

Apples – summary of indicators for base budget

Crop	Apples	Apples
PFR mapping type¹	Continuous	Continuous
Location	Hawke's Bay	Nelson
Analysis type	Whole orchard	Whole orchard
Export trays/ha	2640	2670
Revenue (including domestic) (\$/ha)	\$101,000	\$92,000
Variable expenses (\$/ha)	\$49,000	\$46,000
Fixed Expenses (\$/ha)	\$33,000	\$33,000
Operating profit (\$/ha)	\$19,000	\$12,000
Capital employed in the land use (\$/ha)	\$100,000 - 200,000	\$100,000 - 200,000
On farm labour (FTE/10ha)	8.6	8.0
Total GDP (\$/ha)	\$109,000	\$79,000
Total Household Income (HHI \$/ha)	\$68,000	\$54,000
Total employment (FTE/10ha)	12.2	10.1
Time to commercial yield (years)	1 – 2 for initial yield, 5 – 6 for near full yield)	1 – 2 for initial yield, 5 – 6 for near full yield)
Specific skills required	Horticultural management	
Critical infrastructure and other requirements	Packhouses, coolstore, port access, shipping, truck/train to market (if domestic destination). 120ha needed to support packhouse and coolstore. Licences require for some varieties, which may cost up to \$100,000/ha	
Primary Market (Export/Domestic)	Export	
Volatility of returns	Moderate	
Marketing structures	Developed	
Reliability of data	Low - Moderate -consultant generated estimates	
Entrepreneurship required	Low-Moderate.	
Source	Agribusiness Group for budget, Tupu NZ for development costs	

Notes:

- Data from Agribusiness Group, 2023.
- The average of Plant and Food Research (PFR) yield for the top 10% of locations was used as a ratio of the industry data yield estimate to scale the PFR yield in each location. This adjusted yield was used to estimated revenue, variable expenses and variable labour requirements for each location. From these the total revenue, expenses, operating profit

¹ 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.

and on farm labour costs were calculated. FTE per 10 ha was calculated using a standard cost of \$52,345/FTE.

- Production is export trays/ha.
- Note that PFR production estimates do not include quality parameters, nor all pest and disease impacts on apple production.

Fitness for Purpose

	Type of question or decision			
Scale	Operational	Absolute	Relative	Screening/ scoping
Block/farm	No	No	No	Yes
Multi-farms (5+)	No	No	No	Yes
Catchment	No	No	Maybe	Yes
National/regional	No	No	Maybe	Yes
Caveats	<i>Data based on consultant generated budget estimates.</i>			

Type of question or decision	Characteristic question
Operational	What you can do with this?
Absolute	How big/significant/bad/much etc is this?
Relative	Is this better/smaller/more etc than that?
Screening (or scoping)	Is this interesting/worth considering further?