

# **Queensland Cut Flower Industry Development Unit**

Denyse Corner  
Flower Association of Queensland Inc

Project Number: FL07001

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# Final Report



**FLO 7001**

## **The Queensland Cut Flower Industry Development Unit**

**Research Provider:  
The Flower Association of Queensland  
Inc**

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**Project Details:**

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<b>Purpose of Report:</b>	The purpose of this final report is to summarize the <i>Queensland Cut Flower Industry Development Unit</i> project for HAL and others, including future funding recipients. Unique activities undertaken by this project have been emphasized, particularly those activities concerning the objectives of the Project.
<b>Funding sources:</b>	The Flower Association of Queensland Inc and Horticulture Australia Ltd
	
<b>Collaborating Agency</b>	Department of Employment, Economic Development & Innovation (DEEDI) 
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## Media Summary

The overall aim of the project was to continue the flower industry's progress towards sustainability. This included efforts towards a national industry structure. Identifying and implementing nationally focussed activities requires commitment and support from both those leading the initiatives as well as those participating in them.

The Flower Association of Queensland Inc. has demonstrated its ability and willingness to lead the national industry towards this goal as well as maintaining its momentum and member service provision on a state level. FAQI has delivered consistently and above expectations on all of the HAL funding it has received in the past.

FAQI is focused on building value for its members and the wider cut flower and foliage industry in Australia by helping to create a more profitable, sustainable and vibrant industry.

The Australian flower industry is indebted to HAL for their ongoing support through the activities of the Flower Association of Queensland Inc.

### Key Statistics Snapshot (Australia):

Revenue = \$460.4m

Annual Growth 05-10 = -0.3%

Annual Growth 10-15 = 3.0%

*(Ref: IBISWorld Industry Report – Cut Flower Growing in Australia, February 2010)*

## Technical Summary

The purpose of this project was to address the ongoing needs of the Queensland and national cut flower and foliage industry while facilitating an industry capacity building process to ensure that future development needs were identified and addressed.

This was achieved through the following activities:

- Human Resource Development
- Leadership
- Cooperation
- Communication
- Production
- Product Marketing and Promotion
- Other Opportunities
- Environmental Management

*Refer Methodology section*

## Introduction

### Background:

The Flower Association of Queensland Inc (FAQI) represents floriculture greenhouse growers, tropical flowers and foliage, in-ground native and wildflower growers. Members also include equipment and installation suppliers, wholesalers, exporters, florists, specialist consultants and advisors, researchers and educators.

Queensland Flower Growers was formed in 1988 and in 1998 FAQI commenced its role as the peak industry organisation for the Queensland cut flower and foliage industry. Today, FAQI is recognised as the industry's peak State body proactively addressing common challenges, implementing solutions and representing its members to government, technical agencies and other industry groups.

### **FAQI Aims & Objectives:**

The aim of the Queensland Cut Flower Industry Development Unit is to develop and maintain a sustainable, profitable and efficient flower production and marketing industry, which is commercially focused and works successfully with other stakeholders to expand domestic and export demand for its products.

This is done by:

- Providing strength and leadership for the purpose of building strong industry capacity necessary to make a real difference to the sustainability of the cut flower and foliage industry both in Queensland, and indeed Australia.
- Representing the Flower Association of Queensland Inc. and its members in an advocacy role to government, regulatory and technical agencies and other industry groups
- Encouraging and supporting local grower groups and a focus for state-wide interaction and national communication.
- Collecting, producing and distributing information to members through conferences, seminars, newsletters and workshops
- Maintaining an active communication network with relevant stakeholders and allied industry organisations
- Promoting the inherent efficiency and sustainability of our growing systems i.e. in ground and hydroponic to enable these businesses to become more successful and profitable
- Encouraging and supporting relevant research and development activities

### **Structure of FAQI - Executive Committee:**

FAQI's Executive Committee is elected by members at the Annual General Meeting. Support staff includes a full time Industry Development Officer and Industry Development Officer, Water. Part time staff includes Finance and Administration Officer, *Australian Flower Industry* (AFI) magazine Advertising Coordinator and AFI Editor and Graphic Designer. There are also active R&D, AFI Magazine and Marketing sub committees and of course, the FAQI membership.

FAQI is exceptionally well supported by technical experts and support staff from the Department of Employment, Economic Development & Innovation, formally DPI&F. This resource is significant and should not be underestimated in terms of value to FAQI and the industry generally. A number of funded HAL and RIRDC projects and others, are currently running with FAQI as the driving force behind the activities. FAQI is the only industry organisation undertaking projects on a state and national basis.

### **Changes in the marketplace:**

The industry is experiencing major change as Qld competes in domestic and global markets and therefore faces new challenges and opportunities in the future.

Industry stakeholders are under pressure to innovate and adapt competitively to meet consumer demand, imported product, water security and increasing fuel, power and freight costs. FAQI has been in the best position in Australia to capture the opportunities needed to build the industry and provide a coordinated national direction to achieve ongoing profitability and growth.

Many of the actions of the FAQI Industry Development Unit have included a national focus and so the activities have had a significant impact on the Australian Cut Flower Industry. The linkages between the state associations are now the strongest they have ever been resulting in significant dialogue between state based organisations. An Industry Development Needs Assessment process was coordinated by FAQI in 2009 bringing the states together in a united approach and forming the National Flower Working Group. Significant industry issues were discussed and an Action Plan prepared to begin to address these issues in the immediate future.

### **FAQI Self Sufficiency:**

FAQI's progress towards self-sufficiency as a service provider for the cut flower and foliage industry is ongoing and progressing at a clear and steady pace. The progress is still highly dependent on external funding sources and while FAQI is committed to building others and its own investment of resources to provide additional support for the industry, these are at present still limited.

This project has built on the pathway to sustainable floriculture by implementing identified actions at both a strategic and operational level.

### **Strategic level:**

FAQI has provided influential representation, strong leadership and has also facilitated solutions for the success of the industry at both state and national levels. Examples include the following:

- **Research And Development:** FAQI and DEEDI have established a contract to jointly progress sustainable cut flower and foliage issues and an MOU to undertake collaborative R,D& E projects. In other states there is limited or no R&D investment suggesting large gaps where substantial R&D potential exists. FAQI in collaboration with research partners, is in an ideal position to address industry issues locally and at a national level.

The gross value of commodities produced (GVP) by Queensland's lifestyle horticulture industry production sectors, including nursery, turf and cut flowers, in 2009-10 is forecast at \$974 million and is a priority investment area for the Queensland Government who, together with HAL, has played a pivotal role in the development of the FAQI Industry Development Unit. There has been increased and strategically targeted investment by State Government in Queensland's Horticulture industry to maximise the economic outcomes for Queensland primary industries on a sustainable basis. This investment gives confidence to growers and communities who have been impacted by floods, drought and water shortages to invest in better flower growing practices for a sustainable future. Information sourced from [Prospects for Queensland's primary industries 2009-10](#).

- **Interstate Collaboration:** FAQI has focused on building relationships and will continue to formalise strategic relationships with all major cut flower and foliage groups in Australia. The *Australian Flower Industry* magazine continues to be the communication tool of choice for the Australian Floriculture industry. The award winning national publication provides regular updates of industry news as well as technical, cultural, export and marketing information. [www.australianflowerindustry.com.au](http://www.australianflowerindustry.com.au)

### **Operational level:**

This project has assisted FAQI to maintain its capacity to manage industry activities at an operational level and be the catalyst for leveraging HAL's investment into the cut flower and foliage industry by working to securing other organisations/government body investment to ensure that activity levels and industry outcomes continues to increase into the future.

Industry activities undertaken by FAQI include:



- Advising decision making by engaging government on key issues (such as biosecurity, water use and energy, chemical registrations & permits).
- Identifying funding to undertake R&D activities
- Implementing water use efficiencies and develop Best Management Practice production guidelines through the Farm Management System (FMS).
- Facilitating industry adoption of on-line environmental tools ie water efficiency, soil and production management advice
- Improving national industry communication by providing information, resources, services and training options
- Promoting cut flower and foliage career opportunities to potential new entrants
- Creation of a website for the purpose of gathering information, relevant to the national cut flower and foliage industry [www.flowersqueensland.asn.au](http://www.flowersqueensland.asn.au)
- Developing links with R&D providers to facilitate R&D projects.

### Methodology

The project addressed the ongoing needs of the Queensland and national cut flower and foliage industry while facilitating an industry capacity building process to ensure that future development needs were identified and addressed.

**Goal 1 - Human Resource Development** – *The people in the Queensland Cut Flower Industry will have the drive, knowledge and skills to take advantage of new opportunities and initiatives to achieve desired outcomes and direct their future.*

Addressed by:

- Training and workshop/extension activities conducted in Brisbane and throughout the state
- Leading grower secured ISS Scholarship to Europe and Israel to examine protected cropping systems
- Business and marketing seminars throughout the state
- Ongoing promotion of training and succession planning for farms
- Cost calculator decision tool. FAQI has developed a detailed whole farm economic model of flower production systems for both in-ground growers and protected cropping growers to establish production costs and the profitability of their enterprise/business.
- Overseas production consultants brought to Australia to deliver workshops on specific plant varieties

**Goal 2 - Leadership** – *The industry is led by strong, effective, efficient, well resourced groups and leaders.*

Addressed by:

- FAQI is the leading and most active association in Australia – with the industry leadership greatly improved as a result
- FAQI is currently leading national body discussions
- The largest Qld growers (production size) are involved in FAQI, representing at least 70% of production in traditional and native flowers
- Travel grants from RIRDC and HAL and FAQI have supported members to participate in events that improve their knowledge of opportunities and markets both nationally and internationally. FAQI has delivered coordination services that allow several events to be held during the one trip thus reducing travel time and time away from the farm. For example, Native Flower Study tour to Japan 2008.

**Goal 3 - Cooperation** – *The industry works in unity on issues of industry development. FAQI, grower groups, collectives and businesses effectively conduct agreed collaborative activities to gain mutual advantages.*

Addressed by a large amount of industry development and collaborative research projects as well as activities of common interest such as:

- *Farm Plus Project*. This is a project that aims to assist growers improve the quality of their soil based on a scientific approach to growing flowers and foliage. Experiences by several flower growers have shown that improvements in the quality of the soil have delivered improvements in quality of flowers and decreases in the cost of growing and processing. FAQI has made a voluntary contribution towards this project.
- *The National Floristry Design competition* has run for the last couple of years encouraging over 300 students in the TAFE educational system with the desire to work with wildflowers. The entries for this competition are posted on the WFA website which is linked to the FAQI website and being viewed by students, teachers and public alike – creating demand and inspiration on HOW floral products can be used. FAQI has made a cash contribution towards this project.
- *IFEX 2007 & 2008* – Objective: Increase the demand and value of Australian Wildflowers in the Japanese market. Project Support: Australian Trade Commission (Austrade) staff in Tokyo and Sydney, Queensland Govt. Trade Start staff in Tokyo.

Participants in this project received the following benefits:

- Develop an improved understanding of the requirements of the Japanese floriculture market,
- able to personally present and discuss Australian Floriculture lines with visitors,
- meet Japanese supply chain members including importers, wholesalers, florists and other industry professionals.

The Australian Wildflower Industry received the following benefits:

- improved awareness of floriculture products from Australia helped to improve demand and prices for many Australian grown lines.
- Cooperated with other organisations to address specific issues, for example, HAL Industry Development Needs Assessment: “The process of informing and empowering those in horticulture to make better business decisions”. This assessment commissioned by HAL was undertaken by FAQI on behalf of the Australian flower industry.
- Nursery Garden Industry Queensland (NGIQ) for Industrial relations support, APVMA permits for Chemical use, Australian Centre for Lifestyle Horticulture (ACLH), Queensland Industries Rural Training Council (QIRTC), Queensland Farmers Federation joint funded projects, Department of Environment and Resource Management, funded projects, and Wildflowers Australia for overseas study tours &, R&D projects including:
  - *Determining optimum irrigation scheduling requirements for key wildflower crops*. A collaborative project with the key aim to investigate water use requirements for Christmas Bush and Protea crops. Trials were conducted on farms in Queensland and NSW.
  - *Develop a Canopy Management Manual for Wildflowers*- Principles of canopy management will be described for key wildflower crops followed by practical on farm demonstrations.

**Goal 4 - Communication** – *An industry communication network is in place that allows effective information exchange throughout the industry. This network also incorporates strong linkages to external sources to effectively inform industry on relevant issues.*

Addressed by:

- Monthly e-bulletin to members and non-members of the industry
- Industry websites (FAQI and the *Australian Flower Industry* magazine website) offering industry news items, extension opportunities and R&D reports.
- *Australian Flower Industry* magazine – national communication tool. The magazine is a high class 48 page glossy magazine exclusively published for people working within the floriculture industry in Australia and New Zealand. It contains a range of articles and

information specifically addressing the needs of this market. As the flagship publication of FAQI, from growing through to retailing, the AFI magazine provides an excellent medium for industry communication.

- Industry specific fact sheets and technical reports available on irrigation, lighting, and production.
- Publications, Guide for New Growers, Stenanthemum Growers Manual, flyers and various promotional brochures
- Promoting GrowSearch as an information resource for the industry at all industry events

**Goal 5 - Production** *The production of cut flowers has expanded according to the expectations of individual businesses. Production methods of growers and allied traders are highly efficient, using appropriate new and/or innovative products and technologies resulting in production of products of consistent quality meeting market requirements.*

Addressed by:

- FAQI Farm Management System designed as a voluntary step-by step process with tools to help improve business management and encourage development and achievement of more sustainable and profitable farming practices.
- Economic Cost Calculator - The economic Cost Calculator is an Excel based calculator with multiple input worksheets allowing the user to enter data on seven different species with the capability of incorporating both pot based protected cropping and in-ground production systems. It also allows the capital value of the whole farm to be incorporated and discounted over a 20 year period. (Johnson, W. (2010). Cut Flowers and Foliage Whole Farm Economic Decision Tool, DEEDI.)

**Goal 6 - Product Marketing and Promotion** – *All cut flowers enterprises sell their products to domestic and/or overseas markets at profit margins set in their Business Plan. Customers are satisfied and return for repeat sales.*

Addressed by:

- Product guides for Queensland and export markets
- Cost calculator to improve marketing and pricing
- Promotion in key overseas markets (e.g. support for wildflower Australia's activities with DEEDI and support for the Australian Flower Export Council) and domestically with media releases and other valentine's/mother's day activities

**Goal 7 - Other Opportunities** – *Cut flower enterprises investigate conducting other opportunities to increase their profit margins.*

Addressed by:

- From a marketing perspective, FAQI has supported an education campaign by Wildflowers Australia to inform the floral supply chain (domestically) which wildflowers and foliage are available when. This will result in long term change for the industry as florists will start to use products more if they know when certain lines are available and when.
- FAQI supports the Quality Specifications project which will define quality specifications of the 30 most traded varieties. This project is being completed by Bettina Gollnow. All members of FAQI will be encouraged to use the standards to promote and sell their products.
- The TAFE curriculum has been corrected so that as of 2010 all TAFE students will be taught specifically about the range of wildflowers that exist and how to use them in floral design. This was previously not the case. As more florists participate in the TAFE course each year and graduate and enter the florist shops around Australia this will see an increase in demand for wildflowers. FAQI has made a cash contribution towards this project.
- Secretariat for the National Flower Working Group

**Goal 8 - Environmental Management** – *In 2010, the cut flower industry has achieved long-term environmental sustainability, and has a well earned reputation for its “clean, green and safe” public image. By carefully planning and implementing relevant strategies, all enterprises effectively manage their natural and business resources.*

Addressed by:

- The current **Farm Management System** (DEEDI, Blueprint for the Bush) which aims to improve on-farm practices and environmental sustainability
- Both the **Rural Water Use Efficiency (RWUE)** and **South East Queensland – Irrigation Futures (SEQ-IF)** projects aim to increase the environmental sustainability of the industry by reducing water and power use.
  - Outcomes of this project of particular importance have included the skills and knowledge capability developed and the benefits resulting from the on-farm extension services. FAQI has supported the SEQ-IF and RWUE programs with a range of other initiatives, including a research and development program, the collective purchase of irrigation scheduling and other necessary equipment, field demonstrations, irrigation system efficiency assessments, field trials and workshops, extension services and the development of information packages. The project has represented much time and effort in the discovery of up-to-date industry information and the training of FAQI staff and flower growers in the use of new relevant technologies. The training in new skills and technologies will provide guaranteed future benefits to the industry.
- *HAL Project: Positioning the cut flower and foliage industry to respond to climate change* projections for Queensland raise the urgent need for the cut flower and foliage industry to begin planning responses. This project is underway to provide the cut flower and foliage growers with the opportunity to:
  - consider the findings from climate change research and the latest scientific modelling for regional climate change projections in Queensland
  - take stock of the issues arising from climate change and government’s policy responses to climate change
  - assess the potential impacts and opportunities posed by climate changes and consider how the industry should respondThis project aims to focus specifically on identification of risks to the cut flower and foliage industry from climate change, potential adaptation mechanisms and research challenges.
- There are also a number of other R&D projects which are currently running in partnership with DEEDI including:
  1. *The use of mulch to reduce water use in field production.* This project assessed mulch options by monitoring soil moisture under mulched and unmulched native flowers. The project also evaluated the labour costs associated with the installation of mulch types compared to other methods for weed control.
  2. *Quantifying the differences between treated and untreated coir substrates.* This project provided producers with the information to more confidently make decisions to invest in coir substrate materials with cost/benefit decision making based on observed differences to crop growth, yield and quality.
  3. *Replacing incandescent bulbs in flower production to compact fluorescent artificial lighting.* Research has been conducted in a number of countries on the effect of replacing incandescent (INC) bulbs with compact fluorescent lamps (CFLs). A fact sheet has been developed outlining the results of this research and presents information to assist growers in identifying which options may be best for their business.

4. *Efficiency of Soil-Born Control Agents on Western Flower Thrips*. This project will quantify the ability of four soil-borne predatory species to control Western Flower Thrip.
5. *Property Management Systems Initiative (PSMI)*. Farm management systems (FMS) tools for flowers include a self assessment tool and reference guide. It is aimed to have fact sheets and tools on the FAQI Industry web site in the near future. 26 growers are part of the program, branded as **Best Bunch** and 15 florists and wholesalers have also been engaged with the program.
6. *Determining optimum irrigation scheduling requirements for key wildflower crops*. This is a collaborative project with the key aim to investigate water use requirements for Christmas Bush and Protea crops in South East Queensland.

## Discussion

### Strategies for industry growth:

The strategies for industry growth lie in developing field trials and the investigation of promising new flowers and foliage for new market opportunities and encouraging greater industry involvement in carrying out and funding R&D. R&D undertaken for grower purposes include: pest and disease control, breeding new plant varieties or developing new production techniques; ensuring effective flow to industry of information on research findings as well as improving profitability through benchmarking and marketing activities.

### Understanding current industry issues:

Another success strategy is recognising current industry issues and undertaking relevant literature reviews in order to establish a clearer understanding of the critical risks and opportunities for the industry, for example, in the context of climate change. Through the review of the literature and consultation between project team members and cut flower industry representatives, it has been determined that key areas potentially affected by climate change that are relevant to the industry are: energy usage, cost and efficiency; water costs; access; storage and recycling; soil stability; and soil water relations; the monitoring and control of pests, diseases and weeds; and marketing issues related to fuel costs, freight and exports. Future projects will be directed towards managing these identified issues.

## Conclusion

The overall aim of the project was to continue the flower industry's progress towards economic sustainability. This included efforts towards a national industry structure. The Flower Association of Queensland Inc. has demonstrated its ability and willingness to lead the national industry towards this goal as well as maintaining its momentum and member service provision at a state level. FAQI has delivered consistently and above expectations on all of the HAL and other funding it has received in the past.

FAQI is focused on building value for its members and the wider cut flower and foliage industry in Australia by helping to create a more profitable, sustainable and vibrant industry.

## Recommendations

The Flower Association of Queensland Inc has been able to successfully cater to the needs of the Queensland and Australian flower industry by providing representation, promotion, research and information support. It has identified research priorities on traditional and Australian native/wildflowers and has been successful in bringing these issues to the attention of growers, breeders, propagators, wholesalers, exporters, florist and allied trade suppliers in the Australian and overseas floriculture industry.

A key lesson from this project concerns the identification of a clear industry need to underpin projects. Adequate research and planning and the adoption of risk management principles has ensured FAQI's successful project management.

## Acknowledgements

### Project Team:

FAQI	Queensland Cut Flower Industry Development Team
Denyse Corner (FAQI)	Project Leader
Wendy Ketter (FAQI)	FAQI Administration
Lodi Pameijer (FAQI)	Current President, FAQI
Brian Shannon	Past President, FAQI
FAQI Executive Committee	
Department of Employment, Economic Development & Innovation (DEEDI)	Research & Development Lifestyle Horticulture
Shane Holborn (DEEDI)	Team Leader Lifestyle Horticulture
Rachel Poulter (DEEDI)	Research Scientist
Alan Duff	Industry Development Officer - Water

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## Appendices

Nil