

Submission to the Senate Inquiry into the Development of the Hemp Industry in Australia

Introduction

Industrial hemp (*Cannabis sativa* L., THC <1%) is an emerging agricultural and industrial crop with significant potential to contribute to Australia's economic diversification, decarbonisation agenda, and regional development. Hemp has proven value as a sustainable building material, food and fibre source, and environmental remediation tool. However, Australia's hemp sector lags behind global leaders due to outdated legislation, fragmented regulation, and insufficient investment.

Global Case Studies

- Canada: Over 130,000 acres cultivated, integrated supply chains for food, fibre, and nutraceuticals.
- France: Leading Europe in hempcrete construction and industrial fibre processing.
- USA: Pilot programs demonstrate hemp's effectiveness in PFAS remediation on contaminated land.
- China: Dominates global hemp textiles, showcasing potential export competitiveness.

WA Select Committee on Cannabis and Hemp (2023) Recommendations

The WA Parliamentary Committee made key recommendations to strengthen the hemp industry:

1. Review and modernise the Industrial Hemp Act 2004 to ensure it remains fit-for-purpose.
2. Lobby the Commonwealth to amend the Narcotic Drugs Act 1967 to remove unnecessary restrictions on cultivation and commerce.
3. Ensure financial and policy support for ongoing research into industrial hemp applications.

(Source: WA Select Committee on Cannabis and Hemp, 2023)

Policy Recommendations (National)

1. Reclassify hemp (THC <2%) as an agricultural commodity distinct from controlled drugs.
2. Support regional processing infrastructure for fibre, hurd, and grain.
3. Fund R&D into construction, textiles, nutrition, and remediation.
4. Harmonise regulations across states and territories.
5. Create market incentives such as grants and procurement preferences.
6. Embed WA recommendations nationally to accelerate industry growth.

Conclusion

Australia has an opportunity to establish hemp as a cornerstone of sustainable agriculture and green industry. Adopting WA's recommendations alongside global best practice will enable the hemp sector to flourish—delivering jobs, exports, and environmental benefits. For the industrial hemp industry to flourish in Australia we require immediate action of the removal of Industrial hemp from the Drug Control Authority and treated as a broad acre crop.