



# **Genetically Modified Crops Management Act 2004 (SA)**

**Explanatory Paper**

**May 2020**

*The Genetically Modified Crops Management Act 2004 (SA) Explanatory Paper and attachments have been prepared by the Local Government Association of SA (LGA), incorporating advice from Norman Waterhouse, for the guidance of and use by member Councils.*

*The LGA is the statutory peak body for Local Government in South Australia. Enquiries regarding this publication should be directed to the LGA on 08 8224 2000.*

## Background

Amendments to the Genetically Modified Crops Management Act 2004: Councils now have one (and only one) opportunity to be designated as non-GM crop areas.

The Genetically Modified Crops Management Act 2004 (SA) (**GMCM Act**) provides for the designation of areas of South Australia in which no genetically modified food crops may be cultivated (**non-GM crop areas**). The object of designating an area as a non-GM crop area is the preservation of the identity of non-GM crops, for marketing purposes.

From the enactment of the GMCM Act, up until this year, the entire State has been designated as a non-GM crop area. However, by virtue of recent variations to the *Genetically Modified Crops Management Regulations 2008*, this 'moratorium' has been lifted in respect of all parts of the State, except Kangaroo Island.

Additionally, recent changes made to the GMCM Act by the *Genetically Modified Crops Management (Designated Area) Amendment Act 2020* have substantially altered the way in which areas of South Australia may be designated as non-GM crop areas. Now, under the GMCM Act:

- Kangaroo Island in its entirety is designated as a non-GM crop area.
- The only manner in which any other area of the State may be designated as a non-GM crop area is if the local government council for the area (or, in unincorporated areas, the relevant Outback Communities Authority) makes an application to the Minister for Primary Industries and Regional Development (Minister) for such designation.
- An application made by a council to the Minister may only relate to the entire area of the council (not specific parts of that area).
- It is at the discretion of the Minister as to whether any application will be successful. Before the Minister can determine that an application is successful, the Minister must first consult with, and take into account any advice provided by, the GM Crop Advisory Committee (a committee established under the GMCM Act) in relation to the matter. The Minister may also seek any other advice or information before determining an application.
- The mechanism by which the Minister determines that an application is successful is the publication of a notice in the Gazette. That notice must be published before 15 November 2020. This is a deadline set by Parliament.
- Under the GMCM Act as it now stands, there will never be any further opportunity for a council to apply to become, or to otherwise be designated as, a non-GM crop area.

## Application process

Section 5A of the GMCM Act sets out the process by which a council can apply to the Minister for the designation of its area as a non-GM crop area. Each step of the process is set out below in this explanatory paper.

As a preliminary comment, we note that nothing prevents a council from entrusting a delegate with consulting the community, considering submissions, and forming a view as to whether the council should apply to the Minister to become a non-GM crop area. However, it is suggested the ultimate step of making an application to the Minister not be delegated.

The below steps and the accompanying template documents are drafted on the basis that no aspect of the process under the GMCM Act will be delegated.

The only step in the process at which there is some likelihood of conflicts of interest arising is the step at which the council resolves whether to make an application to the Minister. This issue is discussed below at the relevant point in this explanatory paper.

### Step 1: Public consultation

First, before an application is made by a council to the Minister, the council must consult with its community, including persons engaged in primary production activities and food processing or manufacturing activities in the area of the council.

If the council's public consultation policy includes procedures which apply to public consultation other than public consultation under the LG Act, then those procedures should be followed. Where public consultation policies are silent regarding consultation outside of the LG Act, then the council may conduct consultation as it sees fit.

When determining any public consultation process, councils should bear in mind that persons (including corporations) engaged in primary production activities and food processing or manufacturing activities in the area of the council may be based outside the council area. These persons still need to be consulted and must therefore be included in any public consultation campaign.

Provided in attachments to this paper, the LGA has prepared the following template documents for councils to adapt to their particular circumstances and to use:

- A. Resolution for commencement of public consultation;
- B. Consultation newspaper notice;
- C. Consultation letter.

A council may use both, or neither, or just one of the newspaper notice and/or the letter, depending on the council's public consultation policy and/or preferences. A council may of course add any other components to its public consultation process as desired or as required under its public consultation policy (such as a public meeting, if feasible in light of COVID-19).

It is appropriate to note that a council is only *required* to conduct formal public consultation if it is going to make an application to the Minister under the GMCM Act. A council might outright decide against making an application at the outset, in which case there is no need to conduct public consultation.

However, declining to make an application is effectively a decision that the council will never be a non-GM crop area. This is a significant decision.

Accordingly, a council would need to have some cogent basis for deciding against making an application in circumstances where it had not first obtained the views of its community.

council might conduct some initial limited consultation to gauge support for an application, followed by formal public consultation if support appears to be present (but only if this two-step process is not inconsistent with anything the council's public consultation policy). No template documents have been prepared in respect of any initial limited consultation exercise. Any such exercise is a matter for each council. However, if a council does decide to conduct initial consultation prior to 'formal' public consultation, it is important to bear in mind that the GMCM Act provides a limited timeframe for the making of any application to the Minister. It may therefore be more straightforward to proceed simply to formal public consultation, but again it is a matter for each council.

### **Step 2: Consideration of community views**

A council must have regard to the views expressed to it by its community, including (but not limited to) persons engaged in primary production activities and food processing or manufacturing activities in the area of the council, before deciding to make an application to the Minister under the GMCM Act.

While the ultimate purpose of designating an area as a non-GM crop area is to preserve crop identities for marketing purposes, the council should not limit its consideration only to public submissions which relate to marketing matters. Public consultation is likely to attract a range of views on a range of matters (including from persons not involved in primary production activities or food processing or manufacturing activities), and the council should not disregard any such views. There is nothing in the GMCM Act which limits what the council can or should consider, and so all submissions should be considered. Ultimately, it is the Minister who decides whether or not to designate an area as a non-GM crop area. What the Minister does and does not consider to be relevant is a matter for the Minister.

It is important to add that the council may also take into account information beyond the views of its community. For example, any report prepared by council administration about the advantages and/or disadvantages of making an application to become a non-GM crop area would be relevant for the council to take into account when deciding whether to make an application to the Minister under the GMCM Act.

### **Step 3: Deciding whether or not to make an application**

It is at the discretion of each council as to whether or not the council will apply to the Minister to have its area designated as a non-GM crop area. While a council must consider the views of its community before making an application, it is not bound by those views. Even if the 'weight' of submissions points one way or another, this does not bind the council to make its decision one way or the other.

If the council determines it to be appropriate in light of all relevant information before it, the council may resolve to make an application to the Minister under section 5A(1) of the GMCM Act to designate the area of the council as a non-GM crop area.

Under the GMCM Act, the application itself does not need to be in any particular form, nor does it need to include any particular information or material. However, the application should be used as an opportunity for the applicant council to make its case to the Minister as to why the council area should be designated as a non-GM crop area.

Provided in attachments to this paper, the LGA has prepared the following template documents for councils to adapt to their particular circumstances and to use:

- D. Resolution to apply to Minister for Primary Industries and Regional Development for the designation of the council area as a non-GM crop area; and
- E. Application to be submitted by council to Minister for Primary Industries and Regional Development for the designation of the council area as a non-GM crop area.

The LGA has not prepared template documents for a decision *not* to apply to the Minister. However, to be clear, nothing prevents a council from deciding not to apply to the Minister. A council could also for example decide to seek further information or could refrain from making any decision at all.

## Conflicts of interest

It may be the case that, when the council is making its decision whether to apply to the Minister to be designated as a non-GM crop area, a council member (or a family member or other relevant 'related/listed' party of that council member) would gain a benefit or suffer a loss if the council decides the matter in a particular way.

If the relevant benefit or loss would be enjoyed or suffered in common with all or a 'substantial proportion' of the ratepayers, electors or residents of the council area, then there is no material conflict of interest (nor any actual or perceived conflict of interest). 'Substantial proportion' does not necessarily mean a majority. It simply means a proportion which is not inconsiderable.

It is ultimately incumbent on each council member personally to determine whether they have a material conflict of interest (or an actual or perceived conflict of interest) in any item of business which falls for consideration by the council. We anticipate that, in some council areas, council members who are involved in primary production activities or food processing or manufacturing activities (and/or whose family members or other relevant related parties are involved in such activities) will need to consider whether they (and/or any relevant related party) would gain a benefit or suffer a loss depending upon whether the council decides to apply to the Minister under the GMCM Act. They would also need to consider whether this interest is shared by a 'substantial proportion' of the ratepayers, electors or residents of the council area.

If the number of members who may have a material conflict of interest is of a level which would obstruct the conduct of the meeting (such as by rendering the meeting inquorate), or if there is some other basis upon which it is in the interests of the council's community and area that a members with a material conflict of interest should participate in the meeting, then written approval can be sought from the Minister for Transport, Infrastructure and Local Government (**LG Minister**) under the LG Act for their participation.

It would be prudent for each council to identify, at an early stage, whether or not there may be so many council members with potential material conflicts of interest that the council may be rendered inquorate when it comes to decide whether to make an application to the Minister under the GMCM Act. Of course, the councils with a greater number of council members with potential material conflicts of interest are likely also the councils in which the relevant interests are shared by a substantial proportion of ratepayers, electors or residents (meaning there is no material conflict of interest). Each council will have different circumstances.

If a council considers that approval will be required from the LG Minister in order to preserve a quorum, the LGA has prepared a template letter to the LG Minister which the council can adapt and use:

- F. Letter to Minister for Transport, Infrastructure and Local Government seeking approval for council members with material conflicts of interest to participate in council meeting.

This letter should be provided by the council's chief executive officer, to the Office for Local Government. The Office for Local Government has indicated to the LGA that the LG Minister will consider such letters for the purposes of granting approval to council members to participate in meetings despite material conflicts of interest, where there may be a quorum issue.

If there is no issue of quorum but an individual council member with a material conflict of interest nevertheless considers that it is in the interests of the council's community and area that they be allowed to participate, then it is incumbent upon that individual council member make their own application to the LG Minister.

#### **Step 4: Consideration by Minister**

As mentioned, the making of an application by a council to the Minister under the GMCM Act enlivens a statutory discretion on the part of the Minister to designate the council area as a non-GM crop area under the GMCM Act. However, the making of an application does not guarantee such designation. It is entirely a matter of discretion for the Minister.

Before deciding whether or not to designate a council area as a non-GM crop area, the Minister must consult with the GM Crop Advisory Committee established under the GMCM Act, and must take into account any advice provided by that committee in relation to the matter.

The Minister is also empowered (though not required) to seek advice or submissions from any other person or body (including potentially the applicant council), and to take any other action or initiate any other investigation as the Minister thinks fit, before deciding whether or not to designate a council area as a non-GM crop area.

If, after taking into account the advice of the GM Crop Advisory Committee and any other relevant information, the Minister does decide to designate a council area as a non-GM crop area, the manner in which the Minister does this is by publishing a notice in the *Gazette* under section 5A(1) of the GMCM Act. Any such notice **must be published before 15 November 2020**. Any notice published before 15 November 2020 comes into effect on 15 November 2020. Any notice published on or after 15 November 2020 is void and of no effect. Accordingly, it is incumbent on councils to act as quickly as possible if they wish to preserve their entitlement to make a meaningful application to the Minister.

The Minister is empowered under the GMCM Act to vary a notice in order to correct a minor error or remedy a defect. The Minister is also empowered to revoke a notice, on application by the council whose area the notice relates to. Such revocation is irreversible (unless and until the GMCM Act is amended to provide otherwise). It is unclear how future boundary changes and/or amalgamations or de-amalgamations may affect non-GM crop areas.

## Next steps

The legislative deadline of 15 November 2020 is the date *before* which the entire process described above must be completed. It is therefore important that councils complete public consultation and provide any application to the Minister sufficiently before that date in order for the Minister to then have adequate time to take advice from the GM Crop Advisory Committee, to obtain any further information the Minister sees fit, and to arrange publication of the notice in the Gazette.

We therefore encourage councils to determine how they will consult with their communities, including persons engaged in primary production activities and food processing or manufacturing activities in the area of the council, and to commence that public consultation, as soon as possible.

## Attachments

### A. Resolution for commencement of public consultation

The Council resolves that:

1. The Council will consider whether to apply to the Minister for Primary Industries and Regional Development under Section 5A(1) of the *Genetically Modified Crops Management Act 2004* for the designation of the Council area as an area in which no genetically modified food crops may be cultivated.
2. Pursuant to Section 5A(2) of the *Genetically Modified Crops Management Act 2004*, the Council seeks the views of its community, including persons engaged in primary production activities and food processing or manufacturing activities in the area of the Council, regarding whether or not such an application should be made.
3. The Council will conduct public consultation [in accordance with its Public Consultation Policy]/[or, if not in accordance with a policy—describe process]

## B. Consultation newspaper notice

### Proposal to designate [Council name] area as an area in which no genetically modified food crops may be cultivated

[Council name] is considering whether to apply to the Minister for Primary Industries and Regional Development under Section 5A(1) of the *Genetically Modified Crops Management Act 2004* for the designation of the Council area as an area in which no genetically modified food crops may be cultivated.

The Council seeks the views of its community, including persons engaged in primary production activities and food processing or manufacturing activities in the area of the Council, regarding whether or not such an application should be made.

Please direct any written submissions, or any queries, to [name][council address][email address], within 21 days of the date of this notice. Please note that any submissions received in time will be considered at a public meeting of the Council and may be forwarded to the Minister for Primary Industries and Regional Development for the Minister's consideration.

## C. Consultation letter

**[Engross on council letterhead]**

[Date]

[Name]

[Address]

Dear [Name]

**Your views regarding whether the Council should apply for designation of the Council area as an area in which no genetically modified food crops may be cultivated**

[Council name] is considering whether to apply to the Minister for Primary Industries and Regional Development under Section 5A(1) of the *Genetically Modified Crops Management Act 2004* for the designation of the Council area as an area in which no genetically modified food crops may be cultivated.

We have identified that you and/or your organisation are engaged in primary production activities or food processing or manufacturing activities in the area of the Council. Accordingly, the Council seeks your views regarding whether or not such an application should be made.

Please direct any written submissions or any queries to the writer within 21 days of the date of this letter. Please note that any submissions received in time will be considered at a public meeting of the Council and may be forwarded to the Minister for Primary Industries and Regional Development for the Minister's consideration.

Yours sincerely

[name]

[council address]

[email address]

## **D. Resolution to apply to Minister for Primary Industries and Regional Development for the designation of the council area as a non-GM crop area**

The Council resolves that:

1. Having consulted with its community pursuant section 5A(2) of the *Genetically Modified Crops Management Act 2004*, and having had regard to the views expressed, the Council has determined that it will apply to the Minister for Primary Industries and Regional Development under Section 5A(1) of the *Genetically Modified Crops Management Act 2004* for the designation of the Council area as an area in which no genetically modified food crops may be cultivated.
2. The reasons in support of this decision to make an application are **[those reasons set out in the report to Council [insert report reference # and date] / [or insert other reasons].**
3. The Chief Executive Officer is:  
**[select from the following options to include in the recommendation]**  
**Option 1:** directed to compile and submit an application to the Minister in the terms of the information **[included in/attached to]** the report to Council **[insert report reference # and date]** as soon as practicable. **[OR]**  
**Option2:** authorised to submit the application to the Minister in the terms specified in **[attachment number]** to the report to Council **[insert report reference # and date]** as soon as practicable.

**E. Application to be submitted by council to Minister for Primary Industries and Regional Development for the designation of the council area as a non-GM crop area.**

**[Engross on council letterhead]**

The Honourable Tim Whetstone MP  
Minister for Primary Industries and Regional Development  
Level 10, 1 King William Street  
ADELAIDE SA 5000

By email: [Minister.Whetstone@sa.gov.au](mailto:Minister.Whetstone@sa.gov.au)

Dear Minister

**Application for designation of Council area as an area in which no genetically modified food crops may be cultivated**

[Council name] resolved on [date] to apply, and hereby applies, pursuant to Section 5A(1) of the *Genetically Modified Crops Management Act 2004*, for the designation of the Council area as an area in which no genetically modified food crops may be cultivated.

The reasons in support of the Council's application are [set out in the report to Council which is enclosed with this application]/[or insert other reasons].

Copies of community submissions received during the public consultation process undertaken by Council between [insert date of commencement of consultation] and [insert date of conclusion of consultation] are **enclosed** with this application.

Please do not hesitate to contact the writer at [email address] if you require further information from the Council in order to assist you in determining this application.

Dated:

.....  
[Name]

**Chief Executive Officer**

[Council name]

**Encls**

**F. Letter to Minister for Transport, Infrastructure and Local Government seeking approval for council members with material conflicts of interest to participate in council meeting.**

**[Engross on council letterhead]**

The Honourable Stephan Knoll MP  
Minister for Transport, Infrastructure and Local Government  
Level 12, 136 North Terrace  
ADELAIDE SA 5000

By email: <ministerknoll@sa.gov.au>

CC: <DPTI.OfficeofLocalGovernment@sa.gov.au>

Dear Minister

**Council member material conflicts of interest**

**Request for approval under section 74(3) of *Local Government Act 1999***

[Council name] will, in the near future, consider whether to apply to the Minister for Primary Industries and Regional Development under Section 5A(1) of the *Genetically Modified Crops Management Act 2004 (GMCM Act)* for the designation of the Council area as an area in which no genetically modified food crops may be cultivated (**the Proposed Decision**).

The Council only has a very limited opportunity to make the Proposed Decision due to the time limit imposed by Section 5A(4)(a) of the GMCM Act.

The following Council members have indicated to me that they will have a material conflict of interest in relation to the Proposed Decision, for the following reasons:

Council member	Reason for material conflict of interest
[Insert]	[Provide detailed, specific information about each Council member's material conflict of interest]

Because all of the above council members will have a material conflict of interest in relation to the Proposed Decision, then the Council will not have a quorum (and hence the meeting will be obstructed) when the Proposed Decision arises for consideration. If the Council is unable to make the Proposed Decision within the timeframe required by the GMCM Act, it will (on the present terms of the GMCM Act) never have another opportunity to apply for the designation of the Council area as an area in which no genetically modified food crops may be cultivated. It is in the interests of the Council's community and area that these members participate in the decision-making process.

Accordingly, on behalf of the Council, I request that you exercise your power in section 74(3) of the *Local Government Act 1999* to grant approval in writing for each of the above Council members to participate fully (or subject to any conditions you see fit) in any part of any Council meeting where the

Proposed Decision will be considered and/or voted upon. I respectfully request that you provide any written approval by [Date].

You or any member of your office are welcome to contact the writer on [phone number] or at [email address] if you require further information in relation to this request.

I look forward to your response.

[Name]

**Chief Executive Officer**

[Council name]

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Adelaide SA 5000  
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Mr Andrew Cameron  
Chief Executive Officer  
Yorke Peninsula Council  
MAITLAND SA 5573

[admin@yorke.sa.gov.au](mailto:admin@yorke.sa.gov.au)

Dear Mr Cameron,

I am writing to you regarding changes to South Australia's *Genetically Modified Crops Management Act 2004* (the Act) through the South Australian Parliament.

This Act provides the power to prohibit cultivation of genetically modified (GM) food crops and aligns with the national scheme for regulating gene technology which only allows State Governments to regulate GM food crops where there are risks to markets and trade. Any risks to human health or the environment are managed by the national scheme which is administered by the Commonwealth Government regulator, the Office of the Gene Technology Regulator.

For this reason, the Act is limited in its scope and any concerns relating to health or the environment cannot be used as grounds to apply to be a non-GM designated area under the Act. Please also note that a GM moratorium under the Act only applies to the cultivation of GM food crops. It does not apply to the sale of processed foods made from GM food crops such as canola oil.

Recent amendments to the Act lift the GM moratorium in all of South Australia except Kangaroo Island. There is a time limited opportunity for local councils to apply to the Minister for Primary Industries and Regional Development to be declared an area where no GM food crops may be cultivated.

The decision to lift the GM Moratorium on mainland South Australia follows extensive public consultation and recommendations from an independent review that evaluated the market and trade benefits, or lack thereof, of the GM moratorium to the South Australian economy and agricultural industries.

While local councils have the ability to apply to be a non-GM crop cultivation designated area there is no requirement for councils to make such an application.

Section 5A of the Act governs the processes relating to designating council areas. It states the Minister may make a declaration through a notice in the Government Gazette after he has consulted with the GM Crops Advisory Committee established under the Act.

Councils that wish to make an application must firstly consult with their community, including persons engaged in primary production activities and food processing or manufacturing activities.

Applications and Ministerial declarations can only occur within the first 6 months of the Act coming into operation. This period ends on Sunday 15 November 2020.

I would like to provide you with the following guidance should your council choose to apply to the Minister.

Applications should:

- be framed within the scope of the Act i.e. relate to marketing and trade only
- demonstrate the consultation requirements of the Act have been fulfilled
- include advice on all views expressed during consultation (in favour or against declaration) and any evidence provided by the community and/or industry relating to the application.

Applications can be sent to the Minister for Primary Industries and Regional Development, Hon Tim Whetstone MP, at [Minister.Whetstone@sa.gov.au](mailto:Minister.Whetstone@sa.gov.au) with a copy to PIRSA at [PIRSA.GMReview@sa.gov.au](mailto:PIRSA.GMReview@sa.gov.au). I also request that in order to provide the Minister with sufficient time to fulfil his responsibilities under section 5A of the Act, applications be submitted by 30 September 2020.

For more information on GM food crops, background on the GM moratorium and the independent review, please visit [www.pir.sa.gov.au](http://www.pir.sa.gov.au).

You are also welcome to contact Ms Elena Anear, Assistant Director Strategy and Policy, Agriculture, Food and Wine, PIRSA, by email at [elena.anear2@sa.gov.au](mailto:elena.anear2@sa.gov.au) if you have any further questions.

Yours sincerely



Michelle Edge  
**CHIEF EXECUTIVE**

3/6/2020

**Grain Producers SA Ltd**

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PO Box 7069 Hutt Street Adelaide SA 5000  
P: 1300 734 884 F: 1300 734 680

ABN: 43 154 897 533

[grainproducerssa.com.au](http://grainproducerssa.com.au)

Mr Andrew Cameron  
Chief Executive Officer  
Yorke Peninsula Council  
PO Box 57  
Maitland SA 5573

By email: [andrew.cameron@yorke.sa.gov.au](mailto:andrew.cameron@yorke.sa.gov.au)

17 June 2020

Dear Mr Cameron

**RE: Consultation on application for designation under the *Genetically Modified Crops Management Act 2004***

As you may know, local governments will now have a time-limited ability to apply to retain the moratorium on the commercial cultivation of GM food crops for trade and marketing purposes following changes to the *Genetically Modified Crops Management Act 2004* ('the Act').

Grain Producers SA (GPSA) is the peak industry body for South Australian grain growers. GPSA is non-political and represents producers to government, the community and industry, including grain marketers, exporters, storage and handlers, researchers, and farm input suppliers.

We develop and implement policies and projects that promote the economic and environmental sustainability of South Australian grain growing businesses. GPSA has run a longstanding campaign to give growers freedom of choice in their cropping decisions.

The South Australian grain industry is large and diverse, with an estimated primary production value of \$2.5 billion. Our industry is not only a major contributor to the economy, it is a significant export earner for the state. There are more than 4,500 grain farm businesses that span the cropping belt in South Australia.

**GPSA believes that growers should have the freedom of choice to grow the cereal, legume and oilseed varieties that best fit their farming system, including genetically modified varieties. Removing the GM food crop moratorium from mainland SA will enable producers to have the same freedom of choice as growers from other mainland states.**

The Australian grains industry successfully and safely manages a complex value chain, and self regulates through best-practice farming systems and processes that effectively manage numerous segregations tailored for various markets. As such, growers' choice to remain GM-free on their farm will be retained should the moratorium be lifted.

SA's predominant grain handler, Viterro, has advised GPSA that "*Viterro's position has always been that we can support the choice to grow GM crops by providing handling and quality management expertise and processes to meet the market requirements of handling and segregating both GM and non-GM commodities.*"

GPSA's position is not about picking winning production systems, but rather **enabling choice for all producers**. Enabling grower choice will allow the use of approved GM crop varieties consistent with the remainder of mainland Australian states, and provide a commercial incentive to fund research in GM technology in South Australia.

In line with the Act's trade and marketing scope, GPSA commissioned an independent economic analysis of price premiums under the moratorium in 2017. This analysis concluded that growers did not receive a marketing advantage as a result of SA's GM-free status, and that the only effect of moratorium was to deny the use of safe and effective GM tools.

To assist the Yorke Peninsula Council I have taken the liberty of including a short summary of this report and the SA Government's own high-level independent economic assessment of the moratorium conducted by Emeritus Professor Kym Anderson Review, which you will find attached.

**Any local government looking to make an application for designation as a GM cultivation-free area will have to meet the high threshold set by the findings of these two separate independent economic assessments.**

As the peak industry body, GPSA welcomes consultation by Yorke Peninsula Council, **noting this as an explicit requirement under s5A(2) of the Act before any application is made**. We would be pleased to address concerns, identify opportunities, and help your organisation to better understand the significance of this legislative reform to our sector.

Please do not hesitate to contact Grain Producers SA Chief Executive Officer Caroline Rhodes directly at [info@grainproducerssa.com.au](mailto:info@grainproducerssa.com.au) or on 1300 734 884.

Yours sincerely,



Wade Dabinett  
**Chair**  
**Grain Producers SA**

Attachment: *Analysis of price premiums fact sheet*



**GRAIN  
PRODUCERS SA**  
The voice of South Australian growers

# FACT SHEET

## ANALYSIS OF PRICE PREMIUMS

**Under Australia's nationally consistent regulatory framework, states are only able to regulate GM varieties for trade and marketing purposes. Under the *Genetically Modified Crops Management Act 2004*, local governments will need to prove that a trade and marketing benefit exists in order to be declared a GM cultivation-free area.**

**All claims are subject to a time-limited application period and will be assessed on the basis of trade and marketing benefits by the Government's expert GM Crop Advisory Committee.**

Two separate economic assessments conducted since 2018 have considered whether producers achieve the often-claimed price premiums as a result of SA's prohibition on commercial GM cultivation. Those reviews, summarised below, have found that producers have not received a price premium as a result of SA's GM food crop moratorium, and that the only effect was to remove the option of using safe and effective GM tools licensed by the Commonwealth's Office of the Gene Technology Regulator (OGTR).

Any local government looking to make an application for designation as a GM cultivation-free area will have to meet the high threshold set by the findings of these two separate independent economic assessments.

### Summary of the Mecardo Report

In 2017 GPSA and the Agricultural Biotechnology Council of Australia commissioned analysis by market experts Mecardo of price premiums

under SA's GM moratorium. The result - *the Analysis of price premiums under the South Australian GM moratorium* - is the most exhaustive analysis produced to date of the premiums and discounts achieved by farmers in South Australia, covering commodities which contribute approximately 63% of the state's agricultural economy. It is important that thorough research is conducted by experienced industry analysts to substantiate the presumption of premiums attained by South Australian farmers.

The results demonstrate overwhelmingly that the majority of farmers in South Australia do not receive a premium as a result of the moratorium.

Mecardo's economic analysis found that the moratorium in South Australia has not led to enhanced premiums over comparable markets to farmers producing the following commodities:

- wheat
- barley
- canola
- wine grapes
- wool
- cattle
- sheep and lamb.

The only agricultural commodity with a premium over a comparable market is pork, albeit a very slim premium, and likely based on supply and demand factors as opposed to the moratorium and subsequent marketing opportunities.

Despite GM canola being the only GM crop currently grown in Australia that is likely to be adopted by SA farmers, the additional agricultural commodities were included in this analysis to test the presumption that the moratorium provides a premium to other South

Australian agricultural commodities.

At present, Queensland, New South Wales and Victoria, all have a higher number of organic certifications than South Australia, and all permit the commercial cultivation of GM crops. It is possible to extrapolate on this basis that the cultivation of GM crops in South Australia could operate effectively alongside the organic food production industry, as is the case in other states (see figure 1).

Mecardo's analysis demonstrates that the moratorium removes the option of utilising innovative agronomic tools, licenced by the OGTR as safe, with little in the way of trade and marketing benefit to the majority of agricultural producers in South Australia.

Mecardo found no evidence to suggest that the repeal of the moratorium, and the introduction of GM canola, would lead to any reduction in comparable prices to South Australian farmers.

A full copy of the *Analysis of price premiums under the South Australian GM moratorium* is available at: [www.tinyurl.com/MecardoReport](http://www.tinyurl.com/MecardoReport)

## Summary of the Anderson Review

In 2019 the SA Government commissioned a high-level independent review of South Australia's moratorium on the cultivation of Genetically Modified (GM) food crops, conducted by Emeritus Professor Kym Anderson. This review found that the moratorium has cost SA's grain industry at least \$33 million since 2004.

In addition to the \$33 million cost, Professor Anderson's found that:

- there is no price premium for grain from South Australia despite it being the only mainland state with a GM crop moratorium,

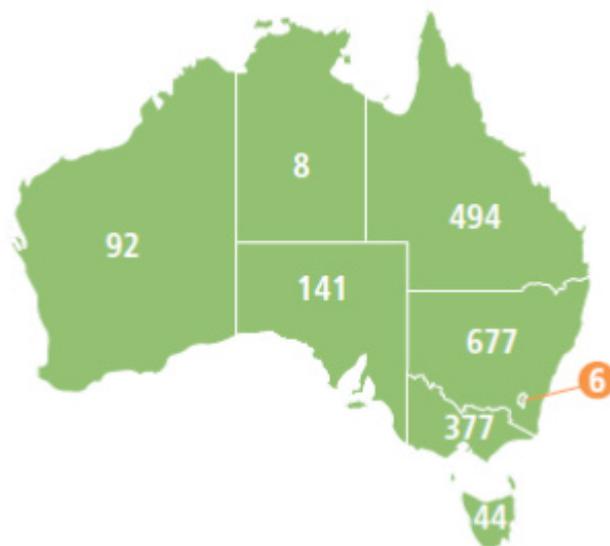


Figure 1: Australian Certified Organic farms by state

- the moratorium will continue to hurt South Australian producers with (at least) another \$5 million cost if the moratorium continues until 2025,
- GM crops typically use less, rather than more farm chemicals when compared to conventional crops,
- GM crops can also deliver reduced weed control costs and increased yields,
- KI growers would be able to preserve their unique non-GM market in the event that the moratorium is removed from mainland SA,
- South Australia's moratorium has discouraged both public and private research and development investment in this state,
- removing the moratorium will attract or retain research dollars, scientists, and post-graduate students in South Australia, and
- segregation protocols (such as those used interstate) ensures the successful co-existence of GM and non-GM crops.

A full copy of the Anderson Review is available at: [www.tinyurl.com/AndersonGMReview](http://www.tinyurl.com/AndersonGMReview)

Fact sheet published 17 June 2020.





**CROP SCIENCE SOCIETY  
OF SA INCORPORATED**

P.M.B. No.1  
GLEN OSMOND SA 5064, AUSTRALIA

**Genetically modified (GM or GMO) tools are a benefit to grain growers – why disadvantage them?**

To whom it may concern,

Your council may currently be considering whether to apply to the Primary Industries Minister to impose a GMO moratorium in your region.

Please find this letter in support of the cultivation of genetically modified crops in South Australia, and that to deny farmer's access of these tools is a clear message that you do not trust the science behind GMO's

The moratorium on the cultivation of genetically modified crops has hampered progress of Agricultural science in this state, and the flow on effect has hindered the broader agricultural community. More specifically, the benefits to the SA economy, environment & farmers through the cultivation of Genetically Modified (GM) technology have proven to be substantial.

Currently consumers, feedlotters and processors can legally import (into SA) and manufacture from GM products. These products are widely available on supermarket shelves. Furthermore, after over 30 years of global, and Australian GM food and fibre production, the global science has proven GM technology is safe. In addition, GM crops have successfully co-existed with conventional farming systems and identity preserved crops.

The delay in farmers & researchers having access to this important tool has placed the South Australian farmer nearly 2 decades behind our interstate counterparts through research capabilities and production improvements. There are several examples of research investments & projects that have gone to interstate colleagues & counterparts, which had the potential to be built & led in SA.

Since the inception of the moratorium, and subsequent extension, the state has seen applications for sites to undertake GM research and studies dwindle. This has hampered the scientific development of Agriculture in SA – once a state that led Agricultural development. This has the potential to further lead to a reduction in trials and research conducted to determine the safety of newer GM technology – which may also disadvantage consumers and the public at large.

With respect to grower premiums, a recent study conducted by Mercado has proven that our non-GM production status has not led to increased returns to growers. This study supports a multitude of global studies that have been undertaken since the commercial release of GM crops over 30 years ago. Not only have the economic studies shown that there is no advantage to the state but commodities are trading at a penalty – a cumulative \$33 million penalty.

The bulk handlers (including WA's CBH, NSW's Graincorp etc) have demonstrated the ability to segregate and market GM products effectively. Marketers & buyers can be confident that through rigorous protocol & testing the level of contamination of non-GM products has been within established safety standards. Although there are slightly increased costs to growers due to segregation, those values are taken into account when growers decide whether to propagate GM or not.

The moratorium was initially supported by a survey that appears limited to a niche of primary producers. This survey was not considered representative of the industry. Since its inception, the evidence for support of the moratorium within the agricultural community of SA has been limited to say the least. In fact during the parliamentary & independent reviews & subsequent surveys, it has been demonstrated that there is strong support for access to this technology & the rights to choose should be returned to the farmer.

It must also be noted that the initial moratorium was based on safety concerns. Given the time since GMO technology has been commercially available, the safety of GM crops has been rigorously tested. The proof has been overwhelming – the technology available to growers can be trusted to be safe for them, the environment & consumers. On the counter to safety concerns, the development of GMO technology such as golden rice (Vitamin A fortification), Omega-3 enriched canola & reduced gluten wheat has the potential to improve health outcomes for consumers.

The science of climate change has been strongly adopted by government and government agencies in Australia. Climate change presents a real risk to Australian farmers. The use of GM and emerging technologies for crop breeding to better manage these present and apparent risks is a must for the industry and society.

GM crops can assist in the creation of a sustainable future through improved crop production, environmental health and a reduction of pesticide applied in the environment. The acceptance of GM technology will also ensure farmers have all the available tools to produce food and fibre crops sustainably and competitively into the future. These improvements in sustainability are not only through improved yields but through reduced farm chemical use and adoption of sustainable farming practices such as improved fertiliser and water use efficiency & reducing tillage.

There is a common misunderstanding that large multinational companies are the only businesses conducting GM research and development. The fact is there are hundreds of government & university based programs that conduct GM research & development, and much of this will make it to market. One particular example from Australia is the Omega-3 GM canola (mentioned above) developed by the CSIRO (in collaboration with the Grains Research Development Corporation (GRDC) and marketed through Nu-Seed). The fact is though, due to stringent and expensive regulations required, the main companies that can afford to commercialise & deliver this technology are the large-multinationals. This does not preclude industry development, and in fact prebreeding investments in a range of grain crops by the GRDC will certainly include GM technology – this would be another direct farmer investment into GM technology – for grower's direct benefit.

Farmers are not forced to use a particular technology or practice, unless legislated to do so. Farmers, like other business owners & managers typically choose to make decisions based on evidence based testing until it is proven. Investment by organisations such as the SA Grains Industry Trust (SAGIT) & the GRDC doesn't give instant green light to a practice change. Farmers can continue to make personal & business decisions to use or not to use technology or practices, and GM will be no different.

The decision for a grower to propagate a GM crop also doesn't mean organic & conventionally bred crops cannot also be grown. There are protocols for propagation & segregation that mean GM crops can be safely & confidently grown together within the state, and even on the same farm. Although there have been cases taken to court against growers of GM crops, it has been proven that by following the guidelines around production of GM crops the contamination of non-GM food & agricultural products can be avoided, and consumers & marketers can buy with confidence.

For members of your council area that argue the need for the region to remain GMO free to maintain their market access or market premiums, it would be pertinent to ask whether they have truly investigated their market. It may be that they are actually receiving a premium for their produce being GMO free and not the region as a whole. It would be difficult to deny a large industry access to this technology just because of languid marketing.

I would like to thank you for the time you have taken to read this letter, and ask that you assist in moving our state and your region forward by supporting the propagation of GM crops in your region.

Please feel free to contact me directly via the number below if you seek further information. The Crop Science Committee members are willing to meet with you as required if particular details or clarification is required.

Best regards,

A handwritten signature in cursive script that reads "Craig Davis".

Current Crop Science Society President,  
Craig Davis.

Mob: 0447 541 654.

## Natalie McDonald

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**From:** GM-Free SA <gmfreesa@gmail.com>  
**Sent:** Monday, 22 June 2020 2:32 PM  
**To:** Corporate Email Address  
**Subject:** Letter to the Mayor, Councillors and CEO - please forward the email and attachments  
**Attachments:** Yorke Peninsula Council letter.pdf; John Paull 2019 SA GM moratorium Review.pdf

Greetings,

Would you kindly forward this email and attachments to your CEO, the Mayor and Councillors? It is from the 'Keep SA GM-free' working group, concerning the impending lifting of the GM Moratorium.

We believe that the lifting of this Moratorium by the State government will result in detrimental impacts to the livelihoods of non-GM and organic farmers and food producers throughout the State, by the loss of South Australia's well-regarded image for 'clean, green', non-GM food.

We encourage all councils to embrace the opportunity to be declared a GM-free Crop Zone, and to consult with their community, food producers and growers to determine their attitudes.

Yours sincerely,

*Donella Peters*

Donella Peters  
for **Keep SA GM-free**



# STOP GM CROPS BECOMING PART OF THE SA LANDSCAPE



June 22, 2020

**To the Mayor, Councillors and CEO of the Yorke Peninsula Council**

**Please take action to keep your region a GM-free Crop Zone**

Dear Mayor, Councillors and CEO,

Losing South Australia's state-wide GM-free status and reputation for high quality GM-free food products will disrupt market and trade opportunities for producers and processors all over the state, including those in your council area.

Kangaroo Island farmers worked hard to stay GM-free as they earn big premiums for the island's GM-free grains and beverages, in local and export markets. KI Pure Grain told the Anderson Inquiry:

*"The potential direct cost to KIPG and the KI Grain Growers is the loss of demand for our Non-GM Canola which presently stands at approximately \$3,025,000. Additionally, ... there is potential to lose further sales of other grains marketed as 'GM Free' which would add to this loss."*

The Palsystem Consumers' Co-operative Union of Japan's submission noted their strict non-GM policy, so they bought canola and honey exclusively from Kangaroo Island, with annual revenues of \$6 million to the Island's economy. They added

*"In order to further develop our economic contribution for both Kangaroo Island and the whole of South Australia, we are currently working on a plan to expand our range and volume of non-GM products, but the extension of the moratorium is critical to this plan."*

Another GM-free Japanese Consumer Co-operative, Coop Shizenha, which has over 142,000 members said,

*"Our turnover is expected to reach AUD\$233 million this fiscal year [2018]" and we "hope that we can contribute further to your economy by purchasing agricultural products cultivated in South Australia and Kangaroo Island as the only remaining Non-GM cultivation area of your country."*

To boost its case for lifting the GM Crop Moratorium on mainland SA, the Marshall Government commissioned the Anderson Review with short term and narrow Terms of Reference. The report was based on shaky assumptions, excluded relevant information, and ignored inconvenient data. As the GeneEthics Network's submission pointed out:

*"Australian non-GM canola has earned premiums in Europe since 2006 and the GM canola discounts continue to be significant. CSIRO team leader Dr Sandra Eady and Australian Export Grains Innovation Centre chief economist Ross Kingwell confirmed that "We've achieved a \$100 million per year premium for our farmers, given the extra \$20-\$40/tonne paid for Australian non-GM Australian canola."*

In the week ending June 5, 2020, GM canola was discounted \$95/tonne in WA compared with non-GM varieties, \$39/tonne in Port Melbourne, and up to \$39/tonne in rural NSW.

### What individual councils can achieve

Your council has the opportunity to remain a GM-free Zone, despite the Government's determination to make the whole South Australian mainland into a GM crop area.

We urge councils to wholeheartedly embrace this process and make their best efforts to marshal the processes and community resources so that a GM-free Crop Zone can be established here. GM pollen is easily carried on the wind and by bees and will not stop at artificial borders. The more councils that are declared a GM-free Crop Zone, the better the protection for all non-GM and organic producers.

### How councils can respond

We ask you to:

- **consider** retaining your council as a GM-free Crop Zone, as the Government has lifted the state's GM Crops Moratorium and put the onus of applying to keep any area GM-free onto local government;
- **consult** with members of your community, including persons engaged in primary production activities and food processing or manufacturing activities, following council's usual practices;
- **gather** evidence of the present and future benefits and costs of remaining GM-free vs the potential benefits and costs of allowing GM crops to be grown in your council - canola and safflower now, but possibly GM wheat, rye-grass, lucerne, etc. in future;
- **apply** to Minister for Primary Industries, Tim Whetstone MP, for your council to remain a GM-free Crop Zone, "an area in which no genetically modified crops may be cultivated";
- **refute** the Anderson report findings on which the government's GM policy is based, in the application, and make the case for the council to remain a GM-free Crop Zone:
  - give an overview of positive feedback, submissions and evidence that led to council's decision to advocate for a GM-free Crop Zone;
  - show a marketing advantage for primary producers, food producers and manufacturers from remaining a GM-free Crop Zone;
  - provide evidence of positive marketing or trade impacts on local businesses from remaining a GM-free Crop Zone.

There are also many compelling health and environmental reasons to avoid GM crops. But it is important to remember that in this process, the only reason the Minister will designate an area as a GM-free Crop Zone is for the preservation of the identity of crops (GM and non-GM) for marketing purposes.

Please also note that the Minister must receive your application by **September 30<sup>th</sup>** so it can be approved and gazetted before the legal deadline.

Enclosed is a report from Dr John Paull PhD, an environmental scientist at the University of Tasmania, casting doubts on the findings of the Anderson report. If you require further evidence on the benefits of GM-free Crop Zones, please contact us by email at [gmfreesa@gmail.com](mailto:gmfreesa@gmail.com) or phone 0449 769 066.

We would greatly appreciate hearing from you as to whether or not you decide to engage in this consultation process.

Yours sincerely,



Donella Peters

# **A Review of the *Independent Review of the South Australian GM Food Crop Moratorium and Fourteen Alternative Findings***

Prepared by Dr John Paull, March 2019

## **Abstract**

The present review of the *Independent Review of the South Australian GM Food Crop Moratorium* (Anderson, 2019) reveals that the so-called *Independent Review* is not independent at all and thus it falls at the first hurdle. Kym Anderson is a long term vocal advocate of genetically modified crops and has expressed such views regularly over the past two decades. The *Independent Review* was commissioned by the South Australian Minister for Primary Industries and Regional Development. There were 216 public submissions, of these, 78% (n=168) were for retaining the existing Moratorium, 18% (n=39) were for scrapping the Moratorium, and 4% (n=8) were undecided. 100% of the food available in Australian supermarkets is GM-free which mirrors the sentiments of Australian consumers, which are against GM-food; and Australian supermarkets are all aware of such sentiments. South Australia (SA) has a 'clean and green' image. This image serves SA well for food production, trade, tourism, education and migration. GMOs would damage SA's clean and green and smart image and can thereby be economically detrimental to the state. The *Independent Review* proposes that GM canola is the sole candidate for uptake were the GM Moratorium to be scrapped. The GM canolas (Round-up ready, TT) proposed for SA are herbicide-dependent crops relying on regimes of multiple toxic herbicide applications. Glyphosate is a carcinogen and triazine is banned in Europe. These are chemicals that are dangerous to the health and wellbeing of animals, including humans, and the environment, and prescribing their use can be expected to increase SA's health costs and future environmental clean-up costs. GM agriculture is an example of privatising the profits and socialising the costs. Australia is the world leader in organic agriculture and accounts for 51% of the world's certified organic hectares, and, of this, South Australia is the leading organics state in Australia accounting for 40% of Australia's certified organic hectares (and 20% of the world's certified organic hectares). Organic produce sells at a price premium - usually in the range of 10% and 110% (compared to non-organic). This contrasts with GM canola which sells at a price penalty of 7%. These price premiums and price penalties reflect market sentiment - what the market wants and what the market does not want. The GM Moratorium has a social licence and is serving SA well and should be maintained on economic and social grounds. The *Independent Review* should be rejected.

## **The *Independent Review* is not independent**

The author of the *Independent Review* is a vocal, long term and consistent advocate and proponent of GM crops, dating back over two decades. His extreme views were known or should have been known to the South Australian Government at the time of the appointment of Kym Anderson as reviewer. The known partisanship will always cast a question mark over the credibility of the *Independent Review* - even before it was submitted.

The perceived bias and the vested interest of the so-called 'independent reviewer' in supporting two decades of his own published opinions and analyses should have been sufficient to exclude Kym Anderson from consideration as an 'independent reviewer' and, failing that, ought to have been sufficient cause for him to exclude himself.

The views of the *Independent Review* are reflected in previous publications of the so called 'independent reviewer', for example:

- Anderson, K., & Nielsen, C. P. (2001). GMOs, Trade Policy, and Welfare in Rich and Poor Countries. In S. Maskus & J. D. Wilson (Eds.), *Quantifying the Impact of Technical Barriers to Trade: Can it be Done?* Ann Arbor, MI: University of Michigan Press.
- Anderson, K., & Jackson, L. A. (2004). GM Food Crop Technology: Implications for Sub-Saharan Africa. *Centre for Economic Policy Research (CEPR), Discussion Paper No. 4490*, 1-29.
- Anderson, K., Damania, R., & Jackson, L. A. (2004). Trade, Standards, and the Political Economy of Genetically Modified Food. *World Bank Policy Research Working Paper, WPS 3395*, 1-30.
- Anderson, K., Jackson, L. A., & Nielsen, C. P. (2005). Genetically Modified Rice Adoption: Implications for Welfare and Poverty Alleviation. *Journal of Economic Integration*, 20(4), 771-788.

**Finding 1: The *Independent Review* is not independent at all. The *Independent Review* is written by a vocal and long term advocate of GMOs and GM-crops, and in addition it contains errors of fact from the outset (see Finding 2) and it should be disregarded in its entirety.**

# The majority of submissions supported retaining the SA GM Moratorium

The *Independent Review* states that “Community attitudes to the moratorium were captured in the 216 submissions received by the Reviewer” (Anderson, 2019, p.xii).

Of 216 public submissions, 78% (n=168) were for retaining the existing Moratorium, 18% (n=39) were for scrapping the Moratorium, and 4% (n=8) were undecided (Anderson, 2019, p.xii) (see Figure 1 below).

Of these 216 submissions, only 45 appear on the PIRSA web site (pir.sa.gov.au). Of these selected 45 submissions made available on-the-web, the majority are undated. Of the 45 submissions made available on-the-web, 36% (n=16) appear to be for retaining the Moratorium, 60% (n=27) for scrapping it, and 4% (n=2) are indeterminate. This appears to be a biased selection of the submissions and without any declared rationale for that bias.

Despite the data that the *Independent Review* reports, the false claim is made therein that: “the majority of submissions ... favour the immediate removal of South Australia’s moratorium on GM crop production and transport (Finding 2.3)” (Anderson, 2019, p.xii). This is a false and misleading claim which is entirely inconsistent with the data (see Figure 1 below).

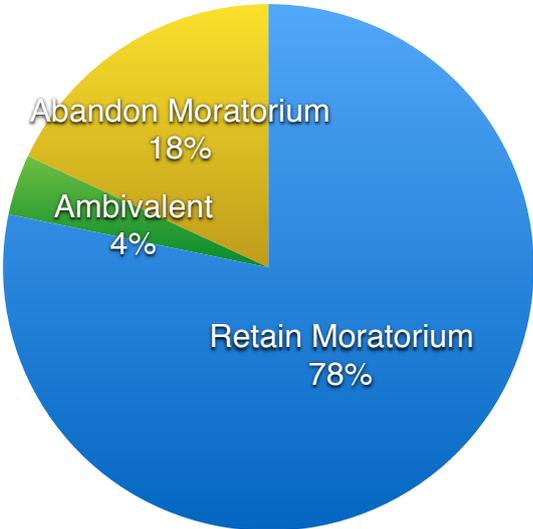


Figure 1. There were 216 submissions to the Independent Review, of these, 78% (n=168) were for retaining the existing GM Moratorium, 18% (n=39) were for scrapping the GM Moratorium, and 4% (n=8) were undecided (author's graph; data source: Anderson, 2019).

**Finding 2: The majority (78%) of submissions supported retaining the existing SA GM Moratorium. The *Independent Review* falsely reports the contrary.**

# There are no GM foods on Australian supermarket shelves

In Australia, food with GM ingredients must be labelled as such. The result is that there are no such food items on Australian supermarket shelves (Figure 2).

This is a reflection of consumer sentiment in Australia - consumers do not want to buy or eat GM foods - they have been characterised as 'frankenfoods'. It also reflects a recognition by Australian supermarket chains that a GM label on a food item would spell its death knell.

The consequence of this is that markets for GM produce must be sought overseas. GM foods are sold into markets that lack GM-labelling requirements, markets where the consumers are left in the dark regarding the provenance of ingredients. Why would SA consider facilitating such a deceitful trick on foreign consumers? There may be some economic karmic flow-back from pursuing such a route.



Figure 2: The food offerings on Australian supermarket shelves are 100% non-GM.

**Finding 3: Australian supermarkets do not stock GM-foods because they are aware that Australian consumers have rejected such 'frankenfoods'.**

## South Australia enjoys a clean and green image

SA enjoys an enviable reputation as a clean and green and smart place to be doing business. It has a reputation that many countries and regions around the world can admire and aspire to (Figure 3).

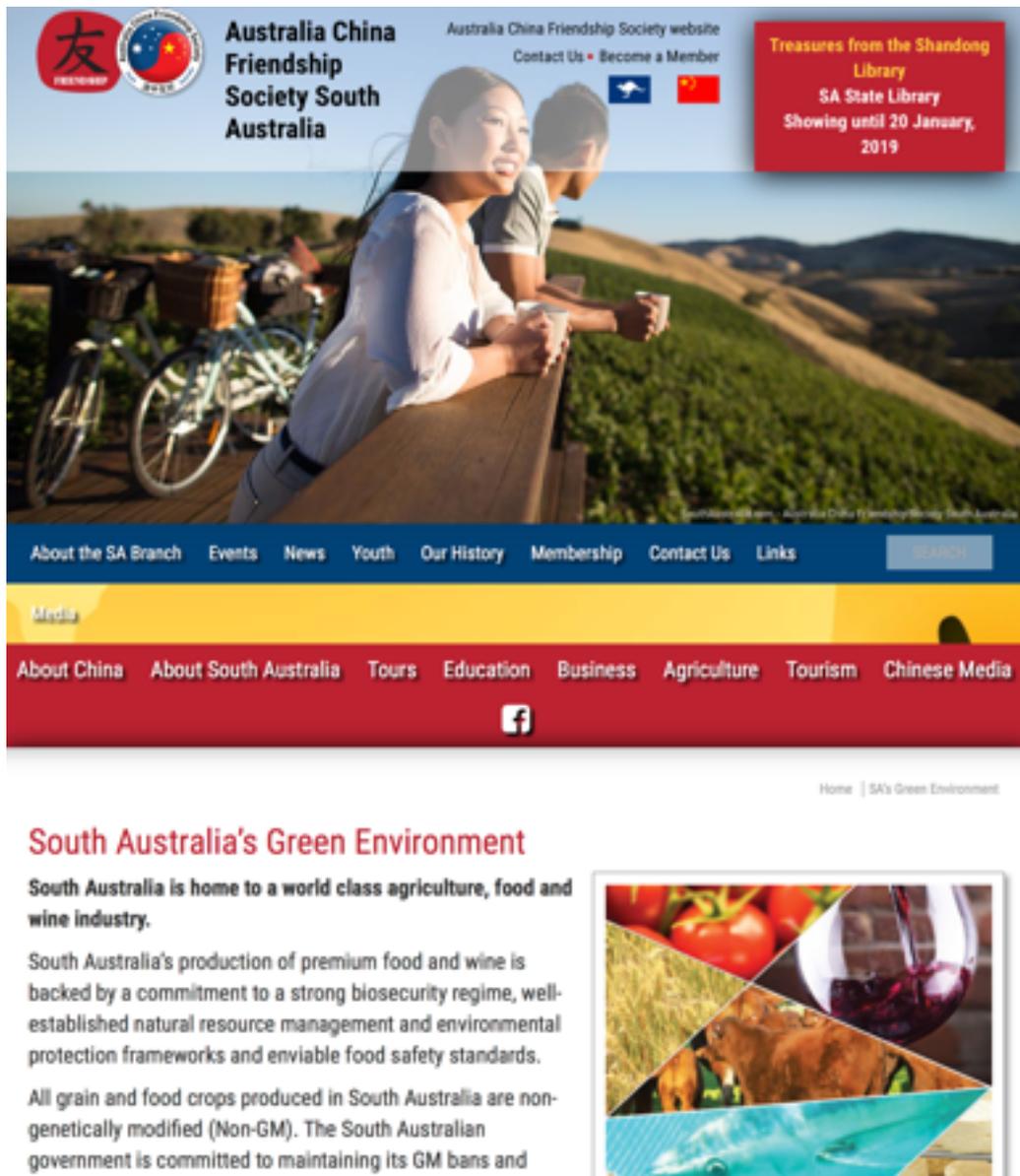


Figure 3: SA is known around the world for its clean and green and smart image (source: [australiachinafriendship.com.au/south-australias-green-environment/](http://australiachinafriendship.com.au/south-australias-green-environment/)).

**Finding 4: South Australia enjoys a clean and green and smart image which is important for tourism, trade, investment, education and migration. The GM Moratorium supports the image of clean and green and smart, and scrapping the GM Moratorium would undermine that image and its economic benefits.**

## Consumers of the world reject GM foods

There is no consumer demand for GM food. For consumers, GMOs are an unwanted intrusion into their diet and food selections, and GM offerings are to be avoided. This sentiment is not just prevalent amongst Australian consumers.

In the largest study of its kind, 23,000 consumers in 17 countries were quizzed about their food preferences. A consumer voice against GMOs was present in all 17 countries (GfK, 2017) (see Figure 4).

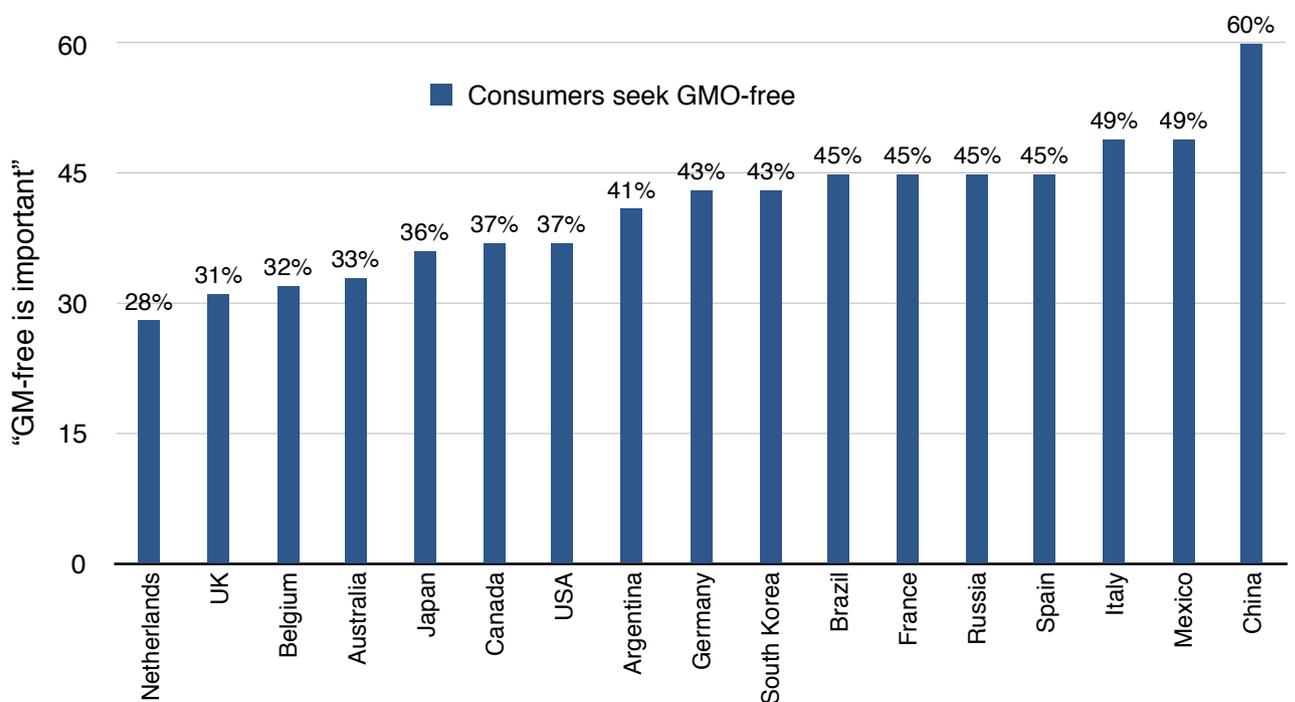


Figure 4: Percentage of consumers in 17 countries who stated that “GM-free is important” in making their food choices (author's graph; data source: GfK, 2017).

**Finding 5: Around the world, there is strong consumer sentiment against GMO food. As a consequence, there are economic price penalties for GM crops and growing what consumers do not want.**

# The price penalty for GM canola

The only GM crop that the *Independent Review* considers for uptake in SA is GM canola (Anderson, 2019).

GM canola attracts a price penalty (see Figure 5). The figures presented in the *Independent Review* (Fig.10, p.29) are a selection of the available data and are rather oddly attributed as “personal communication” (p.52) despite the prices being in the public domain and published regularly. The price penalty for GM canola is 7.2% (Figure 5). There is a consistent price penalty for WA GM canola, across years and grain depots (Taylor, 2019) (Figure 5).

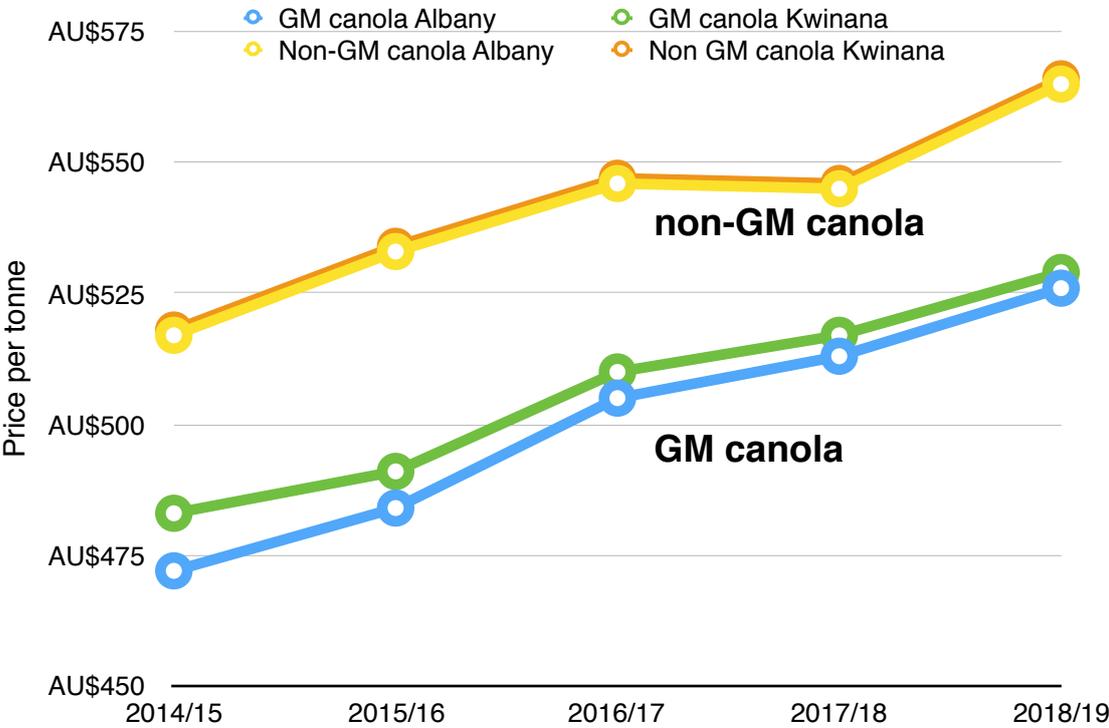


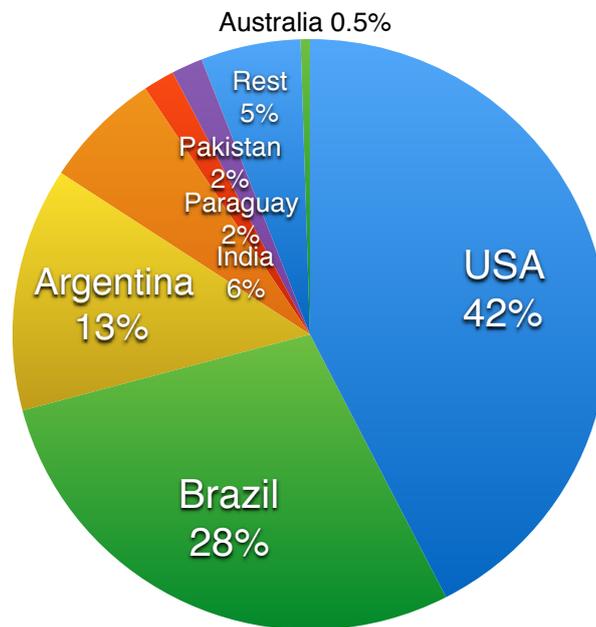
Figure 5: Average annual price per tonne of GM canola versus non-GM canola for grain delivered in WA (Kwinana and Albany) (author’s graph; data source: Taylor, 2019).

**Finding 6: There is a price penalty for growing GM crops. The average price penalty for GM canola in WA is 7.2%.**

## Australia is a minor player in GM agriculture

GM agriculture is dominated by just three countries, USA, Brazil and Argentina, which together account for 83% of the world's GM agriculture hectares. Australia accounts for less than half of one percent of the world's GM agriculture hectares (0.47%) (ISAAA, 2017). Australia is a very minor player in the world of GM agriculture (Figure 6).

This agrees with the data of the *Independent Review* which appear as Appendix 1 (Anderson, 2019, p.41).



**Figure 6: GM agriculture is concentrated in just three countries, USA, Brazil and Argentina, and Australia is a very minor GMO player (author's graph; data source: ISAAA, 2017).**

**Finding 7: GM agriculture is concentrated in just three countries, USA, Brazil and Argentina. Australia is a very minor player in the world of GM agriculture.**

## Segregation is a failure

The *Independent Review* in its Finding 3.3 claims that “The experience of GM canola production and marketing in other mainland states (sic) over the past decade reveals that segregation and identity preservation protocols and practice codes can and do ensure the successful coexistence of GM and non-GM crops in Australia” (Anderson, 2019, p.21). This is wishful thinking.

Segregation of GM and non-GM crops has failed in Western Australia and elsewhere. Considerable evidence was presented to that effect to the WA Parliamentary Inquiry, *Mechanisms for compensation for economic loss to farmers in Western Australia caused by contamination by genetically modified material* (see: [www.parliament.wa.gov.au/parliament/commit.nsf](http://www.parliament.wa.gov.au/parliament/commit.nsf); Swinbourne, 2019).

The WA Parliamentary Inquiry was convened because of the spectacular failure of GM segregation as witnessed in the *Marsh v Baxter* case. In that case an organic farm was contaminated with GM canola. The organic farm lost its organic certification because of the contamination. This resulted in economic losses of \$85,000 to the organic farm, a figure that was agreed between the parties and which accounted for the price premiums for organic that were forfeited. The legal expenses for this case were in the order of \$2 million (Paull, 2015). Such figures are outside the capacity of the average farmer to endure; it was eventually revealed that Monsanto was funding the GM farmer’s legal costs. The *Marsh v Baxter* case evidenced the failure of GM-segregation and the disproportionality of the damages suffered versus the legal-system costs of pursuing a claim.

*Marsh v Baxter* is not the only incident in WA where an organic farm has lost its certification due to GM contamination. However, as the WA Parliamentary Inquiry were at pains to point out in their questioning, there is a “chilling” impact of the *Marsh v Baxter* case in keeping contamination out of the public and legal gaze ([www.parliament.wa.gov.au/parliament/commit.nsf](http://www.parliament.wa.gov.au/parliament/commit.nsf)).

Witnesses to the WA Inquiry revealed that due to GM contamination of canola in WA, the response has been to redefine the grain grade of ‘non-GM’ so that, at least in WA, it no longer means ‘GM-free’, as might be expected, but rather it means something less. Since the introduction of GM canola into WA, the grade, ‘non-GM’, has been redefined to allow GM-contamination up to the level of 0.9% GM before it loses its ‘non-GM’ classification.

There is a price penalty in WA of downgrading produce to ‘GM’ of approximately 7.2%, hence this ‘work-around’ of re-defining terms. This ploy also facilitates a GM-contaminated batch of grain in WA being re-birthed as ‘non-GM’ by adding a sufficient dilution of GM-free grain to bring the contamination level down below the contamination threshold of 0.9%.

This is an unsatisfactory ‘work around’. A glass of milk contaminated to 0.9% with, for example, petrol, detergent, arsenic, iron filings or whatever is rather obviously unacceptable.

In Canada, the failure of segregation has meant that almost all canola in Canada is graded as GM. The Canada Canola Council then propagates the alchemic fiction that “canola oil made from GM seed is conventional canola oil” (CCC, 2017).

**Finding 8: Segregation of GM and non-GM canola has failed in WA and overseas. This failure has been glossed over in WA by redefining ‘non-GM’ as GM-contaminated to an extent not exceeding 0.9%.**

## Glyphosate is carcinogenic

GM Roundup Ready canola is dependent on multiple applications of the herbicide glyphosate. Multiple applications of this herbicide are prescribed to a single crop of GM canola, including a final dose close to harvest time when the crop is swathed (where the head of grain is decapitated from the body of the plant).

Glyphosate is a carcinogen (OEHHA, 2019). Glyphosate does not stay 'on the farm'. It contaminates water, air, soil, plants and animals. It is ingested by adults and children via various routes including via food and beverages (Cook, 2019) (Figures 7 & 8).

A gardener was recently awarded US\$289 million in damages for cancer caused from spraying glyphosate (Bellon, 2018). There are a further 9,300 plaintiffs reportedly seeking redress for glyphosate health damage and with more to come (Bender, 2018).

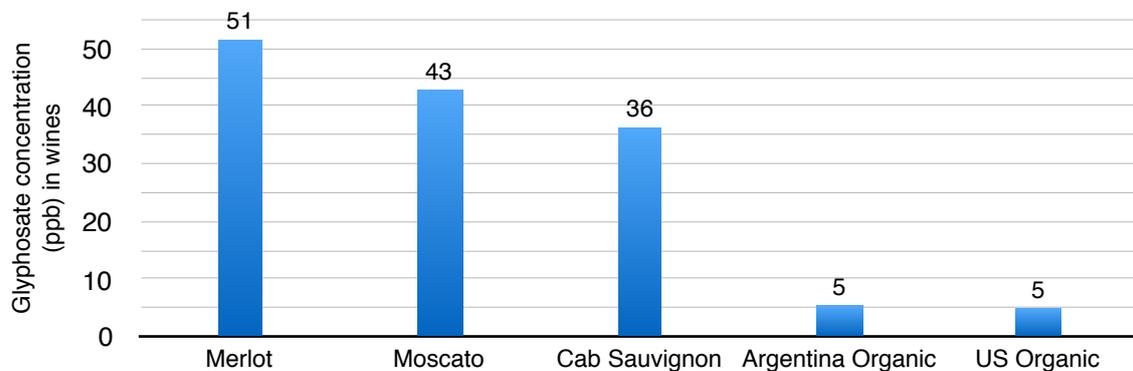


Figure 7: Glyphosate in wine (author's graph; data source: Cook, 2019).

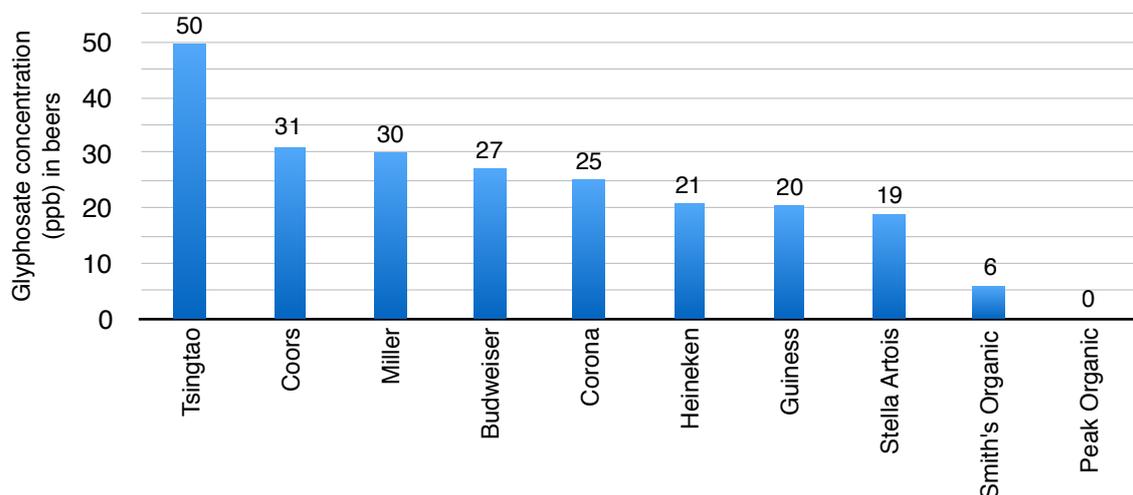


Figure 8: Glyphosate in beer (author's graph; data source: Cook, 2019).

**Finding 9: GM RR canola is glyphosate dependent. Glyphosate is carcinogenic. More glyphosate means more cancer and that means more health costs for SA. Contaminated beer and wine can have negative economic consequences and damage exports. Glyphosate lawsuits can be an economic drain on the SA economy.**

## Consumers don't want pesticides

There is strong global consumer demand for organic food. For consumers, pesticides and GMOs are unwanted intrusions into their diet and food selections. Many consumers are aware that a sure way to avoid GMOs is to buy organic. Organic standards exclude GMOs. Such sentiments are not just prevalent amongst Australian consumers.

In the largest study of its kind, 23,000 consumers in 17 countries were quizzed about their food preferences. A consumer voice for organic and against GMOs was present in all 17 countries (GfK, 2017) (see Figures 4 and 9).

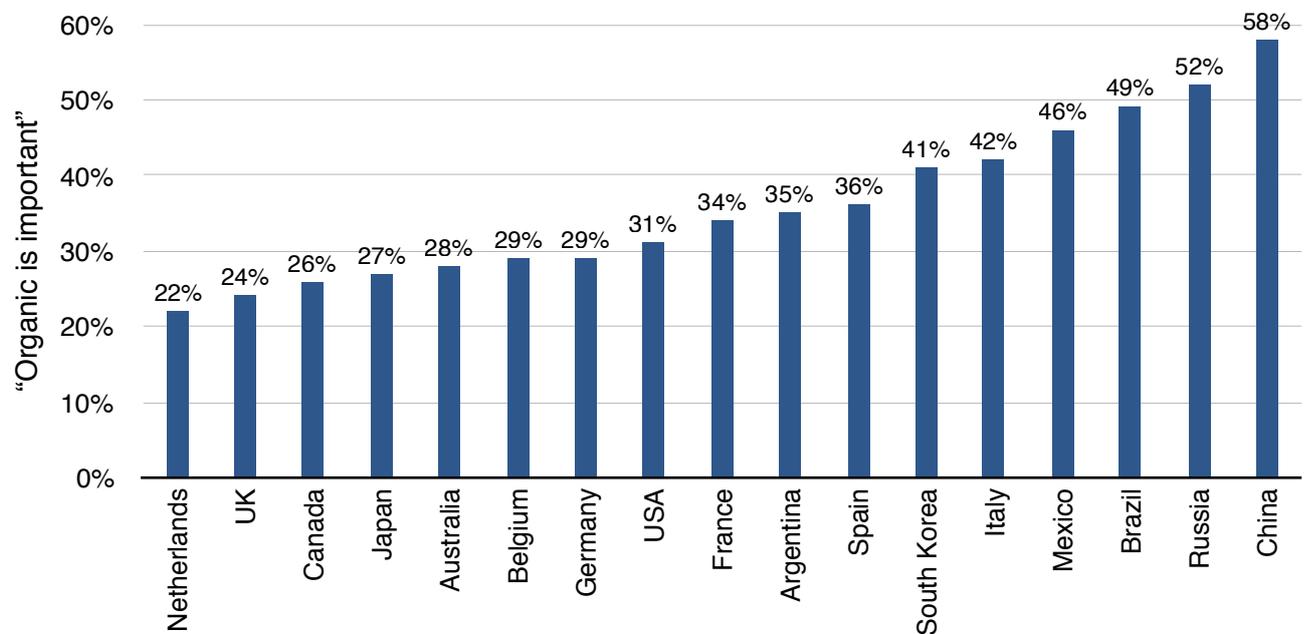


Figure 9: Percentage of consumers in 17 countries who stated that “Organic is important” in making their food choices (author's graph; data source: GfK, 2017).

**Finding 10: Around the world, there is strong consumer sentiment for organic food (and against GM food). There are economic rewards for growing what consumers want.**

# Australia leads the world in Organic Agriculture

Australia leads the world in organic agriculture (Paull & Hennig, 2016) (Figure 10). World organic agriculture has been growing at 12% per annum for the past two decades (Figure 11). Australia accounts for 51% of the world’s certified organic hectares (Willer & Lernoud, 2019). GMOs are a threat to organic agriculture, they are the ‘cane toads’ (invasive species) of clean and green agriculture (Paull, 2015, 2018).

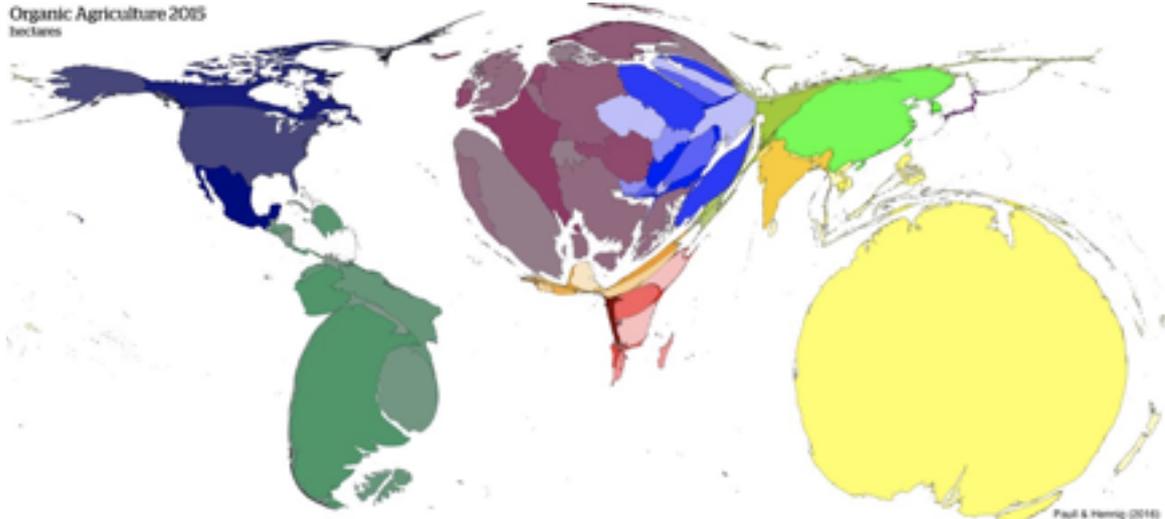


Figure 10: World density-equalizing map of global organic agriculture (based on certified organic hectares per country) (Paull & Hennig, 2016).

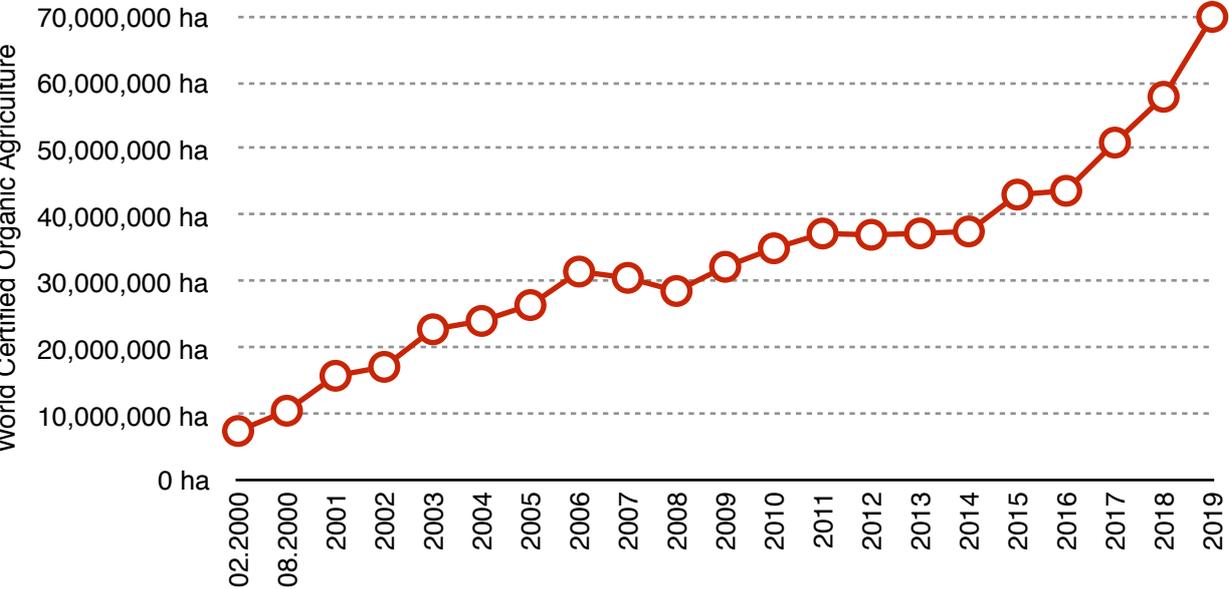


Figure 11: Global organic agriculture has been growing at 12% per annum for the past two decades (year reported) (author’s graph; data sources: Willer & Yussefi, 2000 to Willer & Lernoud, 2019).

**Finding 11: Australia is the world leader in organic agriculture and accounts for 51% of the world’s certified organic hectares. This is a great agricultural and economic success story. GMOs put organics at existential and economic risk.**

# Australian Organic Agriculture is growing at 22% per annum

In Australia, organic agriculture has been growing at 22% per annum (compounding) for the past five years (Figure 12). It is a great success story. World demand for organics continues to grow and the demand frequently outstrips supply.

China, Russia and India have recognised the value of producing food that consumers want to buy and for which consumers are willing to pay a premium. China has experienced its 'organic revolution' (Paull, 2007) and is now a major world exporter of organic food. Russia's Vladimir Putin has recognised the massive economic, trade and environmental advantages for Russia in converting to organic and banning GMOs (RT, 2014, 2017a, 2017b). India has one whole state converted to 100% organic and at least another eleven states are looking to replicate this achievement (Paull, 2017).

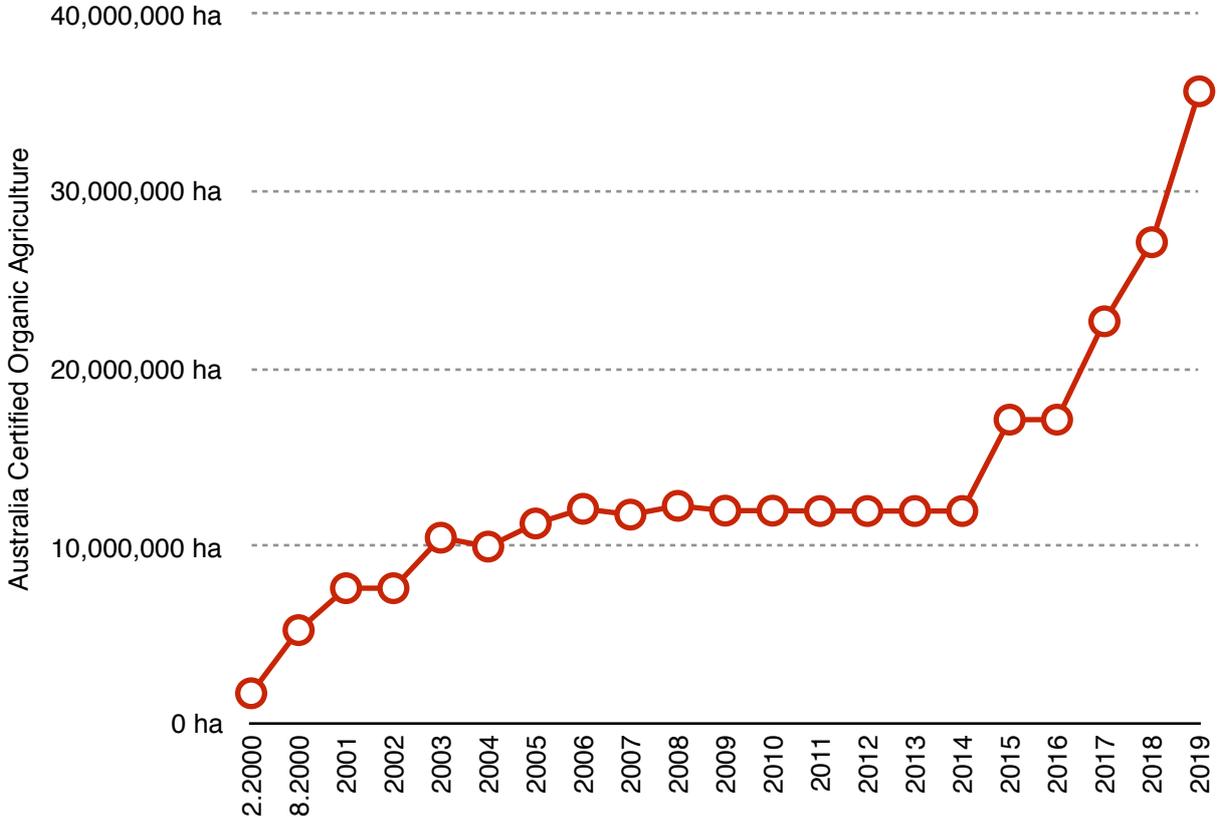


Figure 12: Australia’s organic agriculture has been growing at 22% per annum (compounding) for the past five years (year reported) (author’s graph; data sources: Willer & Youssefi, 2000 to Willer & Lernoud, 2019).

**Finding 12: Organic agriculture in Australia is growing at 22% per annum. This is a great agricultural and economic success story. To allow GMOs to put organics at risk for the sake of something that global consumers do not want would be economic stupidity.**

## South Australia leads the country in Organic Agriculture

South Australia leads the country in organic agriculture (Paull & Hennig, 2018). Forty percent of Australia's certified organic hectares is located in SA. The map of organics in Australia is dominated by the SA presence (Figure 13).

For the sake of producing some cheap GM canola it would be stupid to put South Australia's organics success story at economic risk.



Figure 13: South Australia accounts for 40% of Australia's organic hectares (Paull & Hennig, 2018).

**Finding 13: South Australia leads the country in organic agriculture (based on certified organic hectares). This is a great agricultural and economic success story. Allowing GMOs in SA would put organics at existential and economic risk. That would be economically stupid given that here is a price premium for organic produce and an economic penalty for GMO produce.**

## No Social Licence for GMOs

The majority (78%) of submissions to the *Independent Review* were in favour of maintaining the GM Moratorium. The *Independent Review* claims that “Community attitudes to the Moratorium were captured in the 216 submissions” and this is not disputed by the present author.

The conclusion to be drawn is that, on the available evidence, there is no social licence for scrapping SA’s existing GM Moratorium. The social licence is for maintaining the present GM Moratorium.

The SA GM Moratorium is consistent with the clean and green and smart image of SA (Figure 14). It would be foolhardy, contentious and socially disruptive to scrap the GM Moratorium, it would create uncertainty for the agriculture and food sector and would precipitate consumer, resident, trade buyer, and visitor push back with the attendant economic forfeits and costs.



Figure 14: South Australia enjoys a clean and green and smart image.

**Finding 14: There is no social licence for GMOs. The SA GM Moratorium is consistent with the clean and green and smart image of SA and warrants being maintained for its social, environmental, health, education, trade and economic benefits.**

## Conclusions and findings

The *Independent Review* fails because it is not 'independent' as it claims but is rather a partisan document apparently constructed to support the pre-existing views of its author, views that have already been expressed over the past two decades and are blindly in favour of genetically modified organism crops (GMOs). The opinion of the present reviewer is that the author of the *Independent Review* ought to have properly stood down for reasons including his vested interest in maintaining and propagating his own long standing pro-GM viewpoints.

The *Independent Review* fails to report that the vast majority (78%) of submissions are strongly in favour of retaining the existing GM Moratorium in SA (the *Independent Review* erroneously claims the contrary result which is inconsistent with its own raw data). This front-end failure of the *Independent Review* casts a cloud over any and all of the claims from thereon, many of which are ambit claims that can not readily (or at all) be checked.

The *Independent Review* fails to evaluate the broad economic and societal impacts of the subject. Instead, the *Independent Review* takes a very narrow and blinkered productionist view. The *Independent Review* fails to acknowledge the fact that consumers of the world do not want GM food. The *Independent Review* glosses over the fact that GM farmers get hit with a price penalty for their GM produce when they take it to market, and so, despite self-serving multi-national hype, economically they start 'behind the eight ball'.

The *Independent Review* makes no attempt to measure the negative economic impacts that scrapping the GM Moratorium would have on the clean and green and smart image of SA. The GM Moratorium is a point of difference for SA, a bragging point for SA, and it is a visible and a tangible validator of SA's claim to being clean and green and smart.

The *Independent Review* is a partisan document which falls short of meeting its brief, and its findings deserve to be questioned, scrutinised and ultimately rejected.

**The 14 findings of the present review follow:**

**Finding 1: The *Independent Review* is not independent at all. The *Independent Review* is written by a vocal and long term advocate of GMOs and GM-crops, and in addition it contains errors of fact from the outset (see Finding 2) and it should be disregarded in its entirety.**

**Finding 2: The majority (78%) of submissions supported retaining the existing SA GM Moratorium. The *Independent Review* falsely reports the contrary.**

**Finding 3: Australian supermarkets do not stock GM-foods because they are aware that Australian consumers have rejected such ‘frankenfoods’.**

**Finding 4: South Australia enjoys a clean and green and smart image which is important for tourism, trade, investment, education and migration. The GM Moratorium supports the image of clean and green and smart, and scrapping the GM Moratorium would undermine that image and its economic benefits.**

**Finding 5: Around the world, there is strong consumer sentiment against GMO food. As a consequence, there are economic price penalties for GM crops and growing what consumers do not want.**

**Finding 6: There is a price penalty for growing GM crops. The average price penalty for GM canola in WA is 7.2%.**

**Finding 7: GM agriculture is concentrated in just three countries, USA, Brazil and Argentina. Australia is a very minor player in the world of GM agriculture.**

**Finding 8: Segregation of GM and non-GM canola has failed in WA. This failure has been glossed over by redefining ‘non-GM’ as GM-contaminated to an extent not exceeding 0.9%.**

**Finding 9: GM RR canola is glyphosate dependent. Glyphosate is carcinogenic. More glyphosate means more cancer and that means more health costs for SA. Contaminated beer and wine can have negative economic consequences and damage exports. Glyphosate lawsuits can be an economic drain on the SA economy.**

**Finding 10: Around the world, there is strong consumer sentiment for organic food (and against GM food). There are economic rewards for growing what is consumers want.**

**Finding 11: Australia is the world leader in organic agriculture and accounts for 51% of the world’s certified organic hectares. This is a great agricultural and economic success story. GMOs put organics at existential and economic risk.**

**Finding 12: Organic agriculture in Australia is growing at 22% per annum. This is a great agricultural and economic success story. To allow GMOs to put organics at risk for the sake of something that global consumers do not want would be economic stupidity.**

**Finding 13: South Australia leads the country in organic agriculture (based on certified organic hectares). This is a great agricultural and economic success story. Allowing GMOs in SA would put organics at existential and economic risk. That would be economically stupid given that here is a price premium for organic produce and an economic penalty for GMO produce.**

**Finding 14: There is no social licence for GMOs. The SA GM Moratorium is consistent with the clean and green and smart image of SA and warrants being maintained for its social, environmental, health, education, trade and economic benefits.**

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**Dr John Paull**  
March 2019  
john.paull@mail.com

Submission for:  
**GM Moratorium Report Consultation**  
GPO Box 1671  
Adelaide SA 5001  
Email: Minister.Whetstone@sa.gov.au

## Natalie McDonald

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**From:** James Whittaker  
**Sent:** Thursday, 28 May 2020 12:02 PM  
**To:** Corporate Email Address  
**Subject:** GM submission

Hey there,

I hope you are doing well.

I am wondering what the Yp councils view is on GM production and what avenue I need to head down to submit a report on gm crops and also whether it's worth me writing a bit of a report up.

I believe there is a market advantage of growing conventional crops instead of GM and would love to see GM kept out. I realise this should be a state issue and it's a little disappointing to see the way in which the government has held this issue.

From

James Whittaker

## Natalie McDonald

---

**From:** Natalie McDonald  
**Sent:** Tuesday, 16 June 2020 2:09 PM  
**To:**  
**Subject:** FW: GM submission

Good afternoon James

I refer to your email below.

At this point in time Council has yet to consider its position in relation to GM crops.

If you wish to prepare a report for when and if it is considered by Council, our CEO is happy to attach your submission to his report.

If you have any further queries, please do not hesitate to contact me.

Kind Regards

**Natalie McDonald** | Executive Assistant to the CEO and Mayor  
Yorke Peninsula Council | Office - Maitland  
Ph: 08 – 8832 0000 | F: 08-8853 2494  
E: [natalie.mcdonald@yorke.sa.gov.au](mailto:natalie.mcdonald@yorke.sa.gov.au) | W: [www.yorke.sa.gov.au](http://www.yorke.sa.gov.au)

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-----Original Message-----

**From:** James Whittaker  
**Sent:** Thursday, 28 May 2020 12:02 PM  
**To:** Corporate Email Address <[admin@yorke.sa.gov.au](mailto:admin@yorke.sa.gov.au)>  
**Subject:** GM submission

Hey there,

I hope you are doing well.

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I believe there is a market advantage of growing conventional crops instead of GM and would love to see GM kept out. I realise this should be a state issue and it's a little disappointing to see the way in which the government has held this issue.

From  
James Whittaker

MINLATON  
5575  
19/6/20

The Mayor and elected members  
YP Council  
MAITLAND 5573

Dear Darren and elected members

I wish to convey my views on the ending of the moratoria on growing genetically modified crops in South Australia.

I firmly believe that Council should not seek to continue the moratorium on YP. This technology has the potential to provide major benefits to the state's farmers and ultimately the state economy. GM technology may allow our world-renowned researchers at the Waite Institute, and others, to breed frost tolerance into cereals and pulse varieties and traits to better handle our changing climate.

The vocal naysayers always focus on glyphosate and the multi-national life-science companies in their opposition. The use of glyphosate tolerant crops will likely only find limited application, it is the potential for our scientists to use technology that our competitors have had for years that will keep our agricultural industries world competitive.

The focussing on Monsanto and other such companies is hypocritical because many of these companies are the same ones who manufacture most of our pharmaceuticals and many people use these to improve and prolong their lives.

Thank you for reading this and let us keep Yorke Peninsula as a progressive farming area.

Yours sincerely

A handwritten signature in blue ink that reads "B. L. Cook". The signature is written in a cursive style with a large initial "B" and "L".

Bruce Cook