

PIPFruit

THIS REPORT CONTAINS THE KEY RESULTS FROM THE MINISTRY OF AGRICULTURE AND FORESTRY'S 2008 PIPFRUIT MONITORING PROGRAMME. THE FULL HORTICULTURE AND ARABLE MONITORING REPORT 2008 WILL BE AVAILABLE IN SEPTEMBER 2008.

KEY POINTS

- › Favourable climatic conditions led to increased yields of pipfruit in the Hawkes Bay and Nelson regions in 2007. However, poor market returns for Braeburn and a strong New Zealand dollar constrained revenue, delivering a modest profit for the Hawkes Bay orchard and a return to a loss situation for the Nelson orchard.
- › The 2008 growing season was characterised by two severe frost events in Hawkes Bay, reducing gross yield in the model orchard by 15 percent. Export yield for Braeburn, the variety most affected, is down by 40 percent. The Nelson region escaped any significant frost damage with good export recovery rates.
- › A reduced export crop from New Zealand and other Southern Hemisphere countries in 2008 is prompting good market demand. Growers are confident of an improvement in market prices, forecasting an average return of \$22.40 or above per export carton – higher than at any time in the past 6 years.
- › Orchard profitability continues to be challenged by rising input costs. Increased costs of fuel, electricity and labour are having a significant direct impact but also indirectly through post harvest charges.
- › The Nelson orchard forecasts a significant improvement in profitability for 2008, providing funds for ongoing development and debt reduction. Forecast profit levels for the Hawkes Bay orchard are similar to 2006, limiting the scale of redevelopment into new varieties and intensive plantings without incurring significant new debt.

▶▶▶ TABLE 1: KEY PARAMETERS, FINANCIAL RESULTS AND FORECASTS FOR THE PIPFRUIT MODELS

YEAR ENDED 31 DECEMBER	2004	2005	2006	2007	2008 FORECAST
HAWKES BAY MODEL					
Area available for pipfruit (ha)	21.3	21.3	28	28	28
Planted area (ha)	17	17	22	22	22
Total TCE ¹	53 636	50 373	57 401	63 279	53 667
Export TCE	38 045	32 804	38 039	43 671	36 930
Weighted average return (\$/export TCE) ²	17.12	15.05	20.72	19.63	22.42
Net cash income (\$)	688 505	542 926	849 910	918 069	891 914
Orchard working expenses (\$)	680 481	593 697	690 448	791 706	725 326
Orchard profit before tax (\$)	-52 002	-124 721	75 400	32 841	72 780
Orchard surplus for reinvestment (\$) ³	-100 425	-143 268	42 092	-5 647	26 832
NELSON MODEL					
Area available for pipfruit (ha)	26	28	28	29	29
Planted area (ha)	19.3	26	26	27	27
Total TCE	60 688	84 955	82 089	91 494	88 159
Export TCE	47 388	64 413	60 151	64 937	64 134
Weighted average return (\$/export TCE)	15.71	13.09	19.62	18.89	22.64
Net cash income (\$)	783 939	915 281	1 301 145	1 304 999	1 516 122
Orchard working expenses (\$)	778 805	1 025 213	1 116 678	1 227 533	1 175 193
Orchard profit before tax (\$)	-67 260	-242 559	2 961	-48 813	208 818
Orchard surplus for reinvestment (\$)	-97 202	-208 197	17 599	-77 244	181 332

Notes

1 Tray carton equivalent is a measure of apple and pear weight. A TCE is defined as 18.6 kg packed weight which equates to 18.0 kg sale weight.

2 Returns per export TCE are expressed at free alongside ship (FAS return). This is the value of the product at the ship's side net of commission, additional packaging costs and controlled atmosphere or SmartFresh™ costs.

3 Orchard surplus for reinvestment represents cash available from the orchard business, after meeting living costs, which is available for investment on the orchard or for principal repayments. It is calculated as discretionary cash less off-orchard income and drawings.

Caution should be taken in comparing figures between years due to differences in planted areas.





»»» TABLE 2: HAWKES BAY PIPFRUIT ORCHARD BUDGET

	2007				2008 FORECAST			
	WHOLE ORCHARD (\$)	PER PLANTED HA (\$)	PER TCE ¹ GROSS (\$)	PER TCE EXPORT (\$)	WHOLE ORCHARD (\$)	PER PLANTED HA (\$)	PER TCE GROSS (\$)	PER TCE EXPORT (\$)
REVENUE								
Pipfruit income	903 549	41 070	14.28	20.69	877 394	39 882	16.35	23.76
Other orchard income	14 520	660	0.23	0.33	14 520	660	0.27	0.39
Net cash income	918 069	41 730	14.51	21.02	891 914	40 542	16.62	24.15
Orchard working expenses	791 706	35 987	12.51	18.13	725 326	32 969	13.52	19.64
Cash operating surplus	126 363	5 744	2.00	2.89	166 588	7 572	3.10	4.51
Interest	50 072	2 276	0.79	1.15	51 018	2 319	0.95	1.38
Rent and/or leases	20 438	929	0.32	0.47	20 438	929	0.38	0.55
Depreciation	23 012	1 046	0.36	0.53	22 352	1 016	0.42	0.61
Orchard profit before tax	32 841	1 493	0.52	0.75	72 780	3 308	1.36	1.97
Tax	8 700	395	0.14	0.20	14 400	655	0.27	0.39
Orchard profit after tax	24 141	1 097	0.38	0.55	58 380	2 654	1.09	1.58
Add back depreciation	23 012	1 046	0.36	0.53	22 352	1 016	0.42	0.61
Off-orchard cash income	22 704	1 032	0.36	0.52	23 056	1 048	0.43	0.62
Discretionary cash	69 857	3 175	1.10	1.60	103 788	4 718	1.93	2.81
APPLIED TO:								
Net capital purchases	18 370	835	0.29	0.42	26 246	1 193	0.49	0.71
Development	26 070	1 185	0.41	0.60	19 800	900	0.37	0.54
Drawings	52 800	2 400	0.83	1.21	53 900	2 450	1.00	1.46
Principal repayments	0	0	0.00	0.00	0	0	0.00	0.00
New borrowings	20 000	909	0.32	0.46	0	0	0.00	0.00
Introduced funds	0	0	0.00	0.00	0	0	0.00	0.00
Cash surplus/deficit	-7 383	-336	-0.12	-0.17	3 842	175	0.07	0.10
Orchard surplus for reinvestment²	-5 647	-257	-0.09	-0.13	26 832	1 220	0.50	0.73
ASSETS AND LIABILITIES								
Land and building (opening)	1 600 000	72 727	25.28	36.64	1 600 000	72 727	29.81	43.33
Plant and machinery (opening)	105 600	4 800	1.67	2.42	98 450	4 475	1.83	2.67
Orchard related investments (opening)	0	0	0.00	0.00	0	0	0.00	0.00
Total orchard assets (opening)	1 705 600	77 527	26.95	39.06	1 698 450	77 202	31.65	45.99
Total orchard liabilities (opening)	525 000	23 864	8.30	12.02	545 000	24 773	10.16	14.76
Total equity	1 180 600	53 664	18.66	27.03	1 153 450	52 430	21.49	31.23

Notes

1 Tray carton equivalent.

2 Orchard surplus for reinvestment is calculated as follows: discretionary cash less off-orchard income and drawings.



»» TABLE 3: HAWKES BAY PIPFRUIT ORCHARD EXPENDITURE

	2007				2008 FORECAST			
	WHOLE ORCHARD (\$)	PER PLANTED HA (\$)	PER TCE ¹ GROSS (\$)	PER TCE EXPORT (\$)	WHOLE ORCHARD (\$)	PER PLANTED HA (\$)	PER TCE GROSS (\$)	PER TCE EXPORT (\$)
ORCHARD WORKING EXPENSES								
Hand harvesting	121 496	5 523	1.92	2.78	109 480	4 976	2.04	2.96
Pruning	31 944	1 452	0.50	0.73	31 438	1 429	0.59	0.85
Thinning	41 470	1 885	0.66	0.95	35 992	1 636	0.67	0.97
Other wages	35 904	1 632	0.57	0.82	32 670	1 485	0.61	0.88
ACC – employees	2 310	105	0.04	0.05	2 618	119	0.05	0.07
Total labour expenses	233 124	10 597	3.68	5.34	212 198	9 645	3.95	5.75
Packing	151 539	6 888	2.39	3.47	139 965	6 362	2.61	3.79
Packaging	151 975	6 908	2.40	3.48	129 994	5 909	2.42	3.52
Cool storage	78 608	3 573	1.24	1.80	70 906	3 223	1.32	1.92
Freight	12 023	547	0.19	0.28	11 270	512	0.21	0.31
Total post harvest expenses	394 145	17 916	6.23	9.03	352 135	16 006	6.56	9.54
Weed and pest control	55 682	2 531	0.88	1.28	53 746	2 443	1.00	1.46
Pollination	1 078	49	0.02	0.02	1 122	51	0.02	0.03
Fertiliser and lime	4 114	187	0.07	0.09	3 212	146	0.06	0.09
Electricity	4 466	203	0.07	0.10	4 884	222	0.09	0.13
Vehicle	8 404	382	0.13	0.19	8 712	396	0.16	0.24
Fuel	13 222	601	0.21	0.30	14 630	665	0.27	0.40
Repairs and maintenance	19 756	898	0.31	0.45	17 952	816	0.33	0.49
General	6 930	315	0.11	0.16	7 106	323	0.13	0.19
Frost protection	1 584	72	0.03	0.04	902	41	0.02	0.02
Contract machine work	1 496	68	0.02	0.03	1 562	71	0.03	0.04
Total other working expenses	116 732	5 306	1.84	2.67	113 828	5 174	2.12	3.08
Rates	6 666	303	0.11	0.15	7 062	321	0.13	0.19
General insurance	3 740	170	0.06	0.09	3 806	173	0.07	0.10
Crop insurance	12 562	571	0.20	0.29	11 990	545	0.22	0.32
ACC – owners	2 068	94	0.03	0.05	2 024	92	0.04	0.05
Communication	3 586	163	0.06	0.08	3 498	159	0.07	0.09
Accounting	3 498	159	0.06	0.08	3 454	157	0.06	0.09
Legal and consultancy	2 574	117	0.04	0.06	3 718	169	0.07	0.10
Levies and subscriptions	10 481	476	0.17	0.24	8 863	403	0.17	0.24
Other administration	2 530	115	0.04	0.06	2 750	125	0.05	0.07
Total overhead expenses	47 705	2 168	0.75	1.09	47 165	2 144	0.88	1.28
Total orchard working expenses	791 706	35 987	12.51	18.13	725 326	32 969	13.52	19.64
Wages of management	48 056	2 184	0.76	1.10	47 985	2 181	0.89	1.30
Depreciation	23 012	1 046	0.36	0.53	22 352	1 016	0.42	0.61
Total orchard operating expenses	862 774	39 217	13.63	19.76	795 663	36 166	14.83	21.55
CALCULATED RATIOS								
Economic orchard surplus (EOS) ²	55 295	2 513	0.87	1.27	96 252	4 375	1.79	2.61
Orchard working expenses/NCI ³	86%				81%			
EOS/Total orchard assets	3.2%				5.7%			
EOS less interest and lease/equity	-1.3%				2.1%			
Interest + rent + lease/NCI	7.7%				8.0%			
EOS/NCI	6.0%				10.8%			

Notes

1 Tray carton equivalent.

2 EOS (earnings before interest and tax) is calculated as follows: net cash income less orchard working expenses less depreciation less wages of management (WOM). WOM is calculated as follows: \$31 000 allowance for labour input plus 1 percent of opening total orchard assets to a maximum of \$75 000.

3 Net cash income.

»» TABLE 4: HAWKES BAY PIPFRUIT PRODUCTION AND INCOME DETAILS FOR 2007

YEAR ENDED 31 DECEMBER	AREA (HA)	GROSS YIELD (TCE ¹)	EXPORT RECOVERY (%)	TOTAL EXPORT CARTONS	EXPORT RETURN (\$/TCE)	NON-EXPORT RETURN (\$/TCE)	REVENUE (\$)
VARIETY							
Braeburn	5.28	20 972	68	14 345	15.15	0.66	221 700
Fuji	3.08	7 891	68	5 356	26.81	0.82	145 683
Granny Smith	0.88	2 863	45	1 286	17.52	5.27	30 845
Jazz™	1.76	1 306	75	980	30.26	1.74	30 228
Pacific Beauty	0.66	1 187	70	833	21.30	1.96	18 435
Pacific Queen	0.66	2 007	68	1 360	22.89	7.84	36 200
Pacific Rose	1.76	4 979	33	1 632	21.24	6.30	55 745
Pink Lady	0.88	1 898	67	1 269	26.31	0.83	33 917
Royal Gala	7.04	20 177	82	16 609	19.71	0.96	330 796
Total/Average	22.00	63 279	69	43 671	19.63	2.35	903 549

Note

1 Tray carton equivalent.

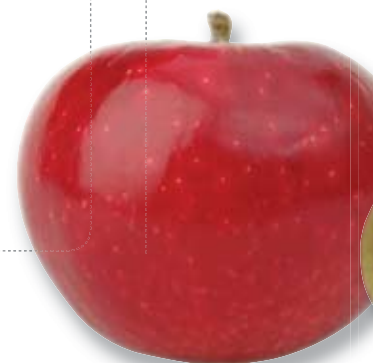
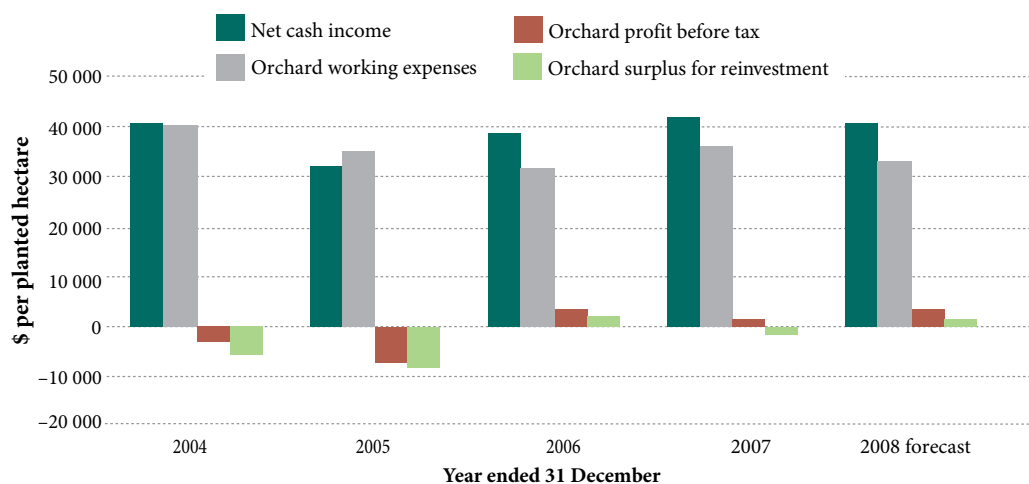
»» TABLE 5: HAWKES BAY PIPFRUIT FORECAST PRODUCTION AND INCOME DETAILS FOR 2008

YEAR ENDED 31 DECEMBER	AREA (HA)	GROSS YIELD (TCE ¹)	EXPORT RECOVERY (%)	TOTAL EXPORT CARTONS	EXPORT RETURN (\$/TCE)	NON-EXPORT RETURN (\$/TCE)	REVENUE (\$)
VARIETY							
Braeburn	4.40	12 729	56	7 167	20.75	1.99	159 775
Fuji	3.08	7 306	75	5 490	25.85	1.89	145 337
Granny Smith	0.97	3 226	45	1 457	19.52	4.14	35 761
Jazz™	2.42	2 096	80	1 676	30.42	0.59	51 230
Pacific Beauty	0.73	913	69	631	24.19	1.69	15 743
Pacific Queen	0.88	1 831	80	1 465	26.37	3.70	39 992
Pacific Rose	1.61	3 761	37	1 379	24.79	7.80	52 765
Pink Lady	1.10	2 613	75	1 967	26.80	2.11	54 089
Royal Gala	6.82	19 191	82	15 699	20.20	1.60	322 701
Total/Average	22.00	53 667	69	36 930	22.42	2.95	877 394

Note

1 Tray carton equivalent.

»» FIGURE 1: HAWKES BAY PIPFRUIT MODEL PROFITABILITY TRENDS



»» TABLE 6: NELSON PIPFRUIT PRODUCTION AND INCOME DETAILS FOR 2007

YEAR ENDED 31 DECEMBER	AREA (HA)	GROSS YIELD (TCE ¹)	EXPORT RECOVERY (%)	TOTAL EXPORT CARTONS	EXPORT RETURN (\$/TCE)	NON-EXPORT RETURN (\$/TCE)	REVENUE (\$)
VARIETY							
Braeburn	10.5	52 503	71	37 277	16.90	1.07	646 270
Royal Gala	7.6	19 588	79	15 474	18.65	0.96	292 548
Jazz™	2.4	4 150	75	3 113	27.44	0.65	86 091
Cox Orange	2.2	5 599	57	3 191	23.33	0.74	76 234
Other apples	2.7	6 782	63	4 273	23.60	2.80	107 867
Pears	1.6	2 872	56	1 608	29.58	1.26	49 171
Total	27.0	91 494	71	64 937	18.89	1.18	1 258 181

Note

1 Tray carton equivalent.

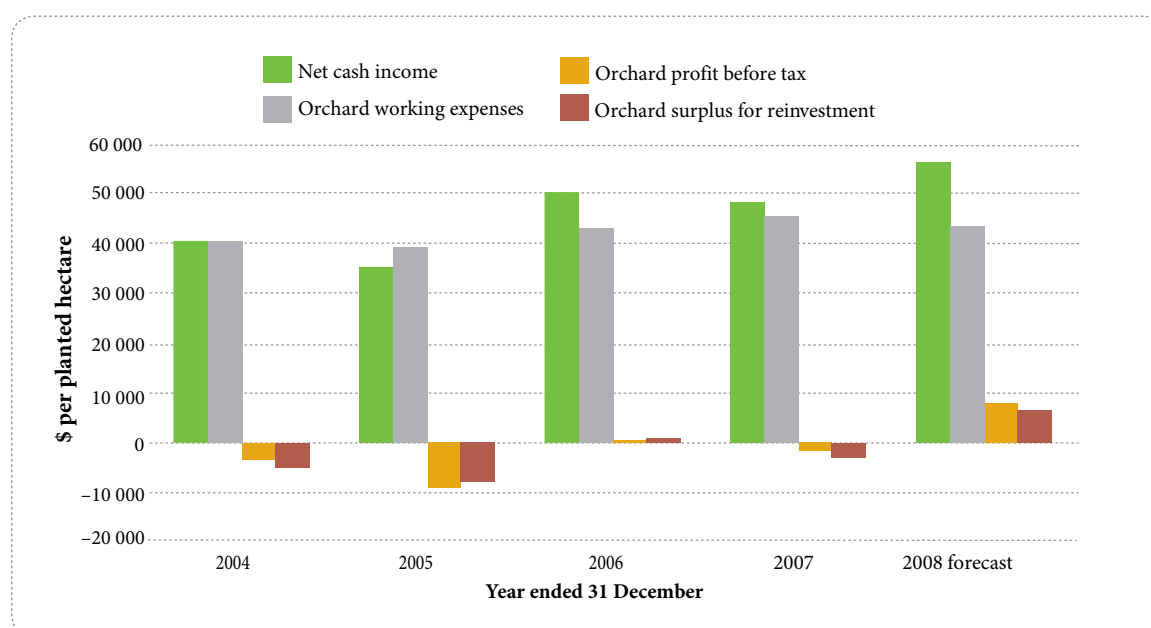
»» TABLE 7: NELSON PIPFRUIT FORECAST PRODUCTION AND INCOME DETAILS FOR 2008

YEAR ENDED 31 DECEMBER	AREA (HA)	GROSS YIELD (TCE ¹)	EXPORT RECOVERY (%)	TOTAL EXPORT CARTONS	EXPORT RETURN (\$/TCE)	NON-EXPORT RETURN (\$/TCE)	REVENUE (\$)
VARIETY							
Braeburn	9.7	43 653	70	30 557	20.65	1.67	652 867
Royal Gala	7.0	21 011	80	16 809	21.80	1.54	372 901
Jazz™	3.8	6 619	83	5 494	29.64	0.87	163 809
Cox Orange	2.2	6 108	60	3 665	21.78	1.00	82 269
Other apples	2.7	7 214	71	5 122	25.72	2.63	137 246
Pears	1.6	3 554	70	2 488	32.27	1.43	81 812
Total	27.0	88 159	73	64 134	22.64	1.61	1 490 904

Note

1 Tray carton equivalent.

»» FIGURE 2: NELSON PIPFRUIT MODEL PROFITABILITY TRENDS



»» TABLE 8: NELSON PIPFRUIT ORCHARD BUDGET

	2007				2008 FORECAST			
	WHOLE ORCHARD (\$)	PER PLANTED HA (\$)	PER TCE ¹ GROSS (\$)	PER TCE EXPORT (\$)	WHOLE ORCHARD (\$)	PER PLANTED HA (\$)	PER TCE GROSS (\$)	PER TCE EXPORT (\$)
REVENUE								
Pipfruit income	1 258 181	46 599	13.75	19.38	1 490 904	55 219	16.91	23.25
Other orchard income	46 818	1 734	0.51	0.72	25 218	934	0.29	0.39
Net cash income	1 304 999	48 333	14.26	20.10	1 516 122	56 153	17.20	23.64
Orchard working expenses	1 227 533	45 464	13.42	18.90	1 175 193	43 526	13.33	18.32
Cash operating surplus	77 466	2 869	0.85	1.19	340 929	12 627	3.87	5.32
Interest	75 330	2 790	0.82	1.16	75 951	2 813	0.86	1.18
Rent and/or leases	19 980	740	0.22	0.31	24 246	898	0.28	0.38
Depreciation	30 969	1 147	0.34	0.48	31 914	1 182	0.36	0.50
Orchard profit before tax	-48 813	-1 808	-0.53	-0.75	208 818	7 734	2.37	3.26
Tax	0	0	0.00	0.00	0	0	0.00	0.00
Orchard profit after tax	-48 813	-1 808	-0.53	-0.75	208 818	7 734	2.37	3.26
Add back depreciation	30 969	1 147	0.34	0.48	31 914	1 182	0.36	0.50
Off-orchard cash income	6 858	254	0.07	0.11	6 453	239	0.07	0.10
Discretionary cash	-10 986	-407	-0.12	-0.17	247 185	9 155	2.80	3.85
APPLIED TO:								
Net capital purchases	73 359	2 717	0.80	1.13	45 765	1 695	0.52	0.71
Development	45 603	1 689	0.50	0.70	64 260	2 380	0.73	1.00
Drawings	59 400	2 200	0.65	0.91	59 400	2 200	0.67	0.93
Principal repayments	35 532	1 316	0.39	0.55	15 174	562	0.17	0.24
New borrowings	46 413	1 719	0.51	0.71	10 341	383	0.12	0.16
Introduced funds	14 283	529	0.16	0.22	1 296	48	0.01	0.02
Cash surplus/deficit	-164 184	-6 081	-1.79	-2.53	74 223	2 749	0.84	1.16
Orchard surplus for reinvestment²	-77 244	-2 861	-0.84	-1.19	181 332	6 716	2.06	2.83
ASSETS AND LIABILITIES								
Land and building (opening)	2 511 000	93 000	27.44	38.67	2 538 000	94 000	28.79	39.57
Plant and machinery (opening)	216 000	8 000	2.36	3.33	243 000	9 000	2.76	3.79
Orchard related investments	81 000	3 000	0.89	1.25	108 000	4 000	1.23	1.68
Total orchard assets (opening)	2 808 000	104 000	30.69	43.24	2 889 000	107 000	32.77	45.05
Total orchard liabilities (opening)	945 000	35 000	10.33	14.55	891 000	33 000	10.11	13.89
Total equity	1 863 000	69 000	20.36	28.69	1 998 000	74 000	22.66	31.15

Notes

1 Tray carton equivalent.

2 Orchard surplus for reinvestment is calculated as follows: discretionary cash less off-orchard income and drawings.

»» TABLE 9: NELSON PIPFRUIT ORCHARD EXPENDITURE

	2007				2008 FORECAST			
	WHOLE ORCHARD (\$)	PER PLANTED HA (\$)	PER TCE ¹ GROSS (\$)	PER TCE EXPORT (\$)	WHOLE ORCHARD (\$)	PER PLANTED HA (\$)	PER TCE GROSS (\$)	PER TCE EXPORT (\$)
ORCHARD WORKING EXPENSES								
Hand harvesting	165 605	6 134	1.81	2.55	167 503	6 204	1.90	2.61
Pruning	58 509	2 167	0.64	0.90	49 707	1 841	0.56	0.78
Thinning	55 134	2 042	0.60	0.85	54 486	2 018	0.62	0.85
Other wages	86 616	3 208	0.95	1.33	73 467	2 721	0.83	1.15
ACC – employees	5 319	197	0.06	0.08	5 373	199	0.06	0.08
Total labour expenses	371 183	13 748	4.06	5.72	350 536	12 983	3.98	5.47
Packing	242 864	8 995	2.65	3.74	236 656	8 765	2.68	3.69
Packaging	227 279	8 418	2.48	3.50	225 753	8 361	2.56	3.52
Cool storage	107 146	3 968	1.17	1.65	107 746	3 991	1.22	1.68
Freight	15 554	576	0.17	0.24	15 869	588	0.18	0.25
Total post-harvest expenses	592 843	21 957	6.48	9.13	586 024	21 705	6.65	9.14
Weed and pest control	86 643	3 209	0.95	1.33	77 193	2 859	0.88	1.20
Pollination	4 509	167	0.05	0.07	4 185	155	0.05	0.07
Fertiliser and lime	10 746	398	0.12	0.17	9 963	369	0.11	0.16
Electricity	7 560	280	0.08	0.12	7 884	292	0.09	0.12
Vehicle	20 439	757	0.22	0.31	16 497	611	0.19	0.26
Fuel	16 740	620	0.18	0.26	13 500	500	0.15	0.21
Repairs and maintenance	30 645	1 135	0.33	0.47	28 458	1 054	0.32	0.44
General	13 959	517	0.15	0.21	13 608	504	0.15	0.21
Contract machine work	3 807	141	0.04	0.06	3 564	132	0.04	0.06
Total other working expenses	195 048	7 224	2.13	3.00	174 852	6 476	1.98	2.73
Rates	10 260	380	0.11	0.16	9 369	347	0.11	0.15
General insurance	9 072	336	0.10	0.14	9 018	334	0.10	0.14
Crop insurance	11 286	418	0.12	0.17	12 258	454	0.14	0.19
ACC – owners	1 674	62	0.02	0.03	1 053	39	0.01	0.02
Communication	6 858	254	0.07	0.11	6 075	225	0.07	0.09
Accounting	3 996	148	0.04	0.06	3 537	131	0.04	0.06
Legal and consultancy	6 858	254	0.07	0.11	5 778	214	0.07	0.09
Levies and subscriptions	7 143	265	0.08	0.11	7 055	261	0.08	0.11
Other administration	11 313	419	0.12	0.17	9 639	357	0.11	0.15
Total overhead expenses	68 460	2 536	0.75	1.05	63 782	2 362	0.72	0.99
Total orchard working expenses	1 227 533	45 464	13.42	18.90	1 175 193	43 526	13.33	18.32
Wages of management	59 080	2 188	0.65	0.91	59 890	2 218	0.68	0.93
Depreciation	30 969	1 147	0.34	0.48	31 914	1 182	0.36	0.50
Total orchard operating expenses	1 317 582	48 799	14.40	20.29	1 266 997	46 926	14.37	19.75
CALCULATED RATIOS								
Economic orchard surplus (EOS) ²	-12 583	-466	-0.14	-0.19	249 125	9 227	2.83	3.88
Orchard working expenses/NCI ³	94%				78%			
EOS/Total orchard assets	-0.4%				8.6%			
EOS less interest and lease/equity	-5.8%				7.5%			
Interest + rent + lease/NCI	7.3%				6.6%			
EOS/NCI	-1.0%				6.4%			

Notes

1 Tray carton equivalent.

2 EOS (or earnings before interest and tax) is calculated as follows: net cash income less orchard working expenses less depreciation less wages of management (WOM). WOM is calculated as follows: \$31 000 allowance for labour input plus 1 percent of opening total orchard assets to a maximum of \$75 000.

3 Net cash income.



INFORMATION ABOUT THE MODELS

The two pipfruit models represent the main pipfruit growing areas of New Zealand. Hawkes Bay is the largest pipfruit-producing district, exporting over half the national crop, with Nelson the second largest apple-growing region. The orchards are a mixture of old and new apple varieties, typically run by owner-operators. Although there is a trend towards corporate ownership, this has not been captured in the models, which are based on an owner-operator business structure.

The aim of each model is to typify an average orchard for the region. Budget figures are averaged from the contributing properties and adjusted to represent real orchards. Income figures include off-orchard income, new borrowing, and other cash income. Expenditure figures include costs of management, orchard production costs, debt, leasing, drawings, development, and capital purchases.

The pipfruit model budgets are prepared using a 31 December balance date to allow year to year financial comparisons.

HAWKES BAY PIPFRUIT MODEL

The Hawkes Bay model includes leased land that accounts for about one-third (7 hectares) of the orchard size (22 hectares). Royal Gala is the predominant apple variety in the model, accounting for 32 percent of the planted area. The model is based on data from 20 orchards located in the Heretaunga Plains.

NELSON PIPFRUIT MODEL

The Nelson model orchard is 27 hectares. Braeburn is the predominant apple variety in the model, accounting for 39 percent of the planted area. The model is based on data from 18 orchards.

For more information on the models contact Annette.Carey@maf.govt.nz

PUBLISHER

Ministry of Agriculture and Forestry

PO Box 2526

Wellington 6140

Tel: 64 4 894 0100

Fax: 64 4 894 0743

Email: policy.publications@maf.govt.nz

Web: www.maf.govt.nz

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