

Committee: EPSC
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Tabled By: DPIR
Signed: [Signature]

Hemp Industry Bill 2019

Background

On 16 May 2019, the Hemp Industry Bill 2019 ('the Bill') was introduced into the Northern Territory's Legislative Assembly by the Minister for Primary Industry and Resources.

Overview of the introduced Hemp Industry Bill 2019

Purpose of the Hemp Industry Bill 2019

The purpose of the introduced Bill is to create the authorising environment for the regulation of low *delta-9-Tetrahydrocannabinol* (THC) Cannabis species (i.e. containing less than or equal to 1% THC) for food, fibre and seed production.

Industrial hemp plants differ from regular hemp species in that they contain very low levels of THC, and if consumed foods and products made from industrial hemp have no psycho-active effects on individuals.

Key Features of the Bill

- Establishing a licencing regime that will enable:
 - the lawful possession, cultivation, processing or supply of industrial hemp for the commercial production of industrial hemp products including food, fibre and seed; and
 - the lawful possession, cultivation, processing or supply of industrial hemp for scientific research, instruction, analysis or study.
- Setting out how the responsibility and accountability for specified administrative powers of the Act are shared between the Chief Executive Officer of the responsible 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 the new 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.
- Providing for offences and penalties for contravening specified provisions of the Act.

Background on Industrial Hemp

- 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.
- The Territory is 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.
- 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.
- Industrial hemp is an entirely different product than medicinal cannabis and is not regulated under the introduced Bill. Medicinal cannabis can now be propagated and administered in Australia under Commonwealth legislation (*Narcotic Drugs Act*).
- The introduced Bill specifically excludes the extraction or diversion of any cannabinoids for medicinal purposes.
- If the Bill is passed it will enable commercial and research interests to investigate, and in turn assist with developing a commercial industrial hemp sector, facilitating investment and flow-on job creation opportunities for those in regional areas.

Further information and next steps

The introduced Bill, along with copies of the Explanatory Statement and the Statement of Compatibility with Human Rights, can all be viewed on the Legislative Assembly of the Northern Territory's website [[Committees > Economic Policy Scrutiny Committee > Hemp Industry Bill 2019](#)]

As required under Legislative Assembly Sessional Orders, the Bill has been referred to the Economic Policy Scrutiny Committee ('the Committee') for review. The Committee has now called for public submissions on the Bill which are due by 14 June 2019. The Committee may also choose to also hold public hearings on the proposed legislation, but this is a matter for the Committee to determine.

Prior to a future Parliamentary debate on the Bill, by 6 August 2019 the Scrutiny Committee will provide a report to the Minister for Primary Industry and Resources, putting forward any recommended changes to the proposed legislation arising from its review.

For any further information, please call DPIR on (08) 8999 2143 or contact the department via email to: info.dpir@nt.gov.au