

Hemp Australia Pty Ltd

Hemp products grown in Tasmania



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For the attention of:

Environment, Resources and Development Committee

Standing Committee – Tasmanian Hemp Industry Inquiry

(Brenton Best, chairperson)

February 2013

Thank you again for the opportunity to provide more information to the Inquiry.

Since the last submission there have been a number of developments in the industry. In November, FSANZ formally recognised and approved hemp as a food as they did not identify any safety concerns arising from the consumption of hemp foods. This is another step forward. Unfortunately, the decision by the COAG Legislative and Governance Forum on Food Regulation was not immediate and has been deferred for further investigation. There does not appear to be a defined time frame to have this matter resolved.

For your reference I have also attached a recent media release from the United States regarding the introduction of a bill to allow Industrial hemp farming.

The above issues highlight the need for Tasmania to become more proactive in this industry and to be supported to achieve a “first to market” approach so that Tasmania’s existing advantage is not lost. We need to take the opportunity to develop our industry now and lead rather than follow when opportunity is lost.

We are in the position to make positive changes and enable a straightforward approach.

Following are some issues that need to be addressed and I would ask the committee to consider them.

Terminology:- Our industry produces *Cannabis sativa L* – not Indian hemp.

To the layman, Indian hemp refers to a drug plant. Why is the common name listed as Indian hemp when everyone acknowledges that this industry is known as “industrial hemp”. If a person speaks of “industrial hemp” they know it is the low THC plant. We need to address this blatant act of confusion by the lawmakers.

My wholesale chemist licence this year states “Indian hemp seed (seed of the genus *Cannabis sativa* for industrial purposes)”. Throughout the document it refers to “Indian hemp seed” This is not correct.

The genus is *Cannabis*

The specific is *sativa* L

This is after all a wholesale chemist licence, the terminology and taxonomy must be correct.

In fact, the following references have Indian hemp genus and specific listed as *Apocynum cannabinum* L not as *Cannabis sativa* L.

Definition references



Britannica Encyclopedia:

Indian hemp [genus *Apocynum*] | **Hemp Dogbane** [synonym] | ***Cannabis sativa*** [species]

North American plant of the dogbane family Apocynaceae. It's a branched perennial that grows up to 1.5 m tall and has smooth opposite leaves and small ... (26 of 95 words, [1 image](#)) www.britannica.com/EBchecked/topic/285719/Indian-hemp [cite]

Collins Dictionary: **Indian hemp** | ***Apocynum cannabinum*** [species, sense-specific] | **dogbane** [synonym, sense-specific]

another name for hemp, especially the variety "*Cannabis indica*", from which several narcotic drugs are obtained | a perennial American apocynaceous ... (20 of 330 words, 2 definitions, 1 usage example)

www.collinsdictionary.com/dictionary/english/indian-hemp [cite]

Wikipedia: **Indian hemp** [disambiguation]

may refer to any of various fiber bearing plants: *Apocynum cannabinum* | *Cannabis indica* | *Sida rhombifolia* | *Asclepias incarnata* | *Hibiscus cannabinus* | It's also an oil/product that can be used for hair treatment. (30 of 75 words, 6 definitions)

en.wikipedia.org/wiki/Indian_hemp [cite]

Oxford Dictionary: **hemp** | **Indian hemp** | **hempen** [derived]

the cannabis plant, especially when grown for fibre. | the fibre of the cannabis plant, extracted from the stem and used to make rope, strong fabrics, ... (25 of 74 words, 4 definitions, pronunciation)

oxforddictionaries.com/definition/hemp [cite]

Merriam-Webster: **Indian hemp** | **hemp** [sense-specific, synonym] | ***Apocynum cannabinum*** [species, sense-specific]

a North American dogbane with milky juice, tough fibrous bark, and an emetic and cathartic root | "hemp" [sense-specific] (18 of 36 words, 2 definitions)

www.merriam-webster.com/dictionary/indian_hemp [cite]

New World Dictionary: **Indian hemp** [United States]

a perennial American plant (*Apocynum cannabinum*) of the dogbane family, with ... | "hemp" (specific sense)
(15 of 32 words, 2 definitions)

www.yourdictionary.com/indian-hemp [cite]

Random House Dictionary: Indian hemp | *Apocynum cannabinum* [species, sense-specific] | hemp
[synonym, definition 1, sense-specific]

a North American dogbane having erect clusters of greenish-white flowers and a root with laxative and emetic properties. | hemp (definition 1) (21 of 27 words, 2 definitions)

dictionary.infoplease.com/indian-hemp [cite]

In fact, the use of the term “Indian Hemp” is ambiguous and incorrect and is used throughout most departmental documentation. We need to end this confusion now.

Poisons List: Cannabis – why is the cannabis plant (schedule 9) as well as the product of the plant listed as a poison and scheduled as such. Using the poppy industry as an example, the plant *Papaver somniferum* is not listed on the poisons list, however thebaine (schedule 8) and morphine (schedule 8) which are products of the plant are scheduled. It would therefore deduce that tetrahydrocannabinol (schedule 9) would be listed in regard to the hemp plant but not the plant as a whole.

The Tasmanian Department of Justice allows poppy seeds to be sold without any regulatory controls. The opium poppy plant is listed as a prohibited plant, as are cocoa leaves and Indian hemp (whatever that is), however there is an exemption made for poppy seeds. This is a double standard and one that needs addressing.

Hemp seeds do not have narcotic content, yet are restricted and listed as a poison.

The screenshot shows a web browser window displaying the Tasmanian Poppy Advisory & Control Board website. The browser's address bar shows the URL: http://www.justice.tas.gov.au/poppy/the_industry. The website header includes the Tasmanian Department of Justice logo and the text "Poppy Advisory & Control Board". A navigation menu on the left lists various topics, with "Poppy seeds" selected. The main content area, titled "Poppy seeds", contains the following text: "Although poppy seeds for culinary use are gathered from the opium poppy, poppy seeds have no effective narcotic content. Blue poppy seeds are used mostly in European cooking while the slightly smaller white ones are a regular feature in Indian recipes. Both have a pleasing, nutty taste that goes well with breads, biscuits and cakes. Ground poppy seeds are a common thickening agent in the Mughal cooking style of Northern India to obtain the sweet, milk, nutty fleecy and creamy. The nutty taste of poppies is also much loved by the Japanese and used for the subtly flavoured dishes typical of Tempura. The poppy seeds grown as a by-product in Tasmania are available in supermarkets all over Australia." The footer of the website includes contact information and a disclaimer: "The page has been published by The Department of Justice. Questions or comments concerning the contents of the site can be directed to the website by mail to 12-11 Flinders Street, Hobart, Tasmania 7000 or by email to webmaster@poppyadvisoryboard.tas.gov.au. The URL for this page is: http://www.justice.tas.gov.au/poppy/the_industry/uses_for_the_poppy_crop/poppy_seeds. This page was last modified on 8th February 2013." The browser's taskbar at the bottom shows the date and time as 17/02/2013, 10:41 PM.

THC limits: Tasmanian licences allow up to 0.35% THC in plant testing. We would like to see this increased to 0.5% as a minimum. FSANZ in its approval report, on page 20, allows for the standard to be 0.5%. They have made the decision based that this is a safe level for “low THC hemp”.

Whilst our THC field testing results have been below the existing limit of 0.35%, it does leave us at a disadvantage compared with the other hemp producing States of Qld and NSW. It also creates difficulties should we decide to grow a different seed variety sourced from these states. The current law does not technically allow us to transport and accept seed from interstate should their reading be above 0.35%.

Licencing:

As our previous submission to this Inquiry stated, we see that the licencing requirements are overly restrictive and regulated.

Whilst we, (Hemp Australia) have not previously been the contracting entity for Tasmanian farmers, the role of this company may likely be changing for the coming season.

As a company that would contract farmers, supply seed to them for propagation and be involved with the growing, harvesting, cleaning and storage, we would see the advantage of creating a single head licence where all facets of production would be under the one licence. It is of course in Tasmania's best interest to secure the best possible outcomes and we should not have to be so restricted by licencing.

As the licencing currently stands, every individual or business has to hold a separate licence.

Currently:-

Hemp Australia has a wholesale chemist licence as we *may* be handling seed.

Each grower is individually licenced - 5 licences this year

The seed drying facility has to be licensed -

The seed cleaning facility has to be licensed

The seed storage facility has to be licensed and

The seed crushing facility also has to be licensed.

All this for a seed that contains no THC.

All these licences require inspections and paperwork. Not just for the initial licence but as a condition of all further licensing. A 2011/12 growers licence specified that reporting is required in sections 11, 15, 17 and 22. That is 4 types of reporting just for one licence.

This is also a licence that it is valid for 12 months but specifies that the seed must be planted by a certain date, which in the case of the 2011/12 licence was 28 February 2012. Essentially, one planting per licence and time restrictive. For example, the licence mentioned expired on 31 December 2012 but could not be used for sowing of seed in Oct/Nov 2012 due to section 20 which stated “that no seed shall be planted after 28 February 2012”. I don't believe that these restrictions work in favour of the industry. They are confusing, contradictory and do not relate to the varying realities of farming.

We believe the paperwork of excessive licensing regimes is not conducive to attracting future growers and processors to this industry.

We have had prospective seed cleaners refuse to take on hemp due to the licencing requirements and of the concerns of contamination should some hemp seeds, which are listed as a poison, be inadvertently left in their equipment. When a seed is deemed and listed as “a poison” it becomes reason why hemp seed cannot be treated like any other grain crop.

We would also suggest that as a company that is contracting famers, we need to know the location of other licence holders, to avoid the risk of trans-cultivar cross-pollination. We are growing specific varieties that in some cases have been imported at great expense as parent seed and the risk of it potentially being cross-pollinated is unacceptable.

We are not currently advised of any such information.

Seed crop stubble

Although previously mentioned in my last submission, I would like to reiterate the problem associated with not being able to use leftover fibre from a seed crop.

Hemp garden mulch has become an accepted and sought-after consumer item, with our most supportive customer being the Mitre 10 chain. This was a steadily growing market from Tasmanian-grown hemp fibre. Previously, this item was produced from a dedicated fibre crop. However it is a low-grade use of a high-grade fibre and it is not particularly viable to continue in this way. It would be far more viable for the mulch product to be made from the stubble of a seed crop. This would also provide the farmer with a better gross margin and would fully utilise the crop.

Due to seed being a restricted substance, the chance of a single seed being caught up in the mulch is a possibility and so we can no longer provide this product under the present laws.

This is a financial loss to the farmer as well as to the industry.

Industry support: During just the past few months, the NSW State Government’s Department of Trade and Investment has given a \$44,000 grant to a Northern Rivers-based company, Hemp Foods Australia to help it produce product for export, regardless of whether Australia’s food laws change to allow hemp for human consumption.

This grant was made despite the company not actually sourcing Australian-grown hemp, but instead importing raw product, processing and re-packaging it, then selling it to local and overseas markets. There is little or no benefit to local farmers in this operation yet Hemp Foods was able to secure the aforementioned funding to help it begin operations.

The focus of Hemp Australia Pty Ltd, a Tasmanian-registered company is the promulgation of Tasmanian production from Tasmanian farms, yet we see interstate companies such as the one named above receiving financial support from government entities without any benefit flowing to local producers (while in Tasmania we are still trying to convince government entities that this is an industry worthy of support).

I once again draw the committee’s attention to the attached document outlining the rapid recent development regarding the United States Government’s support of an industrial hemp industry. I strongly urge the committee to view this as a reason for prompt action in actively supporting a

Tasmanian industry both financially and legislatively, as only prompt action will secure a market footing that may otherwise soon be lost.

And finally, I would also bring to the committee's notice that US Senator Paul Rand has taken an interest in hemp developments in Australia, and specifically at its lack of development in Tasmania, as a means of guiding an American hemp industry on to a secure platform.

If the Parliament of Tasmania ignored these recent US moves, it would surely be absconding from its duty of care for the state's primary industries and commercial development.

Thank you again for the opportunity to further our discussions and should you require any further clarification please do not hesitate to contact me.

Yours sincerely

Lisa Teale