



## **GIWA PREPARED STATEMENT**

**GIWA public hearing at WA Parliament Legislative Council's Environment and Public Affairs Committee Enquiry into Potential Compensation Mechanisms for Farmers Suffering Economic Loss from Genetically Modified Organisms**

**3<sup>rd</sup> May 2018**

It's a privilege for GIWA to be here with colleagues from across the grains value chain advocating for the Western Australian grains industry, especially at seeding time when our growers are busy investing in this year's crop and can't be here in person.

The Western Australian canola industry is one of the absolute stand-out international agricultural R&D and technology success stories – globally - from the past 30 years.

In the early 1970s my father who was a grower from Tambellup sourced some rapeseed from the Department of Agriculture in Katanning. He had heard about a new crop they were growing in North America for edible oil and thought it might have potential for WA. He grew it two years running, it failed due to the fungal blackleg disease and he never grew it again.

Blackleg continued to blight the early pioneering rapeseed research of Dr Narendra Roy at the Department of Agriculture, until around 2000 when the Department, the Council of Grain Growers Organisation (COGGO), UWA and the GRDC invested in a coordinated approach to canola industry R&D and industry development.

As gains were made in blackleg resistance research, the canola genetics and agronomic packages adapted to Western Australian growing conditions improved. Canola in WA grew from an initial investment in 1990 of \$140,000 from Labor Agriculture Minister Ernie Bridge into two Ag Department researchers, to become the 1.9 million tonne, \$1.04 billion, dominant breakcrop industry that it is today (GIWA 2017/18 Crop Report Seasonal Review and Kingwell, UWA, forthcoming 2018).

That's \$1.04 billion or approx. 17% of the \$6 billion WA grains industry.

Approximately one third of the \$1.04billion canola crop, or \$346 million, is GM canola, which was trialled in WA when Terry Redman was Agriculture Minister in 2008 and grown under exemption from 2010 until the repeal of the state Crop Free Areas Act in 2016.

GM canola is a legal crop, regulated under the federal Office of Gene Technology Regulator, and is segregated in the WA export grain supply chain just like other legal crops ie conventional canola, wheat, barley, oats, lupins, with additional testing by the bulk handlers to ensure the low level presence threshold of 0.9% GM material is not exceeded in non-GM canola.

**Western Australian growers are recognised by their peers internationally as being masters of evidence based, applied science.** From the foundation RD&E efforts of DAFWA and industry, after 2010 WA growers embraced the international investment in plant breeding technology that GM canola offered.

Through peer based learning in National Variety Trials, DAFWA and grower group trials they adapted it successfully to WA conditions. They now have another tool in their tool box to address root disease, foliar disease, weed management and herbicide rotation. Many growers grow both GM and non-GM canola in their businesses, depending on its agronomic fit. Domestically the oil our growers produce ends up in the Australian domestic retail, food service, stock feed industries. Internationally the oil is used in the biodiesel, pharmaceutical, stock feed, food service and retail food industries. There is no difference in the protein of GM and non-GM canola oil, and when I go to the supermarket, if it's my preference I can buy branded canola oil which is labelled as being GM-free.

The WA bulk grain logistics supply chain cooperative, CBH Group, which is owned by growers, successfully segregates and transports GM *and* non-GM canola through to end consumers. As does the other bulk handler in Western Australia, Bunge, and the several container exporters. None of these exporters have ever had a load that has been rejected by a customer due to exceeding the Low Level Presence tolerance of 0.9% GM material. Think about all the millions of tonnes of canola which has been segregated and shipped out of WA out of the past 10 years – what a supply chain success story that is!

In international food markets, Western Australia is considered a superior point of origin for quality, safe, trusted foods. The global trade in food is underpinned by various international standards, including the CODEX ALIMENTARIUS for food safety and the OGTR, FSANZ and the APVMA in Australia. The global trade in food relies on countries developing synchronous, mutually recognisable food safety standards, most of which are dependent on the recognition of low level presence LLP of impurities.

In WA grain receival standards are set by GIWA in the framework of the Grain Trade Australia and Australian Oilseeds Federation standards. We have 4 grades of canola – 2 non-GM and 2 GM – which all have tolerances for weedseeds, ryegrass, insects, and which are tested then segregated on delivery depending on which technology - GM or non-GM - they were grown with.

Our multibillion \$, internationally competitive grain value chain operates under the framework of common law. As does the organic industry. Australian common law is the framework we use for dispute resolution. The Western Australian community has had this debate 10 years ago when we trialed GM canola. We had it again 2 years ago when we repealed the Crop Free Areas Act. We have had one court case in 10 years involving GM canola, and that was about the loss of an organic standards certification, not about the adventitious presence of GM material in a non-GM or organic crop. Common law is how we resolved the Marsh vs Baxter case and how we will resolve any future disputes.

GIWA does not support the introduction of any compensation mechanism for farmers who've suffered loss from genetically modified material. To do so would introduce a regulatory burden and inefficiency into our globally competitive grains supply chain.

A reflection: yesterday Minister MacTiernan warned our industry that without continued investment in grains research and development we will not be able to compete against the "Barbarians at the Gate" from the Black Sea and Argentina in our Asian grain markets. If the Western Australian government penalises our globally successful canola industry by introducing a regulated compensation mechanism for a problem which doesn't exist, we'll be giving a free kick wrapped up in red tape to Konstantin from Kiev and Valentino from Buenos Aires. **END**