

Agrifood Alliance Australia

**Submission to the House of Representatives Standing
Committee on Primary Industries and Regional Services
Inquiry into Primary Producer Access to
Gene Technology**

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1. Introduction

Agrifood Alliance Australia (AAA) welcomes the opportunity to put forward its views to the House of Representatives Standing Committee on Primary Industries and Regional Services Inquiry into primary producer access to gene technology.

AAA is a strategic alliance which has been established between farmers, industry and research and development organisations who have a shared interest in the beneficial application and use of biotechnology in agriculture in Australia.

The Alliance was officially launched in May of this year and is a cooperative venture between the National Farmers' Federation, Avcare (the National Association of Crop Production and Animal Health), the Grains Research & Development Corporation (GRDC), the Seed Industry Association of Australia, the Australian Biotechnology Association (ABA), Cooperative Research Centres Association (CRCA) and Pivot Limited.

The founding organisations of AAA ensure that the group is in a position to interact with the government and general public on issues relating to biotechnology. Each member not only represents a significant stakeholder group in biotechnology, with substantial communication networks of its own, but also share a wealth of knowledge in biotechnology in agriculture.

The driving force behind AAA's formation is recognition by farmers and industry that, unless consumers are in position to make informed choices about biotechnology applications, particularly in food, many of the benefits of this technology will be lost to Australia.

The goal of AAA is to enhance consumer access to quality information on the application of biotechnology in agriculture in order to help achieve a better understanding and acceptance of the benefits and risks by the general public.

AAA's Submission is focussed on those factors identified in the Inquiry's terms of reference which relate to enhanced understanding of biotechnology in the community and developing consumer confidence in government controls over biotechnology.

2. The future value and importance of genetically modified plant varieties

AAA believes application of modern biotechnology will be an important tool now and in the future for Australia's farmers which will enable them to continue to enhance efficiency, productivity and sustainability, within the constraints of finite land and water resources.

Significant environmental benefits being demonstrated by transgenic crops include reduction in chemical use, and increased efficiency of existing land and water resources used for agriculture. All these factors combine to help reduce adverse impacts on the environment from agricultural production.

The viability of Australian agriculture is dependent on exports, 80 percent of our agricultural produce is exported earning \$27 billion for the nation last year alone. To remain competitive in export markets, farmers are continually investing in methods which enhance their efficiency and productivity. For example, Australia is one of the top 5 grain exporting nations and to retain this position farmers must have access to the latest varieties and farming methods.

In the grains industry productivity gains have resulted from factors such as more efficient fertiliser use, better crop rotations, new crop varieties, and adoption of sustainable lower input based systems. In the future, improvement in the areas of crop rotations, disease and pest control and better management of climatic variations have been identified as factors to be addressed. Application of modern biotechnology allows crops to have greater pest and disease resistance, with reduced dependence on chemicals and increased tolerance of climatic factors, such as drought.

Australia's domestic policy responses to the products of modern biotechnology must therefore, be sensitive to our need to operate and compete as a free trade country in international markets, whilst contributing to sustainable and successful food production systems domestically.

The International Service for the Acquisition of Agri-biotech Applications (ISAAA) reports that investment in transgenic crops is significant, globally. In 1998 the global area of transgenic crop plantings was estimated to be 75 million acres. This represents a 10 fold increase from the 7 million acres that were planted in 1996.

There has been rapid adoption of transgenic crops in a number of Australia's major trading partner countries, especially North America where legislation and public acceptance are more advanced than in Australia. For example, in the US 22 different transgenic crops are being grown, compared to Australia's 2. Farmers and industry in these trading partners have embraced agricultural biotechnology in recognition that it is an essential component to competitive food production and international trade.

Australia's farmers and industry have also recognised the importance of agricultural biotechnology as a critical factor in ensuring competitiveness in our all important world markets. Although transgenic cotton is being grown, with concomitant reduction in pesticide applications to the crop, a number of products have become backlogged in Australia's ill-defined regulatory system for genetically modified organisms. Such hold ups seriously undermine Australia's capacity to compete.

Some of the production benefits from crops derived from biotechnology include:

- varieties with increased resistance to pests and diseases which lead to benefits including, reduced pesticide and herbicide use, reduced input costs and reduced adverse environmental impacts from chemical use;
- new varieties which make better use of soil nutrients, leading to reduced fertiliser use;
- reduced labour costs and energy costs;
- improved yields, quality and produce that is better adapted to requirements of the food industry and consumers;
- quicker adaptation of crops to environmental and climatic factors, such as reduced water use, salt resistance and drought tolerance;
- crops which incorporate the nitrogen fixing ability of lucerne, peas and soya into other crops, assisting improvement of soil nutrition and enhancing productivity, and
- accelerated breeding of plants with improved characteristics leading to productivity gains, such as faster growing trees for wood production and higher quality grains.

3. The appropriateness of current variety protection rights, administrative arrangements and legislation, in relation to genetically modified organisms

Industry and farmers recognised some time ago that biotechnology would be a significant tool for enhancing agriculture's productivity and environmental sustainability now and in the future. It is important to recognise that it is just a production tool. The tool itself is not a good thing or a bad thing, rather, it is how that tool is applied and the risk management structures that are put in place which will dictate whether it provides a positive or negative result for society. AAA believes there is a critical role for Government, as the umpire on behalf of the community, to ensure that the regulatory environment in Australia for products of biotechnology has sufficient rigor and transparency that the community can have confidence that the technology is being applied for the good of society.

AAA believes a balance can be struck between the concerns of the community and farmers and industry's desire for access to this technology. There is, quite clearly, an important role for government, to ensure every effort is made to address existing community concerns.

AAA recommends that Australians should be given the opportunity to come to terms with this technology, learn about it and assess its benefits and risks in an informed manner. To enable this process to occur, the government must move quickly to address existing deficiencies in Australia's regulatory regime for products of biotechnology. Until such deficiencies are addressed, any efforts to inform the community that a rigorous and responsible approach to biotechnology is being taken will be constantly undermined.

In order for Australia to attract the size and scope of investment from the biotechnology arena, investors must be assured that they will be able to recoup a return on their investment. As the level of funds invested in plant breeding and biotechnology increases, the demand for mechanisms protect those investments also increases.

The ability of Australian farmers to access the benefits of biotechnology will largely depend upon the strength of Australia's key 'Intellectual Property Protection' systems, namely, the *Plant Breeders Rights Act 1994* and the *Australian Patent Act 1990*.

Farmers and industry are also seriously concerned by the call by some advocates opposed to biotechnology who are seeking a "go slow policy approach" by the Australian Government. Given the rapid and increasingly widespread application of this technology around the world, Australia cannot afford to pretend that the revolution has not begun. Such policies could also jeopardise Australia's reputation as a free trade country. Australian agriculture simply cannot risk losing access to international markets by providing our international competitors with excuses to erect barriers to trade of our products on the grounds that we are implementing such policies ourselves in response to biotechnology.

Recommendation

Agrifood Alliance Australia believes that the Government's slow pace in addressing deficiencies in existing regulatory arrangements in Australia for biotechnology risks is undermining agriculture's export competitiveness and potential national gains.

The Alliance recommends that Government address the current deficiencies in the regulatory process as a matter of urgency.

4. Opportunities to educate the community of the benefits of gene technology

The development and uptake of new technology does not always occur at the same pace as wider community acceptance of the use of the technology. In the case of biotechnology which by its very nature, is leading to rapid changes in food production, there is a clear need to ensure the wider community is informed about advances brought about by modern biotechnology in agriculture.

A significant proportion of consumer concerns appears to be on the basis of a lack of confidence in government regulatory frameworks and the lack of provision of information on biotechnology for the community.

AAA supports the rights of consumers to exercise choice in the foods they eat. However, it is critically important that consumers are exercising informed choice, on the basis of balanced debate and credible information.

The AAA was formed by farmers, industry and research institutions in response to the clear void of credible and balanced information being presented to consumers. It is apparent to AAA's members that there will be little benefit from the technology to producers if the market does not accept the product.

One of the barriers to consumer acceptance at this stage appears to be the fact that there is little discernible benefit to consumers in the products on shelves. Many of the biotechnological characteristics developed so far benefit agricultural inputs, for example, new crop varieties may be drought resistant or salt tolerant. However, it is difficult for those benefits to be extrapolated to the finished product, so that consumers can see (and taste) the benefits as well.

The Government has an important role to play as the provider of balanced advice and information to best serve the interests of consumers. Consumers are not interested in being "educated about" or "preached to" about the benefits or risks of new innovations and technologies. Rather, the community requires access to quality information and advice from a body which they trust on which to base their choices.

The Government's Budgetary allocation this year to such a campaign was, therefore, welcomed. However, there is already concern that funding levels may not be sufficient to ensure a comprehensive consumer information campaign.

The first Australian Consensus Conference, on "Gene Technology in the Food Chain", held in March this year, brought to light a number of key concerns that the general public have with regard to biotechnology. Of note was a clear lack of consumer confidence in existing regulatory processes for gene technology and the need for a mechanism to allow for greater consultation between government, industry and consumers and public access to information.

A national postal survey undertaken by the CSIRO last year regarding attitudes to genetic engineering and food achieved a 65% response rate and came up with the following findings:

- 58 per cent had heard little or nothing about genetic engineering;
- those who could define genetic engineering thought it had something to do with altering genes, mutation or cloning;
- 47 per cent of men thought the technology would make life better, compared to only 24 per cent of women;
- 70 per cent thought citizens had a role in decisions about technology, and
- only 20 per cent felt that the risks of genetic engineering had been exaggerated.

AAA Public Awareness Campaign

AAA will be seeking to develop a complementary communications program to that of the government. AAA's primary areas of interest are:

- demonstrating to the community the environmental benefits of biotechnology;
- advising the community that any potential risks to the environment can be ameliorated through controls and monitoring;
- demonstrating the new solutions that biotechnology offers for sustainable agriculture, such as reduced pesticide risk, more efficient use of land and water and the growing of crops better suited to Australian climatic conditions, and
- advising the community that industry supports Government regulation of biotechnology and that foods will be subject to rigorous, transparent assessment, based on sound science.

Recommendation

Agrifood Alliance Australia welcomes the Government commitment to the establishment of Biotechnology Australia and investment in a public awareness campaign on biotechnology.

The Alliance recommends that Government ensure that adequate resources are made available to both Biotechnology Australia and an information campaign. The public awareness campaign must be extensive and present credible advice on the benefits and risks of biotechnology.

Readings

Australian Academy of Science, April 1999, National Science and Industry Forum Report: Gene Technology and Food.

International Agri-Food Network, April 1998, Statement on Biotechnology and the Agri-Food Industry.

James, C. 1998, Global Review of Commercialised Transgenic Crops: 1998. International Service for the Acquisition of Agri-biotech Applications, (ISAAA)

Lay Panel Report, March 1999, First Australian Consensus Conference: Gene Technology in the Food Chain.

National Farmers' Federation, October 1998, The Commercialisation of Australian Intellectual Property for Biotechnology and Gene Technology Business Plan Working Paper.