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# *Canadian attitudes toward government intervention policies in the biofuel market*

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**(In collaboration with Drs Danny Leroy and Bruno Larue)**

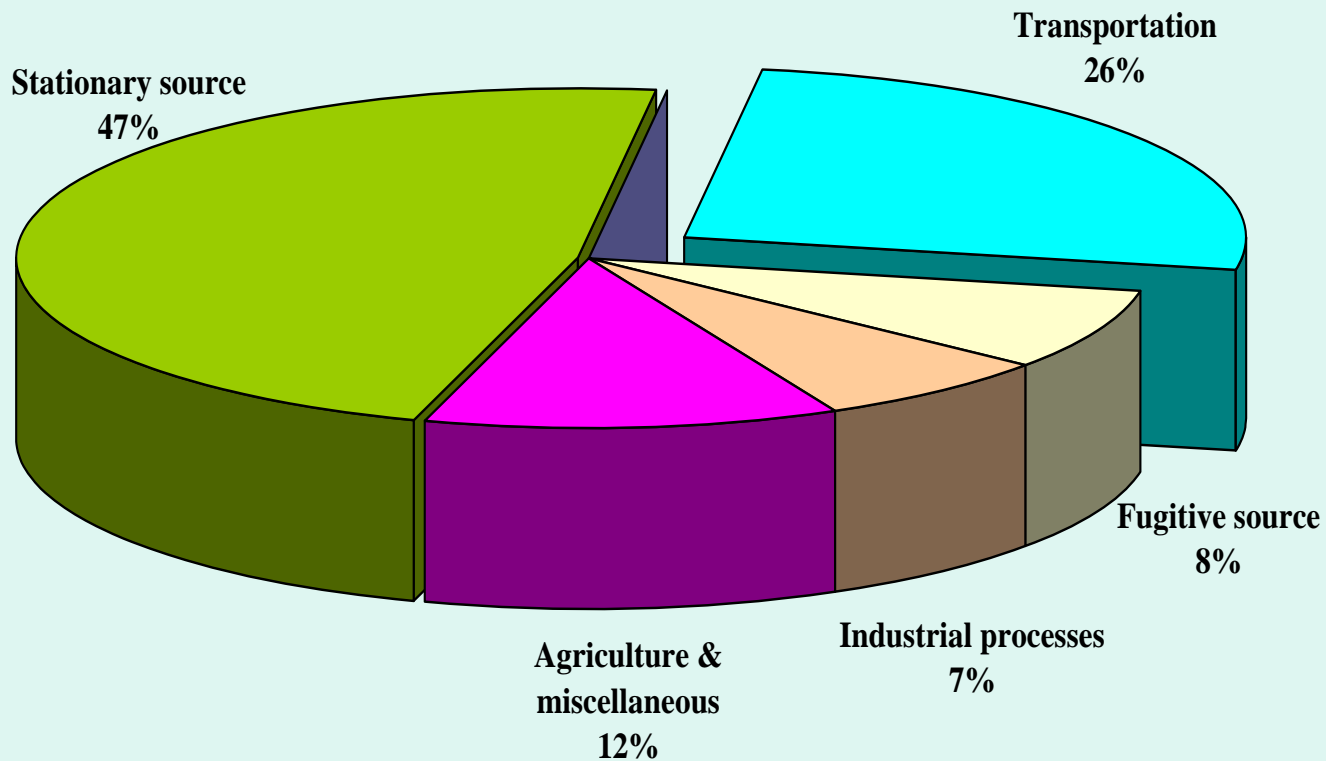
**Center for Research in Economics of Agri-Food (CREA)  
Faculté des sciences de l'agriculture et de l'alimentation  
Université Laval, Québec, QC**

**Funding from *BIOCAP Canada***

**Agricultural Institute of Canada Conference  
Edmonton, Alberta November 2007**

# *The Kyoto Protocol requires Canada to reduce GHG emissions.*

**Total GHG Emissions by Sector, 2002**



# *Is ethanol part of the solution?*



**Consumer Reports**  
CANADA

OCTOBER 2006 EXPERT • INDEPENDENT • NONPROFIT [www.ConsumerReports.org](http://www.ConsumerReports.org)

**FANTASY SPORTS**

- Chevrolet Corvette Z06
- Jaguar XK
- Mercedes-Benz SL550
- Porsche 911 & 5 more

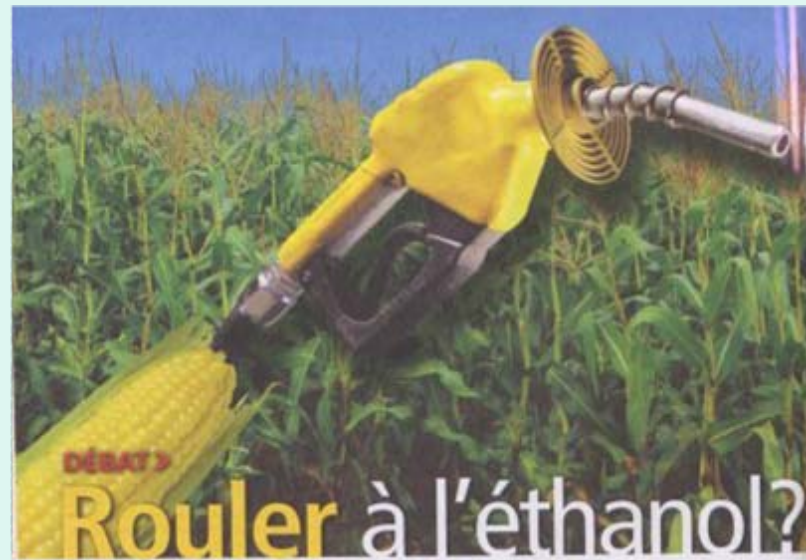
Canadian information in 4-page insert

**UNBIASED RATINGS**  
**321 PRODUCTS**

**Vacuums**  
61 tested, 2 to avoid.  
PLUS our new pet-hair test

**Safety alert**  
Benzene found in some

**SPECIAL REPORT**  
**THE ETHANOL MYTH**



*Protégez-vous, octobre 2006*

# General consensus, Canada should act, but how?



Mandates ?



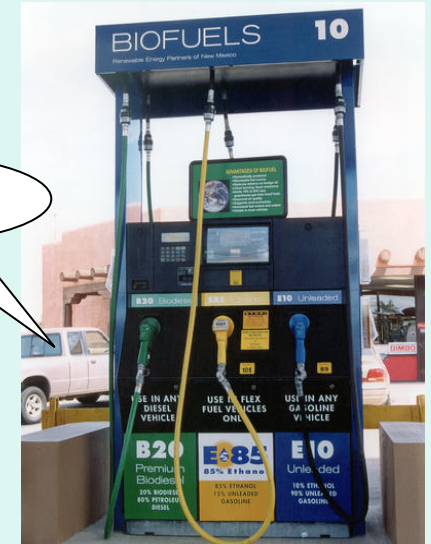
Subsidies ?

Inform ?



Taxes ?

Imports ?



*January 2006*

***Telephone survey***

***Canada-wide***

***1,002 respondents***



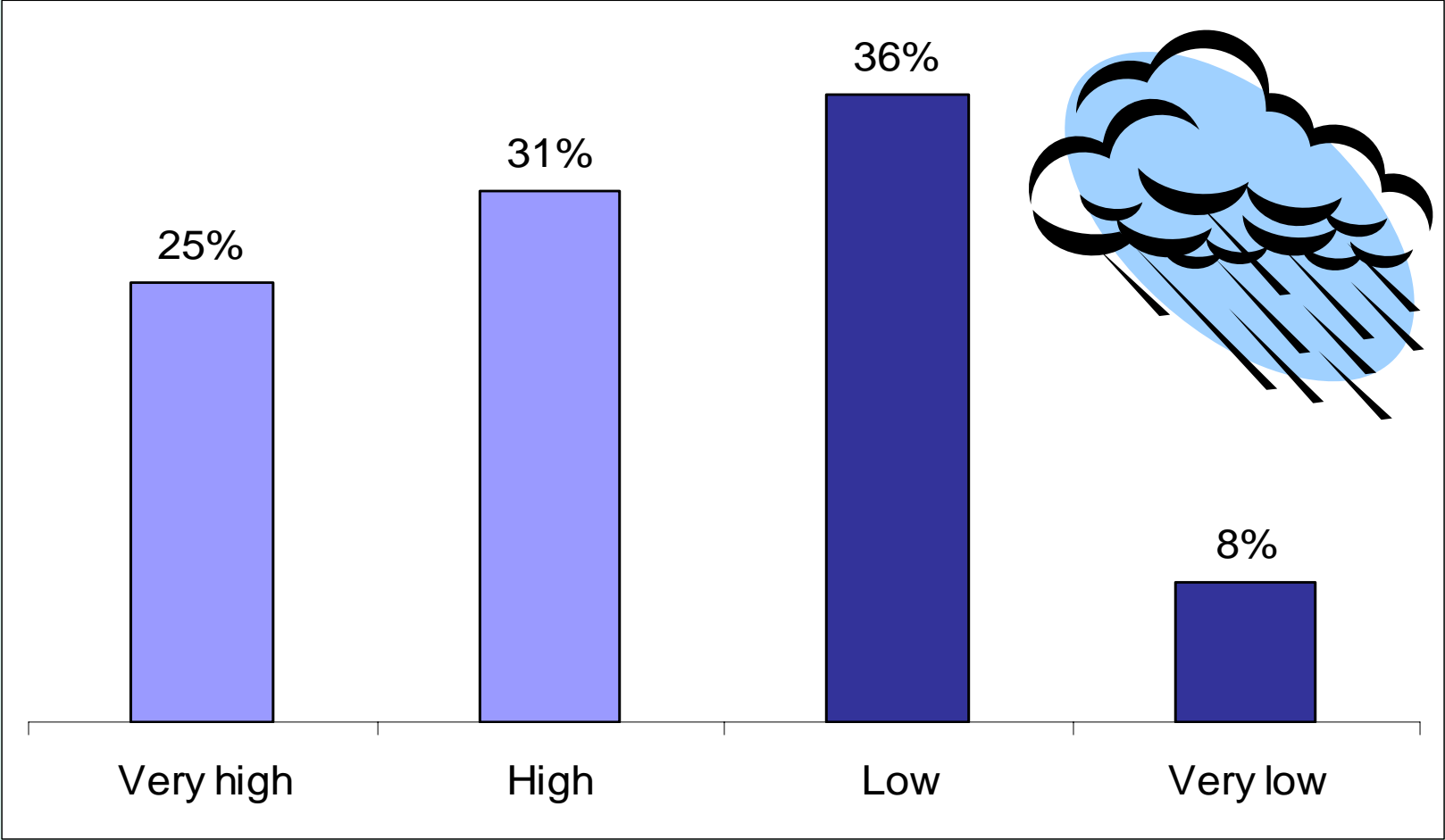
# *Respondents' transportation habits*

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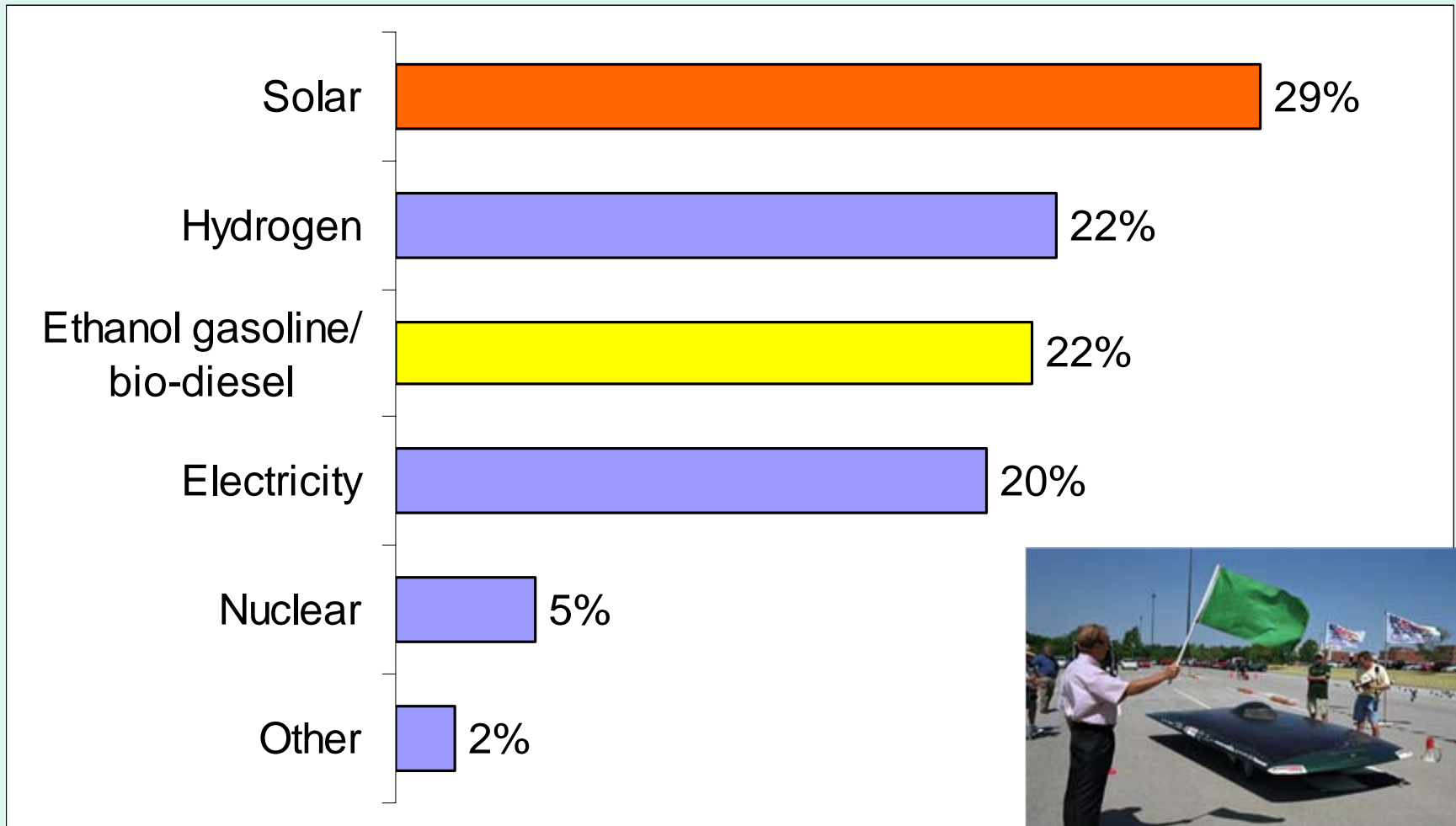
- **Own 1.7 vehicles on average**
- **Average travel**
  - 32 km on a typical weekday
  - 48 km during a typical weekend
- **Only 9% regularly « fill-up » with premium gasoline**
- **Spent on average \$42.00 per week on gas (\$168.00\$ per month)**



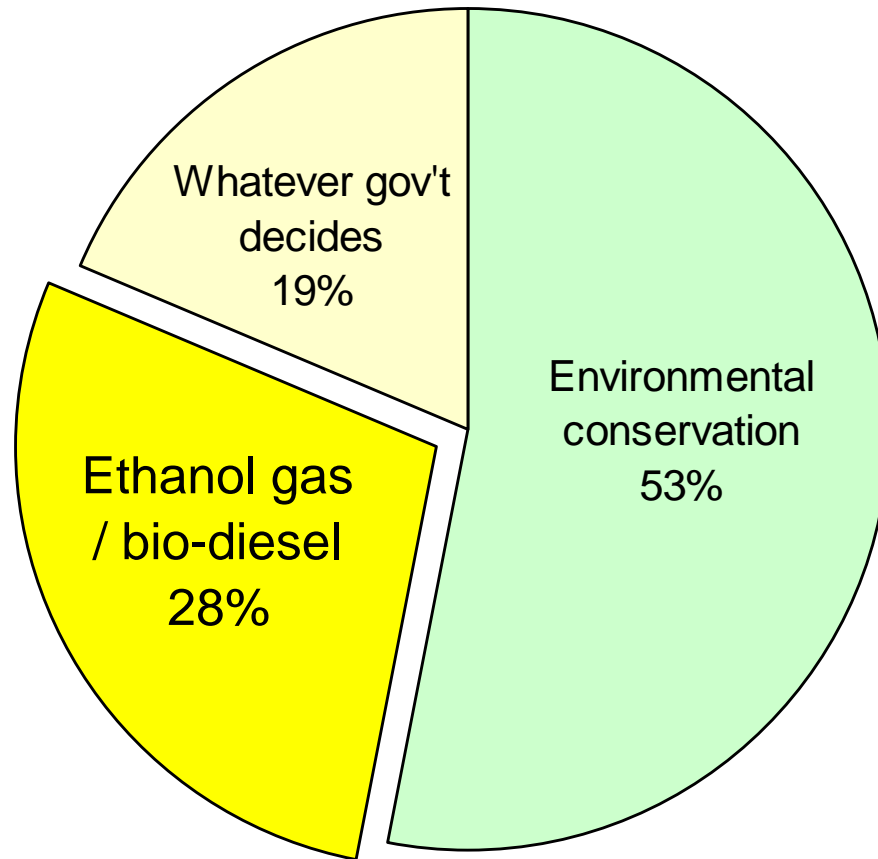
# *Self-evaluation of knowledge about ethanol-blended gasoline or biodiesel*



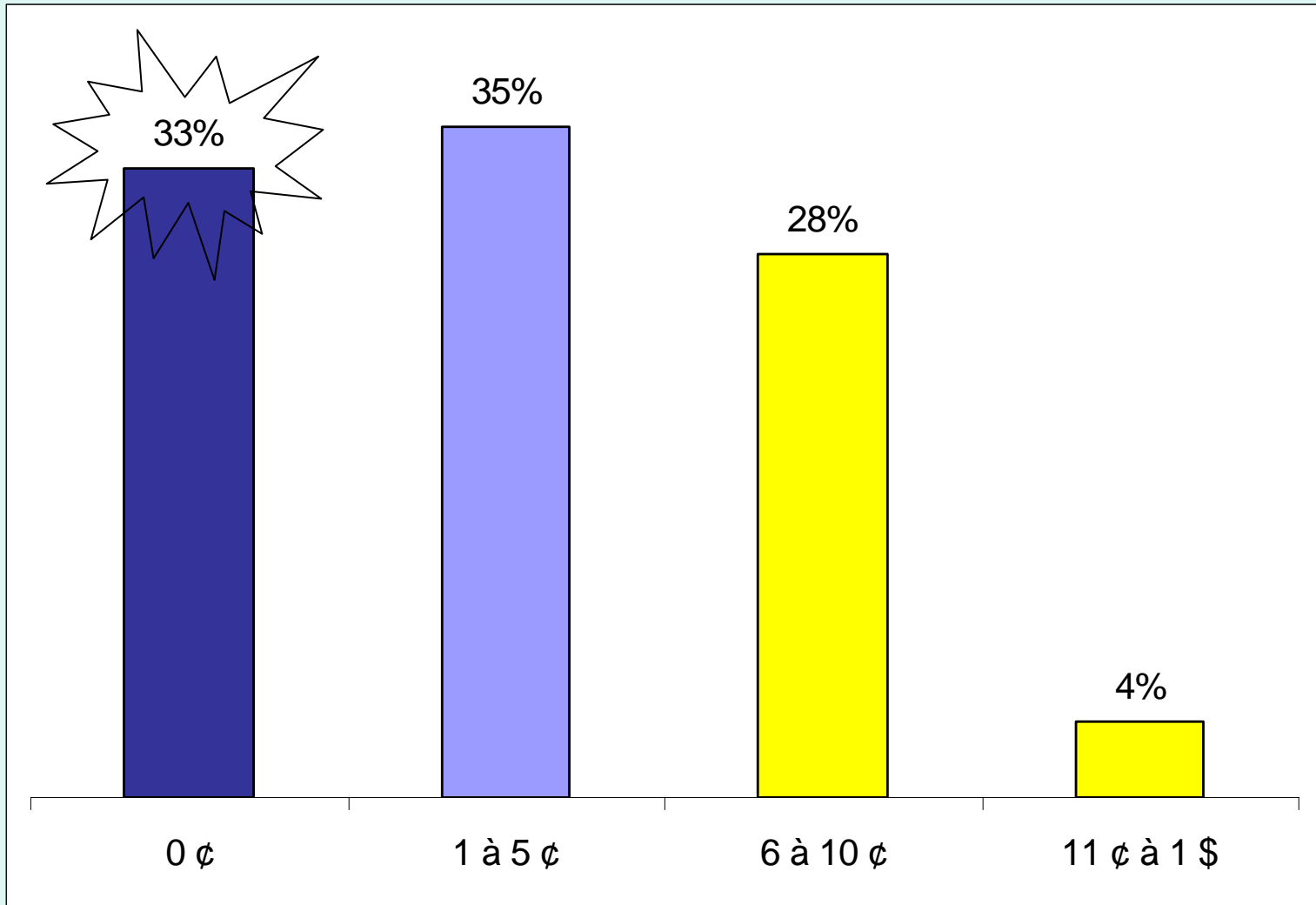
# *Most likely future source of transportation energy (according to respondents)*



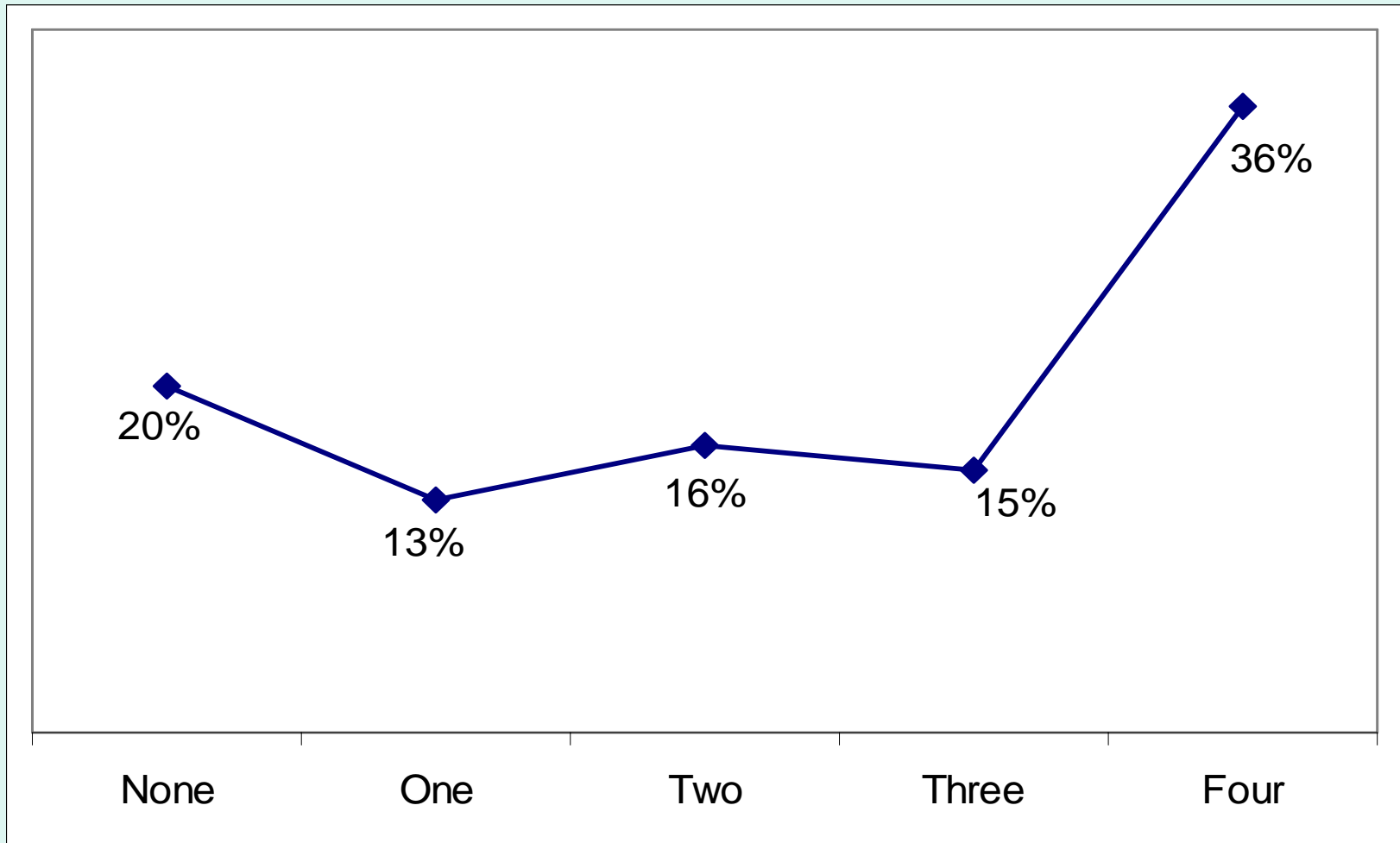
# *How to spend hypothetical « green taxes » on polluting transportation industries?*



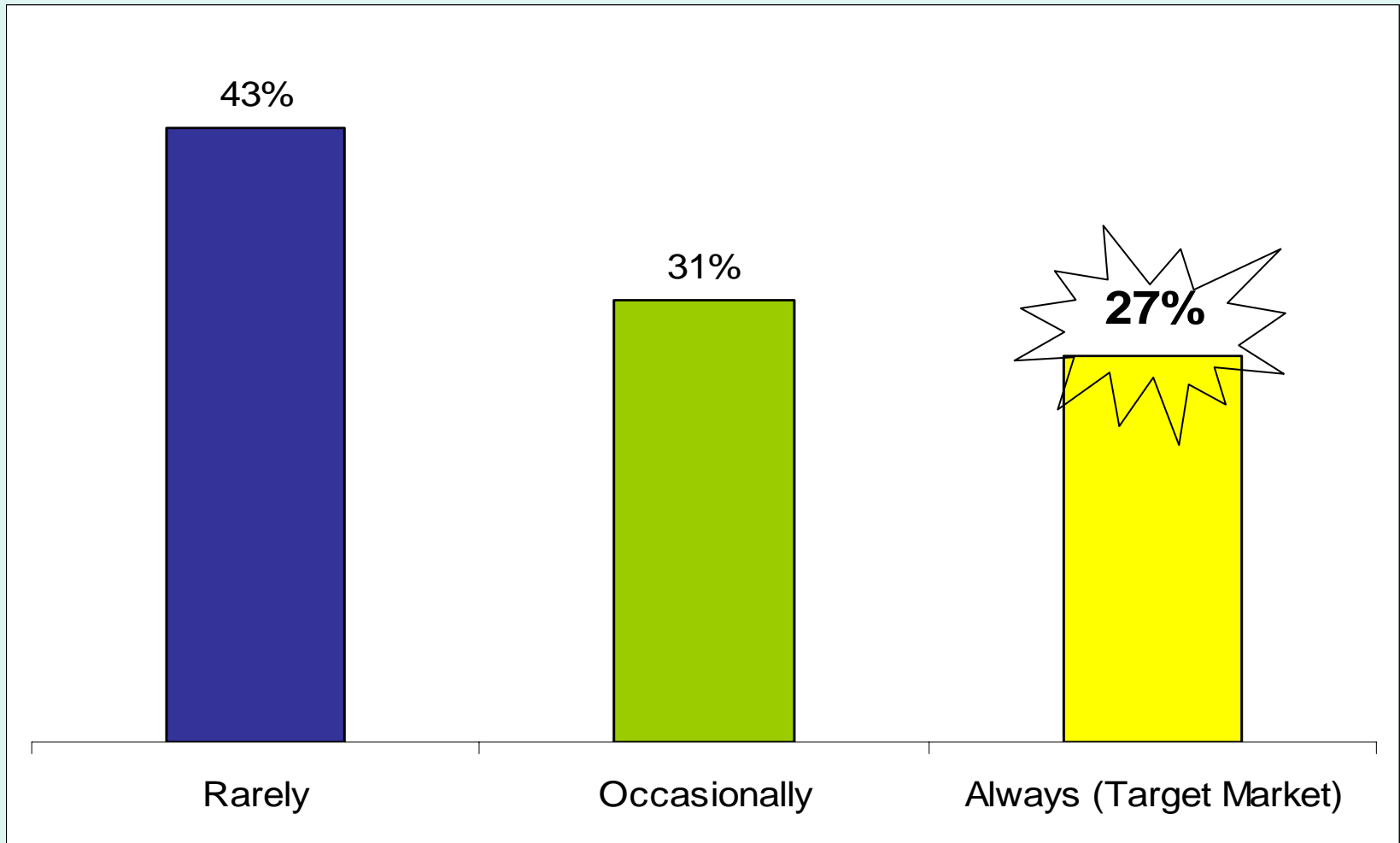
# *Amount respondents would be willing-to-pay for 10% ethanol-blended gasoline*



*Number of times across 4 hypothetical gas fill-ups would continue to purchase 10% ethanol blend.*



*Would, in the future, continue to purchase  
10% ethanol-blended gasoline.*



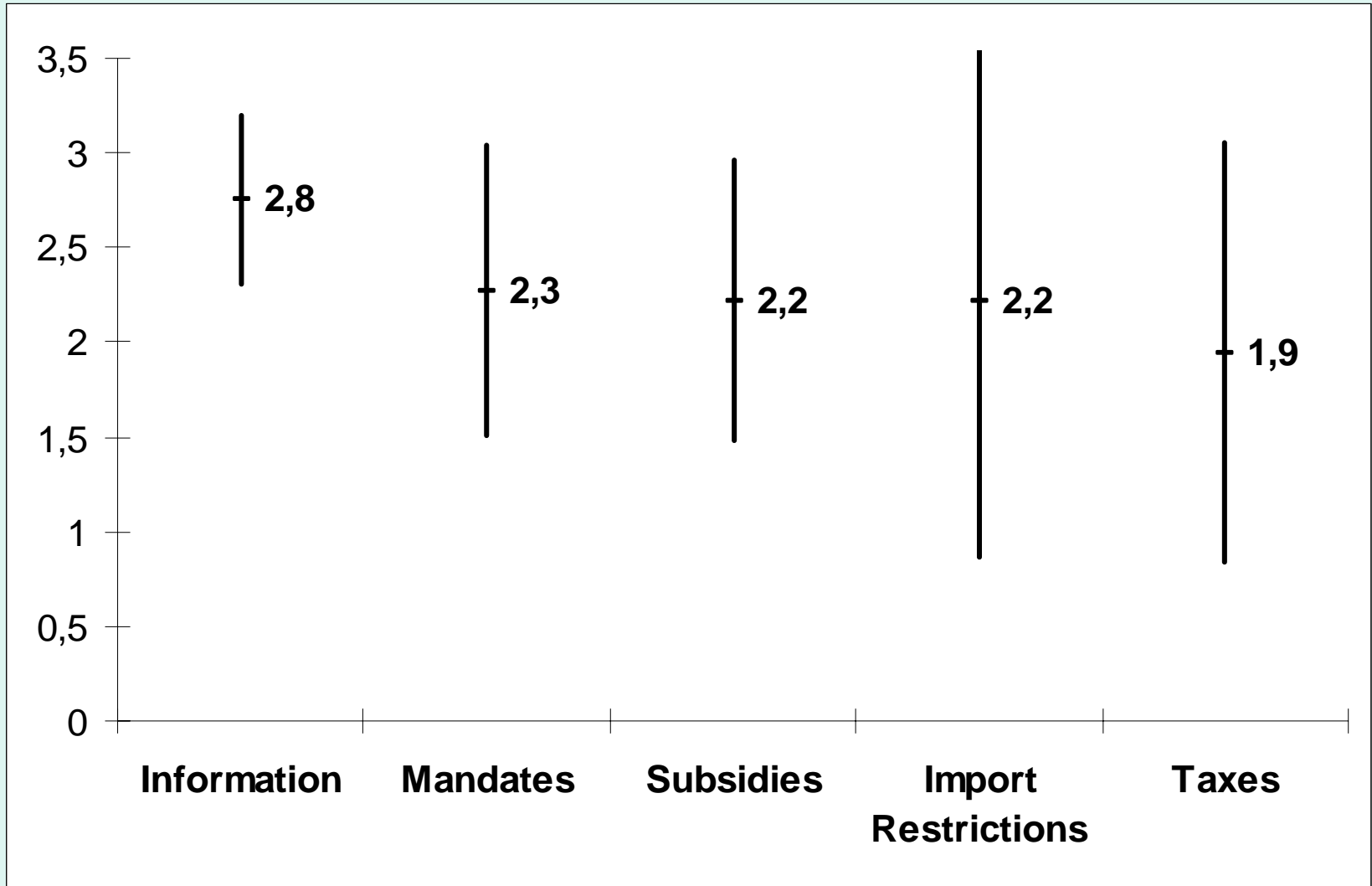
# Support for various ethanol policies

	Totally agree	Totally disagree
<b>Information (3 questions)</b>		
Public schools should teach students how to personally contribute to reducing environ. Problems.	85,7	12,4
Gov't should provide public information about environment-friendly products.	80,5	16,1
Gov't should offer more public awareness campaigns on how to access envir.-friendly products.	73,4	22,8
<b>Mandates (2 questions)</b>		
All public and gov't transportation fleets in Canada should be mandated to use ethanol-blends.	56,1	32,6
Government should mandate that all gasoline in Canada be ethanol-blended.	42,4	39,9

## *Support (continued)*

	Totally agree	Totally disagree
<b>Subsidies (3 questions)</b>		
Gov. should subsidize the price of ethanol-blended gasoline at the pump to make the price equal.	58,6	26,6
Canadian farmers should receive financial subsidies to produce crops for use in ethanol.	45,5	39,0
Canadian ethanol and bio-diesel producers should receive gov't financing to help build their plants.	34,7	46,2
<b>Import / export (2 questions)</b>		
If ethanol and bio-diesel can be produced in Canada, imports should be restricted.	42,9	33,0
Canadian ethanol producers should import corn from the U.S. to produce their ethanol.	6,6	26,4
<b>Tax (1 question)</b>		
To support the development of ethanol-blended gasoline, would you be willing to pay 1% higher sales tax?	67,7 (Yes)	

# *Mean support for policy interventions in the Canadian ethanol industry.*



# Profile of supporters of different policy interventions

	<i>Info.</i>	<i>Mand.</i>	<i>Subs.</i>	<i>No imprt</i>	<i>Tax.</i>
<b>Knowledge and Attitudes</b>					
<i>Self-rated knwldg ethanol/GHG</i>		+			
<i>Worried about environ./GHG</i>	+	+	+	+	
<i>Helpless vis-à-vis environ. prblms</i>					
<i>Willing to sacrifice for environ.</i>					+
<b>Behaviours</b>					
<i>Green consumption bhvrs</i>	+	+			+
<i>Have boycotted for environ. issues</i>	+	+	+		+
<i>Have donated \$\$ to environ. group</i>					+
<i>Number of vehicles owned</i>	-	-		-	-

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<i>Info.</i>	<i>Mand.</i>	<i>Subv.</i>	<i>No imprt</i>	<i>Tax.</i>
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## **Socio-demographics**

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*Age*

+

+

+

*Female*

+

+

+

+

+

*Education*

*Educ. \* Revenue*

+

+

+

*Employed transport industry*

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*Employed grain industry*

--

*Atlantic Provinces*

*Québec*

--

+

+

*Prairie Provinces*

+

*British-Columbia*

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# Conclusions

1. *Relatively weak self-rated knowledge of ethanol gasoline & biodiesel.*
2. *Believe more in the future of solar transport energy.*
3. *Not very enthusiastic about regularly purchasing ethanol gasoline for their vehicles.*
4. *Favour information, mandates & subsidies to support Canadian bioethanol industry (not taxes or import restrictions).*
5. *Profile of those most favourable to ethanol interventions:*
  1. Worried about the environment and GHG.
  2. Already active in the « green » environmental mouvement.
  3. Older people, women, richer/well educated, living in Québec!!

*Dream ...*



*Daily reality.*



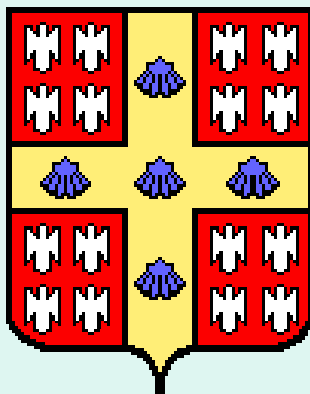
*Merci beaucoup.*



Merci à **BIOCAP** Canada.

Merci à **Danny Le Roy**,  
collaborator from  
Lethbridge University.

*Faculté de l'agriculture  
et de l'alimentation  
Université Laval*



Forget corn !!  
Think pumpkin !!