

Environment and Public Affairs Committee

Via email: env@parliament.wa.gov.au

16 February 2018

Dear Sir/Madam,

RE: Inquiry into mechanisms for compensation for economic loss to farmers in Western Australia caused by contamination by genetically modified material

Cotton Australia welcomes the opportunity to provide comment and, as the industry representative body, speak on behalf of cotton growers regarding the proposed *Inquiry into mechanisms for compensation for economic loss to farmers in Western Australia caused by contamination by genetically modified material*.

The concerns of Cotton Australia regarding this Inquiry are forwarded in the interests of potential industry expansion in northern Western Australia, and in the interests of future Western Australian cotton growers. Although research trials are currently underway, there are no commercial cotton operations in Western Australia at this stage. Additionally, organic cotton is not currently grown in Australia and, hence the risk of contamination does not exist.

The cotton industry is an integral part of the Australian economy, worth over \$2.3 billion in export earnings for the 2016-17 season, and employing on average 10,000 people. The industry's vision is *Australian cotton, carefully grown, naturally world's best*.

The Australian cotton industry strongly supports the application of GM technology to deliver productivity and sustainability gains to growers. Transgenic cotton currently accounts for over 99% of the total area planted to cotton in Australia and has contributed to a 96% decrease in insecticide use over the last 20 years.

A robust system for science-based and risk-aligned regulation that protects human and environmental health, provides a clear and predictable path to market, and is free from political influence is essential for Australian agriculture. The Australian cotton industry relies on the scientific-rigour for risk assessments undertaken by the Office of the Gene Technology Regulator, Food Standards Australian and New Zealand, and the Australian Pesticides and Veterinary Medicines Authority to deliver GMOs in a manner that is safe for human health and the environment. Implementation of a compensatory mechanism for GM contamination would contradict the principals of the current science-based and risk-aligned national regulatory framework and is thus strongly opposed. It may also set a dangerous precedent for the prioritization of market- or value- based accreditation standards over science-based and risk aligned standards.

Landscape diversity across Australian agricultural catchments is essential for maintaining the vibrancy and resilience of regional and remote communities. Cotton Australia supports the implementation of

public policy and regulation to drive beneficial outcomes for Australian farming communities associated with the protection of freedom to operate, and right to farm. However, implementation of compensatory mechanisms for GM contamination do not serve the interests of co-existence across agricultural landscapes and communities and thus cannot be supported.

The positions outlined by CropLife Australia in response to this Inquiry are supported by Cotton Australia, particularly regarding;

- The redundancy for compensation schemes as determined by previous Commonwealth reviews; and
- A need for the utilization of common law and consumer protection remedies for dealing with pure economic loss that may arise from the torts of trespass, negligence, or nuisance.

In conclusion, Cotton Australia reiterates our position to strongly oppose the proposed mechanism for compensation for GM contamination. Cotton Australia considers that the proposed approach does not align with the nationally respected framework for delivery of science-based and risk aligned regulation, and sets a dangerous precedent for economic compensation beyond that already afforded by common law.

Cotton Australia welcomes any opportunity to provide further information on its position regarding the *Inquiry into mechanisms for compensation for economic loss to farmers in Western Australia caused by contamination by genetically modified material*. For more information, contact Nicola Cottee, Policy Officer, by calling (02) 9669 5222, or emailing nicolac@cotton.org.au.

Yours sincerely,



Dr. Nicola Cottee

Policy Officer, Research Direction and Stewardship