

# NURSERY PAPERS

JULY  
2025

## PRODUCTION NURSERY SALES HOLD FIRM AT \$2.65 BILLION

**For the eighth year in a row, the greenlife industry has taken stock – and while market conditions are tightening, the sector remains resilient.**

### KEY POINTS

- **For the eighth year in a row, the greenlife industry has been surveyed to measure production nursery sales, sentiment, employment, and investment.**
- **Production nursery sales in Australia have remained buoyant, valued at \$2.65 billion in 2023–24, down 4% on 2022–23.**
- **While profitability is trending slightly down, landscape, consumer and environmental markets represent opportunities for industry growth.**

Despite ongoing challenges related to cost of living and global trade tensions, production nursery sales in Australia have remained buoyant, valued at \$2.65 billion in 2023–24.

This represents a modest annual decline of just 4% from \$2.78 billion in 2022–23.

That's according to the recently released levy-funded 2023–24 Production Nursery Data Capture Report, which assessed data from 297 growers surveyed across Australia; 171 via Computer Assisted Telephone Interviews, 56 via email and 69 through an online platform.

The results have informed the development of a business benchmarking tool, produced and updated annually by ACIL Allen and distributed to survey participants and other levy payers on request. The tool is available to levy payers to assess core aspects of their business against others operating in similar markets or segments.

The findings of the survey provide valuable information to both growers and the broader sector, which can help decision making, resource prioritisation, investment evaluation and strategic planning.

### JUST TELL ME

**Despite rising costs and a small dip in sales, most growers remain confident about the future. Use the insights (and benchmarking tool) to spot opportunities, cut waste and stay competitive.**

*Funding for this project is provided by the nursery levy, contributed by growers like you.*



## SNAPSHOT: 2023–24 AT A GLANCE

<b>\$2.65 BILLION</b> WAS MADE IN SALES, AROUND 4% LESS THAN THE PREVIOUS YEAR	THOUGH PROFITABILITY IS TRENDING DOWN, LANDSCAPE, CONSUMER AND ENVIRONMENTAL MARKETS REPRESENT OPPORTUNITIES FOR INDUSTRY GROWTH	THE AUSTRALIAN NURSERY SECTOR EMPLOYS ALMOST <b>22,500</b> PEOPLE ACROSS EVERY STATE AND TERRITORY	<b>72%</b> OF GROWERS ARE CONFIDENT ABOUT THE FUTURE OF THE SECTOR	<b>48%</b> OF GROWERS ARE INVESTING IN INFRASTRUCTURE, TECHNOLOGY AND TRAINING
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## WHAT THE NUMBERS ARE TELLING US

### Industry snapshot

In 2023–24, while demand remained steady and the outlook for the sector was robust, positive sentiment has trended downwards over the past few years in line with a contracting market.

The intention to expand businesses has reduced, almost exclusively among operators with a turnover of less than \$2 million per year, with production costs identified by respondents as the greatest constraint to business growth.

Despite these factors, confidence in the sector's future has remained relatively stable, particularly among medium and large enterprises.

### Plant value and sales categories

The survey asked growers to categorise the plants they sold, and the findings revealed that the value of all plant sales categories had marginally reduced during 2023–24. The most popular plant categories were:

- perennials, trees and shrubs (47% of total plants sold)
- propagation (12% of total plants sold)
- indoor (12% of total plants sold).

### Nursery sector threats

Input costs are the most commonly nominated challenge impacting nurseries as indicated by 90% of respondents. The data also revealed 67% of growers are worried about biosecurity challenges, 66% view severe weather as a threat, and 59% cited the ability to secure insurance as increasingly difficult (a jump from 43% in 2022–23).

In addition, skilled and unskilled labour shortages are currently impacting 61% and 47% of businesses respectively, and this increased to 86% and 72% among those turning over more than \$4 million.

### Productivity

Respondent data suggests that production businesses continue to generate substantial turnover (about \$446,000 of turnover per hectare). This is consistent with results from 2022–23.

### Sentiment and future opportunities

Sector confidence remains buoyant with 72% of respondents feeling positive about the sector's future.

Likewise, the proportion of businesses reporting expansion reduced to the lowest level in the history of the survey (26%), with nurseries turning over under \$2 million most likely to wind down trade.

Nonetheless, substantial growth potential remains as 41% of businesses, particularly larger operators, reported plans to expand in the next five years.

Landscape, consumer and environmental categories were the most commonly cited areas of opportunity.

### Technology

One in four businesses nationally (25%) had invested in new technology; a significant decrease since 2022–23 (31%) and the lowest rate since this survey's inception. As with the last survey, the incidence of technology investment increased in line with business size, from 10% in small enterprises to 48% of those with more than \$2 million in turnover.

This downtrend is on par with the contracting market conditions, yet new technology remains widespread in the largest of businesses.

### Human resources

Respondent data shows that the nursery production workforce of approximately 22,500 people is lower than in 2022–23 (23,500 people). This equates to around 19,200 full-time equivalent (FTE) employees, down from the almost 20,000 FTEs reported in the previous period.

On average, business turnover per FTE was similar to that of the previous financial year: \$184,000 in 2023–24 and \$177,000 in 2022–23.



The average wage paid during 2023–24 per FTE, including owners, held relatively steady at approximately \$67,000 compared to \$63,000, and net wage costs of \$1.294 billion had risen slightly from \$1.244 billion. Of note, wage costs represented a higher proportion of overall turnover in 2023–24 than in past years, increasing from 35% to 38%.

INNOVATION SPOTLIGHT

While tech investment dipped slightly overall, **48% of larger nurseries are still adopting new systems** – from automated irrigation to climate control.

WHY BENCHMARK?

Data-driven insights don't just look good on paper – they improve your bottom line. By comparing your business to industry peers, benchmarking helps you:

- **STREAMLINE OPERATIONS**
- **REDUCE COSTS**
- **DRIVE INNOVATION**
- **MAKE SMARTER DECISIONS**
- **GAIN A COMPETITIVE EDGE.**

How benchmarking can boost your bottom line

IMPROVED EFFICIENCY AND PRODUCTIVITY	Identify inefficient or unproductive business operations, so you can streamline processes and reduce waste
COST REDUCTION	Identify opportunities to reduce expenses without compromising quality or performance
ENHANCED PERFORMANCE	Identify areas to implement improvements that lead to higher performance and profitability
INNOVATION AND GROWTH	Benchmarking can expose you to new ideas and practices that can drive innovation and growth within your business
COMPETITIVE ADVANTAGE	Identify areas to improve and gain a competitive edge in the market
BETTER CUSTOMER UNDERSTANDING	Help you tailor your offerings and improve customer satisfaction
IMPROVED DECISION MAKING	Make more informed decisions about investments, resource allocation and other key strategies

HOW TO USE THIS DATA TO BOOST YOUR BUSINESS

The benchmarking data tool empowers growers to make informed strategic and operational decisions for their businesses by allowing them to leverage robust data.

With eight years' worth of data available for analysis, this tool is a powerful resource for nursery industry participants. The tool lets you measure performance against surveyed peers, comparing sales values and volumes by product type and market segment within the sector.

The data is categorised into four annual turnover ranges:

- <\$500,000
- \$500,000 – \$2 million
- \$2 million to \$4 million
- >\$4 million.

Additionally, you can use the tool to assess you position within the sales value, employment, wages and cost metrics ranges, as well as to gauge business sentiment around profitability and the sector's future.

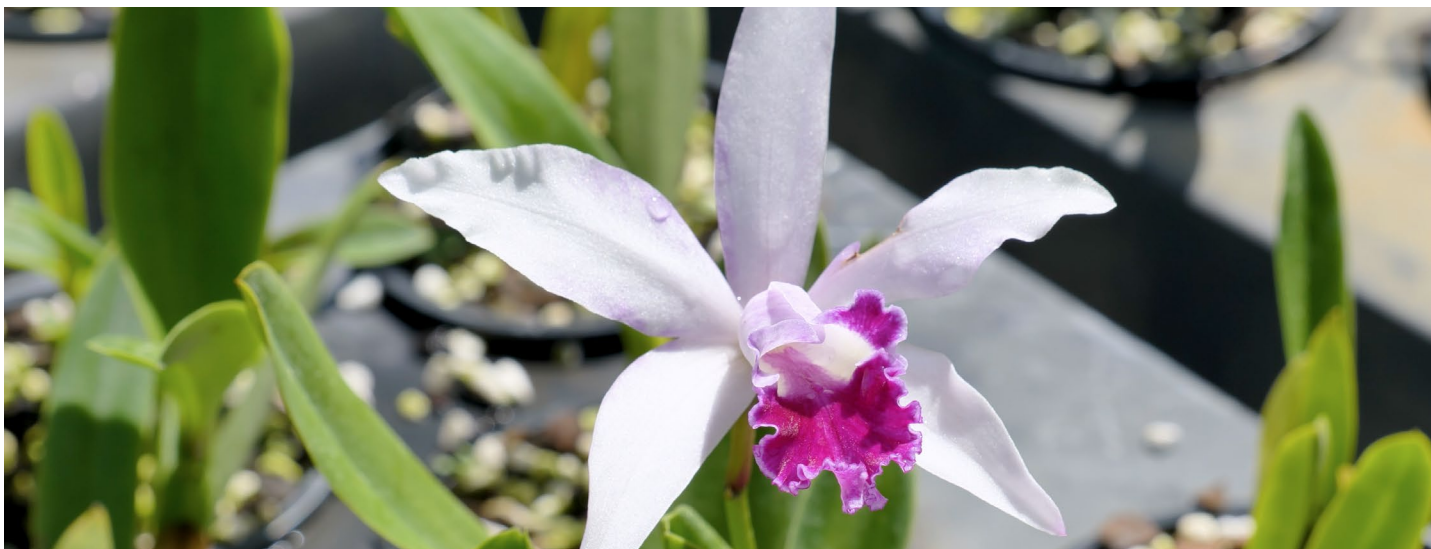
This tool provides a valuable foundation for business owners to

overlay their own data and make informed decisions for the future.

As in previous years, the benchmarking tool is made up of four key components:

- an overview of the 2022–23 results and trends over time.
- sales – growers can input their own data for comparison.
- employment and costs – growers can input their own data for comparison.
- sector sentiment – growers can input their own data for comparison.





## WHO IS USING THE BENCHMARKING TOOL?

Nationally, almost one in five (17%) respondents or someone within their business has used the benchmarking data tool. Notably, this varies from 7% of small operators to a significantly higher proportion (31%) of large businesses.

The report findings not only offer compelling evidence to individual production nurseries, showcasing the industry's health, resilience and strength, but they also provide the broader industry with a powerful dataset for shaping industry growth and development.

*To get the most of this project, we encourage you to actively harness the benchmarking tool by applying the findings to your nursery operations. Doing so provides deeper insights into past performance, paving the way for a more prosperous future.*

**Celeste Cook, APPS Administrator,  
Extension Officer TAS/SA**

Don't miss out. If you're a production nursery, email **[info@greenlifeindustry.com.au](mailto:info@greenlifeindustry.com.au)** for access to the 2024 tool.

### ON THE GROUND

*We used the benchmarking tool to compare our cost structures with others in our bracket. It was eye-opening — especially the wage costs breakdown. We've made some changes already.*

**Queensland grower**

### MORE INFORMATION

You can also check out:

- the **2023–24 Production Nursery Data Capture Report** – <https://www.greenlifeindustry.com.au/communications-centre/2023-24-data-capture-report>
- more stats project information – [www.greenlifeindustry.com.au/about/projects-programs/stats](http://www.greenlifeindustry.com.au/about/projects-programs/stats)
- past nursery papers – [www.greenlifeindustry.com.au/communications-centre](http://www.greenlifeindustry.com.au/communications-centre)

### BONUS RESOURCE

Want to know how your production nursery stacks up? Check out the Nursery Industry Business Benchmarking Tool to measure your performance against your peers. Request the tool from Celeste Cook, GIA's Extension Officer TAS/SA at: [celeste.cook@greenlifeindustry.com.au](mailto:celeste.cook@greenlifeindustry.com.au)