

16 February 2018

Environment and Public Affairs Committee
Parliament House
4 Harvest Terrace
West Perth WA 6005

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

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

Introduction

The Australian Seed Federation (ASF) welcomes the opportunity to provide this submission to the inquiry into mechanisms for compensation for economic loss to farmers in Western Australia caused by contamination by genetically modified material.

The ASF is the peak national body representing the interests of Australia's sowing seed industry. The membership of ASF comprises stakeholders from all sectors of the seed supply chain including; plant breeders, seed growers, seed processors and seed marketers, all of whom were consulted in the preparation of this submission.

In Australia, the seed industry is crucial to the development of crops that are critical to the nation's agricultural productivity, sustainability and food security. Plant breeding has always responded to society's need for increased crop yields, better tasting varieties and pest and disease resistant crops. Ultimately, plant breeding fosters sustainable farming practices to meet the needs of a growing global population.

The ASF opposes the establishment of any form of compensation mechanism for the unintended presence at low levels of safe and approved Genetically Modified Organism (GMO) in non- Genetically Modified (GM) products. Any compensation mechanism poses a real and serious threat to the farming sector and is not justifiable as it, if passed, would;

- i. undermine long established legal principles
- ii. ignore that the development, planting and consumption of an approved GM crop is safe.
- iii. impose unnecessary cost with no benefit
- iv. potentially raise issues of inequity and encourage a reduction in stewardship

Legal Principles

Compensation schemes for economic loss to farmers in Western Australia caused by contamination by GM disregard well-accepted standards of common law. This is supported by the independent panel that reviewed the Commonwealth *Gene Technology Act 2000* in 2005-06 that examined the matter of compensation and concluded that the operation of common law and consumer protection legislation in Australia was sufficient.

Approved GM Crops are Safe

The development, planting and consumption of an approved GM crop is safe. It is important to recognise that all GMOs approved by the Office of Gene Technology Regulator (OGTR) for commercial release in

Australia are as safe for human health and the environment as their conventional (non-GM) counterparts. The ASF supports the commercial release and trade of grain from Genetically Modified (GM) and other innovative breeding techniques where these have been approved for commercial release by the OGTR and other relevant Federal, State and Territory regulators.

Weak Benefit Cost Proposition

Compensation schemes for economic loss to farmers in Western Australia caused by contamination by GM would impose a costly mandate on technology developers, seed companies and farmers. These costs would restrict innovation and competitiveness with no apparent community benefit.

Inequity and Lax Stewardship

Compensation schemes could raise issues of inequity where technology developers, seed companies and farmers could be exposed to liabilities for events that occur that are out of their direct control. Furthermore, it could encourage wilful contamination for financial gain, an action counter to the intention.

Compensation schemes funded by technology developers or seed companies could also provide a disincentive for farmers to adhere to the high levels of stewardship currently employed.

Conclusion

In Western Australia, as it is for all of Australia, the seed industry is crucial to the development of crops that are critical to the nation's agricultural productivity, sustainability and food security. The introduction of a compensation scheme for economic loss to farmers in Western Australia caused by contamination by GM would be a costly and unnecessary imposition on technology developers, seed companies and farmers.

The ASF strongly urges the Committee not to impose any compensation mechanisms for economic loss to farmers in Western Australia caused by contamination by genetically modified material.

Yours faithfully



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