



# KANDANGA FARM



## Submission to the National Organic Standard Bill 2024

Firstly thank you for taking the time to investigate this critical issue after so many years of neglect.

The National Organic Standard Bill of 2024 is critical as Australia is the last OECD country to not have a regulated National system compatible with our potential trading partners.

In our case we have a small (but growing) beef business that has been “chemical free” for a decade and Certified Organic under the National Standard for 5 years. We also own a Rural Supply Farm Store- the only one servicing exclusively the Organic and Non-Chemical markets for farmers (we uniquely sell no chemicals or synthetics). We run a café hosting events that feature local and Organic food and sell our own beef (along with other Organic customers’ produce) through the Farm Store. We also have a range of proprietary allowable Organic inputs develop to see the removal of chemicals from food production.

In our world, I see every day what misinformation is in the market as to what is “Organic” and what isn’t. Our reason on the farm for becoming Certified Organic in the first place was to remove the disinformation and make it simpler for customers to differentiate what food is produced without synthetic inputs and poisons and what isn’t – How little did we know!

These are my observations:

- There is distrust with the word “Organic” in the farming world and by consumers as an “Organic” name can be put on any product. We compete with “Organic” butcher shops that provide vague packaging (at best) or disinformation (at worst) around their products. A common practice is to supply portions of their offerings from “Certified Organic” suppliers, with the majority from “conventional”. Many of the facilities we compete with are not “Certified Organic” themselves so under a regulated system (post the passing of this Bill), I believe would not be able to deceive customers in this way. With no external audits- because of no certification, their systems are rife for profiteering at the expense of customers (paying premiums for Organic- or perceived Organic). Their legitimate Organic suppliers who are only getting a portion of the butcher shop business also suffer and Certified Organic product suppliers (like our K2 Organic Beef business) who have to compete with non-certified product while incurring the costs of certification are at an unfair disadvantage.



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- I believe product substitution and packaging of non-certified product as Organic costs K2 Organic Beef over 50% of our current revenue. IE we are limited in the outlets we supply from over 50% of the shelf space and over 50% of the sales by these non-certified competitors and we cannot say anything as they are doing nothing wrong. Reseller stores, (we supply 8-10 small organic shops), by and large don't know what they are being supplied with and customers with limited time and knowledge are being deceived every day. The responsibility for this lies solely on regulators who have allowed the situation to develop, and that must cease.
- On costs, production of grassfed Organic Beef should (I believe) be less expensive than "conventional" as we don't have to pay for poisons. What we do spend a lot of money on is justifying what we do through certification and "conception to consumption" traceability systems far more advanced than what any conventional producer has. We use a European DNA tag system linked to RFID and a software tracking system to record every paddock move (mostly daily) for every animal and every input those animals get, every treatment and activity for their entire life. I believe the system we have is beyond reproach and world-leading. We do all this to essentially prove what we DO NOT DO (use poisons to produce food). Shouldn't it be the other way around with the emphasis on non-certified producers to have this level of traceability and Organic producers (Certified) not needing that as we operate using "safer" production systems, a standard and a third party auditing system? Not covered in the act- but food for thought.
- In our business, the cost of compliance- paying for our butcher shop Organic Certification, having to use an Organically Certified abattoir, Paying Certification on our farms, Auditing and traceability costs and continually fighting for market share against non-certified "Organic" suppliers is stifling. The on-farm compliance and additional traceability costs us around \$1.50-\$2 per kg of edible meat we sell. We are a small operator and if we could sell more product because the shops we supply would know the competitors we have to share shelves with- many who are labelling as Organic (but not Certified) were removed or made to comply, we could expand and share those costs across more kilograms of retail product. Double our size would still have the same compliance costs but reduces consumer costs by \$1/kg.
- We hope this Bill will address some of the issues we face, however it's really just "Truth in Labelling" that our customers want. I personally field 3-4 customer enquiries per week, do many social media posts and host farm walks, field days and food events explaining to people the difference between "Organic" and "Certified Organic". It's confusing for the layman and has only resulted from lax laws. Just make it simple.



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- One final point: There is currently a crisis in the food processing sector with the closure of many small abattoirs that used to service kill for non-factory farmed animals. Large abattoirs in some states are also “locking out” smaller operators (farmers) with minimum kill requirements. Overall this is making a less resilient food system with less, larger operators dominating. This is bad news for farmers, for consumers and (many argue) for animal welfare – with increased distances to processing being required and less transparency in bigger facilities than small. Our processing facilities are at risk of ceasing our monthly Organic kills as they have to operate under two standards with NOP taking precedence. If there was just one Internationally recognised organic standard (like our competitors have), more producers could access Certified processing facilities, more Certified Organic product would be domestically available and the organic industry would grow exponentially (I believe). There is nothing else stopping it.

No farmer I know likes using poisons to produce food yet it has become normalised for so many in past decades. The ban on Diazinon recently and the “Urgent Review” of Paraquat, Fluprofonate and others has many more producers coming to the Farm Store interested in Organic Production. They don’t want to be exposed to chemicals themselves and many have questions about the long term implications for the food system and their soils and ecology.

Our experience is that there is a cost in the transition away from chemical farming (both a production cost initially – for 6 months of so, but then a compliance cost). In other countries there are programs to help farmers get away from poisons and into Organics. We host Danish students from an Organic Agriculture University who, upon graduation, are eligible for concessional loans to start their own organic farm. I believe this Bill could open the way for a range of programs to move Australian production back to being “Clean and Green”. It all starts here.

So to begin that Organic transition, there has to be a market for products, and to have a market there needs to be customers who are confident in the system. From production to consumption, the lack of action on Organic labelling to date has eroded confidence. Queensland already has over 43% of the WORLD’S certified organic land, it’s a no-brainer here, so the changes this act will induce will have a flow-through across this industry not only opening markets and reducing confusion but beginning a revolution. Please support the Bill!

Tim Scott