

INTERPERA
2016

World Pear Congress
South Africa
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HORTGRO
Growing Fruit IQ



Production cost analysis on Pears

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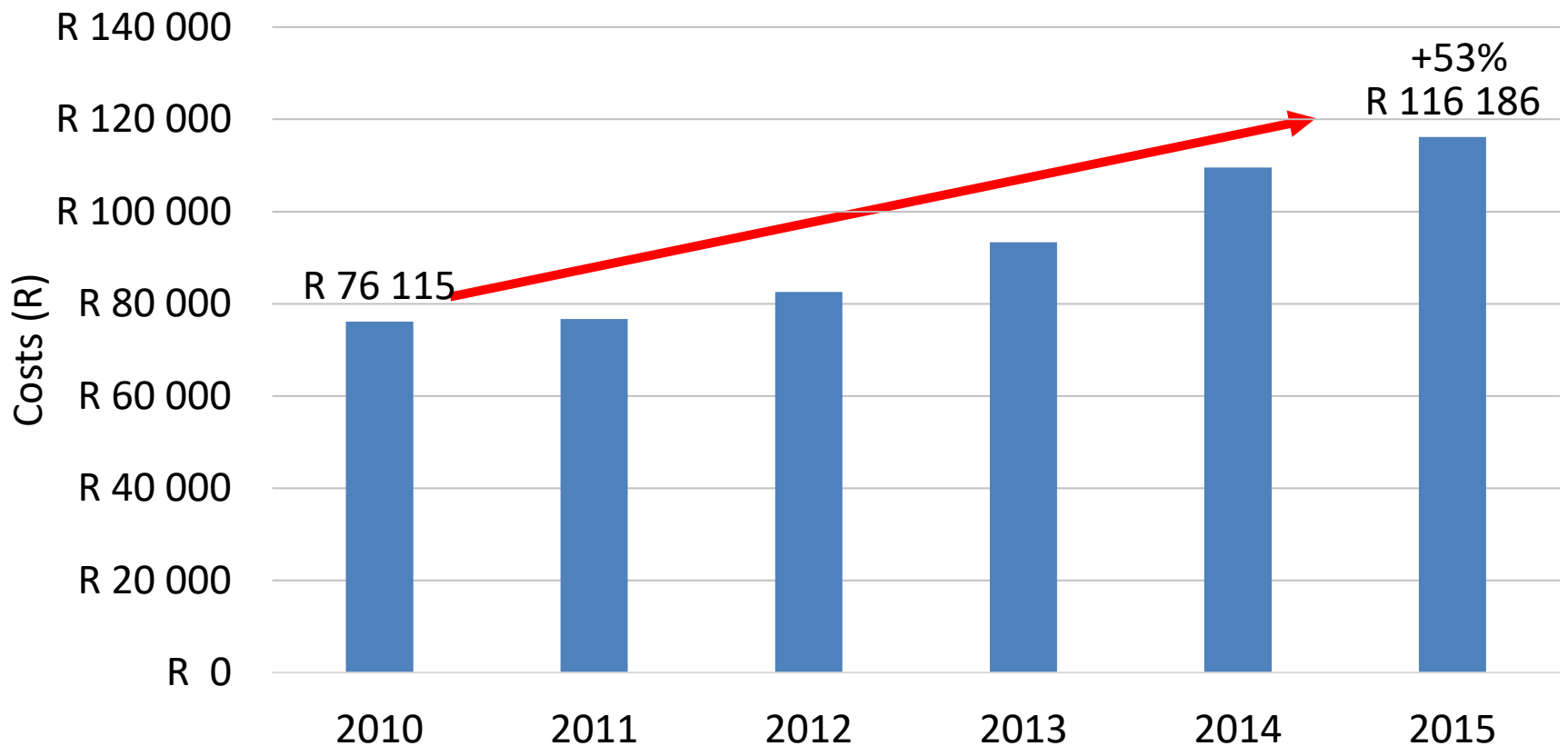
Information Manager: Agricultural Economics

Income & cost factors at grower level

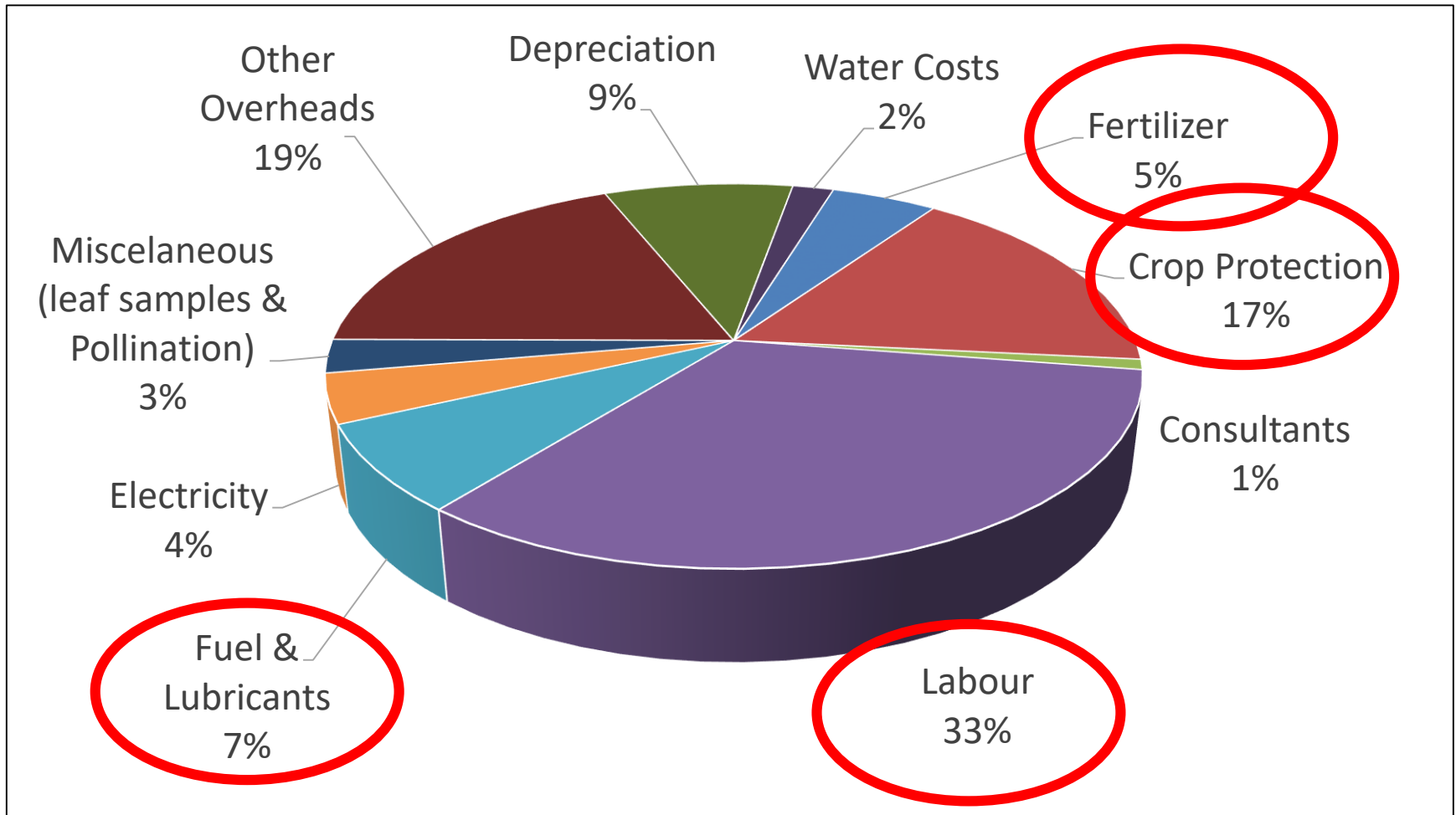


- Producer income = $f(\text{yield} \times \text{quality} \times \text{price})$
- Optimisation of resources & infrastructure = efficiency / unit
- Adaptability / suitability of variety to specific growing conditions (Risk!)
- Quality (pack out, colour, size)
- Variety mix (early vs late) – Risk!
- Market options of fruit on tree

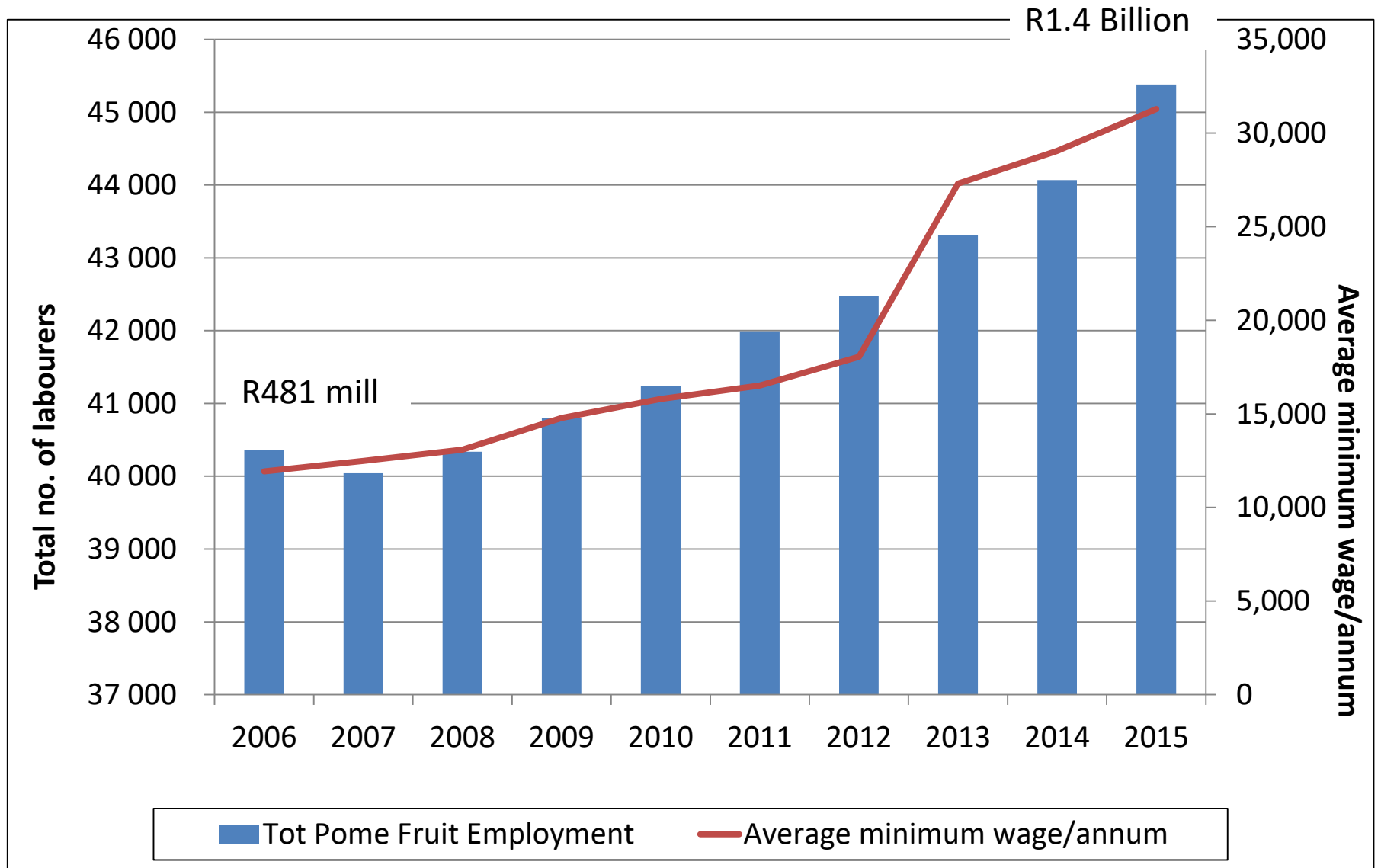
Pear weighted average cost of production(on-farm) per ha



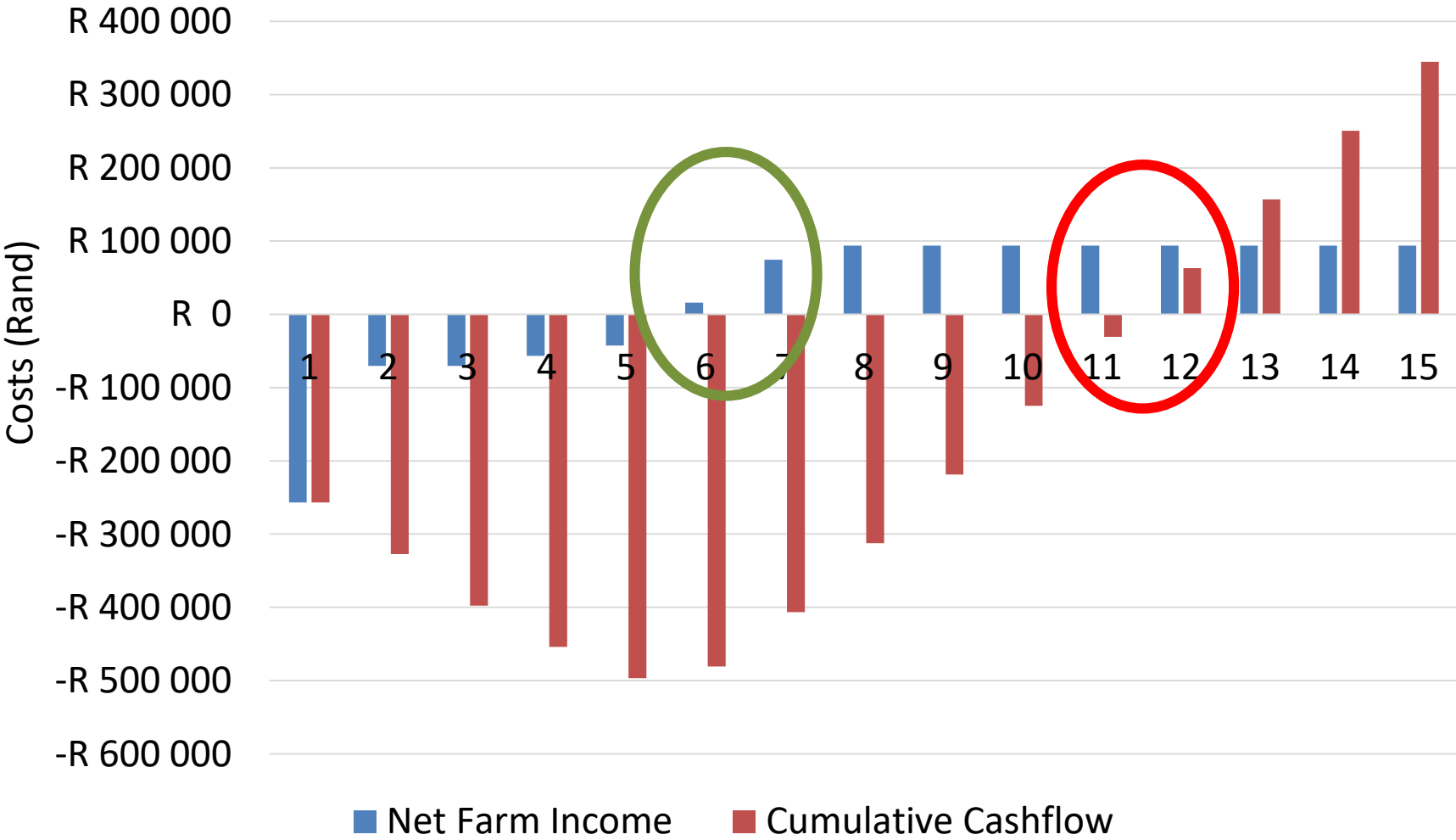
Cost breakdown of full-bearing Pear orchard =



Labour costs & employment trends



Break-even



Conclusion

- Average is not good enough – ROI & opportunity cost
- Break-even dependant on many factors - cultivar selection, suitability, climate, region, quality and marketing!!
- Achieve greater efficiencies/productivity
- Cost per unit produced

Thank You

A stylized graphic of the South African flag, featuring a dark blue background with a white chevron shape. The chevron is filled with the colors of the South African flag: yellow, green, and blue. The text "South Africa" is written in a white, cursive font across the chevron.

South Africa