

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

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Second Reading

The Hon. DUNCAN GAY (Minister for Roads and Ports) [4.29 p.m.]: I move:

That this bill be now read a second time.

I seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted.

The bill seeks to extend the operation of the Gene Technology (GM Crops Moratorium) Act 2003 for a further 10-year period. Currently the Act is due to expire on 1 July this year.

If the Act expires on 1 July, it will mean that GM food crops approved by the Commonwealth Government will be able to be cultivated in NSW without needing approval by this Government.

The cultivation of GM food crops is strongly regulated by both State and Commonwealth Governments.

It is important to note 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, which 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 GM crops.

The approval process for a GM food crop happens at two levels.

Firstly, the Commonwealth must grant a licence for commercial release.

Secondly, the GM 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 Act, the Gene Technology (GM Crop Moratorium) Act 2003, provides a blanket prohibition on the cultivation of all GM food crops in New South Wales, except those which have been specifically approved.

The Act ensures a balanced approach to the management of GM food crop cultivation in this State.

The blanket prohibition on the commercial cultivation of GM food plants affords substantial protection to New South Wales growers, industry and the community.

In order to obtain approval for a specific GM food crop, the Act requires a detailed assessment of industry's capacity to manage cultivation in accordance with market requirements.

This 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.

An extra mechanism the Act provides is for an Expert Committee on Gene Technology to provide advice on whether an applicant meets the criteria and is ready to cultivate a GM 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 OBE, a well-respected former NSW Minister for Agriculture and Rural Affairs.

The panel was asked to provide advice on the best way forward for the regulation of GM 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 GM canola, and to provide a clear "path to market" for GM food products.

As a result, amendments removed the moratorium orders on GM canola but introduced a blanket moratorium on the commercial cultivation of all GM 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.

GM canola is the only GM food crop grown commercially in New South Wales. It is designed to be herbicide resistant and to provide some increased yield.

GM 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 hectares was under GM canola cultivation out of a total canola crop of 308,000 hectares. GM canola accounted for almost 8 per cent of the total canola harvest.

Market conditions have changed since 2003, when the Act first came into force. GM canola now represents 70 per cent of the world's trade in canola.

Canola is a significant agricultural crop for New South Wales 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 GM canola varieties provides them with choice in their production systems and importantly will enable them to compete in international markets if they choose.

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, they state their priority will always 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 GM 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 also being cognisant of concerns held by certain members of the community.

Importantly, the bill will continue to offer growers a choice, meaning that our rural and regional communities will continue to benefit from being able to cultivate approved GM food crops.

I commend the bill to the House.