



**Standing Committee on
Environment, Resources and Development -
Tasmanian Hemp Industry Inquiry**

**Submission by
The Industrial Hemp Association of NSW
Incorporated
IHANSW**

Current State of Tasmanian Hemp Industry - a NSW Perspective:

Introduction:

The members of the Industrial Hemp Association (IHANSW) cannot believe that there are any:

- a) Real matters impacting upon the production and value adding of industrial hemp in Tasmania, however we recognize the key barriers to successfully legalising hemp-based food for consumption and import include the following factors:

- Managing public perception related to high THC cannabis
- The revision of state and federal legislation
- Law enforcement of illegal cultivation and consumption
- Concerns of additional costs and burdens on regulatory agencies
- International drug control conventions to which Australia is a signatory.

One of our members researched these issues extensively and believes the Canadian legislation may provide a protocol/blueprint to help with the transition, specifically: The *Controlled Drugs and Substances Act* (CDSA) and its *Regulations (including the Industrial Hemp Regulations (IHR))* are the provisions used by Health Canada to fulfil its international obligations. The CDSA and IHR can be found on the Department of Justice Canada website:

<http://laws-lois.justice.gc.ca/eng/acts/C-38.8/>

<http://laws-lois.justice.gc.ca/eng/regulations/SOR-98-156/index.html>

The members of IHANSW cannot

- b) Identify any commercial impediments but recognises the Government is imposing unjustifiable regulatory limitations at local, state and federal government level that impact upon the establishment, appropriate development and continued support of a state industrial hemp industry

The IHANSW members do strongly offer advocacy for

- c) FSANZ option 2b i.e. *Prepare draft variations to permit the use of low THC processed hemp seed products (which includes hulled seed but excludes viable hempseed) as a food with maximum limits in the Code.*

Option 2B provides an opportunity for a much larger range of products without additional safety concerns. A larger number of new businesses and larger revenue is assumed than achieved under option 2. Start-up costs for governments are based on time for training and investment in new compliance plans, which will be the same for this option. [A1039 Low THC hemp Cost Benefit Analysis]:

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

With tri-partisan support in Tasmania for an existing proposition generated from 100s of hours of deliberation from the highest law in the land on food safety (FSANZ), the proposition provided by Option 2b would theoretically receive genuine support for broader national implementation, sooner rather than later.

However, FSANZ should not intentionally obfuscate the progress of application A1039 by presenting unnecessary delays in the guise of requiring further information when overseas experience, especially in the case of Canada is available as a blueprint [A1039 Low THC hemp Cost Benefit Analysis]:

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

Viability of an Australian Hemp Industry:

The Industrial Hemp Association of New South Wales (IHANSW) Inc welcomes the inquiry by the *Tasmanian House of Assembly Standing Committee on Environment, Resources and Development* and encourages the Government to promote and facilitate the establishment and rapid growth of an Industrial Hemp Industry by:

- Regulating the growing and processing of industrial hemp seed, paper, wood-replacement, fibre products in Tasmania and at the Federal level as soon as practicable. The plant can provide all basic human needs sustainably. IHANSW members want informed, objective decision-makers to become increasingly knowledgeable about industrial hemp's great potential towards 2020, 2050 and beyond.
- Representing the interests of Tasmanian seed breeders, growers, processors and marketers at local, state and/or federal government level furthering the establishment, appropriate development and maintenance of a wider industrial hemp industry. Our association's members are:
 1. Collaborating with a view to forming a national body - existing Industrial Hemp Associations (inc NSW, Qld, Tas, Vic) to include the other States and Territories for the proposed formation of an Industrial Hemp Association of Australia.
 2. Sourcing Research & Development money, sponsors and mentors. The Association is dismayed at the grant offered to CSIRO to develop a synthesized omega 3 & 6 rich product when a natural product exists and is legal everywhere on the planet except Australia & New Zealand
 3. The new Liberal Govt at State level has opened talks with IHAQ about hemp building materials and bio-composites and IHANSW has contact with NSW Liberal policy officers wishing to discuss Industrial hemp with a view to further R&D. There are numerous examples of similar growing interest at local, state and federal level.
 4. The Greens are well aware of the potential growth that industrial hemp enterprises could represent for Australia.

It is clear Industrial Hemp awareness is gathering greater momentum in Australia. The Tasmanian initiative represents a valuable opportunity for stakeholders to work co-operatively to bring about Federal change and to regulate the heavy-handed bureaucratic front delaying progress.

- Enabling the commitment of investment at the agronomic and value-added levels, we urge the Tasmanian government to collaborate with organizations such as FSANZ, and the existing and future Industrial Hemp Associations nationally to encourage a spring 2013 commercial hemp crop. The hemp fibre industry in QLD alone needs an estimated 60 farmers to grow hemp to meet current industry demand. The good news for industrial hemp is that it is a carbon sink and products are carbon positive. Retailers who may complain bitterly about a carbon price, possibly a strategy to soften up the public for price rises might consider turning to hemp-based food, fuel, textiles, paper, alternative wood and building products. Overseas the demand for hemp plastics has burgeoned and request are being made for products to be available in Australia proving there is a growing demand from the public for products – good for business. Governments listen to the demands from larger companies and especially corporations. The hemp industry can provide the raw materials to meet the local Australian demand and concurrently benefit from a growing export demand for carbon-friendly products. A shift from hydrocarbons to carbohydrates is inevitable as greater numbers want ever-scarcer resources.
- Endorsing FSANZ's own recommendation option 2b. This option proposes legalisation with regulation, requiring minimal changes to existing states' legislation. Specific details may be found on the FSANZ website:
<http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm>

- Regulating the Australian Industrial Hemp food industry to maximize the potential nutritional and economic benefits for all Australians and New Zealanders in both the short and longer term.

Regulatory Impediments:

FSANZ has been working towards finalising the Approval Report for A1039 by April 2012.

However, after the recent public consultation round for the Assessment Report there are a number of issues that FSANZ considers require additional consideration before a final decision can be made by the FSANZ Board

- the potential cost impact on food and law enforcement agencies
- the potential for consumption of hemp foods to interfere with THC saliva test results
- whether it is possible or not to achieve lower THC levels in hemp foods than the maximum levels proposed in the FSANZ Assessment Report?

These considerations are impediments to the final position paper and mean the matter will not be ready in time for the June FOFR meeting, representing a minimum further 6 months delay. Taking into account how many *diabetogenic* and carcinogenic "foods" are freely available on supermarket shelves, while hemp seed is neither, [The nutrition assessment for this Application reinforces the outcome of the earlier Application A360 nutrition assessment, and concludes that low THC hemp in food products may provide a useful alternative dietary source of many nutrients and polyunsaturated fatty acids, particularly omega-3 fatty acids. Only small quantities of whole hempseed or hempseed oil need be consumed to meet the adult Adequate Intake for alpha-linolenic acid (an essential omega-3 fatty acid)]. FSANZ Risk Assessment Report: <http://www.foodstandards.gov.au/foodstandards/applications/applicationa1039lowt4708.cfm> raises serious questions about the validity of further delay. A concerted effort will likely be required to achieve an amendment to the FSANZ code. **The Canadian government may in effect represent a crucial ally in the passing of this legislation.**

In Canada, law enforcement activities and specific procedural approaches related to the law enforcement including costs are the responsibility of the Royal Canadian Mounted Police (RCMP).

Questions pertaining to law enforcement should be referred to the RCMP, contact Sgt Chan D. Dara, National Coordinator, Marihuana Grow Ops at chan.dara@rcmp-grc.gc.ca, (PH) 613-993-9081.

Canada addressed perceived contradictions with:

- Article 4 of the Single Convention on narcotic Drugs 1961
- Article 7 of the Convention on Psychotropic Substance 1971

These two conventions (both Canada and Australia are signatories) have had objections raised from the Federal Department of Health in the past and we would expect with a Federal change of Government, could be raised again. Cannabis is listed under the UN's Single Convention on Narcotic Drugs, 1961. Although the 1961 Convention requires control measures to prevent the illicit production of the Cannabis plant, it does not prohibit the cultivation of cannabis for industrial purposes. **Article 28 of the 1961 Convention stipulates that the Convention does not apply to the cultivation of the cannabis plant for the fibre and seed for commercial use.**