

Submission Cover Sheet

# Review of the Moratorium on GM Canola

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**Attachments Submitted with this Submission:**

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Twynam Agricultural Group is an Australian and family owned company operating 17 properties in NSW as well as having operations in Argentina. Our enterprise mix includes beef, wool, rice, cotton, cereal, oilseed and pulse crops. In Australia we commercially grow GM cotton and in Argentina we grow GM soybean, corn and cotton.

Our fundamental point is that not all GM crops are equal, just as a Hyundai is not equal to a Mercedes. Each crop AND each trait needs to be considered on its merits. Biotechnology is a valuable tool that needs to be used wisely.

In our view GM canola as presented by the technology providers doesn't stack up.

We believe that the socio-economic impacts in today's world, with what we currently know, are negatively biased.

There are substantial potential commercial risks to grain growers and they should have the final say on whether GM canola is introduced or not.

The cost/benefits of GM canola do not outweigh the commercial risks.

Below is a table we produced in 2005. Today we don't think the concept has changed.

If you look at the Cotton GM products there were at introduction of the technology:

Clear environmental benefits

- End market acceptability
- Production system coexistence
- Financial benefit
- Strong grower and industry involvement and support in decision making processes (including most importantly at the pre release stage)

Compare the Cotton case study with the Canola one where there is:

- No clear cost benefit
- Minimal to negative environmental benefits
- Lack of majority grower and industry support.
- Unclear market acceptability

Impossible coexistence. We are virtually guaranteed to have contamination of the supply chain. This is Twynam's opinion and also supported by public comment by the grain handling entities e.g Cooperative Bulk Handling has conceded that growing genetically modified crops could pose significant costs and handling difficulties for the bulk handler.

"But GM segregation raises the stakes for failure to a higher level," Mr Portmann said.

### **Lack of Grower Support**

Unlike cotton there is a lack of strong grower support for the product. Comparison of grower survey results contrast starkly with Farmer, Industry & Government body positions. We believe that the only fair and reasonable way of introducing a technology that is up for so much debate is to have it voted on by the grain/oilseed industry, in a similar manner as we vote for increases in R&D levies

### **Unclear Market Acceptability**

- For every marketer that advises there are no concerns with the markets there is a counter argument provided.
- The AWB, Pulse Australia and the Barley Board have expressed concerns for negative impacts on their market access or identity preservation costs. Domestic

purchasers, eg. Goodman Fielder have also indicated a strong preference for non GM canola

- GM thresholds could become non tariff trade barriers.
- Its interesting to note that despite the grains industry assessment that canola market access is not a risk, it is only on the basis that growers segregate GM and non GM canola. This will be at a large cost and is bound for failure. In effect making Australia a 100% GM provider.
- There has been recent discussion about whether there have or haven't been canola premiums in the last 1-2 years. We believe that the answers is that there have been non GM premiums as shown by the much higher domestic canola price versus world price.
- Twynam's position is whilst the market is in such a state of "discovery" why introduce a crop that adds risk to our marketability unless the benefits to the industry are so large that **growers decide** they are prepared to run that risk.

### **Coexistence**

- The goal of coexistence is to protect the interests of each production system
- GM canola fails to achieve these goals by creating
  - a) potential cost burdens on those who choose not to grow GM canola to prove their crop doesn't contain GM goes against this principle and
  - b) unacceptable risks for liability if segregation fails.
- We believe that coexistence is not viable due to the likelihood of contamination

### **Summary**

Moratoriums are an unfortunate political process that reflect public concern that growers, industry and government have not

- a) developed an effective process to address issues of concern including socio-economic issues
- b) adequately informed and involved stakeholders
- c) the capacity to decide if a specific GM crop is or is not in the industry or national interest.

Grower consultation, representation and ownership of decisions being made on their behalf is inadequate given the significance of issues and Growers should be voting on the introduction of GM grains/oilseeds.

Twynam is strongly of the view that GM Canola should not be introduced

Please feel free to contact me if you have any questions.

Yours Sincerely  
Johnny Kahlbetzer