

Submission Cover Sheet

Review of the Moratorium on GM Canola

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Attachments Submitted with this Submission:

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Dear Review Panel,

I am writing to express my great concern that the Victorian government is considering lifting the ban on commercial growing of GM canola. I understand that this review is only addressing the economic impacts of the moratorium, and not health, safety or environment concerns. As a consumer, I am astounded and very concerned that the review is not addressing these other issues, but will restrict my comments to economic issues as requested.

I strongly urge you to extend the state GE food crop moratorium for another 5 years on the following grounds:

It is not clear that increases in yield from GE canola crops will have any economic benefit for farmers. In a recent report, Nuffield scholar Andrew Broad estimated that genetically engineered (GE) Roundup Ready canola would cost \$27.82 per hectare more to grow than conventional canola. He claimed that this would be compensated for if there was a yield gain of 4%, not taking into account the additional costs of segregation and identity preservation. However, a review by the Australian Productivity Commission concluded that Canadian GE canola varieties have only shown a 1% increase in yield. This increase is likely to be quickly eroded by problems of herbicide resistance. An RIRDC report on GE canola by Anderson and Jackson also states that the average Australian farm household income would decrease with GM adoption - even with rice and wheat included - if the EU moratorium on GE crops remains.

Australian farmers currently receive premiums of up to A\$120/tonne and preferential market access for their canola because of its GE-free status. These premiums would be lost if GE canola were grown and our export markets where GE foods are not permitted - such as Japan and Europe - would be put at risk.

GE canola will harm non-GE farmers. Currently, non-GE farmers are expected to bear many, if not most, of the costs of introducing genetically engineered (GE) crops. The Australian Bureau of Resource Economics (ABARE) has estimated that the introduction of GE canola will cost non-GE farmers 5-15% of the farmgate value of their crop. Non-GE farmers will also be exposed to increased financial risk, including potential liability and lost market access, when the inevitable contamination occurs.

We would all have the higher costs of dealing with herbicide tolerant weeds (wild radish, turnip, charlock, ryegrass and barnyard grass) by outcrossing from Roundup and Basta tolerant GM canola and from repeated use of these chemicals. These weed costs will be felt widely - by local councils, parks authorities, farmers and gardeners.

So, who would derive economic benefit from the lifting of the moratorium on GE canola? The evidence suggests that it would be of limited economic benefit to farmers who grow GE canola, lead to increased costs for non-GE farmers, and an EU economic report also shows that GM foods are not necessarily any cheaper for consumers, assuming that they accept them. I would argue that it's companies like Bayer and Monsanto, not Victoria, that will benefit economically from the lifting of the moratorium on commercial growing of GE canola. I strongly urge you to recommend the extension of the state GE food crop moratorium by 5 years and the labelling of all GE food, including oils and products from animals fed GE feed.

Regards,

Rachel Carey

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Principal