



NFF Submission to the South Australian Government's GM Moratorium Review

This submission to the review of the South Australian Government's *Genetically Modified Crops Management Act 2004* builds on the information base provided by the GM Crop Advisory Committee in the papers circulated with the invitation to provide input to the review process. Facts, research results and other information provided by the Committee are understood to be established.

Introduction

The National Farmers' Federation (NFF) is comprised of State farm organisations, national commodity councils and a range of associate and affiliate members. The NFF is the single voice for all Australian farmers.

As food producers, consumers and members of the Australian community, the issue of access to gene technology has widespread potential effects for farmers. Rural families' health and safety, their democratic right as consumers to choose products independently and free from the imposition of value-based judgements, and – in every respect - their livelihoods, are influenced by this question.

Access to gene technology would allow farmers to analyse their production and marketing options and to determine whether organic, conventional or gene technology modes of production (or a combination of these methods) will best meet their business requirements.

It is important to note that farmers' associations have historically moved cautiously in the gene technology debate for the following reasons:

- The irrefutable necessity for food safety.
 - From a 'farmer as consumer' perspective this is non-negotiable.
 - From a 'farmer as producer' perspective, inadequate food safety measures (or even the perception of such) would have a detrimental impact on market share and therefore individual livelihoods and the Australian economy.
- The sustained integrity of organic and conventional food production.
 - The NFF is of the firm view that the production decisions of one farmer must not negatively affect other farmers' production decisions. Gene technology can potentially enhance production yields and quality, reduce costs and provide access to new markets, but it must not injure non-GM farmers.

The issue of gene technology has been a part of the Australian agricultural landscape since the 1990s. Farmers have long recognised its inherent potential benefits and associated risks, and have addressed the latter with a view to the coexistence of the organics, conventional and GM industries. This has been achieved through a network of government and industry-led initiatives and comprises legislation, policy, systems, education and infrastructure.

Australian agriculture now has the necessary safeguards and is well-placed to responsibly harness the opportunities offered by gene technology.

A. The purpose and objectives of the Act

South Australia's stated commitment is "to ensure the cultivation of GM crops is regulated." The Parliamentary Select Committee on Genetically Modified Organisms was also asked to establish the extent to which SA can assess the impact of GM plant technology on human health and the environment.

The NFF notes that the Commonwealth *Gene Technology Act 2000* covers the assessment of GM plants for human and environmental safety by the Office of the Gene Technology Regulator, to standards which are widely considered to be among the most stringent in the world. As the impact of gene technology on human health and the environment is being successfully managed at the federal government level, it remains for States (with active involvement from industry) to take responsibility for assessing market considerations associated with gene technology.

Several of the recommendations made by the Committee are related to the conditional and/or commercial release of GM crops, frameworks and segregation systems. These recommendations became largely obsolete once the scope of the moratorium was defined and did not form part of the objectives of the Act. Industry has now had ample time to meet requirements outlined in the recommendations (such as Recommendation 3, to manage coexistence of GM and non-GM plants under guarantee of meeting market demands and ensuring segregation over all aspects of the production and supply chain).

In light of changes and growth in the global GM marketplace, the purpose of the Act should be reviewed. GM plant uptake has grown, and GM global market share has increased, for over a decade. Customer requirements have been satisfactorily met, as evidenced by the acceptance of GM alternatives to conventional crops.

The very rigour of the Australian regulatory system of gene technology and the careful processes required to reach commercialisation means that, with the exception of cotton types and canola, new GM plant varieties are unlikely to be released within the next 7 years. Referring to the example of GM canola (where competitors are already increasing market share at the expense of Australian producers), it is clear that there are significant costs to Australian producers and the Australian economy, caused by an inability to harness existing technology that is safe, regulated and acceptable to markets. The NFF urges the SA Government to consider the time lag associated with introducing new GM technology to Australian producers and to recognise the costs associated with further delay.

The adoption of GM canola has been a successful move for Canadian agriculture. In comparison, Australian canola is non-GM but has attracted negligible evidence of price premiums or market access advantage. In contrast, the Australian states (NSW & QLD) that have authorised GM cotton have enjoyed positive environmental, economic and social outcomes. GM varieties now account for 90% of Australia's commercially grown cotton.

More broadly, the moratorium has limited the oilseed industry's and plant breeders' research and development investments in Australia. Besides

representing a threat to our scientific capacity and innovation through further reduction in R&D spending, a continuation of the moratorium is almost certain to place Australia at a disadvantage for adopting second generation GM plant technology (the introduction of which, after the success of current GM plants, is only a matter of time).

Regulation to facilitate the safe and effective utilisation of GM plants is desirable, both from a consumer and an industry perspective. A cooperative approach between industry and Governments, in which primary producers are allowed the right to choose the market they cater for, is likely to yield positive results for all agricultural markets. The OGTR's strictly regulated work to ensure the health and safety of GM plants does not require replication at a State level. It is vital to consider the effect of allowing or disallowing commercialisation of gene technology on our oilseed markets (especially canola at this time), as well as the ability for Australian farmers to cater to domestic and global market requirements.

B. The operation of the Act

The Parliamentary Select Committee's mandate appeared to cover more ground than market considerations. While market and trade risks need to be assessed, Australia's national gene technology regulatory system is transparent, rigorous and based on sound scientific evidence.

As far as risk is concerned, the measures of the Act are not commensurate with market 'risks', which have proven to be exceptionally minimal in global trade. Factual information concerning GM plants indicates that they have been grown and traded for over 10 years without market or health based alarms. Industry is well-placed to assist in determining market-based considerations and will be actively involved in the development phase of GM products. Industry-based management systems, with government accountability, will be the most rigorous and informed in competently delivering the benefits of gene technology, both to farmers and to end users.

The current regulation is inflexible in that it prohibits farmers from choosing freely between all viable types of agri-enterprise. Cautious and careful regulation is beneficial; however the ban on GM food crops is detrimental and exists despite the presence of sound domestic regulation, industry readiness and global examples of the successful management of gene technology.

C. The regulation that prohibits the cultivation of GM food crops in SA

The prohibition on the cultivation of GM food crops is founded on extreme conservatism, as well as concerns that 'industry is not ready' to deliver GM plants in a context that does not impinge on other agricultural markets. This concern is no longer valid.

Industry has had many years while the moratorium has endured, to prepare for the delivery of safe and marketable practices, including segregation, which is already practiced for conventional and organic produce. A recently released industry report, *Delivering Market Choice with GM Canola*, demonstrates the grains industry's readiness to adopt GM canola and has been signed by 29 CEOs and Chairmen of the grains industry, under the Single Vision Grains Australia process. The GM status of crops has also proved not to be a major global concern.

Prohibitive regulations take away choice for farmers. Their farms are their own property, and the NFF strongly supports their right of choice between all forms of primary production. Gene technology is regulated by the *GTA 2000* so that only varieties which are safe for human use and the environment may be commercially grown. Therefore the prohibitive approach is no longer a credible option.

D. Enduring GMO status of Kangaroo Island and Eyre Peninsula

The NFF's GM policy is predominately about promoting farmers' right to choice. This is a national policy, and as such it extends to Kangaroo Island and the Eyre Peninsula. Farmers in these regions should have the right to choose to be GM-free, or to adopt GM plants as they see fit. The NFF does not support prohibitive action that denies farmers their right to choose.