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The report has been prepared by

Gillian Stewart, Rural Business Officer, **Mornington Peninsula Shire**

Editing

Tania Treasure, Manager, Economic Development & Tourism, **Mornington Peninsula Shire**

Karen Gibbons, Business Development Officer, Economic Development, **Mornington Peninsula Shire**

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Disclaimer: Mornington Peninsula Shire (MPS)

All effort has been made to give true representation, provide accurate data and apply comprehensive knowledge to this document. Figures, data and commentary presented in this document are based from external data sources. However, MPS does not guarantee the accuracy of data nor the conclusions drawn from this information and therefore should not be relied upon solely for decision making purposes.

EXECUTIVE SUMMARY

The Mornington Peninsula Shire nursery industry represents a diverse group of businesses, production systems and allied providers; aligned with strong domestic supply chain integration and underpinned by research & development partnerships and innovation.

The industry has had a significant presence in the region for the past 30 years. Australian Business Register data indicates there are currently forty-five businesses registered in the shire as undercover or outdoor nursery production. It is dominated by a large wholesale business segment, diverse in their scale and production range. Some choose to be niche in both their growing models and target markets e.g. espaliered or advanced trees tend to be purchased by commercial developers and landscapers; whilst others generate a broad mix of seedlings, colour and variety to suit retail demand from home gardeners.

The industry has an estimated current value of production of \$150million per annum. Businesses interviewed have indicated they are projecting average annual growth of between 15- 20% per annum. The industry is protected from import competition due to strict biosecurity standards; hence it is able to capitalise on the strong local growth demands currently being experienced. There are estimated to be around 500 people employed by nursery and potting media businesses in the shire.

The close proximity of the Mornington Peninsula to metropolitan Melbourne ensures businesses have easy access to both major retail distribution centres and residential development projects in the surrounding interface and peri-urban regions.

Mornington Peninsula Shire has been identified by Nursery Garden Industry Victoria (NGIV) as a business growth region. It is a strong and vibrant industry with no downsizing occurring. Instead businesses are growing in size due to some of the core suppliers contracted by national retailers. It comprises astute business leaders that run technically advanced businesses. They are innovators and entrepreneurs who want to change, grow and expand both intellectually and technically.

The shires maritime climate and temperate growing conditions provide a suitable environment to maximise plant growth and species diversity. Water availability has been consistent via dams, bores and innovative storage infrastructure. Some recycled water is available however, interest in and demand for supply of “fit for purpose” Class A water is increasing.

Opportunities for action to support the industry identified in this report include:

- Connect businesses with the right people with the Shire i.e. a sign post or database of who to speak to at the Shire about what issue needs to be resolved to encourage business development, investment and ease of the permit process
- Identify and support industry investment and development opportunities i.e. grants
- Identify aspects of the Councils Health & Wellbeing Plan to integrate nursery industry technology and innovations into local initiatives such as 202020;
- Enable local businesses the opportunity to tender for provision of local government plant services;
- Encourage businesses to become members of the MP Agribusiness council (to be formed) as a platform to discuss relevant and cross industry local policy issues; and
- Promote training and employment programs in partnership with local secondary and tertiary institutions.

INTRODUCTION

The report aims to identify the economic value of the Nursery industry production (Undercover and Outdoors). There is a real lack of understanding of the current value and potential growth of this sector, particularly in terms of annual turnover (production and dollar value), diversity of plant types, distribution pathways, market access and supply and employment and training.

This report attempts to provide a more detailed overview of the local sector activities to:

- Identify key local Nursery industry stakeholders;
- Estimate industry values of production (types & scale);
- Identify market growth potential;
- Quantify economic contributions to the shire;
- Describe relationships between land, water and infrastructure;
- Identify local import replacement opportunities along the supply chain;
- Highlight current employment and future industry job growth potential; and
- Promote career and training opportunities.

INDUSTRY OVERVIEW

The Nursery industry plays a significant role in the human, environmental and economic wellbeing of Australia. The industry is far broader than the ‘ornamental’ market and includes:

- Large scale forestry and Medicinal products;
- Nurseries and Flowers;
- Landscaping; and
- Starter plants for fruit and vegetable production.

The Mornington Peninsula Shire nursery industry has a strong business presence in the landscape. According to the REMPLAN Australian Business Register (ABR) there are forty-five businesses registered in the shire that operate under the industry classification of Nursery Production Undercover and Nursery Production Outdoors.

There is a high density of wholesale nurseries located between Cranbourne and Dromana who supply the bulk of markets in Victoria; highlighting the strong business cluster in the region. Nursery businesses are dispersed throughout the shire as illustrated in Figure 1.

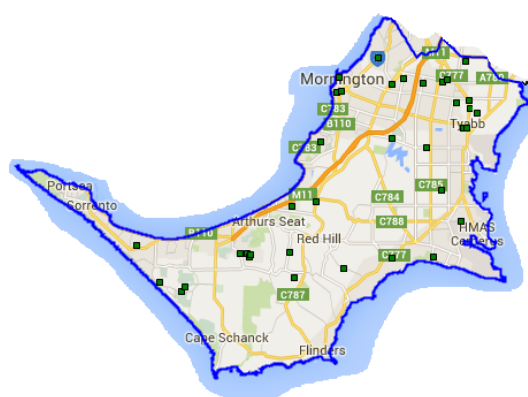


Figure 1. Geographical distribution of Nursery businesses across the Mornington Peninsula Shire (REMPLAN 2015).

Two main types of plant businesses dominate the local industry:

1. **Seedlings & plants** - dominated by ornamental and seedlings; fast paced with a high number of stock turns and tends to be more reliant on retailers for sale points; and
2. **Tree and shrub growers** – completely different target market – mainly developers & landscapers and lower stock turnover but at higher price points.

Seedling grower's work within a 6 - 8 week plant growing cycle. The turnover in plant numbers is considerably higher than the advanced trees per annum. Income turnover is constant however strict contract deliverables must be adhered to on a weekly basis; leaving little room for short term crop failures. In comparison advanced tree businesses purchase semi- established trees i.e. they don't sit on a product for 5 years but rather move it through a growth phase to meet a mature supply criteria.

Various elements of the production and growth cycle tend to be undertaken by different business types. This supply chain strategy reduces risk across a business to invest in all aspects of plant growth from tissue culture, seeds, root stock \ grafting, seedlings, potted plants and trees.

The use of crop protection infrastructure i.e. igloos or hot houses, minimises risks associated with extreme weather and climate events. Businesses are investing in structures to meet certain height specifications and quality, maintain stable temperature levels and can install efficient water systems to provide stable growing conditions.

Occupational Health & Safety issues are being addressed within businesses. In particular, increasing mechanisation is being implemented to prevent lower back injuries from manual handling. Businesses are also becoming smarter with potting technology, water systems, adoption of industry best practices; ultimately this will change the types of jobs undertaken and recruited for in the future.

MARKET ACCESS

Purchasers of wholesale nursery products are retail nurseries, landscapers and developers. A typical nursery supply chain example would be a wholesale nursery supplier contracted to Bunnings, who then, sell directly to customers such as home gardeners. Revegetation, residential development and freeway projects make up the remainder of the market share.

Wholesale nurseries tend to dominate the business model in the landscape and are predicted to do so in the medium to long term future. The Westernport region has been identified by the industry as an area for business expansion rather than the hinterland or southern peninsula. Peninsula link also provides for ease of product distribution.



VALUE OF LOCAL INDUSTRY

Local nursery owners define business scale as:

1. **Large** - 4-5 million plants per annum / turnover
2. **Medium** – 1-2m plants per annum / turnover
3. **Small** – less than 1 million plants per annum / turnover

REMPLAN data sets do not breakdown value of production estimates beyond the “Other agriculture” level so reliance on industry knowledge to quantify the sector’s value has been critical. Industry engagement has identified a multi-scalar business profile range.

The median turnover tends towards \$2m / annum whilst the average is \$3.6m. Figure 2 provides an industry appraisal of estimated local business size range verses annual turnover (\$m). The small (<2m) to medium business (2-5m) tend to dominate the landscape.

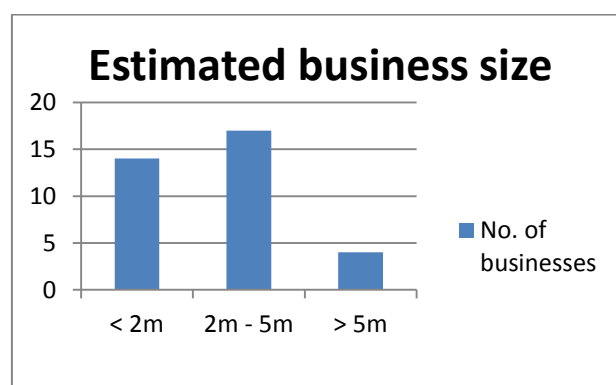


Figure 2. Estimated nursery business scale range

The significant wholesale businesses in the shire are:

- Tree Growers Australia (TGA)
- Botanix
- Haars
- Southern Advanced Plants

The NGIV estimates the Victorian nursery industry is worth \$1.6 billion covering production, wholesale, retail and allied trades. Whilst, the local nursery industry turns over approximately \$150m of product per annum (Haars, NGIV 2015). This includes both plants and the growing media (composting) sectors. With the projected estimates in annual industry growth of 15- 20%, this should see annual turnover increase by a range of between \$22.5m - \$25m per annum.

IMPACT SUMMARY FOR AN INCREASE IN OUTPUT (\$M) TO THE LOCAL ECONOMY

An impact analysis has been undertaken, based on feedback of potential industry growth. The analyses are presented below. An increase of \$22.5m (15% growth) would have a direct impact on the creation of 86 more jobs; indirect benefits are \$11.65m and 40 jobs; whilst the total economic benefits would be \$34.15m and 126 jobs (REMPAN 2015).

Impact summary	Direct	Indirect	Total Effect
Output (\$M)	22.5	11.65	34.15
Employment (jobs)	86	40	126

EMPLOYMENT AND TRAINING

Based on industry consultation there are estimated to be approximately 500 people employed by nursery and potting media businesses in the shire.

Many employment opportunities exist and career development pathways are actively encouraged by employers to enhance business retention of quality staff. According to businesses interviewed there are numerous employment opportunities in the industry; however as identified in attracting people to the industry there is a stigma attached to low wages. An unskilled nursery worker will be paid approximately \$20 per hr for a 38hr week. During spring, extra hours may be required due to production demands whilst in summer and winter overnight work may need to be done to monitor watering and heating systems to prevent frost or heat damage.

People are encouraged to have an open mind for the type of work they would like to do and to try various roles. This may help develop a rounded skill set and identify key areas of expertise and work satisfaction. There are numerous opportunities to employ and provide career pathways for skilled professionals in balance with non-skilled workforce labour.

The Nursery & Garden Industry adhere to the federal Nursery Award 2010. This includes retail and production nurseries. Award rates rather than positive job satisfaction tends to dominate career prospects and promotion. Recognition and marketing the benefits of a nursery career will reduce the stigma of “just basic manual labour” tasks. Some businesses also state that:

1. Good staff are incredibly hard to find; and
2. There is disconnect between education providers and nursery employment opportunities.

There doesn't tend to be many new businesses starting; rather more growth and expansion with existing businesses. However, these are cutting edge businesses operating within a highly intelligent technical sector. This is not widely promoted and warrants tertiary qualified people to be engaged to foster technical capacity and strategic industry development.

There are numerous horticulture and nursery training opportunities offered. However, the industry needs to educate potential job seekers to better understand career pathway options.

The nearest provider of accredited training to the local nursery industry is Chisholm Institute in Cranbourne and Dandenong.

The NGIV provides a list of members that offer training in the field of Horticulture (Appendix A)

CURRENT TRENDS

There are key consumer and business trends driving local industry development and growth. These are:

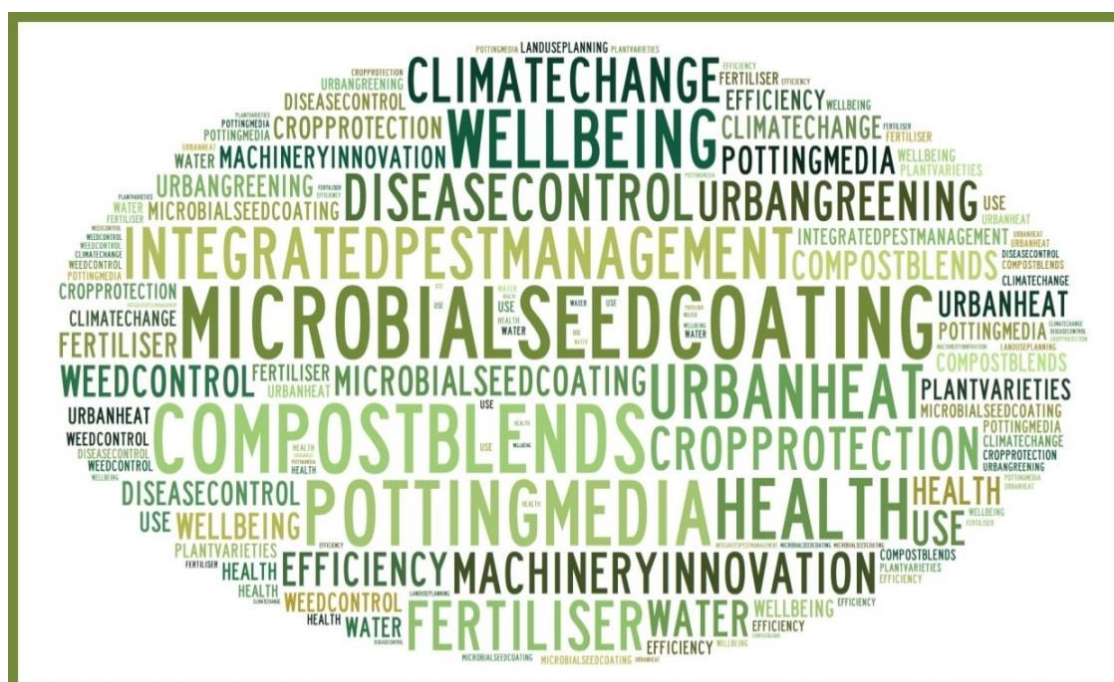
Consumer trends:

1. **A push back to nature** - a strong trend in people towards connecting to earth, gardening, growing local food and aspiring to be more sustainable;
2. **An aging population** – gardening is promoted as a great outdoor activity, provides physical exercise and positive impacts on health and wellbeing.

Business trends:

1. A general **decline in medium scale** businesses – a large driver is valuable land in the peri-urban and interface areas resulting in businesses having ‘cashed out’ or there has been no family succession plan and this presents a lucrative opportunity to retire;
2. Smaller businesses need to be prepared to do the **whole of supply chain** which can be difficult and timely dealing with retail clients or finding wholesale customers; and
3. Big retail businesses tend to have **more streamlined** business engagement to deal with fewer major clients e.g. Woolworths, Bunnings, Masters tend to buy in bulk and minimise the need for interaction with numerous businesses.

Key industry focus themes captured through the industry engagement process are illustrated below



KEY STAKEHOLDERS

Nursery and Garden Industry Australia Limited (NGIA) is the peak industry body representing commercial growers, retailers and suppliers in Australia. NGIA is charged with providing leadership, support and additional resources to drive key industry initiatives, which meet the goals of the industry strategic plan.

Nursery and Garden Industry Victoria (NGIV) is the peak industry body for Victoria's horticultural industry. Its member base covers production, wholesale, retail and allied trades. NGIV members within the Mornington Peninsula Shire represent approximately one- third of the industry.

The local nursery industry encompasses the following stakeholders; referred to as the "green industries brand" by NGIV.



The whole of the "green industries brand"; work closely with:

- **Landscaping Victoria:** an association comprising membership of commercial and residential landscape contractors, landscape designers, students and educators, and landscape service and product suppliers;
- **Australian Institute of Landscape Designers and Managers (AILDM):** Australia's leading association of qualified landscape design and management professionals; and
- **Australian Institute of Landscape Architects (AILA):** The national advocacy body representing 2,500 active and engaged landscape architects.

The industry supports training and leadership programs and provides funding for young leaders to pursue learning and development opportunities both within Australia and overseas. International industry development tends to focus on exchanges to Europe for technology and plant varieties; and the United States to access the latest plant breeding expertise.



NURSERY INDUSTRY LEVY



The Nursery Levy, often called the “pot levy” was introduced at the request of the Nursery and Garden Industry Australia (N.G.I.A.) in 1989 and under the Primary Industries Levy Legislation. The levy is based on the action of putting a plant into a container with growing media for cultivating or for sale. The industry has chosen to manage and measure this by making the levy payable on all containers in which plants are grown for resale.

While it is referred to as the “pot levy” it is also payable on plastic bags, root control bags, degradable pots, punnets and any other containers used for pots grown for resale. It is payable for anyone using the pots but it is collected at the point of purchase of the containers and is usually added to the invoice the purchaser receives. No levy is payable on pots sold to retail customers, such as in garden centres.

The levy can be raised, lowered or removed altogether only at the express request of NGIA after appropriate consultation with the industry. The levy is currently set at 5% of the wholesale value of the container. The NGIA has developed an Industry Strategic Investment Plan that covers industry marketing and research and development activities (NGIV 2015).

BIOSECURITY



The nursery industry is regulated by strict biosecurity regulations. Plants grown outside of Australia are sprayed with methyl bromide and must remain in quarantine for three months; to be observed prior to being released.

Product can only enter Australia in a sterilised form i.e. in a tissue culture where the plant sits in a gel. The high level of industry protection minimises competition from imported plant products; enabling local nurseries to take advantage of the current positive demand / supply market trends.

The NGIA represents the biosecurity interests of the industry. They are members of Plant Health Australia and signatories to the Emergency Plant Pest Response Deed. Their responsibilities include:

- biosecurity planning and implementation at national and farm levels
- liaising with federal and state governments on trade issues
- funding and supporting biosecurity initiatives
- participating in national committees and response efforts in an emergency (PHA 2015)

ENVIRONMENTAL ACCREDITATION

NURSERY INDUSTRY ACCREDITATION SCHEME AUSTRALIA

The Nursery Industry Accreditation Scheme (NIASA) is a national scheme for production nurseries, growers and media - potting mix businesses, which operate in accordance with a set of national 'Best Practice' guidelines. The scheme is funded by the nursery levy.

Any wholesale/production nursery or growing media/potting mix manufacturer in Australia can join NIASA if they implement the NIASA Best Practice Guidelines. Membership is voluntary and participants are not required to belong to a Nursery & Garden Industry Association.

This scheme provides best practice guidelines for crop hygiene, crop management practices, water management practices and general site management (NGIA 2015).



ECOHORT™

EcoHort™ is the Environmental Management System (EMS) for the Australian nursery industry. It is a method by which a grower can demonstrate to industry, government and the community their sound environmental and natural resource stewardship. Adopting the process of EcoHort™ enables businesses to demonstrate:

1. They have utilised a recognised system for assessing likely environmental and natural resource impacts,
2. They are managing these impacts in a responsible and sustainable manner (NGIA 20015).





The 20 by 2020 initiative aims to create 20% more green space in our urban areas by 2020. In 2014 a public consultation process brought together Local Government, State Government, developers, health experts, researchers and landscapers in order to understand what was preventing them from creating more and better green space. Five key themes were identified as potential barriers to more green urban space.



There may be opportunity for council to explore the 202020 initiative through further engagement in the Nursery Garden Industry Victoria. Visit www.202020vision.com.au

WATER

Plant nurseries are extremely water conscious and innovative in their management strategies to recycle and reuse water. Very little water is discharged offsite due to investment in underground pipe and drainage infrastructure. Businesses rely on a combination of mains, bore, dam and recycled water resources. Water must be filtered on site to remove any pathogens; whilst nutrients can be delivered through watering systems based on plant needs. Mains water is the most expensive option with prices @ \$3000/mg so alternative water sources are preferred but subject to seasonal and quality impacts.

Currently, there is limited availability of recycled water for some businesses. Access to this water source can help 'drought proof' a business and manage price risk in peak dry times. Expansion of recycled water access to businesses is an important area to explore in more detail.



SOCIAL IMPACTS

The social impacts and contributions of the nursery industry have been understated until recent times. There is significant anecdotal evidence regarding the benefits of spending time in a garden or other outdoor green space connecting with plants and soil. The nursery industry poses the question:

- How do we “reconnect” people and communities with plants, gardens and outdoor space?

Schools have been recognized as doing a great job to target younger generations to build interest in vegetable gardens i.e. Kitchen Garden Schemes. Reality TV shows are also credited with providing awareness and learning avenues to promote the value of improving green space through landscaping and home gardening.

There are strategic opportunities to embrace and promote more resilient economic, environmental and social integration around green thinking and adoption. Showcasing the diversity and depth of the industry’s contribution to health and wellbeing; whilst celebrating achievements and contributions to sustainable community development is essential.

The industry aligns neatly with green living initiatives e.g. growing herbs, trees and home grown produce, gardening, produce swaps, compost and organic principles. There is a push for more of a health wellbeing aspect of connecting to green in council plans e.g. “City in a forest” concepts which have been embraced in Singapore and are being promoted by the City of Melbourne through the 202020 project.

There is a focus on generational change to retrain and physically change people’s thinking and connection towards green space and activities. Therefore, residential engagement by councils and industry, to encourage community growing projects (orchards, food nature strips, gardens, and produce hubs) provides great access pathways for people constrained by a lack of backyard space or general green disconnect. Exploring these opportunities is important as many activities are already happening across the shire in this space. Value added contributions by the nursery industry into existing programs will enhance synergistic outcomes for a wide variety of businesses; especially in townships.



OPPORTUNITIES FOR ACTION

Opportunities for business expansion and growth in the industry are plentiful. Investment in advanced technologies is occurring regardless of business scale. Significant innovation and technology is drawn from Europe and the United States. In particular automated seedling and potting machinery has been imported to increase daily output targets to meet market growth demands. This technology has been adopted by a key business in the shire; a significant investment that will increase labour and production efficiencies.

Victorian nurseries are known for producing high quality products supported by a high degree of individual care and technical expertise. Demand from interstate retailers to source from Victoria is also increasing. Domestic market access eases the biosecurity requirements of export; however there are emerging market access opportunities that businesses may explore in the future.

The industry prides itself on providing a strong capacity building and mentoring framework to support and foster its members long term business plans and aspirations. There are special interest groups such as the Tree and Shrub Growers group, the only one of its kind located in Victoria that supports networking amongst these businesses where demand for bigger and more established product is increasing.

Many business structures are still family orientated. However, a younger educated generation, are now returning with strong business acumen and skills to capitalise on industry growth potential; adding significant innovation and inter-generational value.

Businesses operating in a peri-urban landscape expressed the opinion that landuse maximisation can occur on relatively small holdings, if supported by research & development technologies and a technically skilled labour force.

The NGIV identify the Shire as a potential leader in local green space technologies i.e. **202020 project**. The industry sees an opportunity to collaborate with the Shire and identify strategies within the 'green space' arena that enhance both business attraction and public amenity in townships.



SHIRE OPPORTUNITIES TO WORK WITH INDUSTRY

The Economic Development Unit will work with the NGIV to address the Opportunities for Action goals identified below. Strengthening the relationship will be achieved as follows:

Connect businesses with the right people within the Shire i.e. a sign post or database of who to speak to at the shire to encourage business development, investment and ease of the permit process

- The Economic Development Unit (EDU) will be a designated first point of contact for nursery businesses to determine what support they require from specific units and who the most appropriate contact person will be. The EDU will also facilitate business development and planning discussions as requested.

Identify and support industry investment and development opportunities i.e. grants

- The EDU will work with businesses and the NGIV to identify collaborative investment opportunities and project grants. Involvement from other Shire business units will be sought where necessary to determine appropriate implementation pathways for development activities.

Identify aspects of the Councils Health & Wellbeing Plan to integrate nursery industry technology and innovations into local initiatives such as 202020

- The NGIV will be invited to present at the Shire's Health & Wellbeing committee to raise the profile of industry initiatives and opportunities to strengthen contributions within the local "green" space that benefit community.

Enable local businesses the opportunity to tender for provision of local government plant services

- The EDU to explore, within the shire, options to promote opportunities for local businesses to tender for good & services.

Encourage businesses to become members of the MP Agribusiness council (yet to be formed) as a platform to discuss relevant policy issues

- A NGIV board member will be invited to participate in the initial planning and development of the MP Agribusiness Council. This process will commence in early 2016.

Promote training and employment programs in partnership with local secondary and tertiary institutions

- The Shire and NGIV will work in partnership to identify appropriate educational providers to promote local industry career pathways and job opportunities; especially targeting long term unemployed and youth.



CASE STUDIES

A number of local case studies have been developed to highlight different business and supply chain facets of the industry. They provide a snapshot of a diverse production and allied businesses, all currently experiencing positive economic growth.

MERRYWOOD



Merrywood nursery commenced operation as a hobby 25 years ago at Shoreham. Interest in growing espaliered plants turned into a business when an increase in demand for this type of product started to occur.

The original five acres were outgrown and the business relocated to vacant land at Somerville where it was able to build infrastructure to industry standards. This has ensured water and weed management systems align with nursery best practices and provides a suitable environment to maximise plant growing conditions. Hand weeding, integrated pest management (IPM) and water harvesting from internal drains has produced significant savings for the business.

Espaliered plants grown include a range of citrus and fruit trees (apples, pears, plums, and pomegranates), olives and ornamentals (camellias). The urban housing model fits neatly with the compact growth pattern of these plants and various sizes and types can meet the constraints of balconies, courtyards and small backyards.

The business wholesales to a mix of retail nurseries and landscape businesses and has an expected growth potential of 20% per annum.

Merrywood has 3 full time employees, 3 part time and 3 casual. They have found it hard to find experienced and qualified people in the industry to meet the technical needs for their type of niche business.



HAAR'S NURSERY

Haars Nursery Pty Ltd is a privately owned Australian producer of flowering indoor and outdoor pot plants, herbs, vegetables, superfoods and hanging baskets. It is located at Somerville, and has been operating on the shire since 1989. Its current plant range includes outdoor flowering plants, indoor flowering plants, herbs and superfoods. Haars contracts another local business, JD Propagation, to grow its small seedlings which are then transferred to the Somerville site to grow to market specifications.

The two main business drivers for this nursery are:

1. A changing climate (more intense weather events more often);
2. An urgent need to grow in size because the industry is expanding and smaller businesses are realising their land capital value, especially in the interface regions.

Haars employ 100 people across the business. The majority are based at the Somerville site whilst others provide brand retail support in various Bunnings stores across Victoria. Career pathways are encouraged and Haars offer apprenticeships through to Diploma level qualifications. Most employees work a 38 hour week; and especially during spring there are mostly full time hours available for casual or part time staff.

The business sees the nursery industry as a great career for young people. It is a lot of physical work and quite labour intensive as there are just certain things that cannot be automated e.g. propagation, plant growing, packing and dispatching. The majority of the workforce is drawn from within a 40 km distance which tends to “work better” for the business.

Due to the decline in many medium size businesses, Haars has been able to secure contracts for increased plant volumes required to meet growing market demand. Retail companies also tend to want to deal in a high volume businesses model. The business is growing at 20-25% per annum; leveraging off a combination of Bunnings growth and industry consolidation.

Due to climate uncertainty and more extreme weather events there is a critical need for protective cropping infrastructure and streamlined automation systems. The difference between tree nurseries and plant and seedling nurseries is less growing risk from hail or frost. Therefore protected cropping systems are necessary to minimise plant losses from environmental exposure. Crop failures mean lost contracts with major retailers so Haars must ensure they are positioned to manage this risk on a daily basis.





Botanix is an advanced tree grower located on 15 acres at Somerville. The business operates between Somerville and the original site in Carrum Downs. Strategically, the business outgrew the site at Carrum Downs and moved to the Peninsula to expand. Species grown include thinner size trees, hedging rows, fruit trees, indigenous, natives, evergreen, deciduous and maples. There is strong long term economic demand for these types of products which supply the commercial landscape industry for domestic residential and unit development projects.

The business employs five full time staff which includes nursery hands, site managers and manager. In general, staff are incredibly hard to find due to a level of disconnect between education providers and job opportunities available. Therefore, employees are encouraged to undergo training to develop a rounded skill set to support the diverse daily management tasks. Business network and learning are integral to the development of the business and the general manager is a board member of NGIV.

Botanix has strong connections along the local supply chain fostering business to business interactions and purchases which are significant. These include allied industries that provide soil, potting media, pot supplies and irrigation equipment.

There are legislative requirements for green life to be embedded into residential housing estates. Botanix takes advantage of both the wholesale supply to developers; and a secondary market; actual homeowners who demand more mature trees in their landscaped gardens (Advanced trees can range from 40 cm containers through to 400 litre pots that require a crane truck to move on site). The business is positioned well to take advantage of the dual demand for trees linked to housing sector growth.

Current issues gathering momentum to address include urban heat impacts and safe community spaces. Greening strategies are being used to help cool highly concreted urban centres through an increase in tree plantings and vertical green walls. Whilst open green spaces are encouraging more people to spend time outside during their day and in turn providing safer access places within communities.





Australian Growing Solutions (AGS), located at Tyabb, is a wholesale manufacturer of premium grade potting media. It also supplies nutrition, and water management products to the wider horticultural sector. AGS operated as the Debco Company for 46 years. Originally the business focused on supplying growing media for commercial nurseries; however decided to expand into the retail sector due to its high grade product quality. The retail component of the business was purchased by Scotts (Osmocote, Miracle – Gro and Round-up) in March 2015 and operates from a site at Hastings.

Pinebark forms the basis of the composted potting material, sourced from various timber mills throughout south-eastern Australia. Having originally been seen as a waste product of the timber industry it is now highly sought after substrate for a range of potting mix graded products. The composting process is essentially a pasteurisation process to ensure the media is safe for human use and is both weed and pathogen free.

The business operates on a two shift rotation and employs 35 people at the Tyabb site. It generates significant revenue despite the high volume / low margin market forces. AGS concentrates on producing bulk commercial amounts of potting media and fertiliser into the wholesale nursery industry. The company is able to provide media blends tailored specifically to particular business needs i.e. plant type, growing methods, watering systems and micro-climates. The company's philosophy is to operate at the high end of the market place and produce the best quality mixes available. It reserves the right for intellectual property rights for blend mixes to stay with the individual business customers.

AGS provides technical support for its customers to enhance the quality and growth potential of their plants. It is actively involved in both the N.G.I.V. and N.G.I.A.; and has received industry awards and recognition for their technical innovation.

AGS operates on a significant scale; composting thousands of tonnes of pine bark per annum. To which it adds materials such as Prills (controlled release fertilisers), Lithuanian and Latvian peat moss, Coir (Coconut husk) from India and Sri-Lanka and local grape marc. The business is a significant stakeholder in the ornamental horticulture marketplace (AGS 2015).





Diacos is an independent retail nursery located in Mt Eliza. They have been in the shire for six years. Their business succession plan was underpinned by core family values adapted to a contemporary industry arena where a higher level of business acumen has been necessary. The customer base is predominately the home gardener, targeting the 35 – 60 yrs age bracket.

A duopoly dominates the retail nursery marketplace in Victoria. In order to compete with this pressure they pride themselves on providing a high level of knowledge and expertise, quality plants and other value for money products and services.

They have created a place where they encourage the customer to talk and “get their hands dirty” when inspecting textured products such as mulch and stones. They generally service the local community with an extensive range of lines supplying both new and second home owners and gardening enthusiasts.

The business has taken advantage of the substantial retail business exits from the industry in recent years; and expanded due to the lack of quality independent garden nurseries that remained. They believe the industry is on the verge of a health and wellbeing boom and driven by smart marketing will be able to capitalise on this aspect of customer demand.



TREE GROWERS AUSTRALIA (TGA)

Tree Growers Australia is an award winning wholesale nursery, specialising in the production of semi-advanced trees, hedges and shrubs. They are situated on the Mornington Peninsula in Somerville. Established in 1980, it is an accredited nursery and operated by qualified horticulturists. TGA carries one of the largest ranges of 33cm container stock in Australia; which is complemented by a range of 40cm and 50cm containers (TGA 2015).



THE DIGGERS CLUB

The Diggers Club commenced operation in 1978 at Dromana. It has become Australia's largest garden club; selling a range of heirloom vegetable seeds, flowers, fruit trees and drought tolerant plants. 'Heronswood' at Dromana runs workshops designed for gardeners to develop a wide range of techniques, skills and focuses on specific plants and fruits each season. Customers can purchase heritage seeds and plants at the garden shop and sample fresh local produce at the "Fork to Fork" Café.

The garden only uses green energy, organic principles and specialises in mainly fruits and vegies but also weather hardy flowers and plants. Diggers sell seeds online, which have been trialled for yield and flowering performance. Twenty years ago, the Diggers Club began pioneering the rescue of heirloom vegetables to ensure that these seeds, which have been passed down through generations of farmers and backyard growers, were preserved for future generations (Diggers 2015).



AUSTPLANT

Austplant is located on Arthur's Seat with a unique layout of the gardens where you can see the plants in full bloom; alongside a retail area where you can purchase a large variety of plants, trees, ground covers and shrubs. There are 600 hundred different plants for sale and all the staff are certified horticulturists.

Austplant gardens survive solely on rainfall which makes native plants an attractive feature to any garden in today's climate. In addition to the drought tolerant features of native plants, it prides itself on the quality of the plants by using a soil media in their potting mix which allows plants to hold moisture for longer periods of time around their newly developing root systems. It also enables plants to acclimatise to the natural soil environment, whether being free draining sand or heavy sticky clay (Austplant 2015).



SOUTHERN ADVANCED PLANTS (SAP)

Southern Advanced Plants (SAP) has been in operation for 20 years. The nursery, situated on 92 acres (38 hectares) was established at Nepean Highway, Dromana in September 1989. The Peninsula site was selected because of its mild climate, with mild winters, little or no frost and mild summers. The plants also benefit from the maritime cooling influence of the sea.

SAP is one of the largest wholesale production nurseries in the state. They grow quality trees, shrubs and grasses in 140mm, 180mm and 200mm pots with a strong emphasis on native Australian plants and drought tolerant hardy plants. The business is a member of the NGIV, NIASA accredited and an exclusive grower for Bunnings (SAP 2015).



THE BRIARS NURSERY

The Mornington Peninsula Shire Nursery grows an extensive range of indigenous plants from locally collected seed. These include groundcovers, grasses, shrubs and trees from the diverse plant communities that occur on the peninsula. The retail area includes sections for coastal plants, wildflowers and inland trees and shrubs. There is also a range of limestone tolerant plants from the southern peninsula.

The nursery grows approximately 100,000 indigenous plants per year. Internal Shire units, friends groups and bushland contractor's pre-order around 30,000 plants for specific projects whilst 70,000 are available for broader community purchase.

The nursery focuses on local "provenance" for seed sourced for orders and collects as close as possible to where a specific order has been placed. They also stock a large range of plants from across Australia including well-known, drought tolerant varieties of grevillea, callistemon, native hibiscus, banksia, leptospermum and many more.



CONCLUSIONS

The Mornington Peninsula nursery industry is an important business cluster for the shire. It is experiencing strong growth and has an exciting future to look forward to. There are great opportunities for business expansion and diversification to drive local economic prosperity and enhance community health and wellbeing.

The strong intellectual and technical capacity positions enable these businesses to maintain a competitive advantage in the national marketplace whilst acknowledging supply risk and climate change as important factors for management and adaptation.

Promoting the industry as a technically proficient industry will attract employees eager to enhance their knowledge and skills on a more defined career pathway. Greater industry awareness will also provide a platform to encourage business development and strengthen the industry.



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APPENDIX: INDUSTRY TRAINING

The following lists NGIV members that offer training in the field of Horticulture:

Institution	Type	Contact
Burnley College (University of Melbourne)	<i>Tertiary and Postgraduate Education in Horticulture</i>	www.horticulture.unimelb.edu.au
Chisholm Institute	<i>Provider of accredited training to the horticultural industry.</i>	www.chisholm.edu.au
Holmesglen Horticulture Training Facility	<i>Horticulture education and training in Certificates I, II, IV and Diploma Courses. Also industry and hobby courses.</i>	www.holmesglen.edu.au
Horticultural Skills Australia	<i>Delivering VET qualifications and articulated degree program for the Australian nursery and production horticulture industry.</i>	www.hortskills.com.au
Kangan Institute	<i>Real Education. Real Skills. Real Job. Contact the Department of Horticulture, Built and Natural Environments.</i>	www.kangan.edu.au
Northern Melbourne Institute of TAFE	<i>Working with industry to provide quality Horticultural Education and training programs.</i>	www.nmit.vic.edu.au
Swinburne Institute of Technology - TAFE	<i>Flexible delivery of quality horticultural education and training programs.</i>	www.swinburne.edu.au
Technical Institute of Victoria	<i>Provides training in both the Nursery and Production Horticulture areas of study.</i>	http://www.techinstitute.vic.edu.au

Source (NGIV 2015)