Understanding the diversity of drivers that influence decision-making at an operational scale

Terry Banack
Agricultural Producer
Round Hill, Alberta
Our Farm

- We farm in the Camrose area 50 miles southeast of Edmonton
- Banack Family farm was homesteaded in 1906
- Consolidated through marriage with the Kennedy Farm
- Today includes Humphrey & Terry, Willie & Sharla, Nick & Amanda
- Each of these generations bring a different view of the balance needed between natural diversity and farm productivity
- Today we are solely a grain farm but in the not distant past were a fully mixed operation
- We are planning to plant 9000 acres this year
- Our farm consists of wide mix of arable land and native areas
- We employ 1 full time employee and another 2 seasonal employees
- My discussion today will focus on Humphrey & Terry’s acres
The land we own

• We own 10 quarter sections  1560 acres
• There are 7 acreages or yard sites  totalling  57 acres
• Annual Crops  1269 acres
• Hayland  49 acres
• Native Pasture  80 acres
• Natural areas  105 acres
The land we rent

• We rent 15 quarter sections 2400 acres
• There are 5 acreages or yard sites totalling 35 acres
• Annual Crops 1823 acres
• Hayland 125 acres
• Native Pasture 365 acres
• Natural areas 52 acres
Natural Area costs to our farm Ownership

- Costs based on 105 acres of owned natural area
- Purchase cost approximately $2000 per acre
- Interest cost at 3% $ 60 per acre
- Taxes $  4   per acre
- $64  per acre
- Natural area annual ownership costs $ 6720
- These costs are not recognized or acknowledged
Hayduks
Natural Area costs to our farm
Operational costs

• On the Hayduk field – 107 acres

• This difference in overlap is 11%

• Our input costs per acre are $125 per acre
  • Inputs used on excess overlap $1470

• Machinery and operational time
  • Custom Farming $70 per acre @11% $ 825

Cost per acre - $21 per acre annually
Cost per field $2295
The duck Patch
Our farm is a business

- Strive to be both viable and sustainable to achieve long term success
- We need a balanced blend of the following to achieve sustainability
  1. Productive and healthy soils
  2. New technology both equipment and cropping innovations
  3. Being a good neighbor to both our rural and urban neighbors
  4. Meeting customer demands
  5. Stable governments to provide us access to a world market
  6. Profitable – we cannot do this as a hobby
Viterra's Sustainability Program
• World population is expected to grow by over a third, or 2.3 billion people, between 2009 and 2050.
• The projections show that feeding a world population of 9.1 billion people in 2050 would require raising overall food production by some 70 percent between 2005/07 and 2050.
• Only 5 per cent of Canada’s entire land base is suitable for growing food.
• Edmonton added 185,800 acres of built-up area from 1971 to 2011, giving it the fastest growth rate in the country: 220 per cent – this is only one city in Canada.
• Western Canada is expected to be one of 6 regions in the world in 2050 that will produce enough food to export to feed the balance of the world.
Kelsey North