

Submission Cover Sheet

Review of the Moratorium on GM Canola

Submission Number: 95

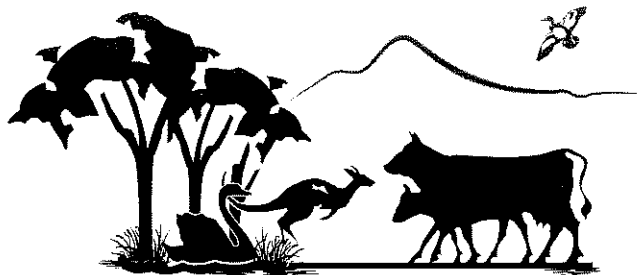
Name of Individual/Organisation: Palerang Agricultural Society Ltd

Date Received: 19 August 2007

Number of Pages: 8

Attachments Submitted with this Submission:

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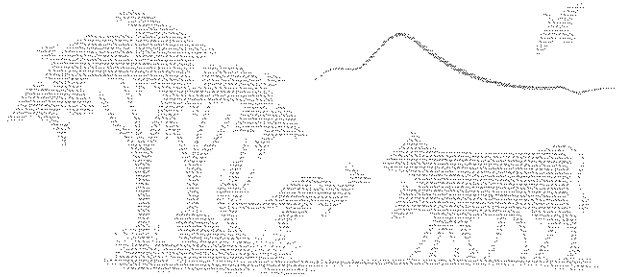
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admin@pas.org.au : email**17 August 2007****GM Canola Review Panel Secretariat**Department of Primary Industries
Level 19, 1 Spring Street
GPO Box 4440
Melbourne VIC 3001
email: GMcanola_Review@dpi.vic.gov.au**Submission to the Review Secretariat
of the Victorian GM Crop Moratorium****Executive Summary**

The members of the Palerang Agricultural Society Ltd (PAS) are farmers and graziers who own over 25,000 acres of productive agricultural land in and around Mulloon Parish, New South Wales and practice a variety of sustainable land management and on-farm agricultural methodologies including bio-dynamic, certified organic, natural biological, no-till/low biocide, and traditional humane.

The Society and its members are against the lifting of the GMO propagation moratorium as their research and analysis of the facts has lead them to conclude that the primary producers of Victoria and Australia enjoy a superior and critical export and domestic customer perception for their horticulture and livestock produce because of the clear and unambiguous peace of mind the moratorium gives that our produce is not contaminated to any degree with genetically manipulated organism crops or livestock.

Furthermore, we've concluded that the moratorium spares primary producers, food processors and the State, untold and presently unnecessary costs that would otherwise be required to attempt to run a dual segregation production system, to develop and serve dual customer markets (non-gmo and gmo), and to deal with the well known collateral land management issues, such as the evolution and outcrossing of 'superweeds', watershed deterioration and Colony Collapse Disorder. Our views are more fully set out herein.



Finally we totally dismiss the often raised call-to-arms of GMO promoters that Australia's primary producers need to have a 'level playing field'. This is a call from North American interests who realise they have gone down the wrong path with GMO crop propagation. That path has been rejected by consumers (by a percentage large enough to be a material concern to food processors) where adequate labelling laws have given consumers the opportunity to choose. In the USA where consumers are denied open and transparent food labelling laws, it has triggered the meteoric growth of 'certified organic' products and outlets. Despite its greater cost to family food budgets for these organic products, it is the only avenue open to those consumers to insure they don't ingest genetically manipulated organisms. It is yet another material consumer vote against GMO foodstuffs.

Australian producers are now benefiting from that huge mistake in the form of superior pricing and demand that is greater than we can supply. It is these present GMO states that want to pull down our superior commercial advantages so that we become like them, with unnecessary costs, bifurcated markets and the virtual impossibility of providing unfettered peace of mind to consumers and food processors that we can provide produce that has not been contaminated by GMO materials, whether in their raw form, or as stock feed, or in post-field blends. Were we to lower ourselves to that playing field, their sheer size and government subsidies would put them back in the international export driver's seat which their poor decision to propagate GMO has presently ejected them from.

By protecting Australia's clean green brand image, by keeping its production and distribution devoid of extraneous and unnecessary costs, and by staying focused on soil sustainability, fertility, and watershed optimisation, Australian primary producers can meet the requirements for a growing food supply with produce that will be in high demand and command a premium price.

Accordingly, and for all the reasons contained herein, the Society and its members behest the Review Panel Secretariat to sustain and extend the Moratorium on the cultivation of GM Canola, including test plots, until 2018 and to further recommend that the State adopt a comprehensive moratorium of all genetically manipulated organisms in agriculture until 2018 as well.



The Palerang Agricultural Society Ltd

The Palerang Agricultural Society Ltd (PAS) is a not-for-profit organisation formed in 2006 to assist farmers and graziers in our region to re-establish a traditional close bonded agricultural community based on sustainable farming and environmental practices. Presently, PAS members own over 25,000 acres of productive agricultural land in and around Mulloon Parish, New South Wales, and we project the owned acreage of members to double during the next 12 months to over 50,000 acres.

The Society assists its members through continuing education, peer experience sharing, social gatherings, and legislative policy activism on matters that affect the members' personal objectives of operating value-add sustainable primary production enterprises. The members vary in terms of on-farm practices that include bio-dynamic, certified organic, natural biological, no-til/low biocide, and traditional humane.

The objective of the Society members' participation is to sustain, through their efforts and intergenerational legacies, the genetic wholeness and diversity of primary production in this region, including soil vitality. The objective upholds their commitment to integrating viable commercial primary production that must produce greater nutritional harvests for humanity, while at the same time sustaining the vitality, wholeness and diversity of nature.

It is because of this objective and commitment and the further particulars as set out in this letter, (which have been limited to the Review Secretariat's terms of reference), the Society and its members unequivocally oppose the provision of hospitality toward genetically manipulated organisms in Victoria and elsewhere in Australia, whether flora or fauna, and are against the lifting of moratoriums on such for a minimum of 10 further years.

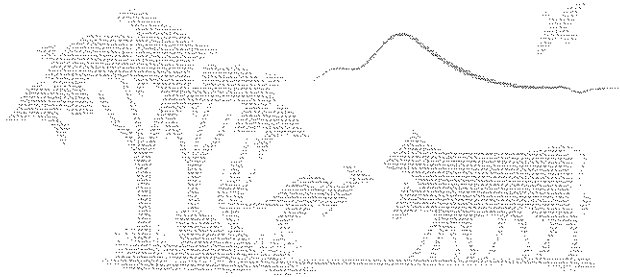
This position is to assure that Australian growers' commercial, marketing and production advantages are not compromised with, actual or perceived genetic contamination of our produce or our environment, which would re-commoditize our currently superior market position for canola and other oil and cereal crops as well as meat, dairy and honey, onto a GMO 'level playing field' whereby present large-scale GMO adopting states, whose producers are often recipients of agricultural subsidies from their governments, would gain the advantage in re-branding us as a GMO producer too with all its known consumer market repulsions.



The Best Interests of Australian Primary Production Economics, Marketing and Export Agricultural Brand Management is to Ban the Propagation of GMO Foodstuffs

Our research and analysis of the matters before the Review Panel Secretariat conclude that a further moratorium extension period will benefit Victoria's and Australia's global agricultural marketing position and financial returns by:

- 1) providing unquestionable certainty for export markets as to the clean originality of our traditionally grown food produce, such certainty being in high demand globally, with proven record of premium prices being paid over GMO produce;
- 2) providing unquestionable certainty for export markets that our organically grown food produce has no GMO contamination, thus elevating even further the premium prices export markets are willing to pay for Australian organic products over organic export products grown and processed in GMO producing states who can only vouch for 'acceptable contamination levels';
- 3) providing Australian producers an export cost competitive edge over GMO producing states by sustaining lesser costs as a result of:
 - a. no extra labour costs and capital expenditures for separate containment systems and management for Growing, Storage, Transport, Processing and Labelling of natural and genetically manipulated crops, and livestock fed the latter;
 - b. no extra labour, transport or disposal costs for second handling of produce when unintentional GMO contamination is tested positive after arrival at food processors who ordered non-GMO produce;
 - c. no producer or state costs for broad scale 'gone-live' GMO regulatory activities;
 - d. lower fertiliser and soil augmentation costs with lesser nutrient lock-up and better biological soil habitat as a result of the soils not carrying the heavy application loads of glyphosate that are fundamental to GMO 'Roundup Ready' cropping methodology and specifications;
 - e. no extra labour and capital costs to development, promotion and management of two separate customer markets (non-gmo and genetically manipulated);



- f. no increased cost for insurance premiums to cover liability for unintended adverse effects of GMO produce to humans, animals and environment;
 - g. no increase in production costs as a result of reduction in producers' negotiation power due to GMO seed and biocide supply constraint oligopoly;
 - h. no greater irrigation needs and costs that otherwise accompany GMO crop planting and growing specifications;
 - i. no increase in labour costs to comply with a greater livestock feed-tracking regimes (such as NAIS in the USA);
 - j. no wastage or special handling as a result of GMO's shorter storage life;
 - k. no litigation costs to defend or prosecute claims of contaminating neighbouring properties, or to extract oneself from GMO supply licenses;
- 4) thwarting the evolution of glyphosate resistant weeds and the expenditure of corresponding costs for stronger biocides, application equipment and labour, and environmental protection obligations to attempt to extinguish such new 'superweeds';
- 5) no risk of jeopardising viability of pollinators, in particular honeybees, as a result of systemic *Bacillus thuringiensis* (BT) pesticides in pollen or the contamination of honey. BT being one of the suspected "perfect storm" contributors to the disastrous honeybee Colony Collapse Disorder in the USA;
- 6) maintaining non-GMO crop yields as good as those attributed to GMOs, without the added production costs or the loss of Australia's international clean green market brand; and
- 7) creating the opportunity to develop 'clean green' rural region ag/eco-tourism revenues as a result of:
- a. comparative uniqueness of Australia being non-GM verses other states; a distinction especially valued by international practitioners of sustainable agriculture, food processors, environmental tourists and consumers;
 - b. improved biodiversity, especially avian, invertebrate, and pollinators resulting from selective use of biocides verses the systematic multiple application regimes of broad acre glyphosate or the indiscriminate systemic (BT) toxins.



Consumers Have Already Condemned Genetically Manipulated Foodstuffs

While the science of GMO is outside of the terms of reference of this Review, it is clear from a sales and marketing perspective that the perception of the GMO science, (whether factual or anecdotal) on the part of domestic and export consumers is not positive and is detrimental to the market penetration and pricing of GMO produce. Some states, such as the USA, have attempted to thwart consumer concerns by having defective product labelling laws so as to defeat full and transparent disclosure to their consuming citizens and foreign aid recipients, despite extensive protest from consumer advocate groups and recipient nations to the contrary. No doubt these defective labelling regimes are a material contributor to the (unwitting) consumption of GMO foodstuffs by people in those lands, which further makes misleading the so-called acceptance statistics touted by GMO promoters.

“Certified Organic” agriculture is the fastest growing agricultural sector in North America, South America and Europe, which also happen to be the global regions of greatest GMO propagation, or in the case of Europe the greatest importer from those regions. In our view, consumers are not purchasing organic for the pleasure of paying more money for their food, but rather because they are seriously concerned with ingesting GMO contamination, especially so for their children; with baby food being a top category of the Certified Organic market. Because of the defective labelling laws of the USA, their consumers only have Organic Certification to rely upon for the positive assurance of their food containing no GMOs, which is banned by the certification criteria. For these consumers, paying more of their household food budget may not be so much a vote for organic, as it is a vote against GMO. Here again there is yet another failed promise of GMO promoters because when GMO is introduced in a land, food prices rise, they don't lower.

GMO promoters' argue that a dual non-GMO and GMO system of containment can successfully coexist when acceptable levels of cross-contamination are allowed. While the sciences of transport and pollination would substantiate the fallacy of this argument, the cut-to-the-chase question of whether or not consumers are willing to allow their food processors (Nestlé, Kraft, Kellogg, Campbell, Dairy Farmers...) to include in their products 'an acceptable level of GMO contamination' is a matter that will effect Australian primary producers' economics, marketing and brand assets. Except in states with defective product labelling laws, the majority of consumers have not knowingly accepted GMO ingredients or contamination in their foods.



A 1999 Deutsche Bank report on biotech investment stated that at a recent GMO industry conference, a representative of Nestlé, the world's largest food company, said, "Don't expect us to take a bullet for your GMO products." Why would they? If only 5 or 10 percent of their customers refuse to purchase products with GMO inputs, what publicly listed food processing company is going to wave good-bye to that much of their business or double their cost by running two production and marketing lines? Not one. This was reconfirmed earlier this year, when Mars, the world's largest candy producer, instantly reversed its decision to change its new and cheaper rennet ingredient, after just 6,000 consumers protested. According to the BBC, Mars says it became "very clear, very quickly" that they had made a mistake.

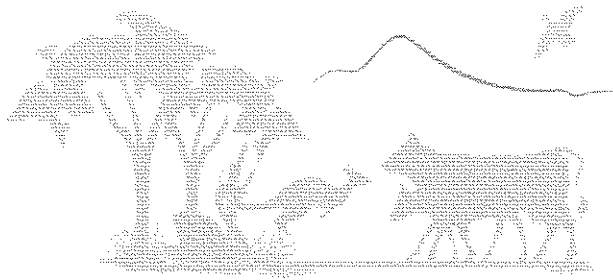
Furthermore, non-GMO production in the same state or production system as GMO produce is troubling for consumers to the extent that non-GMO produce market penetration is compromised unless excessive extra costs are incurred to prove that no contamination with GMO produce has occurred. Whether rational or not, this is the unassailable majority view of consumers around the world, and to an extreme extent for consumers of organic produce. Whatever have been the efforts of GMO promoters, whether corporate or governmental, they have failed to get the mass of global consumers on side.

Having failed for more than a decade to win broad consumer support for GMO produce, its promoters resort to side stepping consumers and forcing GMO introduction by co-opting agricultural groups with unsustainable promises of lower costs and less work and lobby politicians, with Malthusian fears of global famine to achieve by stealth, GMO propagation legislation, quickly followed-up by the necessary defective labelling legislation so a consumer rebellion, as was seen in the UK and Europe, is quashed before it starts, for lack of information.

Conclusion and Recommendation

In addition to the key marketing and financial benefits set out above* that accrue by sustaining and extending the present Victorian moratorium on the propagation of genetically manipulated foodstuffs, such an extension would allow further time for our domestic and export customers to transparently observe how their scientific concerns are handled in GMO adopting states without

* Research citations and elaboration for any of the key marketing and financial benefits set out in this submission can be provided to the Review Secretariat upon request of the Society.



putting to risk and irreparably harming the commercial success and prospects presently enjoyed by Australia's horticultural and livestock primary producers.

Accordingly, and for all these reasons, we behest the Review Panel Secretariat to sustain and extend the Moratorium on the cultivation of GM Canola, including test plots, until 2018 and to further recommend that the State adopt a comprehensive moratorium of all genetically manipulated organisms in agriculture until 2018 as well.

Respectfully Yours,

Palerang Agricultural Society Ltd

Richard David Graham
Chairman