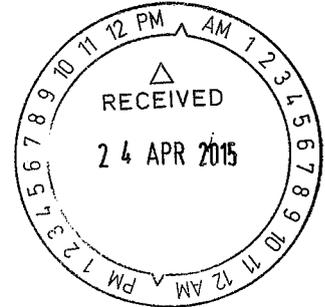




**Hon Ken Baston MLC
Minister for Agriculture and Food; Fisheries**

Our ref: 47-06944/1
Your ref: Petition No 69



Hon Simon O'Brien MLC
Chair
Standing Committee on Environment and Public Affairs
Parliament House
PERTH WA 6000

Dear Mr O'Brien

PETITION 69 – GENETICALLY MODIFIED CROPS FREE AREAS ACT 2003

Thank you for your letter dated 25 March 2015 regarding the consultation undertaken in regard to the *Genetically Modified Crops Free Areas Act 2003* (GMCFAA).

The Department of Agriculture and Food Western Australia (DAFWA) has consulted with the following key industry representatives as to their views on the repeal of the GMCFAA from a commercial marketing perspective:

1. The Grains Industry Association of Western Australia (GIWA), as the peak body representing the interests of those in the grains supply chain.
2. Cooperative Bulk Handling (CBH), as WA's grain industry grower-owned and controlled co-operative.
3. Ord River District Co-operative Ltd (ORDCo), as an independent agricultural co-operative based in the Ord River Irrigation Area, Kununurra. In 2009, an exemption order was granted under the GMCFAA for commercial cultivation of GM cotton in the Ord River Irrigation Area.

These consultations took the form of emails, meetings and teleconferences with representatives of the above groups between 24 September 2014 and 28 October 2014.

Both GIWA and ORDCo supported the repeal of the GMCFAA. The GIWA 2025+ draft strategy, released in October 2014, specifically notes that an area that would assist industry is for the "State Government to repeal the Western Australian Genetically Modified Crops Free Areas Act 2003..."

CBH noted that whilst it does not have a position on the repeal of the GMCFAA, as a grower-owned co-operative, it will endeavour to offer a supply chain that is able to store, handle and market to the best of its ability GM and non-GM grain.

The key themes from the consultation were:

1. Market choice is the determinant of commerciality and marketability
 - GIWA and ORDCo both noted that market choice should determine the commerciality of, and markets for, GM and/or non-GM crops.
 - CBH noted that price signals specific to each grain type and market will determine in any one year the respective premiums and discounts for GM and non-GM grain. CBH further noted that whilst a number of markets allow GM grains to be imported, other markets have restrictions which need to be considered by CBH when providing pricing and segregations.
 - ORDCo noted that there needs to be a level of comfort amongst non-GM crop growers that they can maintain their markets for non-GM crops, noting that this appears achievable, and canola is a good test case for this.
2. Necessity of segregation through the supply chain
 - CBH noted that segregation of other GM and non-GM commodity types will require the development of unique handling systems and conditions which may result in cost differentials for both products, depending on requirements and volumes.
 - GIWA noted that the growth of GM canola has proven that industry can manage the segregation of GM crops from non-GM crops. Europe (a non-GM importer) has remained WA's largest export market for canola despite the 2010 exemption order permitting commercial cultivation of GM canola within WA.
 - GIWA also noted that industry can manage the supply chain for GM crops through industry codes of practice/standards/declarations (such as those introduced by the Australian Oilseeds Federation in relation to canola).
3. Technology
 - GIWA noted that the co-existence of new technology and existing technology should be inclusive in terms of recognising all farming systems, including GM. Repeal of the GMCFAA gives choice to those looking at new technologies.
4. Role of the Office of the Gene Technology Regulator (OGTR)
 - Both GIWA and ORDCo noted the role of the OGTR with respect to regulating the health and safety aspects of GM crops.

I hope this answers your queries.

Yours sincerely



**KEN BASTON MLC
MINISTER FOR AGRICULTURE AND FOOD**

16 APR 2015