FRONTIER SEEDS PTY LTD

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The Secretary
House of Representatives Standing Committee
on Primary Industries and Regional Services
Parliament House
Canberra ACT 2600

Dear Sir / Madam,
Frontier Seeds Pty Ltd is a small company incorporated in May 1997 with a mission statement from it's business plan ' to become a dependable producer, marketer and supplier of high quality seed into the Australian market.' As the proprietor of Frontier Seeds Pty Ltd I appreciate the opportunity to present this brief submission to your standing committee on primary producer access to gene technology.
Currently, Frontier Seeds Pty Ltd is producing under contract five lines of canola seed for the Australian market and next summer will produce three varieties for the Canadian seed market (including genetically modified canola). In addition to producing approximately 20% of the Australian canola seed requirement, Frontier Seeds Pty Ltd also produces lucerne seed, clover seed , the new Casbah Biserrula legume and field peas.
Marketing all the above mentioned species gives the company an opportunity to be seen as a dependable supplier of high quality certified seed.

Genetically Modified Varieties
New gene technology, including genetically modified varieties, offer a greater opportunity to primary producers and others to improve production quantity and quality. Accordingly, there exists a tremendous future for genetically improved varieties in Australian agriculture.
'Roundup Ready' canola and 'Liberty Link' canola , both hybrids and open pollinated varieties , give farmers a greater opportunity to produce a higher yielding crop and gain better weed control at the same time. Environmentally, these herbicides offer less risk than triazine herbicides and the crops are at least 30% higher yielding than triazine tolerant canolas. Clearly farmers are interested in this opportunity.
However, acceptance of produce from genetically modified germplasm has some way to go both in Australia and overseas before the public at large consume food products from these sources.

Ability To Compete
To compete on the open world markets has been the goal of many Australian farmers but tariffs, subsidies and protected markets have made this more difficult or even impossible in some cases.
Improvements in gene technology in the rural sector may assist in addressing this issue **if** the technology is made available to all farmers at a practical, realistic and affordable price.
Frontier Seeds Pty Ltd can do this. The low cost structure and market awareness of the company give it the edge in providing quality at an acceptable price to farmers and rural agents.

Australian farmers have proven over the last 20-30 years they are efficient compared to their counter parts overseas. If we do not adopt new technology such as new germplasm then maybe we are limiting our potential to grow and hence compete with other rural producers around the globe.

Commercialisation and Cost of New Varieties

The large scale multi-national companies who own the genetic material will aim to maximise the 'return on their investment' if and when they enter the Australian market with unique germplasm. Usually, a licencing agreement accompanies the sale of germplasm so the farmer is 'tied up'and no longer has a choice of brand names if a herbicide is linked to the crop.

Canola is a crop which is currently gaining momentum in Australia and potentially offers new germplasm within the next few years.

At the moment the Australian farmer can plant certified seed for around $10.00/ ha seed cost. New hybrids and genetically modified plants are likely to cost the farmer around $40.00/ ha for seed assuming a sowing rate of 3kg/ ha. On top of this is the herbicide cost which may be at a premium . Clearly this would be the choice of the farmer but it would be nice to see the Australian farmer become more viable rather than just making a small profit.

Assistance To Small Producers and Protection of Independent Breeders Rights

While it is critical to progress in all facets of life it is also important to not lose one's rights by handing over independence. There are many small breeding programmes in Australia most of which have a role to play in Agricultural development. It is important these be maintained if they are currently playing a role in genetic improvement.

Any new genetic material developed in Australia by government funded programmes must be made available to Australian companies for commercialisation. This would assist small producers if pricing is kept at the lower end of the scale.

Assistance to small breeding programmes could come in the form of grants accumulated from crop delivery levies etc.

Summary of Points Raised

- Genetically modified plants are superior in many ways and are likely to dominate agricultural production in the near future.
- Australian farmers need new varieties and new options in order to compete with the rest of the world.
- We must not lose our independence and become servants to big companies dominating agriculture.
- We must support small breeding programmes by way of levies to keep our independence but still be able to work with the big companies.
- Smaller Australian companies are the best way of getting new varieties to farmers in a cost competitive manner.

I hope these points have been useful to the committee. If required, I am happy to answer further questions or address the committee personally.

Yours faithfully,

David Thomson B.Sc.Agr (Syd)
Managing Director