

### Avocado – summary of indicators for base budget

<b>Crop</b>	<b>Avocado</b>
<b>PFR mapping type<sup>1</sup></b>	<b>Continuous</b>
<b>Location</b>	<b>Bay of Plenty</b>
<b>Analysis type</b>	<b>Whole farm</b>
<b>Average Well Suited Yield (TCE/ha)<sup>2</sup></b>	12
<b>Revenue (\$/ha)</b>	\$41,000
<b>Variable expenses (\$/ha)</b>	\$5,000
<b>Fixed Expenses )\$/ha)</b>	\$25,000
<b>Operating profit (\$/ha)</b>	\$12,000
<b>Capital employed in the land use (\$/ha)</b>	\$70,000
<b>On farm labour (FTE/10ha)</b>	2.6
<b>Total GDP (\$/ha)</b>	\$44,000
<b>Total Household Income (HHI)</b>	\$23,000
<b>Total employment (FTE/10ha)</b>	4.0
<b>Time to commercial yield (years)</b>	5 years (50%), 10 years 100%
<b>Specific skills required</b>	Horticultural management
<b>Critical infrastructure requirements</b>	Packhouse, transport
<b>Market (Export/Domestic)</b>	Domestic/Australia
<b>Marketing structures</b>	Moderately developed
<b>Uncertainty in data</b>	Moderate – some industry data, limited growing cost information
<b>Entrepreneurship required</b>	Low-moderate
<b>Source</b>	Industry data, ANZ 2018

**Notes:**

- Data from industry sources (2022), ANZ (2018)<sup>3</sup>.
- Yield data 5 year average 2019/20 to 2021/22 reported regional export volumes, adjusted for national export/domestic shares and scaled to account for differences between the sum of regional data and national data<sup>4</sup>.

<sup>1</sup> Refers to the Plant and Food estimates of suitability and yield. Fruit crops generally vary continuously from 0 – 1 suitability, while the arable crops are categorical in 4 classes.

<sup>2</sup> Export adjusted for additional revenue from domestic sales

<sup>3</sup> ANZ, 2018. Holy Guacamole Report 2018. [ANZ Holy Guacamole report 2018 - New Zealand Avocado \(nzavocado.co.nz\)](https://nzavocado.co.nz)

<sup>4</sup> NZ Avocado Grower Association, 2022. Annual Report. New Zealand Avocado Growers Assn Inc. <https://industry.nzavocado.co.nz/download/nz-avocado-annual-report->

- Total GDP, HHI and employment reported for the Bay of Plenty region.
- National orchard gate return used.
- Expenses reported here for the Bay of Plenty region. All expenses adjusted from 2018 using the Producer Price Index and Labour Costs Index (Stats NZ) to the 2023 year.

### **Avocado – regional variation in key indicators**

<b>Location</b>	<b>Far North</b>	<b>Mid North</b>	<b>Bay of Plenty</b>	<b>Rest Of NZ</b>
<b>Average Well Suited Production (t/ha)</b>	9.4	9.2	12.4	4.7
<b>Revenue (\$/ha)</b>	\$31,388	\$30,903	\$41,478	\$15,682
<b>Variable expenses (\$/ha)</b>	\$3,680	\$3,623	\$4,862	\$1,838
<b>Fixed Expenses )\$/ha)</b>	\$24,527	\$24,527	\$24,527	\$24,527
<b>Operating profit (\$/ha)</b>	\$3,181	\$2,753	\$12,088	-\$10,684