

Supply Management

Today we would like to ask you some questions about food, farming and food prices in Canada.

1. As you may be aware, some food products in Canada are subject to production limits, also known as quotas. That means the government controls how much of the item can be produced and sold by farmers to consumers.

Other products are not subject to production limits, which means farmers can produce and sell as much of the product as they want.

Which of the following products do you believe fit in each category?

[ROWS - RANDOMIZE]

Beef
Milk
Cheese
Pork
Eggs
Chicken

[COLUMNS]

Subject to production limits
Not subject to production limits
Not sure/Can't say

2. Since the early 1970's, some farms in Canada have operated under a system called 'supply management'. How aware are you of this system? Would you say you:

Know nothing about it
Know a little about it, the basic principles
Know a lot about it, how it works, the pros and cons

3. **Supply management** restricts the production of milk products, cheese, eggs, chicken and turkey in Canada by implementing quotas, and by limiting imports of these foods from foreign countries through tariffs.

Supporters of the system say it ensures high quality, safe products and a secure level of profit for farmers who, in turn, don't have to worry about changing world market prices.

Opponents say it restricts choices and increases prices for Canadian consumers. According to some estimates, Canadians pay 1.5 to three times what they would without supply management for these goods. Opponents also say that while the system once protected more than 150,000 farmers in the 1970's, it now protects only about 17,000, suggesting it is less necessary or outdated .

Taking this conservative estimate of prices being about 1.5 times higher than they may be without supply management, we would like to present you with two prices of a given good and ask you:

3a. Considering what you know about the pros and cons of supply management, if you had the choice between supply managed milk versus not, which would you buy:

[ROTATE]

Milk under the supply management system at \$2.25/litre

Milk with no supply management at \$1.50/litre

3b. If you had the choice between supply managed cheddar cheese versus not, which would you buy:

[ROTATE]

Cheddar cheese under the supply management system at \$1.40/lb

Cheddar cheese with no supply management at \$.95/lb

3c. If you had the choice between supply managed eggs versus not, which would you buy:

[ROTATE]

Eggs under the supply management system at \$3.10/dozen

Eggs with no supply management at \$2.05/dozen

3d. If you had the choice between supply managed chicken breast versus not, which would you buy:

[ROTATE]

Chicken breast under the supply management system at \$5.77/lb

Chicken breast with no supply management at \$3.90/lb

4. Which of the following statements best reflects how you feel on this issue:

The government should regulate the production of milk products, cheese, eggs, chicken and turkey to guarantee a level of profitability for Canadian farmers, even if it costs Canadian consumers more

The government should not regulate the production of milk products, cheese, eggs, chicken and turkey, even if it makes it more difficult for some Canadian farmers to compete

5. Based on what you have seen and heard, would you say you agree or disagree with the following statements:

[ROWS]

Removing supply management would make Canada's farmers more efficient in the long run

Canadian farmers won't survive if they have to operate in the free market

The quality of these products is going to suffer if we get rid of supply management

Canadians will benefit from more choice at the grocery store if supply management is ended

[COLUMNS]

Strongly disagree

Disagree

Agree
 Strongly Agree
 Not sure/Can't say

6. When the supply management system was implemented, farmers were assigned 'quota' – that is, the amount they are allowed to produce. Farmers can sell quota, so it holds a lot of monetary value. In some provinces, quota for one dairy cow can cost more than \$30,000.

If supply management was removed, quotas would disappear, meaning anyone could now farm as much of these previously restricted products as they like. Farmers who have invested in quotas would lose the financial value they were holding.

In countries that moved to end supply management, such as Australia, compensation has been provided for farmers to mitigate the lost value of quotas.

Regardless of your own views on the issue, if Canada were to end supply management, please indicate whether you support or oppose the following:

[ROTATE ROWS]

Compensating the lost value of farmer's quota by adding a small tax (5 – 10%) on formerly supply managed goods until the quotas have been paid back

Creating a support fund of about \$4 billion to cover lost income for farmers and to compensate farmers for loss in value of their business if they choose to exit the industry

[COLUMNS]

Strongly oppose
 Oppose
 Support
 Strongly support
 Not sure/Can't say

NAFTA

7. As you may know, the U.S. government is formally seeking to renegotiate NAFTA – the North American Free Trade Agreement. The U.S., Canada and Mexico are partners in this pact. As it stands currently, dairy, eggs and poultry are largely exempted from NAFTA.

Given that the NAFTA renegotiation may well focus on Canada's supply management system, should Canada:

Offer to end supply management immediately, we should be scrapping it anyway
 Use supply management as a bargaining chip in negotiations, but only as a last resort
 Stand firm on supply management, even if it means the United States may retaliate

8. And, overall, based on what you've seen, heard or read, do you support or oppose continuing supply management for each of the following:

[ROWS - RANDOMIZE]

Milk

Cheese

Eggs

Chicken

[COLUMNS]

Strongly oppose

Oppose

Support

Strongly Support

Can't say/Don't know

9. Do you do most of the grocery shopping for your household?

Yes, I am the primary grocery shopper

No, I share that responsibility

No, I don't do any of the shopping

10. Have you or anyone in your household ever purchased dairy, eggs or poultry in the US, either cross border shopping or while visiting?

Yes, once or twice

Yes, a few times

Yes, often

No, haven't done that

11. And based on your experience, what you've seen read or heard, would you say each of the following Canadian products is better, worse, or the same as the American product?

[ROWS - RANDOMIZE]

Beef

Milk

Cheese

Pork

Eggs

Chicken

[COLUMNS]

Much worse

Slightly worse

About the same

Slightly better

Much better

Don't know/Can't say

12. (T) Finally, how confident are you in the ability of the Canadian government to effectively represent Canada's national interests in future dealings with the Trump administration? Would you say you are:

Very confident

Moderately confident

Not that confident

Not confident at all