

7th October 2004

MR K CHANCE
MINISTER FOR AGRICULTURE, FORESTRY AND FISHERIES

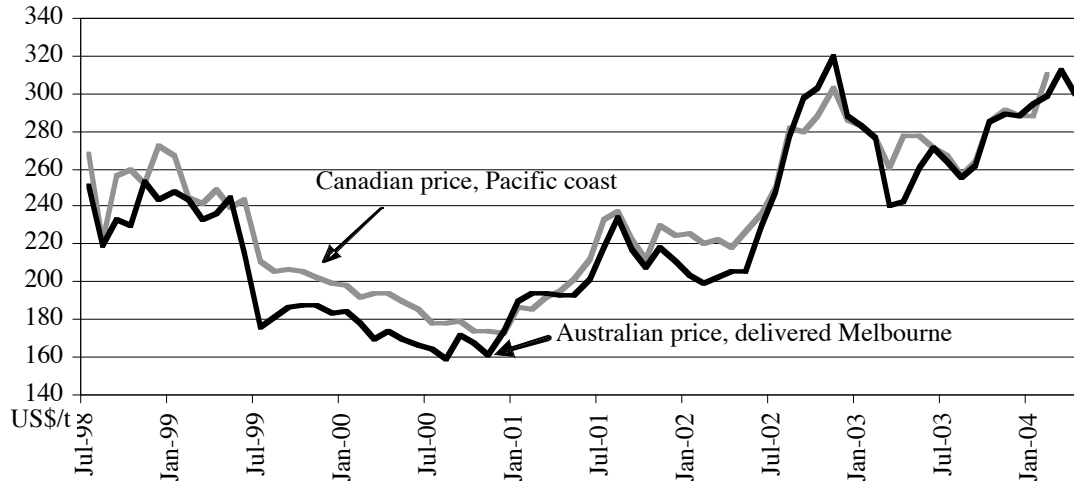
E-mail: KPszczola@dpc.wa.gov.au

Dear Mr Chance

Thank you for your letter (ecopy) on 28 July regarding GM canola with your explanation of reason why you are with-holding GM crops from us - being market considerations. Can you please explain what information you are using to base this important decision on. These market considerations must be compelling to over-rule the benefits that these crops offer.

I have just returned from leading a 44-people Study Tour on agricultural innovations to the USA and Canada. We heard of no market penalties to the Canadians canola and we receive the same price for our non-GM canola as they do for their GM canola. The Canadian Wheat Board have sent me an email saying that their wheat is grown in GM canola stubbles and a small amount of GM canola does get into their wheat which is then exported to non-GM markets and this poses no marketing problems.

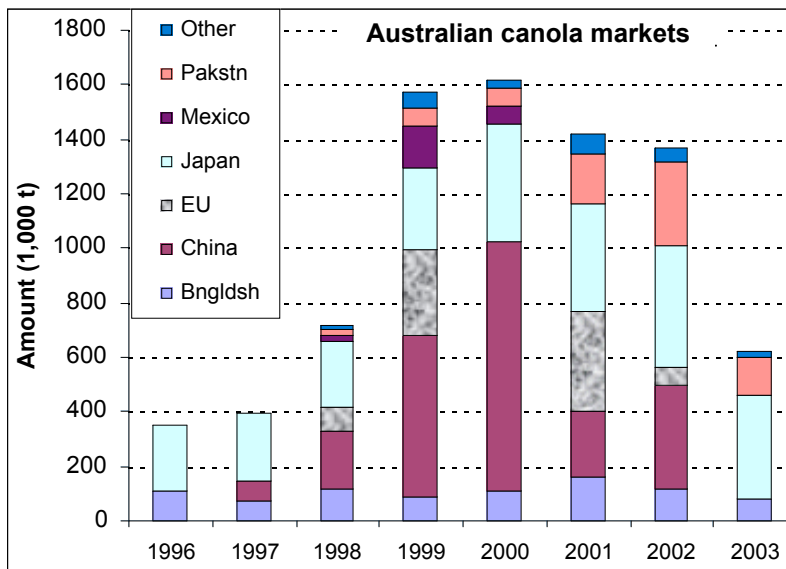
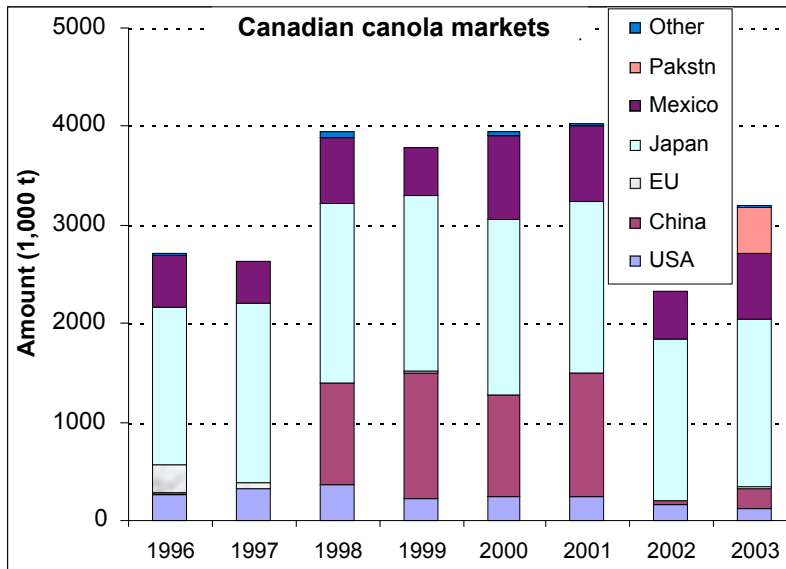
Please also be aware that Peter Portman, Manager Technical Market Services, CBH-GrainPool, told 60 people at the Australian Academy of Technological Sciences and Engineering Symposium last Friday that there is no non-GM premium currently available for our non-GM canola. Or, if there was a premium it might be in the order of \$1-2/t only. This is consistent with ABARE figures and export prices of canola (see below also).



Here are some more facts on Canadian and Australian markets of GM Canadian canola versus non-GM Australian canola. The graphs below show some of the following points:

1. Canadians grow 4-5 times more canola (mostly GM) than we do
2. Canadians have increased their market share in Japan against Australia in recent years
3. Canadians are increasing canola production, apart from their '02 & '03 droughts
4. Australians are cutting back on canola – evident in WA in '03 & '04
5. Europeans have purchased 11% of our Australian canola over the last 8 years
6. The US purchased 240,000 t/year from Canada over 8 years and none from us

Please note, that in mid-April 2004 the Chinese government issued safety certificates allowing Roundup Ready Canola and Liberty Link canola to be imported.



I suggest that there is a significant level of anger building in rural WA and throughout Australia over the state governments anti-GM position. I believe this anger will grow as more people see what is happening in Canada and elsewhere in the world with the incredibly rapid rate of GM adoption and the real benefits they provide. I suggest that it is time that you listen less to the anti-GM fanatics like NCF and similar personnel within WAFF and begin to give more than lip service to the sensible science and practice of GM technology.

It is risky for companies to conduct GM trials when they see no way forward and MPs do not defend them - as in Victoria recently. Bayer have been abused, on ABC radio and in the media, for their research trial work in Victoria by Julie Newman, Vice President the Grains Section of WAFF who claims to be acting on behalf of WA growers. Julie has, so it would seem, taken a vow to “never say anything positive about GMs and to never let GMs into our country” and in order to do this she has to ignore many facts. Please do not do the same?

Yours sincerely.

Bill Crabtree (B.Ag.Sci., M.Sci.)
 Consultant, Northam. Honorary WANTFA Life Member