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Productivity Commission
Regulation of Agriculture
Locked Bay 2, Collins Street
MELBOURNE VIC 8003

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RE: SUBMISSION TO THE PRODUCTIVITY COMMISSIONS INQUIRY INTO REGULATION IN AGRICULTURE

The Producers Forum is a group of food producers who support farmer access to approved crops produced through biotechnology. The Producers Forum was formed over a decade ago and has members in five states.

The Producers Forum welcomes the opportunity to present this submission to the Productivity Commission on segments of the Draft Report into regulation in agriculture for which it has specific comments.

We applaud the Australian Government's initiative with this Inquiry as the regulatory burden on farm businesses is impacting upon our competitiveness, sustainability and productivity.

Draft Finding 6.1

There is no economic or health and safety justification for banning the cultivation of genetically modified (GM) organisms.

The Producers Forum fully supports this finding.

Australia's Office of the Gene Technology Regulator (OGTR) is recognised as one of the best in the world and along with Food Standards Australia New Zealand (FSANZ) provides us with solid assurances that GM crops and foods are no less safe than their non-GM counterparts.

Coexistence of GM and non-GM crops has been proven in Australia and overseas. Sadly, some state governments continue to ignore evidence. This means, for example, that the current stance of the South Australian government in opposing the growing of GM crops based on market and price

premiums, is flawed. One just has to look at current prices for South Australian grains to see that they are currently sitting below the cost of production. In fact, prices are the lowest they have been since 2012. It is about supply and demand on a global scale. There is no price premium for remaining a GM free state. The South Australian government is merely reducing farmer choice and denying agriculture the opportunity to utilise tools best suited to particular farming systems, and in doing so, reducing global competitiveness.

South Australia houses the state of the art Australian Centre for Plant Functional Genomics and the Plant Accelerator but the moratoria and continual funding cuts by the state government is reducing the ability to attract private funds to support research and development and also to retain the scientists that agriculture so badly needs.

The potential to increase the nutritional value of foods such as wheat for low GI foods, or oilseeds with Omega 3 oils will be of considerable benefit to Australia's health costs where diabetes, heart disease and obesity continue to rise.

The potential also exists with the use of biotechnology in crop breeding to reduce the need for chemicals to manage weeds, insect pests and disease, and further increase the safety of our current food production. An excellent example of this is Australia's production of GM cotton that has resulted in reduced usage of insecticides by about 85 per cent per annum.

Draft Recommendation 6.1

The New South Wales, South Australian, Western Australian, Tasmanian and Australian Capital Territory governments should remove their moratoria (prohibitions) on genetically modified crops. All state and territory governments should also repeal the legislation that imposes or gives them powers to impose moratoria on the cultivation of genetically modified organisms by 2018.

Genetically modified crops are now 20 years old! They have been successfully grown around the world for two decades and yet some state governments still refuse to allow farmers to access this new (now almost old) plant science.

The Producers Forum strongly supports this recommendation and that this action must be accompanied by an educational campaign delivered by government, including regulators such as the OGTR and FSANZ.

Sadly, the benefits this technology could bring to Australia, and the globe, to support the production of healthy, affordable and safe food is being limited by a scare campaign from a small, vocal, organised group. This must be countered.

Since the commencement of food production in Australia, the agricultural industry has been innovative in seeking ways to improve sustainability. It is becoming very apparent to many involved in the industry that it is time for another 'revolution' to support sustainable farming. The limitations on GM crops through moratoria in various parts of Australia is stifling the opportunity to meet the challenges facing food production. This is a huge mistake!

Around the world, biotechnology is transforming agriculture for the better, helping farmers grow more food on less land and in sustainable ways. Several published, peer reviewed scientific articles have detailed long term studies of GM crops and found that they pose no greater risk to people or the environment and in some instances provide environmental benefits (Fagerström *et al.*, 2012; OECD, 2012; Lu *et al.*, 2012).

Biotechnology also lowers production costs, which become a saving that can be passed on to consumers. It shows that environmental and economic sustainability can work hand in hand.

ABARES February 2014 Report on Australian Agricultural Productivity states that “Australia’s ability to make the most of opportunities presented by future growth in global food demand depends on maintaining competitiveness through productivity improvements”. The choice to grow biotech crops supports this. The report lists the reduction of regulations as one of the modes to promote agricultural productivity growth.

Australia was one of the first countries in the world to plant GM crops in 1996, when GM cotton was planted in New South Wales and Queensland. The Australian cotton industry now grows almost 100 per cent GM varieties resulting in reduced use of insecticide by around 85% per annum, and healthier waterways, ecosystems and communities. This outcome can be replicated in other crops.

In May this year, PG Economics, a research firm in the United Kingdom, released their Global Impact Study with co-author Graham Brooks stating, “Where farmers have been given the choice of growing GM crops, the economic benefits realized are clear and amounted to an average of over \$100/hectare in 2014 ... Two-thirds of these benefits derive from higher yields and extra production, with farmers in developing countries seeing the highest gains. The environment is also benefiting as farmers increasingly adopt conservation tillage practices, build their weed management practices around more benign herbicides and replace insecticide use with insect resistant GM crops”.
(www.pgeconomics.co.uk)

Australia has the opportunity to capitalise on this by encouraging further crop breeding with biotechnology to produce more food on less land to tackle production challenges as well as cope with increased demand on some of the best productive land by urban spread, lifestyle change seekers, and the mineral sector. Crops with increased water use efficiencies will support more sustainable use of water resources by irrigated and dryland crops.

The Producers Forum is very supportive of the Productivity Commission’s findings and recommendation on GM crops and related moratoria. We strongly support the development of a national strategy on the consistent application of modern biotechnology in agriculture. Further, we encourage state governments to make evidence-based decision-making and, in doing so, support the global competitiveness of Australia’s innovative agriculture sector.

Yours sincerely,

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