

7 January, 2021

Minister for Primary Industries and Water  
Hon. Guy Barnett MP

Dear Minister,

### **Response to the Invitation to Comment on the Draft SDN-1 Regulation**

Thankyou for the invitation to comment on the proposed regulations.

I find it very disappointing that you are proposing to expand the policy of constraining the possibilities for the uptake of new technologies that will improve farm productivity in Tasmania; effectively in the same way as the restrictions on GMOs.

You claim these actions by the Government are for marketing benefits. It is reasonable to ask for a cost/benefit analysis, noting that while there may be marketing benefits (as yet undocumented) there are also costs, for example lower levels of productivity and in some cases the opportunities to reduce environmental impacts (for example reduced pesticide use). I accept in these situations we must speculate about future impacts on both sides of the analysis (market benefits versus production and environmental benefits), but I am confident farmers would only take up opportunities offered by these technologies if they as business managers perceived a benefit. They do not need Governments to make business decisions for them.

While there are no SDN-1 or GMO organisms currently available for commercial use in Tasmania, it is certain there will be organisms in the near future, for example new varieties of rye grass that will offer productivity benefits.

The most recent ScoreCard shows that the livestock and dairy industries contributed 63.6% of the Gross Value of primary production at the farm gate (2018-19 ScoreCard). A small increase in productivity, say 5%, would result in an additional \$50m at the farm gate. I do not believe that an increase of this magnitude can be achieved by marketing, and no evidence has so far been provided to show that any benefits from the Governments' policies can be expected at the farm gate.

On the broader issue of Governments' target of increasing the farm gate value of agriculture to \$10b by 2050 (an objective I fully support) I make the following observations, noting the potential impacts of the GMO and SDN-1 legislation.

Increasing the farm gate value can only result from the following actions:

1. Increasing per hectare productivity (e.g. yield per hectare); clearly will be negatively impacted by the legislation.
2. Increasing hectares (not likely in Tasmania).
3. Transition to more valuable production (e.g. changing enterprises); the potential for new varieties and plant species better suited to our environments resulting from GM and SDN genetic improvements will be reduced by the existing GMO and proposed SDN legislation .

4. Increasing the market value of existing and more valuable products (marketing and value adding) – leading to higher farm gate value; the draft legislation is based on the belief that the value of current produce will be increased.

With regard to increasing market value, and it is uncertain whether any extra value that might be created will be passed on to farmers (rather than being retained by processors and value adding businesses).

My view is that increasing productivity will be essential for Tasmanian producers to be competitive with interstate and overseas producers, and the lower productivity that will result from the proposed constraints will not be offset by the suggested marketing benefits.

In the case of a superior rye grass variety, for example, all graziers would have the potential benefit of the higher productivity; that includes beef, lamb, wool and dairy producers. With the SDN-1 regulations, only those farmers producing goods eventually destined for the suggested higher value markets (Japan, China and the EU) would benefit; other producers with products going to other markets would suffer.

A more detailed analysis of costs and benefits is required to support the claim that the legislation will benefit Tasmanian farmers.

In my opinion Tasmanian farmers and consequently the State and the environment will be adversely affected by the proposed legislation.

I am opposed to the legislation.

Sincerely,

David Armstrong  
Agricultural Consultant (retired).