

November 7, 2003

## **Alberta wheat, barley producers support end to Canadian Wheat Board monopoly**

### ***Poll proves farmers want marketing choice***

*Edmonton...* A province-wide poll of Alberta farmers shatters Canadian Wheat Board claims of monopoly marketing support, says Deputy Premier and Minister of Agriculture, Food and Rural Development, Shirley McClellan.

“Without a shadow of a doubt, the majority of Alberta wheat and barley growers want marketing choice for their grain,” said McClellan. “We hear it every day from our producers. Now the Canadian Wheat Board can hear it loud and clear from them too.”

The Alberta government today released results of an Ipsos-Reid poll, conducted in September and October 2003, which shows 68 per cent of Alberta growers want the option to sell their barley to anyone, including the Canadian Wheat Board, while 64 per cent of producers want the same option for wheat. Only a quarter of growers surveyed support single desk selling for both wheat and barley.

McClellan said the survey showed wheat and barley producers believe marketing choice will give them better prices and greater market access.

“We call on the federal government and the Canadian Wheat Board to immediately implement a grain marketing system for Alberta producers so that they can enjoy the same benefits as farmers in eastern Canada,” said McClellan.

The agriculture minister said she plans to present the federal government with details of how a 10-year test open market for wheat and barley can benefit Alberta producers while maintaining the Canadian Wheat Board as an option for farmers. Legislation passed in 2002 enables the Minister to negotiate with the federal government and the Canadian Wheat Board on a test open market.

“Our purpose is not to eliminate the Canadian Wheat Board,” said McClellan. “Our aim is to grow our value-added industry by giving our producers the right to use their business savvy. If they can plan, plant, grow and harvest a crop, surely they can market it once their grain is in the bin. It must be their choice.”

The survey also showed support for marketing choice across all of the Canadian Wheat Board’s electoral districts in the province.

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### 2.2.2

Full survey results are available on Ropin' the Web [www.agric.gov.ab.ca](http://www.agric.gov.ab.ca) or by calling the Alberta Grain Commission at (780) 427-7329, toll free by first dialling 310-0000.

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#### **Backgrounder attached.**

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## **Fall Marketing Choice Study**

PDF of survey available on Ropin' the Web [www.agric.gov.ab.ca](http://www.agric.gov.ab.ca)

### **Background:**

In the fall of 2003, Alberta Agriculture, Food and Rural Development commissioned Ipsos-Reid to conduct a survey of wheat and barley growers in Alberta on the question of marketing choice. The survey follows a spring 2003 survey, confirming that the majority of Alberta wheat and barley producers support marketing choice for grain destined for human consumption or the export market.

The poll was conducted by telephone between September 19 and October 3, 2003. The poll is based on a randomly selected sample of 600 Alberta producers who typically grow at least 160 acres of wheat and/or barley. With a sample of this size, the results are considered accurate to within +/- 3.9 percentage points, 19 times out of 20. The margin of error will be larger for sub-groupings of the survey population.

### **Objectives:**

- Determine the current level of support for marketing choice and whether opinions have changed since the spring of 2003.
- Understand the points of view of those who support marketing choice, and those who oppose it.
- Identify the benefits producers expect from marketing choice, and the obstacles they feel are standing in the way.
- Determine if producers feel the Canadian Wheat Board's new pricing and payment options are offering them sufficient marketing choice, and determine the level of importance of the Canadian Wheat Board's key policies (single-desk selling, price pooling and government guarantees).
- Identify how many producers did not vote in the last Canadian Wheat Board election and why.
- Determine whether the Canadian Wheat Board's electoral outcomes are representative of producer opinion.

### **Criteria:**

Participants were the primary or joint decision-maker for their operations and produced at least 160 acres of wheat and/or barley in a typical year.

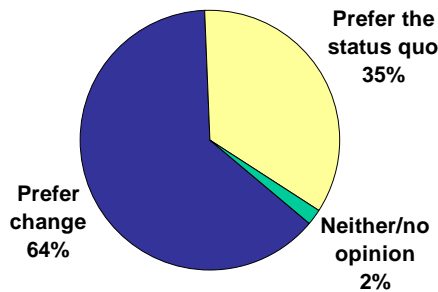
Producers of 160 acres or more were chosen because these growers produce 94 per cent of the wheat and barley in the province. The 2001 Census of Agriculture shows there are 24,026 producers of wheat and/or barley in Alberta. Of this, 15,308 producers grew 160 acres or more of wheat and/or barley, and represents 64 per cent of all wheat and barley growers in Alberta.

2.2.2.

**Highlights:**

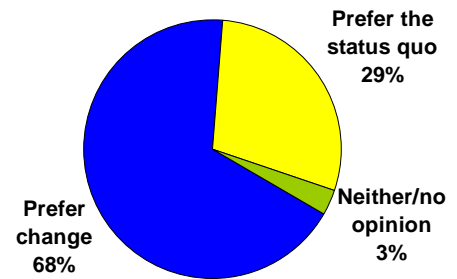
- 64 per cent of growers want change to the way their wheat is currently marketed.
- 68 per cent of growers want change to the way their barley is currently marketed.
- 25 per cent of wheat and barley growers would like to see the current marketing system retained.
- 71 per cent want reforms to the grain marketing system that will provide more marketing options.

Preference for Marketing Wheat



Base: All wheat/barley growers (n=600)

Preference for Marketing Barley



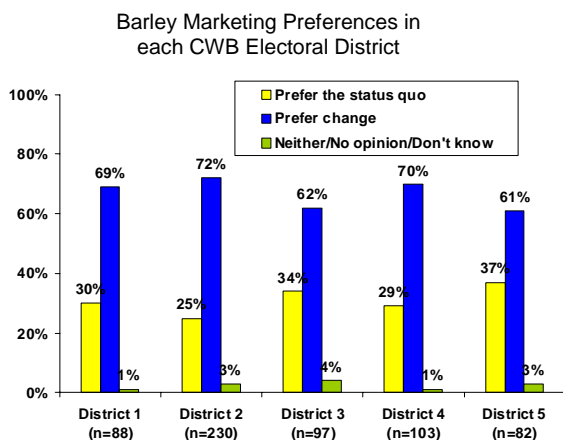
All wheat/barley growers (n=600)

<b>Reasons farmers want marketing choice:</b>	<ul style="list-style-type: none"> <li>• 52 per cent said they wanted more freedom/free enterprise system.</li> <li>• 24 per cent mentioned an expectation of better prices.</li> </ul>
<b>Benefits expected:</b>	<ul style="list-style-type: none"> <li>• 51 per cent believe better prices/returns would be a benefit of marketing choice.</li> <li>• 37 per cent mentioned freedom of choice.</li> <li>• 22 per cent believe they would have access to more markets.</li> </ul>
<b>Obstacles to marketing choice:</b>	<ul style="list-style-type: none"> <li>• 35 per cent view the Canadian Wheat Board as the biggest obstacle to marketing choice.</li> <li>• 16 per cent mentioned the federal government as an obstacle.</li> </ul>
<b>Regional results:</b>	<ul style="list-style-type: none"> <li>• In the province's southern region, 71 per cent of wheat growers and 74 per cent of barley growers indicate support for marketing choice.</li> <li>• In the central region, 59 per cent of wheat growers and 61 per cent of barley growers want change.</li> <li>• In the north, 60 per cent of wheat growers and 69 per cent of barley growers want choice.</li> </ul>

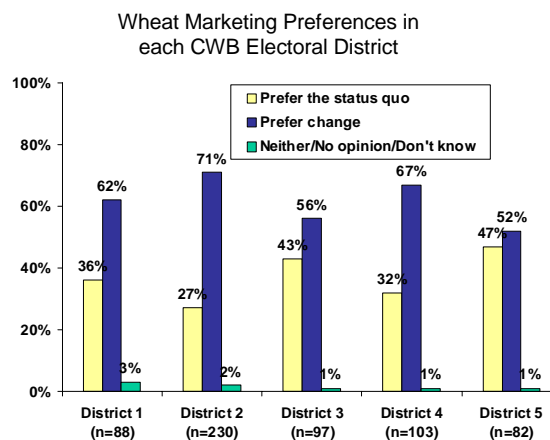
### 3.3.3.

<b>Age:</b>	<ul style="list-style-type: none"> <li>All age groups support change although older producers are less inclined towards change.</li> <li>77 per cent of barley farmers and 70 per cent of wheat farmers under 55 years of age strongly support change in grain marketing.</li> </ul>
<b>Gross farm sales:</b>	<ul style="list-style-type: none"> <li>Those with higher farm sales were more likely to support change to the marketing system than producers with lower sales.</li> </ul>
<b>Perception of Canadian Wheat Board's new pricing and payment options:</b>	<ul style="list-style-type: none"> <li>51 per cent agree that new options provide producers with marketing choice, while 37 per cent disagree.</li> <li>However, opinions differed depending on whether the respondent was in favour of marketing choice or the Canadian Wheat Board.</li> <li>75 per cent of pro-Canadian Wheat Board wheat growers and 76 per cent of pro-Canadian Wheat Board barley growers viewed the new pricing and payment options as a form of marketing choice.</li> <li>Only 38 per cent of pro-marketing choice wheat growers and 40 per cent of pro-marketing choice barley growers viewed the new options as a form of marketing choice.</li> </ul>

### Canadian Wheat Board electoral districts



Base: Wheat/barley growers in each CWB Electoral District



Base: Wheat/barley growers in each CWB Electoral District

- Across all five of the Canadian Wheat Board's electoral districts in Alberta, the majority surveyed want marketing choice.
- Preferences for choice are strongest in District Two – 71 per cent of wheat growers and 72 per cent of barley growers want marketing choice.
- The majority of District One producers also preferred marketing choice even though a pro-monopoly director was elected to the Canadian Wheat Board in 2002 – 62 per cent of wheat growers and 69 per cent of barley growers want marketing choice.
- Only 61 per cent of those surveyed voted in the last Canadian Wheat Board director elections for their district (2000 or 2002).

4.4.4.

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