

FEBRUARY 2022

# Nursery

**Strategic Investment Plan** 2017-2021

## PERFORMANCE REPORT



## Nursery SIP performance report

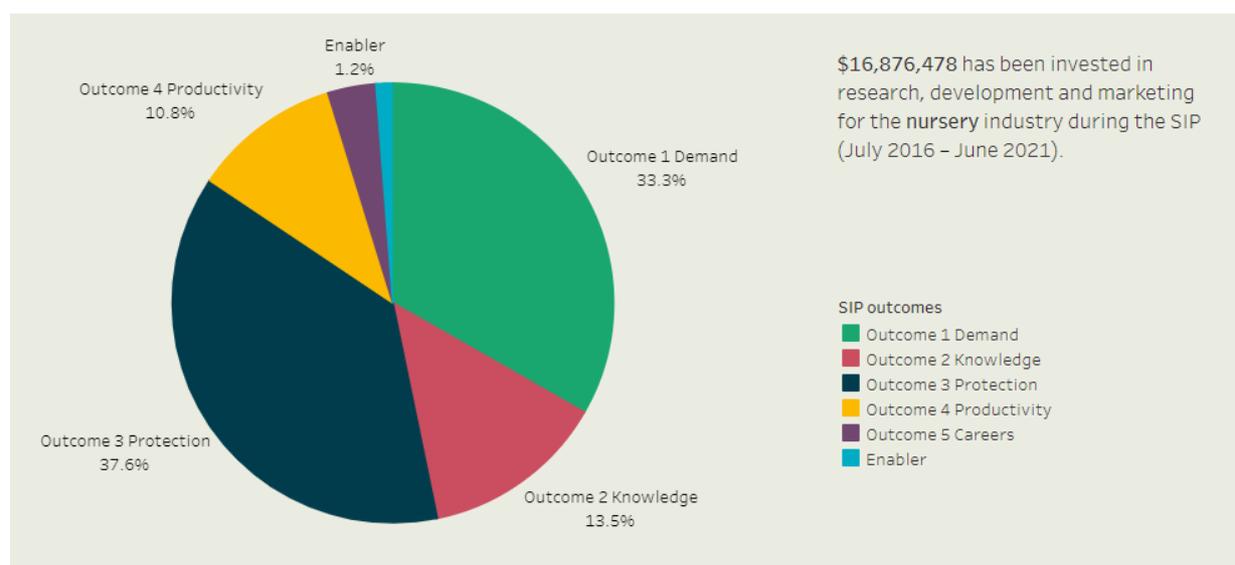
This performance report reviews the performance of levy investments delivered against the nursery Strategic Investment Plan (SIP), which was active for the 5-year period from 2016/17 to 2020/21. The nursery SIP was developed to strategically guide research and development (R&D) and marketing levy investment in accordance with core industry priorities. The SIP featured five outcome areas, 26 strategies and 26 key performance indicators (KPIs), summarised in Table 1. A total of \$16.9 million was invested into the Nursery Fund over the 5-year period of the SIP. The total investment expenditure allocated against each outcome is provided in Figure 1.

**Table 1: Nursery SIP outcomes**

Outcome	Description	Expenditure allocation*
1. Demand	Increased demand and sales of greenlife products by 4% per annum plus CPI	33.3%
2. Knowledge	Increased marketing effectiveness and efficiency and better decision-making based on increased industry knowledge	13.5%
3. Protection	Improved industry protection from exotic, emerging and endemic pests and diseases	37.6%
4. Productivity	Improved productivity, profitability and professionalism through the creation and adoption of innovation and industry best management practices (BMPs)	10.8%
5. Careers	Better career development	3.5%

\*Total investment \$16.9 million as of June 2021. Balance of expenditure comprises of enabler investments, which includes expenditure to support the delivery of the SIP including advisory meeting and publication costs.

**Figure 1: Nursery SIP investment expenditure analysis**



## SIP performance analysis

This performance report reviews the investment achievements delivered within each outcome area that have generated impact for growers. The overall status of each strategic area, informed through an assessment of KPI performance, is also provided. The evaluation status and criteria were:

Strategic area status	Criteria
Achieved	KPIs for this strategic area were met
In progress	Investment delivery remains ongoing
Not achieved	Investment was not prioritised in this strategic area

The results have been informed from evidence compiled through reviewing investment documentation and engagement with project managers. Outcomes generated through the investments are documented and brief case studies of flagship performance and impact for each outcome area are also provided.

## Outcome 1: Demand – Increased demand and sales of greenlife products by 4% per annum plus CPI

The nursery SIP 2017-2021 recognised that the growth and sustainability of the nursery industry is dependent upon increasing the demand and value for greenlife products.

### Summary of strategic area and achievement status:

The strategies in the SIP that were identified to support nursery demand are listed below. An achievement status is provided based upon internal evaluation of project performances:

Strategic area	Status
Develop an annual marketing program	Achieved
Identify and monitor effectiveness of marketing program and allocation of spend between business to business, and business to consumer	Not achieved
Continue to support the 2020 Vision program	Achieved
Enhance the 2020 Vision brand beyond 2020	Achieved
Identify and promote the benefits of greenlife products and services	Achieved

### KPI callouts:

- The *Australian Horticulture Statistics Handbook* (HA18002) reported nursery production value increased by 4% per annum during the term of the SIP, however, this was below the target of 4% production value growth plus CPI.
- The industry supported the 2020 Vision program, which increased local and state government awareness of the importance of urban greening with a view to increase the total amount of green space in urban areas. Over the course of the program, participation grew from 10/139 (7%) of local government areas (LGAs) and 0/6 of state governments in 2013 to 122/139 (88%) of LGAs and 3/6 (50%) of state governments in 2020. This program has since transformed into 'Greener Places Better Places'.
- The consumer-facing phone application 'Plant Life Balance' sought to promote the importance of urban greening at home and in the community through the science-based health and wellbeing benefits of plants, with a particular focus on indoor plant sales and a female, millennial audience. Followers exceeded 100,000 with engagement rates above the average benchmark. There were 69,256 downloads of the app, which was the top greenlife brand based on most media mentions in Australia.
- The project *Where should all the trees go? Investigating the impact of tree canopy cover on socio-economic status and wellbeing in local government areas* (NY16005) engaged with LGAs to communicate the levels of urban greening linked to a vulnerability index of socioeconomic indicator, serving as a catalyst for LGAs to implement urban greening strategies. It is estimated that 120 of the 139 LGAs now have an urban forest strategy compared to just 15 LGAs before development of the SIP. An independent impact assessment estimated that this will support more vulnerable LGAs adapt to urban greening, impacting on quality of life measures and generating a net present value of \$0.67 million and a benefit cost ratio of 3.17:1.

## Outcome 2: Knowledge – Increased marketing effectiveness and efficiency and better decision making based on increased industry knowledge

This outcome focussed on increased knowledge on the size and value of the industry; consumers and consumer behaviour; and grower characteristics.

### Summary of strategic area and achievement status:

The strategies in the SIP that were identified to support nursery knowledge are listed below. An achievement status is provided based upon internal evaluation of project performances:

Strategic area	Status
Obtain a better understanding of the customer, their requirements and reasons for buying or not buying green-life products and/or services	Achieved
Obtain better industry intelligence, including value of industry, and people employed	Achieved
Disseminate industry information and insights to growers and key stakeholders	Achieved

### KPI callouts:

- The project *Understanding the attitudes to urban green space for government and business audiences* (NY18006) delivered data and insights on community attitudes and behaviours relating to green space, with the ultimate goal of supporting education around and demand for urban greening. *Nursery Fund – Consumer usage and attitudes research* (NY20002) conducted a survey of 1,651 Australians to provide insights regarding consumer behaviour and attitudes with respect to the indoor and outdoor plant category.
- Since the SIP commenced, the nursery industry has significantly increased knowledge of the scale of production and market segment. Initial data collection was progressed through the project *Nursery industry statistics and research 2016/17* (NY16004), which was later expanded through *Nursery industry statistics 2017/18 to 2019/20* (NY17008). (See the case study below.)

### ***Case study: Nursery industry statistics and research (NY16004 and NY17008)***

To grow and prosper, the nursery industry identified the need for reliable data including number of businesses in the industry, volume of products sold, farmgate value of greenlife products, production area, employment, industry outlook and sentiment. This data would inform industry decision-making, resource prioritisation, investment evaluation, strategic planning activities, market trends and tracking industry performance over time. However, this data was missing from the industry, amplified by a number of identified challenges in its collection including the diversity of the industry, the sale of plants a number of times before the end user, and industry experience in data collection.

The project *Nursery Industry Statistics and Research* (NY16004) addressed the challenges and barriers to data collection with a top-down/bottom-up approach and a multi-disciplinary team.

The focus of NY16004 was to develop a well-supported, repeatable and useful data set for the Australian nursery industry. This was achieved through computer-assisted telephone interviews of a random sample of 221 businesses to obtain a primary data set for the 2016/17 year that covered production, sales channels, stock type, size of enterprise and future growth outlook. Key outcomes for the industry included:

- The value of the nursery industry was revised up by \$1.6 billion (95%) from previous estimates
- The final benchmarking tool was supplied to 221 survey participants and requested by a further 35 production nurseries during 2018. Of participants in the 2019 survey data collection, 24% have used the benchmarking tool within their business
- Examples of decision-making capabilities include the capability for participating businesses to use the information to focus more clearly around investment prioritisation identifying performance improvements.

Across the three years to 2020, NY17008 continued to support the collection and dissemination of data and produced updated versions of the nursery data tool, providing an ongoing resource for industry and allowing validation of the information over multiple years. Participation in the survey continued to increase, peaking in 2019 with 305 businesses.

NY17008 also produced a political, economic, social, technological, legislative and environmental (PESTLE) scan of the greenlife industry operating environment. The resulting Greenlife Market Report has proven to be a valuable information source for industry, being the first Greenlife Market Report since 2010.

## Outcome 3: Protection – Improved industry protection from exotic, emerging and endemic pests and diseases

Biosecurity was one of the key areas of levy R&D investment for the nursery industry because protecting industry assets from exotic, emerging and endemic diseases is of utmost importance to maintaining environmentally and financially sustainable businesses.

### Summary of strategic area and achievement status:

The strategies in the SIP that were identified to support nursery protection are listed below. An achievement status is provided based upon internal evaluation of project performances:

Strategic area	Status
Maintain and test surveillance systems and emergency disease management preparedness	Achieved
Increase the awareness of the requirement of biosecurity to industry and stakeholders	Achieved
Review of importation requirements and barriers to adoption of new genetics	Not achieved
Work with state governments to develop a more workable system for plant movements between states	Achieved
Maintain access to chemicals through Minor Use Permits	Achieved

### KPI callouts:

- The *National Nursery Industry Biosecurity Program (NY15004)* ensured production nurseries in Australia were prepared for incursions of exotic plant pests. The investment also carried out broader biosecurity-related activities for the nursery industry, including meeting industry obligations under the Emergency Plant Pest Response Deed (EPPRD), and maintaining the industry's minor use permit program as needed (see the case study below).
- The project *Building the resilience and on-farm biosecurity capacity of the Australian production nursery sector (NY15002)* focused on the development of resources to assist growers in the management of pests and diseases, which were extended to industry through 28 workshops (attended by 615 participants) and 14 webinars (attended by 263 and viewed online 9,400 times), and which resulted in reduced pest/disease incidence for 70% of participants, and reduced pest/disease management costs for 60% of participants.

### ***Case study: National Nursery Industry Biosecurity Program (NY15004)***

This project ran from 2016 to 2020 and ensured production nurseries in Australia were prepared for incursions of exotic plant pests. Some key outcomes from the project were:

- Development of an on-farm plant protection and biosecurity program (BioSecure HACCP) to support production nurseries in meeting quarantine entry conditions and electronic certification
- Distribution of industry wide communication across the life of the project to deliver information on plant protection and biosecurity issues
- Development of training packages for each Entry Condition Compliance Procedure (ECCP)
- Enhancing industry access to appropriate pesticides (insecticides, fungicides, herbicides, etc) to manage plant pests across cropping systems through the pesticide minor use program
- Updates to the Pest ID Tool to include systems to record crop monitoring and surveillance.

As a result of this dedicated biosecurity program, the industry achieved a unique status as the only non-government operator of an approved plant protection and biosecurity program as a market access scheme in Australia. Furthermore, BioSecure HACCP is the only e-Certification system for the verification of plant consignments having met the interstate quarantine movement conditions operating within Australia's domestic quarantine system.

The project has also underpinned the activities required to service the industry obligations under the EPPRD. The management and/or eradication of more than 150 plant pests was supported, including the brown marmorated stink bug, banana freckle, tomato potato psyllid and citrus canker.

Overall, this investment supported strong industry engagement in support of improved biosecurity outcomes. An independent program review found 73% of production nurseries were aware of NY18004 research and outputs, with industry awareness of BioSecure HACCP increased from 26% in 2016 to 85% in 2020. Furthermore, the mid-term review found that 45% of surveyed businesses made use of the advice on minor use chemical permits generated by the program.

## Outcome 4: Productivity – Improved productivity, profitability and professionalism through the creation of opportunities through innovation and adoption of industry BMPs

The nursery SIP 2017-2021 identified the importance of building an innovative and engaged industry through supporting the adoption of BMPs. Three approaches were identified: innovating to create career opportunities; adopting industry BMPs (NIASA, BioSecure HACCP and Eco-Hort); and engaging levy payers.

### Summary of strategic area and achievement status:

The strategies in the SIP that were identified to support nursery productivity are listed below. An achievement status is provided based upon internal evaluation of project performances:

Strategic area	Status
Identify and fill R&D gaps where research would provide a collective benefit to the industry	In progress
Monitor previous investments, innovation and trends	Achieved
Review and update the industry BMP modules to promote and expand these programs, including accreditation	Achieved
Develop and conduct extension activities to drive adoption of BMPs	Achieved
Promote, survey and monitor growers' uptake of BMPs and levy funded outcomes	In progress
Create and maintain a library of projects that is open, easily accessible and catalogued for grower access	Achieved
Develop and implement an effective communication strategy program	Achieved
Monitor the effectiveness of communication activities	Achieved

### KPI callouts:

- The project *Global review and gap analysis of nursery industry research and development initiatives* (NY17006) identified five issues for future focus to build an innovative R&D program for the nursery industry: reducing the environmental footprint through improved resource use efficiency; improving production and process efficiencies (both in the field and within protected cropping systems); reducing production costs through automation and uptake of new technology; improving supply chain efficiencies and logistics; and improved understanding by industry of end user needs/desires.
- Several BMPs support nursery production practice – Nursery Industry Accreditation Scheme, Australia, Biosecure HACCP and Eco-Hort. These BMPs continued to be updated in line with industry requirements.
- Updates to the BMPs and other R&D were supported through *Communication program for the Australian nursery industry 2015-18* (NY15006) and *Australian nursery industry communications program* (NY18001). In 2016, the NGIA Facebook account had 1,916 followers, which had increased to 5,972 by 2021, representing a 211% audience increase over the period of the SIP. In addition, in 2016, the NGIA Twitter followers increased by 32% from 1,420 to 1,885. A survey reported that more than 80% of stakeholders were aware of key communications channels, with the majority believing that there was enough information about the nursery levy, and that case studies and fact sheets were most useful to influencing practice change at the business level.

- Reviewing more than 13,800 trees from 23 nurseries, *Evaluation of nursery tree stock balance parameters* (NY15001) investigated how species differences and climatic conditions in different Australian production regions can affect the balance of root and shoot system prior to dispatch. The project informed an updating of Australian Standards AS2303. An independent evaluation found the project provided increased confidence to sellers and purchasers of landscape trees regarding tree quality across the full range of container sizes and tree types.

## Outcome 5: Careers – Better career development

This outcome focused on attracting the appropriate talent so that the industry could better position itself and increase consumer, government and community perception about the role and value of green-life in their environments, homes and workplaces.

### Summary of strategic area and achievement status:

The strategies in the SIP that were identified to support nursery careers are listed below. An achievement status is provided based upon internal evaluation of project performances:

Strategic area	Status
Promote the industry as a professional career choice	Achieved
Identify future skill sets needed in the industry	Achieved
Collaborate with institutions about industry training and development needs	Not achieved
Implement a young leader and development program	Achieved
Use future innovators/young leaders to promote and adopt R&D and marketing outcomes within the industry	Achieved

### KPI callouts:

- A review of nursery industry career pathways was completed through *Review of nursery industry career pathways* (NY17002), which outlined a five-pillar strategy to underpin the provision of robust career pathways for the sector. Delivery against the recommendations provided through the strategy are being supported by Greenlife Industry Australia.
- Additional support for building careers in the nursery industry was supported by the *Green Industry Growing Leaders Program* (MT16002). This program developed the leadership capacity of a group of 42 nursery levy payers between 2017-2019.

### ***Case Study: Green industry growing leaders program (MT16002)***

From 2017 to 2019, this project delivered leadership education to participants from across the Australian nursery and turf supply chain that were motivated to further develop their leadership skills. The Growing Leaders Program was designed to develop leadership capability and capacity to transform the nursery and turf industries through vision, engagement, action, and leadership. It provided participants with positive exposure and networking opportunities with stakeholders from across the supply chain.

The program comprised:

- Two separate 2-day leadership forums that included the fundamentals of good leadership
- A workplace project that was approved by the participant's manager
- One-on-one coaching with program leaders
- Weekly emails with helpful resources such as short reads or video content
- Webinar participation
- Networking and 'buddy' support
- Post-program participation in an industry event or program profiling.

Across the three years of the program there were 100 applications for the course, with 58 enrolled (target 45), and 50 graduated (target 36). Of the 58 participants, 42 (72%) were from nursery levy paying businesses, with an additional three (5%) from nursery supply chain partner businesses.

Key outcomes reported from this program included increasing industry knowledge, industry awareness and supporting industry governance capacity, which will contribute to underpinning participants' career development. Participants rated the program 4.6/5 (98%) for its value to them personally, and also to the wider industry in developing leadership skills and knowledge.

Since completing the program, three nursery graduates took up positions on their respective state industry bodies (one from each year). Other participants have taken on higher leadership within industry governance to further their careers within nursery and support the industry.