

# What happened in the Onion Fund last year?

**Annual Report 2020/21**



# About Hort Innovation and the Onion Fund

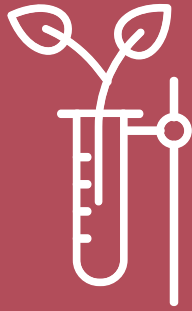
Hort Innovation is the grower-owned, not-for-profit research and development corporation for Australia's horticulture sector. We work closely with industry to invest the onion R&D and marketing levies, together with Australian Government contributions, into key initiatives for growers, through the Onion Fund. We're extremely proud of the work we do to help drive productivity, profitability and demand for onion growers, and for the horticulture sector at large.

Throughout another challenging year for the horticulture sector, activity in the Onion Fund remained strong. Read on for an overview of what was delivered.

We also encourage you to download a copy of the overarching Hort Innovation Annual Report 2020/21 at [www.horticulture.com.au/annual-report-portal](http://www.horticulture.com.au/annual-report-portal) to better understand how Hort Innovation worked for the benefit of the horticulture sector during the year.

## In this report...

- Onion Fund snapshot 2020/21 1**
- Just some of the things delivered for you during the year 2**
- Here's what your fund invested in over the year 3**
- Making investments in 2020/21 4**
- Financial operating statement 6**
- What will be the fund's focus over the next five years? 7**
- R&D case study 8**
- Marketing case study 10**
- Minor use permits 12**
- Appendix: How strategic levy investments are made 14**



**\$1.09M**

invested in R&D



**\$194,503**

invested in marketing



**20**

active R&D investments



**\$1.04M**

in levies collected

by the Government and passed on to Hort Innovation for investment



**12.5%**

Production value grew at an average annual rate of 12.5 per cent over the five years to 2019/20



**79%**

Brown onions account for 79 per cent of Australia's onion production, and red onions 19 per cent

These facts and more can be found in the Australian Horticulture Statistics Handbook, which is delivered by Hort Innovation each year. The handbook is packed with horticulture statistical information and analysis for some 75 categories, for use by individual industries and the wider sector. The 2019/20 edition was released in early 2021 and features an interactive dashboard format for desktop users. See [www.horticulture.com.au/horticulture-statistics-handbook](http://www.horticulture.com.au/horticulture-statistics-handbook).

# Just some of the things delivered for you during the year



**Development of a national onion industry extension strategy** which will inform future investments in this space



**Preparation support for pest incursions such as fall armyworm and serpentine leafminer**, including emergency minor use permits and longer-term investments to bolster the horticulture sector's response



**The industry communications program**, which delivers an annual magazine focusing on the latest R&D updates, quarterly e-newsletter *The Onion Project*, podcasts, videos and grower case studies



**The onion Harvest to Home dashboard** providing regular household purchase data and insight reporting, at [www.harvesttohome.net.au](http://www.harvesttohome.net.au)



**A multi-pronged domestic marketing campaign** and **The Good Mood Food** across-horticulture campaign to support industries through the effects of another challenging year – see [www.horticulture.com.au/the-good-mood-food](http://www.horticulture.com.au/the-good-mood-food)\*



**Investments in the Hort Frontiers strategic partnership** initiative to address longer-term and often complex issues and opportunities critical to the future of Australian horticulture – see [www.horticulture.com.au/hort-frontiers](http://www.horticulture.com.au/hort-frontiers)\*

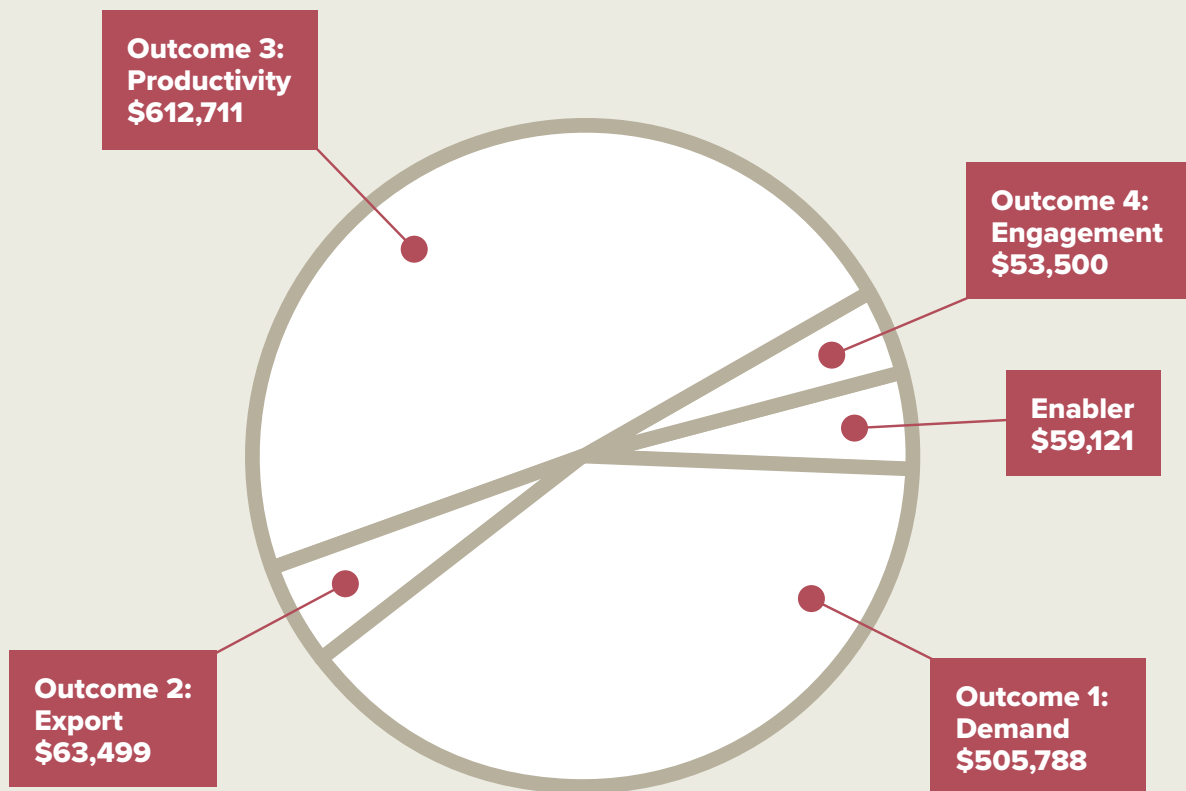


**Projects supported by grants secured by Hort Innovation**, ranging from cross-sector Rural R&D for Profit initiatives to horticulture-specific work to aid in access to crop protection products – see the Hort Innovation Annual Report 2020/21 for more\*

You can visit [www.horticulture.com.au/onion](http://www.horticulture.com.au/onion) at any time to access information on new, ongoing and completed projects, and to download resources produced by levy investments such as fact sheets and guides.

\*These initiatives were delivered outside of the Hort Innovation Onion Fund and, in most instances, did not involve the industry levy

# Here's what your fund invested in over the year



Investments that are specific to the Hort Innovation Onion Fund are guided by the onion Strategic Investment Plan (SIP). The SIP features priority outcome areas that have been identified and agreed upon by the industry, and Hort Innovation works to invest in R&D and marketing initiatives that are aligned to these.

In the above chart, you can see how project expenditure in the Onion Fund during 2020/21 was aligned to the SIP. Each project has been allocated to a SIP outcome based on its primary objective.

Expenditure on projects classified as 'enabler' support the broader delivery of the industry's strategic investment plan, such as impact assessments.

# Which projects were in each of the SIP outcome areas?

## Outcome 1: Demand

**A combined marketing approach working in harmony to show the versatility of onions to increase consumption**

Marketing activities during 2020/21 contributed to demand-related outcomes in the SIP. You can read more about the onion marketing campaign on p10.

Project title and code	2020/21 investment	Status	More information
<b>Vegetable cluster consumer insights program</b> (MT17017)	\$8,120	Ongoing	<a href="http://hortinn.com/mt17017-onion">hortinn.com/mt17017-onion</a>
<b>Onion nutrition education program for health professionals and the food service industry</b> (VN20002)	\$200,666	Ongoing	<a href="http://hortinn.com/vn20002">hortinn.com/vn20002</a>
<b>Onions consumer usage and attitudinal study</b> (VN20005)	\$50,000	Completed	<a href="http://hortinn.com/vn20005">hortinn.com/vn20005</a>
<b>Onion-specific Phenomenom resource creation</b> (VN20008)	\$52,500	Ongoing	<a href="http://hortinn.com/vn20008">hortinn.com/vn20008</a>

## Outcome 2: Export

**Export growth achieved through market diversification and product customisation, to support and maintain domestic pricing**

Project title and code	2020/21 investment	Status	More information
<b>Horticulture trade data</b> (MT19005)	\$3,937	Ongoing	<a href="http://hortinn.com/mt19005">hortinn.com/mt19005</a>
<b>Across horticulture support for export MRL compliance</b> (MT19006)	\$10,061	Ongoing	<a href="http://hortinn.com/mt19006">hortinn.com/mt19006</a>
<b>Australian onion industry export strategy</b> (VN20003)	\$49,500	Completed	<a href="http://hortinn.com/vn20003">hortinn.com/vn20003</a>



## Investments

### Outcome 3: Productivity

Reduced costs and improved returns to growers through improvements in business and production skills

Project title and code	2020/21 investment	Status	More information
<b>An IPM extension program for the potato and onion industries</b> (MT16009)	\$30,012	Ongoing	<a href="http://hortinn.com/mt16009">hortinn.com/mt16009</a>
<b>Strategic Agrichemical Review Process (SARP) – Updates</b> (MT19008)	\$1,600	Completed	<a href="http://hortinn.com/mt19008">hortinn.com/mt19008</a>
<b>Management strategy for serpentine leafminer</b> (MT20005)	\$50,000	Ongoing	<a href="http://hortinn.com/mt20005">hortinn.com/mt20005</a>
<b>Review of the national biosecurity plan for the onion industry and development of a biosecurity manual for onion producers</b> (VN15001)	\$4,333	Ongoing	<a href="http://hortinn.com/vn15001">hortinn.com/vn15001</a>
<b>Onion industry minor use program</b> (VN16000)	\$1,100	Ongoing	<a href="http://hortinn.com/vn16000">hortinn.com/vn16000</a>
<b>Australian onion industry communications program</b> (VN18003)	\$146,051	Ongoing	<a href="http://hortinn.com/vn18003">hortinn.com/vn18003</a>
<b>Risk and crisis management planning for the onion industry</b> (VN20001)	\$50,700	Ongoing	<a href="http://hortinn.com/vn20001">hortinn.com/vn20001</a>
<b>Epidemiology and management of fusarium basal rot in onions</b> (VN20006)	\$197,255	Ongoing	<a href="http://hortinn.com/vn20006">hortinn.com/vn20006</a>
<b>Optimising chemical and cultural control of onion white rot</b> (VN20007)	\$131,660	Ongoing	<a href="http://hortinn.com/vn20007">hortinn.com/vn20007</a>

### Outcome 4: Engagement

An informed, engaged industry results in a greater ability to respond to market shifts

Project title and code	2020/21 investment	Status	More information
<b>Development of the national onion industry extension strategy</b> (VN20000)	\$53,500	Completed	<a href="http://hortinn.com/vn20000">hortinn.com/vn20000</a>

# Financial operating statement

## Onion Fund Financial operating statement 2020/21

	R&D (\$)	Marketing (\$)	Total (\$)
	2020/21 July – June	2020/21 July – June	2020/21 July – June
<b>OPENING BALANCE</b>	<b>1,926,360</b>	<b>75,543</b>	<b>2,001,903</b>
Levies from growers (net of collection costs)	771,038	265,970	1,037,008
Australian Government money	647,705	–	647,705
Other income*	6,287	504	6,791
<b>TOTAL INCOME</b>	<b>1,425,030</b>	<b>266,474</b>	<b>1,691,504</b>
Project funding	1,090,177	194,503	1,284,680
Consultation with and advice from growers	9,044	894	9,938
Service delivery	196,188	41,002	237,190
<b>TOTAL EXPENDITURE</b>	<b>1,295,409</b>	<b>236,399</b>	<b>1,531,808</b>
Levy contribution to across-industry activity	–	–	–
<b>CLOSING BALANCE</b>	<b>2,055,981</b>	<b>105,618</b>	<b>2,161,599</b>
Levy collection costs	19,966	6,791	26,757

\*Interest, royalties

**Levy collection costs** – These are the costs associated with the collection of levies from industry charged by Levy Revenue Services (LRS)

**Service delivery** – Also known as Corporate Cost Recovery (CCR), this is the total cost of managing the investment portfolio charged by Hort Innovation



# Making sure that levy investment decisions align with industry priorities

## What will be the Onion Fund's focus over the next five years?



The onion Strategic Investment Plan (SIP) was created in 2021 to reflect current priorities for the onion industry. This involved extensive consultation with onion growers and industry stakeholders, including Onions Australia. The SIP is the roadmap that helps guide Hort Innovation's oversight and management of individual levy industry investment programs.

The onion SIP lays the foundation for decision making in levy investments and represents the balanced interest of the particular industry from which the levy is collected. The most important function of the SIP is to make sure that levy investment decisions align with industry priorities.

The onion SIP identifies four outcome areas that will contribute to the productivity and profitability of the onion sector. They are:

- Industry supply, productivity and sustainability
- Demand creation
- Extension and capability
- Business insights.

## What projects will the fund be investing in next year?

The onion Annual Investment Plan (AIP) 2021/22 will detail how levy funds will be spent over the 12-month period. Investment decisions will be guided by the industry SIP and prioritised based on potential industry impact, as well as availability of levy funds.

The AIP is developed by Hort Innovation, and is informed by the SIP and industry consultation, including collaboration with Onions Australia. The AIP is then discussed with the industry SIAP for feedback and prioritisation. All investments will need to link to the industry's SIP by addressing a minimum of one KPI against a strategy under one of the four outcomes.

Annual Investment Plans will be published each year over the lifespan of the SIP and industry stakeholders will be advised via established communication channels.

Hort Innovation will continue to report on fund performance regularly, with more focus on reporting on outcomes and the impact of investments.



**When available, you can visit [www.horticulture.com.au/onion-fund-management](http://www.horticulture.com.au/onion-fund-management) to view both documents and get a full picture of how your levy will be invested over the next five years.**

# Finding better, more effective ways to beat onion pests and lower associated costs

Now in its fourth year, the focus of this project is helping and supporting growers to adopt integrated pest management (IPM), minimising over-reliance on pesticides.

## The challenge

To improve pest management through cultural, biological and chemical means, while also reducing associated costs.



## Meet Shane

As an onion grower, Shane Ebert is well aware of the danger posed to his farm by thrips – a common pest that can do major damage to onion crops.

For years, thrips were well-controlled with routine insecticides. However, in recent years, Shane is seeing far less effect from traditional insecticide treatments and he has been interested to see if there was another way.

So, Shane attended an Integrated Pest Management workshop. What he saw was enough to convince him to set up his own trial, using Integrated Pest Management techniques. In line with recommendations, Shane added organic matter on the soil surface as mulch to encourage

beneficial insects and mites. Pleased with the results, Shane set about successfully mechanising the process and now uses the improved method over all their onions.

“We are very happy with the results from the commercial areas treated last season,” says Shane. “We will continue to use this method into the foreseeable future”.

The methods of controlling thrips on Shane’s South Australian farm have changed completely. Instead of a regular insecticide application, there’s now little to no insecticides applied for the pest, making onion production on the farm more sustainable.



### The approach

In a bid to increase the adoption of IPM across the industry, this project is undertaking a range of activities, including workshops, demonstration sites with commercial crops, and the production of materials, such as articles, guides and case studies distributed in industry channels.

The project is also responsible for training advisors from Australia's major onion and potato growing regions in IPM. The additional threat of tomato potato psyllid has also resulted in additional funding from the potato growing and processing industries for activities specifically related to that pest.

While COVID-19 restrictions on travel and in-person meetings have meant some workshops and field visits were and are postponed, the team plans to resume these activities as soon as possible with the aim of completing the project on schedule.

### The impact

The project team has continued to increase the adoption of IPM in onion crops across southern Australia, primarily throughout South Australia, Victoria, and Tasmania.

Support and advice have been provided to farmers and agronomists, particularly around insect identification and insecticide selection.

With pests at their peak during the warmer summer months, on-farm work during this time has focused on demonstrating decision-making in an IPM context, with training continued using video meetings when necessary. All demonstration sites continue to be in commercial crops, and include seed, processing, and fresh market crops.

In addition to assisting farmers directly, the team also trained field officers from major processors (McCain, Snackbrands and Simplot), major reseller agronomy companies (IK Caldwell, Elders, Landmark, E.E. Muir and Sons, Serve-Ag, Roberts, CRT, Farmer Johns) and independent advisors, supporting IPM as a mainstream approach to pest control.

Resulting from its involvement with the project in potatoes, Simplot Australia decided to implement an IPM approach across all the company's crops, including potatoes, onions, broccoli, and sweetcorn.

The team's work has generated international interest, with invitations to participate in publications and conferences to share IPM expertise.

For more information, visit [hortinn.com/mt16009](https://hortinn.com/mt16009)

### Project details

#### An IPM extension program for the potato and onion industries (MT16009)

Key research provider: IPM Technologies

Start date: December 2016

Expected end date: December 2021

Estimated value for life of project: \$590,220

# Getting more Aussies eating onions, more often

This three-year marketing strategy encourages Australian families to consume onions for their great taste, ease of use, and health many benefits.

## The opportunity

Market research identified young families with children under 17 as a market with growth opportunities for Australian onions.

## The approach

Australian families were targeted via three strategic pillars:

1. *Remind*: Reminders to keep Australian Onions top of mind by reaching the target audience frequently through social media, earned media and influencers.
2. *Inspire*: Inspiring content which encourages families to use onions more frequently and in greater amounts.
3. *Educate*: Ensure the target audience know the true benefits of Australian onions (including health benefits) and best ways to prepare and store them at home.

Australian Onions collaborated with popular and relatable food influencers to increase media appeal and resonate with families. These influencers spread the Australian Onions messaging to their combined following of 500,000 people on their social media channels, along with their delicious onion-centric recipes.

To further amplify messaging, top-tier media and key food influencers were given Australian Onion hampers. These hampers aimed to surprise and delight media influencers and included premade Australian Onions relish, fresh bread, various ingredients specifically to pair with onions, and a media kit showcasing Australian Onions' new recipes.

In addition, Australian Onions ran a full-page advertisement in the May edition of Coles Magazine. Both printed and online editions were a great way to reach consumers across Australia, being the #1 read magazine in Australia as of March 2020. The advertisement featured an onion breakfast recipe, communicating the versatility of onions across meal occasions and their many health benefits.

Australian Onions were also actively involved in The Good Mood Food – a Hort Innovation-cross-horticulture behaviour change campaign promoting the mood-



boosting benefits of Aussie fruit, vegetables and nuts. Through this, onions were repositioned as a mood-booster, not just a health booster – a message which resonated with a country enduring a pandemic. The Good Mood Food campaign was supported nationally by a range of channels, including outdoor ads, print, radio, digital, social media, and TV.

Australian onions also featured in their own short, animated Good Mood Food videos, advertised through YouTube, Facebook, Instagram, and catch-up TV channels.



### The outcome

The onions marketing program achieved great reach through the various campaign activities:

- Food influencers: By partnering with social media food influencers, the onion-centric recipes reached more than 1.6 million people.
- Media outreach: Pitching Australian Onions messaging to top-tier media lead to total opportunities to see of over 5 million.
- Retail communications: The feature in Coles Magazine had a potential to reach 4.4 million people over the month of May 2021.
- The Good Mood Food campaign participation: Overall, The Good Mood Food campaign reached 20.3 million Australians, drove more than 79,000 users to The Good Mood Food website, and left 2 out of 3 Aussie consumers more likely to make a purchase.

“

*There’s been a bit of an oversupply due to a lack of exports going out and COVID has got people watching their spending. Given that current market, I think marketing’s more important than ever and now’s definitely not the time to back off on that front.”*

**Steven Rathjen, onion grower, South Australia**

Read more about the campaign at [hortinn.com/onion-marketing-snapshot](https://hortinn.com/onion-marketing-snapshot)

### Project details

These marketing activities are strategic levy investments in the Hort Innovation Onion Fund

# Minor use permits

The Hort Innovation Onion Fund supports the submission of applications for new and renewed minor use permits for the industry, as well as data generation activities to support chemical permits and registrations, and strategic agrichemical reviews.

Together these efforts provide industry access to safe, relevant and effective chemicals for the management of pests, weeds and diseases.

For full details on these activities and links to relevant information, visit [hortinn.com/onion-minor-use](https://hortinn.com/onion-minor-use).

## Permits in 2020/21

During the 2020/21 financial year, successful new permit applications for PER89185 and PER89991 were issued after being applied for in the previous financial period. Similarly, a successful renewal for PER80282 was also issued after the application was submitted in 2019/20. These were prepared by Hort Innovation and submitted to the APVMA, facilitated through the *Onion industry minor use program* (VN16000).

Details for these and all other permits can be found in the following table.



## Minor use permits

### Current permits

Below is a list of minor use permits for the onion industry, current as of 25 August 2021.

Permit ID	Description	Date issued	Expiry date	Permit holder
PER13119 Version 5	Diazinon / Onions / Onion thrips (TAS only)	06-Mar-12	31-May-23	Hort Innovation
PER14602 Version 4	Boscalid (Filan), Iprodione (Rovral Aquaflo) and Chlorothalonil (Bravo) / Onion seed and onions / Neck rot ( <i>Botrytis allii</i> )	24-Jul-14	30-Sep-23	Australian Onion Industry Association (AOIA) C/Hort Innovation
PER13698 Version 3	Phosphorous acid / Lettuce (leaf and hydroponic), fennel and bulb (Alliums) vegetables – bulb onion, garlic, leek, shallot, spring onion and tree onion / Downy mildew	01-Oct-12	30-Sep-22	Hort Innovation
PER14773 Version 3	Bentazone-sodium (Basagran) / Onions / Broadleaf weeds	16-Apr-14	31-Jan-23	AOIA C/Hort Innovation
PER80282 Version 3	Alpha-Cypermethrin / Onions / Onion thrips	16-Dec-14	30-Nov-25	Hort Innovation
PER84734 Version 2	Haloxypop (Verdict) / Bulb onions / Storksbill and various weeds	19-Dec-17	31-Dec-24	Hort Innovation
PER84808	Ethofumesate (Tramat) / Bulb onions / Broadleaf and grass weeds as per product label	20-Feb-18	28-Feb-23	AOIA C/Hort Innovation
PER80060 Version 3	Dimethenamid-P (Frontier-P Herbicide) / Bulb onions / Nutgrass / Purple nutsedge (suppression only) (WA only)	31-Aug-15	31-Jul-21	WA Aust Vegetable Growers Ass
PER81876 Version 3	Abamectin / Vegetable leafminer (suppression only) / Various vegetables including bulb onions	24-Jun-16	30-Apr-24	Hort Innovation
PER89331	Spinetoram (Success Neo Insecticide) / Bulb onions / Fall armyworm ( <i>Spodoptera frugiperda</i> )	23-Mar-20	31-Mar-23	Hort Innovation
PER89293	Methomyl / Bulb onions / Fall armyworm ( <i>Spodoptera frugiperda</i> )	10-Apr-20	30-Apr-23	Hort Innovation
PER89185	Flonicamid (Mainman) / Bulb vegetables (onions, shallots, chives, leeks, fennel (bulb) and spring onions) / Suppression only of: Onion thrips and Western flower thrips	6-Aug-20	31-Aug-23	Hort Innovation
PER89991	Dimethenamid-P (Outlook Herbicide) / Onions / Annual ryegrass	5-Feb-21	28-Feb-24	Hort Innovation

All efforts have been made to provide the most current, complete and accurate information on these permits, however you should always confirm all details on the APVMA website at [portal.apvma.gov.au/permits](https://portal.apvma.gov.au/permits). Details of the conditions of use associated with these permits can also be found on the APVMA site.

### Keep up to date!

Find monthly minor use permit updates in our *Growing Innovation* e-newsletter.

Sign up for free at [www.horticulture.com.au/sign-up](https://www.horticulture.com.au/sign-up).

# How strategic levy investments are made in the Onion Fund

The below diagram shows how Hort Innovation makes strategic levy investments on behalf of horticulture industries. The onion R&D and marketing levies were invested this way during the year, guided by the onion Strategic Investment Plan 2017-2021 and advice from the industry's investment advisory panel.



\* Encapsulating extension and international trade

To learn more about funding specific to the Hort Innovation Onion Fund, visit [www.horticulture.com.au/onion](http://www.horticulture.com.au/onion). During the year, other sources of funding were also used to support activities for the benefit of Australian horticulture, including grant funding secured by Hort Innovation, co-investment dollars brokered through our Hort Frontiers initiative and centralised strategic levy reserve.



# Hort Innovation

Horticulture Innovation Australia Limited  
ACN 602 100 149

Level 7, 141 Walker Street  
North Sydney NSW 2060 Australia

02 8295 2300 | [communications@horticulture.com.au](mailto:communications@horticulture.com.au)

[www.horticulture.com.au](http://www.horticulture.com.au)

© Copyright 2021 Hort Innovation. All rights reserved.