

Executive Summary: Team Alberta 2017 Producer Survey

(Excerpt of Executive Study from Main Report)

**Prepared for Team Alberta
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Introduction

This document presents the executive summary of the results of a quantitative survey of Alberta growers, conducted on behalf of Team Alberta in October and November 2017. The survey provides measurement and input regarding two key topic areas: Agricultural Carbon Offset protocols and the Next Agricultural Policy Framework (NPF), and gathers input on environmentally sustainable practices and technologies that growers are interested in adopting or further implementing.

The results will be used by Team Alberta to provide input into and advocate for programming changes that are in line with producer preferences and priorities. Further, the results will be used as Team Alberta considers what extension or education is needed to support growers as they adopt environmentally sustainable practices and apply for related funding programs.

The methodology was an online survey (phone recruit to web), with a final sample size of 339.

This executive summary is an excerpt of the same summary appearing in the full PowerPoint report.

Carbon Offset Programs

Just over one-third of Alberta growers have participated in the Conservation Cropping Protocol. Larger-acreage growers are more likely to be users of this program with almost half of those with 5000 or more acres indicating that they have used it. We also see higher usage in northern Alberta and among those aged 65 years or over.

Among users of the Conservation Cropping program, overall program satisfaction appears moderate, with about three-quarters being satisfied (mostly “somewhat” satisfied). A further 22% are dissatisfied, overall. There are lower levels of satisfaction when it comes to specific aspects including ease of participating (30% are dissatisfied), adequate compensation for time spent (45% are dissatisfied), and overall impact on the farm (33% are dissatisfied).

When asked how the Conservation Cropping program could be improved, three types of suggestions top the list. First, participants indicate that the program needs better compensation, feeling that the compensation received is not worth the time and effort required. A related category of needed improvements is to simplify the program forms and paperwork, as respondents feel the paperwork is onerous. The third most common theme is that the program should include a wider range of practices.

For those who do not participate in the Conservation Cropping program, the main barriers are:

- Feeling that the paperwork is too onerous for the value received.
- Practices and equipment don't fit the program; relatedly, some farming practices are excluded.
- Lack of familiarity and understanding of the program.
- The need to obtain landlord approvals.

- Not agreeing with the premise of carbon credits.
- Feeling that the aggregators are taking too large a portion of the carbon credits.
- Feeling that the program is too complicated.

Not unexpectedly, awareness of NERP is fairly low, with almost two-thirds having never heard of it and 22% just having heard the name. However, about three-quarters indicate interest in this program once it is launched.

Growing Forward 2

About one-quarter of growers have participated in any Growing Forward 2 program. About half know a little or a lot about GF2, and about one quarter have never heard of it or only heard the name.

Respondents were given a brief description of five GF2 programs that are related to sustainability, and were asked about their level of awareness and use of these programs. The programs that were asked about include: On-Farm Water Management, On-Farm Stewardship, On-Farm Solar Photovoltaics, On-Farm Energy Management, and Irrigation Efficiency.

Participation in these programs ranges from 4% to 14%. One-quarter of the sample has participated in at least one of these five programs. Utilization of these programs is notably higher among growers with \$2 million or more in gross farm sales.

Outside of program participants, awareness of these programs varies. For On-Farm Water Management and On-Farm Stewardship programs, about one-third of producers have never heard of these or only know the name. For On-Farm Solar Photovoltaics and On-Farm Energy Management programs, the portion who are unaware or only know the name rises to two-thirds. The Irrigation Efficiency program appears well known among those with irrigation.

Participants in each GF2 program were asked to rate several aspects of the program they were in. Following are some summary comments about the general trends. Note that because of the small number of cases (participants in each program), these conclusions are directional versus statistically significant.

- Satisfaction is highest for the Irrigation Efficiency program. This appears driven by stronger ratings of application processing time, overall impact on the farm, ease of participating and eligibility requirements.
- The On-Farm Stewardship program also has relatively higher positive ratings, and fewer participants give negative ratings.
- The attributes garnering the lowest relative ratings across all programs are application processing time, cost-sharing allocation, and ease of participating. Note, however, that for all attributes and programs, positive ratings significantly outnumber low ratings.
- The attributes with the most positive ratings are overall satisfaction and impact on the farm.

Participants were asked if they have any suggestions for improvement of GF2. The most common theme is to simplify the process – less “red tape” and paperwork. Second most commonly, respondents suggest speeding up the processing time.

For those who know about but did not participate in GF2 programs, the main reasons for not participating vary by program, but the most common reasons include lack of relevance to their farm, lack of familiarity with the program, the project still being too expensive even with funding assistance, not being able to get approval retroactively, the program ran out of money, and the application process is too complicated.

Incentive Structure

Over half of respondents agree that the incentive structure of GF2 programs works well to encourage investment in innovative, energy efficient, or sustainable technologies and practices. Only 1 in 10 feel it does not, while one-third are not sure.

The largest portion of growers think that cost sharing is the best format for incentives, with 6 in 10 choosing this as the top ranked-option. Rebates are next in order of preference (one-quarter rank this as top), followed by tax incentives (20% rank as top).

When asked for suggestions for improvement specifically related to the incentive structure, the largest group of responses fall under the theme that the programs should cover more of the costs or have more realistic caps. A second theme is that there should be more information and advice. Thirdly, some respondents feel that the process needs to be made simpler, with less “red tape” involved. Respondents also would like to see more money in the programs so they do not run out as quickly, or funds allocated better between programs so that the more popular programs have greater funding allocation. Some also note that the programs seem to be more accessible to larger producers and those with more expendable/available funds, and would like more accessibility for others.

At various other places in the survey, growers were asked what type of support they would prefer to encourage them to adopt environmentally sustainable practices. These findings show that funding is the preferred form of support, though there is also strong interest in information, support and advice, as well as applied on-farm research demonstrations.

Changes Planned on Farm Related to Environmental Sustainability

An open-ended question revealed that growers would like to adopt a wide range practices that they consider to be good candidates for funding programs that encourage environmental sustainability. It is notable that these changes span a wide range of practices, and no one type of change having more than 9% unaided mention, and most having in the range of 2% to 6%. Those with more than 5% unaided mentions included: sectional controls / auto steer / GPS-related; improved fertilizer technologies / practices / equipment; variable rate application of fertilizer; and better on-farm energy management.

Respondents were given a list of environmentally sustainable best practices (aided) and asked which they would like to adopt or further implement on their farm, if there were no barriers to doing so. Respondents could select as many items as they are interested in. The most common types of changes that growers are interested in, with over 50% selecting them, included:

- Improved fertilizer technologies, practices, equipment
- Better use of GPS data such as yield, soil, as-applied, topography, etc. (data management, use, analysis, storage);
- Improved pesticide technologies, practices, equipment.

Other common areas of interest are on-farm solar power, variable rate application of fertilizer, increased planting of nitrogen fixing crops, better on-farm energy management and improved waste management.

When asked to select their greatest priority or interest, the top items include: improved fertilizer technologies/practices/equipment, solar power, GPS data use, and improved pesticide technologies/practices/equipment.

When asked to indicate the main barriers to adopting those items that they selected in the aided question, following are some of the main themes (note, these barriers were selected from a given list).

- Cost or economic considerations are the most frequent barrier for every practice.
- The least severe barrier, of those listed, is related to land ownership or landlord considerations. The only practice where this is seen to be much of a barrier is conversion of marginal land from annual crops to ground cover.
- Three practices have consistently higher portions of growers identifying cost, uncertain ROI, and complexity as key barriers. These include: on-farm solar power, better use of GPS data and on-farm energy management. The first two are also high-interest or high-priority changes for a considerable portion of growers.
- The practices with the lowest level of barriers include: increased planting of nitrogen fixing crops, less tillage / more direct seeding, and improved waste management.

Program Design Considerations

Respondents validated the importance of several program design attributes that had been previously identified (qualitatively). For all of the design attributes, about half consider them to be very important, and most of the rest consider them somewhat important. The attributes addressed included: application processing time, ability to find out application progress, taking a whole farm approach to avoid farms having to work between multiple programs, flexibility in design to accommodate innovative ideas, and retroactive approvals. Application processing time is the only attribute that stood out with an even higher portion of growers rating this very important.

Precision Farming

Respondents were asked about their use of three precision farming practices. Currently, 35% do yield mapping, 22% do variable rate fertilizer application, and 6% use sensors on equipment to apply crop inputs more accurately (such as Green Seeker). Overall almost half of the sample (44%) indicate that adoption of precision farming practices is of medium priority for them over the next five years, while about 1 in 10 indicate that precision farming is a high priority. About one-third consider it to be low priority.

Tillage Practices

There is a slight trend towards more zero-till farming. Currently, 18% of respondents say they have no acres on their farm that are zero-till. In three years, that figure drops to 13%. Further, the average portion of zero-till acres has risen from 73% three years ago to a current level of 75%, and growers expect this to rise to 79% three years from now.

Observations and Suggestions

We offer the following observations and suggestions based on the survey findings.

- With respect to the Conservation Cropping program, growers would like to see higher compensation for time spent, combined with (or resulting from) third party aggregators taking a smaller cut. Some also call for a simpler application process that is more accessible to allow producers to apply on their own (we recognize that this may not be feasible, and is the reason aggregators exist).
- A particular issue that growers have with the Conservation Cropping program is that it asks for the same information every year – if nothing changes, growers would like to not have to re-submit the same information year after year.
- Some focus could be put on promotion of the Conservation Cropping program to segments that use it less – small to mid-sized farms, younger producers, and those in south and central regions of the province.
- Generally, the GF2 programs have been used more by larger producers. For CAP, perhaps consideration could be given to having some quotas on awarding funding by farm size or gross revenue category.
- For future programs, growers are looking for a reasonable level of cost sharing allocation and appropriate caps. When we consider the scope and complexity of changes that some want to make, this is understandable. A barrier for many in the GF2 program was that even with funding, the changes they wanted to undertake were still not economically feasible.
- Some of changes growers want to make have significant barriers in terms of cost, uncertain ROI and complexity. In particular, solar power and making better use of GPS data are of high interest but are seen to have these significant barriers. Funding may

help growers take action, but there is also a high need for information and assistance in adopting these (and other) practices.

- The issue of timing, and ability to get projects that had already started approved retroactively does appear to have been an issue for some – this stood out more in the On-farm Stewardship and On-Farm Water Management programs.
- Funding is the most preferred type of support, though information, assistance and advice and on-farm demonstrations are also of interest. As far as how the financial assistance is delivered, cost sharing is seen as effective and is generally preferred over tax incentives or rebates.
- With many perceiving the application process to be complicated and a lot of work, perhaps there is potential to offer assistance with the application process. This may already be available, but it appears there is room for more awareness or accessible help, since so many bring it up.
- We also see a general lack of awareness of some of the programs, as well as respondents citing lack of familiarity or information as a reason for not participating. Communications could be reviewed, to ensure that appropriate messaging is being conveyed effectively and through appropriate channels. It is notable that there is reasonably high interest among those unaware or unfamiliar, in knowing more about these programs (CAP, Conservation Cropping, and NERP when it is launched).
- Though there is high interest in some “big ticket” type practices, there are also some practices that a relatively high portion are interested in, where cost is not as great a barrier (e.g. waste management, conversion of marginal land, increased planting of nitrogen fixing crops).
- Related to adoption of environmentally sustainable practices, this survey has shown some particular areas of interest among producers, which perhaps will be useful input as to where funding is allocated.
- With improved fertilizer technologies / practices / equipment being the top-rated type of change growers are interested in, there could be increased emphasis on this in funding allocation and on related extension activities.
- Given various findings of this research – growers wanting to make better use of their GPS data, planning to adopt fertilizer technology and equipment, and interest in adopting variable rate application, this would support some attention to programs that support growers in their adoption of precision farming practices.
- Respondents endorsed the importance of several design considerations. Most important is ease of application and speed of processing the application. However, all the other design considerations tested were also of key importance, such as program flexibility and consideration of projects that are outside the program boxes, ability to obtain retroactive approval, and smoothing the process for growers with large projects that “tick the boxes” of more than one program.

- Related to respondents' concerns about the programs running out of funding, this may be related to awareness (they find out about a program too late), or perhaps could also reflect a potential improvement of staging the availability of funding over the years the program is in effect (perhaps this is already done). Consideration should also be given to continuing programs under CAP that were over-subscribed in GF2.
- If not already in place, perhaps there could be a concise pre-approval process to help applicants determine the extent to which their project qualifies and whether it is worth the time and effort to go through the full application process.
- It is recommended that Team Alberta review all the verbatim comments (provided in an appendix). While these are categorized and summarized in the report, a review of all the comments, particularly the suggestions for improvement, would add increased depth of understanding.