Home Grown Cereals Authority (HGCA) Survey 2006

January 2007
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## Executive Summary

<table>
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<tr>
<th>Issue</th>
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</tr>
</thead>
</table>
| **Challenges**      | • Profitability (high costs & low prices)  
• Bureaucracy and regulations  
• Competition/Cheap imports  
=> Short and long term challenges do not vary significantly |
| **Needs**           | • Support with **bureaucracy** and changing **regulations**  
• **Profitability** (high costs & low prices)  
• **Diversification**  
• **Farm management** & Business know how |
| **HGCA Activities** | **Awareness of activities**  
• Fairly good: 90% of respondents knew what levy board they pay into, however some respondents have a limited understanding of HGCA’s services.  
**Satisfaction**  
• Overall, provided support by HGCA is **insufficient**, esp. in areas of farm management, competition and lack of skilled labour  
• Satisfied with **market info, research** and **best practice** guides.  
• Feel that HGCA services should stay the same (no change in focus required)  
**Not Satisfied with:**  
• Supply chain coordination, quality assurance schemes  
• Feel that HGCA should put **less focus** on quality assurance schemes and training (not the best body to provide this service) |
| **Service Providers** | • HGCA mentioned in **a number of categories** as service provider to address challenges  
• Other providers: agronomists & merchants (costs, yield, disease); consultants (yield, business know how); TAG |
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Q4: What has been the single biggest challenge to your cereal/oilseed business over the last 12 months?

Short term challenges – Single biggest challenge faced by HGCA members over the past 12 months (spontaneous mentions)

1. **Price paid at farm gate** (48%)
   “Price of wheat. We’re just not getting enough for it for what we’re producing to maintain a decent standard of living”

2. **Input costs** (17% of phone respondents)
   “Price of commodity, is at low price no margin in production and rising cost of fertilizers”

3. **Weather**
   “The rise in chemical and fuel costs”
   “The weather, it rains at the wrong time”
   “Interference by government and lack of organisation”

Source: Farmer survey Q4
Q5. To what extent has each of the following factors represented a challenge to your cereal/oilseed business over the last 12 months?

Challenges facing HGCA Members have faced over the past 12 months (rating a check-list of challenges)

- Price paid for produce at farm gate: 90%
- Input Costs – e.g. purchase cost of chemicals/feed/energy/wages/etc: 90%
- Bureaucracy – time & money spent complying with regulations: 88%
- New environmental standards – changed practices: 71%
- Few (monopolistic) or powerful buyers/retailers: 55%
- Yield, or productivity: 50%
- Weather – e.g. bad harvest/crop damage: 42%
- Competition – e.g. bigger/more efficient/foreign producers: 41%
- Disease - e.g. either cost of remedy or lost produce: 25%
- Lack of skilled workers – e.g. specialist drivers/agronomists/sprayers: 9%
- Shortage of manual labour – e.g. pickers/field workers/stockmen: 8%
- Lack of management/business know how: 6%

Rating Scale: “A lot” “Quite a lot” “A little” “Not at all”

Source: Farmer survey Q5

N = 242
Q5. To what extent has each of the following factors represented a challenge to your cereal/oilseed business over the last 12 months?

Challenges facing HGCA Members have faced over the past 12 months (rating a check-list of challenges)

- Input Costs – e.g. purchase cost of chemicals/feed/energy/wages/etc
- Price paid for produce at farm gate
- Bureaucracy – time & money spent complying with regulations
- New environmental standards – changed practices
- Few (monopolistic) or powerful buyers/retailers
- Weather – e.g. bad harvest/crop damage
- Yield, or productivity
- Competition – e.g. bigger/more efficient/foreign producers
- Disease - e.g. either cost of remedy or lost produce
- Lack of management/business know how
- Lack of skilled workers – e.g. specialist drivers/agronomists/sprayers
- Shortage of manual labour – e.g. pickers/field workers/stockmen

% Quite a lot/a lot

- Input Costs: 78%
- Price paid for produce: 77%
- Bureaucracy: 75%
- New environmental standards: 66%
- Few buyers/retailers: 51%
- Weather: 48%
- Yield: 48%
- Competition: 37%
- Disease: 25%
- Lack of management/business know how: 8%
- Lack of skilled workers: 3%
- Shortage of manual labour: 3%

N = 65
Q5. To what extent has each of the following factors represented a challenge to your cereal/oilseed business over the last 12 months?

Challenges facing HGCA Members have faced over the past 12 months (rating a check-list of challenges)

- Price paid for produce at farm gate: 95%
- Input Costs – e.g. purchase cost of chemicals/feed/energy/wages/etc: 94%
- Bureaucracy – time & money spent complying with regulations: 93%
- New environmental standards – changed practices: 73%
- Few (monopolistic) or powerful buyers/retailers: 57%
- Yield, or productivity: 50%
- Competition – e.g. bigger/more efficient/foreign producers: 43%
- Weather – e.g. bad harvest/crop damage: 40%
- Disease - e.g. either cost of remedy or lost produce: 25%
- Lack of skilled workers – e.g. specialist drivers/agronomists/sprayers: 11%
- Shortage of manual labour – e.g. pickers/field workers/stockmen: 10%
- Lack of management/business know how: 5%

N = 177
Q 8. Looking ahead at the next 3-5 years, what do you think will be the biggest challenges for your farm?
Q9. Other than the challenges you have already mentioned, what are the other key challenges facing the cereals/oilseed sector as a whole over the next 3-5 years?

Long term challenges – Key long term challenges facing individual farms and the cereal/oilseed sector as a whole over next 3-5 years (spontaneous mentions)

Challenges facing my farm

1. Red tape/ regulations (esp. environmental)
2. Profitability
3. High Costs
4. Low or unstable market price/pressure from retailers
5. Competitiveness

Other challenges facing Sector as a whole

1. DK/None (20% of phone respondents)
2. = International competition/cheap imports; = Bio fuels/need to establish market for alternative fuels in GB
3. = Regulations/red tape; = Low market prices/pressures from retailers
4. Costs/profitability
5. Environmental factors (weather, water, use of pesticides, lack of info, etc.)

“Meeting the environmental standards and complying so we keep our single farm payment. Looks like we’ll be growing more rapeseed and cereals for energy, that’ll be a challenge, but maybe we should look forward to that”

“Politicians. They won’t leave us alone. We are getting people ringing up everyday wanting to know about what we are doing. They want to control everything. There’s too much red tape, too much record keeping for too many agencies, too many levy boards.”

Source: Farmer survey Q8 and 9
Q10. To what extent have you recently benefited from practical help/advice/support to address any of the following challenges?

**Beneficial support received to address challenge**

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Quite a lot/a lot</th>
<th>A little</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yield - e.g. increased productivity</td>
<td>45%</td>
<td>37%</td>
<td>18%</td>
</tr>
<tr>
<td>Disease - e.g. either cost of remedy or lost produce</td>
<td>45%</td>
<td>35%</td>
<td>20%</td>
</tr>
<tr>
<td>Price paid for produce at farm gate</td>
<td>34%</td>
<td>31%</td>
<td>35%</td>
</tr>
<tr>
<td>Input Costs - e.g. purchase cost of chemicals/feed/energy/wages/etc</td>
<td>34%</td>
<td>31%</td>
<td>32%</td>
</tr>
<tr>
<td>Bureaucracy - time &amp; money spent complying with regulations</td>
<td>28%</td>
<td>31%</td>
<td>40%</td>
</tr>
<tr>
<td>Weather - e.g. bad harvest/crop damage</td>
<td>17%</td>
<td>27%</td>
<td>56%</td>
</tr>
<tr>
<td>Few (monopolistic) or powerful buyers/retailers</td>
<td>17%</td>
<td>19%</td>
<td>64%</td>
</tr>
<tr>
<td>Competition - e.g. bigger/more efficient/foreign producers</td>
<td>15%</td>
<td>27%</td>
<td>58%</td>
</tr>
<tr>
<td>Lack of management/business know how</td>
<td>11%</td>
<td>37%</td>
<td>52%</td>
</tr>
<tr>
<td>Lack of skilled manual labour - e.g. specialist drivers</td>
<td>14%</td>
<td>11%</td>
<td>83%</td>
</tr>
</tbody>
</table>

Source: Farmer survey Q10

N = 242 (excluding don’t know/ not applicable)
**Q10. To what extent have you recently benefited from practical help/advice/support to address any of the following challenges?**

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Quite a lot/a lot</th>
<th>A little</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input Costs</td>
<td>41%</td>
<td>26%</td>
<td>33%</td>
</tr>
<tr>
<td>Disease</td>
<td>19%</td>
<td>48%</td>
<td>33%</td>
</tr>
<tr>
<td>Bureaucracy</td>
<td>39%</td>
<td>29%</td>
<td>32%</td>
</tr>
<tr>
<td>Yield</td>
<td>30%</td>
<td>42%</td>
<td>28%</td>
</tr>
<tr>
<td>Price paid for produce at farm gate</td>
<td>45%</td>
<td>28%</td>
<td>27%</td>
</tr>
<tr>
<td>Weather</td>
<td>57%</td>
<td>27%</td>
<td>16%</td>
</tr>
<tr>
<td>Lack of management/business know how</td>
<td>67%</td>
<td>22%</td>
<td>11%</td>
</tr>
<tr>
<td>Few (monopolistic) or powerful buyers/retailers</td>
<td>61%</td>
<td>29%</td>
<td>10%</td>
</tr>
<tr>
<td>Competition</td>
<td>61%</td>
<td>32%</td>
<td>7%</td>
</tr>
<tr>
<td>Lack of skilled manual labour</td>
<td>88%</td>
<td>10%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Source: Farmer survey Q10
Q10. To what extent have you recently benefited from practical help/advice/support to address any of the following challenges?

**Beneficial support received to address challenge**

- **Yield**:
  - Quite a lot/a lot: 40%
  - A little: 46%
  - Not at all: 14%

- **Price paid for produce at farm gate**: 37%
  - Quite a lot/a lot: 31%
  - A little: 32%
  - Not at all: 66%

- **Disease**:
  - Quite a lot/a lot: 36%
  - A little: 44%
  - Not at all: 20%

- **Input Costs**: 35%
  - Quite a lot/a lot: 37%
  - A little: 32%
  - Not at all: 28%

- **Bureaucracy**:
  - Quite a lot/a lot: 26%
  - A little: 32%
  - Not at all: 41%

- **Few (monopolistic) or powerful buyers/retailers**:
  - Quite a lot/a lot: 19%
  - A little: 15%
  - Not at all: 66%

- **Competition**:
  - Quite a lot/a lot: 18%
  - A little: 26%
  - Not at all: 56%

- **Weather**:
  - Quite a lot/a lot: 18%
  - A little: 27%
  - Not at all: 55%

- **Lack of management/business know how**:
  - Quite a lot/a lot: 12%
  - A little: 41%
  - Not at all: 47%

- **Lack of skilled manual labour**:
  - Quite a lot/a lot: 4%
  - A little: 15%
  - Not at all: 81%

Source: Farmer survey Q10
Q 12. With which challenges would you welcome more support?

Areas where additional support is required

<table>
<thead>
<tr>
<th>Challenge</th>
<th>% Quite a lot/a lot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureaucracy</td>
<td>77%</td>
</tr>
<tr>
<td>Price paid for produce at farm gate</td>
<td>75%</td>
</tr>
<tr>
<td>Input Costs</td>
<td>59%</td>
</tr>
<tr>
<td>Yield</td>
<td>54%</td>
</tr>
<tr>
<td>Disease</td>
<td>44%</td>
</tr>
<tr>
<td>Few (monopolistic) or powerful buyers/retailers</td>
<td>41%</td>
</tr>
<tr>
<td>Competition</td>
<td>30%</td>
</tr>
<tr>
<td>Weather</td>
<td>27%</td>
</tr>
<tr>
<td>Lack of management/business know how</td>
<td>19%</td>
</tr>
<tr>
<td>Lack of skilled manual labour</td>
<td>12%</td>
</tr>
</tbody>
</table>

N = 202
(excluding none/don’t know)

Source: Farmer survey Q12
Q 12. With which challenges would you welcome more support?

Areas where additional support is required

% Quite a lot/a lot

- Bureaucracy: 70%
- Price paid for produce at farm gate: 68%
- Input Costs: 48%
- Few (monopolistic) or powerful buyers/retailers: 45%
- Competition: 41%
- Yield: 41%
- Disease: 39%
- Weather: 18%
- Lack of management/business know how: 16%
- Lack of skilled manual labour: 14%

Source: Farmer survey Q12
Q 12. With which challenges would you welcome more support?

Areas where additional support is required

<table>
<thead>
<tr>
<th>Challenge</th>
<th>% Quite a lot/a lot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureaucracy</td>
<td>78%</td>
</tr>
<tr>
<td>Price paid for produce at farm gate</td>
<td>77%</td>
</tr>
<tr>
<td>Input Costs</td>
<td>63%</td>
</tr>
<tr>
<td>Yield</td>
<td>58%</td>
</tr>
<tr>
<td>Disease</td>
<td>46%</td>
</tr>
<tr>
<td>Few (monopolistic) or powerful buyers/retailers</td>
<td>39%</td>
</tr>
<tr>
<td>Weather</td>
<td>29%</td>
</tr>
<tr>
<td>Competition</td>
<td>27%</td>
</tr>
<tr>
<td>Lack of management/business know how</td>
<td>20%</td>
</tr>
<tr>
<td>Lack of skilled manual labour</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: Farmer survey Q12
Q11. Which bodies/individuals have provided services to address those challenges?

### Main bodies providing services to address challenges

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Bodies/Individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input Costs – e.g. purchase cost of chemicals/feed/energy/wages/etc</td>
<td><strong>Agronomist (12 mentions)</strong>; Merchants (6 mentions); Consultants (2); Buying group (2); University/college (2); HGCA (2); TAG (2)</td>
</tr>
<tr>
<td>Yield – e.g. increased productivity</td>
<td><strong>Agronomist (12 mentions)</strong>; Merchants (6); HGCA (6), Consultants (5), Other government agency (2)</td>
</tr>
<tr>
<td>Lack of skilled manual labour – e.g. specialist drivers</td>
<td><strong>No responses</strong></td>
</tr>
<tr>
<td>Lack of management/business know how</td>
<td>Consultants (4 mentions) – <em>others only mentioned by 1 respondent</em></td>
</tr>
<tr>
<td>Bureaucracy – time &amp; money spent complying with regulations</td>
<td>Consultants (5 mentions), NFU (4), DEFRA (4), TV,Radio,Press (3), Agronomist (2), Estate Agent/Manager (2)</td>
</tr>
<tr>
<td>Price paid for produce at farm gate</td>
<td>Merchants (6 mentions); HGCA (4)</td>
</tr>
<tr>
<td>Weather – e.g. bad harvest/crop damage</td>
<td>Internet (4 mentions); TV,Radio,Press (2)</td>
</tr>
<tr>
<td>Disease - e.g. either cost of remedy or lost produce</td>
<td><strong>Agronomist (23 mentions)</strong>; Merchants (5); University/college (3); Consultants (2); TAG (2)</td>
</tr>
<tr>
<td>Competition – e.g. bigger/more efficient/foreign producers</td>
<td>HGCA (2 mentions); Merchants (2)</td>
</tr>
<tr>
<td>Few (monopolistic) or powerful buyers/retailers</td>
<td>Merchants (3 mentions); Agronomist (2)</td>
</tr>
</tbody>
</table>

Source: Farmer survey Q11
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Q6. What has been the key positive factor contributing to your bottom line over the last 12 months?

Key positive factors contributing to the bottom line over the past 12 months
(Spontaneous mentions)

1. Increase in prices (46% of phone respondents)
   “Increase in the price of the wheat”
   “The price rise in the last two months”
   “The prices this year which tend to be increasing”

2. Increases in yield (only 8%)
   “I suppose yield. I suppose it's been quite good” / “Reasonable yields”

3. Keeping input costs down

A significant proportion of cereal farmers said that “nothing positive” had contributed to their bottom line

“There hasn't been one. It was a difficult year last year. We didn't get the single farm payment till 30th June”

“We just carry on as best we can to make ends meet”

Source: Farmer survey Q6

N = 92
Q7. To what extent have each of the following factors contributed to an improvement in the bottom line of your cereal/oilseed business over the past 12 months?

Key positive factors contributing to the bottom line over the past 12 months

- **% Quite a lot/a lot**
  - Increases in farm gate price: 68%
  - Increase in Yield: 37%
  - Knowledge about disease prevention/management: 37%
  - Diversification income: 37%
  - Better business know how: 29%
  - New technology e.g. machinery, computer software or new: 23%
  - New market/buyers for product: 21%
  - Reduction in use of - chemicals/feed/energy/wages: 18%
  - Reduction in price paid for - chemicals/feed/energy/wage: 10%

N = 242 (Excluding Don’t know)

Source: Farmer survey Q7
Q7. To what extent have each of the following factors contributed to an improvement in the bottom line of your cereal/oilseed business over the past 12 months?

Key positive factors contributing to the bottom line over the past 12 months

- Increases in farm gate price: 62% (Web), 70% (Phone)
- Increase in Yield: 35% (Web), 42% (Phone)
- Diversification income: 36% (Web), 39% (Phone)
- Knowledge about disease prevention/management: 32% (Web), 39% (Phone)
- Better business know how: 30% (Web), 28% (Phone)
- New technology e.g. machinery, computer software or new: 22% (Web), 25% (Phone)
- Reduction in price paid for - chemicals/feed/energy/wage: 6% (Web), 20% (Phone)
- Reduction in use of - chemicals/feed/energy/wages: 17% (Web), 19% (Phone)
- New market/buyers for product: 23% (Web), 17% (Phone)

Source: Farmer survey Q7
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Q13. Do you know which is the Levy Board which serves the cereal/oilseed sector in your region? Please provide the name of the Levy Board.

Awareness of which levy board is paid into

- Unaided awareness

HGCA 90%

Don't know 9%

Other 1%

(2 mentions for HDC, One for SQC)
Q13. Do you know which is the Levy Board which serves the cereal/oilseed sector in your region? Please provide the name of the Levy Board.

**Awareness of which levy board is paid into**

- Unaided awareness

**PHONE**

- HGCA 78%
- Other 5%
- Don’t know 17%

(2 mentions for HDC, One for SQC)

N = 65

**WEB**

- HGCA 92%
- Other 2%
- Don’t know 6%

N = 177

Source: Farmer survey Q13
Q14. What is your understanding of which kinds of services are provided by HGCA

Perception of services offered by HGCA

(Spontaneous mentions)

1. **Don’t know/not sure/don’t do much**
   (25% of phone respondents)
2. **Marketing** (22%)
3. **Research and development** (17%)
4. **Provide information and advice on crops/prices/management skills/forecasting**
   (12%)
5. **Training**

Some find it hard to say what the HGCA does

“They try to improve the marketing of the crops and help with input and spray costs. I find it difficult to take in that they make the situation any better.”

“They do no good as far as I'm concerned. As a mixed farmer selling all produce locally, none of the levy boards e.g. HGCA, MLC, Potato Marketing Board, none of them I feel do me any good whatsoever.”

But more often, members can name a range of services

“They supply trials on crops to get a performance report, resistance to disease and they are also talking about storage of the crop and marketing”.

“Help with varieties, yield, market information, export.”

“Well, they're quite good on varieties. The only good thing they do is provide a list of varieties with pluses and minuses. That's about the only thing they do.”

Source: Farmer survey Q14
### Q15. To what extent do you think HGCA currently offers the following types of services to the cereal/oilseed sector?

#### Degree to which services thought to be offered by HCGA

<table>
<thead>
<tr>
<th>Service Type</th>
<th>To a great extent</th>
<th>To some extent</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Publishing information on market conditions</td>
<td>6%</td>
<td>26%</td>
<td>68%</td>
</tr>
<tr>
<td>Research, tools and advice to improve yields</td>
<td>8%</td>
<td>49%</td>
<td>43%</td>
</tr>
<tr>
<td>Publishing best practice</td>
<td>11%</td>
<td>56%</td>
<td>33%</td>
</tr>
<tr>
<td>Consumer information</td>
<td>18%</td>
<td>53%</td>
<td>29%</td>
</tr>
<tr>
<td>Promotion/marketing campaigns</td>
<td>19%</td>
<td>52%</td>
<td>29%</td>
</tr>
<tr>
<td>Support for innovation and new product development</td>
<td>15%</td>
<td>56%</td>
<td>29%</td>
</tr>
<tr>
<td>Information on changes in policy regimes and regulation.</td>
<td>23%</td>
<td>53%</td>
<td>24%</td>
</tr>
<tr>
<td>Development/Management of Quality Assurance schemes.</td>
<td>36%</td>
<td>48%</td>
<td>16%</td>
</tr>
<tr>
<td>Training schemes</td>
<td>24%</td>
<td>60%</td>
<td>16%</td>
</tr>
<tr>
<td>Coordinate supply chain</td>
<td>33%</td>
<td>54%</td>
<td>14%</td>
</tr>
<tr>
<td>Preventing and dealing with sector crisis and risks</td>
<td>47%</td>
<td>41%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: Farmer survey Q15

N = 242 (excluding don’t know of between 3-5%)
Q15. To what extent do you think HGCA currently offers the following types of services to the cereal/oilseed sector?

<table>
<thead>
<tr>
<th>Service</th>
<th>To a great extent</th>
<th>To some extent</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Publishing information on market conditions</td>
<td>8%</td>
<td>42%</td>
<td>50%</td>
</tr>
<tr>
<td>Research, tools and advice to improve yields</td>
<td>10%</td>
<td>58%</td>
<td>32%</td>
</tr>
<tr>
<td>Publishing best practice</td>
<td>13%</td>
<td>58%</td>
<td>29%</td>
</tr>
<tr>
<td>Information on changes in policy regimes and regulation.</td>
<td>24%</td>
<td>50%</td>
<td>26%</td>
</tr>
<tr>
<td>Support for innovation and new product development</td>
<td>16%</td>
<td>58%</td>
<td>26%</td>
</tr>
<tr>
<td>Consumer information</td>
<td>18%</td>
<td>60%</td>
<td>22%</td>
</tr>
<tr>
<td>Development/Management of Quality Assurance schemes.</td>
<td>22%</td>
<td>56%</td>
<td>22%</td>
</tr>
<tr>
<td>Promotion/marketing campaigns.</td>
<td>19%</td>
<td>65%</td>
<td>16%</td>
</tr>
<tr>
<td>Preventing and dealing with sector crisis and risks</td>
<td>47%</td>
<td>42%</td>
<td>11%</td>
</tr>
<tr>
<td>Training schemes</td>
<td>32%</td>
<td>57%</td>
<td>11%</td>
</tr>
<tr>
<td>Coordinate supply chain</td>
<td>30%</td>
<td>63%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Source: Farmer survey Q15
Q15. To what extent do you think HGCA currently offers the following types of services to the cereal/oilseed sector?

<table>
<thead>
<tr>
<th>Service</th>
<th>To a great extent</th>
<th>To some extent</th>
<th>Not at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Publishing information on market conditions</td>
<td>5%</td>
<td>21%</td>
<td>74%</td>
</tr>
<tr>
<td>Research, tools and advice to improve yields</td>
<td>7%</td>
<td>46%</td>
<td>47%</td>
</tr>
<tr>
<td>Promotion/marketing campaigns.</td>
<td>19%</td>
<td>47%</td>
<td>34%</td>
</tr>
<tr>
<td>Publishing best practice</td>
<td>10%</td>
<td>56%</td>
<td>34%</td>
</tr>
<tr>
<td>Consumer information</td>
<td>17%</td>
<td>51%</td>
<td>32%</td>
</tr>
<tr>
<td>Support for innovation and new product development</td>
<td>14%</td>
<td>56%</td>
<td>30%</td>
</tr>
<tr>
<td>Information on changes in policy regimes and regulation.</td>
<td>23%</td>
<td>53%</td>
<td>24%</td>
</tr>
<tr>
<td>Training schemes</td>
<td>22%</td>
<td>61%</td>
<td>17%</td>
</tr>
<tr>
<td>Coordinate supply chain</td>
<td>34%</td>
<td>50%</td>
<td>16%</td>
</tr>
<tr>
<td>Development/Management of Quality Assurance schemes.</td>
<td>41%</td>
<td>45%</td>
<td>14%</td>
</tr>
<tr>
<td>Preventing and dealing with sector crisis and risks</td>
<td>47%</td>
<td>41%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: Farmer survey Q15
Q16. Which of these services do you feel HGCA should be focusing more on and which do you think they should be focusing less on?

**Focus of service delivery**

<table>
<thead>
<tr>
<th>Service</th>
<th>Focus more on</th>
<th>Stay the same</th>
<th>Focus less on</th>
</tr>
</thead>
<tbody>
<tr>
<td>Getting all businesses in the supply chain to coordinate and cooperate better</td>
<td>58%</td>
<td>30%</td>
<td>12%</td>
</tr>
<tr>
<td>Research, tools and advice that help all farmers improve yields</td>
<td>57%</td>
<td>34%</td>
<td>9%</td>
</tr>
<tr>
<td>Increasing sales of the sector’s product through promotion/marketing</td>
<td>56%</td>
<td>33%</td>
<td>11%</td>
</tr>
<tr>
<td>Support for innovation and new product development</td>
<td>51%</td>
<td>40%</td>
<td>9%</td>
</tr>
<tr>
<td>Informing consumers by researching and publishing information about the health sector</td>
<td>49%</td>
<td>39%</td>
<td>12%</td>
</tr>
<tr>
<td>Publishing information on market conditions; such as harvest, market price</td>
<td>33%</td>
<td>59%</td>
<td>8%</td>
</tr>
<tr>
<td>Training schemes or other information to help farmers become more skilled</td>
<td>28%</td>
<td>45%</td>
<td>27%</td>
</tr>
<tr>
<td>Information for farmers/growers on changes in policy regimes and regulation</td>
<td>27%</td>
<td>56%</td>
<td>17%</td>
</tr>
<tr>
<td>Publishing best practice and other guides to help underperforming farms</td>
<td>21%</td>
<td>55%</td>
<td>25%</td>
</tr>
<tr>
<td>Preventing and dealing with sector crisis and risks, e.g. epidemics,</td>
<td>19%</td>
<td>59%</td>
<td>22%</td>
</tr>
<tr>
<td>Development/Management of Quality Assurance schemes.</td>
<td>8%</td>
<td>51%</td>
<td>41%</td>
</tr>
</tbody>
</table>

Source: Farmer survey Q16

N = 242 (excluding don’t know of between)
Q16. Which of these services do you feel HGCA should be focusing more on and which do you think they should be focusing less on?

### Focus of service delivery

<table>
<thead>
<tr>
<th>Service</th>
<th>Focus more on</th>
<th>Stay the same</th>
<th>Focus less on</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing sales of the sector's product through promotion/marketing</td>
<td>51%</td>
<td>7%</td>
<td>46%</td>
</tr>
<tr>
<td>Getting all businesses in the supply chain to coordinate and cooperate better</td>
<td>47%</td>
<td>7%</td>
<td>46%</td>
</tr>
<tr>
<td>Informing consumers by researching and publishing information</td>
<td>48%</td>
<td>9%</td>
<td>43%</td>
</tr>
<tr>
<td>Research, tools and advice that help all farmers improve yields</td>
<td>56%</td>
<td>7%</td>
<td>37%</td>
</tr>
<tr>
<td>Supporting for innovation and new product development</td>
<td>61%</td>
<td>3%</td>
<td>36%</td>
</tr>
<tr>
<td>Preventing and dealing with sector crisis and risks</td>
<td>70%</td>
<td>10%</td>
<td>20%</td>
</tr>
<tr>
<td>Training schemes or other information to help farmers become more skilled</td>
<td>59%</td>
<td>21%</td>
<td>20%</td>
</tr>
<tr>
<td>Publishing information on market conditions; such as harvest, market price</td>
<td>73%</td>
<td>7%</td>
<td>20%</td>
</tr>
<tr>
<td>Information for farmers/growers on changes in policy regimes and regulation</td>
<td>65%</td>
<td>15%</td>
<td>20%</td>
</tr>
<tr>
<td>Publishing best practice and other guides to help underperforming farms</td>
<td>70%</td>
<td>19%</td>
<td>11%</td>
</tr>
<tr>
<td>Development/Management of Quality Assurance schemes</td>
<td>70%</td>
<td>23%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Source: Farmer survey Q16
Q16. Which of these services do you feel HGCA should be focusing more on and which do you think they should be focusing less on?

### Focus of service delivery

<table>
<thead>
<tr>
<th>Service</th>
<th>Focus more on</th>
<th>Stay the same</th>
<th>Focus less on</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research, tools and advice that help all farmers improve yields</td>
<td>64%</td>
<td>26%</td>
<td>10%</td>
</tr>
<tr>
<td>Getting all businesses in the supply chain to coordinate and cooperate better</td>
<td>63%</td>
<td>24%</td>
<td>13%</td>
</tr>
<tr>
<td>Increasing sales of the sector’s product through promotion/marketing</td>
<td>60%</td>
<td>26%</td>
<td>14%</td>
</tr>
<tr>
<td>Support for innovation and new product development</td>
<td>56%</td>
<td>33%</td>
<td>11%</td>
</tr>
<tr>
<td>Informing consumers by researching and publishing information</td>
<td>52%</td>
<td>35%</td>
<td>13%</td>
</tr>
<tr>
<td>Publishing information on market conditions; such as harvest, market price</td>
<td>37%</td>
<td>54%</td>
<td>9%</td>
</tr>
<tr>
<td>Training schemes or other information to help farmers become more skilled</td>
<td>30%</td>
<td>40%</td>
<td>30%</td>
</tr>
<tr>
<td>Information for farmers/growers on changes in policy regimes and regulation</td>
<td>29%</td>
<td>53%</td>
<td>18%</td>
</tr>
<tr>
<td>Publishing best practice and other guides to help underperforming farms</td>
<td>24%</td>
<td>49%</td>
<td>27%</td>
</tr>
<tr>
<td>Preventing and dealing with sector crisis and risks</td>
<td>18%</td>
<td>55%</td>
<td>27%</td>
</tr>
<tr>
<td>Development/Management of Quality Assurance schemes</td>
<td>9%</td>
<td>44%</td>
<td>47%</td>
</tr>
</tbody>
</table>

Source: Farmer survey Q16
Main reasons many cereal farmers want an increased focus on:

**Getting all businesses in the supply chain to coordinate and cooperate better**

Many farmers feel there is a need for greater cooperation between farmers – collective bargaining to increase prices, or to gain more access to consumers.

“Because from a farmer’s point of view, the more collectivity there is, the better the price or the more control over the price. Better as in less volatile.”

“There seems to be a breakdown between the producer and the consumer.”

**Research, tools and advice that help all farmers improve yields**

Many farmers feel that any research or advice can only help farmers. Several mentioned that they would rather HGCA offer this than commercial organisations which are not impartial.

“Because it is to the advantage of everybody”; “They would be of a direct benefit to me”; “They need to do more for small farms.”

“They could do more of that because they would be independent, compared to other companies selling their products.”

“The only other alternative is for commercial interest and at least it is unbiased.”

**Increasing sales of the sector’s product through promotion/marketing**

This is seen as a way to increase domestic consumers’ demand for British foods, and also to find new export markets. Again, HGCA’s independence from the commercial sector is valued by some.

“They should promote the product more. "Eat British food"-you never see it anywhere.”

“It is going to benefit us all if we can export more of our cereals.”

“If they can do it, it would increase demand and put prices up.”

“In certain areas, we need to get over to the public about the quality of the product. We need to do that directly to the public and not jointly with supermarkets because the supermarkets will take over and people are not sure who is giving the information.”
Q16b. Why is that?

Main reasons some cereal farmers want a decreased focus on:

Development/Management of Quality Assurance schemes

As in other sectors, there are a significant number of farmers who have no belief in QA schemes, and see them as just another cost and administrative burden. Others think that QA schemes should be run by other organisations, not HGCA.

“You’ve got these quality assurance schemes, but they’re a joke. I’ve got a yellow passport, you sign it and pay for it, a lorry comes and goes and who cares? Who can prove what you produce? I hate form filling, it doesn't mean anything. It's a farce. It's just a piece of paper to say we're doing a wonderful job and it makes no difference to anybody.”

“People get away with non compliance to the regulations. The assurance scheme doesn't add anything to the cost of products.”

“HGCA shouldn't be focusing on quality assurance at all, it is not their area.”

“They shouldn't be doing this. They should leave it to the commercial organisation.”

Training schemes or other information to help farmers become more skilled

Training schemes are another area some farmers feel HGCA is not best-placed to offer, and think HGCA should have other priorities. Others think that farmers should be responsible for their own training.

“Again other people do it better than they do so they shouldn't be in it.”

“You can't do something for everything, they should be organising marketing, quality controls and diseases but not business management.”

“I don't see why larger farmers with better produce should pay for smaller farmers to produce less. If there are farmers who want to be trained, they should be paying for themselves.”

“Well it's up to the people on how they run their business.”
Q16a. What other services do you feel that HGCA should be focusing more on? What other services do you feel that HGCA should be focusing less on?

“Other” services some cereal farmers would like HGCA to focus on more:

- Reduce own overheads / reduce the levy charge – 9 respondents
- Research into / promotion of alternative uses for cereal crops, e.g. Biofuels – 7 respondents
- Helping farmers with and promoting organic / environmentally friendly farming – 6 respondents
- Marketing / branding for UK cereals sector – 5 respondents
- Influence government more; varieties research/trials; export promotion; fairer grain contracts – all 3 mentions each

“Other” services some cereal farmers would like HGCA to focus on less:

- Assurance schemes – 9 respondents
- Research – 7 respondents (but often specifying particular research areas)
- Business advice / training – 4 respondents
- Trying to promote to supermarkets – 3 respondents
Q17. Are there any services not currently provided by HGCA that you think they should be providing?

**Other services required that are not being offered currently**

**Phone survey – unprompted responses**
No responses.

**Web survey respondents presented with prompt-list**

- Supply chain coordination: 47%
- Product promotion/marketing: 45%
- Consumer information: 42%
- Innovation and new product development: 37%
- Market information: 36%
- Research, tools and advice to increase yields: 34%
- Information on policy changes and regulations: 33%
- Publishing best practice and other guides: 24%
- Training schemes: 18%
- Crisis management: 12%
- Development/Management of Quality Assurance: 12%

Source: Farmer survey Q17
Q15b. How satisfied are you with the effectiveness of [service mentioned in Q15] provided by HGCA? (each service only asked of those who were aware of the service being offered to some/great extent)

Source: Farmer survey Q15b
Q15b. How satisfied are you with the effectiveness of [service mentioned in Q15] provided by HGCA? (each service only asked of those who were aware of the service being offered to some/great extent)
Q15c. Why is that?

Reasons for satisfaction with selected services (top 2)

Publishing information on market conditions

Many farmers find HGCA’s information on market prices and conditions to be comprehensive, useful, timely, and easily accessible via a variety of channels, including the internet.

“They seem to be up to date in terms of prices in Farmers weekly and give a benchmark so everyone knows where they are.”

“I think the bulletins they produce give an up to date account of the market.”

“They do it on the web and it is up to date”

“What I get is a weekly update on the internet and it’s pretty useful. It’s an email update that I get weekly”

Research, tools and advice that help all farmers improve yields

There were some very positive comments on HGCA’s research & information provision. It seems to be very visible and accessible to farmers, and some say that it does actually help with their business.

“They do some excellent work in promoting the increase in yields”

“I have seen a lot of their research”

“They do great work on research, I use the articles that they send me”

“Because the information they give helps if you are prepared to go through with it”

“I believe that is the main thing they do”

Source: Farmer survey Q15b
Q15c. Why is that?

Reasons for dissatisfaction with selected services (2 with most dissatisfaction)

Getting all businesses in the supply chain to coordinate and cooperate better

There is either a lack of this, or a lack of awareness of this aspect of HGCA’s work.

“It's a necessity but it's not happening.”

“I don't see a lot of evidence of this.”

Development/Management of Quality Assurance schemes

Some think that the schemes are unnecessary, ineffective and costly to the farmer.

“I think it's a way of unnecessarily taxing the farmer.”

“Well because I think they are meaningless.”

The schemes are alright, but the consumer is not aware and are not looking for the little red tractor only the price.”
Q18. How well does HGCA communicate with you about its activities and services?

Satisfaction with communication

- Very well: 25%
- Quite well: 52%
- Not very well: 16%
- Not at all well: 7%

N = 242

Source: Farmer survey Q18
Q18. How well does HGCA communicate with you about its activities and services?

Satisfaction with communication

PHONE
- Very well: 20%
- Quite well: 55%
- Not very well: 17%
- Not at all well: 8%
N = 65

WEB
- Very well: 27%
- Quite well: 52%
- Not very well: 15%
- Not at all well: 6%
N = 177

Source: Farmer survey Q18
Q19. Have you ever contacted HGCA before to get information or advice on their services?
Q19a. How easy was it to find out what you wanted?

**Contact with Levy Board**

- No: 48%
- Yes: 52%

**How easy was it to find what you wanted?**

- Very easy: 22%
- Quite easy: 66%
- Quite difficult: 8%
- Very difficult: 4%

Source: Farmer survey Q18 and Q19

N = 242

N = 125
Q19. Have you ever contacted HGCA before to get information or advice on their services?
Q19a. How easy was it to find out what you wanted?

Contact with Levy Board

Web, 64%

Phone, 19%

How easy was it to find what you wanted?

- Very easy: Web 20%, Phone 42%
- Quite easy: Web 67%, Phone 50%
- Quite difficult: Web 8%, Phone 8%
- Very difficult: Web 4%, Phone 0%
INDEX

- Executive summary
- Challenges
  - Short and long term challenges facing cereal and oilseed farmers
  - Support to meet challenges
- Positive factors impacting the bottom line
- Perceptions of and satisfaction with HGCA services

- Appendix
  - Methodology
  - Profile of respondents
Methodology

- Two different collection methodologies were used: telephone surveys and web surveys.

- A mixed methodology approach was employed with the aim of increasing penetration into the market and ensuring that all Levy payers that wanted to participate had the opportunity to do so.

- An independent research agency was responsible for administering both the telephone and web surveys.

- 65 telephone interviews were completed according to quota controls for HGCA levy payers, while 177 completed responses were obtained through the web survey (no quotas).

- The same questionnaire was used in both surveys.

- In general results across all different methodologies do not differ significantly. However, given the sheer volume of web responses, the results for both samples have been reported samples.
Profile of respondents

Role of respondent

<table>
<thead>
<tr>
<th>Role of Respondent</th>
<th>Web</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm Owner</td>
<td>42%</td>
<td>48%</td>
</tr>
<tr>
<td>Partner/Manager</td>
<td>39%</td>
<td>31%</td>
</tr>
<tr>
<td>Tenant Farmer</td>
<td>12%</td>
<td>20%</td>
</tr>
<tr>
<td>Farm Manager (employee)</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Classification of farming sector

Cereals 100%

Source: Farmer survey Q1 and Q2
Region

- **East of England**: 32% Web, 29% Phone
- **East Midlands**: 19% Web, 12% Phone
- **South East**: 14% Web, 9% Phone
- **Scotland**: 10% Web, 8% Phone
- **Yorkshire and the Humber**: 20% Web, 8% Phone
- **West Midlands**: 7% Web, 6% Phone
- **South West**: 5% Web, 9% Phone
- **North East**: 5% Web, 3% Phone
- **Northern Ireland**: 3% Web, 0% Phone
- **Wales**: 11% Web, 0% Phone

Source: Farmer survey Q3