



Greenlife Industry Australia

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## MEDIA RELEASE

### Record breaking year for Australian greenlife industry

**31 March 2020** – Over 2.2 billion plants were produced and sold by the Australian greenlife industry in 2019-20, the highest volume of plant sales in history, according to the latest *Nursery Industry Statistics 2019-20* survey of Australian production nurseries.

The study has been undertaken for the third straight year, providing a robust trend-based analysis based on comparable data sets.

The value of plants sold also reached historic levels in 2019-20, with total greenlife sales reaching \$2.6 billion, eclipsing the previous benchmark of \$2.4 billion set in 2018-19 and the third straight year of growth for the industry.

The strong growth can be attributed to several factors. The industry was already on a steady growth trajectory enjoying positive sentiment and demand from consumers, retailers, fruit, nut and vegetable growers and the landscape sector. This growth was ‘turbocharged’ as a result of COVID-19 restrictions causing homeowners to prioritise the liveability of their homes.

Peter Vaughan, Greenlife Industry Australia CEO praised the industry’s growers for their resilience and agility during the year.

“Before COVID-19 hit, the industry was dealing with several challenges including droughts and water restrictions as well as fires and cyclones in various parts of the country.

“Despite the impact on supply during this period, Australian production nurseries were able to scale up operations to meet demand during those unprecedented times.”

Both the independent retail and landscape businesses surveyed expected the number and value of plants purchased from production nurseries to continue to increase in this financial year. Using this information, the survey estimates the number of plants purchased by independent retailers is expected to increase 17% and landscapers 7%.

Mr Vaughan said the increases in both volume of plant sales and overall value of sales are reflective of a responsive industry and one that is positioned for even further growth, a fact supported by the survey which indicated that Industry confidence is at the highest it has been since 2017.

“Although there was clearly an increase in demand driven by COVID-19, more growers actually cited general demand as the driver of growth in their businesses rather than a boost due to COVID-19, which points towards a healthy industry”

According to Mr. Vaughan, production nurseries are acting on their confidence by actively investing in their businesses.

#### Fast Facts

- **Over 2.2 billion plants** produced and sold in Australia in 2019-20 at a value of \$2.6 billion.
- Despite a year of global turmoil, employment in the nursery was steady with business employing approximately 23,000 – 25,000 employees.
- Perennials, trees and shrubs dominate the plant categories, representing approximately **42% of market share**.
- The indoor plant category is seeing steady growth with total sales volume growing by 9% and representing **13% of the market**.
- **90% of production nurseries** are confident in the future of the industry
- **Productivity average of \$440,000 per hectare** - an 8% increase on the previous year and the third straight year of productivity improvement.



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“The research tells us that growers are investing in new technology and infrastructure in higher levels than ever before, evidencing a progressive and innovative industry,” he said.

“It’s no surprise that three straight years of growth for the industry also aligns with the fact that the number of businesses investing in themselves has also grown steadily from 58% in 2015-16 to 67% today.

Productivity is also trending upwards according to the survey with turnover per hectare reaching \$440,000 across the industry, an 8% increase on the previous year and the third straight year of productivity growth.

In a good result for the industry and the broader economy, the increases to production and demand over the last few years are being driven by productivity gains rather than acquisition of land.

Though there were clear increases in sales, productivity and confidence, Mr Vaughan says that one of the most pleasing findings of the survey was the relative certainty it offered for industry employment, against a backdrop of national uncertainty.

“The importance and significance of the greenlife nursery industry is little known but, it is the backbone of Australian horticulture. Our products have a direct and positive impact on the environment, Australian food production and they play a significant role in our health and well-being.”

“These findings help us demonstrate our importance to the agriculture sector as well as the broader national economy and community. We are making a significant contribution to the agriculture sector goal of achieving \$100 billion in farm gate value by 2030.”

In April, the findings from this survey will be built into the latest edition of the industry benchmarking tool, an easy to use and functional program which uses industry data to provide businesses with information to inform short-term decision making and long term strategy.

For more information on how Australian nursery growers are making use of the benchmarking tool, refer to this [case study](#).

In total, 292 interviews were completed resulting in a sampling margin for error (at the 95% confidence level) is  $\pm 5.2\%$ .

The ‘Nursery Industry Statistics 2017-21’ (NY17008) project is funded by Hort Innovation using nursery research and development levy and funds from the Australian Government.