

NURSERY PAPERS

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HOW THE NURSERY LEVY SUPPORTS YOUR BUSINESS

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

The Australian Government then entrusts these levies to Hort Innovation, a grower-owned not-for-profit research and development corporation for Australia's horticulture industry. Hort Innovation invests your levy into research and development (R&D) and marketing activities to improve productivity, farm gate profitability and the sustainability of levy paying business such as the nursery industry.

Currently, the Nursery Levy, commonly known in the industry as the Container Levy or Pot Levy, is set at 5% of the value of containers in which plants are grown. Hort Innovation manages the majority of the 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.

This nursery paper takes a closer look at the levy, how it supports the nursery industry and how you can extract the greatest value from it.

SUMMARY

- The Nursery Levy is payable on the wholesale value of all containers in which plants are grown for resale or used in the production of other goods.
- The levy system funds research, development, biosecurity and marketing activities for the nursery industry.
- Some of the most important innovations within the nursery industry including the Nursery Industry Benchmarking Tool, the Greenlife Industry Australia (GIA) Extension Officer network and the free Pest ID tool are all supported by the levy. This nursery paper explains some of those innovations, which you are likely to already know and value.
- Greener Spaces Better Places, the nursery industry's marketing program is also funded by the levy.
- Levy payers, the government, collection agents, Hort Innovation and Greenlife Industry Australia (GIA) as the Prescribed Industry Body for the levy, are all stakeholders in the levy system.
- Levy investments are guides by the 2022-26 Strategic Investment Plan, developed in consultation with growers and other key stakeholders within the nursery industry.

BACKGROUND

Australia's nursery industry is one of the most efficient, sustainable, and innovative agricultural sectors in Australia and in the world.

Alongside your own innovation, the levy system continues to invest in consistent and sustained research via the to ensure continued improvement as an industry.

Whilst individual grower innovation is no doubt a driving factor for this, consistent and sustained investment in research via the levy system underpins industry-wide innovation and improvement.

The levy system is a primary driver for delivering modern best-practice production methods and world-leading biosecurity screening processes, whilst helping to increase the demand for greenlife by consumers, businesses, and government.

Although the levies collected are managed by Hort Innovation, investment decisions are made on behalf of the nursery industry in consultation with the Strategic Investment Advisory Panel (SIAP). The SIAP is a panel of growers and other industry representatives that provides advice to Hort Innovation in relation to industry R&D and marketing investments, funded by nursery industry levies and contributions from the Australian Government. In fact, the Australian Government matches all investments into R&D on a 1:1 basis.

You can nominate to join the SIAP via the Hort Innovation website: <https://www.horticulture.com.au/hort-innovation/funding-consultation-and-investing/how-we-consult-with-industry/siap-eoi-form/>

It is important to remember that the nursery levy **is not a tax** paid to the government, rather an investment in the continued prosperity of the nursery industry.



How does the levy help me?

Develops industry-standard best practice

One of the core purposes of the nursery levy is to keep you up-to-date with key production areas including irrigation, growing media, plant growers with the most protection/biosecurity (pests, diseases and weeds), pesticides, environment, energy and cropping system design and development.

Through the Australian Plant Production Standard (APPS) and its three Best Management Practice programs – Nursery Industry Accreditation Scheme, Australia (NIASA), EcoHort and BioSecure HACCP, the levy has helped deliver world class results and identified many areas where growers can improve their cropping system, adopt new technology and techniques and implement change at a business level.

Whether it be new information on correct procedures for disinfestation of growing media, updated irrigation methods or the latest research on crop hygiene, these best management practice guidelines are a comprehensive, science-based manual on how to manage production within nurseries.

The Greenlife Industry Australia (GIA) Extension Officer network, a group of experts in plant protection, production, sustainability, and business management are available to all levy payers across the country. The Extension Officer network is supported through levy funds.

Protects the industry from pests and disease

Levy funds are also invested to prepare the industry for pest incursions, helping mitigate and manage the spread and recovery from infestations.

Through the APPS, production nurseries are equipped with best

Pest Identification Tool

Insects, Beneficials, Diseases, Disorders and Weeds of Nursery Production

Welcome, Sam Cox | Logout

Home Search & Browse Pests Resources My Profile Contact Us

Search Results

You may view your search results below or perform a [new search](#). Click on the images to view full-sized image or cycle through the images.

Common Name (<i>Scientific Name</i>)	Images	Type	Category
Apple replant disease (ARD) (Apple) (Various nematode, fungi, bacteria and abiotic factors)		Disease	Nematodes
Burrowing nematode (Banana, Citrus, Anthurium, Flamingo lily, Flamingo flower) (<i>Radopholus similis</i>)		Disease	Nematodes
Carrot cyst nematode (<i>Heterodera carotae</i>)		Disease	Nematodes
Crimp disease; Bud nematode; Strawberry bud nematode; Strawberry summer crimp nematode; Rice leaf nematode; Rice White-tip Nematode (Strawberry) (<i>Aphelenchoides besseyi</i>)		Disease	Nematodes
Cyst Nematode; Beet cyst eelworm; Sugarbeet nematode (Beetroot) (<i>Heterodera schachtii</i>)		Disease	Nematodes
Dagger Nematodes (Grape, Strawberry, Citrus, Tomato, Brassica, Stone fruit, Carrot, Legumes, Onamental) (<i>Xiphinema</i> sp.)		Disease	Nematodes
Foliar nematode; Bud and leaf nematode (Flowering and Foliage plants) (<i>Aphelenchoides fragariae</i>)		Disease	Nematodes

The industry's free Pest ID tool is supported by the Nursery Levy.

practice for pest identification, methods for quarantine and inspection and details on prevention. However, the nursery levy also funds major projects which form the front line of defence against potentially devastating incursions.

For example, the levy has funded the development of the nursery industry's contingency plan should *Xylella fastidiosa* reach our shores. In recent times the levy has also informed industry of potential risks associated with incursions of damaging pests including polyphagous shot hole borer, banana freckle, serpentine leafminer, and fall armyworm.

The nursery levy also funds free diagnostic testing for potential pests found by growers, via the diagnostic service Grow Help Australia. This service continues to help growers minimise losses and total discarded plants, and better manage and prevent future outbreaks.

Increases demand for greenlife

Greener Spaces Better Places is the nursery industry's levy-funded marketing program which aims to grow the market for greenlife amongst both consumer and local government audiences.

The program was the first initiative to map Australia's canopy cover, which helps local councils identify areas of priority for urban greening projects. Throughout its life it has generated over 2,700 media stories on the benefits or urban green space with over 220 million opportunities for Australians to see the media campaigns.

The program regularly reaches urban greening decision-makers, with conversations and research regularly published in prestige media publications, and regular events held.



Supports business decision making

The nursery levy funds the yearly *Nursery Industry Statistics Project* (NY21000), an annual census of the nursery industry which helps us understand how our industry has changed over the year, what our strengths are and where our greatest opportunities lie.

As part of this project, each year a benchmarking tool is made available to all levy payers. The tool, which includes up to five years of industry data, allows growers to not only track their own business performance, but analyse against industry averages and trends.

The industry benchmarking tool allows growers to measure their performance against comparable businesses across a range of different data sets including sales value, employment, wages, productivity, and cost metrics. Producers can also gauge business sentiment about profitability and the future of the industry.

The tool displays data across segments so growers can benchmark their business against not just those of similar sizes, but also to measure against where they see themselves in the future.

Initiatives like these, funded by the levy help support growers by making important business decisions based on reliable and robust data, improving outcomes for the industry and the approximately 25,000 people employed in the sector.

How does the levy actually work?

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

Nursery products means trees, shrubs, plants, seeds, bulbs, corms, tubers, propagating material and plant tissue cultures, grown for ornamental landscape, garden and revegetation purposes or for producing fruits, vegetables, nuts or cut flowers and foliage. Seedlings grown in containers for forestry operations are not classified as nursery products.



Barry Naylor (Left), GIA Extension Officer – QLD & Northern NSW, helping explain best management practice techniques to production nursery staff. The GIA Extension Officer Network is a levy-funded activity.

Who pays the levy and how?

The purchaser of containers (pots, bags, trays, etc) to produce 'potted' plants pay the levy. That is, a producer of potted plants who places nursery products in growing medium in containers or buys containers on behalf of a person who places nursery products in growing medium in containers, pays the levy.

Also, a producer that imports containers from an overseas seller and uses them to produce potted plants must lodge a return and make a payment to the Department of Agriculture, Fisheries and Forestry (DAFF).

The seller of the containers or a grower that imports containers for their own use, must register with the DAFF to receive a unique Levy Revenue Service (LRS) number, and lodge levy returns to the LRS. (See page four of nursery paper for links to levy return forms).

What happens to funds raised

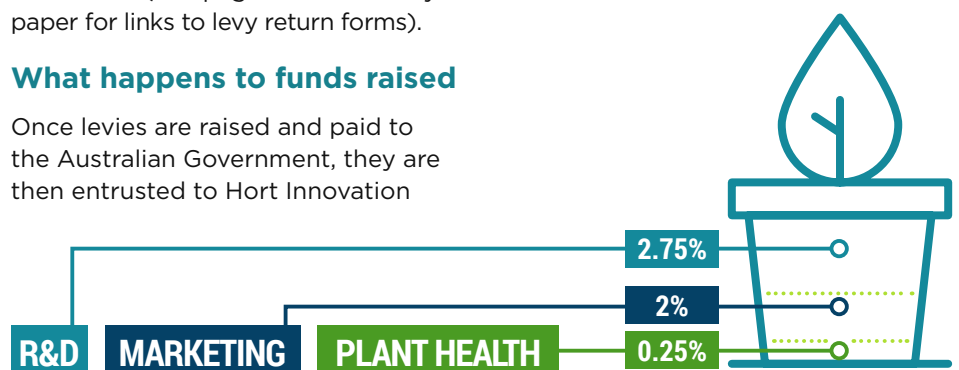
Once levies are raised and paid to the Australian Government, they are then entrusted to Hort Innovation

for management. Guided by the nursery industry Strategic Investment Plan (SIP), Hort Innovation determines the projects that the levy will fund, in consultation with the industry's Strategic Investment Advisory Panel.

In addition to funds raised through the levy, the Australian Government also matches the R&D levy contributions \$ for \$ for R&D projects. The matching R&D funds can only be claimed against the allocated levy.

Throughout project lifecycles, information is delivered through the levy-funded communications program and other extension communications and projects. Each project is designed to help the industry and individual growers be more productive, competitive, and sustainable.

Continued >>





Bringing you closer to the levy

The primary conduit between levy-funded projects and growers is the Nursery Industry Communications Program.

As of January 2023, this program has been revamped and refreshed to break down the barriers between research and adoption.

This program has been awarded to Greenlife Industry Australia, with a series of innovations soon to be rolled out to achieve the following:

- **Re-educate** growers as to how the levy system works and how their investment (in addition to contributions from the taxpayer) supports a world-class offering of specialist research, development, and extension activity.
- **Re-ignite** interest from greenlife businesses by reminding them of the important innovations funded by the levy and subsidised by the taxpayer and doing this in such a way that it stimulates new appreciation for the levy.
- **Re-engage** all stakeholders in the activities and outcomes made possible by the levy across all interest groups and at local, state, and national levels to increase uptake of these opportunities.



Some of the innovations planned for this project include:

- **A streamlined approach to communications** – less newsletters and superfluous content and more impactful and engaging information
 - **New channels** – a closer integration with state NGIs to ensure state and region-specific information can be disseminated appropriately.
 - **Event support** – the project will also partner with state NGIs on events to ensure face-to-face opportunities for you to engage with the levy
- **An updated website** – previously, a separate website was built to hold updates on the levy-funded content. In 2023, this website will be disbanded in favour of bring the information onto the Greenlife Industry Australia website, bringing growers closer to the levy than ever before. This will be a one-stop shop for industry information, levy updates and a library of completed levy-funded projects. New branding associated with levy-funded content will also be produced.

LINKS TO RESOURCES

More information on the levy, how it is collected and details on how to lodge can be found via various sources Department of Agriculture, Fisheries and Forestry: <https://www.agriculture.gov.au/agriculture-land/farm-food-drought/levies>

Greenlife Industry Australia: https://www.greenlifeindustry.com.au/Category?Action=View&Category_id=326

Hort Innovation: <https://www.horticulture.com.au/delivery-partners/funding-consulting-investing/how-the-levy-system-works/>

Hort Innovation Annual Fund Report: <https://www.horticulture.com.au/globalassets/hort-innovation/levy-fund-financial-and-management-documents/fund-annual-report-pdfs-202122/hort-innovation-far-nursery-2021-22.pdf>

Nursery Industry Strategic Investment Plan 2022-26: <https://www.horticulture.com.au/globalassets/hort-innovation/levy-fund-financial-and-management-documents/sip-aag-2022-2026-pdfs/hort-innovation-sip-aag-2022-26-nursery.pdf>

FOR PAST NURSERY PAPERS HEAD TO: <https://www.greenlifeindustry.com.au/communications-centre?category=nursery-papers>