



## Commercial flower growing – is it for you?

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The flower industry is an attractive one to many people: the product is exotic and colourful, and flowers are associated with happy times and memories. It can also be profitable.

The industry appeals to people keen to use the small block that they purchased for retirement or lifestyle changes. It also appeals to broadscale farmers looking for a means of diversification.

But to be successful requires that you appreciate the needs of the industry, the cost of entering the industry and the impact it will have on you and your family.

This Farmnote is written to help you work through the issues that are critical for success and to point you to sources of information and knowledge what will help achieve that success. This Farmnote cannot give the answers; it can only help you find them.

Investing time in preparation before starting the enterprise will save much heartache and financial loss. *Make haste slowly.*

### The flower industry

In Western Australia the industry consists of a number of sectors. These are:

- traditional/exotics including roses, carnations, gerberas, chrysanthemums. These are increasingly grown under shade or in controlled environments;
- Australian native flowers including waxflower, kangaroo paws, banksia and boronia, which are mainly grown in the field with limited numbers under cover;
- South African plants which include proteas and *Leucospermum*;
- foliage including *Eucalyptus* species;
- dried and dyed flowers and foliage;
- pot plants for in-house and amenity use; and
- support activity such as propagation, tissue culture, seed producers, etc.

Generally, most flower products exported from Western Australia are the Australian natives, foliage and the South African flowers. The bulk of the traditional and potted plants are used domestically in Perth or other parts of Australia.

### What is involved in growing commercial flowers?

In short, –it takes hard physical work, long hours and the development of good business sense. Growing flowers, pots or foliage successfully requires that you have or can carry out the following:

- good health and the ability to do hard physical work;
- a supportive family who are willing to take part in the enterprise;
- practical skills to improvise and repair equipment;
- business ability;
- business and financial plan;
- marketing plan;
- management skills;
- detailed production knowledge of the enterprise;
- detailed understanding of the harvest and post harvest needs of the product;
- understanding of the consumers' and buyers' needs and wants; and
- adequate financial reserves.

As a producer you are likely to be involved in some or all of the following operations or activities:

- deciding on the enterprise you will develop;
- selecting or buying suitable land;
- making sure there is enough water available for long term plans;
- developing the business plan to present to the bank;
- developing the marketing plan for your product;
- establishing the infrastructure, such as irrigation, pumps, shade, glasshouse, parking, shed, cool room;
- establishing your market links with buyers, florists, wholesalers or exporters;
- ordering your planting material (and ensuring it is free of disease and of high quality);
- preparing the land, beds or pots - this includes sourcing chemicals, fertiliser and the like;

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- planting the seedlings, bulbs or seeds;
- managing the growing plants (water, fertiliser, weeds, disease, insects, pruning);
- preparing for harvest (buckets, sleeves, cartons, cooling, preservatives, etc.);
- employing and training labour for harvesting and sorting and trimming;
- attending field days;
- transportation to buyer (preferably refrigerated);
- evaluating feedback from buyers;
- increasing your knowledge of the industry; and
- planning for next season.

This list is not exhaustive but illustrates the range of activity involved. Other publications will give more detail for specific products. The other thing to keep in mind is the time it will take to arrive at saleable product – it may be a few months for some pot plants or seedlings or five years for some native or foliage plants.

### What to grow

This depends on a range of factors:

- your personal interests and skills;
- climate and soil on your land (this can be under your control if you still have to buy land);
- what the market, consumer, wholesaler, and exporter want to buy; and
- your cost of production and transport.

The flower industry is a complex one; it is very susceptible to fashion changes and is always looking for new products so you need to be flexible to match those changing needs. Be prepared to change varieties quickly and, if necessary, change types of plants within the limitations of your infrastructure.

What to grow is also a matter of when to grow. The best prices are often obtained when others are not producing that product. For example, you may plant a variety that is a little earlier or a little later than others or you may grow in a location where the plant flowers a little later. There may be a loss of quality by growing out of season (such as shorter vase life) and you need to watch the supplies of the same products from other States or countries (wax flowers from Queensland are earlier than Western Australian waxflower).

Seek out information on the economics of producing your preferred product and then compare it to others, keeping an eye on what is happening overseas. Some of the publications included in the section 'Further reading' are excellent sources of information to help you make decisions.

### How large should my enterprise be?

This will always be a balance between the capital and finance you have available, the type of product, the labour available and the ability to produce and sell on that scale. It may also depend on whether you are

working with other growers to collectively market the product. Most wholesalers and exporters like to deal with larger producers to ensure consistent supplies and quantity but if you are dealing with a local florist and you only want a part-time activity, the area you plant may be a lot smaller.

Never make the planting so big that you cannot maintain quality at all times, from establishment through to the wholesaler or florist.

On the other hand, there are growers of waxflower who grow many hectares of product, often carrying out maintenance such as pruning mechanically. These plantings may be on a more extensive basis with lower yield per hectare but the increased volume compensates for that.

Other growers consider that a reasonable income can be made from five hectares as a family business.

### What the consumer wants

The consumer generally wants value for money, colour, freshness, freedom from disease and long vase or pot life. They are always after new types, so uniqueness is important, too.

Some of these things are under the control of the grower – variety determines colour, form and vase life, management determines disease status and post harvest treatment determines freshness and vase life.

Marketing is about location, location, location – flowers are about quality, quality, quality. Quality doesn't necessarily mean top quality but it can mean consistent, reliable quality.

Quality starts with the following practices:

- make sure the plants are clean and healthy when you order them;
- control disease, insects and nutrients to maintain the quality during production ensuring good yields, long stems and vibrant colours;
- time of picking affects the freshness and appearance of the product at the market (do you pick in 20 per cent bud or full bloom?); and
- post harvest temperature control and pulsing with appropriate material ensures freshness and vase life in the consumer's house.

Quality should also extend to presentation (should always look good – every bunch – at all times, sleeves, labelling for variety) and to service (complaints, consistency of supply, documentation, etc.).

Develop a quality assurance program for your enterprise. This will benefit from being audited by a third party. ISO 9002 or SQF 2000 are two options. There are costs involved but your product will often have better access to markets.

### Where to grow

If you own land this may already be decided but if you are buying land then you can focus on those aspects that are important. These may include:

- climatic conditions (cool, moist for boronia, warmer for wax);
- proximity to market. The further you transport the higher the cost and the increased risk of reduced quality – flowers are perishable;
- the social and commercial facilities nearby ( schools, hospitals, shopping, rural suppliers) are important if you are employing labour;
- source of casual or permanent labour – being near a town may be useful if you are planning a larger operation;
- soil type influences the type of plants that can be grown and how well they grow. Soil acidity (pH) can be particularly important. Light soils are better for banksias, heavier soils may be better for boronia and kangaroo paws; and
- the past history of the block can influence what you can do (for instance, chemical residues, disease and weed burdens.) Soils infected with *Phytophthora* (eg jarrah dieback) may cause problems with many native plants.

## Regulations and licences

Although you do not need a licence to grow flowers you do need a range of approvals and licences for some parts of the operation.

Growers of native flora require a Commercial Producer's Licence or a Nurseryman's Licence to sell the product. These are available from the Department of Conservation and Land Management (CALM).

A reliable, good quality water source is critical to the flower enterprise. If you need to get water from bores then you may need an allocation from the Water and Rivers Commission. In some areas this may require an environmental assessment to ensure there are no impacts from the flower enterprise on the local rivers, wetlands, groundwater and biodiversity.

Many shires require a development application before the flower enterprise can be started. Obtain these approvals before you commit to buying land or investing additional capital.

If the block is currently covered in bush and you wish to clear it for the enterprise make sure you have approval to do so. There is a requirement to notify the Commissioner for Soil and Land Conservation of your intention to clear 90 days before doing so. He may object. Ensure you have this approval before buying new blocks.

From time to time growers may also wish to harvest flowers and foliage from their remnant vegetation or Crown land to supplement supply. The plants here are protected and a Commercial Purposes Licence is required from CALM.

## What are some of the production considerations?

To obtain high yields and good quality flowers nutrients and irrigation need to be applied, and disease and insects controlled.

Where chemicals are applied, you must use them in accordance with the label instructions. All appropriate safety precautions and container disposal instructions should be followed.

Some chemicals are not registered for use on flowers. These cannot be used without obtaining a Special Minor Use Permit from the Australian Pesticides and Veterinary Medicine Authority (APVMA, formerly the National Registrations Authority) (telephone (02) 6272 5852, email: [RCS@apvma.gov.au](mailto:RCS@apvma.gov.au))

Plants and soil should be tested for nutrient requirements to ensure that too much is not applied. Similarly, irrigation should be monitored by using tensiometers and moisture probes to prevent over-watering. Putting on too much water is wasteful and costly, leads to increased leaching of fertilisers and can cause waterlogging in the root profile. Similarly, too little water can restrict growth and quality. The tensiometers are a very useful and cheap investment.

## Will I make any money?

It is possible to make money in the floriculture industry. You need to follow the steps suggested here to ensure you get an adequate return on your investment. Capital cost for land, sheds, irrigation and plants is high. Labour costs are also high. The industry is subject to fluctuating prices depending on supply and demand.

The prices florists or retailers charge for a bunch of flowers does not reflect what the grower gets, so you should count on getting no more than 30 to 40 per cent of retail price.

### **Example based on the publication Should I grow Wildflowers? (Carson, Queensland)**

The infrastructure costs may be around \$80,000, not including land. To establish a kangaroo paw enterprise may cost about \$22,000 per hectare with another \$8000.00 in the first year for operating including labour. Operating costs in future years are about \$30,000 depending on labour needs. Returns are about \$11,000 in year one, around \$50-60,000 in the next three years, then declining. The area will need replanting after five to six years.

## New research

The Department of Agriculture conducts research into breeding new varieties of a range of Western Australian natives. These include smokebush, waxflower and Qualup bells. The researchers are also involved in developing production packages to ensure these varieties can be grown and reproduced. The agency has released a number of varieties and is scheduled to release further plants for the cut flower and pot plant trade.

## Conclusion

This farmnote is designed to help you work your way through deciding to enter the industry. There are many good publications available to help you find the answers. There are also many Internet sites to explore. Only a few are listed here but the Queensland publication *Should I grow wildflowers* has many more.

## Organisation

**Flowerswest**, P.O.Box 636, Joondalup 6919, Email: [flowerswest@inet.net.au](mailto:flowerswest@inet.net.au)

President - Phillip Watkins. Ph: (08) 9525 1800. Fax: (08) 9525 1607

Industry Development Officer - Colleen Miles-Cadman. Ph: (08) 9307 1968. Fax: (08) 9307 4968.

Mob: 0409 293 968

Flowerswest is the peak industry body in Western Australia. It oversees the industry, runs regular seminars, publishes a magazine and has an Industry Development Officer. This organisation through its members can give you access to all parts of the industry.

**Nursery and Garden Industry WA - NGIWA**, Fraser Avenue, Kings Park, West Perth, WA, 6005. Telephone 08 9485 1144, email [reception@ngiwa.com.au](mailto:reception@ngiwa.com.au)

This organisation conducts many training events for the nursery industry. Two Industry Development Officers are employed, one to help the nursery industry the other for the garden centre industry.

Flower buyers. **Buyers are mainly florists, wholesalers and exporters. Their contact details are obtainable from the Yellow Pages directory.**

## Recommended reading

*Should I grow wildflowers*, by Carson *et al*, Queensland Department of Primary Industry. Available from GrowSearch Australia, PO Box 327, Cleveland, Queensland, 4163. Telephone (07) 3821 3784.

*Wildflowers – the beginning*, by Slater *et al*, Agriculture Victoria, Knoxfield, Crop Health Services. Telephone (03) 92109356.

*Growing wildflowers for profit* by Cass *et al*, Agriculture Victoria, Crop Health Services. Telephone (03) 92109356.

*Getting started in native flower production*, by Gollnow, B., NSW Agriculture (2<sup>nd</sup> edition Jan 1999).

## Department of Agriculture Farmnotes and Bulletins

Bulletin 4502. Greenhouse roses for cut flower production. July, 2001.

Bulletin 4255. Greenhouses.

FN 136/2000 Cooling cut flowers and foliage.

FN 93/2000 Storage conditions for ornamental crops.

01039/8/03-1500-inhouse

FN 92/2000 Chlorine for disinfection.

FN 91/2000 Propagation equipment.

FN 90/2000 Potting Mixes.

FN 89/2000 Fertilisers for potting mixes.

FN 56/2000 Standard and spray carnations.

FN 111/99 Qualup bell (*Pimelea physodes*) for cut flower production.

FN 110/99 Smokebush (*Conospermum* spp.) for cut flower production.

FN 38/99 Tea tree for cut flower production.

FN 47/96 Growing boronia.

FN 23/96 Banksias for cutflower production.

FN 1/96 Pests of export wildflowers and proteas.

FN 86/95 Waxflower for cut flower production.

FN 22/95 Cultivation of kangaroo paws.

FN 100/94 Pruning banksias.

FN 79/94 Soil moisture sensors for sandy soils.

FN 31/89 Dyeing cut flowers and foliage.

## Some websites

Department of Agriculture, Western Australia - has many farmnotes and reports: [www.agric.wa.gov.au](http://www.agric.wa.gov.au)

Floriculture Export Council Australia – peak exporter organisation involved in promotion and export issues: [www.feca.org.au](http://www.feca.org.au)

Rural Industries Research and Development Corporation – funds research in Australian native flowers – site contains many reports: [www.rirdc.gov.au](http://www.rirdc.gov.au)

Department of Conservation and Land Management – flora, plants and licences: [www.calm.wa.gov.au](http://www.calm.wa.gov.au)

## Industry magazines

*Horticulture Australia*. Agricultural Publishers Pty Ltd. Published monthly. General information on broad range of topics including good coverage of floriculture.

*Flowerswest*. Magazine for members of Flowerswest. Contains a good range of information and current events for Western Australian floriculture industry.

**Department of Agriculture Floriculture News**. Contains regular updates on projects being conducted by the Department and collaborators.

## Information services

GrowSearch is a fee-for-service way of having someone else do your information searches. They hold a very large database of information, much of it relevant to floriculture. You pay an annual fee of about \$110 and for this you can ask them to search for your particular topic. You tell them you want and they do the rest. The fee provides you with about 150 pages of material.

Contact GrowSearch on telephone (07) 9821 3784.

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