A close-up photograph of a middle-aged man with a goatee, smiling warmly while talking on a white corded telephone. He is wearing a plaid shirt. The background is softly blurred, suggesting an indoor setting. A vertical green bar is on the left side of the page.

No FI
NISA
Applicant
Survey

May 2003

 **ChangeMakers**
social marketing

EXECUTIVE SUMMARY

Findings

ChangeMakers was commissioned to design, administer and analyze a survey of a random sample of farmers from across Canada who had applied to the NISA program, but had not opened an NISA account at a financial institution. The main purpose of the survey was to determine why farmers had not opened a bank account. A total of 400 farmers were interviewed by telephone between April 28th and April 30th, 2003.

- Just under half (48%) of the farmers who were surveyed indicate they are familiar with NISA.
- Very few farmers completed the NISA application themselves. In eight out of ten cases farmers said their accountant or someone other than themselves prepared and filed the application on their behalf. Eight percent said they did not apply for NISA.
- There were a number of reasons farmers gave for not opening a NISA account at a financial institution. The most common reason was that they did not have the funds to deposit (27%). Two out of ten felt the amount they were eligible for was too small and that it wasn't worth it. Fourteen percent did not understand that they had to open a separate NISA account, while 10% said it was too much hassle. Some of the other reasons given by fewer than one in ten farmers are: they plan to open an account, they missed the application deadline, they are quitting farming or retiring, they did not have enough information, they do not trust government, did not want to have to deposit their own money to be eligible, they are not eligible to apply, there is no advantage, did not want to open a separate account just for NISA, they are not farming as much/ downsizing and that their accountant applied for them.

- More than eight out of ten of the farmers surveyed (84%) recalled receiving information about the NISA program in the past year. A majority of the farmers (56%) believe they were provided with the right amount of information about the NISA program. Just two out of ten felt they were provided with too little information, while one in ten felt they received too much information. Fifteen percent said they weren't sure.
- Of those who recalled receiving the information one in four said they read it, while more than half indicated that they just looked through it. Two out of ten did not look at the information at all.
- More than seven out of ten of those who read or looked through the information said it was clearly written (74%) and helpful (71%). Two out of three (65%) thought the material was easy to understand.

Conclusions

It appears that most of the farmers did not open a bank account at a financial institution due to a lack of financial resources or because they were not interested or felt that the program did not meet their needs. For most farmers, their accountant or someone responsible for their accounting filed an application, likely just in case it was needed. When it came time to open an account more than one in four couldn't afford to put in their contribution. The rest felt it wasn't worth the trouble. Very few did not understand that they were required to open a separate account.

A high percentage of those interviewed recalled receiving information about the NISA program and a majority indicated that they received enough information. A lack of information on the part of those responsible for NISA does not seem to be a reason for the lack of follow-up on the part of these respondents.

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OBJECTIVES AND METHODOLOGY

Purpose and Objectives

ChangeMakers was commissioned to design, administer and analyze a survey of a random sample of 400 farmers from across Canada who had applied to the NISA program, but had not opened an NISA account at a financial institution. The primary purpose of the survey was to determine why farmers had not opened an account.

Methodology

A draft survey was written and submitted to Agriculture and Agri-Food Canada for approval. Once a final version of the survey was approved, a total of 400 farmers were interviewed by telephone between April 28th and April 30th, 2003.

The analysis of the data consisted primarily of detailed cross-tabulations of responses to each question by the following subgroups: region, type of producer and the eligible net sales of their operation.

The results of the analysis produced no significant differences among the various sub-groupings.

Survey Sample

An analysis of the database provided by Agriculture and Agri-Food Canada is outlined in the following tables. Of the 5988 cases in the database, 2079 had no telephone number or were duplicates. The remaining 3909 were used as the sample for this survey.

Total with Telephone Numbers	3909
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Province	Number	Percentage
AB	1671	43%
BC	207	5%
MB	436	11%
ON	688	18%
SK	857	22%
NB	13	0%
NF	1	0%
NS	2	0%
PE	29	1%
PQ	4	0%
YK	1	0%

Eligible Net Sales 2001	Number	Percentage
\$10,000 or less	1495	38%
\$10,001- \$30,000	1276	33%
\$30,001- \$500,000	1138	29%

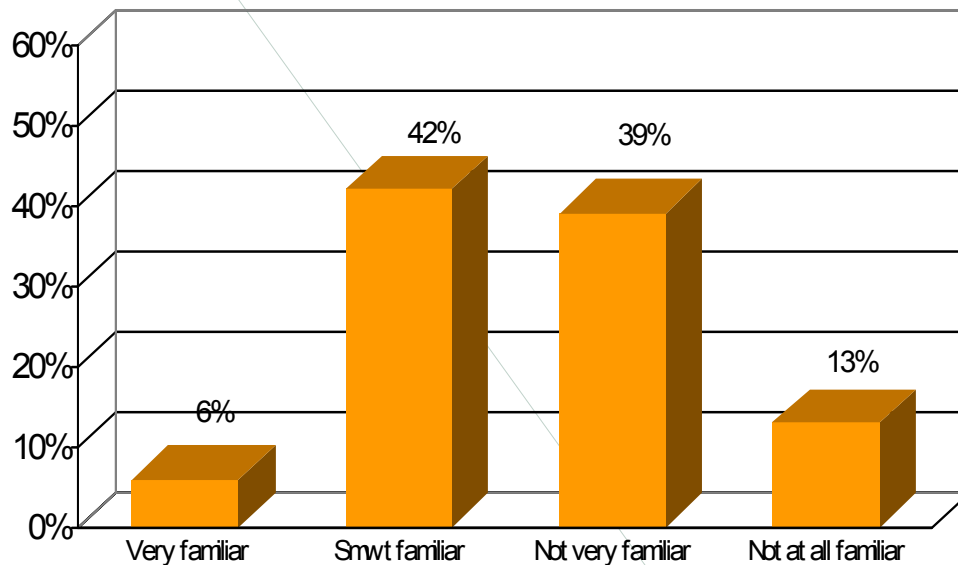
Type of Producer	Number	Percentage
Cattle	2231	57%
Dairy	91	2%
Edible Horticulture	184	5%
Grains and Oilseeds	2328	60%
Hogs	145	4%
Inedible Horticulture	72	2%
Livestock	105	3%
Other	450	12%
Potato	21	1%
Poultry	63	2%
Tobacco	11	0%

KEY FINDINGS

Familiarity with NISA

Just under half of farmers say they are very (6%) or somewhat (42%) familiar with NISA. Four out of ten say they are not very familiar, while 13% are not at all familiar with the program.

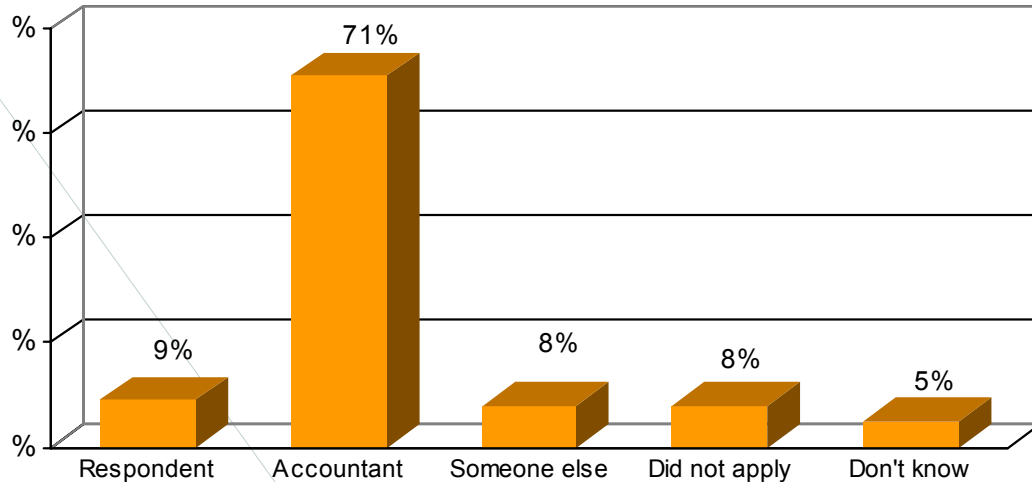
Chart 1: FAMILIARITY WITH NISA?



Who Filed the NISA Application?

Fewer than one in ten of these farmers filed their NISA application themselves. More than seven out of ten say their accountant filed for them. Six percent said someone else prepared and filed the application on their behalf. Eight percent said they did not apply for NISA.

Chart 2: WHO PREPARED AND FILED YOUR APPLICATION?



Why a NISA Bank Account was not opened.

There were a number of reasons farmers gave for not opening a NISA account at a financial institution. The most common reason was that they did not have the funds to deposit (27%). Two out of ten felt the amount they were eligible for was too small and that it wasn't worth it. Fourteen percent did not understand that they had to open a separate NISA account. The following table provides the complete list of reasons. Please note that more than one reason per respondent was recorded so that the column totals more than 100%.

REASON FOR NOT OPENING A NISA ACCOUNT

Did not have the funds to deposit	27%
Amount I was eligible for was too small / wasn't worth it	20%
Did not understand that I had to open a NISA account	14%
Too much hassle	10%
Am going to open an account	9%
We didn't want to	9%
Missed the application deadline	7%
Am quitting farming / retiring soon	5%
Not enough information about NISA	4%
Don't trust government	3%
Didn't want to have to deposit my own money to be eligible.	3%
Not eligible to apply.	3%
There is no advantage for me.	3%
Did not want to have a separate account just for NISA.	2%
Not farming as much / downsizing.	3%
Accountant applied for us.	2%
Didn't know that we applied.	2%
Don't understand how it works	1%

Why Farmers Say They Did Not Apply for NISA

The farmers who indicated they did not apply for NISA (32 farmers) were asked why they did not. These farmers gave many of the same reasons as those who did not open an account. Two out of ten said it was too much hassle to apply. Two out of ten said it was too complicated, not clear or too much work. Sixteen percent said the amount was too small, while 13% said they did not have the funds to deposit. Thirteen percent said their operation was too small.

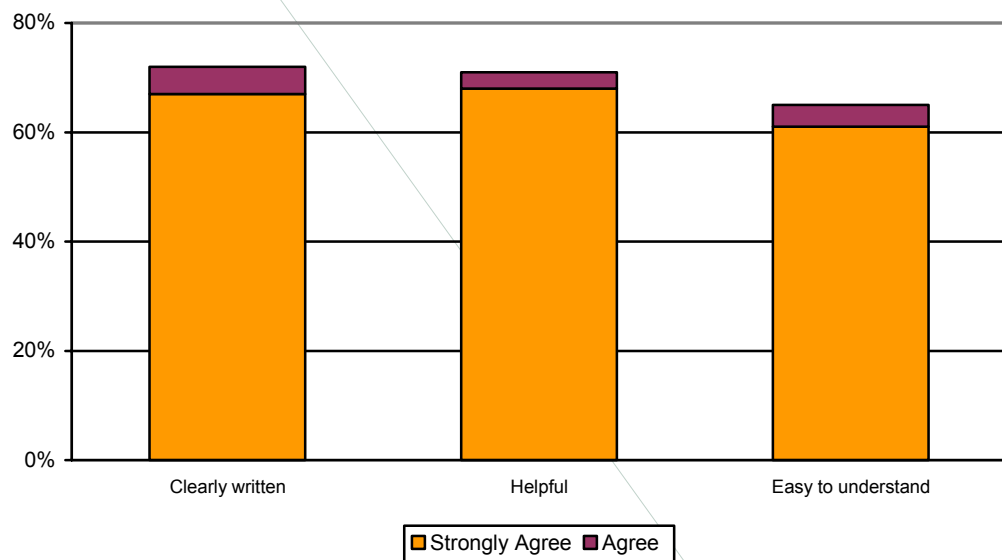
Information about the NISA Program

More than eight out of ten of the farmers surveyed (84%) recalled receiving information about the NISA program in the past year. The rest either said they did not receive information (13%) or did not recall (4%).

Of those who recalled receiving the information one in four said they read it, while more than half indicated that they just looked through it. Two out of ten did not look at the information at all.

Rating the Quality of the Information

More than seven out of ten who read or looked through the information said it was clearly written (74%) and helpful (71%). Two out of three (65%) thought the material was easy to understand.



Amount of Information

A majority of the farmers (56%) who were surveyed believe they were provided with the right amount of information about the NISA program. Two out of ten felt they were provided with too little information, while one in ten felt they received too much information. Fifteen percent said they weren't sure.

APPENDIX

Questionnaire with Top-line Results (N = 400)

INTERVIEWER: _ _ _ _

PHONE: (_ _ _) _ _ _ _ - _ _ _ _ _

ID # _ _ _ _ _

PROVINCE: _ _ _

Hello, may I please speak to **(FIRST NAME OF RESPONDENT)**? **IF RESPONDENT IS NOT AVAILABLE, ARRANGE A CONVENIENT TIME TO CALL BACK.**

IF THE NAME ON THE SAMPLE IS NOT THE PERSON RESPONSIBLE FOR BOOKEEPING AND FINANCIAL ASPECT OF THE FARM THEN ASK TO SPEAK TO PERSON WHO IS RESPONSIBLE.

Hello, my name is _____ and I'm calling from Viewpoints Research, on behalf of Agriculture and Agri-Food Canada's Net Income Stabilization Account program or NISA. We are conducting a very brief survey to find out why some producers apply for NISA but do not open an account at a Bank or Credit Union and miss out on benefits.

I'd like to assure you that your responses to the questions on this brief survey would be confidential and combined with those of others and no one's answers will be singled out, nor will any record of your individual responses be retained. Your participation would be voluntary and will not affect your eligibility or benefits from this program.

Q1 How familiar are you with Agriculture and Agri-Food Canada's Net Income Stabilization Account, also known as NISA? Would you say you are.....**READ LIST**

Very familiar	5.8%
Somewhat familiar	42.3%
Not very familiar.....	39.3%
or not at all familiar with NISA.....	12.8%

DO NOT READ

Don't know / Refused	0.0%
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Q2 Our records indicate that you applied for the NISA program. Did you.....**READ LIST**

Compete and file the NISA application yourself	...	9.0%
Did your accountant prepare and file it for you	71.5%
Or did someone else prepare and file it for you	6.3%

DO NOT READ

Did not apply for NISA.....	8.0%
Other	1.0%
Don't know / Refused	4.3%

GO TO Q5

Q3 As you may be aware, in order to receive NISA funding you must open a separate NISA account at a financial institution. Our records indicate that you didn't open a bank account. Can you please tell me why you did not? **DO NOT READ PROBE** (n=368)

Did not want to have a separate account just for NISA.....	0.8%
Did not understand that I had to open a NISA account.....	10.6%
The amount I was eligible for was too small/wasn't worth it...	16.3%
Did not have the funds to deposit	21.5%
Didn't want to have to deposit my own money to be eligible	1.4%
Don't trust government	1.1%
Too much hassle	4.3%
Am going to open an account	5.2%
Am quitting farming / am retiring soon	2.4%
Other (specify below)	31.3%
Don't know / Refused	5.2%

Q4 Are there any other reasons why you did not open an account? **DO NOT READ CIRCLE ALL MENTIONS** (n=368)

Did not want to have a separate account just for NISA.....	1.1%
Did not understand that I had to open a NISA account.....	3.3%
The amount I was eligible for was too small / wasn't worth it.....	4.3%
Did not have the funds to deposit.....	5.2%
Didn't want to have to deposit my own money to be eligible.	1.6%
Don't trust government	1.6%
Too much hassle.....	5.4%
Am going to open an account.....	3.3%
Am quitting farming / am retiring soon.....	2.2%
Other (specify below)	12.2%
Don't know / Refused	65.2%

GOTO Q6

Q5 Why did you not apply for NISA? **DO NOT READ.**
CIRCLE ALL MENTIONS. (n=32)

Did not want to have a separate account just for NISA...	3.1%
Did not understand that I had to open a NISA account...	3.1%
The amount I was eligible for was too small / wasn't worth it	15.6%
Did not have the funds to deposit	12.5%
Didn't want to have to deposit my own money to be eligible	0.0%
Don't trust government	0.0%
Too much hassle	21.9%
Am going to apply	6.3%
Am quitting farming / am retiring soon	0.0%
Other (specify below)	46.9%
Don't know / Refused	6.3%

Q6 Do you recall receiving information about the NISA program from NISA or AG Canada in the past year?

Yes	83.5%	
No	12.5%	GO TO Q12
Don't know / Refused	4.0%	GO TO Q12

Q7 Please tell me whether you read the information, just looked through it, or did not look at it at all? (n=334)

Read it	24.3%	
Looked through it	55.4%	
Did not look at it at all	20.1%	GO TO Q12
Don't know / Refused	0.3%	GO TO Q12

Please tell me whether you strongly agree, agree, disagree, or strongly disagree that the information you received was.....**READ AND ROTATE** (n=266)

		STR AGREE	AGREE	DIS- AGREE	STR DIS- AGREE	DK/REF
Q8	Clearly written	4.5%	68.8%	14.7%	2.6%	9.4%
Q9	Easy to understand	4.1%	61.3%	22.2%	4.5%	7.9%
Q10	Helpful	3.0%	68.4%	18.0%	3.0%	7.5%

Q11 Generally, do you believe the material you received provided you with too much, too little or the right amount of information about the NISA program? (n=266)

Too much	10.2%
Too little	19.2%
Right amount	56.0%

Q12 May I just confirm that your phone number is **(READ NUMBER DIALED)**

(___ ___ ___) ___ ___ ___ - ___ ___ ___ ___

I'd like to thank-you for taking the time to participate in this survey and to advise you that my supervisor may be calling you later to verify your participation.

Notes



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