

**GENE TECHNOLOGY (GM CROP MORATORIUM) AMENDMENT
(POSTPONEMENT OF EXPIRY) BILL 2011**

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Bill introduced on motion by Ms Katrina Hodgkinson.

Agreement in Principle

Ms KATRINA HODGKINSON (Burrinjuck—Minister for Primary Industries, and Minister for Small Business) [4.49 p.m.]: I move:

That this bill be now agreed to in principle.

The bill seeks to extend the operation of the Gene Technology (GM Crops Moratorium) Act 2003 for a further 10-year period. The Act is due to expire on 1 July this year. If the Act expires on 1 July, it will mean that genetically modified [GM] food crops approved by the Commonwealth Government will be able to be cultivated in New South Wales without needing approval by this Government. The cultivation of genetically modified food crops is strongly regulated by both State and Commonwealth governments. It is important to note that the Commonwealth Government and the New South Wales Government have clear and distinct roles when it comes to the regulation of genetically modified, or GM, crops in New South Wales. It is the Gene Technology Agreement, signed by the Commonwealth and all Australian States and Territories in 2001, that defines these roles.

It is the Commonwealth Government's role to ensure that genetically modified organisms are safe for people and the environment. It is the role of the New South Wales Government, together with industry, to manage market or trade issues affecting genetically modified crops. The approval process for a genetically modified food crop happens at two levels. First, the Commonwealth must grant a licence for commercial release. Secondly, the genetically modified food crop must be approved for commercial cultivation in New South Wales by the New South Wales Minister for Primary Industries. The New South Wales Gene Technology (GM Crop Moratorium) Act 2003 provides a blanket prohibition on the cultivation of all genetically modified food crops in New South Wales, except those that have been specifically approved. The Act ensures a balanced approach to the management of genetically modified food crop cultivation in this State.

The blanket prohibition on the commercial cultivation of genetically modified food plants affords substantial protection to New South Wales growers, industry and the community. To obtain approval for a specific genetically modified food crop, the Act requires a detailed assessment of industry's capacity to manage cultivation in accordance with market requirements. That means that the requirements of key domestic and international markets must be met, and relevant supply chain management processes must be in place before approval will be granted. The Act provides an extra mechanism of an expert committee on gene technology to provide advice on whether an applicant met the criteria and is ready to cultivate a genetically modified crop.

The Act was last reviewed and amended in July 2007, when the former Government

established an independent panel to review the Act. The review panel was chaired by the Hon. Ian Armstrong, AM, OBE, who is a well-respected former New South Wales Minister for Agriculture and Rural Affairs, and a former Deputy Premier. The panel was asked to provide advice on the best way forward for the regulation of genetically modified food crops in New South Wales. The review process included extensive public consultation. The panel recommended that the Act be amended to remove the moratorium orders on the cultivation of genetically modified canola and to provide a clear "path to market" for genetically modified food products. As a result, amendments removed the moratorium orders on genetically modified canola but introduced a blanket moratorium on the commercial cultivation of all genetically modified food plants, except those approved by the Minister.

This approach was taken as it was considered to be the best outcome for all stakeholders. Further, the amendments extended the expiry date for the Act from 3 March 2008 to 1 July 2011. Genetically modified canola is the only genetically modified food crop grown commercially in New South Wales. It is designed to be herbicide resistant and to provide some increased yield. Genetically modified canola was approved for commercial cultivation in New South Wales in March 2008. The first canola crops were sown at that time. In 2010, 24,000 thousand hectares were under genetically modified canola cultivation out of a total canola crop of 308,000 hectares. Genetically modified canola accounted for approximately 7.6 per cent of the total canola harvest. Market conditions have changed since 2003, which is when the Act first came into force. Genetically modified canola now represents 70 per cent of the global trade in canola. Canola is a significant agricultural crop for the State and contributes to the economic development of regional and rural New South Wales. The ability of New South Wales canola growers to access and utilise genetically modified canola varieties provides them with choice in their production systems. My electorate of Burrinjuck is a prolific canola-growing area.

The bill before the House will provide for the Act to operate for a further 10 years. The New South Wales Farmers Association supports this approach. In a letter to the Director General of the Department of Primary Industries on this issue, the association states that its priority always will be to provide choice for growers to produce whichever crop they desire. The association believes that in 10 years time it may be appropriate to reconsider the need for the legislation to continue. By that time the community and other stakeholders might be more open to removing the legislation and relying on industry self-regulation.

The bill will maintain the current regulatory framework for the commercial cultivation of genetically modified food crops in New South Wales until 1 July 2021. It will provide certainty and confidence to industry to continue to invest in these valuable crops while being cognisant of concerns held by certain members of the community. Most importantly, the bill will continue to offer growers a choice, which means that our rural and regional communities will continue to benefit from being able to cultivate approved genetically modified food crops. I commend the bill to the House.