



The GE-free Dividend to Tasmania

A Joint Australian Greens and Tasmanian Greens Submission To

***The review of moratorium on genetically engineered organisms
in Tasmania***

Presented By

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Submission Summary

Genetically modified organisms, or genetically engineered (GE) organisms as they are also referred to, currently cannot be commercially released in Tasmania. This GE moratorium must continue. There is little evidence of any gain to the state by allowing GE crops. The immediate impact of lifting the GE ban would be that key agricultural sectors would suffer a crippling loss of existing and potential market access. Moreover, the integrity of the existing Tasmanian brand of pure, clean, high-quality food would be irreparably damaged.

Tasmania has been at the forefront of recognising the advantages of being GE free and we now hold an enviable and marketable position in global markets. The Tasmanian Greens campaigned with forward-looking industry in the late 1990s and early 2000s to convince the then Labor government of the advantages of Tasmania becoming GE free. We were successful in this campaign and have since argued strongly to keep our GE-free status every time the moratorium has been reviewed.

The obsession with GE as something of a panacea to all current and future agricultural productivity challenges is blinding governments and some research institutions to the considerable opportunities available from pursuing non-GE agricultural research and development (R&D) and innovation.

Tasmania, as a GE-free island with excellent biosecurity and a strong agricultural base, is well-situated to benefit from differentiating itself in agricultural R&D as well as production.

Tasmania should actively pursue a strategy of fully capitalising on the state's GE-free status by:

- Formalising a brand for Tasmania, including creation of a "Product of Tasmania" logo certification, franchise and marketing process, and investing in a marketing campaign to promote our brand and GE-free status globally.
- Developing an agricultural R&D strategy focussed on non-GE techniques, with a goal of becoming a global leader in temperate agriculture productivity, sustainability and resilience through the utilisation of crop and animal diversity.

Allowing GE will do irreparable damage to Brand Tasmania

Tasmania is fortunate to be considered as 'clean and green' worldwide. This brand allows several key industries to attract premium prices and access markets that would otherwise be inaccessible. Tasmania's GE-free status is a significant part of this brand and we need to maintain it if we are to move out of the undifferentiated bulk commodity production where prices are consistently driven down in a race to the bottom.¹

Disappointingly, there has been a lack of concerted marketing effort by the responsible government agencies to support and further develop this brand. When the moratorium was extended in 2008 a commitment was made by the then Labor government to undertake significant branding and marketing work. It appears that this never occurred.²

Tasmania's brand as a clean, green producer of high-quality produce is holistic. It is greater than the sum of its parts which include protection of natural areas and associated values of clean air, water and uncontaminated soils; an island advantage that keeps Tasmania relatively free of pests and diseases resulting in low application of chemicals; significant organic agricultural production; a state-led trend in transitioning to free-range farming methods on a broad scale; and remaining hormone growth-promotant and GE-free.

It is not possible to separate out and compromise one of these aspects, such as allowing the use of GE crops, and expect Tasmanian produce to retain the same brand integrity and premium. Scientific arguments regarding how certain GE crops can't or won't contaminate the environment and other agricultural produce are irrelevant in terms of brand perception. If GE crops are allowed in Tasmania the brand damage will be irreparable.

A DPIPWE Issues Paper found that 55% of the current \$2.847 billion value of processed foods and beverages in Tasmania are, or could be, differentiated and sold as Tasmanian branded product. This demonstrates that there is considerable untapped potential to capitalise on Tasmania's brand.

GE will decrease market access for Tasmanian agriculture

The immediate practical consequence of allowing GE crops in Tasmania will be loss of market access and premiums, several of which would cripple key agricultural sectors including:

1. The Tasmanian honey industry, which would lose 40% of its market as the EU would no longer accept Tasmanian honey, devastating the sector.
2. Potential loss of existing and future fruit export into major markets such as Japan, South Korea and Europe, for whom the GE-free status of Tasmania has been a key determining factor in granting market access.
3. Potential loss of future markets for the Tasmanian dairy and meat industries, particularly in Asia where GE-free is a major selling point and differentiator from other nation competitors. Being able to demonstrate there is zero GE in the animals and any grain feed is currently a key selling point for the Japanese market, as one example.

¹ Tasmania 2030: A vision for a green, dynamic and prosperous Tasmanian economy - <http://www.greenvision2030.com>

² Tasmanian Government Policy Statement: Gene Technology and Tasmanian Primary Industries 2009-2014

4. Loss of premiums for iconic Tasmanian produce across all agricultural sectors including King Island dairy and beef, Cape Grim beef, aquaculture, cheeses, the rapidly growing whisky and wine market, niche products including wasabi truffles, and saffron, and the loss of the premium for Tasmanian canola.
5. Allowing GE is a direct threat to the livelihoods of Tasmanian organic and biodynamic farmers who are held to a zero GE tolerance international and national accreditation standard.

Nothing to gain

Of current GE strains available, GE canola has been the key crop in focus as having potential for Tasmania. Given that GE-free Tasmanian grown canola attracts a premium, it is difficult to see any market advantage to the state in allowing GE canola to be grown.

Instead, the persistence of trialled GE canola in Tasmania, requiring ongoing investment to eradicate it and prevent crop contamination, has amply demonstrated the risk to those farmers banking on access to markets and a price premium for GE-free canola and other produce. It is now 13 years since the 57 field trial sites for GE canola were allowed in Tasmania and only four former trial sites have been signed off on as GE free.

There is a minimal cost to keeping the moratorium in place in Tasmania, around \$250,000 annually. If Tasmania lifts the moratorium and allows for some GE crops then it is more than likely that these administrative costs (covered by the public purse) will increase, as will the legal complexities of ensuring that there is no contamination of non-GE crops.

A case in point is the recent discovery of GE wheat in Oregon. Unlike other crops (largely grown for animal feed) American farmers have never raised GE wheat on a commercial base because there is zero-tolerance for it by their customers. Genetically engineered wheat is a commercial liability for US farmers as following the confirmation that GE wheat was present, Japan immediately cancelled imports of soft white wheat and both South Korea and Europe announced more stringent testing.³

Unexplored opportunities

As noted by the World Agricultural Report, GE accounts for one small aspect of a wide range of modern biotechnologies and alternative farming methods being explored and developed with regard to improving productivity, sustainability and climate resilience for agriculture.

While controversy over the value of GE crops continues, other biotechnological approaches combined with conventional plant breeding techniques are already delivering marked improvements.

There is growing global recognition of the urgency and importance of conserving genetic diversity for existing crops and livestock breeds, and edible crops that have yet to be adopted as mainstream alternatives.

As a GE-free island with strong biosecurity and a major focus on agriculture, Tasmania is ideally situated to becoming a centre for conserving rare crops and livestock breeds, developing traits to assist with climate adaption and increasing productivity, and benefitting from niche crops and innovation that result.

³ <http://rt.com/usa/monsanto-lawsuits-gmo-wheat-603/>

One good recent example is the establishment of quinoa in Tasmania as a successful commercial crop. This traditional indigenous food staple of Central and South America is rapidly becoming commonplace in diets as an alternative to traditional cereals, and Tasmania as the home to the only commercial crop in Australia is benefitting from the booming demand.

Many of our successful new farming enterprises are concentrating on preserving and further developing rare livestock breeds (such as Mt Gnomon Farm and Grandveve Cheeses). Similarly, new enterprises utilising the carefully preserved apple tree diversity at the former Grove Research Station are helping Tasmanians benefit from the cider boom.

These highly successful examples have all taken place without a coherent strategic government vision or investment in capitalising on our GE-free status to specifically build rare and diverse agricultural genetic resources and research and development. They clearly demonstrate the potential for doing so.

The threat of the Trans- Pacific Partnership Agreement (TPPA)

The TPPA is currently being negotiated and a major point of contention is the possible inclusion of Investor –State Dispute Settlement (ISDS) rights, which would allow multi-national corporations to sue governments if legislation or regulations impact on their profitability⁴.

The Australian Greens have argued strongly against Australia signing any trade agreement that includes ISDS provisions. Already tobacco companies are threatening to sue the Australian Government because of the impact of cigarette plain packaging on their profitability.

Similarly GE multinational companies like Monsanto could sue the Australian Government for any laws or regulations that prohibit or restrict their ability to sell GE crops in Australia, such as Tasmania’s GE moratorium. This would be a complete breach of Australia’s sovereignty and the best interests of Tasmania would not be served.

To date the Australian Greens and Australian Labor Party have unequivocally opposed the ISDS provisions. However Prime Minister Abbott is actively considering it in order to fast track the signing of the TPPA.

The Tasmanian Government should make urgent representations to Prime Minister Abbott as the TPPA is directly contrary to Tasmania’s interests.

⁴ <http://aftinet.org.au/cms/node/631>