

The Project Team - Review of the moratorium on GMOs in Tasmania (2013)  
Department of Primary Industries, Parks, Water and Environment  
GPO Box 44  
Hobart TAS 7001

7 October 2013

Dear Deputy Premier Green

**Re: Review of the moratorium on GMOs in Tasmania (2013)**

AusBiotech is Australia's peak biotechnology industry organisation, which represents over 3,000 members, including those who work in the agricultural and food biotechnology sectors. I write to you on behalf of our membership in response to the *Review of the moratorium on GMOs in Tasmania (2013)*.

At present, despite commitments from Federal, State and Territory governments at the time of establishing the Office of the Gene Technology Regulator (OGTR), uniformity between the Commonwealth *Gene Technology Act 2000* and Tasmanian-based legislation that regulates Genetically Modified (GM) crops does not exist. While these inconsistencies remain, Australia, and in particular Tasmania will continue to fall behind in developments and adoption of agricultural, environmental, industrial and medical biotechnology innovations, due to the lack of inward research and development investment and international partnerships to support innovation.

The Inter-Governmental Agreement underpinning the Gene Technology Act 2000 contains several references to the need for a nationally consistent regulatory scheme for gene technology in Australia however this has not been achieved in Tasmania due to the current moratorium preventing the growth of the agricultural biotechnology industry and, the path-to-market of the Office of the Gene Technology Regulator (OGTR)-approved GM products. It is apparent, that to date, Tasmania has not joined the majority of other states in attempting to facilitate a nationally-consistent scheme for regulating GM crops, and it will be disappointing to our membership if the Tasmanian moratorium is extended beyond 2014.

AusBiotech commends the role and work of the OGTR which continues to provide a transparent and consistent federal gene technology regulatory system – which is science-based, and communicates with key stakeholders to ensure the Australian community is aware of its existence and role in maintaining human health and environmental safety of GM crops.

It is essential for the Tasmanian Government through the Council of Australian Governments' (COAG) Legislative and Governance Forum on Gene Technology (LGFGT), formerly Gene Technology Ministerial Council (GTMC) to reconfirm its commitment and support to a national scheme for gene technology regulation and its commitment to the most recent Inter-Governmental Agreement (2008) underpinning the *Gene Technology Act 2000* to which Tasmania is a signatory.

Specifically, AusBiotech would like to address the following questions as outlined in the *Review of the moratorium on GMOs in Tasmania (2013)* issues paper:

**Is having a moratorium appropriate for Tasmania?**

In 2012 the Department of Economic Development Tourism and the Arts (DEDTA) commissioned Macquarie Franklin to investigate market, economic, social and environmental issues relating to Tasmania's GMO-free status, with a view to informing a subsequent and separate strategy to promote and identify Tasmanian food and crops as GMO-free for market advantage.

The resulting report (the 2012 Macquarie Franklin Report) found that:

- There has been an annual loss of around \$9 million at the farm gate over the past 10 years because the state's GMO moratorium closed down a potentially much larger GM canola seed industry;
- After factoring in direct production costs, the net canola market disadvantage created by Tasmania's GMO-free status is estimated at around \$4 million per annum at the farm gate;
- An additional cost of the moratorium has been an annual cost of \$250,000 for monitoring former GM canola sites in relation to volunteer plants;
- It is estimated that less than 5 per cent of the food and agricultural sector use Tasmania's GMO-free status to support their brand image;
- It remains unclear whether removal of the GMO-free component of Tasmania's brand image would have any significant impact;
- Tasmania's GMO-free status has resulted in the loss of gene technology research opportunities in some industries including canola, poppies and pastures and prevented new initiatives.

It would be regrettable for the Tasmania Government to commission this report and then ignore such significant findings on the financial impact on industry and the lack of evidence around the GMO brand status of Tasmania. Especially, within an economic climate where the Tasmania government is seeking to boost its economy and standard of living for its constituents through the stimulation of its non-tourism related sectors through third party engagement and investment.

Globally government regulators have independently undertaken research and have concluded that cultivation of GM crops poses no greater risk to human health or the environment than cultivation of conventional (non-GM) varieties, and thus there is no scientific reason not to lift this current moratorium. Further to this, many industry bodies, including the Poppy Growers Association and DairyTas are on the public record calling for the moratorium to be lifted to allow them to become more competitive.

**Are there new or emerging opportunities in gene technology that could benefit Tasmania's primary industries, now or in the future?**

As already outlined above, AusBiotech feels very strongly that gene technology could enhance Tasmania's agricultural and food industries. A decision to not lift the current GM moratorium in Tasmania will:

- Continue to reduce investment in biotechnology and other life sciences research and reduce capacity to undertake research and development in Tasmania, which is essential to the growth and development of the agricultural sector and the broader biotechnology industry;

- Reduce opportunities for university students to make a career in the agricultural life sciences;
- Reduce the competitiveness of Tasmania's farmers;
- Reduce investment attraction in high-value areas;
- Put future agricultural breakthroughs at risk by diverting research resources into other areas and jurisdictions; and
- Compromise the intent of the joint state-Commonwealth regulatory system as agreed by the Council of Australian Governments (COAG).

There are a number of technologies such as GM marker assisted plant and animal breeding as well as herbicide tolerant canola which are delivering significant agronomic, economic and environmental benefits to Tasmania's mainland counterparts. The lifting of the moratorium would provide the Tasmanian agricultural industries with access to technologies which would generate a major step-change in agricultural production within the state.

### **Is it possible for GM and non-GM crops to co-exist and not affect the marketing of Tasmania's products?**

Coexistence is the practice of growing crops with different quality characteristics or intended for different markets in the same vicinity without becoming comingled and thereby possibly compromising the economic value of both. Coexistence is based on the premise that all farmers should be free to cultivate the crops of their choice using the production system they prefer, whether that is using conventional, agricultural biotechnology or organic methods.

AusBiotech believes all agricultural production systems should have an equal opportunity to contribute to the Australian food production system under free market conditions. Preference for one production system over another should not be the result of state government legislation as is currently the case in Tasmania. Despite the GM moratorium being in place for over ten years in Tasmania, there is currently no evidence that this ban has resulted in trade and or marketing benefits for Tasmanian farmers, but rather and as indicated previously, it is likely to have resulted in opportunity costs of over \$40 million. This is in contrast to mainland states that have generated over \$600 million in net farm gate benefits from GM crops since 1996, without compromising their ability to successfully market conventional or organic produce.

The 'market choice' framework<sup>1</sup> established by the Australian grains industry for the introduction and coexistence of GM and non GM canola provides a proven framework on which future technologies can be sustainably and equitably introduced into the Tasmanian agriculture. The principles underpinning the market choice framework are that GM canola would be introduced in a manner that:

- Maintains or enhances trade in Australian canola;
- Enables market choice along the supply chain;
- Is open and transparent;
- Provides confidence to all stakeholders, particularly to customers, consumers and governments.

If implemented as a framework for the introduction of agricultural biotechnology in Tasmania these measures would provide the necessary certainty and confidence to supply chain participants, consumers

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<sup>1</sup> Anon, (2008) Delivering Market Choice with GM Canola, An industry report prepared under the Single Vision Grains Australia process. <http://www.abca.com.au>

and the Tasmanian Government that GM products would be managed to meet market and customer requirements. Importantly, these measures would provide market choice and ensure that the principles of coexistence would be maintained for all stakeholders in Tasmania.

For further information on the issue of coexistence the Project Team is strongly recommended to refer to the proceedings of the various European Union supported conferences relating to the Coexistence between Genetically Modified (GM) and non-GM based Agricultural Supply Chains which have been held on a bi-annual basis since 2003<sup>2</sup>. GMCC is aimed at gathering academic and industry experts, regulators, policy makers and other key stakeholders from around the world to discuss both specific and comprehensive coexistence topics.

### **What impact has the moratorium had on the research and development of new products or markets?**

The Tasmanian Government has maintained a moratorium on commercial release of GMOs into the environment since 2001. Tasmania introduced the Genetically Modified Organisms Control Act 2004 (Tas) to provide for the whole or any part of Tasmania to be declared a GMO free area for marketing purposes. In 2008, the Tasmanian Government followed the advice of a Joint Select Committee, extending the moratorium until at least November 2014. This intervention means that there remains no clear path to market for the developers of GM crops in Tasmania, even when licence applicants have satisfied the requirements of the Commonwealth Gene Technology Act 2000 and it has been clearly demonstrated in other states that effects on trade are non-existent/negligible.

In Australia, GM crops have been intensively studied and are rigorously regulated. All regulation should correspond with the associated risk, cost and benefit to the community. AusBiotech supports the use of science-based risk assessment as the basis for public policy decision making.

AusBiotech believes the Parliament of Tasmania should recognise that the evidence to date has demonstrated that GM crops do not pose any risks to human health and the environment, nor to trade and marketing of Tasmania's primary produce, and consequently the Tasmanian moratorium on these crops should be lifted.

### **Should Tasmania's policy allow for exemptions to a moratorium?**

Should the weight of overwhelming scientific and economic evidence provided in relation to continuing a GMO moratorium in Tasmania be ignored and the moratorium remain in place, then AusBiotech would support exemptions for GMOs licenced for commercial release in Australia by the Gene Technology Regulator.

### **What other relevant issues should be considered in this review?**

Other issues that should be considered as part of this review include:

- GM crops have been grown and consumed for more than 17 years and people around the world have eaten over two trillion meals containing biotechnology derived foods or ingredients. There are no peer reviewed nor credible scientific reports of any food safety issues related to the consumption of GM foods.
- Biotechnology, including the development of GM crops, can assist in increasing agricultural productivity in the face of climate change, resource constraints and the pressures of providing a

secure food supply.

- Australia has experienced almost two decades of GM cotton production since the introduction of the first single Bt gene INGARD® varieties in 1995, with GM cotton now accounting for over 95% of all cotton grown. The rapid adoption of GM cotton has been due to the farmer benefits including improved productivity and economic return, along with a greatly reduced environmental 'footprint' for the cotton industry.
- Australia has experienced five years of growing and exporting GM canola during which time there has been no major disruption to supply chains,, nor disruption to domestic and export supply and trade. At the same time GM canola crops have coexisted both within farms and between farm enterprises which begs the question what have been the impacts on the social structure or relationships between farmers, nor with the communities in which they live and socialise.
- Tasmanian growers could lose significant market share if their access to genetically modified crops continues to be restricted.

### **Conclusion:**

Agriculture is at the crossroads of the most important challenges of global development: demographic growth, food security and safety, water and environmental resources management, climatic change, energy resources and world trade. Its sustainable growth is therefore complex and calls for the pursuit of different approaches, both locally and worldwide.

Developments in farming systems, plant breeding and biotechnology and sustainable use of agricultural biological diversity, among others, have allowed the growth and success of conventional, organic, GM and specialty crop production and more opportunities for stakeholders in the food supply chain, including more options for consumers.

These advances have also given rise to specific regulatory frameworks for their adoption and to stringent adjustments of segregation and monitoring procedures, which must accommodate an increasing number of new production systems across the global marketplace. The resulting technical and economic challenges and solutions have been the subject of extensive research and legislation from which has flowed the adoption of agricultural biotechnology not only in industrial countries but also increasingly in third world countries where meeting these challenges of global development is at a nexus.

The current Tasmania moratorium on GM is contrary and inconsistent to what is occurring globally and within major agricultural production states in Australia where agricultural biotechnology has been embraced by farmers, communities and supply chains.

The current Tasmania moratorium on GM is inconsistent with the spirit of the policy intent for a national, coordinated national approach to the research, development and commercialization of agricultural biotechnology as agreed by the COAG and has created a two-tier regulatory process. Any moratorium should be based only on sound and robust science and economic advice. The fundamental issue for Governments to solve is the inconsistency in Australia's regulatory system for agricultural biotechnology. States such as Victoria, New South Wales and Western Australia have seen fit to end their respective moratoriums in light of outcomes from independent reviews which have assessed the impacts of GM crops on their respective economies and communities.



AusBiotech supports the development of GM agriculture assessed on a case-by-case basis by federal regulatory agencies such as the OGTR, Food Standards Australia and New Zealand (FSANZ), Australian Pesticides & Veterinary Medicines Authority (APVMA) and the Therapeutic Goods Administration (TGA)

AusBiotech seeks to provide agricultural biotechnology with the same opportunities that have been provided to medical biotechnology developments – notably a unified and coherent approach, based on consistent, science based assessments and approvals.

Therefore, AusBiotech would strongly recommend that the current moratorium act be repealed by the Tasmanian government and that it facilitate a structured approach to the introduction of agricultural biotechnology, research, development and commercialisation in Tasmania in a manner which ensures the coexistence of GM and non GM crops and that the principles of market choice be maintained.

Yours Sincerely

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