

27 August 2025

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

By email: rrat.sen@aph.gov.au

Dear Committee Secretary,

Re: Submission to the Inquiry into Opportunities for the Development of a Hemp Industry in Australia

On behalf of Hawkesbury Hemp Pty Ltd, I am pleased to provide our submission to the Senate Rural and Regional Affairs and Transport References Committee's inquiry into opportunities for the development of a hemp industry in Australia.

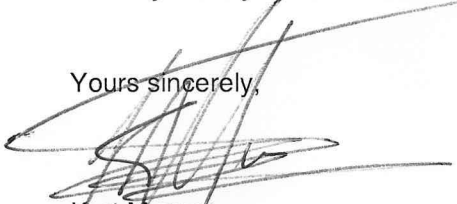
Hawkesbury Hemp Pty Ltd is engaged in hemp cultivation, processing, and product development in New South Wales. We believe that industrial hemp has the potential to become a cornerstone of Australia's bio-based economy, delivering significant benefits across agriculture, regional development, manufacturing, sustainability, and export markets.

Our submission addresses the Terms of Reference and highlights key recommendations for supporting and maintaining state-based regulatory processes, investing in research and development, incentivising regional processing, developing standards for construction applications, and recognising hemp as a strategic national crop.

We commend the Committee for undertaking this important inquiry and would welcome the opportunity to provide further evidence or appear at a hearing if required.

Thank you for your consideration of our submission.

Yours sincerely,



Kurt Murray
Director

Hawkesbury Hemp Pty Ltd
4670 Wisemans Ferry Road
Spencer NSW 2775
Phone: 0438 282 828
Email: admin@hawkesburyhemp.com.au

Submission to the Senate Inquiry: Opportunities for the Development of a Hemp Industry in Australia

Submitted by:

Hawkesbury Hemp Pty Ltd

Contact:

Hawkesbury Hemp Pty Ltd

4670 Wisemans Ferry Road

Spencer NSW 2775

Australia

Phone: 0438 282 828

Email: admin@hawkesburyhemp.com.au

Attention: Kurt Murray, Director

Introduction

Hawkesbury Hemp Pty Ltd welcomes the opportunity to provide a submission to the Senate Rural and Regional Affairs and Transport References Committee on the opportunities for the development of a hemp industry in Australia.

As an Australian company engaged in hemp cultivation, processing, and product development, Hawkesbury Hemp recognises the importance of hemp as a sustainable, versatile, and economically significant crop. This submission outlines how a nationally coordinated approach can unlock hemp's full potential, benefiting farming systems, regional communities, manufacturing, and export industries.

(a) The potential contribution of an industrial hemp industry

i. Farming systems

- Hemp is a rotational crop that improves soil health, suppresses weeds, and builds soil carbon.
- It requires comparatively low water, making it suitable for Australian farming under climate variability.
- Hemp diversifies farm incomes with multiple product streams (seed, fibre, resin).

ii. Manufacturing

- Hemp fibre provides inputs for textiles, rope, paper, and sustainable packaging.
- Hemp hurd can supply bioplastics and bio-composites.
- Hemp seed is a protein-rich food source; hemp oil provides nutritional and industrial value.
- Hemp resins and extracts support cosmetics, nutraceuticals, veterinary products, and functional food applications.

iii. Circular economy

- Hemp is a low-waste crop; every part of the plant has potential value.
- By-products can be used for biochar, soil amendments, and renewable energy.
- Integrated biorefineries could support regional circular economies.

iv. Construction industry

- Hempcrete and hemp-based panels are carbon-negative materials offering insulation, fire resistance, and sustainability.
- Barriers include the absence of Australian Standards, certification costs, and limited domestic processing of hurd.
- Support for material certification and processing facilities would accelerate adoption.

v. National economy

- Hemp offers a pathway to new jobs in farming, processing, and advanced manufacturing.
- Australia can position itself as a premium exporter of certified low-THC hemp products.
- Investment in hemp strengthens regional development while aligning with national climate goals.

(b) Research and Development

Unlocking hemp's potential requires targeted investment in:

- Plant breeding and agronomy tailored to Australian soils and climates.
- Processing technologies including fibre decortication, CO₂ resin extraction, and bio-composites.
- Clinical and applied research to validate hemp's health, veterinary, and nutritional uses.
- Sustainability metrics to quantify carbon sequestration and lifecycle benefits.

Public-private R&D; partnerships are recommended to drive rapid industry translation.

(c) Regulation

While regulatory differences between states and territories have sometimes been described as a barrier, Hawkesbury Hemp Pty Ltd considers that maintaining state-based regulatory processes is valuable for driving competition, innovation, and investment.

- A state-based framework allows each jurisdiction to tailor regulation to its agricultural conditions, industry maturity, and market opportunities.
- Competition between states encourages best practice, more responsive regulation, and regional innovation.
- Rather than a one-size-fits-all national system, the priority should be improving coordination, transparency, and information sharing between states, enabling mutual recognition of licensing where practical.
- This approach maintains flexibility while reducing duplication and unnecessary costs for businesses operating across state borders.

(d) Other related matters

- Education and training: Essential for farmers, manufacturers, and builders adopting hemp.
- Indigenous enterprise: Hemp presents opportunities for Indigenous-led land and business initiatives.
- Global leadership: Hemp has potential to position Australia as a premium exporter of sustainable agricultural and industrial products, akin to the wool industry in earlier decades.

Conclusion and Recommendations

Industrial hemp presents a unique opportunity for Australia to align agricultural innovation with sustainability, regional development, and export growth. With clear policy leadership, the hemp sector could become a cornerstone of Australia's bio-based economy.

Hawkesbury Hemp Pty Ltd recommends that the Committee:

1. Support and maintain state-based regulatory processes to encourage competition
 - Retain individual state and territory licensing frameworks to foster competition and innovation.
 - Ensure flexibility for states to develop regulatory models suited to their agricultural and regional needs.
 - Promote inter-state benchmarking and knowledge sharing to drive continual improvement rather than a one-size-fits-all national system.
 - Allow competitive regulatory environments to attract investment and encourage best practice among states.
2. Invest in dedicated hemp R&D; for breeding, processing, and applied research
 - Fund breeding programs for cultivars suited to Australian conditions and end-use markets (fibre, seed, resin).
 - Support universities and industry collaborations to advance hemp processing technologies such as fibre decortication, CO₂ extraction, and bioplastics.
 - Back applied clinical and nutritional research to validate hemp's health, veterinary, and cosmetic applications.
3. Incentivise regional processing hubs and biorefineries
 - Provide grants or concessional loans for the establishment of decortication, resin extraction, and fibre-processing facilities.
 - Encourage co-location of bioenergy, biochar, and soil amendment industries alongside hemp processing to maximise circular economy benefits.
 - Prioritise regional and rural areas to ensure job creation and local value capture.

4. Establish Australian Standards for hemp-based construction products


- Develop formal standards for hempcrete, hemp insulation, and fibreboard to facilitate adoption in mainstream construction.
- Provide pathways for certification and compliance to lower barriers for builders and developers.
- Encourage pilot projects in public housing, schools, and regional infrastructure to showcase hemp's carbon-negative building potential.

5. Recognise hemp as a strategic agricultural and industrial crop in national policy

- Include hemp in Australia's agricultural innovation and sustainability strategies.
- Acknowledge hemp's role in meeting carbon reduction and soil restoration targets.
- Position Australia as a premium supplier of certified, low-THC hemp to global markets, similar to the reputation of Australian wool and wine.

By implementing these measures, Australia can establish a globally competitive hemp industry that benefits farmers, manufacturers, builders, and the environment.

Submitted by:



Kurt Murray
Director
Hawkesbury Hemp Pty Ltd