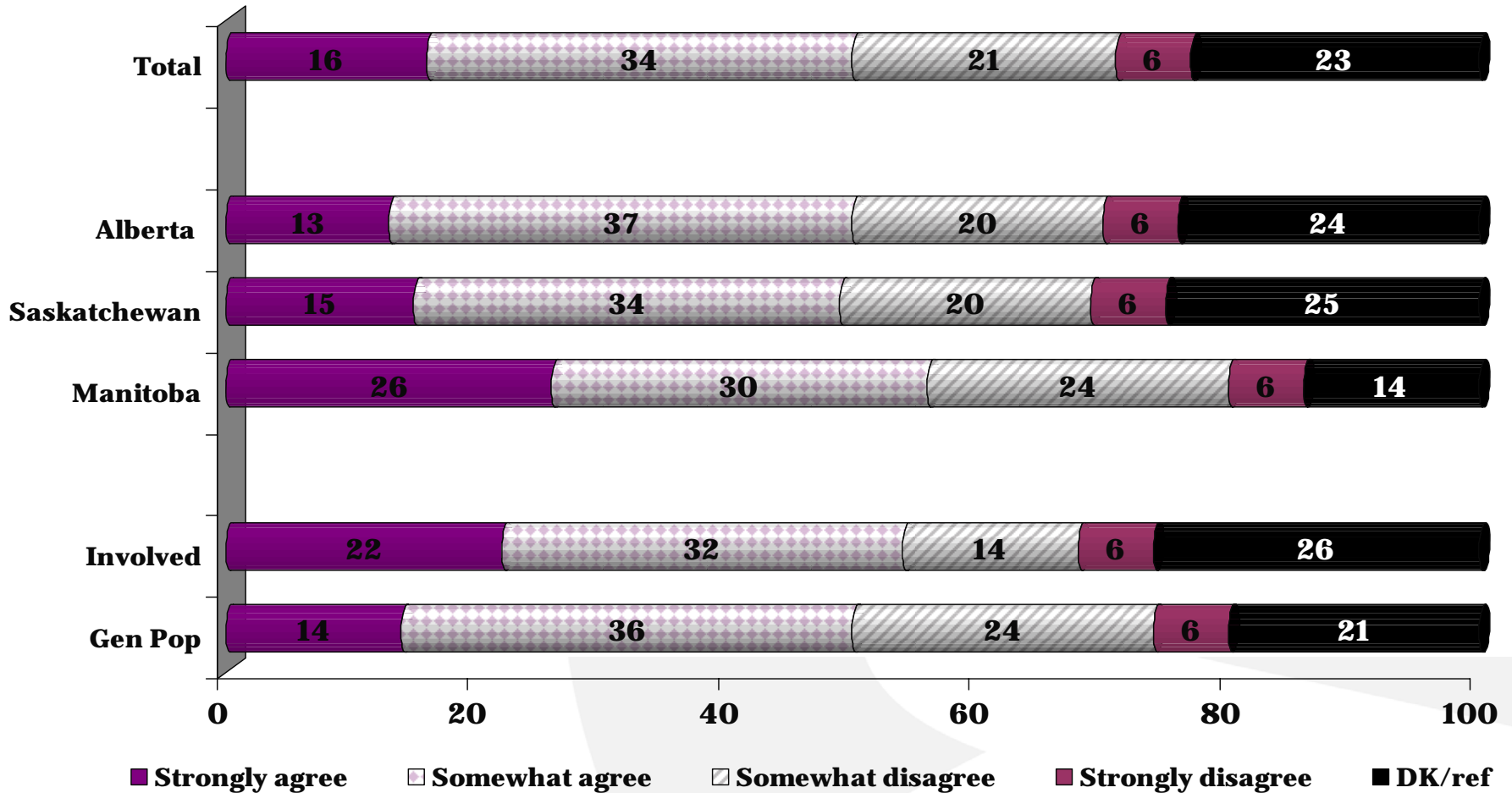


*asked only among dual market supporters (n=540)



Agree/Disagree: Private Grain Marketers Get Better Price

Agree/disagree: Private grain marketers – like Cargill, Saskatchewan Wheat Pool or Agricore – get better prices for wheat than the CWB does *

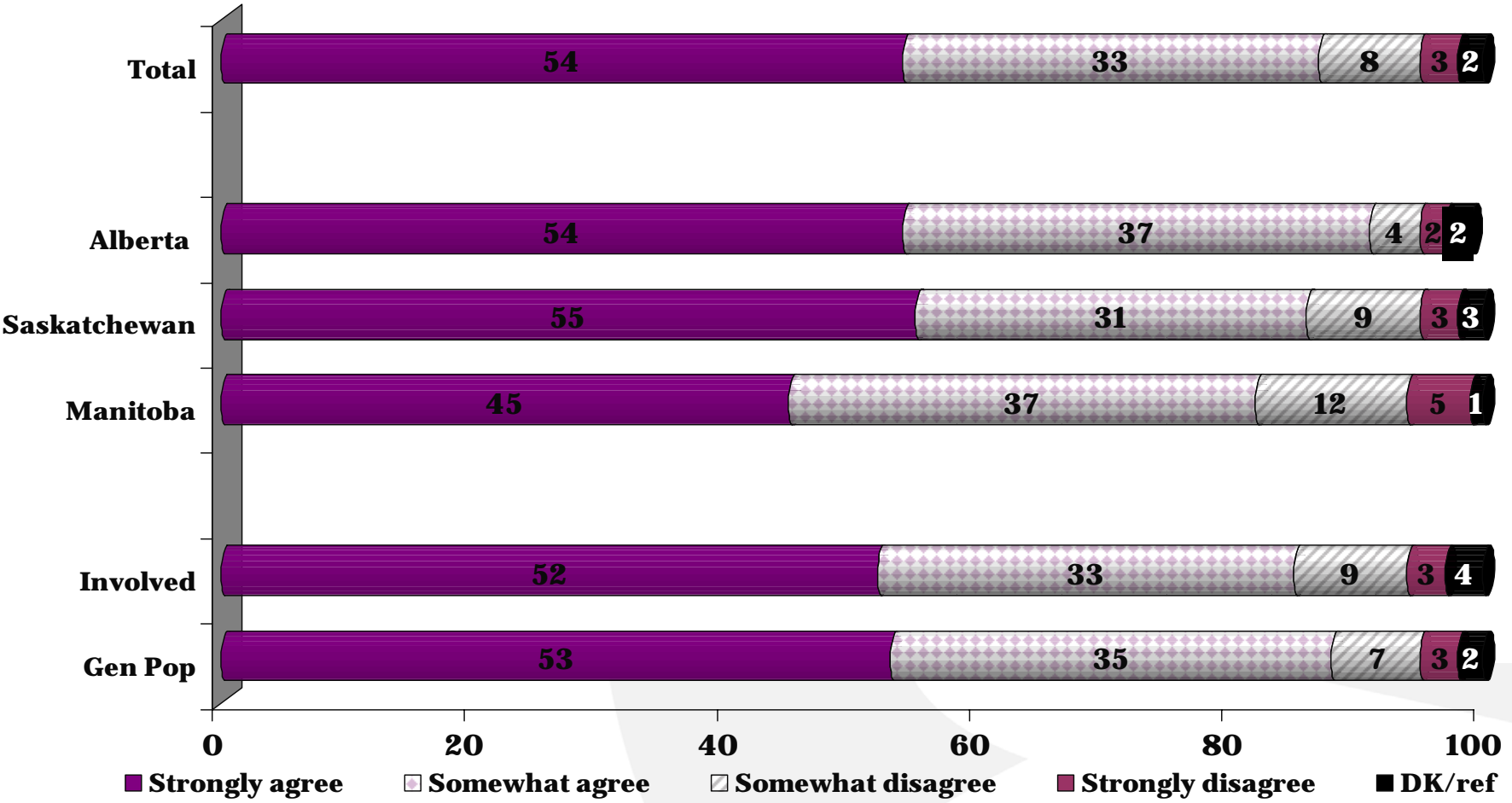


*asked only among dual market supporters (n=540)



Agree/Disagree: More Companies Will Increase Values

Agree/disagree: Having more companies to sell your wheat to will increase the values you receive*

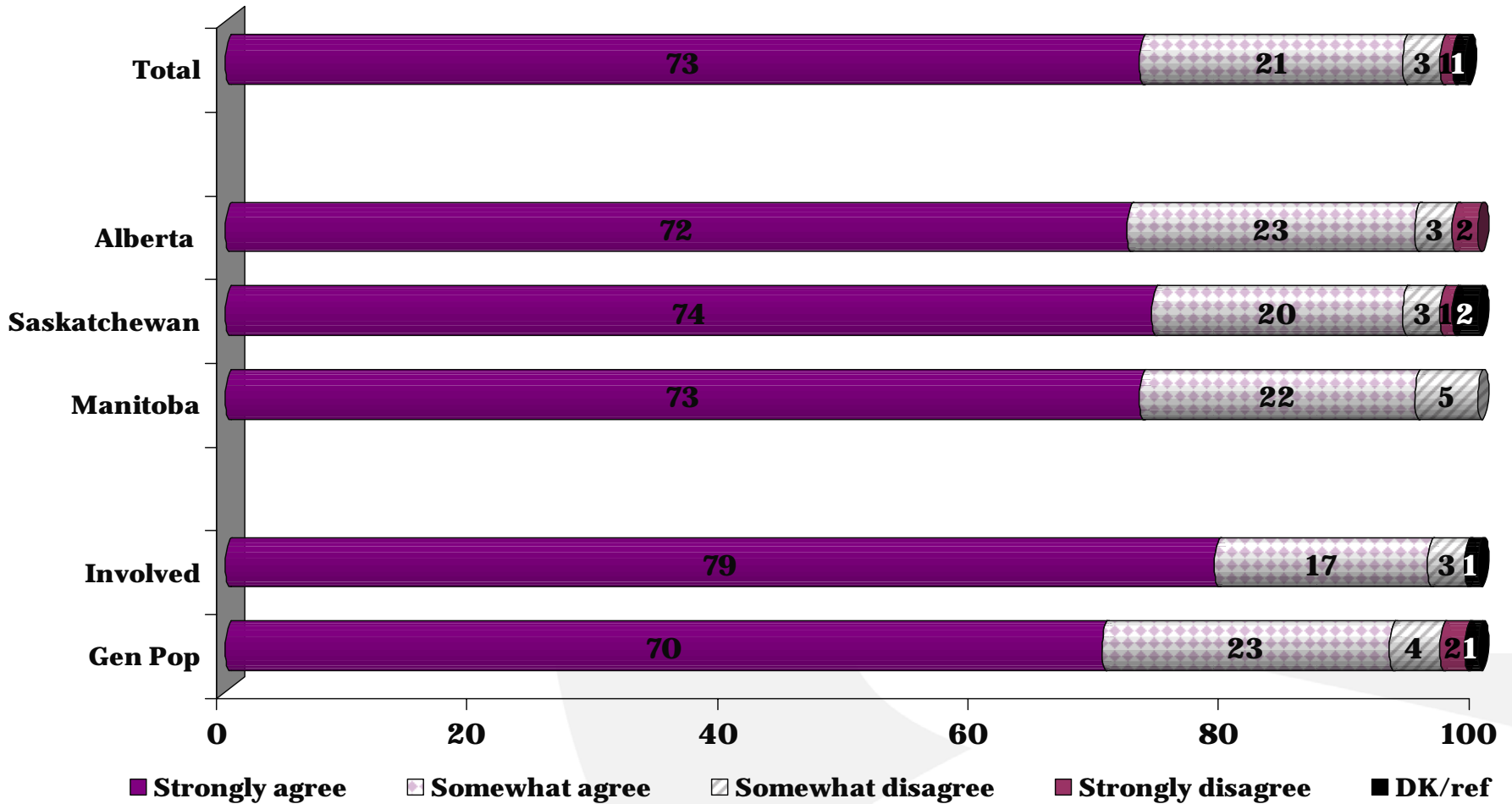


*asked only among dual market supporters (n=540)



Agree/Disagree: Choose When to Deliver and Get Paid Up Front

Agree/disagree: You would like to choose when to deliver and get paid up front for your grain*



*asked only among dual market supporters (n=540)

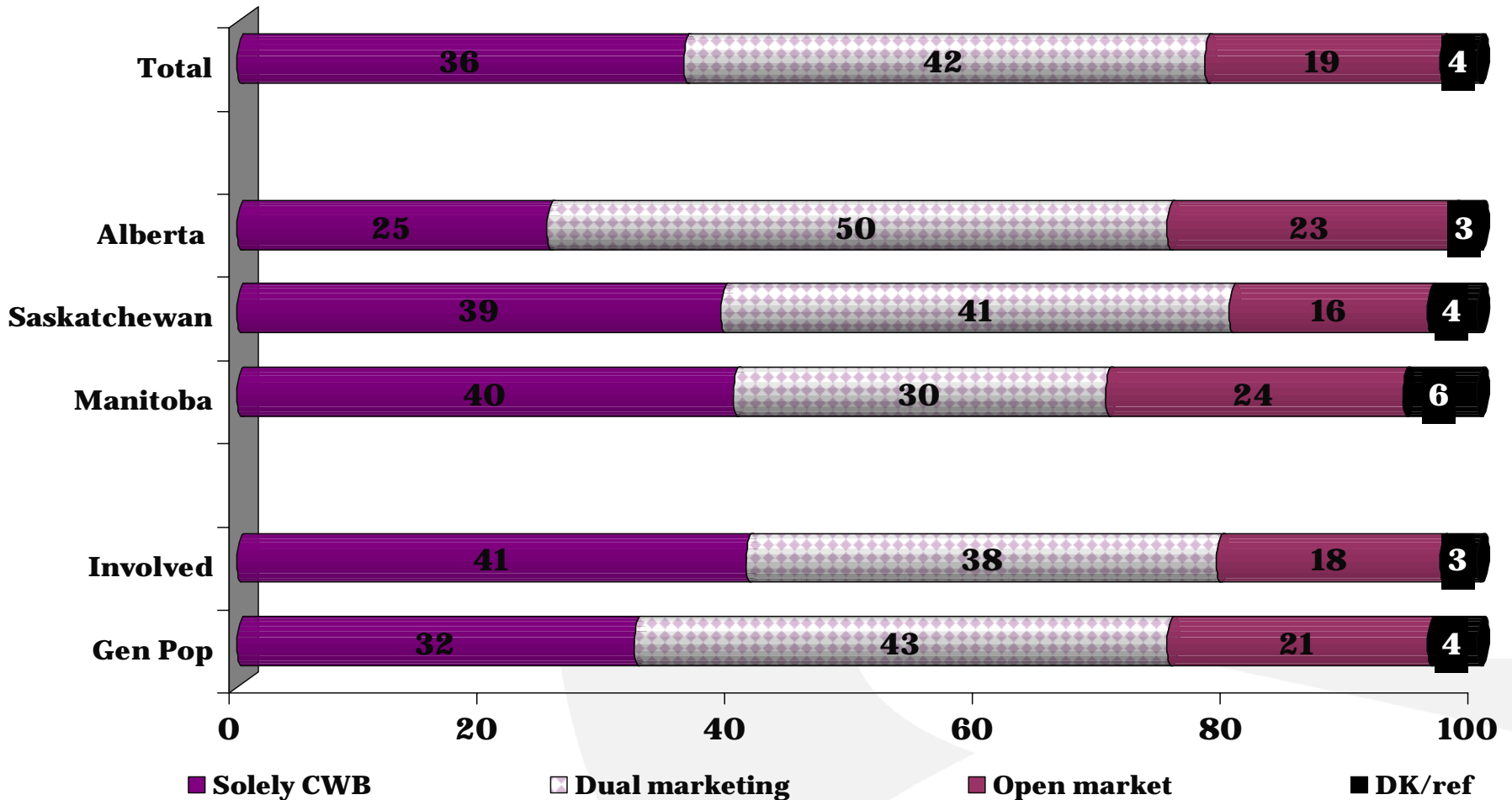


- ❑ There is less of a consensus around the single desk when it comes to barley
- ❑ The biggest grouping would support dual marketing
- ❑ If that option is not available, farmers are deadlocked between single desk and open market



Options For Barley Marketing

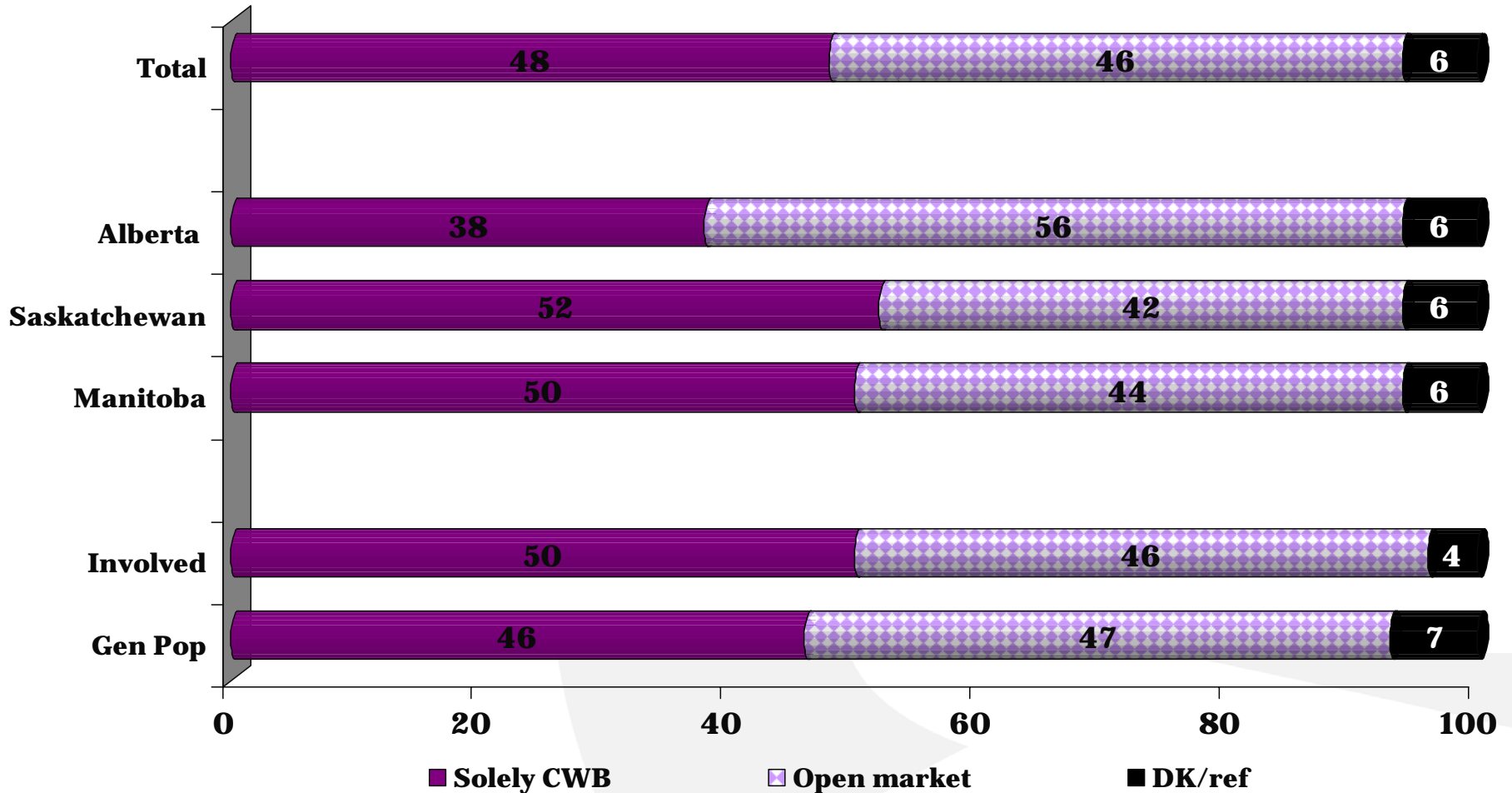
If you had to choose between three different approaches to marketing barley, which of the following would you prefer?





Options For Barley Marketing

If you had to choose between the following two options for barley marketing, which one would you prefer?

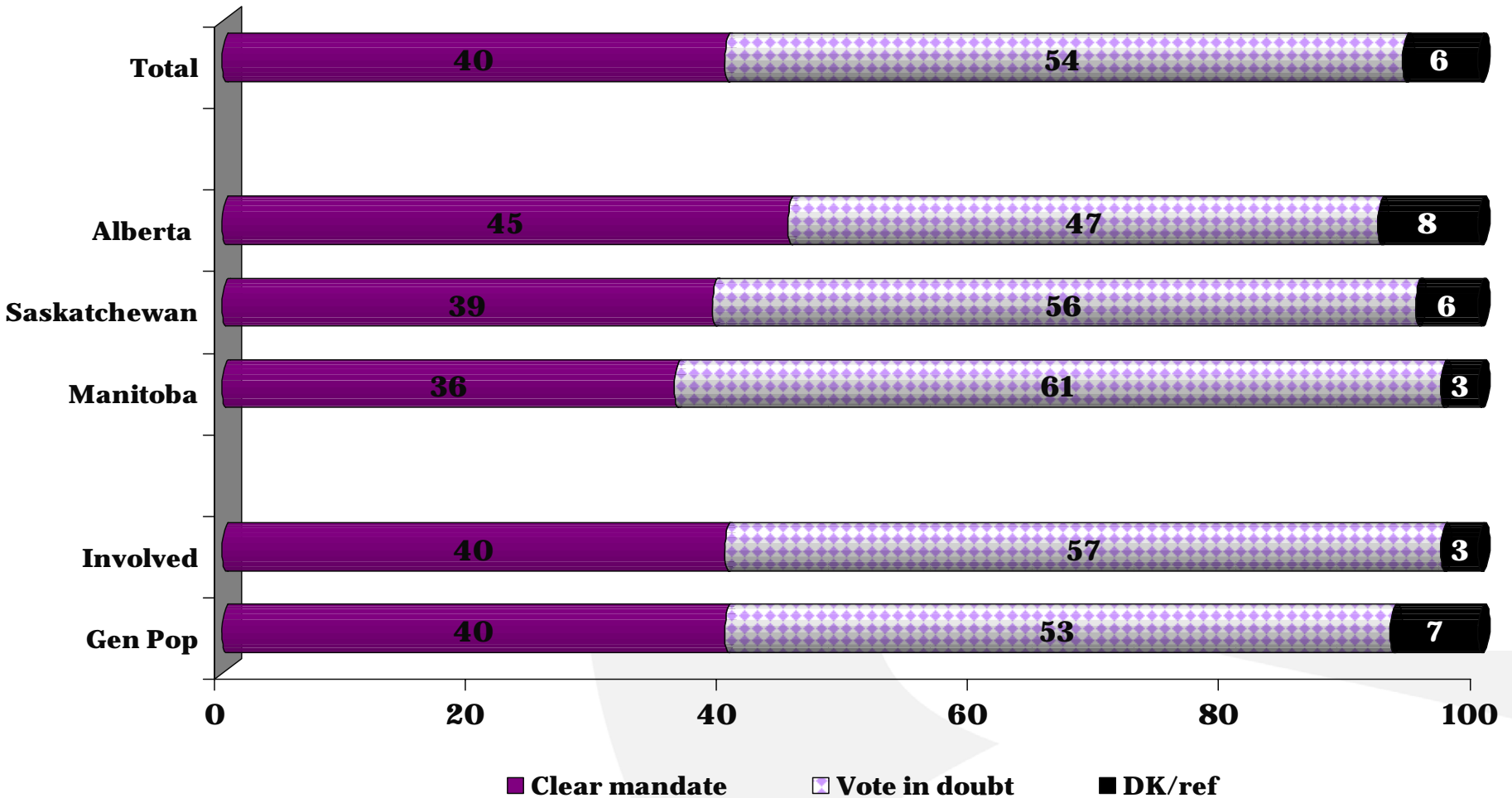




- ❑ Most farmers think the plebiscite question was poorly constructed – probably deliberately so in order to get a certain result
- ❑ However, most also think it roughly reflects farmer opinion and provides broad direction
- ❑ Attempts to completely dismiss it, or to over claim what it represents are rejected as extreme
- ❑ It is NOT seen as a mandate – farmers still want final say over policy
- ❑ Opening up the market for barley is seen by many as a test case for wheat
 - There are real concerns about the effects of an open market for barley on the CWB and most think we won't really know for some time
- ❑ Farmers tend to agree with the CWB about the substantive implications on the CWB of opening up the market and they reject the government's early deadline



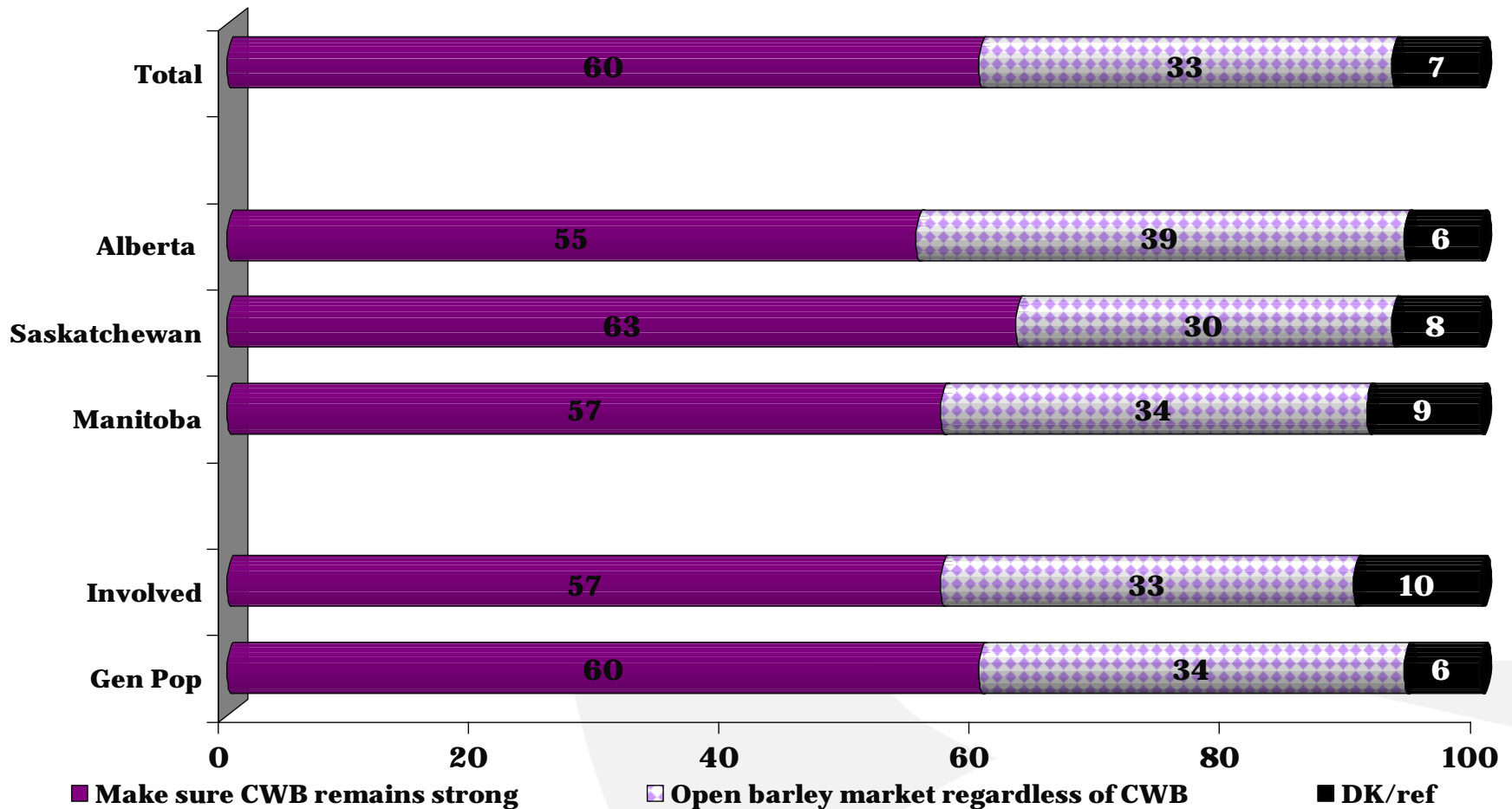
Which of the following two views is closer to your own? The plebiscite has resulted in a clear mandate from farmers OR the wording of the questions has left the meaning of the vote in doubt.





Views on the Plebiscite's Effect on the CWB

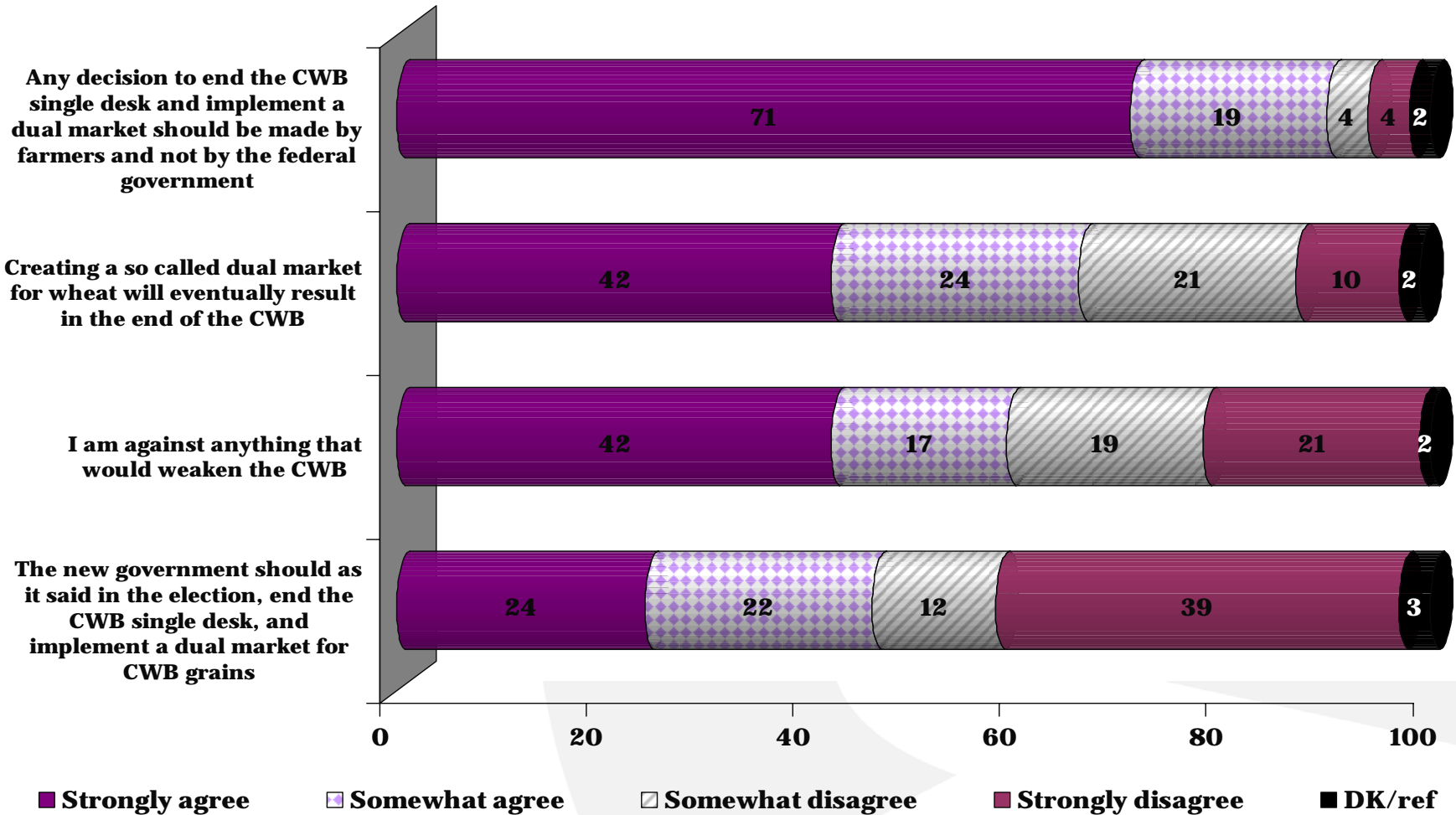
Which of the following two views is closer to your own? If the government moves to open up the barley market, it must ensure CWB remains strong and viable OR the government should now move to completely open market no matter what the consequences on the CWB are.





Agreement With Statements

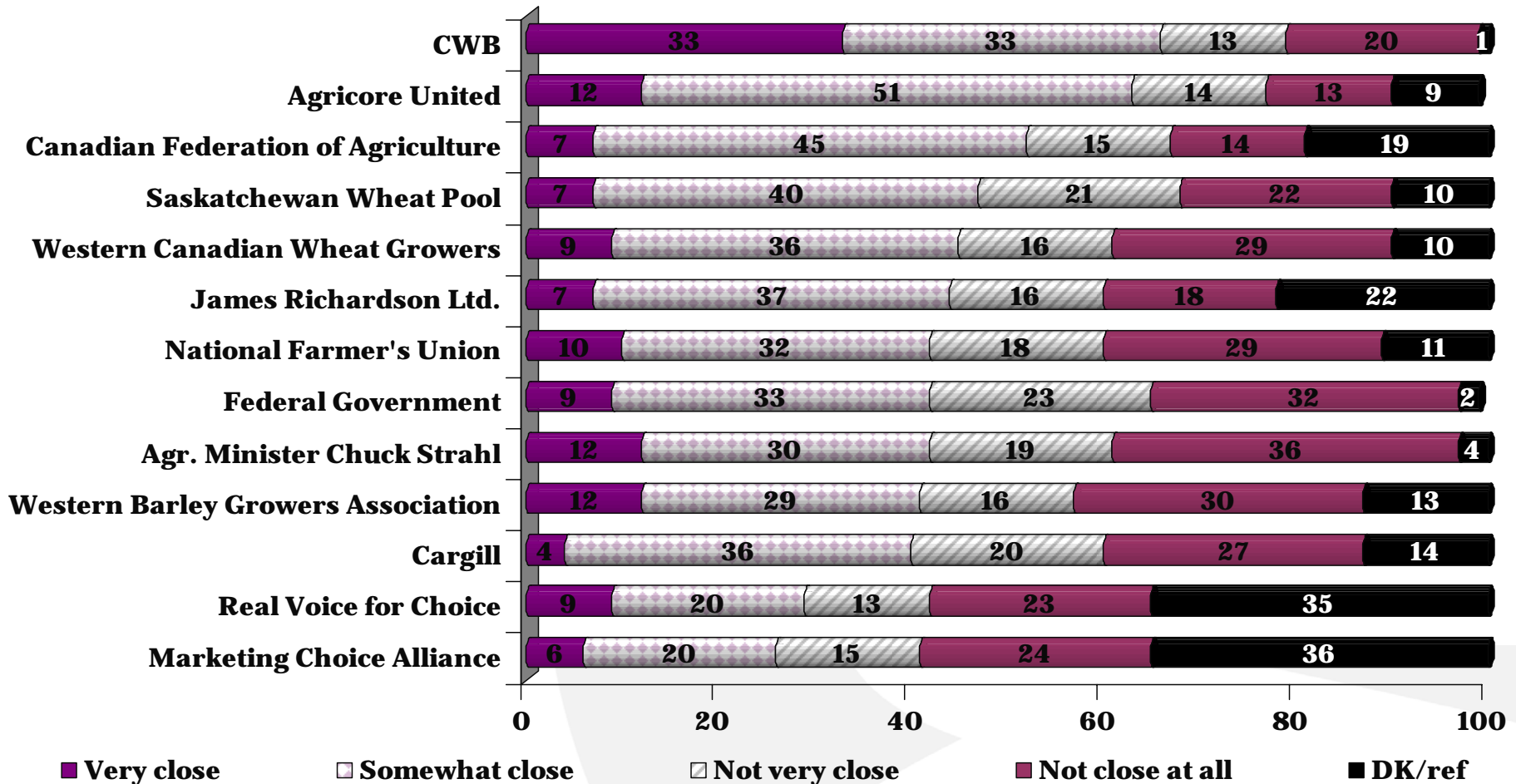
Agree/Disagree:





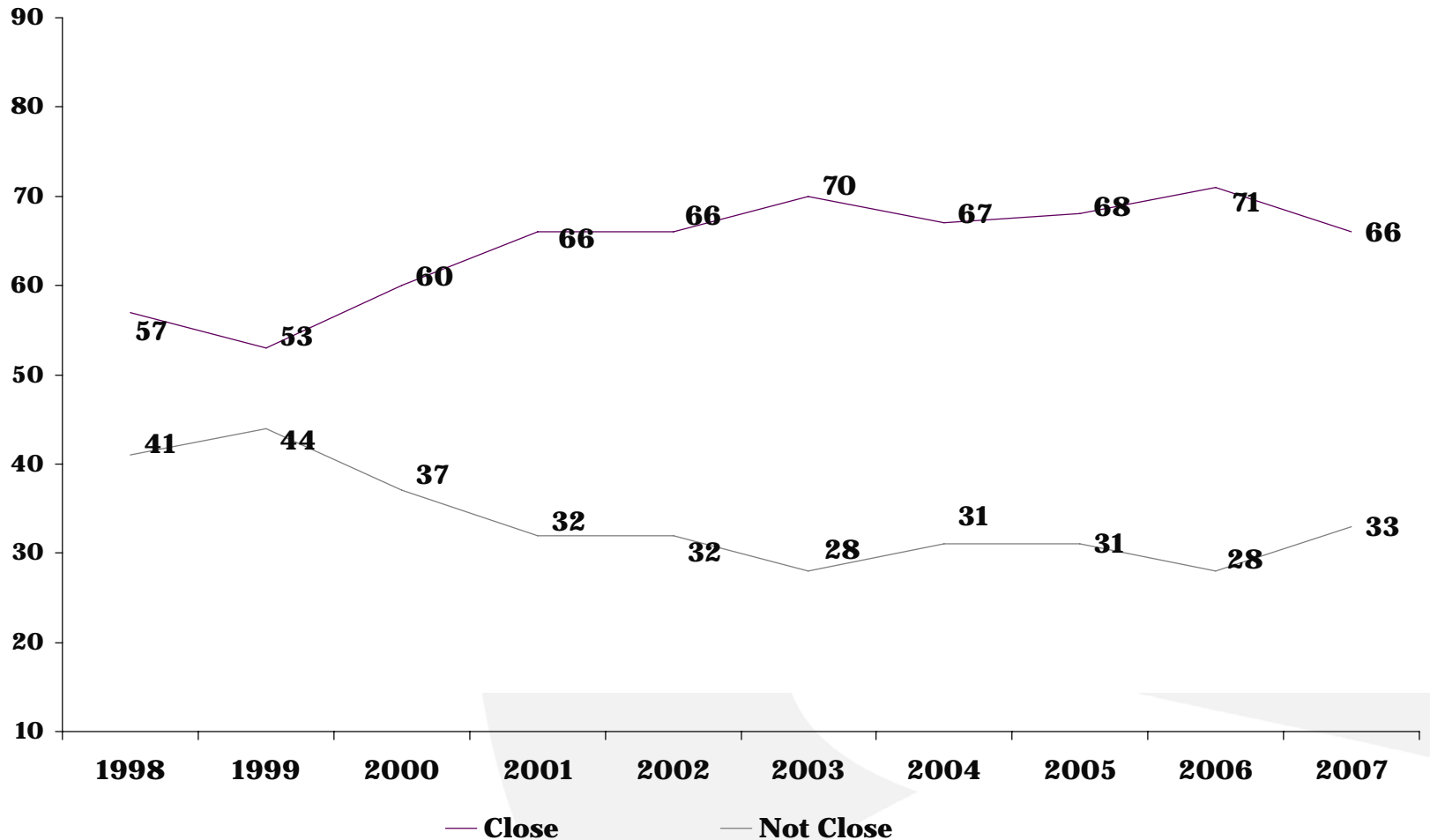
Views Close to Your Own

Are the views of _____ very close, somewhat close, not very close or not close at all to your own?





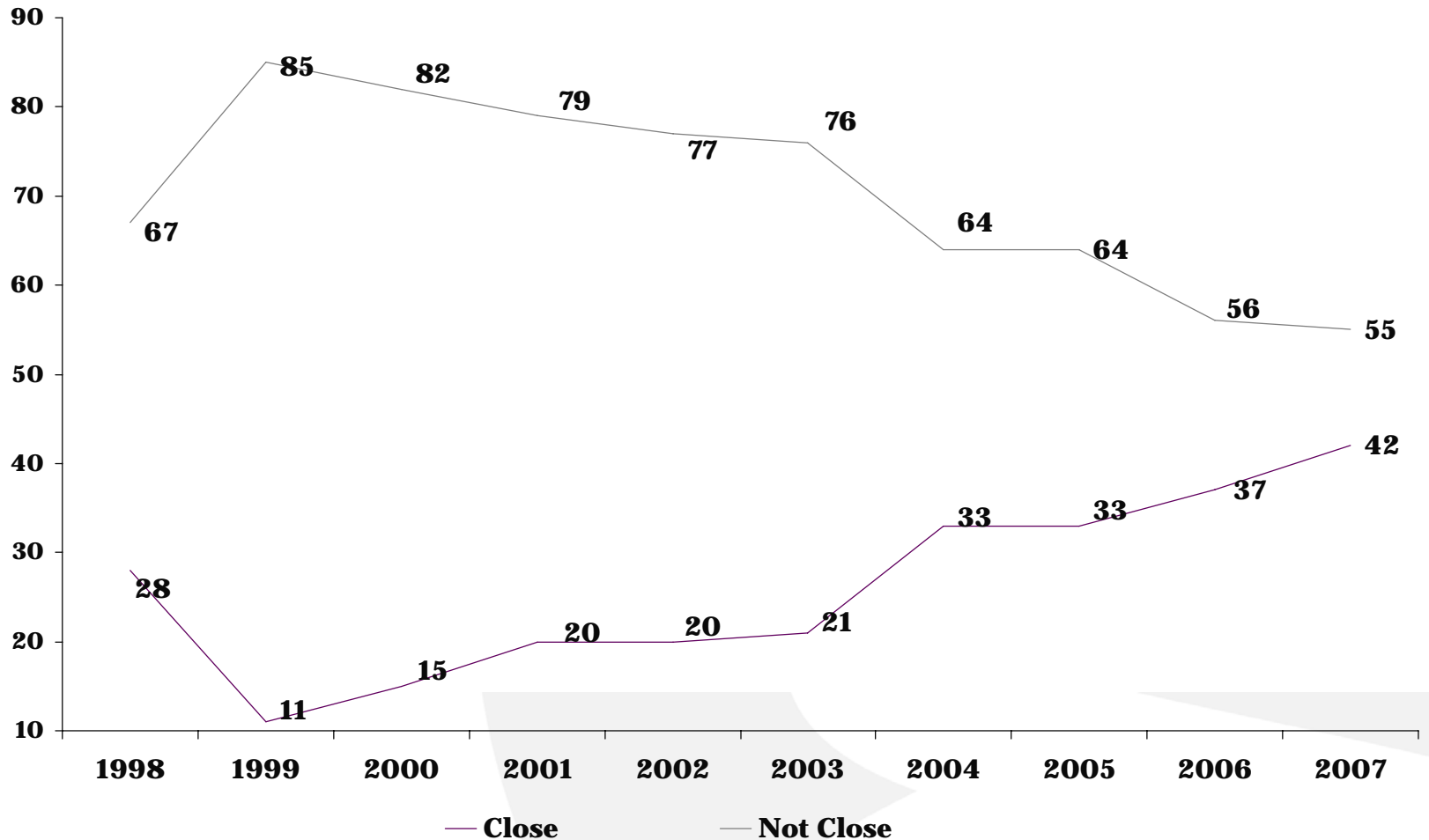
Are the views of the CWB very close, somewhat close, not very close or not close at all to your own?





Views Close to Your Own: Federal Government – Tracking

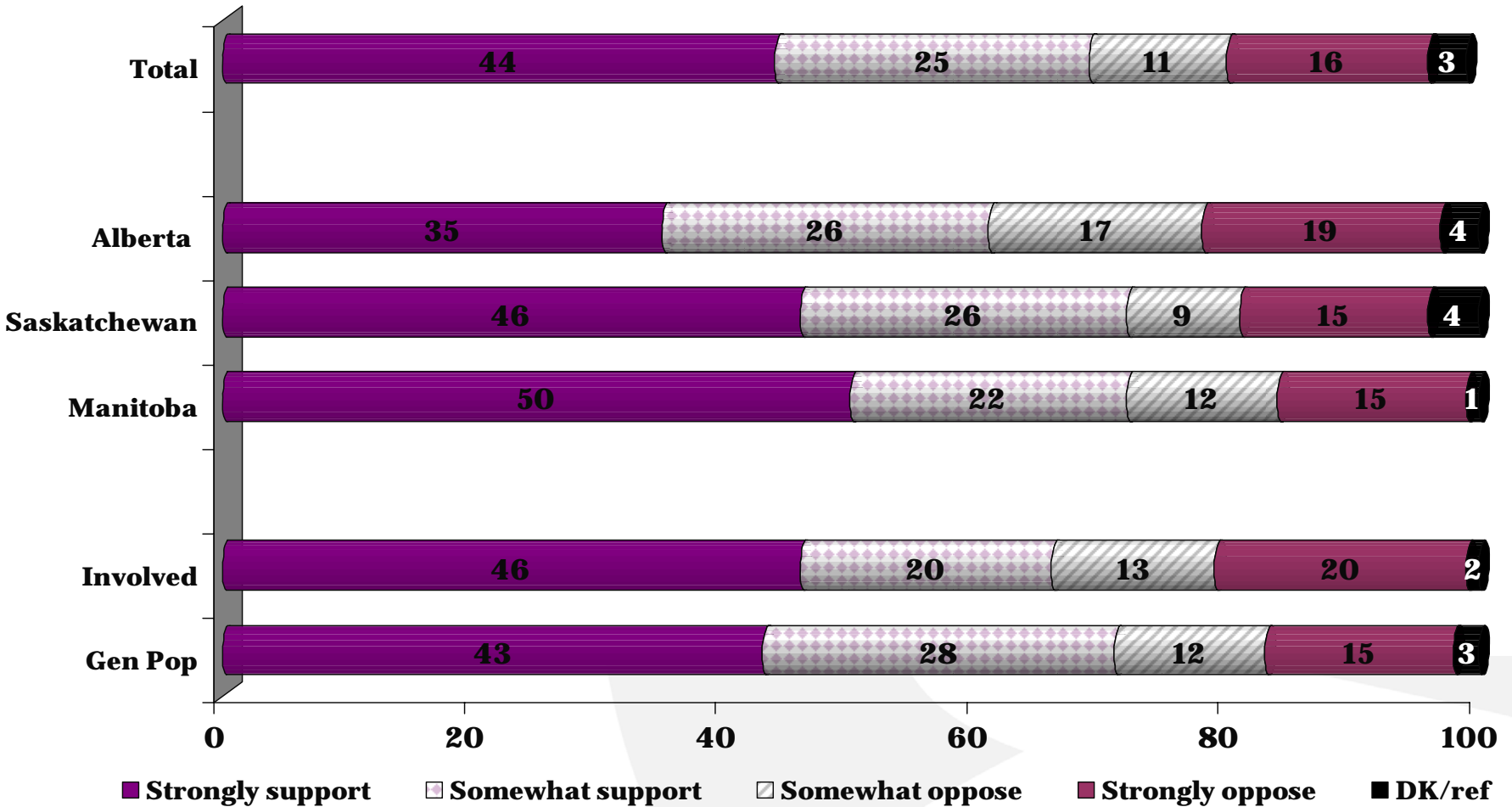
Are the views of the Federal Government very close, somewhat close, not very close or not close at all to your own?





Support or Oppose CWB

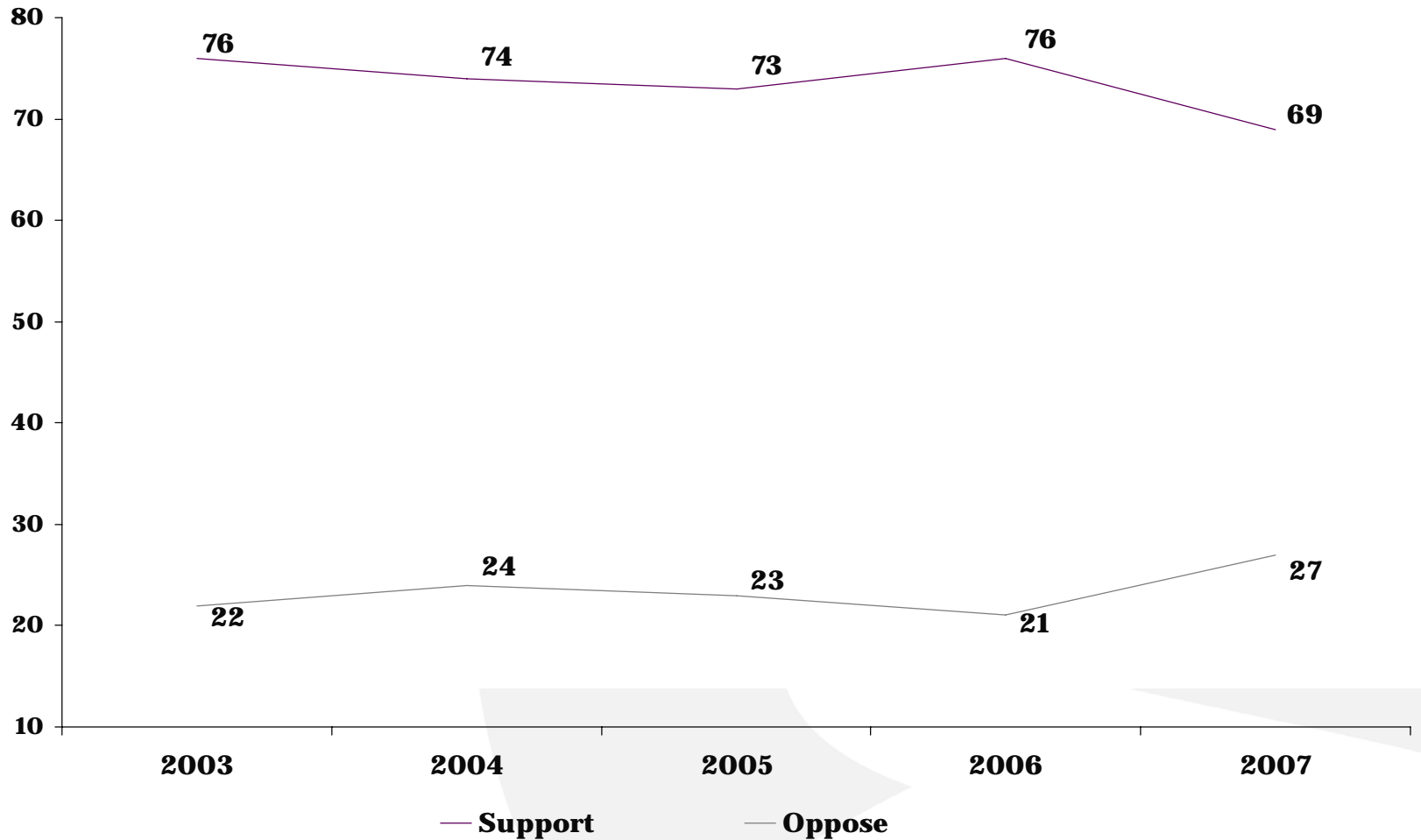
Do you support or oppose the Canadian Wheat Board?





Support or Oppose CWB

Do you support or oppose the Canadian Wheat Board?

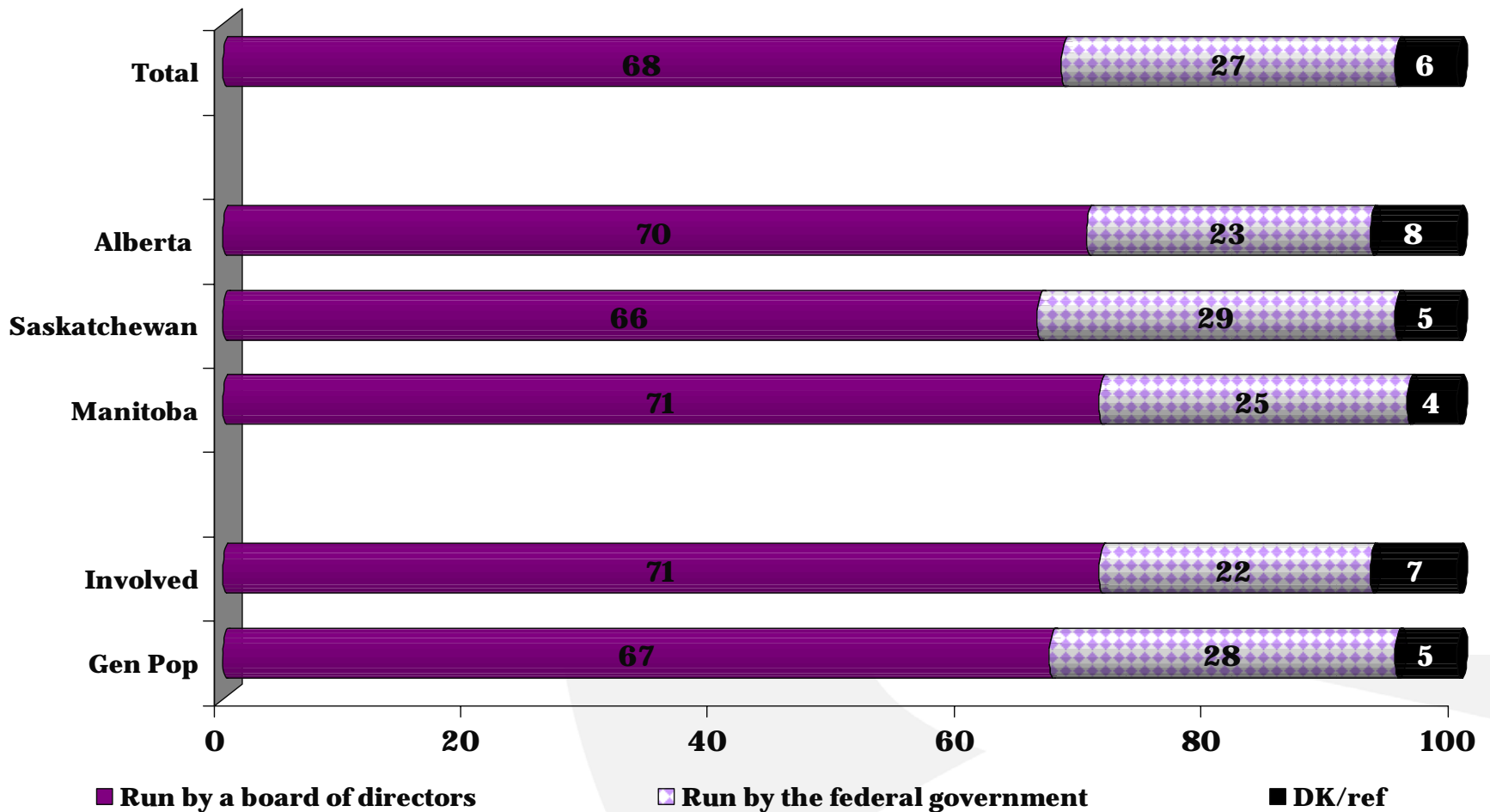




- Most farmers think that farmers, through the board of directors, operate the CWB on a day to day basis
- Most farmers think that the federal government – not farmers - controls the organization when it needs to
- Appointed directors are seen as evidence of that
- Farmers would prefer a complete break between the CWB and the federal government



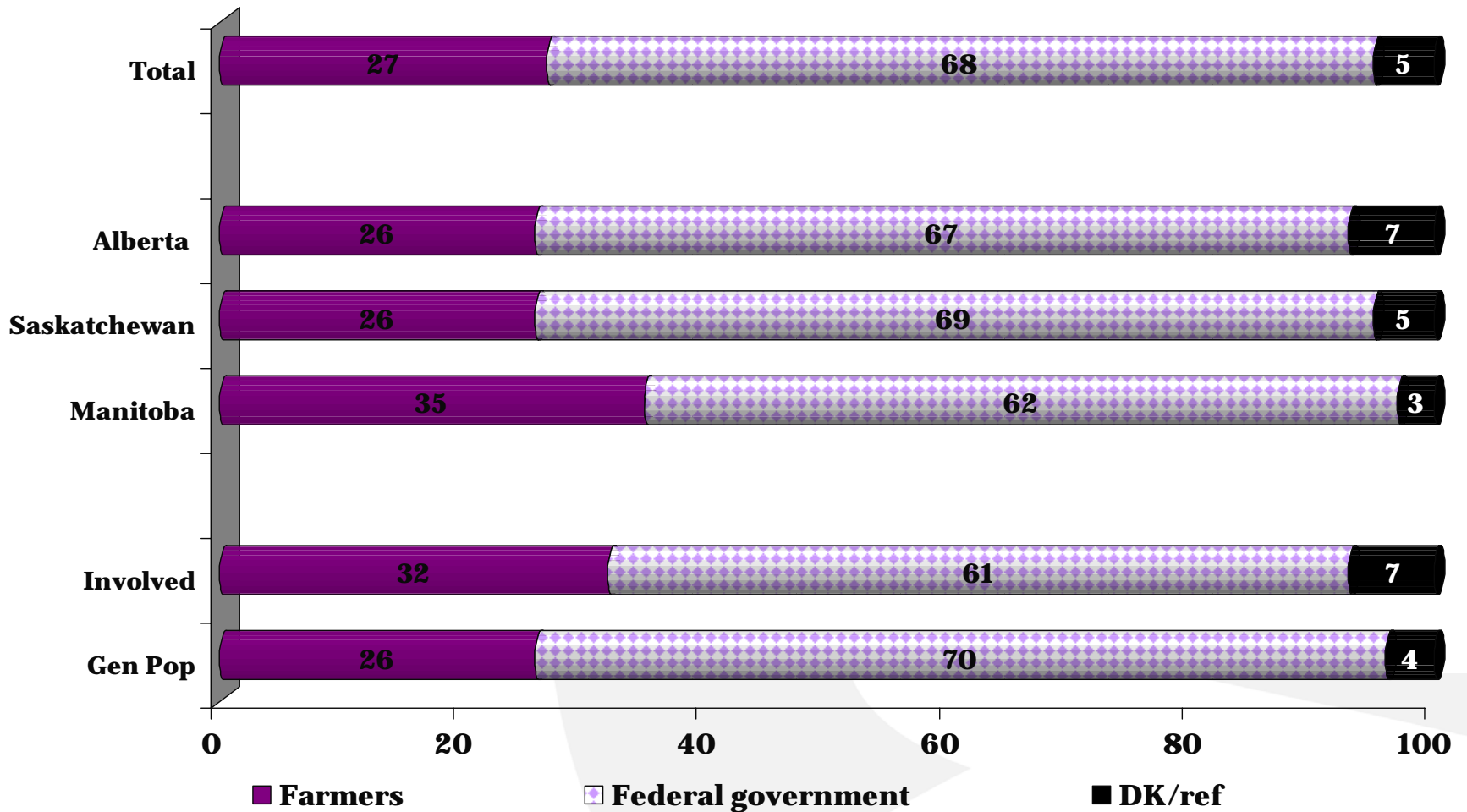
As far as you are concerned, how does the CWB operate now – is the Canadian Wheat Board run by a board of directors or run by the federal government?





Major Decisions at CWB

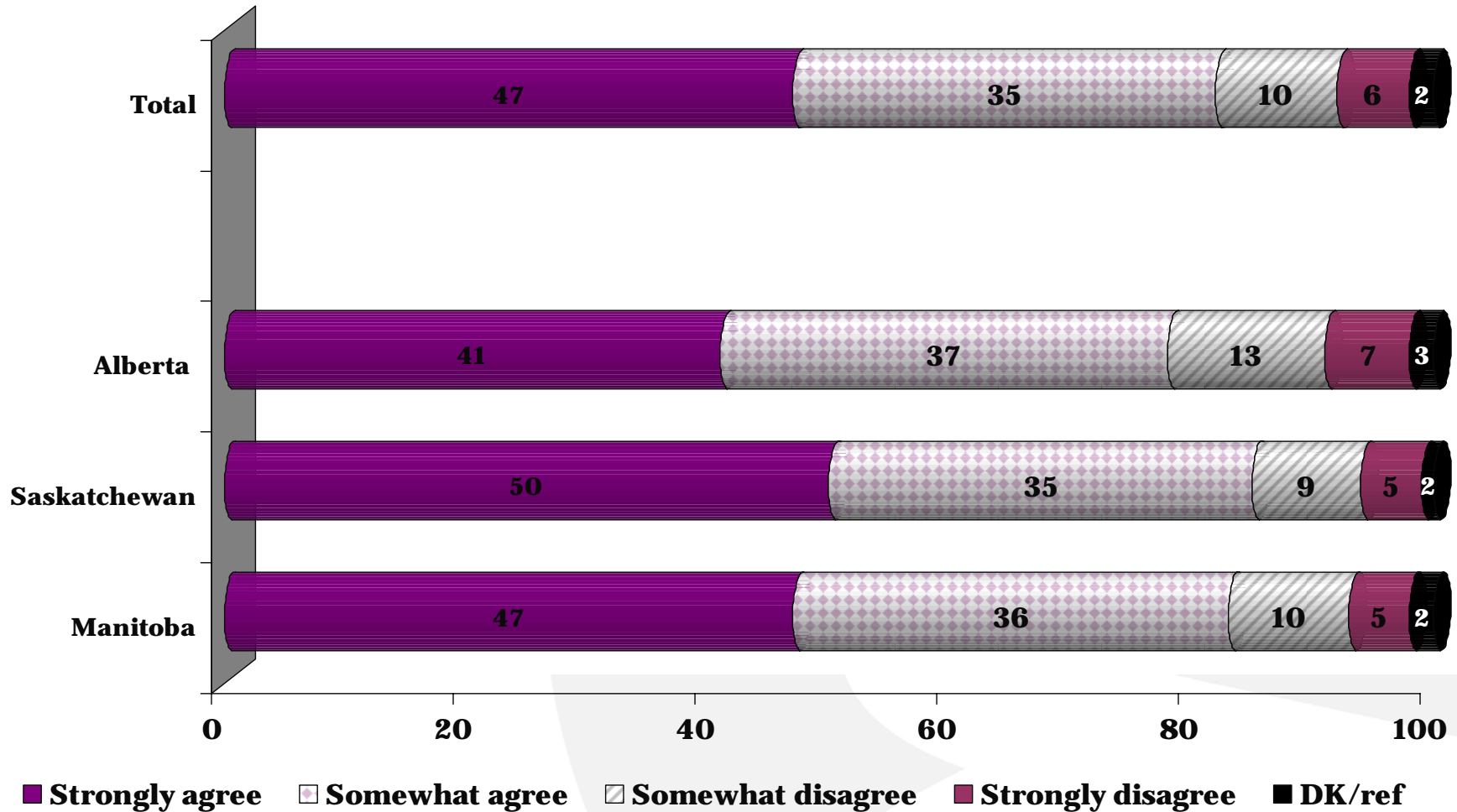
Who has more say over major decisions at the CWB – farmers or the federal government?





Agreement: Government Trying to Control CWB

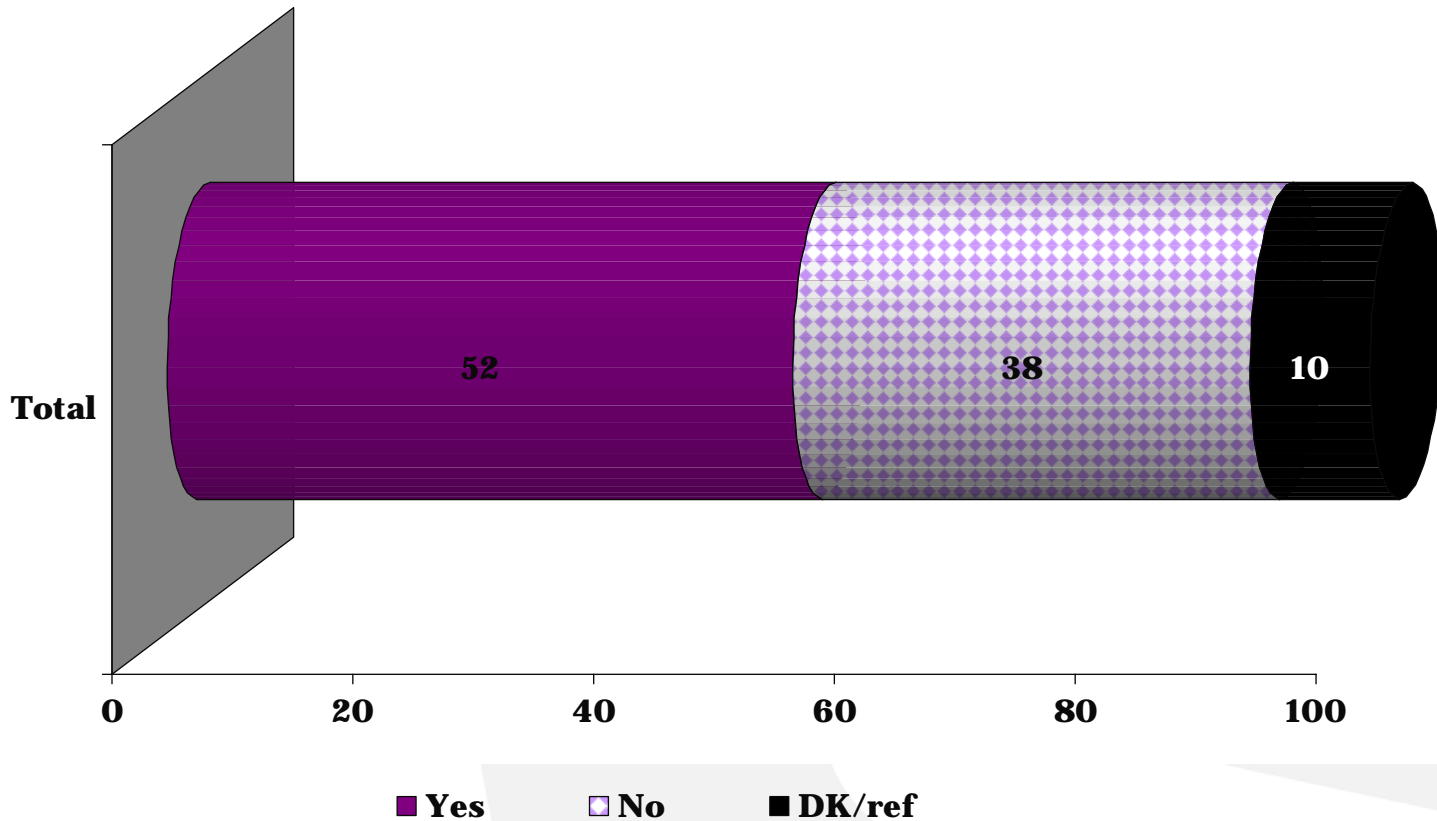
Agree/Disagree: The fact that the government still appoints people to the CWB Board of Directors tells me that the government is still trying to control the CWB?





CWB More Effective Without Federal Government Connections

Would the CWB be more effective on behalf of farmers if it had no links at all to the Federal Government? (asked in 2006)





- ❑ The economics of farming are relatively strong at the moment
- ❑ Concern about input costs dwarfs concern about CWB grain prices or marketing ability
- ❑ In absence of any discussion of the most important things to farm profitability, attitudes about the CWB are driving attitudes and expectations about farming
- ❑ Barley and wheat marketing are seen differently – much stronger support for single desk in wheat
- ❑ Farmers are evenly split on whether to end single desk for barley
 - If they want to end single desk, they want to move carefully and slowly while doing so
- ❑ The plebiscite is seen as an adequate sampling of opinion, despite widespread sense of deliberate manipulation
- ❑ The plebiscite is not seen as farmer approval of any specific policy proposal