

Commercial Vegetable Production Auckland / Waikato

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Objectives

- **Provide a general overview of the industry with economic indicators**
- **Provide some regional data**
- **Indicate the economic returns**
- **Comment on employment impact of the local growing industry**

Horticulture in NZ is a \$6.7b Industry



\$3.6b is exported

Wine = \$1.2b

Kiwifruit = \$934m

Apples = \$475m

Onions = \$91m

Frozen Potatoes = \$94.5m

Fresh Vegetables = \$84.4m

Dairy exports = c. \$12.5b (2014 \$17b. 2015 < \$12b)

Meat exports = c. \$6b

Hort NZ Strategy - \$10b by 2020

Fresh & Processed Vegetable Production



50000Ha
(6% drop since 2002)

Produces 1.4m tonnes of vegetables

900000mt domestic fresh

500000mt export

(National Data)

Auckland & Waikato

Of the 50000 Ha of Vegetables

5000 Ha is in Auckland = 10%

5000 Ha is in Waikato = 10%

Much of which is processed in the Pukekohe region.

In addition vegetable grown in Northland, Ohakune & Hawkes Bay is also processed in Pukekohe.

Crops of Importance in South Auckland

Onions

Potatoes

Carrots

Brassica (Broccoli & Cauli)

Tomatoes

Lettuce

Cucumber & Capsicum

Pumpkin

Various other greens

Locations of Note

Pukekohe Hill

Patumahoe and the land to west of the township

Tuakau & Whangarata

Pukekawa

Matamata & Waharoa

Vegetable Crops (2013 HNZ)

	No Growers	Ha	Ha Auckland	% Auckland	Ha Waikato	% Waikato	Tonnes
Onions	109	5340	1621	30%	1837	34%	196000
Potatoes	200	10590	1444	14%	2074	20%	525000
Carrots	40	2600	194	7%	166	6%	78000
Brassica	150	3800	940	25%	75	2%	92000
Tomatoes (Gh)	150	120	48	40%	34	28%	40000
Lettuce	40	1300	469	36%	73	6%	

Food Supply : A Global Challenge

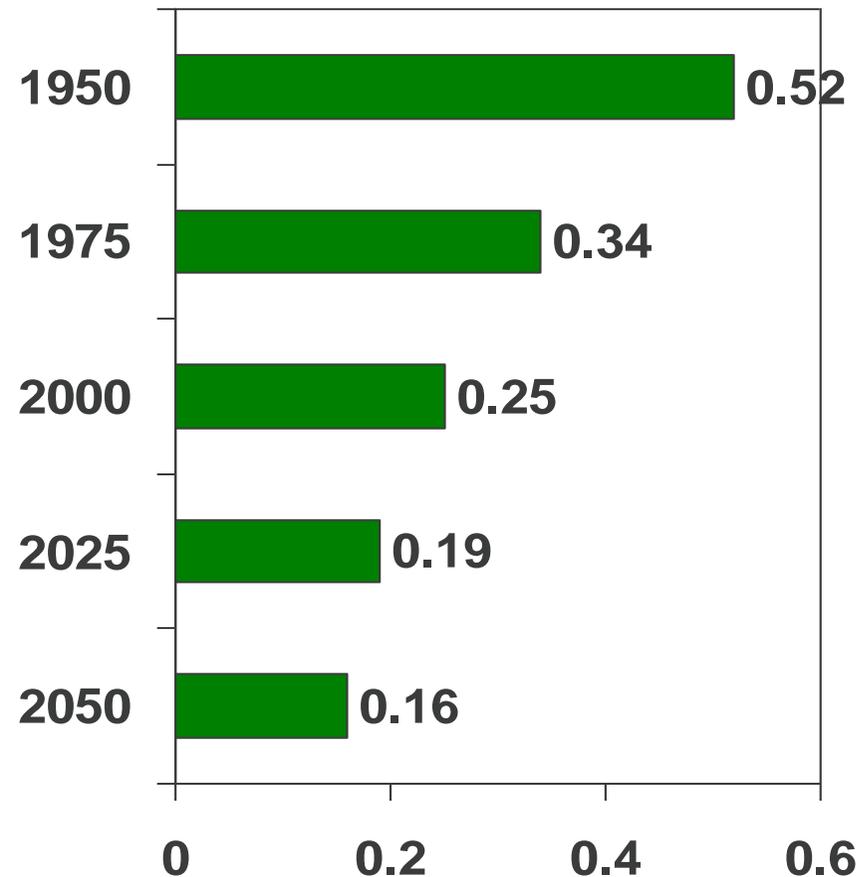
More people, same amount of land =
growing Supply / Demand imbalance

By 2050 the world will need to
produce 40% more food than it does
now

Farmland per person is a declining
resource.

This is being offset by continuous
innovation

Farmland per person
(Hectares)



Example of Decline in Grower Numbers in New Zealand

Potato Growers in NZ		
2006	2008	2013
296	237	188

Does not necessarily mean a decline in hectares, although comparison of stats between SNZ & PNZ indicate a reduction of 1000Ha between 2012 & 2013

(Source – Potatoes NZ)

Economic Returns

Crops	
Crop	Gross return/Ha
Onions	\$16,000.00
Carrots	\$28,000.00
Cauliflower	\$24,000.00
Broccoli	\$43,000.00
Cabbage	\$24,000.00
Squash	\$11,000.00
Pumpkin	\$18,000.00
Potato	\$18,000.00
Dairy @ 1000kgms/ha	\$6,000.00
\$6.00/kgms	

Farm Working Expenses

**Approximately 70% -85% of Gross Income re-
spent as farm working expenses.**

**Significant portion of income generated is
redistributed back into local economy as Wages.**

Farm inputs :

Fertiliser/Seed/AgChem/Fuel/R&M

Significant downstream impacts :

Packhouses

Supermarkets

Employment

Grower operations can vary from 25Ha to 2500Ha

Example 1

**A 200Ha operation locally employs 15 FTEs and an additional 25 seasonal workers on farm in summer
= 13 FTEs/Ha**

Example 2

**A 1300Ha operation employs 60 FTEs and up to 200 seasonal staff
= 22 FTEs/Ha**

**The largest local packhouses employ 100 to 200 people.
Growers provide significant local employment opportunities.
This can be up to 10x more FTE than other agricultural**

Conclusion

- **Local Growers produce a significant amount of food**
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- **Growers are a vital part of the local economy.**
- **They are consolidating and numbers are in decline.**
- **They provide significant employment opportunities both directly and indirectly.**
- **Their income generation/Ha is high but so are their costs. High redistribution of income. Profitability can be challenging**

Thank You

References :

Horticulture New Zealand

Statistics New Zealand

Onions New Zealand

Potatoes New Zealand

Pukekohe Vegetable Growers Association

Bank of New Zealand

