

MONSANTO



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Agriculture and Food Policy Reference Group Secretariat  
GPO Box 858  
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Dear Sir/Madam

**Re: Review of Australian Agriculture and Food Policy**

Thank you for the opportunity to contribute to the future direction for Australian Government policies and programs in the agriculture and food sector. Monsanto Australia Limited commends the former Minister for Agriculture, Fisheries and Forestry for his initiative in launching this timely review.

Monsanto Australia is an agricultural company providing farmers with innovative solutions to farming challenges. We have been involved in Australian agriculture since the 1950's and our products have helped farmers adapt to changing economic, environmental and social trends.

In introducing Roundup® herbicide to Australia, we worked with farmers and agronomists to help develop conservation tillage techniques to reduce fuel requirements, and preserve soil structure, nutrition and moisture.

In 1996, we introduced to Australia pest resistant cotton developed using gene technology. On the eve of the 10<sup>th</sup> Australian season of genetically modified (GM) cotton, it is rewarding to see the benefits that farmers, their families and local communities have captured – saving fuel, water and time with reduced insecticide use, and shifting to environmentally softer herbicide systems.

Our people take pride in delivering better productivity and environmental sustainability to Australian farmers and their food and fibre customers. We are therefore very keen to contribute to this review and we thank you for the opportunity.

We particularly wish to consider the issues raised by Section 7 *Research, development, innovation and technology*, under the heading of *Biotechnology*.

We believe that Australia is at a crossroads with respect to the future of agricultural biotechnology. GM cotton has been a success story, delivering economic, environmental and social benefits to the cotton industry and communities. GM foods are well-established in the Australian food chain, with numerous products approved for consumption in Australia, including cottonseed oil produced from Australian GM cotton crops.

However, the business and investment environment in Australia for adoption of new GM crops changed significantly during 2003 and 2004, when some State/Territory Governments introduced legislation to prevent commercialization of GM canola, citing concerns around impacts on markets. With no path to commercialization, and the increasingly dominant pressure groups opposed to GM crops in Australia, Monsanto Company chose to close the Monsanto Australia canola business and divert this investment to other business opportunities in the Asia Pacific region, where there is a more attractive business climate for agricultural biotechnology and greater investment certainty.

The process for commercializing a new GM crop is a long-term proposition. It requires very substantial investment over many years – from trait selection, regulatory testing, agronomic development, commercial evaluation, through to ultimate commercialization.

Monsanto Australia maintains its commitment to bringing new GM technologies to the Australian cotton industry. However, we recognize the barriers to acceptance of other GM crops in Australia. As a result, we are now taking a more rigorous review process when considering investing in GM technologies in other crops in Australia. Monsanto Company takes into consideration the regulatory environment when prioritising markets and timelines for the next wave of new technologies.

Monsanto Australia is, however, committed to working with governments, industry and the community to find a path forward for agricultural biotechnology in Australia. Without this, the Australian agriculture and food sectors will be denied the opportunity to access the next generation of GM crops, which are being made available to other countries – for example, food quality traits that offer direct benefits to consumers, such as healthy oils or increased protein; stress tolerant traits that increase farmer productivity, such as drought-tolerance; and animal feed products, such as increased protein in meal.

Monsanto Australia worked with farmers and the grains industry over several years in developing GM canola varieties suited to Australian conditions. As part of this process we conducted industry field days and we prepared and shared reports that captured the results of these trials, in particular, the agronomic and environmental benefits of GM canola. Our communications activities also sought to address issues commonly raised by interested parties, such as cross-pollination, segregation of supply chains, crop stewardship and liability. The fact that these issues still cause concern amongst some parties, however, underscores that industry alone cannot set the environment, but that a more comprehensive communication program on agricultural biotechnology is needed, underpinned by strong Federal Government leadership.

The experience with GM cotton in Australia demonstrates how broadly the benefits of GM crops are shared – across industry, communities and governments. We contend that a ‘whole of government and industry’ approach is therefore needed to help counter the misinformation about GM crops, which is generating unnecessary concerns and influencing mainstream Australia. We call on the Federal Government to play a leadership role in this regard, to help change the

investment climate for GM crops. The Federal Government is in the unique position of being able to facilitate this united government and industry approach to determining the path forward. Monsanto Australia is committed to playing an important role as part of this partnership approach.

This could, for example, be taken forward through an Action Agenda process by the Federal Biotechnology Ministerial Council or by the Primary Industries Ministerial Council. Regardless of the avenue taken, we believe that Federal Government leadership and action is crucial if Australia is to have the same opportunities to access new GM technologies that are, and will be, available to competitor countries.

Any efforts to create a path to market for new GM crops will naturally attract opposition from those who do not support these technologies. But we believe that it is in the national interest to ensure that policy and legislative decisions on agricultural biotechnology are based on sound science and objective information, not misinformation and short-term political gain. The sustainability, profitability and future competitiveness of our agriculture and food industries depends on this.

The issues associated with the GM debate in Australia are complex, and the steps taken to embark on a 'whole of government and industry' approach may not be straightforward. As a first step, we would be very interested in discussing these issues further with the Reference Group and would be happy to elaborate on any of the comments made above. With 10 years experience in commercializing GM crops in Australia, we feel we can bring useful experience and knowledge to this process.

I thank you for considering these issues and encourage you to contact me, should you wish to discuss any of these comments further.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bethwyn Todd', written in a cursive style.

Bethwyn Todd  
Corporate Affairs Lead  
Monsanto Australia  
18 July 2005