



## **SUBMISSION TO**

**The West Australian Environment and Public Affairs  
Committee Legislative Council  
Inquiry into mechanisms for compensation for economic  
loss to farmers in Western Australia caused by  
contamination by genetically modified material**

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## **BACKGROUND**

Grain Producers Australia (GPA) represents Australia's broadacre, grain, pulse and oilseed producers at the national level.

GPA was created to foster a strong, innovative, profitable, globally competitive and environmentally sustainable grains industry in Australia.

We work to represent Australian grain farmers nationally and internationally in their contribution to sustainable development and society.

The objectives of GPA are to:

- Provide a strong, independent, national advocate for grain producers based on a rigorous and transparent policy development process.
- Engage all sectors of the Australian grains industry to ensure operation of the most efficient and profitable grain supply chain.
- Facilitate a strategic approach to research, development and extension intended to deliver sound commercial outcomes from industry research.

GPA has a national policy council, strategically focused on three pillars of economic development, social responsibility and environmental management. Our policy council is supported by and engages representatives from State Farm Organisations including:

- Agforce Grains
- Grain Producers SA
- NSW Farmers Association
- Victorian Farmers' Federation Grains Group
- Tasmanian Farmers and Graziers Association
- WA Farmers
- WA Grains Group

We thank you for the opportunity to provide this submission on behalf of our grain producer members.

## **TERMS OF REFERENCE**

Inquire into and report on mechanisms for compensation for economic loss to farmers in Western Australia caused by contamination by genetically modified material, including approaches taken in Western Australia and by other jurisdictions any other relevant material.

## **INTRODUCTION**

As grain producers it is vital our members have the opportunity to take advantage of all crop varieties that have been, or could be, developed using the many currently available plant-breeding methods. We also wish to ensure that regulation of these plant breeding techniques facilitates rather than hinders the adaptation of technologies and the development of new plant breeding techniques. Access to new tools and technologies allows the Australian grain industry to remain globally competitive.

We rely on a rigorous science-based system to ensure that the crop varieties made available to farmers have passed the required level of testing for human health and environmental safety. Assessing the attributes and potential marketability of the end product which will come from those varieties is a day-to-day business reality for a grain farmer.

Gene Technology and associated plant breeding techniques have been crucial to the success of Australian agriculture, particularly in the grain and cotton sectors. This includes access to:

- new, more productive or higher performing varieties,
- varieties that better fit into weed and pest control management plans, and
- varieties that offer additional marketing or differentiation options

Examples of these have all been made available to Australian producers as a result of successful plant breeding.

Genetically modified (GM) canola has been a strong success story for Australian producers, supporting weed control management options, fitting into disease management rotations and propelling the industry to develop better performing varieties. This week, Australia witnessed the announcement of a new GM canola coming to the market place – a omega-3 canola destined for both the human food chain and as animal feed. This is the result of ‘home grown’ research and development, through a partnership between CSIRO, the Grains Research and Development Corporation (GRDC) and Nufarm/Nuseed.

Grain Producers Australia has full confidence in the Australian grain supply chain to deliver market choice and meet customer needs. The grain supply chain has protocols, processes and practices in place to deliver choice and meet market specifications. These processes are applied every day in the growing, transporting, marketing and processing of special malting barley, noodle wheat, canola, sunflower and maize varieties.

Grain Producers Australia does not support the introduction of compensation mechanisms for economic loss, as mechanisms currently exist under common law. To introduce new mechanisms would undermine best-practice farming systems and Australia’s legal system.

## **BACKGROUND**

Genetically modified canola has been grown in Australia since 2008, and was introduced into Western Australia in 2010. Towards the end of 2010, an organic farmer, Steve Marsh, sued his neighbour, Michael Baxter, for damages after Mr March lost his organic certification when GM canola was discovered on his farm. The case, followed by an appeal, was lost and Mr Marsh

suffered economic case. This case, the only case of its kind in Australia since GM crops were first introduced in 1998, appears to be the reason behind the WA Government's current inquiry.

Commercially approved GM canola varieties have undergone rigorous scientific assessment for human health and safety by the Office of the Gene Technology Regulator (OGTR). The Australia grain supply chain manages the coexistence of many crops and segregations. Successful coexistence strategies contain tolerances for 'foreign materials – such as seeds within a grain, or in the case of GM crops a tolerance, known as "low level presence" (LLP) exists for the presence of GM canola in non-GM canola.

Low level presence is defined as "unintended presence", and in West Australian receival standards the LLP for non-GM canola is 0.9% - a figure based on international standards, including the European Union which is a large non-GM canola market.

By contrast, it should be noted that organic standards in Australia are voluntary and unlike most other countries around the world, the organic standard in Australia has a zero tolerance for contamination. It is perhaps timely for the Environment and Public Affairs Committee to ask if such an approach is practical, measurable, and provides organic farmers with a predictable path-to-market for their produce.

To date, Australia has witnessed one legal case regarding GM crops – Marsh versus Baxter. This case set a precedent, with no compensation awarded for economic loss. The court found that Mr Baxter, the GM canola farmer, had grown a legal crop and managed that crop with legal practices, which included swathing.

## **CONCLUSION**

Grain Producers Australia has confidence in the Australian grain supply to manage products to meet the needs of its customers. As such, Grain Producers Australia does not support the introduction of compensation mechanisms for economic loss in Western Australia caused by contamination by genetically modified material.