



Regional
NSW

Horticulture Bushfire Recovery Plan

MAY 2020

Purpose

The Horticulture Bushfire Recovery Plan sets out the broad framework and priorities for sector-wide industry recovery post the 2019-20 bushfires.

This Plan has been developed to support the implementation of the Bushfire Industry Recovery Package, which is a \$140 million investment by the NSW Government for critical regional industries, to support the creation and retention of jobs and strengthening of local supply chains.

This Plan is intended to serve as a guide for industry applicants to the Bushfire Industry Recovery Package to identify projects to put forward through the sector development stream of the Package.

Summary of horticulture's contribution in NSW



Economically important

- Horticulture output in 2018–19 equated to \$1,729 million, 11% of NSW total gross primary production.
- The area dedicated to production increased 5% year-on-year to 96,251 hectares
- Value of horticultural exports for 2018–19 grew to \$458 million, driven by export volumes



Diverse range of industries

- Fruit
- Nuts
- Vegetables
- Nurseries
- Cut flowers
- Turf



Employment generator

- Around 6900 people employed in horticulture in fire affected regions

Impacts threatening the viability of businesses and supply chains across the sector



Over five million hectares burnt resulting in spoiled stock and reduced marketable product



\$94 million worth of critical asset and infrastructure damage impacting operations



Reduced input and outputs affecting ability to meet market demands



Displaced workforce affecting capability to harvest and regenerate

There are four themes that drive economic impact to the horticulture sector

Horticulture



Loss of productive assets

1 Productive trees and plants

- Apple and pear tress destroyed, with long recovery period
- Perennial tree and vine crops damaged with long recovery times

2 Productive infrastructure damage

- Critical infrastructure crucial to economic productivity (e.g. worker accommodation, sheds etc)



Crop damage/ destruction

1 Loss of immediate crop

- Smoke taint or heat damage to current harvest in numerous industries (e.g. horticulture etc)
- Quantity of horticulture product affected

2 Reduced value of products

- Limited water supply and heat over critical growing periods reduced harvest value (size, quantity, value)
- Product loss due to access/power issues



Loss of supporting infrastructure

1 Water supply

- Pumping and distribution infrastructure destroyed by fire, limiting productivity and constraining recovery

2 Protective equipment

- Crop trellis and protective netting, and fencing lost to fire. **Large cost** to replace equipment and potential **additional impact to undamaged products**



Production issues

1 Workforce

- Impediment to accessing skilled workforce for tending horticulture during fires, repairs and maintenance limiting picking and planting

2 Access issues

- Short term access issues due to fires and infrastructure damage cutting off access or increasing shipping time



Economic impact to businesses

1 Immediate economic impact

- Immediate **cash flow issues** due to reduced crop quantity and value, and **large cost** to repair damaged infrastructure

2 Longer term impact

- Long term recovery period for some operations with productive asset damage (e.g. apple and stone fruity)
- Industry **viability issues** due to repair capital requirements



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Without government support the industry will not recover



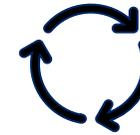
Reduced output

- Regeneration of orchards and propagating trees can require around 5-7 years. Without immediate assistance, the recovery timeframe will be prolonged and the industry will suffer from continued reduction in marketable product and cash flow issues, threatening the ongoing viability of the sector.
- Government assistance will support the industry to retain jobs, and enable investment in the productive and supporting infrastructure to adequately position the industry to return to value add production levels. Immediate investment will minimise recovery timeframes, job losses and reduced output and supply.



Supply chain disruption

- Supply chains are already disrupted due to lost assets and infrastructure and reduced output. Supply chains are central to the ongoing operation and viability of the industry.
- Government assistance can minimise supply chain impacts by supporting producers to maintain operations and maximise output, and support businesses to diversify production to ensure ongoing viability.

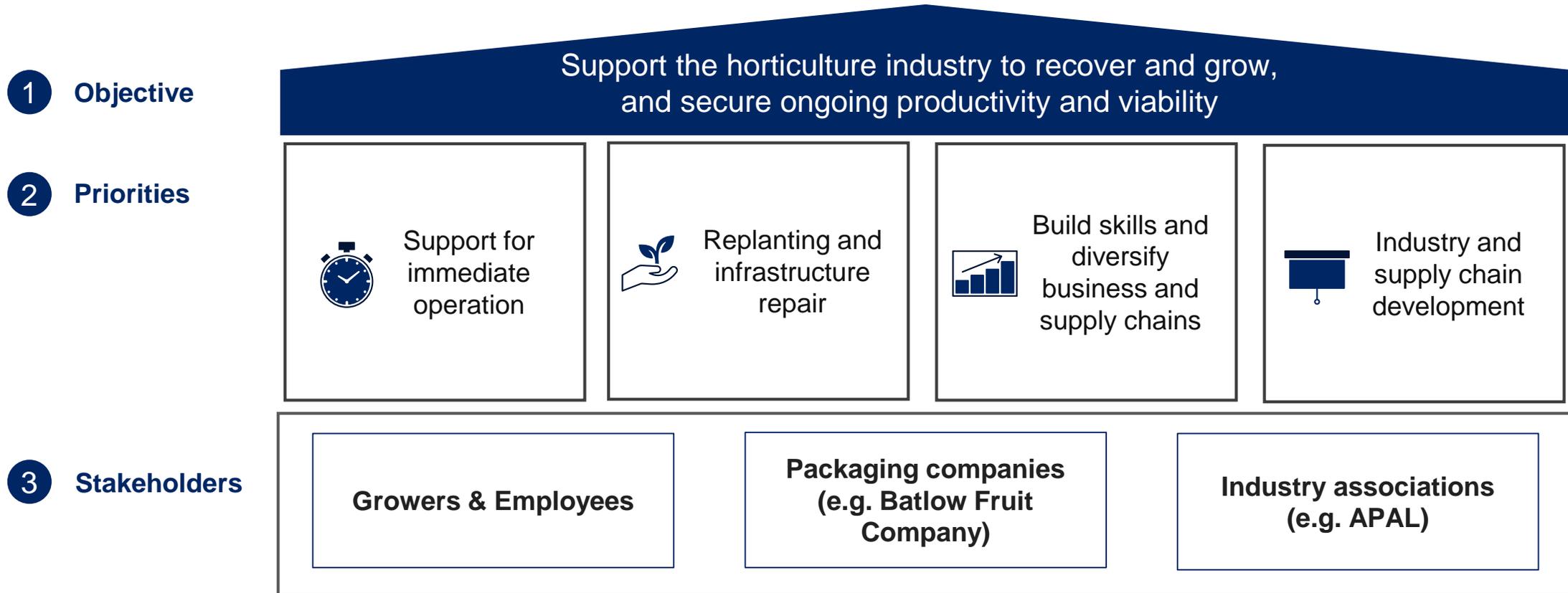


Sector wide impact

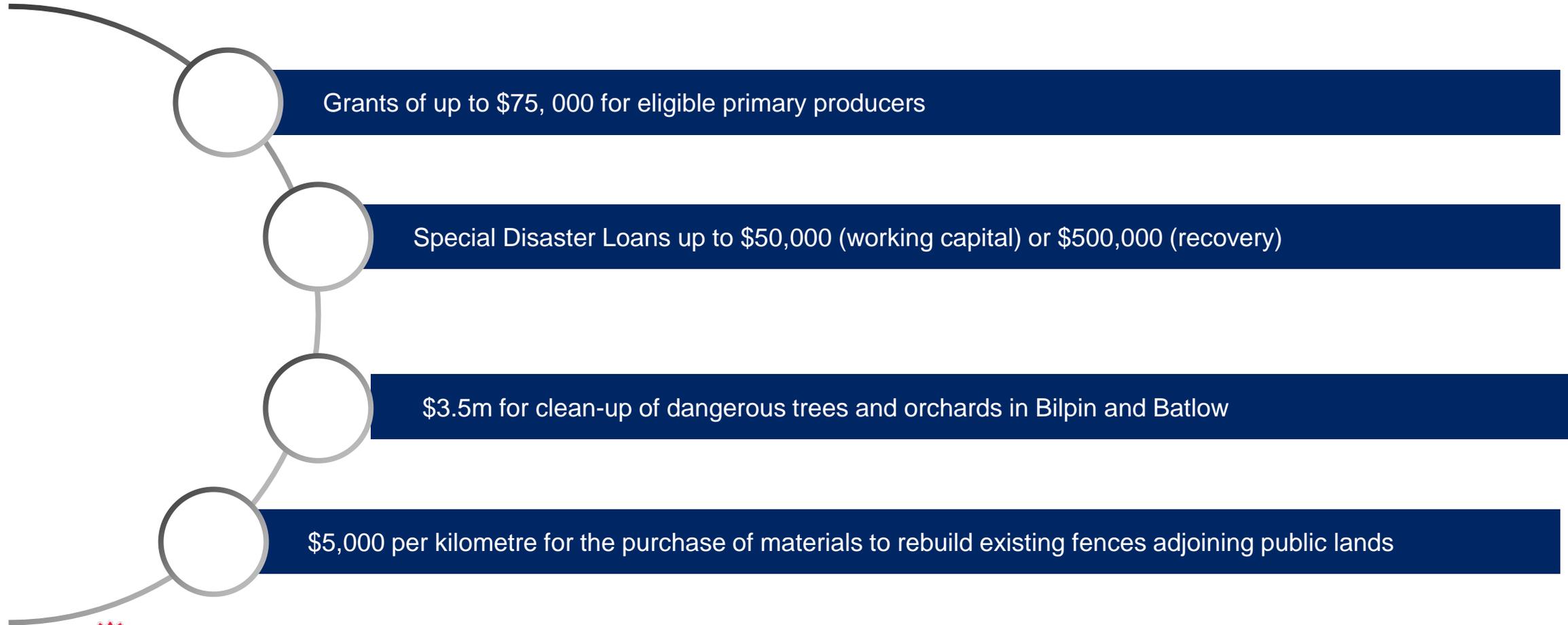
- The bushfires have caused sector wide disruption. This requires a sector wide approach.
- Without government assistance production and supply issues will continue and supply chains will fail.
- Sector wide development will support all aspects of the industry to remain viable and resilient. Government assistance will deliver a sector wide recovery pathway to ensure the industry remains viable in the long term.



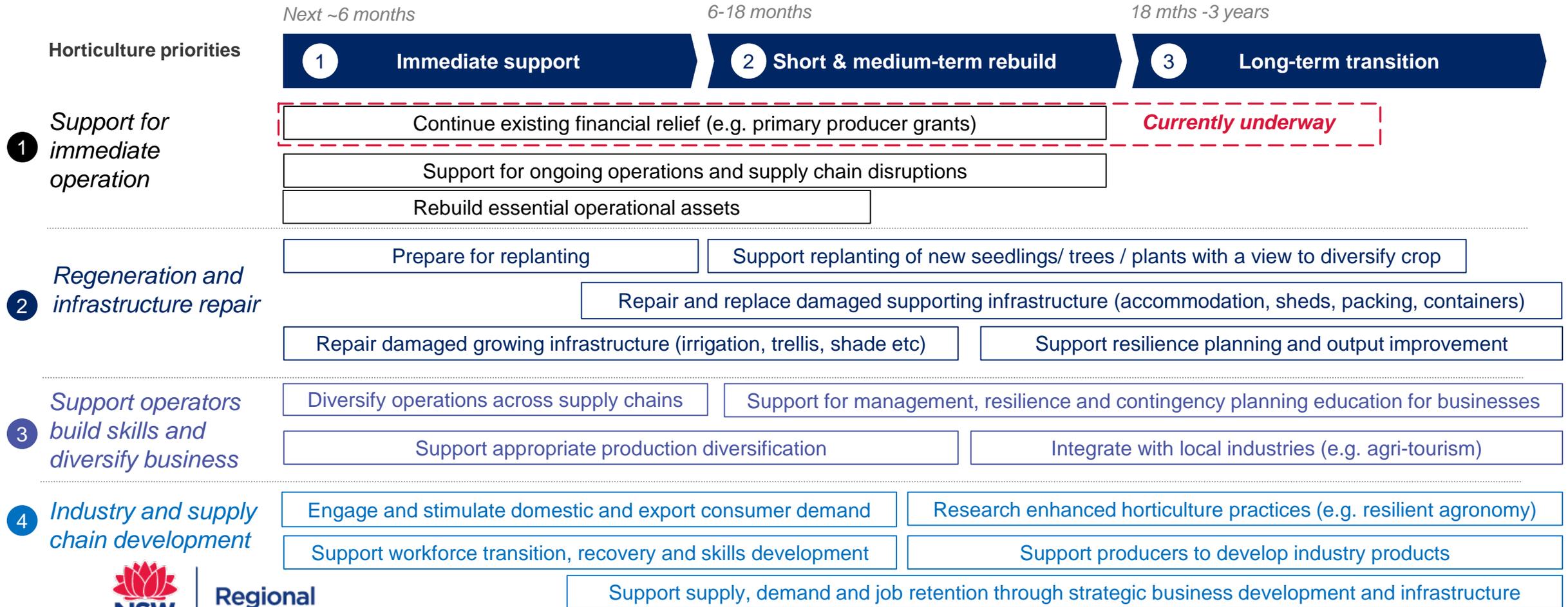
Approach to horticulture recovery



Existing bushfire measures in 2019-20



Potential recovery priorities will drive and promote a resilient, professional horticulture industry over time



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