

YOUR NURSERY LEVY AT WORK

In 2021, the *Nursery Industry Statistics 2019-20* report announced the Australian nursery industry produced plants worth a total value of **\$2.6 billion**. This year also saw the release of a new five-year **Strategic Investment Plan** for 2022-26.

With record-breaking turnover and a new strategic investment plan in place, it's never been more important to understand how your levy is invested. This document provides an overview of key levy information.



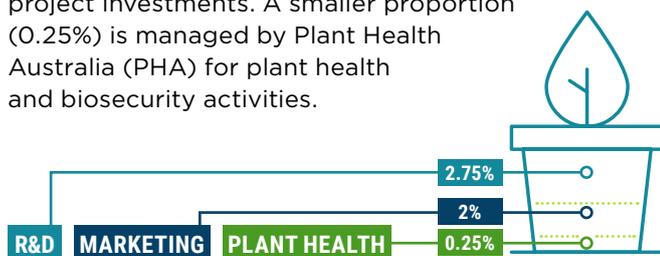
ABOUT THE LEVY

Production nurseries pay a levy on the wholesale value of containers in which plants are grown for resale or used in the production of other goods.

Set at 5% of the wholesale value of pots or containers, the levy is usually collected by the container manufacturer or distributor at the time of sale.

The Australian Government entrusts most of these levies to the Research and Development (R&D) Corporation, Horticulture Innovation Australia.

Hort Innovation manages the proportion of nursery levy funds for R&D (2.75%) and marketing (2%) project investments. A smaller proportion (0.25%) is managed by Plant Health Australia (PHA) for plant health and biosecurity activities.



A NEW STRATEGIC INVESTMENT PLAN

The Nursery Industry Strategic Investment Plan (SIP) has been updated to reflect an industry that has seen remarkable resilience and growth.

The overarching strategic intent of this SIP is to optimise the profitability and sustainability of the Australian nursery industry through improved biosecurity preparedness and increasing demand, based on improved sustainability credentials and the health and environmental benefits of greenlife products.

With input from a broad cohort of nursery levy payers and the Nursery Industry SIAP, the following priority areas and outcomes have been identified:

- 1. DEMAND CREATION**
Contribute to increasing consumer knowledge, attitudes, and purchase intent to drive volume growth
- 2. INDUSTRY SUPPLY, PRODUCTIVITY AND SUSTAINABILITY**
Improve industry productivity (inputs/outputs) to maintain competitiveness and viability, and sustainability of supply
- 3. EXTENSION AND CAPABILITY**
Build capability and an innovative culture
- 4. BUSINESS INSIGHTS**
Measure industry supply (production) and demand (consumer behaviour) data and insights to inform decision making



STRATEGIC INVESTMENT ADVISORY PANEL

Hort Innovation's Nursery Industry Strategic Investment Advisory Panel (SIAP) provides advice on R&D and marketing opportunities, proposals and activities funded by industry levies and matching R&D contributions from the Australian Government.

The SIAP is made up of growers and other industry representatives. Panel members currently sitting can be found at: horticulture.com.au/growers/nursery-fund/fund-management/

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IN FOCUS: The New Strategic Investment Plan 2022-2026

Activities are already underway in the form of levy-funded investments which address each of the four new outcomes.

1 Demand creation

Greener Spaces Better Places has undergone a strategic pivot to unify the nursery industry's two core marketing programs under one banner. The new program will connect with both consumer and government audiences.

IMPACT: A more synchronised focus will yield increased demand across all sectors, whilst providing the industry with a platform to evangelise our sustainability credentials.

2 Industry supply, productivity and sustainability

The strategic objective of the **National biosecurity and sustainable plant production program (NY20001)** is to make production nurseries more resilient through identifying, mitigating, and addressing the emerging risks of increasing plant biosecurity threats, climate change and supply chain pressures and influences.

Another project, **Resourcing, supporting, and assessing biosecurity in nursery production (NY20000)** provides increased support to production nurseries to help reduce the risk of infestations and crop losses associated with pest and diseases.

Looking ahead, levy investments which help address the industry's sustainability, biosecurity preparedness, water-use efficiency, crop protection and regulatory support will be prioritised.

IMPACT: Adoption of best management practices will optimise productivity and reduce risk to growers, ultimately improving profitability and building a resilient, sustainable nursery industry.

3 Extension and capability

Levy-funded investments will look to further strengthen industry skills and leadership through targeted skills training, leadership development and career pathways programs. Opportunities will be sought which build on the infrastructure created through completed projects such as **Developing nursery industry career pathways (NY19006)**.

Further communications and extension projects will be designed to focus on industry priorities such as demand creation, sustainability (e.g., waste and energy management), biosecurity, and best practice pest and disease management.

IMPACT: Improved industry awareness of key production practices and a strengthening of the industry's talent pipeline will maximise investments in productivity and demand across the sector.

4 Business insights

The levy-funded project, **Nursery Industry Statistics 2020-21 to 2024-25 (NY21000)**, is currently underway. This investment measures the output of the nursery industry, segmenting across size, location, and product lines. It also tracks investments in infrastructure, wages, education as well as individual business sentiment. In 2022, the data will be made available to help growers make strategic business decisions.

On the demand side, current project **Nursery Consumer Usage & Attitudes (NY20002)**, aims to identify the highest priority consumer segments to drive demand for greenlife. Future levy-investments will use this project as a baseline to determine longitudinal trends in consumer usage and attitudes.

IMPACT: The Australian nursery industry will become more profitable through informed decision-making using consumer knowledge and tracking, independent reviews, production statistics, benchmarking and independent reviews.

To read up on all the current research & development and marketing projects underway, visit horticulture.com.au/nursery-fund/investments

Access the full 2022-26 Nursery Industry SIP via horticulture.com.au/growers/funding-consulting-investing/investment-documents/strategic-investment-plans/