

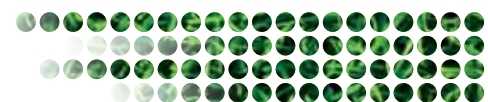
Queensland lifestyle horticulture industry survey report

July 2011



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Minister's foreword

The Queensland lifestyle horticulture industry is large, diverse and dynamic.

In response to industry requests for more contemporary data to reflect the current state of the lifestyle horticulture industry, the Queensland Government conducted a comprehensive survey of the industry in 2008. This report presents the results of this survey.

The report confirms that the lifestyle horticulture industry is a significant component of the Queensland economy, with estimated sales of \$4.4 billion annually, of which \$1.1 billion is attributed to the production segment. The results also reveal that the industry provides a wide range of employment opportunities across its value chain, with an estimated 28 000 Queenslanders (on a full-time equivalent basis) directly employed by the industry.

The Department of Employment, Economic Development and Innovation (DEEDI) has a vision of a strong Queensland economy and is working with lifestyle horticulture businesses and industry bodies to achieve this vision. DEEDI has provided more than \$2.5 million in lifestyle horticulture related research and industry development projects in recent years, as well as considerable in-kind assistance to boost individual business sustainability and growth. These projects have focussed on ensuring businesses are equipped to manage issues including water sustainability, market development, biosecurity and employee skilling and training.

DEEDI will continue working collaboratively with the lifestyle horticulture industry. The department is currently developing a Horticulture 2020 strategy, which will identify the challenges currently facing the overall horticulture industry, as well as capitalise on opportunities for research and development to drive industry growth into the future.

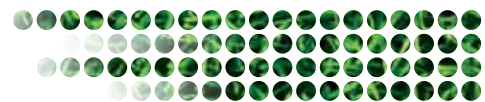
The data collated during this survey and presented in this report will help inform the Horticulture 2020 strategy.

I would like to thank everyone who participated in the survey and the DEEDI staff who worked to collate the data provided.



Tim Mulherin MP

Minister for Agriculture,
Food and Regional Economies



Executive summary

This report outlines the main findings and methodology of a survey conducted in 2008 by the Queensland Government to produce robust industry and economic data about the lifestyle horticulture industry in Queensland.

Lifestyle horticulture is a large, diverse plant-based industry that is commonly viewed as the ‘non-food’ component of the horticulture industry. Despite this common perception, the production nursery sector of the lifestyle horticulture industry plays an integral role in the supply of seedlings, tubestock and trees for a broad range of food producing horticultural industries such as fruit, nuts and vegetables.

The lifestyle horticulture industry also produces commodities such as turf, cut flowers and ornamental plants, in addition to offering a range of services. Services include landscape planning, construction and maintenance, wholesaling and retailing activities, and specialised arboriculture and consultancy services.

The Office of Economic and Statistical Resources (OESR) in Queensland Treasury was commissioned by the Department of Employment, Economic Development and Innovation (DEEDI) to carry out a telephone survey of businesses in the Queensland lifestyle horticulture industry in 2008. The OESR Call Centre interviewed management and owners of businesses from across the production and services segments of the industry. Survey respondents were asked about matters concerning business demographics, turnover, employees, training and topical industry issues. Where appropriate, responses were then weighted to provide quantitative information about particular sectors and the whole industry.

During the survey over 5700 businesses were identified as operating in the Queensland lifestyle horticulture industry. Approximately 1400 of these businesses were in the production segment and 4300 as part of the diverse services segment.

The annual total sales (turnover) of the Queensland lifestyle horticulture industry during 2007–08 are estimated to be \$4.4 billion, with 25 per cent (\$1.1 billion) attributed to the production segment. Nursery production contributed almost 75 per cent of the total production segment sales.

The survey results also reveal that the services segment of the lifestyle horticulture industry is very large and diverse, with estimated annual sales valued at approximately \$3.3 billion. Within the services segment, the survey results indicate that the landscape construction sector has the largest annual sales.

The lifestyle horticulture industry is also a large employer with an estimated 28 000 people directly employed on a full-time equivalent (FTE) basis. These data includes both paid and unpaid labour. An estimated 9500 FTEs are employed in the production segment and an estimated 18 500 FTEs work in the services segment.

The lifestyle horticulture industry operates in both regional and urban areas across Queensland. However, almost two-thirds of survey respondents reported that they operate in south-east Queensland. There are also significant lifestyle horticulture industry regional clusters in Northern and Far North Queensland (14 per cent), Wide Bay-Burnett (8 per cent) and Darling Downs (7 per cent).

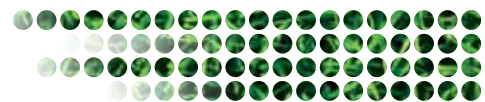
Survey responses also reveal that the lifestyle horticulture industry is dominated by small businesses. The overwhelming majority of survey respondents (92 per cent) reported that they employ less than 15 FTEs.

The lifestyle horticulture industry is very focused on supplying demand from local markets, with 85 per cent of survey respondents reporting that their total revenue was sourced from within 100 kilometres of their business location.

The survey results reveal that the cut flower sector is the most export-oriented sector in the lifestyle horticulture industry with 9.2 per cent of respondents reporting that they currently export.

The survey also investigated respondents' perspectives on the industry's outlook for next the 5 years. Almost 60 per cent of survey respondents reported a good or very good five-year outlook for the industry following the survey. This was predominately attributed to a forecast for positive market trends through increased demand for lifestyle products and services.

Landscaping businesses overall held a more positive view for the outlook of the industry than other businesses. This could be attributed to increased demand due to urban development and growth initiatives in south-east Queensland.



1. Introduction

Background

This report presents the key results from the survey of the Queensland lifestyle horticulture industry, as well as outlining the background to the survey project and how it was conducted.

The first comprehensive survey of the Queensland lifestyle horticulture industry was undertaken by the former Department of Primary Industries and Fisheries (DPI&F) in 2001 in conjunction with the then Lifestyle (formerly ‘amenity’) Horticulture Industry Development Council (LHIDC). At that time, the LHIDC reported that limited available lifestyle horticulture industry data sources made it difficult to determine the size and scope of the individual sectors of the industry. This in turn made it very challenging to accurately assess the true economic value of the industry to Queensland’s economy, particularly the large services segment of the industry’s value chain.

Results from the 2001 survey have been used extensively by DPI&F and other industry stakeholders over the last ten years, as it was the only authoritative source of economic information about the Queensland lifestyle horticulture industry. In recognition of the need for reliable contemporary information about the industry, the Queensland Government committed to undertaking a new lifestyle horticulture industry survey in 2008.

The 2008 survey was conducted by the Queensland Government’s OESR in Queensland Treasury. The survey project was resourced, managed and funded by DPI&F (now DEEDI), with in-kind support from the former Australian Centre for Lifestyle Horticulture (now the Centre for Lifestyle Horticulture), and its member organisations.

The Centre for Lifestyle Horticulture (CLH) is a not-for-profit organisation that represents the interests of the lifestyle horticulture industry. Its member organisations include peak bodies representing the nursery, flower grower, turf producer, landscaping, irrigation, arboriculture, sports turf and garden club sectors. CLH member organisations assisted with the development of the survey population list and questionnaire and also promoted the survey project to their members. The CLH member organisations were also provided with an opportunity to comment on an earlier draft of this report.

A revised methodology, industry definition and sampling technique for the 2008 survey were developed by OESR in conjunction with DEEDI and the CLH. The new methodology delivers a more accurate estimate of the lifestyle horticulture industry’s economic value to Queensland compared to the 2001 survey. However, these changes have compromised the ability to directly compare the results from the 2001 and 2008 surveys. Appendix 1 to this report provides further information about the methodology for the survey.

Project objective

The lifestyle horticulture survey project was initiated to produce reliable, contemporary economic information about the lifestyle horticulture industry in Queensland. It provides key industry information that will support government, industry and business strategic planning processes, as well as assist investment decisions by industry research and development providers. The report also aims to increase the general community understanding of the scope, diversity and contribution that the lifestyle horticulture industry makes to Queensland.

The survey focussed on gathering information about key lifestyle horticulture industry indicators, such as the number of businesses that operate in the industry, their location, size, turnover and staffing. It also provides estimates of annual industry turnover (sales), details of the business income sources, destination of sales and information on business expectations about the medium-term (five-year) outlook.

The report will also support DEEDI's purpose of building a globally competitive, sustainable Queensland economy by bringing together specialist knowledge, networks and services to work with significant Queensland businesses and industries. Improving job opportunities for individuals is a DEEDI priority, as is assisting businesses to start up, expand and respond to challenges like climate change and carbon trading.

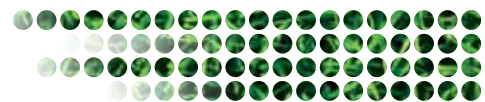
A number of DEEDI business groups have strong links with lifestyle horticulture industry bodies and key businesses, and are collaborating with them across a range of projects to increase the profitability of the industry. In particular, DEEDI's Horticulture and Forestry Science (H&FS) unit has a number of targeted lifestyle horticulture research, development and extension projects, particularly in the production segment of the industry. The department has undertaken projects that have provided industry leadership, fostered better communication across the industry and supported a range of industry conferences and other capacity-building events.

DEEDI is currently progressing the Horticulture 2020 initiative, which aims to double the value of the overall Queensland horticulture industry by 2020. The lifestyle horticulture industry is an important part of this process. Horticulture 2020 will provide the opportunity to work directly with government on key strategic issues that are currently limiting future industry growth, and capitalise on opportunities for future innovation and expansion.

Industry definition/survey scope

DEEDI defines the lifestyle horticulture industry as encompassing those businesses involved in plant production and related service activities. The industry includes the production of ornamental horticulture products (plants, turf grass and cut flowers), as well as planting stock for the fruit, nut, vegetable and forestry industries. It also includes businesses involved in the provision of a range of services related to ornamental horticulture products such as landscape design, construction and maintenance, arboriculture, wholesaling and retailing activities, indoor plant hire, garden and lawn maintenance, and horticulture consultants that deliver a range of technical advice.

A representative cross section of lifestyle horticulture businesses from across Queensland participated in the survey. Table 1 (page 4) lists the industry sectors that were surveyed. Further information about these industry sectors can be found in the definitions section of this report.



2. Survey results

Summary

The survey focussed on gathering information about a number of lifestyle horticulture industry indicators. Key survey results reveal that the Queensland lifestyle horticulture industry has an estimated annual turnover of almost \$4.4 billion, of which \$3.3 billion was generated by the services segment and \$1.1 billion by the production segment. The industry directly employs an estimated 28 000 people on a full-time equivalent basis. Although the industry is predominantly based in south-east Queensland, it still has a significant presence in a number of regional areas, particularly North Queensland, Wide Bay and the Darling Downs.

Businesses in the industry are very focussed on supplying local markets, with about 85 per cent of survey respondents reporting that their total revenue was sourced from within 100 kilometres of their business location. Businesses in the industry are also relatively positive about future trading conditions, with almost 60 per cent of survey respondents reporting a good or very good five-year outlook for the industry.

Industry indicators

The survey results indicate that the lifestyle horticulture industry in Queensland has estimated total annual sales of \$4.4 billion (Table 1).

An estimated 25 per cent of lifestyle horticulture industry sales (\$1.1 billion) are attributed to the production segment of the industry. Nursery production contributed almost 75 per cent of the total production segment sales, recording an estimated \$800 million of annual sales. The turf production and cut flower production segments recorded similar annual sales values at \$160 million and \$151 million respectively.

The survey results reveal that the services segment of the lifestyle horticulture industry is very large and diverse, with estimated annual sales valued at approximately \$3.3 billion. The lifestyle horticulture services segment includes landscape planning, construction and maintenance, wholesaling and retailing activities, and specialised arboriculture consulting services.

Within the services segment, the survey results indicate that the landscape construction sector has the largest annual sales, estimated to be in excess of \$1.2 billion. Garden and lawn maintenance was found to have the second largest annual sales in the services segment (\$690 million), followed by retail nursery (\$534.9 million). Combined, these three sectors account for about 75 per cent of total sales in the services segment.

The lifestyle horticulture industry is also a large employer with an estimated 28 000 people directly employed on a FTE basis. These data include reported paid and unpaid labour. An estimated 9500 FTEs are employed in the production segment, and more than 18 000 FTEs work in the services segment.

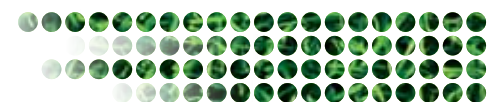
The lifestyle horticulture industry paid an estimated \$626 million in wages and salaries in 2007–08. The survey responses reveal that there is significant unpaid labour by family members and other voluntary labour, and therefore the ‘true’ value of the labour used by the industry is much higher than \$626 million (as indicated by the FTE estimates).

Table 1: Summary of whole-of-industry estimates

	Gross turnover (\$ million)	Employment (FTE) ²	Total wages (\$ million)
Production			
Nursery	797.3	7000	171.8
Turf	159.7	1500	26.6
Cut flower	151.3	1100	18.6
Total production	1108.2	9500	217.0
Services			
Retail nursery	534.9	2500	62.5
Florist	60.0	700	12.5
Landscape design and architecture	324.3	2400	65.3
Landscape construction	1280.1	7000	129.1
Garden and lawn maintenance	690.0	3200	66.1
Horticulture consultant	9.8	130	3.5
Arboriculture	299.2	1900	52.5
Indoor plant hire	82.0	600	17.0
Total services	3280.4	18400	408.5
Estimated total industry	4388.5	28000	625.5

Notes:

1. Employment estimates include both paid and unpaid labour. Unpaid labour comprises family members working in the family business and other voluntary labour. Estimates are rounded to the nearest 100 (excluding horticulture consultant sector).
2. Employment is measured in full-time equivalents. That is, average hours of non-full-time employees are divided by 38 to determine their equivalent proportion of a full-time employee.



Industry location

The lifestyle horticulture industry operates in both regional and urban areas across Queensland. However, almost two-thirds of survey respondents (63 per cent) reported that they operate in south-east Queensland (Table 2). This result is not surprising. Businesses generally seek to be close to or within the major population centres and associated infrastructure and markets.

There are also significant lifestyle horticulture industry regional clusters in Northern and Far North Queensland (14 per cent), Wide Bay-Burnett (8 per cent) and Darling Downs (7 per cent).

Table 2: Location of businesses by region

Percentage of businesses in each region	
South-east Queensland	63
Wide Bay-Burnett	8
Darling Downs	7
Mackay	6
Northern and Far North Queensland	14
Western Queensland	1
Interstate	1

(see Appendix 2 for map of Queensland statistical divisions)

Business size

Survey responses reveal that the lifestyle horticulture industry is dominated by small businesses (Table 3). The landscape design and architecture, production nursery and landscape construction sectors had the highest proportion of respondents reporting they were large employers.

In employment terms, respondents reporting fewer than 15 FTEs can be considered to be small businesses, while respondents reporting more than 100 FTEs can be classified as large businesses.

The overwhelming majority of survey respondents (92.3 per cent) reported that they employ less than 15 FTEs. A higher proportion of respondents from the services segment (93.4 per cent) reported employing less than 15 FTEs relative to the production segment (88.9 per cent). All respondents from the florist sector and nearly 95 per cent of respondents from the garden and lawn maintenance sector can be classified as small businesses.

By contrast, only 2.1 per cent of respondents from a range of sectors reported that they employ more than 100 FTEs and therefore can be classified as large employers. A slightly higher proportion of respondents from the production segment (2.8 per cent) relative to the services segment (1.9 per cent) are large businesses.

Respondents reporting annual sales of less than \$250 000 are classified as having low turnover, and those reporting annual sales of more than \$2.5 million are considered to have high turnover. The survey revealed that 16.5 per cent of respondents from across the lifestyle horticulture industry can be classified as high turnover businesses. These respondents were more likely to be operating in the production segment of the industry than the services segment.

Respondents from landscape design and architecture reported the highest proportion of businesses with high turnover (23.9 per cent). The nursery production segment also had a relatively high proportion of respondents reporting high turnover (20.6 per cent).

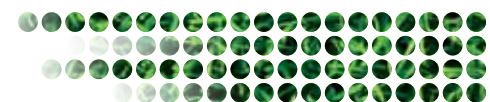
Interestingly, a higher proportion of respondents in the production segment (7.4 per cent) were classified as having a low turnover relative to the services segment (2.2 per cent). Respondents from the horticulture consultant (17.7 per cent) and cut flower (13 per cent) sectors reported the highest proportion of businesses with low turnover.

Table 3: Business size by turnover and employment

	Employment		Turnover	
	Large employer ¹ (per cent)	Small employer ² (per cent)	High turnover ³ (per cent)	Low turnover ⁴ (per cent)
Production				
Nursery	3.8	86.8	20.6	6.1
Turf	1.1	89.0	17.6	5.5
Cut flower	0.8	95.1	13.8	13.0
Total production	2.8	88.9	18.7	7.4
Services				
Retail nursery	0.0	94.4	17.5	2.8
Florist	0.0	100.0	14.7	2.8
Landscape design and architecture	5.7	87.5	23.9	1.1
Landscape construction	3.8	90.9	18.9	1.5
Garden and lawn maintenance	1.7	94.8	13.0	2.6
Horticulture consultant	0.0	94.1	11.8	17.7
Arboriculture	0.9	93.4	10.4	0.9
Indoor plant hire	0.0	89.1	13.0	0.0
Total service	1.9	93.4	15.8	2.2
Total	2.1	92.3	16.5	3.5

Notes:

1. A large employer was defined as having more than 100 full-time equivalent employees.
2. A small employer was defined as having fewer than 15 full-time equivalent employees.
3. A high turnover business reported turnover/annual sales of more than \$2.5 million.
4. A low turnover business reported annual sales/turnover of less than \$250 000.



Business age

The mean age of lifestyle horticulture businesses reported by survey respondents was approximately 14 years.

There was however, a marked difference in the ages of businesses across some sectors of the industry. For example service segment respondents, particularly florists, were more likely than other sectors in the industry to be more recently established, with 16.5 per cent having been established in the year prior to the survey (Table 4). Clearly this component of the industry has a relatively high rate of business exit and entry.

Businesses in the production segment were more likely to have been established for a longer period of time with over 60 per cent of respondents reporting that their businesses were over 10 years old. Almost 69 per cent of respondents from the nursery production segment reported that their businesses were over 10 years old.

Interestingly almost 6 per cent of respondents in landscape design and architecture reported that their businesses were more than 50 years old.

Table 4: Business age

Per cent of businesses in business for:	Less than 1 year	1 to 5 years	6 to 10 years	11 to 20 years	21 to 50 years	More than 50 years
Production						
Nursery	2.0	11.7	18.1	36.7	29.1	2.3
Turf	4.4	20.9	28.6	30.8	14.3	1.1
Cut flower	4.1	13.0	29.3	33.3	18.7	1.6
Total production	2.8	13.4	22.1	35.1	24.6	2.0
Services						
Retail nursery	7.3	17.0	18.1	29.9	24.9	2.8
Florist	16.5	28.4	11.9	26.6	15.6	0.9
Landscape design and architecture	2.3	29.6	14.8	28.4	19.3	5.7
Landscape construction	3.0	28.0	25.0	27.3	16.7	0.0
Garden and lawn maintenance	1.8	27.2	29.0	33.3	8.8	0.0
Horticulture consultant	0.0	35.3	23.5	29.4	11.8	0.0
Arboriculture	2.9	24.8	27.6	34.3	10.5	0.0
Indoor plant hire	2.2	6.5	15.2	41.3	34.8	0.0
Total services	4.4	25.2	23.1	30.7	15.6	1.0
Total	4.5	22.3	22.8	31.8	17.8	1.2

Production segment supply chains

Respondents in the production segment of the industry were asked to identify their main customers from a list provided by the interviewer. The responses to this question provide some insight into the value chain for these sectors (Table 5).

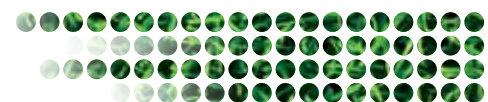
Across the production segment, wholesalers or brokers and independent retailers (garden centres and florists) accounted for more than 40 per cent of the total sales from production segment businesses. Sales direct to the public were also significant, contributing a further 16.4 per cent of total sales across the segment. Sales to other growers or production farms accounted for a further 12 per cent of total sales.

Turf production sells about one-third of total sales direct to the public. This result reflects the vertical integration of turf production businesses where turf grass is often produced, cut, delivered and installed by the producer. That is, some turf producers control the entire supply chain. A further third of all turf production sales are purchased by landscapers.

Plant nurseries and cut flower producers often have similar supply chains where the product is delivered to the consumer through a wholesaler or broker and then retailer. Almost 42 per cent of all cut flower sales are sold to wholesalers or brokers. This clearly indicates the critical role that wholesalers and brokers play in the cut flower supply chain.

Table 5: Percentage of production segment sales

	Nursery production	Turf production	Cut flower production	Production segment total
Other growers or production farms	15.7	7.7	3.5	12.0
Wholesalers or brokers	20.6	4.6	41.7	22.0
Interior-scapers	1.6	0.6	0	1.1
Landscapers, garden or maintenance firms	9.7	31.8	1	11.6
Independent retailers (garden centre/ florists)	21.6	3.7	34.2	21.1
Large 'box' or chain store garden retailer	7.6	0.2	5.1	5.9
Developers or property managers	1.9	11.3	0.8	3.2
Direct to the public	15.2	33.1	6.4	16.4



Location of markets

All survey respondents were asked about the geographic source of their total income, that is, to identify the location of their main markets (Table 6).

The survey results reveal that the lifestyle horticulture industry is very focused on supplying demand from local markets with approximately 85 per cent of respondents reporting that their total revenue was sourced from within 100 kilometres of their business location. A further 9 per cent of total income was sourced from the rest of Queensland (intrastate markets).

Respondents reported that only an estimated 5 per cent of their total income was being sourced from interstate markets and less than 1 per cent from international markets (exports).

The production segment was considerably more likely to be involved in supplying more distant markets than the services segment of the lifestyle horticulture industry. Production segment respondents reported that just under 40 per cent of their total sales were made to markets greater than 100 kilometres from their business location. By contrast, services segment respondents reported that approximately 7 per cent of their total sales were made to markets greater than 100 kilometres from their business.

Contrasting with the results from the other two production segments, turf production respondents reported that over 87 per cent of their total sales are made to local markets. This result is a reflection of the nature of turf grass, as well as the relative high cost, market access issues and other practicalities involved in transporting a living product over long distances. Respondents from the nursery and cut flower sectors reported that just over half of their total sales are made to local markets.

Interstate sales by the lifestyle horticulture industry are to a large extent driven by Queensland's climate that allows for out-of-season supply to southern markets, as well as the production of specialised sub-tropical and tropical products. Survey respondents reported that about 5 per cent of their total sales are made to interstate markets. Of the interstate markets, New South Wales and the ACT are the most commonly reported destinations (89.3 per cent), followed by Victoria (57.8 per cent) and South Australia (38.2 per cent).

During the survey, respondents were able to report sales from more than one location, therefore each response should be considered independently.

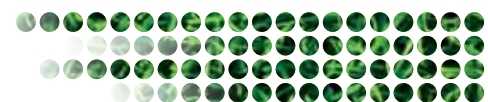
Survey results reveal that cut flower businesses are the most export-oriented businesses in the lifestyle horticulture industry with 9.2 per cent of respondents reporting that they export. Production nursery and landscape design and architecture businesses were the only others where more than 1 per cent of respondents from each sector reported that they were currently exporting.

Survey responses indicated for certain sectors that Japan (12.2 per cent) was the most commonly reported lifestyle horticulture industry export destination, followed by Europe (11.0 per cent), Oceania (9.1 per cent) and North America (6.4 per cent).

During the survey, respondents were able to export to more than one location, therefore each response should be considered independently.

Table 6: Percentage source of total sales by location

Percentage response:	Local (up to 100k)	State (rest of Qld)	National	International
Production				
Nursery	55.2	23.2	18.7	1.6
Turf	87.3	8.3	0.3	0.0
Cut flower	54.0	19.0	14.9	9.2
Total production	59.7	20.0	15.0	2.9
Services				
Retail nursery	90.4	6.0	3.0	0.3
Florist	88.7	5.8	3.0	1.0
Landscape design and architecture	76.5	17.4	3.7	1.6
Landscape construction	93.9	5.1	0.3	0.0
Garden and lawn maintenance	97.1	2.4	0.4	0.0
Horticulture consultant	75.3	21.8	2.9	0.0
Arboriculture	93.9	4.6	1.0	0.1
Indoor plant hire	97.3	1.2	1.4	0.1
Total services	92.5	5.4	1.4	0.3
Total	84.5	9.0	4.7	0.9



Training

The survey also asked respondents about the training activities undertaken by their businesses during 2007–08. About 47 per cent of survey respondents indicated that they had provided formal or on-the-job training to staff members over the last year (Table 7).

The type of training that was most often provided related to workplace health and safety (27.1 per cent of respondents), improving horticultural techniques and skills (26 per cent) and internal or in-house training (23.2 per cent). These results reflect the nature of the work undertaken in some sectors, involving the use of specialised equipment in diverse work environments.

Table 7: Percentage of businesses providing training across all sectors

All sectors	Businesses providing training (per cent)
Any training provided	47.0
Type of training provided	
Business management	13.4
Irrigation	11.4
Improving horticultural techniques and skills	26.0
Workplace health and safety	27.1
Use of specialised equipment	21.4
Customer relations	12.2
Computerised business software	12.7
Internal/in-house	23.2
Marketing	8.4
Risk management	11.9
Other	2.6

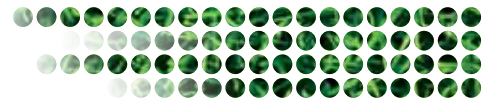
Survey respondents were able to select more than one training option, therefore each response should be considered independently.

Respondents were also asked to report the amount of expenditure by their businesses on training activities in 2007–08 (Table 8). The mean expenditure on training activities reported by responding lifestyle horticulture businesses for the preceding 12 months was \$9285, or \$2161 per FTE. The results also reveal that, on average, respondents in the production segment spend more per business on training activities than services segment respondents. Nevertheless, respondents in the services segment reported that they spend, on average, 60 per cent more per FTE on training expenditure than the production segment respondents.

Respondents from the horticulture consultant, florist, arboriculture and landscape construction sectors reported that they invested the most in training expenditure per FTE.

Table 8: Mean costs for training per sector

	Mean business total training expenditure (\$)	Mean investment in training per FTE (\$)
Production		
Nursery	13 430	1 522
Turf	18 265	1 483
Cut flower	8 774	1 259
Total production	13 194	1 469
Services		
Retail nursery	5 521	1 260
Florist	3 418	3 784
Landscape design and architecture	16 465	1 645
Landscape construction	8 922	2 475
Garden and lawn maintenance	5 309	2 004
Horticulture consultant	6 964	5 338
Arboriculture	9 689	2 957
Indoor plant hire	14 540	1 474
Total services	8 177	2 362
Mean industry total	9 285	2 161



Industry issues

Survey respondents were also asked for their views about the key industry issue that was impacting on the short-term outlook for their businesses. A wide range of issues were put forward by respondents, however rainfall and weather were noted as the greatest concerns by respondents (12 per cent), followed by the need to increase sales (9 per cent) and the cost of fuel and freight (8 per cent).

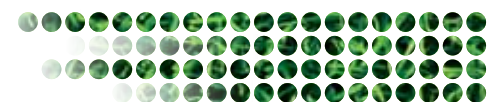
Respondents were also specifically asked about the impact of urban water restrictions on their businesses. This issue was a key challenge for the lifestyle horticulture industry at the time of the survey because the Queensland Government and local governments across south-east Queensland had recently implemented a range of urban water restrictions in response to the prolonged drought and depleted water storages.

The survey results suggest that urban water restrictions were negatively impacting on some industry sectors more than others. Approximately 50 per cent of all respondents indicated that the urban water restrictions were having a negative impact on their businesses (Table 9). The highest proportion of respondents reporting a negative impact from the urban water restrictions were from the horticulture consultant, retail nursery, production nursery and turf production segments. By contrast, less than one-quarter of respondents from the cut flower production segment and less than one-third of respondents from the arboriculture and landscape design and architecture sectors, reported that the urban water restrictions were negatively impacting on their business activities.

Respondents who indicated that urban water restrictions were negatively impacting on their businesses were also asked to assess the magnitude of that impact on business revenue; respondents reported an average of 20 per cent loss in business revenue. Respondents from the indoor plant hire, garden and lawn maintenance, turf production, retail nursery and production nursery sectors reported the highest average percentage impact on their businesses.

Table 9: Percentage of businesses negatively impacted by water restrictions

	Businesses impacted	Mean loss of revenue
Production		
Nursery	63.5	-22.2
Turf	61.5	-25.1
Cut flower	22.1	-5.0
Total production	54.6	-21.5
Services		
Retail nursery	75.6	-24.6
Florist	52.9	-8.5
Landscape design and architecture	29.9	-19.6
Landscape construction	45.0	-10.6
Garden and lawn maintenance	49.1	-29.9
Horticulture consultant	75.0	-3.4
Arboriculture	32.7	-6.0
Indoor plant hire	43.5	-30.4
Total services	49.5	-20.0
Total	50.8	-20.4



Medium term outlook

The survey also investigated respondents' perspectives on the industry's outlook for the next 5 years. Almost 60 per cent of survey respondents reported a good or very good five-year outlook for the industry (Table 10). Less than 15 per cent of respondents felt that the five-year outlook for the industry was negative or very negative.

Overall, respondents from the service segment, particularly respondents from the landscape design and architecture and landscape construction, reported a more positive outlook relative to respondents from the production segment.

Cut flower production respondents were the most pessimistic about the medium term outlook, with approximately 26 per cent reporting a poor or very poor outlook. Respondents from the retail nursery, production nursery, garden and lawn maintenance and arboriculture sectors were also relatively pessimistic about the next five years.

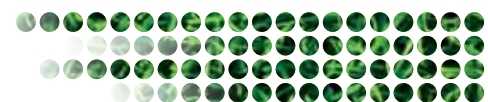
Table 10: Medium term outlook

Percentage response:	Very good	Good	Even	Poor	Very poor
Production					
Nursery	14.1	42.7	24.1	15.2	3.9
Turf	19.5	48.3	18.4	12.6	1.2
Cut flower	7.8	35.3	30.2	13.8	12.9
Total production	13.7	42.1	24.4	14.5	5.3
Services					
Retail nursery	16.4	33.3	29.2	14.0	7.0
Florist	12.6	34.0	36.9	13.6	2.9
Landscape design and architecture	24.4	53.5	16.3	3.5	2.3
Landscape construction	22.8	45.7	22.8	7.9	0.8
Garden and lawn maintenance	11.1	44.4	26.9	13.9	3.7
Horticulture consultant	12.5	31.3	43.8	6.3	6.3
Arboriculture	16.2	47.5	21.2	12.1	3.0
Indoor plant hire	11.1	42.2	33.3	13.3	0.0
Total services	16.4	42.8	26.2	11.4	3.2
Total	15.7	42.6	25.8	12.2	3.7

Of those respondents optimistic about the next five years, positive market trends and increased demand, favourable construction and infrastructure development, good reputation and strong customer service were reported to be the factors that contributed most to this outlook (Table 11). Respondents with a negative view of the medium term outlook reported that poor economic conditions, climate change and the environment had contributed most to this perspective.

Table 11: Reasons for outlook

Percentage response:	Positive	Even	Negative
Optimistic rainfall and weather	14.8	17.4	8.9
Climate change and environment	6.5	9.8	21.6
Higher production costs	0.6	11.0	17.2
Australian dollar	1.0	3.1	1.1
Poor economic conditions	3.1	28.4	34.9
Staff and labour shortages	1.4	1.5	4.7
Positive market trends - increased demand	45.5	8.9	0.5
Negative market trends - decreased demand	0.8	12.7	24.4
Favourable construction/infrastructure developments	21.5	6.2	2.1
Lack of sales in recent months	0.1	5.2	6.4
Red tape/negative government response	1.3	3.7	14.1
Processes put in place by government are helping	2.4	0.6	0.0
Good reputation and strong customer service	19.5	12.7	1.2
Other	24.3	35.8	26.8



Appendix 1

Survey methodology

Survey design

The contact list of businesses in each lifestyle horticulture sector survey frame, was predominantly compiled from industry lists and the Australian Business Register (ABR). The ABR is maintained by the Australian Taxation Office and extensively used by the Australian Bureau of Statistics (ABS). Supplementary information was also obtained using the SENSIS MacroMatch® and White Pages® directories. The contact list was constructed primarily by OESR, with assistance from DEEDI and industry associations.

A representative cross section of lifestyle horticulture businesses from across Queensland participated in the survey (Table 12). In excess of 5700 businesses were identified in the adjusted survey frame as operating in the Queensland lifestyle horticulture industry. Over 1400 of these businesses were identified in the production segment and the other 4300 were classified as part of the diverse services segment.

Table 12: Lifestyle horticulture industry sectors

Production	Services
Nursery ¹	Retail nursery ⁴
Turf ²	Florist ⁵
Cut flower ³	Landscape design and architecture
	Landscape construction ⁶
	Garden and lawn maintenance
	Horticulture consultant
	Arboriculture ⁷
	Indoor plant hire

Notes:

Primary activities include:

1. plant production, including starter and grow-out crops as well as wholesaling activities
2. turf grass production, including related whole-of-value chain wholesaling, retailing and distribution activities
3. cut flower production, including some starter crops and potted flowers, as well as related wholesaling activities
4. retailing and sale of plants
5. retailing and sale of cut flowers
6. landscape construction involving the use of plants (greenscape), materials such as concrete, pavers, timber and steel (hardscape) and earthmoving
7. arboriculture activities, including tree maintenance.

To determine the geographic distribution of lifestyle horticulture businesses throughout Queensland, survey respondents were asked to report the site from where their business is administered. This site was then allocated to the appropriate ABS Statistical Divisions for Queensland.

The annual sales or turnover data include an element of double counting in that the value of sales from one sector may be used as inputs by successive sectors in the value chain and therefore be 'double counted'. Industry value-added data provide a better measure of industry activity, although the production of these data is very complex and requires the collection of detailed business information. An attempt was made to produce value-added information from the 2001 survey, although there were some concerns about the reliability of these data.

Implementation

The questionnaire used for the survey was developed by DEEDI in consultation with industry representatives (Appendix 3). Respondents were asked a series of questions about a range of business indicators and other issues. These included annual business sales and wages, training activities, the number of employees, business location and age, destination of sales (including exports) and staff qualifications and training, as well as the respondents' view of current industry impacts and medium-term (five-year) outlook.

The survey was conducted by the OESR Call Centre during September 2008, and the quantitative questions related to the 2007–08 financial year. OESR contacted 75 per cent of the total number of businesses listed in the survey frame during this time via telephone. The interviewers requested that respondents should be at management or owner level in each business.

Of the sample attempted, the survey collected useable responses from 1407 businesses from across all lifestyle horticulture industry sectors in Queensland (Table 13). The respondents are estimated to represent about 25 per cent of all businesses operating in the Queensland lifestyle horticulture industry. In some cases, respondents declined to answer some of the survey questions, therefore some questions did not yield useable data.

Relatively high useable response rates were achieved for the production segment of the industry (an overall rate of 43 per cent). A lower overall useable response rate was achieved for the large and diverse services segment of the industry (18 per cent). In particular, relatively low useable response rates were recorded for retail nursery, florists, landscape construction and garden and lawn maintenance sectors in the services segment. OESR has advised that relatively low response rates affect the reliability of the survey data obtained for these sectors, therefore some caution should be exercised in using the results as an indicator of overall sector activity.

Readers should also note that adjustments were made to the original survey frame (Table 13) to reflect information provided during the survey process. That is, some businesses were incorrectly allocated to a particular sector in the original survey frame, some businesses were determined not to be in the lifestyle horticulture industry at all, and other businesses had ceased operations.

The adjusted survey frame is considered to be representative of the total industry. Survey results for quantitative industry indicators such as turnover, employment and wages were subsequently weighted back to the adjusted survey frame to provide whole-of-sector and whole-of-lifestyle horticulture industry estimates.

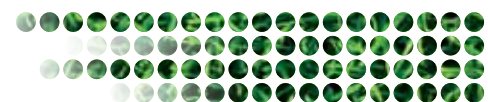


Table 13: Survey frame and response rates for industry sectors

Sector	Original survey frame	Sample attempted	Useable responses received	Adjusted survey frame
Production				
Nursery	713	704	368	899
Turf	194	190	91	221
Cut flower	359	352	152	291
Production total	1266	1246	611	1411
Services				
Retail nursery	880	870	234	688
Florist	388	382	103	394
Landscape design and architecture	168	161	71	318
Landscape construction	1299	816	118	1011
Garden and lawn maintenance	1439	511	115	1271
Horticulture consultant	78	70	30	46
Arboriculture	188	180	81	474
Indoor plant hire	122	115	44	135
Services total	4562	3105	796	4337
Industry total	5828	4351	1407	5748

Comparisons with the 2001 survey

There are distinct differences in the methodology, scope and industry definition between the surveys conducted in 2001¹ and 2008 (Table 14). Although anecdotal industry evidence suggests that the Queensland lifestyle horticulture industry has experienced sustained growth over the last decade despite the prolonged drought, urban water shortages and restrictions, direct comparisons between the results of the two surveys should not be made due to the important differences in the survey methodology.

The different scope (or industry ‘definition’) of the two surveys is a key issue. In summary, the 2008 survey attempted to employ the learnings from the 2001 survey, and in particular to improve the sectoral classification of the industry.

A partial attempt was made to survey the public open space and sporting facility maintenance sectors in 2001. However, because of the dispersed nature of these sectors and the difficulty in obtaining reliable population lists, these sectors were not included in the 2008 survey.

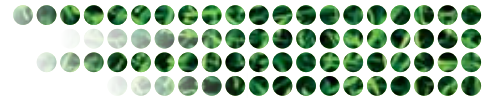
¹ Fitzgerald, R & Wilson, T 2002, *The economic value of Queensland's amenity horticulture industry*, The State of Queensland.

Changes have also been made to how the landscaping sector was surveyed in the 2008 survey. The 2008 survey divided the landscaping sector into three separate sectors: landscape design and architecture, landscape construction and garden and lawn maintenance. Also, given the difficulties experienced in the 2001 survey, no attempt was made in the 2008 survey to separate 'green life' landscape construction activity from 'hardscape' landscape construction activity.

As outlined earlier in this report, there are also a number of differences in how the sampling frames for the two surveys were constructed. Taking into consideration the differences in the methodology, it is worth noting that the estimated number of businesses operating in the industry has increased from 4332 during the 2001 survey to 5748.

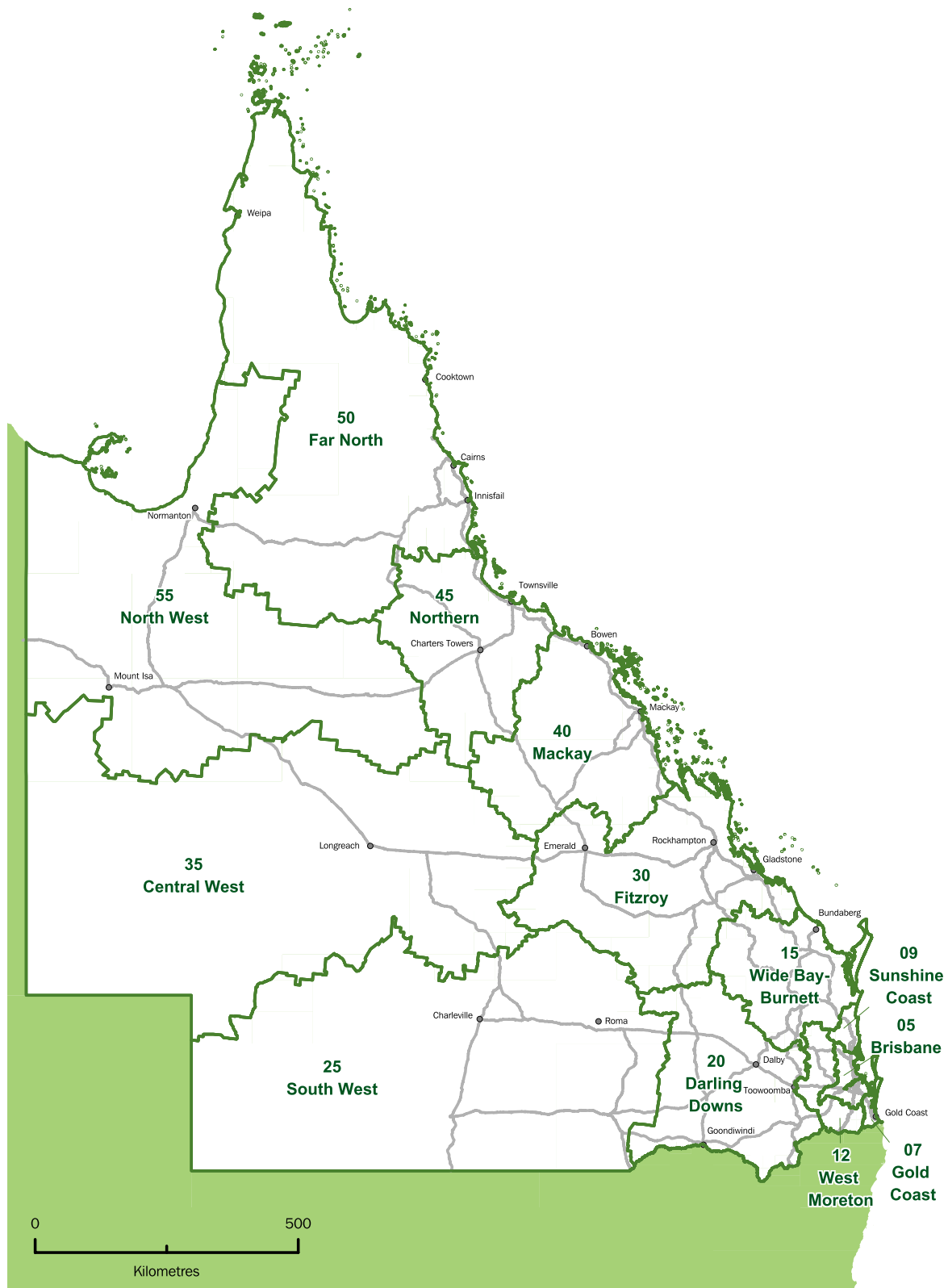
Table 14: Methodology differences between the 2001 and 2008 surveys

Parameters	2001 Survey	2008 Survey
Population list	The survey population list was compiled from the <i>Australia on Disc</i> database primarily derived from Australian telephone books.	Population list was compiled primarily from industry lists and the ABR. Supplementary information was obtained through both the SENSIS MacroMatch® service and the White Pages®.
Questionnaire design	Two separate telephone interview questionnaires were used for the commercial and non-commercial sectors, i.e. public open space management by local governments and golf course maintenance.	One telephone survey questionnaire was used for all sectors.
Calculation of the whole-of-industry estimates	State-wide estimates for various sectors were based on the aggregate figures for the surveyed businesses within each sector. For example, 71 per cent of indoor plant hire businesses were surveyed. The estimated total 2000–01 sales for the sector was then calculated by dividing the total estimated sales for the surveyed businesses by the percentage surveyed (71 per cent) and then multiplying by 100.	The whole-of-industry estimates were based on the aggregated figures for the surveyed businesses within the production and service segment weighted to the adjusted survey frame.
Industry/sectoral definition	<p>Included public open space management by local governments and the golf course maintenance sectors as a partial measurement of the open space/sporting facility maintenance sector.</p> <p>Attempted to separate the 'green life' component of landscape construction from the 'hardscape' component.</p>	<p>Public open space management by local governments and the golf course maintenance sectors were not included in the survey.</p> <p>Landscaping sector divided into three separate sectors: landscape design and architecture, landscape construction and garden and lawn maintenance. Also, given the difficulties experienced in the 2001 survey, no attempt was made in the 2008 survey to separate 'green life' landscape construction activity from 'hardscape' landscape construction activity.</p>



Appendix 2

ABS Queensland statistical divisions



Appendix 3

Lifestyle horticulture telephone survey questionnaire

Good morning/afternoon, my name is _____ and I'm calling from the Office of the Government Statistician. Could I speak to the owner or manager of this business please?

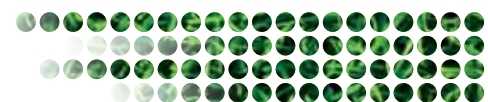
(Reintroduce if necessary)

The Australian Centre for Lifestyle Horticulture and the Department of Primary Industries and Fisheries are conducting interviews with businesses that are part of the lifestyle horticulture industry in Queensland. This industry is an important contributor to Queensland prosperity and the information you provide will help government decide how it can assist with the development of the industry.

Is this a convenient time for you to answer some questions? The interview will take about 15 to 20 minutes.

Q. 1 What is your position in the company?

Owner/partner	1
Director	2
Manager	3
Other (please specify)	4
Refused	99



Q. 2 What is the main type of lifestyle horticulture business you operate? I'll read out a list of industry sectors. Please indicate the main one that applies to your business.

(Read out)

Plant production nursery (Starter and grow-out crops)	1
Retail plant nursery	2
Turf grass producer	3
Wholesale cut flowers	4
Florists or retail flower sales	5
Landscape design and architecture	6
Landscape construction (greenscape)	7
Landscape construction (hardscape and earthmoving)	8
Garden and lawn maintenance	9
Horticulture consultant	10
Arboriculture and tree maintenance	11
Indoor plants hire	12
Wholesale nursery supplier or broker	13
Other (please specify)	14
Irrigation, design, and installation	15
Refused	99

If Q2 = 8 or 99 end survey

If Q2 = 1, 2, 3 or 4 go to Q3

Otherwise go to Q4

Q. 3 What is the total area of production across all sites for your business?

Hectares	<input type="text"/>
Acres	<input type="text"/>
Square metres	<input type="text"/>
Don't know	9998
Refused	9999

**Q. 4a Please list the postcode where the head office of your business is located?
(Can be any state in Australia)**

(Type code from lookup sheet, loop for each answer)

Location not on sheet (please specify)	9997
Don't know	9998
Refused	9999

Q. 4b Does your business operate across multiple locations?

Yes	1
No	2
Don't know	98
Refused	99

If Q4b = 2, 98 or 99 go to Q5

Otherwise go to Q4c

Q. 4c Please list the postcodes where your business operates from?

(Allow more than one - Can be any state in Australia)

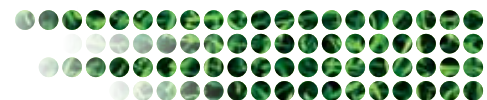
(Type code from lookup sheet, loop for each answer)

Location not on sheet (please specify)	9997
Don't know	9998
Refused	9999

Q. 5 How many years has this company been in business?

Years

Less than one year	9997
Don't know/can't remember	9998
Refused	9999



Q. 6a Could you please estimate the gross sales or turnover of your business in the 2007–08 financial year?

(Type exact amount if given, but accept first digit and correct number of 0s)

Don't know/can't remember 98

Refused 99

If Q6a = 98 or 99 go to Q6b

If Q2 = 1, 3, 4 or 13 go to Q7

Otherwise go to Q8

Q. 6b Would it help if I read out some broad dollar ranges? Would your sales or turnover be.....?

Less than \$50 000 1

\$50 000 to less than \$200 000 2

\$200 000 to less than \$500 000 3

\$500 000 to less than \$1 million 4

\$1 million to less than \$5 million 5

\$5 million to less than \$10 million 6

\$10 million to less than \$20 million 7

More than \$20 million 8

Don't know/can't remember 98

Refused 99

If Q2 = 1, 3, 4 or 13 go to Q7

Otherwise go to Q8

Q. 7 What percentage of total sales went to the following clients?

Aim to get estimate to nearest 10 per cent if possible

If category not applicable enter 0

If don't know enter 998

If refused enter 999

Other growers or production farms	<input type="text"/>
Wholesalers or brokers	<input type="text"/>
Interior-scapers	<input type="text"/>
Landscapers, garden or lawn maintenance firms	<input type="text"/>
Independent retailer (garden centre/florist etc.)	<input type="text"/>
Large 'box' or chain store garden retailer	<input type="text"/>
Developers or property managers	<input type="text"/>
Direct to the public	<input type="text"/>
Other (specify)	<input type="text"/>

Q. 8a Please indicate the percentage of your total income or revenue to the following geographic regions?

(Refers to distance from main business operations centre)

Aim to get estimate to nearest 10 per cent if possible

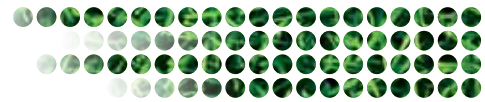
If category not applicable enter 0

If don't know enter 998

If refused enter 999

Local: up to 100 km (one way)	<input type="text"/>
State: rest of Queensland	<input type="text"/>
National: other states in Australia	<input type="text"/>
International: foreign countries	<input type="text"/>

If Q8a (national) = 0, 998 or 999 go to Q9



Q. 8b Please indicate which state or territory you send product to:

(Allow more than one)

New South Wales and ACT	1
Victoria	2
South Australia	3
Tasmania	4
Western Australia	5
Northern Territory	6
Don't know	98
Refused	99

Q. 9a Did you export your products or services in the 2007–08 financial year?

Yes	1
No	2
Don't know	98
Refused	99

If Q9a = 2, 98, or 99 go to Q12a

Q9b Which regions did you export to in the 2007–2008 financial year?

(Allow more than one)

China	1
Japan	2
Middle East	3

Rest of Asia (excluding China, Japan and Middle East)	4
Oceania	5
Europe	6
North America	7
South America	8
Africa	9
Other (please specify)	10
Don't know	98
Refused	99

Q. 10 Do you expect to increase or decrease your export level in the next 12 months?

Increase	1
Decrease	2
No change	3
Don't know	98
Refused	99

If Q10 = 3, 98, or 99 go to Q13

Otherwise go to Q11

Q. 11 By what percentage?

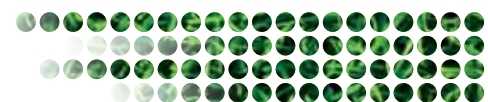
(Aim to get estimate to nearest 10 per cent if possible)

Don't know	998
Refused	999

Go to Q13

Q. 12 Do you expect to begin to export in the next 3–5 years?

Yes	1
No	2
Don't know	98
Refused	99



Q. 13 What are the main factors influencing your decision to export or not export your products or services?

(Allow more than one – Don't read out)

The cost	1
Not a viable option for my business	2
My business is focused at the local community	3
Can't compete globally/other countries able to produce cheaper	4
Core business	5
To expand business	6
More reliable or predictable markets	7
To move to different markets	8
Business is too small to export	9
No desire to export	10
Lack of support and don't know how to export	11
Quarantine issues	12
Other (please specify)	13
Don't know	98
Refused	99

Q. 14a How many permanent full-time employees do you have?

	<input type="text"/>
Nil	9997
Don't know	9998
Refused	9999

Q. 14b How many permanent part-time employees do you have?

	<input type="text"/>
Nil	9997
Don't know	9998
Refused	9999

If Q14b = 9997, 9998 or 9999 go to Q14d

Otherwise go to Q14c

Q. 14c On average how many hours per week would a part-time employee work in total?

	<input type="text"/>
Don't know	9998
Refused	9999

Q. 14d How many casual or subcontracted employees do you have?

(Including labour hire or subcontracted labour)

	<input type="text"/>
Nil	9997
Don't know	9998
Refused	9999

If Q14d = 9997, 9998 or 9999 go to Q15

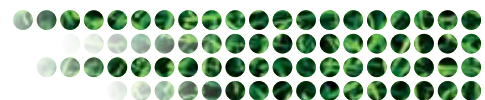
Otherwise go to Q14e

Q. 14e On average how many hours per week would a casual or subcontracted employee work in total?

	<input type="text"/>
Don't know	9998
Refused	9999

Q. 15 How many people (including yourself and your family) worked in your business in 2007–08, but did not draw a regular salary or wage?

	<input type="text"/>
Nil	9997
Don't know	9998
Refused	9999



Q. 16a Could you estimate how much you spent on salaries and wages in the 2007–08 financial year, excluding subcontractors?

(Type exact amount if given, but accept first digit and correct number of 0s)

Nil – Sole Proprietor	97
Don't know/can't remember	98
Refused	99

If Q16a = 98 or 99 go to Q16b

If Q1 = 4 or 99 go to Q19a

Otherwise go to Q17

Q. 16b Would it help if I read out some broad dollar ranges?

Less than \$50 000	1
\$50 000 to less than \$100 000	2
\$100 000 to less than \$500 000	3
\$500 000 to less than \$700 000	4
\$700 000 to less than \$1 million	5
\$1 million to less than \$5 million	6
\$5 million or more	7
Nil – Sole Proprietor	97
Don't know/can't remember	98
Refused	99

If Q1 = 4 or 99 go to Q19a

Q. 17 Is this business the main source of income for (you/the owner)?

Yes	1
No	2
Don't know	98
Refused	99

If Q17 = 1, 98 or 99 go to Q19a

Otherwise go to Q18

Q. 18 What other source of (non-horticultural) income (do you/does the owner) rely on?

(Allow more than one – Don't read out)

Wage and/or salary from other job	1
Income from investments	2
Other (please specify)	3
Don't know	4
Refused	99

Q 19a Did you or your staff do any training, including on-the-job training in 2007–08?

Yes	1
No	2
Don't know	98
Refused	99

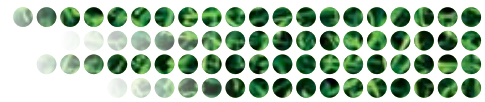
If Q19a = 2, 98 or 99 go to Q21

Otherwise go to Q19b

Q. 19b Which of the following training topics did you cover?

(Allow more than one – Read out)

Business management	1
Irrigation	2
Improving horticultural techniques and skills	3
Workplace health and safety	4
Use of specialised equipment	5
Customer relations	6
Computerised business software	7
Internal/in-house	8
Marketing	9
Risk management	10
Other (please specify)	11
Don't know	98
Refused	99



Q. 20a Could you estimate how much staff training in the 2007–08 financial year cost your business?

(Type exact amount if given, but accept first digit and correct number of 0s)

Don't know/can't remember 98

Refused 99

If Q20a = 98 or 99 go to Q20b

Otherwise go to Q21

Q. 20b Would it help if I read out some broad dollar ranges?

Less than \$1000 1

\$1000 to less than \$5000 2

\$5000 to less than \$10 000 3

\$10 000 to less than \$50 000 4

\$50 000 to less than \$100 000 5

\$100 000 or more 6

Don't know/can't remember 98

Refused 99

Q. 21 In the coming year do you anticipate spending more, less or an equal amount on staff training?

More 1

Less 2

Equal 3

Don't know 98

Refused 99

Q. 22 How many employees in this business have formal business or horticultural qualifications e.g. Certificate, Diploma etc.

Nil	9997
Don't know/can't remember	9998
Refused	9999

Q. 23 What is the highest level of education obtained by the owner(s) or manager(s) of the business?

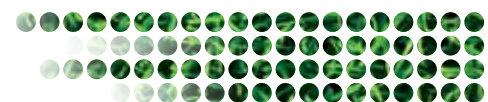
University – post graduate degree	1
University – bachelor's degree	2
Undergraduate/associate diploma	3
Skilled or basic vocational qualification – certificate level	4
Apprenticeship	5
Year 12 high school – Senior	6
Year 10 high school – Junior	7
Other (please specify)	8
Don't know	98
Refused	99

I would now like to end with some questions on how the drought and water restrictions have affected your business and how you see the future of the industry.

Q. 24 Did the increased water restrictions throughout Queensland affect the income and revenue of your business?

Yes	1
No	2
Don't know	98
Refused	99

If Q24 = 1 go to Q25
Otherwise go to Q26



Q. 25 By what percentage did your income and revenue increase or decrease?

(Aim to get estimate to nearest 10 percent if possible If decrease, enter a negative amount)

Don't know 998

Refused 999

Q. 26 What do you perceive as the key issue for your business in the coming year?

(Don't read out)

Water restrictions decreasing 1

Climate change and carbon trading 2

Rainfall and weather 3

Staffing and labour access 4

Succession planning 5

Increased competition from imported products 6

Market access 7

Cost of fuel and freight 8

Interest rate and mortgage stress 9

Customers are spending less 10

Marketing and promotion 11

Keeping up with new technology 12

Increased sales/demand and good conditions 13

Other (please specify) 14

Don't know 98

Refused 99

Q. 27 How do you view the upcoming 5 years for your industry?

(1 = very poor, 5 = very good)

Very poor 1

Poor 2

Even 3

Good 4

Very good 5

Don't know 98

Refused 99

Q28 What reasons can you provide to give an explanation for your response to the previous question (5-year outlook)?

(Allow more than one – Don't read out)

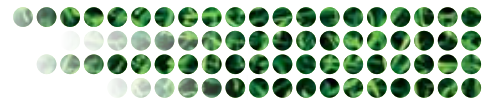
Optimistic rainfall and weather	1
Climate change and environment	2
Higher production costs	3
Australian dollar	4
Poor economic conditions	5
Staff and labour shortages	6
Positive market trends – increased demand	7
Negative market trends – decreased demand	8
Favourable construction/infrastructure developments	9
Lack of sales in recent months	10
Red tape negative government response	11
Processes put in place by government are helping	12
Good reputation and strong customer service	13
Other (please specify)	14
Don't know	98
Refused	99

Well, that's the end of the interview.

If you have any additional questions regarding this survey, you can freecall 1800 068 587. I would like to remind you that your answers will be treated confidentially.

Thank you very much for all your help.

Once again, my name is _____ from the Office of the Government Statistician.



Definitions

Arboriculture

Arboriculture is the cultivation of trees and shrubs and their management. The discipline includes the study of how they grow and respond to cultural practices and the environment, as well as aspects of cultivation such as selection, planting, care and removal.

Biosecurity

Biosecurity refers to various management practices that reduce the risk of introducing disease onto a farm. Biosecurity practices protect the economy, environment, agricultural industries and people's health from pests and disease. It includes trying to prevent new pests and diseases from arriving and helping to control outbreaks when they do occur.

Casual/subcontracted employment

An employee who works when and if needed, with no expectation of continuing employment. The employer does not have to offer regular work, and the employee does not have to accept work offered. This may be employees who come in during peak seasons, the employment is not ongoing and employees are only needed from time to time. Casual employees are not generally entitled to sick, bereavement or annual leave, because they do not meet the 6 or 12-month continuous service required for an entitlement to accrue. If employees do work for more than six months it is very unlikely that they would be considered truly casual.

Cut flower production

Cut flower production refers to businesses that produce flower products, including some starter crops and potted flowers, and are also involved in related wholesaling activities.

Florist

Florists are businesses involved in the retailing and sale of cut flowers.

Greenlife

Refers to plants sold in pots – seedlings, tubestock or mature plants.

Indoor plant hire

Indoor plant hire refers to businesses involved in the hiring and provision of plants for offices, hotels, residential houses and other interior use.

Landscape construction (greenscape or softscape)

Greenscape or softscape comprises the animate, horticultural elements of landscape design (plants, turf and trees).

Landscape construction (hardscape and earthmoving)

Hardscape, or 'hardscaping' consists of the inanimate elements of landscaping, especially any masonry work or woodwork. For instance stone walls, concrete or brick patios, tile paths, wooden decks and wooden arbors would all be considered part of the hardscape. But by extension, anything used in landscaping that is not part of the softscape can be considered a hardscape element, including home accents such as water fountains.

Lifestyle horticulture industry

The lifestyle horticulture industry refers to businesses involved in the production of turf, cut flowers and plants, as well as businesses that provide a range of related service activities including landscape design, construction and maintenance, arboriculture, indoor plant hire and associated wholesaling and retailing activities. The lifestyle horticulture industry value chain has two main industry segments: production and services. Each industry segment comprises a range of industry sectors (e.g. turf, landscape construction).

Nursery production

Nursery production refers to businesses that produce plants, including starter and grow-out crops, and are involved in related plant wholesaling activities.

Permanent part-time employment

Employers who use rosters and on a weekly or monthly basis draw up staff rosters which vary in terms of the length of shifts, number of hours, and days worked. This creates an expectation of continuing future employment because it regularises work. Employees who are rostered workers and who do regular shifts on an ongoing basis, are not casual workers but permanent part-time workers, and as such are entitled to benefits including annual leave, sick leave and bereavement leave.

Retail nursery

These businesses are involved in the retailing and sale of plants.

Turf grass production

These businesses produce turf grass and undertake related whole-of-value chain wholesaling, retailing and distribution activities.

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