

GENETICALLY MODIFIED CROPS FREE AREAS REPEAL BILL 2015

First Reading

Bill read a first time, on motion by **Mr D.C. Nalder (Minister for Agriculture and Food)**.

Explanatory memorandum presented by the minister.

Second Reading

MR D.C. NALDER (Alfred Cove — Minister for Agriculture and Food) [2.49 pm]: I move —

That the bill be now read a second time.

The purpose of the Genetically Modified Crops Free Areas Repeal Bill 2015 is to provide Western Australian farmers with an ability to undertake modern and commercially acceptable farming practices. It is now over 30 years since the very first genetically modified crops were grown anywhere in the world. In 2014, global biotech crop plantings continued to grow for the nineteenth consecutive year of commercialisation, with 18 million farmers in 28 countries planting more than 181 million hectares—up from 175 million hectares in 27 countries in 2013. The uptake is strong in both developed and developing nations with some of our major competitors, such as Canada, Brazil, China and Argentina, rapidly picking up the technologies. The United States of America grows the most area of GM crops in the world and Australia is currently ranked thirteenth globally. On average, adoption of GM technology globally has reduced chemical pesticide use by 37 per cent, increased crop yields by 22 per cent, and increased farmer profits by 68 per cent.

The SPEAKER: If members want to have a private meeting, please go outside.

Mr D.C. NALDER: Estimated increases in crop productivity globally are valued at \$US133.3 billion for the period 1996 to 2013. Between 2008 and 2013, the cumulative farm income gain for GM canola in Australia has been \$A54 million. In Australia, GM canola has been grown in Victoria and New South Wales since 2008.

Here in Western Australia, the Genetically Modified Crops Free Areas Act 2003 was enacted to allow the minister to designate an area in which GM crops could not be grown. In 2004, the whole of Western Australia was designated as an area where GM crops could not be grown. Two exemptions to this were subsequently granted. In 2009 an exemption order allowed for the commercial cultivation of GM cotton in the Ord River irrigation area and, in 2010, an exemption order allowed for commercial cultivation of GM canola within Western Australia.

Since the exemption order for GM canola was put in place, Western Australian farmers have steadily adopted the technology. Correspondents advised that 260 000 hectares of GM canola was planted in WA last season. This means about one-third of Western Australia's canola plantings are GM canola. In 2013 alone, GM canola generated an average farm income gain of \$A78 per hectare for Australian growers—a total farm income gain of \$A17.8 million. GM crops are one available tool in the plant-breeding toolbox to enable researchers to develop climate-resilient crop varieties, improve quality and provide public health benefits. The consequences of not having access to this technology is a reduction in productivity gains, a potential decline in international competitiveness, less profitable farming systems, and less viable regional communities. It is important that growers have the opportunity to decide what to produce on their properties that best fits their production system in order for the Western Australian grains industry to be internationally competitive.

The Genetically Modified Crops Free Areas Act creates a number of market inefficiencies and limitations. Firstly, the market has evolved since the introduction of that act and has proven that the segregation and preservation of markets—which was the basis for the act in the first place—can be handled sufficiently by industry. Since 2003, when the Genetically Modified Crops Free Areas Act was enacted, the Western Australian grains industry has established the protocols and processes required to enable growers to deliver GM and non-GM canola to meet market requirements. Since 2010 the grains industry has effectively demonstrated its ability to segregate. In that sense, the act is not required and can be considered obsolete.

The act also operates as a barrier to growers accessing gene technology, after the technology has been assessed and licensed by the Gene Technology Regulator. Australia already has a rigorous regulatory system for GM organisms through the Office of the Gene Technology Regulator. A ministerial council, the Legislative and Governance Forum on Gene Technology, oversees the activities of the Gene Technology Regulator. The WA Minister for Agriculture and Food is the WA representative on the Legislative and Governance Forum on Gene Technology. The regulator follows a science-based process to evaluate any proposed dealings with genetically modified organisms. Approval is only granted if the regulator is satisfied that the dealing will not harm human health and safety, and the environment.

Currently, the Genetically Modified Crops Free Areas Act is a disincentive for researchers to invest in Western Australia-specific traits due to the lack of guaranteed access to growers. It imposes competitive

disadvantages on Western Australian growers compared with jurisdictions with more straightforward access to approved GM products. It creates legislative burdens and administrative red tape for government in needing to create and monitor exemptions. Finally, it creates grower and industry uncertainty over the ongoing or future ability to access gene technology in Western Australia. The main grower organisations in WA—the Grain Industry Association of Western Australia, the Pastoralists and Graziers Association and WAFarmers—support growers having access to safe regulatory-approved GM crops.

While the Genetically Modified Crops Free Areas Act remains in place, there is the ability of a future Minister for Agriculture and Food to revoke the exemptions for GM crops currently approved as safe being grown in Western Australia. This uncertainty impacts on the confidence of breeding companies to invest in products specifically for Western Australian conditions and to invest in science in Western Australia. Revoking the exemption would also severely impact the bottom line of growers and put Western Australia at a disadvantage to its major competitors. Consultations during 2014 with relevant marketers and industry representatives about the proposed repeal indicated their position that market choice should determine commerciality and marketability. The repeal of the act will not affect the licensing process for GM crops or the national regulatory system established under the commonwealth act. The science-based assessment process to ensure the safety of GM material will remain unchanged.

Outside the formal consultation process in preparation for this bill, there has also been meetings and correspondence with anti-GM groups and concerned members of the public about the potential repeal. The concerns raised have mostly been around the safety of GM crops and the need for strict liability legislation to protect organic growers. Safety considerations mentioned include the safety of glyphosate and the animal feeding trials by Carman and Seralini that have been discredited by Food Standards Australia New Zealand. Safety and health matters are not relevant to the discussion of the repeal of the act as safety and health considerations are covered by the commonwealth Gene Technology Act 2000. Correspondents also asked for strict liability legislation. However, the 2004–05 review of the Australian Gene Technology Act carefully considered the matter of strict liability and concluded that as strict liability legislation is usually reserved for toxic chemicals, it should not be applied to regulatory-approved GM crops. The repeal of the act will mean that once a crop has been approved as safe by the federal regulator, there will be no additional legislative impediment for Western Australian growers.

The Genetically Modified Crops Free Areas Act was introduced at a time when there was concern about industry's ability to effectively manage its supply chain. Over time, industry has demonstrated its ability to effectively manage the segregation of GM crops, growers have shown demand for the technology, and there have been environmental and economic benefits from its adoption. I am aware that some groups have expressed concern about the potential impact on non-GM markets from the possible presence of GM seeds in non-GM shipments, or outcrossing of GM traits into other compatible plants. These concerns have been considered, but I believe they can be effectively managed without the Genetically Modified Crops Free Areas Act, as they have been to date for crops permitted under exemption orders. Existing segregation systems and management tools have resulted in no shipment being declined for GM presence since the introduction of GM canola in Western Australia in 2010.

The inefficiencies and market impact of the Genetically Modified Crops Free Areas Act need to be resolved, and the repeal of this act is the preferred option identified. This will give certainty to growers and investors, offer new opportunities and tools to growers to improve global competition, and reduce regulation and red tape.

I commend the bill to the house.

Debate adjourned, on motion by **Mr D.A. Templeman**.