Scott Hennessy

From: Charles Casimaty
Sent: Wednesday, 18 April 2012 2:32 PM
To: Scott Hennessy
Subject: FW: Tasmanian Hemp Industry Inquiry: First Planet Submission
Attachments: The State of Industrial Hemp in Australia formatted abridged.pdf; ATT00001.htm; A1039 Submission round 2 by First Planet Revised.pdf; ATT00002.htm

From: Brett Elliott [mailto:brettelliott33@gmail.com]
Sent: Wednesday, 18 April 2012 1:55 PM
To: Charles Casimaty
Subject: Tasmanian Hemp Industry Inquiry: First Planet Submission

Att: The Secretary,
Environment, Resources and Development Committee
Parliament House

Dear Sir / Madam,

Please find here attached, documentation produced by me pertaining to application A1039 for the legalisation of Industrial Hemp as a food.
The following document is the result of extensive research, including consultancy with leading experts, review of round 1 and 2 FSANZ documentation, and a review, analysis and cross checking for accuracy of all public submissions associated with the FSANZ round one.

THE STATE OF INDUSTRIAL HEMP IN AUSTRALIA

A summary analysis and strategic approach to FSANZ A1039

Updated: December 12th 2011

By Brett Elliott

Executive Director

Suite 802, Level 8, 32 York Street
Sydney NSW 2000

pH: +61 (02) 9262 4753
Mob: +61 (0) 424 252 758

brett.elliott@wefts.org.au

http://www.wefts.org.au

INTRODUCTION

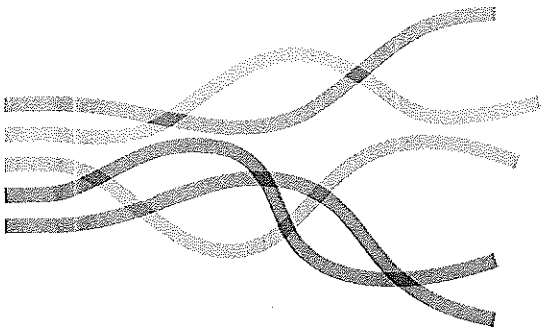
In October 2011, WEFTS commenced an independent analysis of the dynamics, issues, stakeholders and processes associated with a change to the FSANZ Food Standards code to legalize hemp as a food. This summary report is in support of application A1039 submitted by Dr. Andrew Katelaris on December 4th 2009[1]. WEFTS calls for the legalization of hemp farming, processing, production, supply, sale, import and export of hemp based food products for the purposes of human consumption.

EXECUTIVE SUMMARY

In a paper[2] published on October 2011, Australian Trade Minister Dr Craig Emerson noted that by 2035, the Asian population is set to increase by over 1 billion people. By that time, the Australian population is anticipated to be approaching 35 million[3]. According to Minister Emerson demand for protein rich foods is set to soar[2]. With an increasing reliance on grain stock for human consumption and livestock contributing 11% of Australia's total greenhouse gas emissions[4], Australia must look beyond animal products to service this demand.

A nation that prides itself on it's agricultural output, Australia is an important contributor to the world's food security. Looking to the future, the intelligent and responsible development of agriculture is paramount to ensuring our quality of life continues to be maintained and enhanced in step with the massive demands put on Australian resources by overseas interests, and a growing middle class worldwide.

Well into the 1800s, industrial hemp was the single largest trade commodity worldwide[5]. In the 1930s, a movement to ban hemp arose in the United States. The specific reasons for this are the subject of heated discussion, but it is

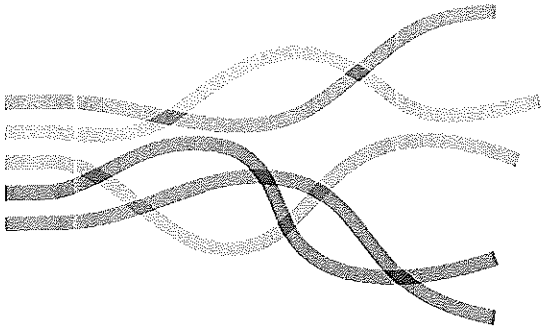


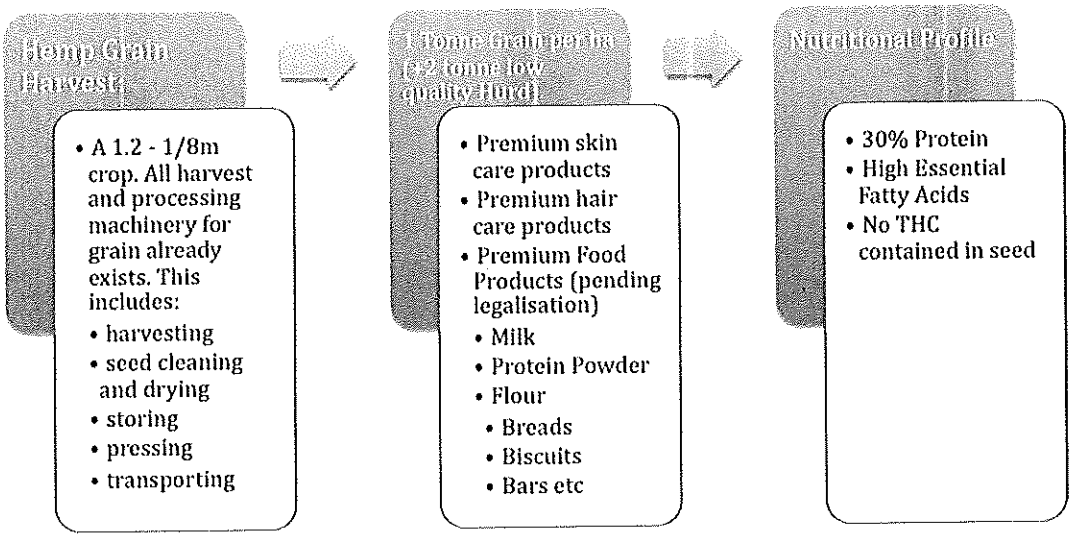
generally agreed that the psychoactive property exhibited by a small percentage of the many varieties of cannabis became the singular focus of the campaign to successfully ban all species of hemp. Consequently, breeding of Industrial Hemp since circa 1930 has focused quite specifically on producing strains which would perform very poorly as sources of drug material. Recognizing the value of industrial hemp, the ban on its cultivation has since been lifted in near all countries, and industrial hemp is once again grown and harvested. throughout the world, including most of Australia where it is still a fledgling industry.

Anything that can be grown to provide industry with manufacturing materials will bring new revenue to agriculture

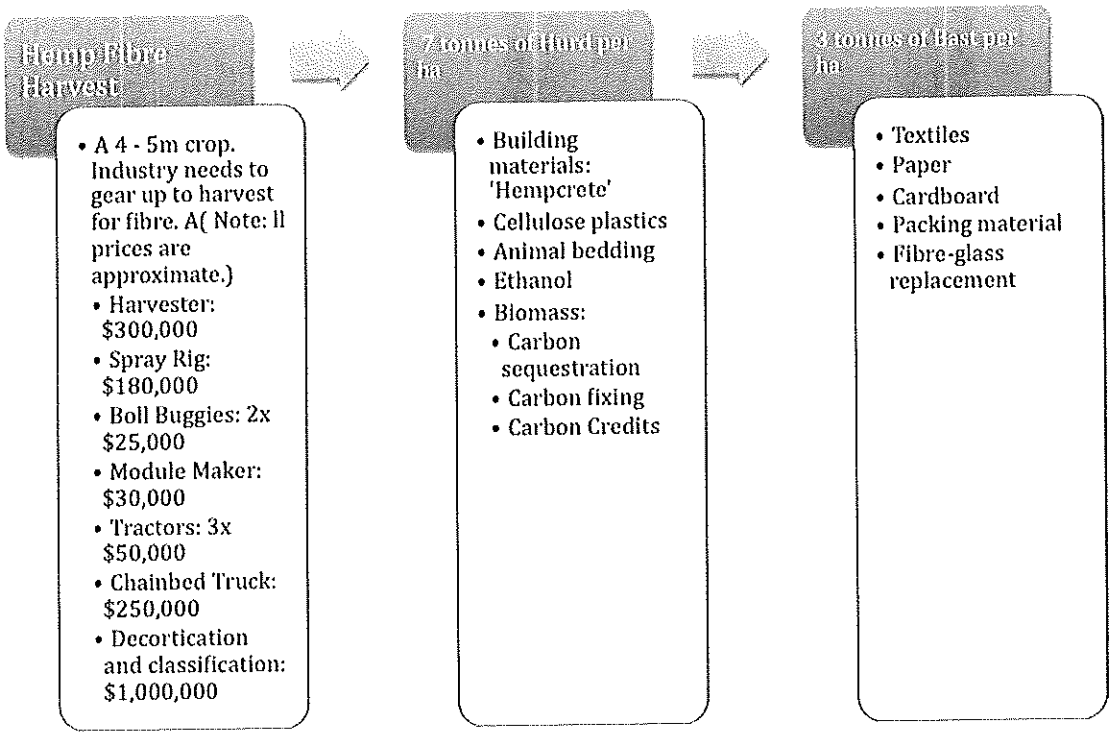
- Henry Ford

The hemp industry is composed of three 'legs' represented by the three parts of the plant used. The hurd (the pithy white core) produces building materials, natural plastics and fuel ethanol. The bast (long, fibrous outer bark) produces high quality textiles, paper, and a strong fiberglass alternative. The Hemp grain (seed) produces a high protein, nutrient rich food known as the single best source of plant based essential fatty acids. These three legs form the hemp industry who's co-operation enable the sector to grow.

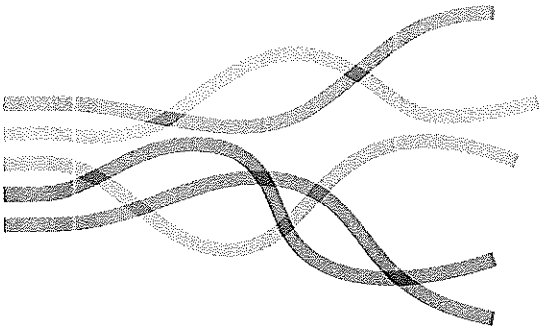




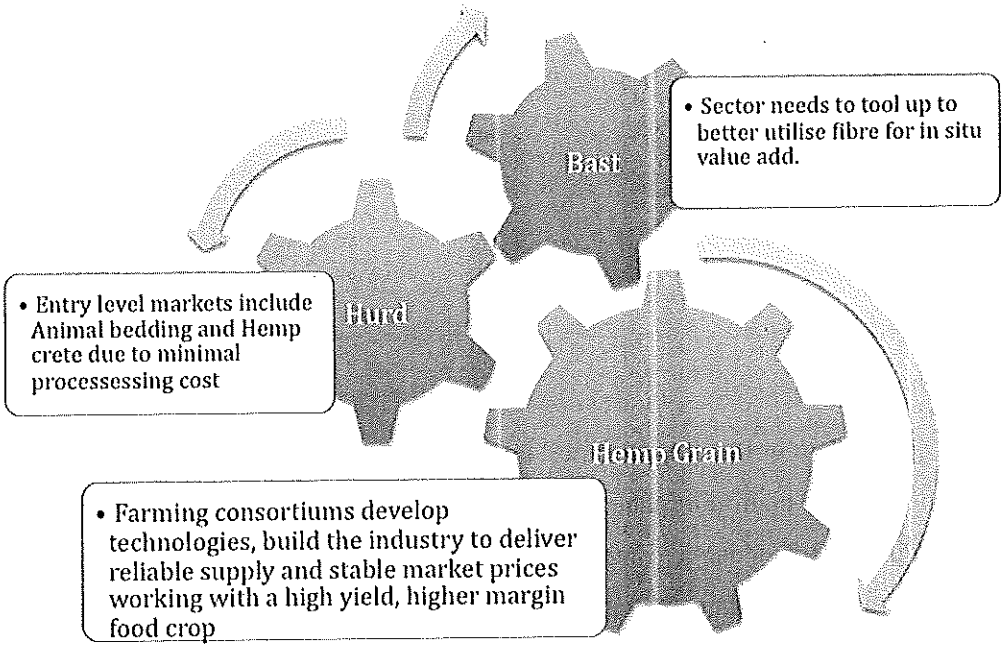
ref: See Endnotes and references: 6



Due to legislative restrictions Australian farmers nor consumers can enjoy the benefits of the hemp seed as a nutrient rich food. This has proved inhibitive for the growth of this industry. The reason for this is Hemp seed may be viably

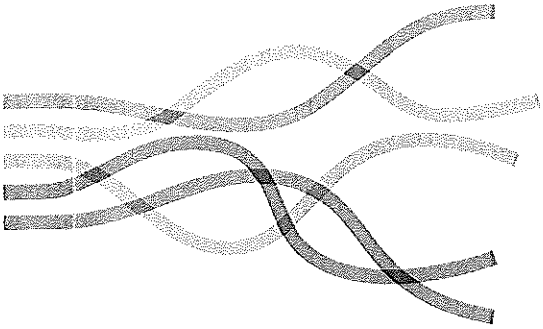


farmed on smaller acreage, processing can be done using existing technology, and there are more established markets for hemp meal and oil as a food and skincare product. For while the Hemp food industry doesn't exist, a food industry does, as does all the processing technology to make, package and distribute a range of hemp based food products.



Hemp is one of the highest producers of biomass with significant carbon sequestration capacity.[7] It can be grown using significantly less water than cotton[8], needs fewer pesticides, no herbicides. Moreover, hemp has significant environmental benefits[9]. Industrial hemp's carbon sequestration potential within a 90 – 140 day harvest cycle, and capacity for carbon fixing in a range of products makes hemp the single best candidate for the carbon farming initiative.

The proliferation of low THC industrial hemp can participate in and support a strategy to undermine the cultivation of high THC hemp. According to the NSW Department of Primary Industries, cross pollination of industrial hemp with high THC cannabis crops undermines the productive integrity of those

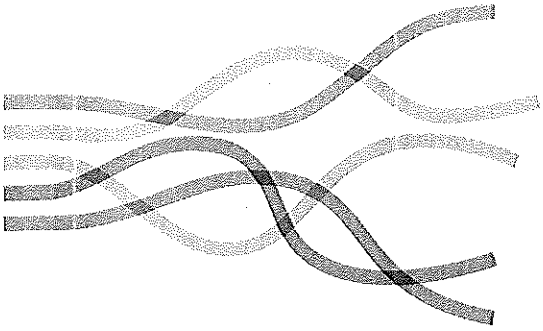


rogue high crops; pushing them outside an 8km radius of Industrial Hemp crops to maintain their efficacy.

Canada's hemp food and fibre industry has increased 300% over the last few years. The hemp retail market in the US has grown to $419 million (2010)[10]. Yet Australia remains the only country in the western world where it is illegal to import, produce, or consume hemp based foods. Despite this inconsistency with acceptable world standards, Australian Industrial Hemp farmers continue to develop some of the worlds leading technologies in high yield seed stock and farming techniques.[6] Without proper support of this industry, there is a real risk of Australian innovation going overseas to be exploited by other countries.

The legalization of industrial hemp for human consumption represents a critical intermediary step for Australia to participate in a growing local and international market demand for a broad range of hemp based products. Industrial hemp crop capacities for in situ value add and other production multipliers, represents significant mid-long term benefits to the development of regional Australia. Such benefits include employment, economic development, product innovation, and diversification of regional industry. Industrial hemp's carbon sequestration potential and capacity for carbon fixing in a range of products makes hemp the single best candidate for carbon farming initiatives. Furthermore, due to cross pollination, the proliferation of low THC industrial hemp is a reasonable strategy to undermine the productive integrity of high THC Cannabis.

Change to the FSANZ code enabling the legalization of industrial hemp as a food will bring Australia in legislative and production harmony with other producing countries. Given Australia will be the last country in the developed world to do so, there is no question that the concerns raised by various stakeholders are surmountable.



BACKGROUND

The cultivation of Industrial Hemp is legal throughout Australia, except for the Northern Territory and South Australia. Tasmania has the longest history of cultivation with the passing of legislation in 1995, and NSW the shortest, passing the Hemp Industry Act 2008.

Citing the aforementioned Act, farmers are able to acquire a license[1] to cultivate, grow and/or supply low THC Industrial hemp:

(a) for commercial production,

(b) for use in any manufacturing process,

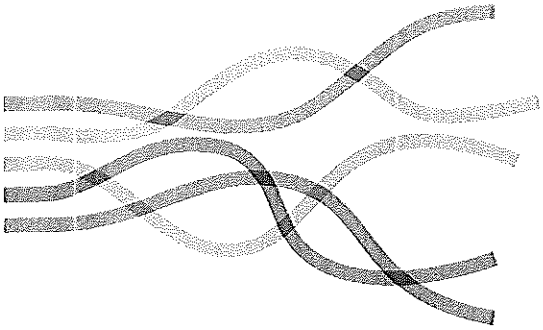
(c) for scientific research, instruction, analysis or study,

(d) for any other purpose prescribed by the regulations.

Existing regulation already accommodates sector activity which includes the growing, transporting and pressing of seed, the transport of industrial hemp oil, and its use in a range of existing cosmetic and other products. There are no specific provisions in the HEMP Industry Act 2008 stating the purposes for which industrial hemp may or may not be grown. However, the supply, sale, and consumption of hemp as a food is currently illegal in Australia.

In 2002, Food Standards Australia & New Zealand (FSANZ) reviewed and advised that hemp is safe and suitable for human consumption, acknowledging a broad range of nutritional benefits. Despite this recommendation, State, Territory and Federal health ministers composing the Ministerial Council rejected the application on the grounds that the availability of hemp foods may increase consumer acceptance of illicit Cannabis use and pose problems for drug enforcement agencies.

On the 4th of December 2009, FSANZ received a submission from Dr. Andrew Katelaris calling for 'low THC hemp' to be recognised and legalised as a food. This makes reference to the plant which can already be legally cultivated as a



fibre, fabric and fuel throughout most of Australia. Hemp Industry Act 2008 Sect 3 defines Low THC hemp as "any plant of the genus Cannabis, by whatever name that plant may be called, that has a concentration of THC in its leaves and flowering heads of no more than 1%, and includes the seed of any such plant and any product (such as oil or fibre) derived from any such plant."

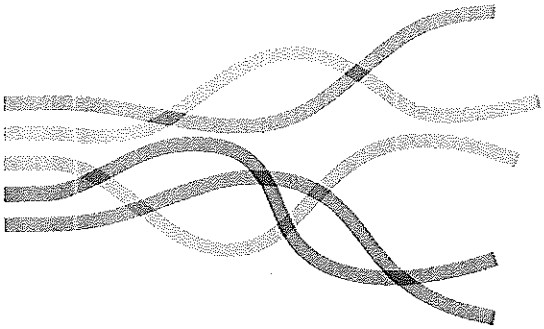
In March 2011, FSANZ completed their consultation paper, and floated the principal issues for public comment. Response was strong and broad, with the general public at large indicating strong support for the availability of hemp based foods, and access to the nutritional values therein. This matter is not disputed by FSANZ.

Petitions were produced and submitted by Hemp Foods Australia, and Happy Herbal Highs.

Particularly strong submissions in support of A1039 came from:

- Paul Benhaim, founder of Hemp Foods Australia[11]
- John Hall: Industrial Hemp Association of Queensland[12]
- Andrew Davidson – Director of Midlands Seed Ltd[13]
- Lyn Stephenson, President of the Industrial Hemp Association of Victoria[14]
- Phil Warner EcoFibre Industries Operations Pty. Ltd[15]
- Adrian Clarke of Textile and Composite Industries Pty. Ltd.[6]
- Chris Fowlie of the Hempstore Aotearoa[16]

The Canadian Trade Commission submitted a response stating they would be 'happy to provide further details on regulating Low THC Hemp as food.'[17]

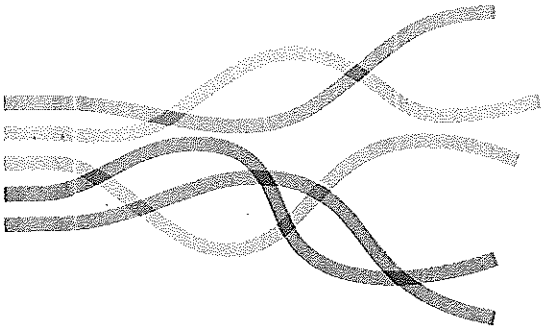


On the whole, there are near no reservations as to the safety, or the nutritional benefits associated with hemp. (The department of Health and Ageing have commented that they are "not aware of evidence confirming that cannabis / THC can be consumed safely at low levels"; however this is contrary the FSANZ stated position, which is supported by the Queensland government who acknowledge hemps "favorable nutritional profile".) Moreover, in this instance, the DoHA seem to have over looked the fact that the seed nor seed products contain THC.

The issues according to state and government agencies are:

1. Managing public perception related to high THC cannabis
2. The revision of state and federal legislation
    - QLD: Drugs Misuse Act 1986[18]
    - [19]NZ Misuse of Drugs Act 1975[20]
    - NZ: Misuse of Drugs Regulations 1977 (Reg 22)[21]
    - NZ: Food (safety) Regulations 2002[22]
    - NZ :Misuse of drugs (Industrial Hemp) Regulations 2006[23]
    - [24]SA: Controlled Substances Act 1984 [25]
    - Other acts pending.
3. Law enforcement of illegal cultivation and consumption[26]
4. Concerns of additional costs and burdens on regulatory agencies[27]
5. International drug control conventions to which Australia is a signatory[28]
    - Article 4 of the Single Convention on narcotic Drugs 1961
    - Article 7 of the Convention on Psychotropic Substance 1971
    - Schedule 8 and 9 of the (Commonwealth) Poisons Standard 2010
    - (Commonwealth) Criminal Code Act 1995

The Queensland government's submission requests that the application be restricted to hemp seeds and specifically exclude leaf, roots, flowers or stem material. The Queensland Health Forensic and Scientific Services have proposed that all food hemp seeds are sterilized.



The Queensland Police Service have responded to the application with a confidential submission.

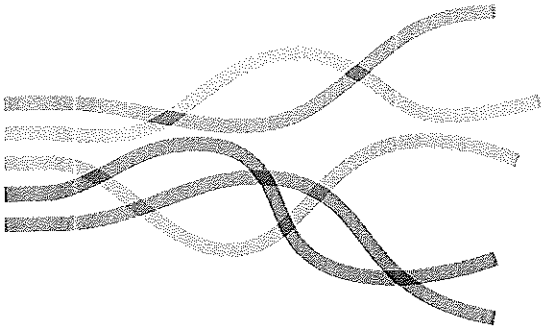
FSANZ completed a second assessment in early November 2011 available at:

http://www.foodstandards.gov.au/foodstandards/applications/application1039lowt4708.cfm

FSANZ has floated this assessment and are open for public comment until February 15th 2012. The most current process states that the FSANZ board will complete its final approvals by mid April, notify the Ministerial Council in late April, and publish the outcome by early July 2012 if no review is requested.

STAKEHOLDERS:

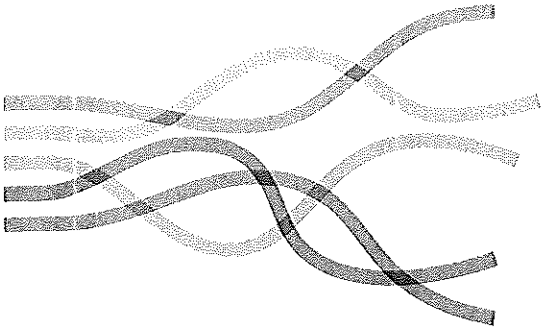
- State and federal departments and their ministers on the Ministerial Council[29]
- Food Standards Australia New Zealand (FSANZ)
- Existing hemp farmers throughout Australia
- Prospective hemp farmers throughout Australia
- Existing Hemp wholesalers and retailers of non hemp food products
- Prospective hemp wholesalers and retailers of hemp food products
- Prospective local and international investors
- The Industrial Hemp Associations of various states.
- National Cannabis Prevention and Information Centre
- Signatories to the petitions submitted to FSANZ
- Existing hemp food consumers



- Prospective hemp food consumers
- The Australian Media
- The Australian Public
- International hemp producers with an interest in exporting to Australia
- International hemp markets with an interest in importing from Australia.

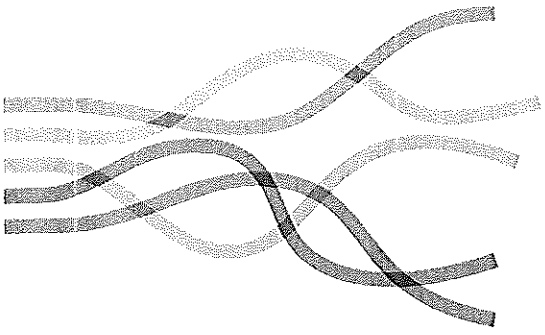
END NOTES AND REFERENCES

1. A1039 Application.pdf
   Available at:
   http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm (accessed 7th Oct 2011)
2. Trade Minister's Office 2011, 'White Paper on Australia in the Asian Century'
   Sec: 'Widening the Vision'
   By The Hon Dr Craig Emerson MP, Australian Minister for Trade
   http://www.trademinister.gov.au/releases/2011/ce_mr_111001.html (accessed 26th Oct 2011)
3. Australian Bureau of Statistics (2010)
   http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main+Features10Jun+2010 (accessed 27th Oct 2011)
4. DCCEE Report: australias-emissions-projections-2010.pdf
   Available at:
   http://www.climatechange.gov.au/en/publications/projections/australias-emissions-projections/agriculture.aspx#livestock (accessed 31st Oct 2011)
5. http://industrialhempaustralia.com.au/industrial-hemp/
   (accessed 27th Oct 2011)
6. A1039 Textile & Composite Industries - Clarke A.pdf
   Textiles and Composite Industries Pty. Ltd. - Adrian K. Clarke
   Available at:
   http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm
7. 'Hemp biomass for Energy' by Tim Castleman,
   Fuel and Fibre Company (2001)
   http://fuelandfiber.com/Hemp4NRG/Hemp4NRGRV3.htm
   (accessed 27th Oct 2011)
8. A1039 Industrial Hemp Assoc QLD - Hall.pdf
   Industrial Hemp Association of Queensland Inc. – John Hall

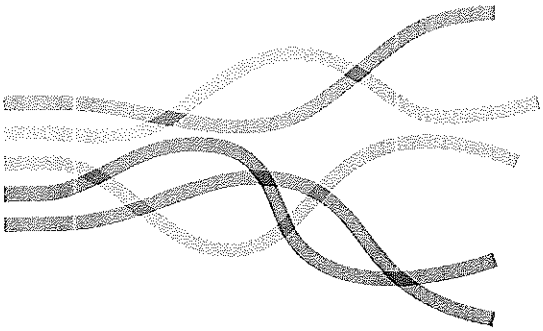


See: "Business Case for Carbon Soil Sequestration & Industrial Hemp Production"

9. "Hemp offers some real environmental advantages, particularly with regard to the limited need for herbicides and pesticides. Hemp is therefore pre-adapted to organic agriculture, and accordingly to the growing market for products associated with environmentally-friendly sustainable production."
   Jules Janick and Anna Whipkey (eds.). 2002. ASHS Press, Alexandria, VA, "Trends in New Crops and New Uses" Proceedings of the fifth National Symposium New Crops and New Uses: Strength in Diversity, Purdue University
10. "Industrial Hemp Profile." Agricultural marketing resource center. By Ray Hansen, content specialist, AgMRC, Iowa State University http://www.agmrc.org/commodities_products/fiber/industrial_hemp_profile.cfm
11. A1039 Hemp Foods Australia Pty Ltd - Paul Benhaim.pdf
    Available at:
    http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm
12. A1039 Industrial Hemp Assoc QLD - Hall.pdf
    Available at:
    http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm
13. A1039 Midland Seed Ltd - Andrew Davidson.pdf
    Available at:
    http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm
14. A1039 IHVA - Stephenson.pdf
    Available at:
    http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm
15. A1039 Ecofibre Industries - Warner P.pdf
    Available at:
    http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm
16. A1039 The Hempstore Aotearoa - Fowlier C.pdf
    Available at:
    http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm
17. A1039 Canadian High Commission - Small M.pdf
    Available at:
    http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm
18. www.legislation.qld.gov.au/LEGISLTN/.../D/DrugsMisuseA86.pdf



19. NZ legislative issues and inconsistencies filed by Jenny Reid: Manager Food Safety: Science, Information & Risk Directorate, Ministry of Agriculture and Forestry, New Zealand Government.
    File name: A1039 MAF – Reid.pdf
    See: Q.13
    Available at:
    http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm
20. www.legislation.govt.nz/**act**/public/**1975**/0116/37.0/contents.html
21. http://www.legislation.govt.nz/regulation/public/1977/0037/latest/DLM54840.html
22. http://www.legislation.govt.nz/regulation/public/2002/0396/latest/DLM173193.html?search=ts_act_tax_resel
23. http://www.legislation.govt.nz/regulation/public/2006/0163/latest/DLM389407.html
24. SA legislative issues and inconsistencies filed by Joanne Cammans: Scientific Officer: Food Policy and Programs Branch SA Health.
    File: A1039 SA Health - Cammans.pdf
    Available at:
    http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm
25. http://www.legislation.sa.gov.au/lz/c/a/controlled%20substances%20act%201984.aspx
26. Queensland Police Services have submitted a confidential document referenced throughout the submission from the Queensland government.
    A1039 QLD Health - Bielby.pdf
    Available at:
    http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm
    WEFTS requested access to this document on 27th October 2011 as per the Freedom of Information Act. FSANZ procedure regarding FOI process follows:
    - Within 14 days – an acknowledgement letter must be sent to the applicant
    - Within 30 days – the applicant must be notified of the FOI decision (other than documents in respect of which third party consultation is required to be undertaken)
    - Within 60 days – the applicant must be notified of the FOI decision in respect of documents requiring third party consultation
27. This issue has been represented as a 'concern' by selected government agencies who will not be affected. None have qualified their position.
28. This issue has been raised in the submission from the Department of Health and Ageing. Given that other countries, most notably Canada, are signatories to these international drug control conventions, it



would appear that it is Australia that is inconsistent and out of step with global conventions, by applying low THC hemp to them.

29. The Ministerial Council and territories represented:

Australian Government:
The Hon Tanya Plibersek MP
Minister for Health and Ageing

The Hon Catherine King, MP
Parliamentary Secretary for Health and Ageing

Senator the Hon Joe Ludwig
Minister for Agriculture, Fisheries and Forestry

New Zealand:
The Hon Kate Wilkinson
Minister for Food Safety
Australia

ACT:
Ms Katy Gallagher, MLA (Labour)
Minister for Health

NSW:
Lead Minister:
The Hon Katrina Hodgkinson, MP
Minister for Primary Industries

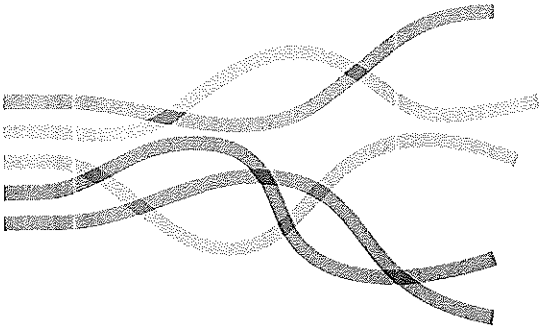
The Hon Jillian Skinner, MP : Liberal: member for the North Shore
Minister for Health

NT:
Lead Minister:
The Hon Konstantine Vatskalis, MLA
Minister for Health

QLD:
Lead Minister:
The Hon Geoff Wilson, MP
Minister for Health

The Hon Tim Mulherin MP
Minister for Agriculture, Food and Regional Economies

SA:
Lead Minister:
The Hon John Hill, MP Labour



Minister for Health
Minister for Health and Minister for Mental Health and Substance Abuse
The Hon Michael O'Brien, MP
Minister for Agriculture, Food and Fisheries

TAS:
Lead Minister:
The Hon Michelle O'Byrne, MP
Minister for Health

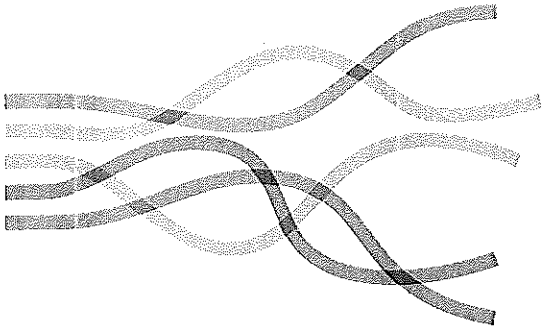
The Hon Bryan Green, MP
Minister for Primary Industries and Water

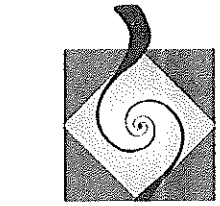
VIC:
Lead Minister:
The Hon David Davis, MLC
Minister for Health and Minister for Ageing

The Hon Peter Walsh, MP
Minister for Agriculture and Food Security

WA:
Lead Minister:
The Hon Dr Kim Hames, MB BS JP MLA
Minister for Health

The Hon Terry Redman, MLA
Minister for Agriculture and Food





'SUBMISSION'

A1039: Low THC Hemp as Food

Submitted: February 2012

Revised: April 2012

By Brett Elliott

Director

FIRST PLANET PTY. LTD.

Suite 2, 221 Military Rd. Cremorne

Sydney, NSW 2090

pH: +61 (02) 9953 1760

Mob: +61 (0) 424 252 758

http://www.firstplanet.net

ALSO BY BRETT ELLIOTT:

'THE STATE OF INDUSTRIAL HEMP IN AUSTRALIA'

@ http://www.wefts.org.au/downloads/state-industrial-hemp.pdf

Att: Management Officer: standards.management@foodstandards.gov.au

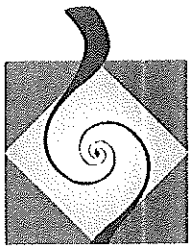
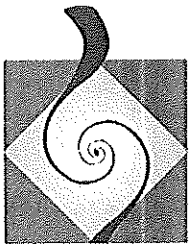


Table of Contents



Forward

The following information has been prepared following a thorough review of the documentation and supporting documents published by FSANZ on December 7th 2011, as found at:

http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm

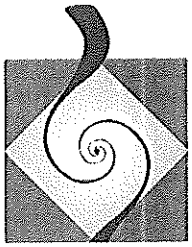
Key questions have been identified, and leading experts consulted for support to address key questions.

The Queensland Police Service submission presented in the first round of submissions on A1039 has also been reviewed, upon successful application to the FOI Ombudsman.

Experts consulted:

Phil Warner
Director
Ecofibre Industries Operations
Original applicant A360,
Phil has hemp growers license in Queensland, NSW, Victoria and Tasmania.
phil@ecofibre.com.au

Dominic Reynolds (PhD, MBA) [dreynolds@chemcentre.wa.gov.au]
Science Business Manager
ChemCentre
Post: PO Box 1250, Bentley Delivery Centre WA 6983
Location: Cnr Manning Road and South Entrance of Curtin University, BENTLEY WA 6102
T +61 8 9422 9870
F +61 8 9422 9831
M +61 409 933 881
www.chemcentre.wa.gov.au



Introduction

Here following, FIRST PLANET PTY. LTD attempts to answer key questions presented by FSANZ.

Change to the FSANZ code enabling the legalization of industrial hemp as a food will bring Australia in legislative and production harmony with other producing countries. Given Australia will be the last country in the developed world to do so, there is no question that the concerns raised by various stakeholders are surmountable.

Public Perception

Hemp by virtue of it's name, and by definition is low THC. Marijuana by definition produces a psychoactive. To address the 'brand issue' associated with hemp, also known as Industrial Hemp, Marijuana should be used exclusively when referring to the drug material. In this public perception can be easily managed. Putting the drug and the food in the same sentence misinforms the reader that there is a relationship.

Legislative Consistency

There is a clear need for the government to develop balanced and equitable policies in keeping with other government regulations. Inconsistencies on a range of levels, including poppy seed foods which can generate a positive reading for opiates, provide clear grounds to contest a ruling against the legalization of Industrial Hemp as a food.

Illicit Drugs: Lets get real...

There is no illicit drug without it having a financial value to drug barons. 3% THC would be considered a low value drug, which doesn't sell on the *'black market'*. Marijuana with drug value requires a THC content of 6 – 10% minimum. Low drug hemp or low THC hemp is under 1% and has no psychoactive effect. It is

impossible to consume enough through the digestive system through the lungs into the blood system to produce an effect that might be deemed intoxication.

Commercial Interests

Hemp seed currently processed and used for commercial interests might be expected to yield double the price if used for food consumption. There is a real a real and significant financial loss to farmers if hemp foods continue to be prohibited.

In contrast to fibre, seeds can be processed and marketed for consumption on a small scale by small farmers with low costs. Farmers with smaller farms will potentially be able to enter the industry. The entry point for hemp production is lower for seed than it is for fibre. Contrary to the figures provided in the FSANZ report, a farmer may successfully grow a commercial crop of 6 Ha of Hemp seed. The machinery and infrastructure to clean, process, squeeze, blend, transport seed is currently available, and significantly cheaper than for fibre processing.

Hemp food buyers will enter the hemp foods market to promote the nutritional value of their products, rather than hemp foods themselves. It is the protein and essential fatty acid content of hemp oil and hemp meal that will be used to bolster the existing high demand for nutritional products. Whether industrial hemp based foods are promoted as 'hemp foods' is a branding issue each manufacturer will need to decide. Many will not.

Please Understand...

Irrespective of FOFRs perceptions related to Industrial Hemp food crops, Australia's largest export partners do find it safe and legal. The Australian Industrial Hemp Industry has agronomists who have successfully developed test crops of Industrial Hemp specific to Australia. At this stage however, the higher margins and smaller

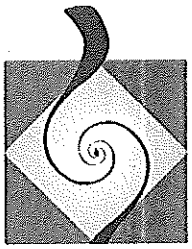
scale harvests afforded by the seed crop is required to drive early phase sector development for reasons explained in detail in the report 'The State of Industrial Hemp in Australia', published in December 2011.

Considering the extraordinary growth of soy based products in the last 15 years, and the necessity to near double protein production world wide in the next 30 years, the Australian government would be remiss to neglect the development of an otherwise universally accepted food source on the basis of archaic and ill-informed bias. Moreover, Australia would show itself to be as ignorant as certain provincial constabularies and puritanical legislators whose opinions are given disproportionate consideration in this matter.

There is a need to pick winners and losers in the course of deliberation. Given the mandate of both FSANZ and FOFR to serve the interests of the majority Australian people in keeping with sane public policy, the only decision can be the immediate and unflinching support of FSANZ's own second round recommendations published December 7th 2011. Such support represents:

1. The advocacy of this germinating food and agricultural industry
2. The healthy development of regional Australia which requires the *'multiplier effect'* enabled by bast fibre crops,
3. The greater availability of food choices consistent with the FSANZ remit.

Given ALL Australia's trading partners accept Industrial hemp seed as a safe consumable, and find the associated issues manageable; and given Canada, our largest agricultural competitor has actually extended the necessary support to resolve all associated issues; there are simply no reasonable grounds on which to prolong the assessment of this application.



Exploring FSANZ questions:

Government or law enforcement agencies will need to adopt regulation and implement compliance and enforcement processes and controlled licensing.

> This is not true. Regulation, compliance, enforcement processes and controlled licensing for fibre crops already exist, which need extremely minor inclusions to allow hemp foods. Only in SA and NT will there need to be any changes. QLD law change "Not for human consumption".

Government stakeholders identified the possibility of road drug tests and work place drug tests being compromised due to the consumption of hemp food.

> The matter is not the presence of THC in the blood, but the presence deemed intoxicating. This has already been defined by FSANZ.

8.2.3.3 Option 2B

Paragraph 2:

> Under existing Industrial Hemp Act law in most states, the Hemp grower licensee subcontractors and suppliers such as the freight company and processing entity, currently operates under the license of the grower.
>
> This works in the same manner for suppliers who come in to harvest crops. They are likewise covered under the licensee subject to existing legislation under the Industrial Hemp Acts.
>
> The general process is hemp farmers send seed by courier or transport company in bags or bulk to a company which is contracted to clean the seed. Both suppliers come under the grower license. If there is a breach of any

nature it is under the grower's license. Hemp product may then be freighted to a food manufacturer who denatures it as a food products so it won't grow. Now a viable food product, it no longer falls under the regulatory jurisdiction of anyone in most states. It has become a nutritious food stuff supplement that would be used to enhance the protein and fatty acid profile of any number of foods.

Seed may be denatured (that is made sterile) through heating to 40 degrees celsius given under proposition 2B.

8.2.3.4 Option C

Paragraph 2:
Distinguishing hemp seeds destined for food use from all other cannabis seeds could lead to additional cost and resources with this option.

All the regulations associated with the transport and processing of seeds already exist, and fall under the license of the grower.

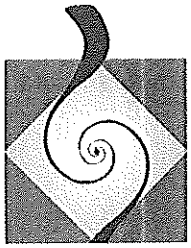
FSANZ Supporting document 3

2. Impacts

Table 2.1

2. Potential access to potential export / import markets

Food manufacturers would be provided with the ability to innovate and provide hemp food to the Australian and overseas markets. In China hemp seed food is traditionally seen as a longevity food. China is a major export food opportunity for Australian hemp food agriculture.



first planet

Potential for employment.

The estimated number of work hours to grow hemp compared to wheat is 8 hours compared to 4 hours per hectare. Hemp, when cultivated profitably would create more employment.

The regulatory, compliance and business requirements to grow hemp are 500% greater than to grow wheat. EcoFibre, (one of Australia's leading Industrial Hemp farmers) has a whole team filling in licenses, doing THC testing, getting transport people under the EcoFibre Hemp license, and auditing the seed.

Preparation and harvesting is twice that of wheat. Most include regulatory costs. This includes dealing with mandatory THC testing and the DPI. The farmer must clean down harvesters when they leave the farm. All up, there is a huge raft of work in addition to what a normal crop would require.

Ecofibre estimates an additional 20 hours per Ha.

Industry development of IP and technologies for high yielding crops for more efficient harvesting systems are actively being developed in Australia. Australia doesn't grow Canadian wheat, nor will it be growing Canadian Hemp. Australia has the largest, most diverse cannabis gene stock banks in the world and would give rise to new varieties not seen elsewhere with export potential. Developers include:

- EcoFibre Indsutries
- Plant scientists at Southern Cross Uni
- Agri-fibre in Bundaberg

Downstream value add within the food manufacturing industry will create employment. The opportunity to value add hemp seed is far greater than hard

grains such as wheat.

A hard grain gets milled and made into pastries. Hemp seeds has greater applications, and requires refrigerated containers and different handling and splitting processes.

Value adding to produce butter, milk or paste are more labour intensive and machinery value intensive.

The processing side would compare equally with the growing side in the sense of the doubling of preparation before a finished product. This doubles down stream jobs, in turn promoting a new industry.

In the 1960s canola yielded 400 kgs per Ha. It now yields 4000kgs. That sort of development cost millions of dollars and employed people. This process would mirror the development of hemp seed production if given the go ahead.

Note:

FSANZ annotation for the web address of the Canadian hemp trade Alliance appears to be incorrect. The correct address is:

www.hemptrade.ca

Not

www.hemptrade.com.ca

10. Roadside drug tests

Government stakeholders identified the possibility of road drug tests and work place drug tests being compromised due to the consumption of hemp food.

This statement has not been qualified by those government stakeholders to any degree.

In the unlikely event that a 100 kg individual has just consumed 150mls of

pure hemp oil was roadside tested for THC, he would still fall within the safe TDI of 6ug per kg bw, and would not show signs of toxicity. Therefore, it would be inappropriate for any roadside test showing a reading of any number up to the FSANZ recommended safe THC intake as dangerous. In the event that a roadside test showed levels exceeding the FSANZ recommended safe limit of THC, then that individual could be considered to be intoxicated. Therefore there is no compromise due to the consumption of hemp foods. Rather, the findings of FSANZ simply qualifies the safe and acceptable legal blood / THC limit, which should be adhered to by the police.

Consider how these issues are dealt with in the rest of the world. This doesn't pose a problem in *more sophisticated countries.*

There are no known cases cited where the prosecution of individual has used consuming hemp food as a defense. There is no known proven case anywhere in the world that has lead to the prosecution of any person from ingesting foods mistakenly being used as a drug.

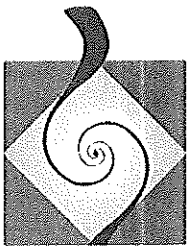
11. Government costs

Governments will potentially have research costs to develop compliance and enforcement plans. –

Compliance and enforcement plans are already active and in place under the Industrial Hemp Acts.

12. See point 10. This assertion is unqualified.

The existing law requires the analysis of organic matter to determine if it is cannabis or not.



They are doing it now anyway. There are no additional costs.

- e.g. policeman getting a seed.
- Under recommend 2B this issue won't exist.

P 12 of supp. 3: Additional Activities

10. Do you think that businesses would have to do any other additional activities with regard to hemp product compliance or enforcement? (see also questionnaire) If there are other activities please name these and provide time estimates.

- Seed storage and cold room monitoring
- Seed must be stored at 5 degrees Celsius and it acceptability as a food by the market.
- Germination tests
- Pressing the oil: fatty acid profiles on a per batch basis
- Speak to Fred Davies about those costs. What the profile is.
- Speak to Brandt and Lisa: Hemp Australia : biggest oil producers in Australia
-

12. There is a certain amount of self regulation as all other foods. There must be some guarantee by the manufacturer. Limits would be enforceable. Fall into line of existing food laws related to safety.

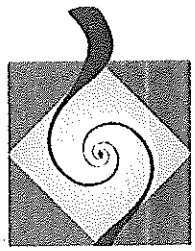
Re: THC in addition to existing food laws. Procedures already exist, outlined in the 2B recommendation.

Quality issue and food fitness issue is already covered in FSANZ laws.

Labelling is a matter self regulation.

There is no entity that regulates labeling. It enforces it doesn't regulate.

"You don't' apply for a label. Label must comply.



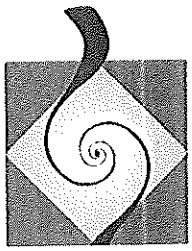
first planet

Import / Export

13. Needs to change ICON customs dry import and export database to allow both import and export of these processed foods in accordance with 2B.

2C not viable cannot work. Can't export without regulation. Whole hemp seed cannot be permitted on to the market because once on the market there's no regulation. Wouldn't fit with UN protocol.

If we were to export live seed we would be in breach of the UN regulation. Live whole seed cannot be exported without the appropriate paperwork. Apply to TGA and get and export permit and license. For every seed export permits are issued.



Further Question for submitters:

TAKEN FROM DOC:

A1039 Low THC hemp AR FINAL.pdf

AS ON DECEMBER 12TH 2011 FOUND AT:

HTTP://WWW.FOODSTANDARDS.GOV.AU/FOODSTANDARDS/APPLICATIONS/APPLICATIONA1039LOWT4708.CFM

Section 6.1.1

P12.

1. Will the inclusion of a maximum level in the Code for hemp seed oil products be an issue for hemp seed oil products produced in or imported into New Zealand?

   No. Already guaranteed at less than 10 ppm.

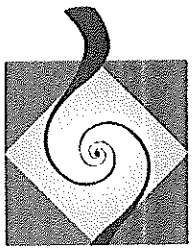
Section 6.4.1

p. 18

2. Are there other methods of distinguishing between the seeds of hemp and drug varieties of cannabis? Please provide evidence in support of these methods. (p.18)

   In short, there are no other methods. The most common methods are through dna testing or sample propagation.

3. Are there other methods of rendering hemp seeds non-viable that will also result in the whole seed being distinguishable from the seeds of drug varieties of cannabis? Please provide evidence in support of these methods.
4. Can you provide any evidence on whether hulled hemp seeds remain viable?



It is technically impossible to germinate a hulled seed. There is no drug in the seed whether it is hemp or marijuana. Non viable seed has no drug value.

Section 6.5.1
p. 20

5. Are you aware of any studies reflecting the effect of consumption of hemp foods on the results of saliva THC tests?

(Fortner, Fogerson, Lindman, Iversen, & Armbruster, 1997) the QPS assert that "

Positive urinoid cannabinoid results through drug testing have been found after the consumption of low THC food, despite there being negligible traces of THC in the food that was consumed in the study. With the sensitivity and accuracy of such tests accelerating at the rate it is, there is no doubt that saliva THC tests may on occasion return a positive result from a saliva test.

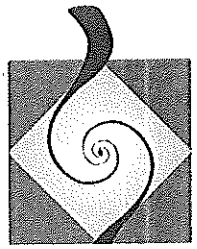
In a new study by scientists from the Rome-based Institute of Atmospheric Pollution Research, titled "Possible social relevance of illicit psychotropic substances present in the atmosphere.", the lead author of the paper, Angelo Cecinato, had in 2007 found traces of cocaine, marijuana, nicotine and caffeine in the air above Rome and Taranto. In another study levels of the female sex hormone oestrogen in was found in the river Thames. It is known that consuming poppy seeds can return a positive reading for opiates. These studies demonstrate the incredible sensitivity of current measuring instruments. The issue is not the presence of THC, but the levels deemed to render the individual intoxicated. FSANZ has already identified the level at which THC is non intoxicating in the body. Any testing should focus on these

levels, in the same way a blood alcohol reading of .03 in a full license driver is deemed to be acceptable.

The fact that the presence of a substance can be detected is not the issue. Law enforcement in association with this matter is to ensure that intoxicated persons do not operate vehicles. **What is relevant in this issue, is the FSANZ recommended safe upper limit of THC / blood content.**

6. Can you provide information on the type of saliva tests that are available, including sensitivity of the tests?
7. What saliva THC tests are currently in use in Australia and New Zealand? For these tests, what levels of detection of THC are currently used? Can you provide information on the methodology of these tests and the costs of conducting these tests?
8. Can you provide any additional data on other THC testing methodologies that are used in Australia and New Zealand (for example, urine and blood)?
9. Which analytical laboratories currently conduct confirmatory THC testing, for example blood tests? How much do these tests cost?

According to Dominic Reynolds, *Science Business Manager* of the **ChemCentre** in West Australia:
[See: webenquiries@concateno.com]
roadside drug screening in Western Australia are delivered by Cozart oral fluid kits manufactured by Concateno. The manufacturer's website http://www.concateno.com/products-and-services/drug-testing/oral-fluid-testing/ provides some relevant information regarding these kits. Other jurisdictions may use other similar kits, however they are all based on immunoassay technology.



first planet

ChemCentre has developed confirmatory methodology based around cutting edge liquid chromatography/ mass spectrometry techniques for clients which include the WA Police, the WA Coroner and a number of multinational clients for their workplace testing regimes. These methods are applicable to all matrices including blood, saliva and urine and are extremely sensitive and specific for the drug in question. It important to note that testing

10. Do you have data to indicate the levels of THC in current hemp food products? Is it likely that hemp foods could be produced to comply with lower maximum levels of THC?

11. Would additional processing costs be incurred in order to achieve lower THC levels in hemp foods?

This issue is already addressed in various Industrial Hemp Acts. Regulations already exist to ensure that seeds are rigorously cleaned to prevent contamination of the seed. No further processing is required. This isn't an issue elsewhere, and won't be an issue in Australia, which already has extremely strict regulation in place.