

**HEMP INDUSTRY BILL 2019** (SERIAL 91)

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Signed: JG

ALISTER TRIER – CHIEF EXECUTIVE

DEPARTMENT OF PRIMARY INDUSTRY AND RESOURCES

20 MAY 2019

**OPENING STATEMENT TO THE  
ECONOMIC POLICY SCRUTINY COMMITTEE**

Mr Chairman, thank you for today's opportunity to provide yourself and other Members of the Committee with an overview of the Hemp Industry Bill ('the Bill'), which was introduced into the Legislative Assembly on 16 May 2019 by the Minister for Primary Industry and Resources.

As the Committee may recall from the Minister's introductory speech, the purpose of this Bill is to create a new *Hemp Industry Act* which will allow for the regulation of low *delta-9-Tetra-hydro-canna-binol* (THC) Cannabis species, for food, fibre and seed production.

Importantly, industrial hemp plants differ from regular hemp species in that they contain very low levels of THC (i.e. containing less than or equal to 1% THC). So if consumed, foods and products made from industrial hemp have no psycho-active effects on individuals.

Some of the key aspects of the Bill include:

- Establishing a licencing regime to allow for the lawful possession, cultivation, processing or supply of industrial hemp for the commercial production of industrial hemp products, and for using industrial hemp for scientific research, instruction, analysis or study purposes.
- Setting out how some administrative decisions on licensing matters are shared between the Chief Executive Officer of the designated regulatory agency and the Commissioner of Police.

- Providing exemptions where applicable to the *Misuse of Drugs Act* to allow for licenced persons to undertake activities in accordance with a new *Hemp Industry Act*.
- Providing authorised inspectors under the Act with appropriate powers of entry, inspection and seizure to allow for the enforcement of necessary provisions to ensure compliance.
- Lastly, providing for offences and penalties for contravening specified provisions of the Act.

Hemp fibre has been used for manufacturing of textiles, ropes and lines, paper and building materials and its grain as a highly nutritious food source, either as a whole grain, an emulsified cake, flour, or pressed oil.

Other value-added products include health lotions, sunscreens, shampoos, soaps, beer, biofuels, animal bedding, stock feed, insulation and car mouldings.

In Australia the industrial hemp growing sector is in its infancy and consequently needs a reliable source of future seed supply of accredited grain or fibre varieties.

The Territory appears to be well positioned geographically and climatically to grow industrial hemp, in particular to become a region supplying seed for hemp crop propagation in southern areas of Australia.

This Bill, if passed by the Legislative Assembly, will allow the Northern Territory to participate in and compete with other Australian jurisdictions on the development of a lawful industrial hemp industry. Beneficiaries include growers, processors, researchers, those who provide goods and services in support of hemp cultivation and processing, and consumers.

I thank the Committee for the opportunity to attend today, and welcome any questions you may have on the Bill, the process undertaken in its development, and on industrial hemp generally.

END.