

## DRAFT SECOND READING SPEECH

HON GUY BARNETT MP

### *Genetically Modified Organisms Control Amendment Bill 2019*

*\*check Hansard for delivery\**

Madam Speaker, I move that the Bill now be read a second time.

A key target of the Hodgman Liberal Government is to grow our agricultural sector to \$10 billion by 2050.

As we deliver our comprehensive Agri-Food Plan, we are on track to meet this goal, with the most recent figures from the ABS showing a 9 per cent increase in the annual value of agricultural production to \$1.6 billion in 2017/18.

In order to continue this growth, it is essential that we maintain and strengthen Tasmania's reputation for producing premium products that are safe, clean and reliable.

Our Genetically Modified Organism (GMO)-free status is a key part of Tasmania's brand and reputation, offering marketing advantages for our high-quality, high-value primary industries.

That is why the Hodgman Liberal Government has made the decision to extend Tasmania's moratorium on the release of GMOs to the environment for a further ten years.

The *Genetically Modified Organisms Control Amendment Bill 2019* will give effect to this decision.

This Bill will extend the expiry date of the *Genetically Modified Organisms Control Act 2004* (the Act) from November 2019 to November 2029.

The Act provides for the whole or any part of Tasmania to be declared to be a GMO-Free Area for the purpose of preserving the identity of non-genetically modified (GM) crops and animals for marketing purposes, and for persons to be allowed to deal with GMOs under permits. This is the statutory basis for Tasmania's GMO moratorium.

Section 36 of the Act currently specifies that the Act will expire 15 years after it commences, which will be in November 2019.

Through a simple amendment of this expiration period from 15 years to 25 years, this Bill will extend the Act, and hence the current moratorium on the release of GMOs to the Tasmanian environment for another ten years.

The decision to extend the moratorium for a further ten years follows a comprehensive review undertaken earlier this year by the Department of Primary Industries, Parks, Water and Environment.

The details that underpin the operation of the Act are set out in the *Tasmanian Gene Technology Policy 2019-2029* and supporting *Tasmanian Gene Technology Guidelines*.

The updated Policy and Guidelines retain the longstanding policy of allowing the use of GMOs in pharmaceutical poppy crops not intended for use for food or feed, provided all statutory requirements are met and that markets for Tasmania's GMO-free food products can be maintained and appropriate co-existence arrangements are developed.

The Policy also ensures that biotechnology research and innovation in Tasmania continues to be supported, with research using GMOs permitted in Physical Containment Facilities provided all statutory requirements are met.

In our Policy, we have committed to undertake a full review of the Policy before the moratorium expires in November 2029.

We also recognise that gene technology is evolving rapidly, and for this reason, the Department of Primary Industries, Parks, Water and Environment (DPIPWE) will undertake monitoring and review of developments in gene technology, providing a report to the Minister at least every three years. These reviews will also consider stakeholder views and changes in market and consumer sentiment.

Consistent with current practice, it is the intention of the Government that these reports on developments in gene technology will also be made public.

DPIPWE will advise the Minister if, based on the evidence from these reviews, there are significant developments in these areas that warrant the triggering of a review of the Policy before the maximum ten years.

If such a circumstance arose, the Government would take advice and consider its position on whether to conduct a full review of the Policy earlier than the maximum ten-year period.

In addition, the Minister will also be able to direct a full review of the Policy at any stage during the period of the moratorium.

This is a responsible position that enables Government to respond should there be developments in technology or changes in market sentiment that have the potential to significantly benefit Tasmania.

Key industry stakeholders including Fruit Growers Tasmania, the Tasmanian Farmers and Graziers Association, Poppy Growers Tasmania, Dairy Tasmania and the Tasmanian Agricultural Productivity Group have been directly consulted on and support the review provisions in the Policy.

Since its introduction in 2001, the moratorium on GMOs has allowed Tasmania to position itself in the global market as a source of food that is genuinely GMO-free, and during this time, our agricultural sector has gone from strength to strength.

The fact that the moratorium has been in place for most of this century sends a strong message about the consistency of Tasmania's position at a time when domestic markets and international trading partners are placing an increased value on food provenance.

This ten-year extension will strengthen the Tasmanian Brand, ensure continued access to valuable markets, and will provide our trading partners with assurance in the ongoing stability of Tasmania's GMO-free provenance.

This strengthening of the Tasmanian brand paired with the new biosecurity legislation and ongoing investment in irrigation makes us well positioned to meet our target to grow the agricultural sector to \$10 billion by 2050.

The ten-year extension to the moratorium will also be welcomed by many farmers, agribusinesses, food businesses, and members of the wider community.

In the most recent review of the GMO moratorium conducted by DPIPWE, a total of 76 submissions were received, with the overwhelming majority in favour of extending the moratorium.

Representatives from the fruit, wine, honey, organics and beef industries highlighted the marketing benefits provided by the moratorium, and warned of risks to market access should there be any change to our GMO-free status.

This ten-year extension to the moratorium will provide farmers, food producers and businesses with the confidence to invest in marketing strategies that take full advantage of Tasmania's GMO-free status.

A clear example of the marketing benefits provided by the moratorium is provided by participants in the Tasmanian beef industry who noted that active promotion of the GMO-free provenance of Tasmanian beef has been a key factor in securing valuable markets for beef products in Japan and the United States.

This has helped make beef Tasmania's most valuable international food export in 2017-18, representing \$210 million out of a total food export value of \$740 million.

Another example is the \$8 million honey industry, which actively promotes the GMO-free provenance of Tasmanian honey in both domestic and international markets.

Loss of Tasmania's GMO-free status could impact Tasmania's competitiveness in honey markets where countries such as New Zealand are also actively promoting their GMO-free status.

In making our decision to extend the moratorium, we acknowledge that some industries benefit less from the moratorium than others.

GMOs may offer some individual businesses potential productivity gains, particularly producers of larger-scale commodity products.

However, these potential gains are difficult to quantify and, given the well-established benefits of the moratorium, any decision to change would require compelling evidence.

It is noted that the only GM crop currently commercially available that is suited to Tasmanian conditions is canola and we have strong market demand for our non-GM canola.

Nonetheless, we acknowledge the potential future benefits of GMOs in Tasmania, and emphasise that in the updated Tasmanian Gene Technology Policy, we have committed to regularly monitoring developments in in gene technology, markets and consumer sentiment.

We are mindful that our GMO-free status cannot easily be restored once lost, and that any potential use of GMOs would require very careful consideration to avoid negative market or brand impacts.

I note that following a recent review by the Commonwealth Gene Technology Regulator, from October 2019, under the National Gene Technology Scheme, organisms modified using a gene editing technique known as SDN-1 (SDN-one) will no longer be regulated as GMOs on the basis that organisms modified using this technique pose the same risk as, and are indistinguishable from, organisms carrying naturally-occurring mutations.

This national decision does not prevent Tasmania having a moratorium on GMOs.

We are however mindful that the decision may create issues for businesses that export to markets where SDN-1 modified organisms continue to be considered or regulated as GMOs.

For this reason, the Tasmanian Government will consult with stakeholders to develop a Regulation to control the use of SDN-1 modified organisms in Tasmania.

A Regulation will be made under section 7 of the *Gene Technology (Tasmania) Act 2012*, to modify how the *Commonwealth Gene Technology Act 2000* and *Gene Technology Regulations 2001* apply as law in the State of Tasmania.

The Regulation will ensure that SDN-I modified organisms are regulated as GMOs in the Tasmanian agri-food sector for marketing purposes.

The purpose of the regulation is to control the commercial release into the Tasmanian environment of SDN-I modified organisms to preserve the identity of Tasmanian agricultural and food products in the marketplace.

There is currently uncertainty around the national decision not to regulate SDN-I modified organisms. The regulation will maintain the status quo for Tasmanian businesses and provide a clear and consistent message in the market-place for those Tasmanian businesses and industries that rely on Tasmania's GMO-free status.

In practical terms, considering there is currently no method for conclusively determining whether an organism is carrying sequence variation of natural or SDN-I origin, the State would regulate dealings with SDN-I modified organisms through requirements for importers to confirm products coming into Tasmania are GMO free, including SDN-I free, through a non-GMO assurance declaration scheme.

The regulation will be drafted in consultation with industry to ensure that it meets import and export market requirements. Consistent with the longstanding Tasmanian Gene Technology Policy provisions, our intent is that the Regulation does not provide a barrier to the use of SDN-I techniques in defined circumstances including controlled research, including human health and pharmaceutical applications.

We will also continue to work with exporters and industry stakeholders to address any other potential market or brand implications if they arise.

The updated Tasmanian Gene Technology Policy also outlines that the Government will work with agri-food sectors to identify how our competitive advantages can play a greater role in Tasmania's premium brand attributes.

Through the work of Brand Tasmania which has a strategic role in brand positioning and communication with key markets, and through the rollout of the Tasmanian Trade Strategy, the Government will continue to support GMO-free marketing opportunities.

In conclusion, this Bill fulfils the Government's commitment to extend the GMO moratorium for ten years.

Within this timeframe, the Government will continue to regularly monitor technological advances, markets and consumer sentiment.

This Bill will also enable farmers, agribusinesses and food businesses that rely on the State's GMO-free status to confidently invest in marketing and market development activities to sell their products and to demonstrate the value of Tasmania's GMO-free status.

It is a sensible and balanced approach.

Madam Speaker, I commend the Bill to the House.