

What happened in the Melon Fund last year?

Annual Report 2021/22



About Hort Innovation and the Melon 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 melon R&D levy, together with Australian Government contributions, into key initiatives for growers, through the Melon Fund. We're proud of the work we do to help drive productivity, profitability, and demand for melon growers and the horticulture sector.

Read on for an overview of what Hort Innovation delivered in the Melon Fund during the year.

We also encourage you to download a copy of the overarching Hort Innovation Annual Report 2021/22 at www.horticulture.com.au/annual-report-portal to see how Hort Innovation worked to benefit the horticulture sector during the year.

In this report...

Melon Fund snapshot 1

Some of things delivered for you during the year 2

Here's how your R&D levy was invested over the year 3

Investments 4

Financial operating statement 7

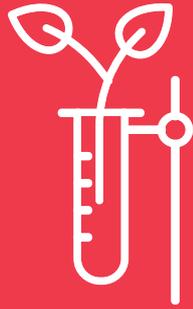
Fund management 8

Meet a grower 9

Minor use permits 11

Appendix: How strategic levy investments are made 13





\$1.33M

invested in R&D



\$727,398

in levies collected

by the Government and passed on to Hort Innovation for investment

Industry facts



\$149M

In 2020/21, 182,572 tonnes of melons were grown in Australia valued at \$149 million



12,890t

Australia exported 12,890 tonnes of melons in 2020/21, representing seven per cent of production volume



4

The majority of melons are grown in four key parts of Australia: Queensland, New South Wales, the Northern Territory and Western Australia. Smaller levels of production are also seen in Victoria and South Australia

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. See www.horticulture.com.au/horticulture-statistics-handbook.

Consumer insights



6 million

Six million Australian households purchased melons over the past year

These insights were made available through the Harvest to Home platform (www.harvesttohome.net.au) delivered as part of an investment providing regular consumer behaviour data and insight reporting.

Just some of the things delivered for you during the year



Collaboration between the melon, onion and vegetable industries

on a new export program to build export capability and capacity – see hortinn.com/mt21009



An industry communication program, delivering the *Melon News* quarterly magazine, the industry website (www.melonsaustralia.org.au/industry) and much more



New investment to investigate quality improvements in the melon supply chain and improve consumer acceptance of Australian melons – see hortinn.com/vm21001



Access to consumer insights through multi-industry investments

to understand consumer behaviours, attitudes and purchase intentions – see www.horticulture.com.au/melon



A new roadshow and conference program to engage melon growers and other supply chain stakeholders across different melon growing regions – find out more at hortinn.com/vm21000



Support for the National Bee Pest Surveillance program to help safeguard honey-bee and pollinator-dependent industries in Australia – read more at hortinn.com/mt21008



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*

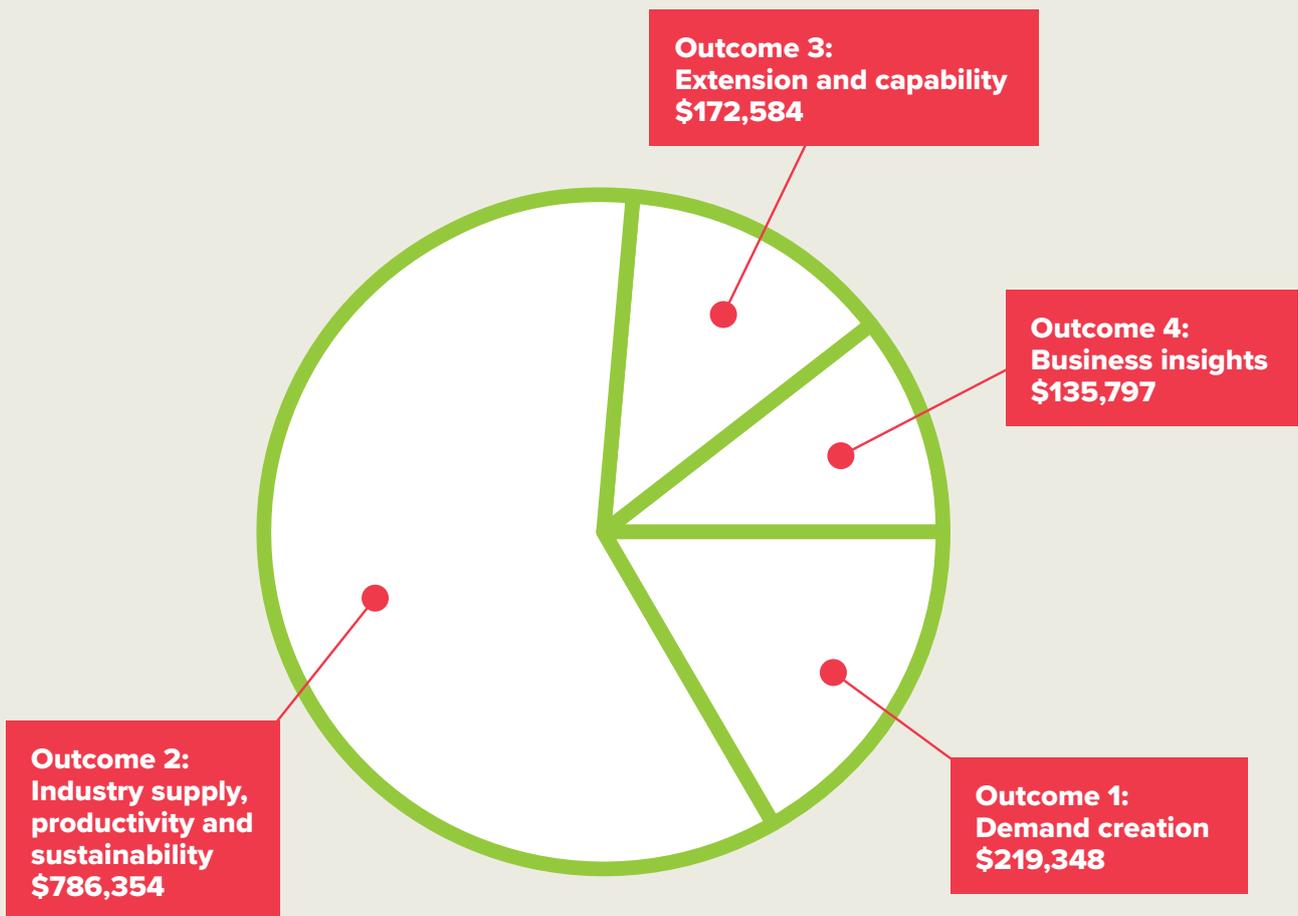


Projects supported by grants secured by Hort Innovation, ranging from cross-sector Rural R&D for Profit initiatives to horticulture-specific work to aid in access to crop protection products – see the Hort Innovation Annual Report 2021/22 for more details*

You can visit www.horticulture.com.au/melon at any time to access information on new, ongoing and completed projects, and to download resources produced by your levy investments.

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

Here's how your R&D levy was invested over the year



The melon Strategic Investment Plan (SIP) guides investments specific to the Hort Innovation Melon Fund. The SIP features priority outcome areas identified and agreed upon by the industry. Hort Innovation works to invest in R&D initiatives aligned to these.

The above chart shows how project expenditure in the Melon Fund during 2021/22 was aligned to the SIP. We have allocated each project to a SIP outcome based on its primary objective.

Which projects were in each of the SIP outcome areas?

Outcome 1: Demand creation

Demand creation supports the Australian melon industry to develop existing and future domestic and international markets.

Project title and code	2021/22 investment	Status	More information
Multi-industry export program (Vegetables, Onions and Melons) (MT21009)	\$118,945	Ongoing	hortinn.com/mt21009
Phenomenom resources (MT21018)	\$18,706	Ongoing	hortinn.com/mt21018
Australian horticulture international demand creation (ST21007)	\$2,438	Ongoing	hortinn.com/st21007
Market intelligence reports: Melon non-protocol markets (VM18005)	\$13,925	Completed	hortinn.com/vm18005
Educating health professionals on Australian melons (VM20003)	\$65,335	Ongoing	hortinn.com/vm20003



Investments

Outcome 2: Industry supply, productivity and sustainability

The Australian melon industry has increased profitability, efficiency and sustainability through innovative R&D, sustainable best management practices (BMPs), pollination, food safety and biosecurity.

Project title and code	2021/22 investment	Status	More information
Plant Biosecurity Research Initiative – Phase 2 (HA19007)	\$953	Ongoing	
Across horticulture support for export MRL compliance (MT19006)	\$5,612	Ongoing	hortinn.com/mt19006
Field-based testing for fall armyworm, <i>Spodoptera frugiperda</i> (MT19014)	\$2,000	Completed	hortinn.com/mt19014
Management strategy for serpentine leafminer, <i>Liriomyza huidobrensis</i> (MT20005)	\$25,000	Ongoing	hortinn.com/mt20005
Regulatory support and coordination (pesticides) (MT20007)	\$4,888	Ongoing	hortinn.com/mt20007
National Bee Pest Surveillance Program: Transition program (MT21008)	\$21,850	Ongoing	hortinn.com/mt21008
Understanding and managing the role of honey bees in CGMMV epidemiology (VM18008)	\$80,501	Completed	hortinn.com/vm18008
Melon food safety – monitoring and support (VM20005)	\$455,000	Ongoing	hortinn.com/vm20005
Effective control of <i>Listeria</i> on rockmelons through alternative post-harvest treatment methods (VM20007)	\$90,550	Ongoing	hortinn.com/vm20007
Quality improvements in the melon supply chain (VM21001)	\$100,000	Ongoing	hortinn.com/vm21001

Outcome 3: Extension and capability

Improved capability and an innovative culture in the Australian melon industry maximises investments in productivity and demand.

Project title and code	2021/22 investment	Status	More information
Melon industry communication program (VM20006)	\$73,934	Ongoing	hortinn.com/vm20006
Melon industry roadshow and conference program (VM21000)	\$98,650	Ongoing	hortinn.com/vm21000

Outcome 4: Business insights

The Australian melon industry is more profitable through informed decision-making using consumer knowledge, production statistics and forecasting, and independent reviews.

Project title and code	2021/22 investment	Status	More information
Consumer behavioural and retail data for fresh produce (MT17015)	\$17,338	Completed	hortinn.com/mt17015-melon
Horticulture trade data (MT19005)	\$4,076	Ongoing	hortinn.com/mt19005
Consumer demand spaces for horticulture (MT21003)	\$3,759	Ongoing	hortinn.com/mt21003
Consumer behavioural data program (MT21004)	\$33,121	Ongoing	hortinn.com/mt21004
Seasonal horticulture labour accommodation study (MT21007)	\$1,318	Ongoing	
Economic contribution of Australian horticulture (MT21010)	\$4,030	Ongoing	hortinn.com/mt21010
Foodservice foundational market insights (MT21011)	\$7,673	Completed	hortinn.com/mt21011
Pilot program: Consumer usage, attitude and brand tracking (MT21201)	\$898	Completed	hortinn.com/mt21201
Consumer usage and attitude tracking 2022/23 (MT21202)	\$3,104	Ongoing	hortinn.com/mt21202
Business case to implement a marketing levy for the Australia (VM20004)	\$60,480	Completed	hortinn.com/vm20004



Financial operating statement

Melon Fund Financial operating statement 2021/22

	R&D (\$)	Total (\$)
	2021/22 July – June	2021/22 July – June
OPENING BALANCE	2,033,444	2,033,444
Levies from growers	727,398	727,398
Australian Government money	780,242	\$780,242
Other income*	3,565	3,565
TOTAL INCOME	1,511,205	1,511,205
Project funding	1,333,288	1,333,288
Consultation with and advice from growers	926	926
Service delivery	226,270	226,270
TOTAL EXPENDITURE	1,560,484	1,560,484
CLOSING BALANCE	1,959,248	1,959,248
Levy collection costs	24,917	24,917

* 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 Melon Fund's focus over the next five years?



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

The melon SIP lays the foundation for decision-making in levy investments and represents the balanced interests of the melon industry. The most important function of the SIP is to make sure that levy investment decisions align with industry priorities.

The melon SIP identifies four outcome areas that will contribute to the productivity and profitability of the 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 melon Annual Investment Plan (AIP) 2022/23 details how Hort Innovation spends levy funds over 12 months. The melon industry SIP guides investment decisions, and our consultation process prioritises investments based on potential impact and levy fund availability.

Hort Innovation publishes Annual Investment Plans each year over the lifespan of the SIP and advises industry stakeholders via various communication channels.

Hort Innovation will continue to report on fund performance regularly, focusing on outcomes and the impact of investments.



Visit www.horticulture.com.au/melon-fund-management to view both documents and better understand how Hort Innovation invests your levy.

Melon, onion and vegetable growers have joined forces to bolster export

The Nation's melon, onions and vegetable growers have joined forces to develop a \$13.7M export development program through Hort Innovation in a time of rising trade capacity within the industries and strong Australian produce demand.

Being delivered through Hort Innovation using industry levies and funds from the Australian Government, and led by vegetable representative body, AUSVEG, with support from Onions Australia and Melons Australia, the five-year initiative will build the industries' export capability and support their sustainability over time.

The investment *Multi-industry export program (Vegetables, Onions and Melons)* (MT21009) is working to develop export markets, maintain viable export pathways, develop industry capability and achieve sustained export growth. This cross-industry collaboration is a first for the horticulture sector and will leverage the progress made under the *Vegetable industry export program* (VG16061).

The program focuses on building export capability and capacity in the vegetable, onion and melon industries, collating international market information for decision-making as well as business development functions to uplift the ability of exporting growers to service a wider range of markets and channels and expand international trade opportunities in the future.

With differing export maturity of businesses across and within the vegetable, onion and melon industries, tailored approaches and pathways will be implemented.





Meet Terry O’Leary, melon grower from Chinchilla, Queensland

Terry O’Leary is a fifth-generation melon grower from Chinchilla in the Western Downs region of Queensland. Terry’s family have been growing melons in the area since 1908 and were the first to successfully grow seedless watermelons in Australia.

What are the main challenges you face regarding exporting melons?

“The main challenges we face, particularly with watermelons, is that they are perceived as a low value commodity and the price is largely based on the cost of shipping them across the globe, which is very difficult to do via sea freight.”

How has being involved in the project helped?

“It’s still early days, as the project only kicked off in June, but I believe the project will help the melon industry to address these issues by highlighting what we’re doing around food safety, traceability and our production standards.”

What are some of the benefits of being involved?

“It’s great to see the melon industry collaborating in this project with the vegetable and onion industries, as any efficiencies or synergies we can utilise will improve our return on investment.”

Why should growers get involved?

“In my experience, making sure you have the right people with the right knowledge on the job makes all the difference. This project will provide the information and insights that are needed for my business, and the melon industry as a whole, to be successful.”

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Terry O’Leary, melon grower, QLD

Minor use permits

The Hort Innovation Melon 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 to manage pests, weeds and diseases.

For full details on these activities and links to relevant information, visit hortinn.com/melon-minor-use.

Current permits

Below is a list of minor use permits for the melon industry, current as of 15 August 2022.

Permit ID	Description	Date issued	Expiry date	Permit holder
PER14840 Version 3	Bupirimate / Cucurbits (bitter melon, cucumber, gherkin, pumpkin, squash, watermelon, squash and zucchini) and Peppers / Powdery mildew	01-Oct-14	30-Sep-24	Hort Innovation
PER12221 Version 4	Petroleum oil / Specified vegetable crops (including melons) / Specified insect pests (including greenhouse whitefly, sweet potato whitefly and silverleaf whitefly B biotype and whitefly Q biotype)	29-Jun-12	30-Nov-22	Hort Innovation
PER87065	Dimethoate / Melons including watermelons (post-harvest) / Various fruit fly species	18-Feb-19	28-Feb-24	Hort Innovation
PER82428 Version 4	Methomyl / Various crops including fruiting vegetables – (cucurbits) / Various pests including Helicoverpa, cucumber moth, cluster caterpillar, loopers, webworm, Rutherglen bug, thrips – including WFT	22-Apr-16	31-Mar-24	Hort Innovation
PER14650 Version 2	Etoxazole (Paramite miticide) / Melons (including cantaloupe, honeydew melon and watermelon) / Two-spotted mite	07-Nov-14	28-Feb-23	Australian Melon Association C/Hort Innovation
PER14765 Version 4	Hexythiazox (Calibre) / Cucurbits including melons / Tomato russet mite, broad mite and two-spotted mite	21-Feb-15	30-Sep-23	Hort Innovation
PER80718 Version 3	Methyl Bromide / Fruit and fruiting vegetables, food producing plants and ornamentals / Fruit fly, whitefly and thrips (Quarantine treatment all States)	12-Apr-15	31-Mar-25	Biosecurity SA
PER13859 Version 2	Dimethoate / Orchard clean-up – fruit fly host crops following harvest / Fruit fly	09-Feb-15	31-Jul-24	Hort Innovation

Continued

Minor use permits

Current permits (continued)

Permit ID	Description	Date issued	Expiry date	Permit holder
PER80101 Version 3	Clothianidan (Samurai) / Cucurbit vegetables / Cucumber fruit fly	10-Nov-15	30-Sep-23	Hort Innovation
PER81876 Version 3	Abamectin / Fruiting vegetables, including cucurbits (except sweet corn and mushrooms), leafy vegetables (except lettuce), legume vegetables, root and tuber vegetables, bulb onions, cabbage (head), celery, rhubarb and bulb vegetables (including leeks and spring onions) / Vegetable leafminer (<i>Liriomyza sativae</i>)	24-Jun-16	30-Apr-24	Hort Innovation
PER87809	Thiamethoxam + chlorantraniliprole (Durivo) / Various specified crops (including melons protected and field) / Various specified pests (including corn earworm, native budworm, cabbage aphid, green peach aphid, silverleaf whitefly, greenhouse whitefly, western flower thrips and onion thrips (QLD only)	06-Apr-21	30-Apr-24	Northern Agriservices
PER80138 Version 8	Alpha-cypermethrin / Cucurbit vegetables / Cucumber fruit fly	26-Feb-15	31-Mar-25	Hort Innovation
PER89263	Emamectin (Proclaim Opti insecticide) / Cucurbits / Fall armyworm (<i>Spodoptera frugiperda</i>)	10-Mar-20	31-Mar-23	Hort Innovation
PER89293	Methomyl / Cucurbits / Fall armyworm (<i>Spodoptera frugiperda</i>)	10-Apr-20	30-Apr-23	Hort Innovation
PER89241	Spinetoram (Success Neo and Delegate insecticide) / Cucurbits / Fall armyworm (<i>Spodoptera frugiperda</i>)	06-Mar-20	31-Mar-23	Hort Innovation
PER89259	Chlorantraniliprole (Coragen, Altacor and Altacor Hort insecticide) / Fruiting vegetables (including cucurbits) / Fall armyworm (<i>Spodoptera frugiperda</i>)	06-Mar-20	31-Mar-23	Hort Innovation
PER89870	Spinosad (Entrust Organic) / Various including cucurbits / Fall armyworm	21-Jul-20	31-Jul-23	Hort Innovation

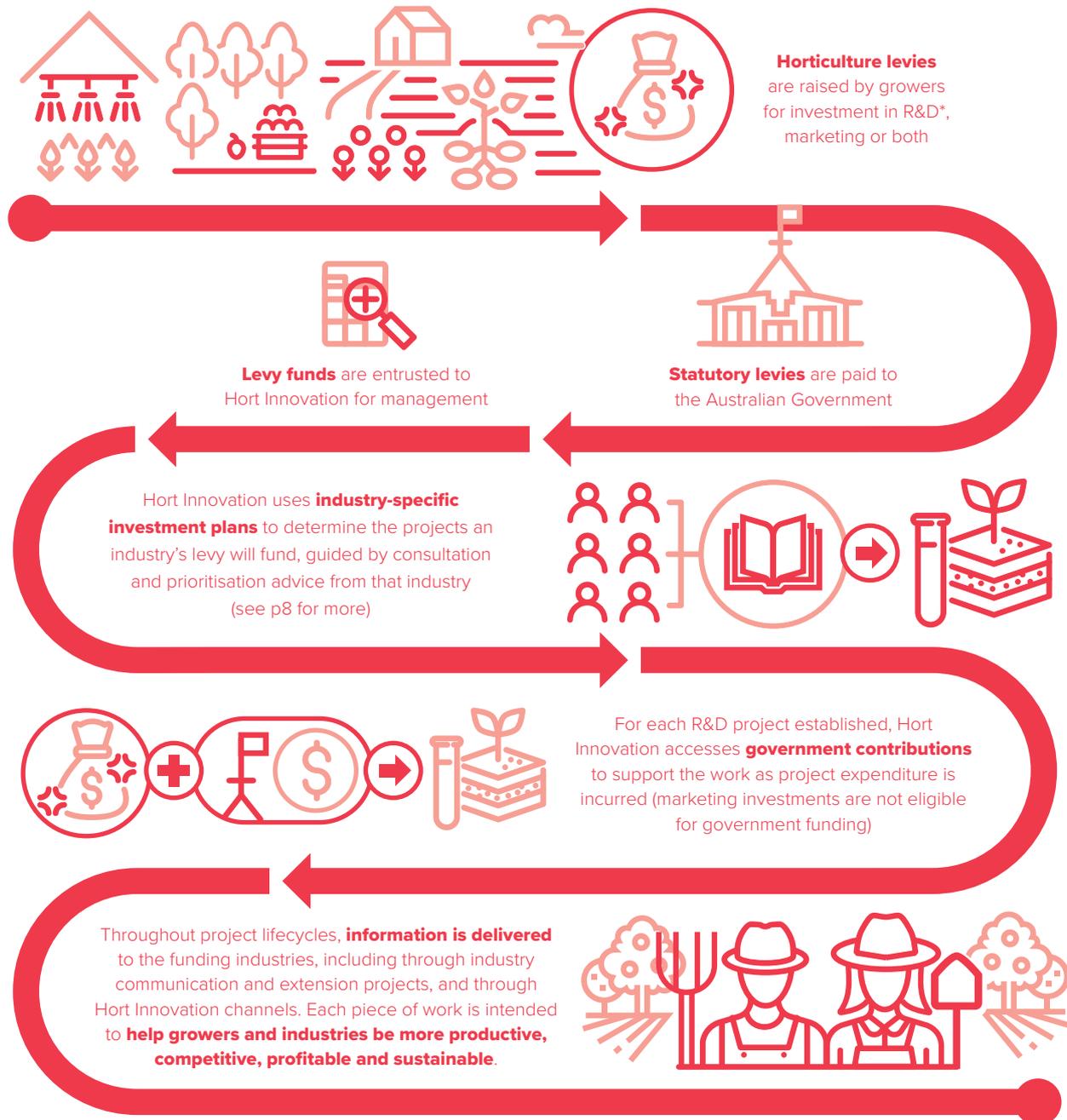
All efforts have been made to provide the most current, complete and accurate information on these permits, however you should always confirm all details on the APVMA website at portal.apvma.gov.au/permits. Details of the conditions of use associated with these permits can also be found on the APVMA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

How strategic levy investments are made in the Melon Fund

The below diagram shows how Hort Innovation makes strategic levy investments on behalf of horticulture industries. The melon R&D levy was invested this way during the year, guided by the melon Strategic Investment Plan 2022-2026 and advice from the industry's investment advisory panel.



* Encapsulating extension and international trade

To learn more about funding specific to the Hort Innovation Melon Fund, visit www.horticulture.com.au/melon. 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

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