Northern Territory Government

Other Publication OP10

The economic value of the Northern Territory's amenity horticulture industry

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February 2007

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THE ECONOMIC VALUE OF THE NORTHERN TERRITORY AMENITY HORTICULTURE INDUSTRY NOVEMBER 2006

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Forward

The survey 'The economic value of the Northern Territory Amenity Horticulture Industry' was commissioned by the Director of Crops Forestry and Horticulture in 2005 to gain a snapshot of the industry in the Northern Territory (NT). This information will not only be used to develop a holistic view of the industry and will be useful as a benchmark in monitoring the future progress of the industry especially through the identification of issues and trends identified by business as impediments to business development and industry growth.

There is potential for the information contained in this report to be of use to current and prospective industry members, government, industry organisations, and people from associated industries that are interested in the future direction of the amenity horticulture industry in the NT.

The Department of Primary Industry, Fisheries and Mines (DPIFM) would like to acknowledge the assistance provided by staff Queensland Government Department of Primary Industries.

The cooperation and participation of members of the NT amenity horticulture industry is also greatly appreciated especially those members that provided comment on the initial draft and participated in the pilot survey.

Matt Darcey
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Executive Summary

The amenity horticulture industry consists of businesses and government organisations involved in non-food horticultural activities. It encompasses a wide range of industry sectors that contribute positively to enhancing the NT lifestyle.

On the basis of an industry survey conducted by the Queensland Department of Primary Industries on behalf of the Amenity Horticulture Industry Development Council (AHIDC), the NT Department of Primary Industry Fisheries and Mines, Crops Forestry and Horticulture Division decided to undertake a similar survey, as no data was available for the NT amenity horticulture industry.

The DPIFM staff carried out a telephone survey of all amenity horticulture businesses identified by the 2004-2005 Yellow pages telephone listing in the NT. The most up-to-date version that could be obtained at the time of compilation was used. However by the time the interviews were conducted, a proportion of the businesses identified from the list were no longer industry members or have had their telephone numbers changed and therefore they were unable to be contacted.

The following commercial sectors were surveyed: nurseries (wholesale and retail), irrigation supply and installation, arboriculture, Lawn and Garden maintenance, landscape – design and construction (soft green only), landscape supplies and other sectors, including indoor plant hire and some cut flower businesses. These sectors do not represent the entire make-up of the amenity horticulture industry, in that allied suppliers were not surveyed.

Public parks and gardens development and maintenance were included in the pilot survey, however a separate survey of these is yet to be commissioned.

The population list for the survey contained the names of 169 amenity horticulture businesses and organisations. 87.57 percent of the population were contacted resulting in a 50 percent response rate. Of these businesses and organisations 48 percent successfully completed the survey, resulting in an overall survey response rate of 62 percent. In total, 85 interviews were conducted: 83 with commercial businesses and 1 each with a local government department responsible for parks and gardens and 1 golf course operator.

The data was analysed on a whole of sector basis. The likely value of amenity horticulture sales on a territory wide basis in 2005/06 was estimated taking account of the estimated sales for the businesses surveyed and the survey response rates for the various sectors. For commercial businesses, the estimated **total value** of gross sales in 2005/06 was:

Amenity Horticulture Sector 2005-06	Total Value of gross sales ($m)
Nursery – wholesale and retail	12,700,000
Irrigation – supply and installation	5,150,000
Arboriculture	4,450,000
Lawn and Garden maintenance	3,495,000
Landscape – Design, Construction and Maintenance	7,175,000
Landscape Supplies	4,500,000
Other businesses	2,450,000
Total	**40,370,000**

The total estimated industry activity was approximately $40,370,000 for 2005/06.

The estimated value of overseas exports of products in 2005/06 was $2.4 m representing 12 percent of sales for the businesses surveyed. Interstate trade was estimated at $ 3.8 m representing 15 percent of sales for the businesses surveyed. The majority of businesses involved in overseas and interstate markets were the nursery establishments. Overseas and interstate business activities are driven by individual business owners themselves and not by established industry plans or government assistance. The nursery and cut flower and cut foliage producers were the major sectors involved in exporting produce. These figures highlight production is directed to meeting the direct needs of the Northern Territory market.

The amenity horticulture industry is a significant employer within the Territory. The estimated total number of people employed by the businesses surveyed, in the industry in the sectors surveyed in 2005/06, including both paid and unpaid labour conservatively represents approximately 500 jobs. This figure includes full time, part time, casual and subcontractors employed in the industry. Many business operators commented that staff employment varies with the size of jobs being undertaken, ie: employers noted that they may employ up to fifteen people for a particular job however their standard employment rates may be two to three people. The positive growth the amenity horticulture industry has made in recent years is likely to continue over the next five years with 60 percent of surveyed operators stating that they believe their businesses will grow over that period at an average rate of 12.5 percent. The larger operators were generally more optimistic that the smaller ones.

INTRODUCTION

Background

The amenity horticulture industry consists of a wide range of businesses and government organisations involved in non-food horticultural activities. These activities contribute greatly to enhancing the Northern Territories lifestyle by improving the 'amenity' of our living environment.

This project has been developed in conjunction with NT horticulture industry stakeholders to help the industry to meet its challenges and to facilitate accelerated industry growth and profitability. The data collected will provide qualitative benchmark data to assist the NT Government to develop policies to assist the industry to expand and develop new products and markets. The project also aims to initiate the bringing together of lifestyle horticulture stakeholders in a coordinated and cohesive manner. Traditionally the industry has been characterised by an uncoordinated and dispersed nature resulting in a lack of comprehensive data.

Of recent times, DPIFM has expressed the view that obtaining detailed background information on the industry is a high priority. Until now, there has been a lack of industry-wide information in the form of quantitative data. The sectors of the amenity horticulture industry have been classified by the Australian Bureau of Statistics in different activity areas and, therefore, collective industry information has not been obtained in the past. It is the Department's view that this information would be of value in identifying high priority industry needs and mapping out a course for the industry's future.

Objective

The objective of the project was to collect baseline industry information from the various sectors making up the industry. The following areas where reliable information on an industry-wide basis was essential for effective planning:

- Industry gross sales and levels of employment, both in total and for the various sectors making up the industry;
- Likely future sector growth;
- Levels of education and training in the industry;
- Factors impacting on business operation; and
- Barriers to business success.

SCOPE OF PROJECT

Sector Coverage: the survey collected data from businesses and organisations in the following sectors:

- Nursery
- Irrigation supply and maintenance
- Arboriculture
- Lawn and Garden maintenance
- Landscape design and construction
- Landscape supplies
- Other sectors – indoor plant hire, some cut flower growers

The major commercial sectors of the industry were included in the survey. Within the landscape sector, the areas of construction (soft green only, that is: the development of gardens etc), design and maintenance (lawn mowing) were surveyed. It was considered that the hard scape construction side of the landscape industry was outside the current data gathering exercise.

Regional Coverage: Businesses across the Territory were surveyed, including Katherine and Alices Springs. No regional breakdown has been provided as the number of respondents from regional areas was low and confidentiality may have been compromised.

Survey Rigour: The survey has attempted to measure size and value of the amenity horticulture businesses contacted for the 2005/06 financial year.

Two telephone interview questionnaires were developed to accommodate the difference between:

- The commercial sectors that sell lifestyle horticulture products and
- The parks and gardens and golf course maintenance sectors that spend money on lifestyle horticulture maintenance activities.

DPIFM staff carried out a pilot test of the questionnaire developed for the commercial sectors in June 2006. A total of 18 businesses were contacted and 15 agreed to participate. The pre-test resulted in minor changes to the questionnaire.

The total industry figures presented should be regarded as broad estimates only. Further research into the industry that would improve the accuracy and comprehensiveness of the data could include:

- A comprehensive survey of the cut flower industry
- Contacting industry members that have not responded to messages left at the place of work – approximately 45% of members
- Commissioning the survey of the public parks and gardens and golf course maintenance to gauge an idea of the gross expenditure on amenity horticulture.

METHOD

Population List

The population list for the survey was compiled from the 2005 - 06 Yellow Pages directory. Initially data contained in *Australia on Disc* was to be used; however this disc is no longer accessible. By the time of the interviews in August and September 2006, a proportion of the businesses identified in the list was either no longer in the industry or had changed telephone numbers and therefore, could not be contacted.

Questionnaire design

The final questionnaire for the commercial sectors collected the following data from each business contacted:

- Background data on the business (year established, position in the company, whether amenity horticulture is the major source of income);
- Types of amenity horticulture activities and sales destinations;
- Gross sales from amenity horticulture in 2005/06;
- Anticipated sales trends in the next five years;
- Interstate and overseas exports in 2005/06;
- Number of labour units employed in 2005/06 (paid and unpaid);

- Education level of owner/manager; and
- Horticultural training undertaken by employees.

The survey participants were asked to indicate their gross sales figures (or gross expenditure figures in the case of parks and gardens and golf courses). The use of categories, rather than asking for actual figures, was considered to be very important in being able to obtain confidential information from survey respondents. The mid-point of each category was used as an estimate of the relevant figure for each business.

Interviewing

The confidentiality of the data being collected was stressed to participants. To help overcome the apprehensiveness that some people may have felt about divulging sensitive information, a letter from the Department was sent just prior to their being contacted. The call staff also asked if the person most able to supply the information required could participate in the interview.

Efforts were made to telephone survey participants at convenient times of the day. For example, many sectors such as Lawn and Garden maintenance and tree loppers have peak times of each day where they carry out the majority of their activities. The survey schedule was designed to accommodate these types of issues. The call staff arranged call-back appointments for those who were unable to spare the time at the initial call.

A number of the phone numbers identified in the lawn mowing and maintenance gardening sector in particular were disconnected when rung. This is likely to be due to the high number of businesses that enter and leave this industry each year. The total numbers of businesses contacted and the number of surveys completed are shown in Table 1

The population list identified 169 businesses in the main sectors of the amenity horticulture industry within the Northern Territory. Of those businesses, the call staff contacted 87.5 percent (148) with the total response rate of 50 percent (85).

Table 1

Survey response rates for major industry sectors				
Sector	**No. in initial survey list**	**No. completed surveys**	**Percent refused**	**% no response**
		Commercial businesses		
Nurseries	38	19	2	13
Irrigation	14	10	0	4
Arboriculture	17	8	1	7
Lawn and Garden Maintenance	46	19	3	23
Landscape Design and Construction	24	15	2	10
Landscape Supplies	13	8	3	2
Other sectors	6	4	2	0
Total	**169**	**85**	**13**	**59**

Data analysis

The DPIFM telephone interviewers entered the data directly into the survey forms as the interviews were carried out. The data was then entered into an Excel database and analysed.

Sector definitions

Each commercial business was asked to assign a percentage breakdown to their total amenity horticulture sales in 2005/06 by sector: eg nursery 60 percent, landscaping 40 percent. The businesses that identified a majority of their operation in one sector (over 50%) were defined as being a business in that sector. Percentage breakdowns were used to allocate the amount of estimated total amenity horticulture sales to each sector.

COMMERCIAL SECTOR SURVEY

Introduction

As shown in Table 1 a total of 85 commercial businesses provided survey information. Table 2 shows the numbers of businesses within each sector included in the data analysis.

Table 2

Number of surveyed commercial businesses by sector			
Sector:	**No.**	**% of industry**	**% of sector**
Nurseries	19	22	50
Irrigation	10	8	71
Arboriculture	8	10	47
Lawn & Garden Maintenance	19	27	41
Landscape Design and Construction	15	14	62
Landscape Supplies	8	8	61
Other sectors	4	4	66
Total	**85**	**100**	

SURVEY RESULTS

Business Background

Background information gathered on the businesses within each sector is outlined in Table 3.

Table 3

Background information on surveyed amenity horticulture businesses							
Sector							
	Nursery	Irrigation	Arboriculture	L and G Maintenance	L/Scape Design and Construction	L/Scape Supplies	Other
Interviewee							
Owner/ Manager	4	8	2	6	1	2	2
Owner/Sole Trader	10		2	10	11	1	2
Manager	5	2	4	3	3	5	3
Total	19	10	8	19	15	8	7
Owner's Main Income							
Yes	15	7	7	15	13	4	4
No	4	3	1	4	2	4	3
Total	19	10	8	19	15	8	7
Year Business established							
2001-2006	2	3	2	6	4	2	2
1996-2001	5	2	2	10	8	1	2
1991-1995	2	2	3	1	1	2	1
1986-1990	4	1	1		1	2	1
1981-1985	3			1	1	1	0
Before 1981	3	2		1			1
Total	19	10	8	19	15	8	7

A majority of respondents (54 percent) were Sole Trader or Owners/Operators. This number can be attributed to the Nursery and Lawn and Garden maintenance businesses. While in 32 percent of cases, the person interviewed was the manager who may not have a financial interest in the business. In a small number of cases (12 percent of businesses surveyed) the respondent's position was stated as manager/owner. These respondents had a position within the business that nevertheless enabled them to provide the required financial and employment details.

Sixty per cent of businesses have been established in the last ten years, of those, 35 percent were established between ten and five years and 25 percent in the last five years. The Lawn and Garden maintenance and landscape design and construction sectors of the industry in particular had high proportions of businesses that had entered the industry in recent years. This could be attributed to the high rate of entry and exit of small operators within these sectors and the rapid rate of development of residential, defence and industry within the Darwin region.

Of the total respondents surveyed, 76 percent responded that amenity horticulture operations were the main source of income for the owner. A small proportion of the Irrigation sector stated that amenity horticulture operations only accounted for a small percentage of their income, with the main percentage being derived from supply of bore and irrigation equipment to the agricultural and mining industries.

THE APPROXIMATE PERCENTAGE BREAK-UP OF GROSS SALES – PERCENTAGE

Table 4

The approximate percentage break up of the gross sales derived from each sector							
Sector							
Commercial/ Govt	Contractors	Developers	Wholesalers	Retail Outlets	Domestic	L/Scapers	**Total**
25.67	2.14	18.45	3.7	6.82	41.2	2.82	**100**

As shown in Table 4, the two main markets providing work for the amenity horticulture industry is the domestic market with an estimated 41.2 percent of the total gross sales within the surveyed businesses and the commercial/government market with an estimated 25.67 percent of the market. Developers were also an important component of the market capturing 18.45 percent of the market.

EMPLOYMENT FIGURES

Table 5

Employment figures							
Sector							
	Nursery	Irrigation	Arboriculture	L&G Main	L/Scape Design and Construction	L/Scape Supplies	Other
Full time	2	25	9	36	18	29	18
Part Time	11	0	1	8	4	1	12
Casual	71	6	17	27	31	7	9
Subcontractor	3	16	7	25	9	5	3
No Wage	18	4	11	17	0	24	9
Total	**105**	**51**	**45**	**113**	**62**	**66**	**50**
Industry Total: 492							

All sectors were asked to give total figures on employment for both paid and non-paid labour. The results are summarised in Table 5, above.

Estimates based on this data showed a total labour usage figure of 492 labour units for the surveyed businesses. This is considered a conservative figure. The Lawn and Garden maintenance sector had the largest requirement for labour within the amenity horticulture industry with 113 units. The next largest requirement was the nursery sector with 105 units.

Many of the businesses reported that number of workers fluctuated markedly depending on being undertaken at the time. It is not uncommon for some of the Lawn and Garden maintenance and landscape construction companies to recruit as many as twenty labourers on large projects, while smaller projects may only require one or two people.

GROSS SALES 2005/06 - $

Table 6 shows the estimated gross sales for the businesses and sectors surveyed. These figures were extrapolated from % of returns as an average over all on listings.

Table 6: Estimated gross sales 2005/06 by sector for the surveyed businesses ($)						
Sector						
Nursery	Irrigation	Arboriculture	L and G Maintenance	L/Scape Design and Const	L/Scape Supply	Other
12,700,000	5,150,000	4,450,000	3,495,000	7,175,000	4,500,000	2,450,000
Total $40,370,000						

Nursery: The nursery sector recorded the highest gross sales of all of the commercial sectors comprising the amenity horticulture industry. The total gross sales of the surveyed businesses were estimated at $12.7 m in 2005/06. The nursery sector was broken down into three areas; production, wholesale and retail for the purposes of the survey. It should be noted that other industry and DPIFM research has valued the nursery industry at $17 m annually. As this study only surveyed approximately 50 percent of the nursery industry further data collection of the nursery industry has the potential to result in a higher figure.

Irrigation: The surveyed businesses from the irrigation supply, installation and maintenance sector had an estimated gross sales value of $5.1 m in 2005/06.

Landscape Sector (soft green only): The total estimated gross sales for the surveyed businesses in this sector totalled $7.1m in 2005/06.

Lawn and Garden maintenance: The total estimated gross sales for the surveyed businesses in this sector totalled $3.5 m. Of this total, 54 percent of this business was concentrated in the commercial sector, 50 percent in domestic (private households) business and 22 percent from work with developers.

Other sector category: This section has grouped together industry sectors with only a few operators to prevent individual identification of businesses. The value of this sector is $2.45 m. This sector has the potential to increase dramatically if further sector members complete the survey.

EDUCATION AND TRAINING – MANAGEMENT AND STAFF

Table 7 shows details of the educational levels of the owner/managers of the businesses contacted together with details of the number of people who had undertaken formal management/horticultural training.

Overall, approximately 33 percent of all owner/managers and 7.5 percent of staff have some business management training. 66.5 percent of business operators and 46.4 percent of staff members have some level of horticultural training education. The majority of business operators surveyed placed some value of importance on continued training and undertook a range of industry training opportunities provided by suppliers and industry groups.

Table 7: Levels of education within surveyed commercial businesses by per centage

Sector	Nursery	Irrigation	Arboriculture	L&G Main	L/S Design & Construction	L/Scape Supply	Other
Education undertaken by manager							
Business M/ment	37	22	0	32	33	63	75
Horticulture	16	78	100	58	47	37	100
Education undertaken by staff							
Business m/ment	15.8	11.1	0	5.5	13	50	0
Horticulture	57.8	66.6	50	21	33	50	50

FACTORS IMPACTING ON NORTHERN TERRITORY BUSINESSES IN THE NEXT 2-3 YEARS

Table 8

Issues	Low	Moderate	High	Not Relevant	Total
	Percentage				
Recruiting skilled labour	30.5	24.8	37.6	6.8	100
Retaining skilled labour	32.8	15.3	46.9	4.8	100
Training labour	37.6	25.9	30.4	5.9	100
Access to capital for business expansion	53.8	23.5	16.7	5.9	100
Establishing credibility in new markets	41	31.8	18.8	8.3	100
Establishing partnerships and alliances to expand markets	53.9	24.5	16.5	4.9	100
Govt. research and development	63.5	10.6	3.5	22.4	100
Product research and development	64.8	9.4	2.4	23.4	**100**

Recruiting skilled labour: 36.6 percent of businesses mentioned in Table 8, rated retaining skilled labour as a high priority for their future business expansion. General comments from business operators centred on the recruitment of labour as an ongoing concern, especially in times when business activity was robust and particular industries were paying high rates. 24.8 percent of businesses rated the recruitment of skilled labour as a moderate issue, these businesses tended to be those that only required extra labour on some jobs.

29.5 percent of businesses surveyed reported that recruiting skilled labour as a low priority. Many of the businesses surveyed, especially those in the Lawn and Garden maintenance sector are owner operators - not employing people. This may account for this figure being relatively high.

Retaining skilled labour: 45.9 percent of businesses surveyed consider retaining skilled labour as a high priority over the next 2 -3 years. Many businesses reported that retaining labour was as difficult as recruiting labour. Other competing industries, including the mining, North Australian Railway and Darwin City Waterfront projects were affecting their ability to attract and retain labour offering higher rates of pay better work conditions.

Training labour: Table 8 shows that recruiting and retaining labour was seen as a higher priority than training labour. 37.6 percent of businesses saw training labour as a low priority while 29.4 percent felt it was a high priority. Much of the training was done 'on the job'. Some business operators, especially in the nursery industry tried to recruit staff with some level of horticultural training. Other operators such as those in the Arboriculture and Lawn and Garden maintenance sectors trained their staff on the job.

Access to Capital for Business expansion: 51.8 percent of businesses did not see access to capital as a limiting factor to business expansion. Many operators felt business expansion was determined by market forces and their own willingness to expand or maintain their business at its current size. 23.5 percent of businesses related access to capital for business expansion as moderately important. These businesses tended to be those that were newly established and required capital to purchase new equipment to expand.

Establishing credibility in new markets; 40 percent of businesses rated this issue as low, 31.8 percent as moderate and 18.8 percent as high. Businesses that were happy with their existing clientele did not rate credibility in new markets as high while those businesses that were looking to expand and saw credibility as a high priority.

Establishing partnerships & alliances to expand markets: 52.9 percent of businesses rated this issue as low. Businesses indicated that they were happy to continue working independently of related businesses. Those business operators that had worked in partnerships previously indicated that they probably wouldn't work in partnership again. The majority of business operators surveyed indicated that if they chose to expand markets, they would be able to do this with their own resources and staff. Only 16.5 percent of businesses saw partnerships as a high priority.

Govt. research and development: the majority of business operators surveyed ranked this issue as low. 63.5 percent of business operators believed that this factor would not impact on their business development. 3.5 percent ranked this issue as high. The majority of these businesses were in the nursery and cut flower industry, where new products are demanded by clients.

Product research and development: 64.8 percent of businesses ranked product research and development having a low impact on their business. 2.4 percent of the businesses surveyed felt it was a high priority for their business development

FOCUSES ON BARRIERS TO BUSINESS SUCCESS IN THE NORTHERN TERRITORY AMENITY HORTICULTURE INDUSTRY

Table 9

Barriers to Business Success	Yes	No	Total
	Percentage		%
Cash flow throughout the year	41.2	58.8	**100**
Ability to raise capital	58.0	42.7	**100**
Not enough skilled staff or labour	58.8	41.2	**100**
Own level of skill	70.6	29.4	**100**
Lack of industry unity	63.5	35.3	**100**
Regulations (GST, employment) environment)	46.5	53.5	**100**
Access to suitable land & water	57.6	42.4	**100**

Cash flow throughout the year: 41.2 percent of businesses responded that cash flow throughout the year affects their business operations while 58.8 percent of businesses surveyed believed that this did not related directly to their business operations.

Ability to raise capital: 58 percent of businesses surveyed responded that the ability to raise capital, usually for expansion or to upgrade equipment affects their business operations. 42.7 percent of business operators believed that they would have no trouble raising capital that they needed. These businesses were usually those that had been established in the industry for a number of years.

Not enough skilled staff or labour: 58.8 percent of the businesses surveyed responded by saying that not enough skilled staff or labour would affect their business operations. Business operators surveyed reported that the lack of suitable staff willing to remain with a business for a significant period of time affected they way they operated and they type and size of jobs taken on.

Own level of skill: 70.6 percent of the businesses operators surveyed felt that they could continue to expand their knowledge and skills. These operators reported that although they were happy with their knowledge level, any extra knowledge would assist them to undertake their work more efficiently and professionally. 29.4 percent of the businesses operators surveyed were happy with their own level of skill.

Lack of industry unity: 63.5 percent of those business operators surveyed, felt that improved industry unity would assist their industry. Benefits of improved industry unity were: improved ability to compete with large competitors for tenders, especially government projects, improved worker conditions and training. 35.3 percent of businesses surveyed were happy with the way their industry was operating.

Regulations (GST, industrial relations, environment,): 46.5 percent of businesses felt that industry regulations and legislation affected the way they operate. Many operators felt that GST was an imposition on their time and business operations and should be a role for the government. 53.3 percent of the businesses surveyed reported that they were happy with the current industrial relations arrangements and this was not an imposition on their business operations. The majority of operators felt that the level of environmental regulation was appropriate and was necessary to protect the environment. Issues commented on by businesses included; appropriate disposal of chemicals and protection of stormwater drains.

Access to suitable land and water: 57.6 percent of businesses surveyed felt that access to suitable land and water for businesses expansion was relevant and was likely to become more relevant in years to come. 42.4 percent of businesses surveyed did not believe that access to suitable land and water would impact on their business in any way.

GROWTH PROSPECTS

Table 10

Expectations for growth in gross sales over the next five years by sector (%)							
Sector							
	Nursery	**Irrigation**	**Arboriculture**	**L&G Maint**	**L/S Design & Const**	**L/S Supply**	**Other**
	Expectations for sales						
Increase	84.2	77.8	85.7	63.1	73.3	50	75
Stay the same	15.7	11.0	14.3	21.1	26.6	50	25
Decrease	0	11.0	0	15.7	0	0	0
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**

The expectations of respondents about sales growth in the next five years are shown in Table 10.

71.7 percent of businesses surveyed believed that their gross sales would increase over the next five years. The Lawn and Garden maintenance sector was the most optimistic with businesses expecting an average increase of 23.75 percent expected in the next five years.

In addition, 21.1 percent of the industry believed that their gross sales would stay the same over the next five financial years and 7.1 per cent of businesses believed that their gross sales would decrease in the next five years. The nursery sector were the most pessimistic about future prospects with businesses surveyed expecting an average increase of 5 per cent increase over the next five years

Businesses surveyed expect an average increase of 12.5 percent over the next five years, with estimations varying between 0 and 250 percent increase.

Many of those businesses that believed their gross sales would decrease over the next 5 years said this was as a result of them choosing to decrease activity for a variety of reasons, ie: retirement, changing direction in business.

INDUSTRY MEMBERSHIPS AND SUBSCRIPTIONS

Of the businesses surveyed, 42 percent had an industry membership or subscription. These memberships and subscriptions were wide and varied; with no one particular association significantly representing more businesses than another association. The two most frequent memberships were to the Northern Territory Horticultural Association and the Nursery and Garden Industry of the Northern Territory. The medium to larger businesses tended to see the importance of memberships and subscriptions more so than smaller, owner-operator businesses. Membership to interstate associations was generally stated to be for insurance purposes.

Table 11

Most frequent Memberships and Subscriptions of Surveyed Businesses *			
Australian Institute of Landscape Architects	Landscape Australia	Nursery and Garden Industry of the Northern Territory	Northern Territory Horticultural Association
Horticulture Australia	Greenworld	Chamber of Commerce	Palmerston Business Association
Nursery Industry Association of South Australia	Northern Territory Tree Contractors	Tree Lopping Association	Cut Flower Grower Group
Victorian Industry of Lawn Maintenance Contractors	Nursery Industry Association	International Society of Arboriculturists	Irrigation Association of Australia

***** *Memberships and subscriptions are not listed in any particular order*