

*Standing Committee on Environment and Public Affairs — Forty-ninth Report —
“Mechanisms for compensation for economic loss to farmers in Western Australia
caused by contamination by genetically modified material” — Motion*

Resumed from 4 September on the following motion moved by Hon Matthew Swinbourn —

That the report be noted.

Hon DIANE EVERS: This petition was put forward by a number of people who were very concerned about the situation with genetically modified material that can escape into our environment. They wanted something in place to support farmers who may be damaged economically or in some other way by the escape of this material. I recognise that the committee did a thorough investigation, called in witnesses, put together a response and determined that there was not enough information to indicate that this was a problem. Part of the reason for that was that it did not go so well in the one case where it became public and very well known. The farmer in question lost considerably on his actions to try to find some sort of compensation. The petitioners asked for this farmer protection legislation to support these farmers for just that reason. The common law did not support this farmer; it did not give him any avenue by which he was able to legally fight the strength of the industry that pushes genetically modified material on farmers.

They are not looking for anything difficult. The farmer protection legislation, as noted in the appendix to the report, has very simple objectives. It is a bill to establish a publicly managed fund, paid into by GM seed merchants, in order to compensate non-GM landholders for contamination by GM seed or other GM material. Farmers and others would be quite upset that another fund is being established, but that fund would need money going into it only if funds were being paid out from it. Once some money went into it, if that was significant enough to manage any potential payouts—in many cases they would not be extremely large payouts, because the damaged material could be cleaned up and the landscape restored to how it was—it would not be a significant imposition unless it turned out that many farmers were claiming on it, which could be possible only if they could show that they had been damaged by GM material. Putting such a scheme in place would not have been a problem, and would not have required very much in funds, unless we found that there was a problem of material escaping into the environment or onto the land of other farmers. We are not talking only about farmers, because local governments have the responsibility of looking after the road verges. As we know, the genetically modified canola, which we are talking about in this case at this time, does blow off the trucks and land on the road verges, creating a nuisance weed that is not controlled by the normal weed management systems, which usually use glyphosate, the weedkiller that the GM material is resistant to. This entails having to use stronger chemicals to get these weeds off the roadside, but that is the price that we have to pay for the new technology that we have brought in. The fund would be drawn upon only if people had significant costs put on them by the escape of this material.

The second objective of the proposed legislation is to strengthen the protection of landholders’ non-genetically modified crops—both organic and conventional, and including public land—from all forms of contamination by genetically modified organisms. The difficulty we face here is that there is currently scope to change the gene technology regulations to open up the possibility of further genetic material being released into the environment unregulated. This is of concern, because if we are saying about the CRISPR gene editing technology, or any other technology used for genetic modifications, that it is okay to not have regulations on it, because it is not really a problem, not only do we not have the compensation for it, but we have no monitoring system for it either. We do not know who is doing it. This is at a federal level, so I cannot expect anyone in here to do anything about it, but we will be the ones paying the price. Our farmers, landholders and local governments will be the ones who will have to deal with this. That problem will end up costing a number of people time, money and resources, while the original creator of that gene technology has no responsibility for the issues they may have brought in. That is why the next objective of the farmer protection legislation is to strengthen monitoring and detection mechanisms in order to detect contamination early and reduce compensation costs. This includes, but is not limited to, making the existing guidelines mandatory. In addition to being there for compensation, this fund could be used to make sure that we set up a monitoring system so that we are aware if some modified organism escapes into the environment. As I have said in here before, not only do we have issues and challenges when we lose an organism from the system, putting one into the system can also cause serious damage and problems, and it never goes back to the original creator of that problem. That is why we need some sort of system in place to address the issues of introduced genetic material.

Although we have gone through this report, and we have done the inquiry, challenges that will arise from this issue are only just beginning. Although at this stage it has been found that there are no serious cases, so we can just let it slide, that is not the end of it. That is not where we stop.

Hon Dr STEVE THOMAS: I was listening studiously in my room, as I tend to do, to the contributions on this report, and I noted that Hon Diane Evers made a couple of comments that I wanted to reference. The first is that the committee was apparently not able to prove economic loss, and that is absolutely the case. The committee found that there was no significant economic loss that could be attributed to genetically modified organisms in Western Australia. I am not an advocate for the genetically modified industry. In fact, I have been at war with various groups, including, in my old days when I was a member of the place that shall not be named, the

Pastoralists and Graziers Association, which was outraged that I would not become an outright advocate for the genetically modified organising groups. It caused great distress, but it became obvious in my time in the other place that proving that there was economic loss was going to be a very difficult process. It is absolutely the case that the committee found no significant economic loss, and, in fact, no evidence that members of the public came in to say that economic loss was significant. Nobody at any stage managed to prove it.

That is the first thing that I would say, because we keep going back to what is, effectively, a debate about whether we like or do not like GM organisms. We are wasting Parliament's time by debating whether we like or dislike GM organisms. That is not what the committee investigated. In fact, it was not what the petition was about. It was about whether there was a requirement for a compensation mechanism, and the answer was absolutely no.

The second thing that the honourable member said was that we would not put money into a GM compensation fund, as other countries do, if it was not going to come out. The committee found that that is exactly what has happened. There are countries in Europe where genetically modified compensation acts are in place and money is collected, but it does not get spent, so it does not go out the other end. I do not mind us having a separate debate about whether we like genetically modified organisms. I am not a great fan of them myself, but I recognise that they are now an integral part of the agricultural sector in Western Australia, and once they are in, we cannot really get them back out. It is not like we can climb back out of the pool and say that they never existed. They are here now. That being the case, I think it is time for us to stop wasting our time debating whether we like genetically modified organisms and look specifically at what the committee looked at—that is, whether there is a need for a compensation mechanism. The committee looked at it in great detail. It was so blatantly obvious that the answer was no that the committee probably finished the investigation early because nobody presented any evidence of economic loss.

According to our procedures, we could debate this motion for another 49 minutes, but we would just be going around in circles. I get that the Greens do not like genetically modified organisms. I am not overly fond of them myself, but they are part of the agricultural scenery at the moment, and that is not going to change. So can we please just address the petition, which was about whether there is a need for a compensation mechanism? The people who looked into it—two members of the Labor Party, one member of the Greens, one member of the National Party and a member of the Liberal Party who is a GMO sceptic—said that no, there is no requirement for a mechanism. I would like to see us put this one to bed and move on to a debate that might have some substance.

Hon DIANE EVERS: I would like to thank Hon Dr Steve Thomas for entering into the discussion. I appreciate his comments, and I will go back to a couple of them. He said that there was no proof of economic loss. I understand that no-one could show the committee that they had had a loss. It is a difficult thing to do, especially if a person has no funds and no motivation because they do not expect anybody to care. Why would they, especially when they know that if they try to say what happened, they may lose friends across the fence and in their community? It is a really difficult thing, which is why we need a compensation fund that is completely separate from that aspect. The petition requested that Parliament introduce farmer protection legislation to compensate any non-GM farmer who suffers economic loss from GM contamination. They want it to be put in place so that farmers do not have to go through the common law process and there is not a big dispute about it; people could just have a look at their farm, see whether there is a problem and then fix it.

My reason for addressing this issue is not whether I like or dislike GM. Look at the Greens policy. We recognise that gene technology is part of our medical system. If genetic technology can be used to create a drug to treat an illness or condition, how can we deny that to someone? That is part of what we do. The whole GM conversation is getting more and more broad. It is opening up because technology is allowing for many different methods of creating genetically modified organisms. Currently, we are working only with canola. That is another area that I disagree with the member on. We could get rid of GM canola in WA. I do not think it would be that difficult if we chose to do it. That is some years down the way and I have no interest in doing that. Enough farmers are fleeing from its use anyway when they realise that the main reason for introducing GM canola into their cropping system is to control weeds. It begs the question about its reasonableness, but that is not what we are looking at. We are looking at farmers who choose not to use GM, yet that material can come onto their property and change their system and their opportunities for selling their product as GM free. That is what we have to look at. In fact, GM material has even made its way into the seed that people buy. There is no guarantee that there is absolutely no GM material in non-GM seed. It is going to be difficult, but time will tell.

If we want to look at the question of whether it is a good thing or a bad thing, we have to look at the excessive number of times that glyphosate will be sprayed on crops. More and more we are hearing about issues with glyphosate around the world and even in Australia; I think the first couple of cases have just been registered here. We are introducing into our food system a known carcinogen, and the recognition of the damage it causes to people is only just developing. Look at cigarettes in the 1950s and 1960s. We knew then that they were bad, but I do not think the first case was won until the 1980s.

Hon Dr Steve Thomas: Are you talking about glyphosate specifically?

Hon DIANE EVERS: Yes, glyphosate specifically.

GM material has been introduced to canola so that farmers can spray more glyphosate on those crops. It just does not make a lot of sense, but that is not what we are debating. We are not looking at whether we like or dislike GM material. My concern is with its continued introduction. We have cotton up north, but that is another issue altogether. Of course, GM material makes it possible for more organisations to find a way to derive greater profits for their shareholders. That is fine, but if by furthering those techniques they take the ownership rights of some of the material that is used on farms—animals, grains and things—that is detrimental to other people. I am not going to do anything to try to slow down GM technology, but we have to wonder why we are going down that route and how we are going to address the issues as more genetically modified material is introduced into our system. That is why I go back to the petition. It simply asked for farmer protection legislation to be introduced to compensate any non-GM farmer who suffers economic loss from GM contamination. Let us give those farmers some way to raise the issue safely so that something can be done to address whatever has occurred to them. It is not a big deal. Would it not be great if we had this fund and no-one drew on it? That would be wonderful. But having it there makes it possible for people to speak up when they have been hurt. We have insurances for many other different things. This would just be another form of that.

I will go into the rationale for this. Farmer protection legislation would replace reliance on common law remedies. That is what we have been looking for. Relying on common law, and expecting farmers to sort it out with a neighbour over the fence, as we saw in the *Baxter v Marsh* case, just does not work. I do not think that that is what is expected. I do not think that that is what communities want to do. It broke up the town of Kojonup. People had to side with one or the other. That was a really sad experience. I am looking for an acknowledgement, I suppose, that this may be a problem and for it not to be written off by saying that nobody proved it and therefore it does not exist. Although nobody was able to prove it at that point, it does not mean that it was not happening and it does not mean that it will not happen at some time in the future.

A lot of changes are happening in farming. A lot of people are choosing not to go into GM canola. We know that if we are not vigilant, if we are not aware of what is going on, this will continue to happen and other things may be introduced. Regulations are afoot within the Office of the Gene Technology Regulator to open it up and allow further gene technology. The OGTR was not set up with broad enough scope to do anything about it. It is not one of the best-funded organisations. It is there to implement the wishes, words and products of the companies that put forward the applications, and the science that it relies on is often the science done by the organisations that put forward the applications. I know that a number of different crops are still being looked at within Australia and that they have been introduced on a trial basis, but toxins can escape on a trial basis. I appreciate that in WA we are not allowed to have another crop, or maybe more farmers are not looking to it because it is not proving to be the be-all and end-all of profit-making on farms. It has a role, I suppose, in that it gives farmers who cannot treat weeds in another way an easier method of treating those weeds—but at what cost? If that cost is greater glyphosate residue on crops, which make them less saleable on the international market, that is something that the state should be aware of and something that we should address. With the introduction of other genetic material and the potential that at some point this genetic material may not be regulated, it will become more and more difficult for farmers to stand up and say that they have a problem and that someone needs to look at it. I think we have talked about a mediator.

Hon Alannah MacTiernan: Member, you were going to share with us your thoughts on the Ord and GM cotton in the Ord.

Hon DIANE EVERS: I do not have too much to say about that. It is not that chemicals are sprayed on it; rather, it creates its own chemicals, its own toxin.

The CHAIR: Members, the question is that the report be noted. Hon Diane Evers, you have four minutes remaining today.

Hon DIANE EVERS: Thank you, Mr Chair.

GM cotton creates its own toxin that is toxic to the insects that might otherwise diminish and deteriorate the crop. It is pretty well known that the GM material in the cotton is not in the oil. We consume the pressed oil. Anything left in the grain is used for animal food, and for some reason we have not tested whether that has an impact on animals. Some evidence from around the world suggests that it does. Cotton crops provide fibre, but the residue from the cotton plant is not only used to make cottonseed oil—again, it should not have that toxin in it—but also fed to animals. Again, without proper testing we do not know whether that toxin goes into our bodies. We know that people are becoming more and more sensitive to a lot of different foods. There is no research on that and no-one is looking to fund research into the health issues that arise from eating these types of foods or foods with this chemical residue. I have gone a little bit off track.

The original intention of the petition was to consider farmers and to look at the people who are choosing not to grow GM material. If that material finds its way onto their farm, what other options do they have? From what I understand, they have to look after it and manage it themselves. I do not have that proof; rather, people tell me that that is what

happens. They do not feel comfortable coming forward and dealing with it. We need to look further into this issue. I understand that the Standing Committee on Environment and Public Affairs has completed its report, but I do not think that that is the end of it. We can do more with further discussions and debates that take a stronger look at this issue and go further into the idea of farmer protection legislation. It might not be just for GM material; it could be for the spread of weeds from one place to another. There is protection when an animal escapes, so why does the same not apply when a plant escapes? We must continue to look at this issue and make sure that farmers are compensated. With the new regulations coming in, it is something that we need to be vigilant about, and I guess that goes back to the Department of Primary Industries and Regional Development, which has to make sure that it is aware of the changes and that it looks into this issue to see what it can do to make it easier. As I said, we should be looking at compensation for local governments that may face the additional impost of trying to remove weeds from road verges. There have been instances of trucks carrying GM material overturning. The clean-up of that material is significant, and from there it could blow onto nearby properties. I want to keep the idea alive that farmers should have the same protections for this as they do for other things. Another option put forward was an insurance scheme to look after these sorts of issues for farmers, but they should not have to take out insurance to protect themselves. That is where we need to focus. We need to make sure that they are allowed to continue doing what they do.

Consideration of report adjourned, pursuant to standing orders.

Progress reported and leave granted to sit again, pursuant to standing orders.