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Submission to the Standing Committee on Environment, Resources and Development

Tasmanian Hemp Industry Inquiry

Introduction

Tasmanian entrepreneurs commenced the development of a Tasmanian Industrial Hemp Industry in the very early 1990's when the Tasmanian Hemp Company undertook a joint development project with the Tasmanian University and the Australian Newsprint Mills.

The initial objective was to develop a fibre industry followed by an industrial hemp seed oil industry.

History

The early development work in Tasmania to develop an industrial hemp fibre industry for use with newsprint paper was assessed as non-viable due to the costs involved at that time. The development of an industrial hemp industry then stalled due to government regulations. Additional industry proponents however recognised other market opportunities in hemp fibre mulch and alternative uses for hemp seed oil. In 1998, regulations controlling industrial hemp production were modified to permit industry development research under a strict licensing regime. Agricultural research also identified that subsequent crops to a hemp crop promoted soil improvement conditions as well as crop yields and thus was an excellent crop when planning cropping rotation. At the same time, global interest was increasing in industrial hemp production with emphasis on fibre for textiles and oil as a food supplement. For instance, in 1995, Canada did not have a viable industrial hemp industry. Growers in Canada supported by favourable government legislation grew and processed 25,000 acres of industrial hemp in 2010 most of which was exported to the United States of America. Germany and England followed suit developing an industrial hemp industry. Most European countries are now relaxing industrial hemp production regulations. New Zealand has been producing food grade hemp

seed oil from locally grown crops for human consumption in their country and many other countries but NOT IN AUSTRALIA.

In recent years, China has commenced developing an industrial hemp industry for textiles, building materials and food on a grand scale.

Australians are currently experiencing an increasing volume of industrial hemp commodity imports in many forms from oils in cosmetics to clothing to building materials.

1. Potential for farmers

Tasmanian farmers need additional cash crops. Industrial hemp is a broad acre crop with soil enhancing properties and many value adding options. It is a complementary crop which fits well in a sustainable cropping rotation regime. It can be grown on a broad variety of soil types, requires only strategic irrigation applications, minimal pesticide inputs, and has a short growing season. The potential financial returns can be equivalent to any other crop grown in most districts.

2. Restrictions of licences

Growers are experiencing difficulties with meeting the changing conditions imposed by the licensing body. Currently there are 22 conditions on the licence. Some of these such as "nearness to and within visual sight of a public thoroughfare" are very difficult to meet due to cropping rotations and lay of the land. Opium poppies do not have these sorts of restrictions. Conditions on handling/storage/transportation of seed is unrealistic for primary producers and their staff/contractors. Conditions when production occurs on leased land is complex and differs from poppy production on the same land.

3. Poisons Act

While the non toxic industrial hemp continues to be administered under the Tasmanian Poisons Act, growers/contractors/processors will always experience difficulties while being involved with this enterprise. By definition, industrial hemp has THC levels in the leaf of less than .35% and has no mind altering or toxic properties so therefore is neither a poison nor a drug. Hemp seed has no THC whatsoever. Due to it being classed as a poison under the Act, it will always experience restrictions in the market place.

4. UN single convention on drugs

We quote from United Nations Article 1: " The United Nations Single Convention on Narcotic Drugs has the following definition for *Cannabis* in article 1: (b) *Cannabis* means the flowering of fruiting tops of the *Cannabis* plant (excluding the

seeds when not accompanying by the tops) from which the resin has not been extracted by whatever name they may be designated".....and further, Article 28 of the Convention states "2. This convention shall not apply to the cultivation of *Cannabis* plant exclusively for industrial purposes (fibre and seed) or horticultural purposes". "Cannabis appears in schedule 3 of the Single Convention which has the result that if the Cannabis preparation because of the substances which it contains is not liable to abuse and cannot produce ill effects and the drug therein is not readily recoverable then it is not a drug". "Industrial Hemp is therefore not an illicit substance under the Single Convention to which Australia has been a signatory since March 1961."

Why then are our government administrators so paranoid about industrial hemp?

5. Potential for downstream processing

As can be seen from options being developed in other countries, there is potential for a range of possible options in Tasmania. Currently cosmetics, some oil products and partly processed fibre products are being marketed from Tasmanian produced industrial hemp. With the freeing up of regulatory demands, increased productivity and market expansion would occur with an associated array of employment opportunities. Import substitution would assist with improving Tasmania's economic position.

6. Competition from imports

The Tasmanian Industrial Hemp Association receives constant reminders that there is an increase in the range of industrial hemp commodities from interstate and overseas countries coming into Tasmania. While ABARE does not list and describe all the commodities being imported, there is evidence that hemp fibre for home insulation, hemp oils and hemp based building materials are increasingly being sought after.

7. Carbon sequestration

With an emphasis on sustainability and eco-friendly commodity use, industrial hemp products are being increasingly sought with the understanding that it acts as a carbon sink. Per unit area, industrial hemp out performs trees and timber products by many fold in terms of carbon sequestration and bio-mass yield. Industrial hemp when used in buildings offers excellent insulation for economic home heat retention and is also fire resistant. (example the hemp house at Table Cape).

8. Police submission re- A1039 on drugs testing

We refer to submission prepared by Ms Debra Salter, Dept Police and Emergency Management, Tasmania for FSANZ.

The submission seems to become preoccupied with high THC crops. It ignores the fact that industrial hemp seed which would be the only commodity consumed under the FSANZ recommendation is devoid of THC. A limit of 50 ppm has been set by regulators in Tasmania for "formality purposes" but in situations where analysis have been undertaken, the result has been "undetectable". Research papers state that hemp seed does not contain THC and any THC detected would be from leaf contamination if the seed crop has not been cleaned effectively. We conclude this point by saying that if a person is detected with THC in their bodies, then it did not come from ingesting hemp seed products.

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