

**Meier, David**

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**From:** Paul Benhaim [paulbenhaim@gmail.com]  
**Sent:** Monday, 21 March 2011 3:09 PM  
**To:** submissions  
**Subject:** Submissions  
**Attachments:** hemp foods petition to 21st March.pdf; ATT00001.htm

**Categories:** Orange Category

Submission

APPLICATION A1039

LOW THC HEMP AS A FOOD

Ref: [http://www.foodstandards.gov.au/\\_srcfiles/A1039%20Low%20THC%20Hemp%20Cons%20Paper%20FINAL.pdf](http://www.foodstandards.gov.au/_srcfiles/A1039%20Low%20THC%20Hemp%20Cons%20Paper%20FINAL.pdf)

Dear FSANZ,

Thank-you for your comprehensive consultation paper that is very accurate and seems to serve both the facts and understanding of the Australian people.

I represent myself and three entities: Hemp Foods Australia Pty Ltd, Australian Hemp Foundation and Raw With Life Pty Ltd. in the following statements and responses to Questions brought forward in your paper.

Visitors to [www.hempfoods.com.au](http://www.hempfoods.com.au) have provided hundreds of statements of support in relation to the question whether hemp should be allowed as a safe food in Australia (note: pdf file attached to this submission) and a poll on the said website shows 100% support for hemp foods in Australia.

Additional comments for your consideration are offered at a website petition at GetUp.org (<http://suggest.getup.org.au/forums/60819-campaign-ideas/suggestions/1359527-hemp-foods-in-australia-the-only-country-in-the-ref=comments>)

## **Background**

I migrated to Australia in 2000 expecting hemp food laws to be approved in 2001 and worked with supermarket chains and Australian manufacturer's to set-up a new industry for the Australian people. We had ready a supply and distribution chain that would have directly and indirectly accounted for over 40 extra jobs, with the potential for this to double within the first year. Expected sales from a previous business plan showed sales of tens of millions of dollars.

I left the UK having created the hemp food industry. I launched the first UK hemp food product, and subsequently advised 9 different companies on how to integrate hemp food products with their business. Today the first hemp food product I created is the most successful health food product in UK supermarket chains and is sold throughout Europe and North America. The other businesses are also still successful and hemp foods are considered a normal everyday health food product. I am a self-confessed 'hemp foods expert'. My intention was to translate such business success' to Australia for the national market and for export to Asia and North America.

I was a significant part of the initial application as an employee of Ecofibre Industries in 2000.

Eleven years later it seems that the despite ANZFA positive opinion, the Ministerial Council's opinion that is seemingly not based on fact has lost the potential for hundreds of jobs and significant income for Australians.

At this time I have interest from international companies for 40 tons of hemp seeds from Australia, growing to 400 tons per year when we can show them we can supply such quantities. Various other Asian countries are asking me to take this business to them. I am considering this possibility.

Allowing hemp foods in Australia will allow us the Australian people an opportunity to invest in the infrastructure required to start with this first enquiry. We expect many others to follow when we make public our ability to produce quantities of hemp food quality hemp seed through our local experiences. At this time the risk is too high for investments for such export quantities. Small quantities are not viable for export and have nearly no market in Australia due to prohibitive hemp foods legislation.

### **Re: Questions for submitters**

*1. Are you aware of any evidence that consumers believe low THC hemp foods have psychoactive effects?*

NO. I have manufactured and produced many millions (literally) of hemp food items through my own business and that of businesses I consulted for (snack bars, ice cream,

bread etc.) in the UK and NO consumer has EVER complained about the psychoactive effects of such products. Consumers included the elderly, pregnant mothers and young children included.

*2. Are you aware of any evidence that representations on low THC hemp foods (including*

*labelling and advertising) mislead consumers by leading them to believe that low THC hemp foods have psychoactive effects when consumed?*

It seems to be a concern of the Ministers that industrial hemp seed used in food will be promoted as a drug. In the tens, and possibly hundreds of hemp food products I have seen or been involved with around the world I have not seen any promote themselves as being a drug or containing drug like effects. This would be considered deceptive labeling and is legislated in the labeling laws of any country, so should not be a concern directly related to this application.

The benefits of hemp seed based foods, as identified in the original application A360 of 1998 and final report of 2001 are stated as due to it's high protein and essential fatty acid profile. These are the reasons hemp seed food products are sold and promoted throughout the world. Any promotions of hemp seed food products for other reasons would only be detrimental to the company producing them, and again would be considered a deceptive form of labeling and attract punishment under labeling laws in that way.

*3. Can you provide any evidence in addition to that presented in this Consultation Paper whether or not the consumption of low THC hemp foods can return a positive result for a THC drug test?*

During sales of millions of hemp food product we sponsored professional athletes who asked similar questions. We responded with our limited knowledge which was later backed up by the studies of Leson et al (2000, 2001). Never once did an athlete come back and complain we were wrong or they were wrongly tested for positive THC in any of their professional competitions.

*4. Can you provide information on THC drug testing procedures in Australia and New Zealand, particularly with regard to regulatory limits of THC that may be set?*

NO. A professional sports body may be able to assist further. Until then the studies of Leson et al seem to be the most comprehensive available today and I recommend are followed as is general practice around the world.

*5. Can you provide information to indicate whether there will be an impact on the cost of testing for THC in humans that could arise from an approval of hemp foods?*

Why would a company test for THC if they were not already testing for this? It seems likely THC testing happens by companies already considering a risk of high THC cannabis. The affect of hemp foods should have no impact on the cost of these tests.

### **Re: 5.3 Issues outside of the scope of this Application**

Although the issue of high THC hemp seeds being allowed under this application is not part of the submission, it may be worth commenting.

In the rest of the world where all hemp seeds are legal this does not seem to have affected the trade in illegal hemp foods. In consultation with the International Hemp Association (USA), the Hemp Food Industries Association (UK) and various Hemp Foods business in Canada; they have stated to me that it is more of a problem for high the cannabis plant users that low the hemp seeds may contaminate their stocks. Furthermore, although hemp seeds are legal in all these countries it is NOT legal to grow hemp seed - be it low-thc or high-thc and as soon as ANY seed is put in the ground and starts to grow it is illegal - whether it be an approved industrial hemp seed variety or not. Therefore, it would seem the concern of the Ministerial Council not be based on experiences in the rest of the global community. The attitude of not considering the facts known has directly and negatively affected the jobs, income and potential international trade of the Australian people. What statement is the Australian Ministerial Council suggesting about the Australian People that is so different to the rest of the world?

THC testing of industrial hemp crops is likely to continue, as it happens now in Australia, New Zealand and around the world, so any contamination of farmers seeds would continue to be the responsibility of the industrial hemp farmer.

The second concern raised *"The second concern is that the use of hemp in foods may send a confused message to consumers about the acceptability and safety of Cannabis (with high levels of THC)."* also seems misguided. My direct experience of selling hemp foods in health food stores, mainstream supermarkets and through a chain of ice-cream stores and vans to children never came upon the potential that the hemp foods were in any way suggesting the acceptability or safety of cannabis (with high levels of THC). I would ask the Ministerial Council to back up such suggestions and comments

with fact and experience. Representing a significant amount of hemp food sales globally I can assure you that never did I sell a product to someone thinking it was a drug. Hemp Foods are sold openly and legally. Drugs are not. There is a very clear difference and I must ask how exactly does the Ministerial Council come to such independent conclusions. Are they confused, having read ANZFA previous report than hemp foods are a drug? I wonder what part of your report about the nutritional reports they did not understand?

*6. Do you agree that there are adequate controls currently in place, or that would be achieved by imposing maximum limits for THC, to mitigate any risk of high THC Cannabis varieties entering the food supply?*

Hemp seed does not contain THC. It is only in contamination that THC may enter the food stream. All professional growing operations and food production facilities must ensure their products are clean and safe for human consumption. Therefore I believe there are already adequate controls currently in place and legislation for maximum limits for THC is not necessary in mitigating the risk of high levels of THC entering the human body. I must note that high "THC Cannabis varieties" do not enter the food supply any more than low THC Cannabis varieties as in both cases the hemp seed contains the same quantity of THC = zero. The hemp seeds for high THC Cannabis varieties are highly unlikely in reaching the food chain as such illegal high THC Cannabis is sold on the black market for it's flowers which are worth about 1000 times the price of hemp seeds and are grown in significantly small enough quantities, in comparison with low THC Cannabis varieties that any seeds of high THC Cannabis varieties are either destroyed or used again to grow high THC Cannabis varieties within the black market.

*7. Do you consider that trade practices legislation in Australia and New Zealand is sufficient to mitigate the potential risk that representations (including labeling and advertising) of hemp foods could suggest psychoactive properties relating to*

*consumption of those foods? If not, what other conditions regarding labeling and representations of hemp foods should be considered?*

Yes, I consider trade practices legislation are designed to mitigate potential risk of misrepresenting via labeling or advertising of any foods. Why would hemp foods be any different?

*8. What is the potential opportunity cost for current producers of hemp crops if hemp foods continue to be prohibited? Please provide quantitative data if available.*

The returns on producing hemp fiber are good. However, they mainly require costly processing equipment that is generally prohibitive to small famers. The returns on producing hemp seed are potentially higher than that of producing fiber (\$16,000 per ha (based on \$8/kg, 2 ton seed yield)), and much higher if upwardly valued on farm) with generally available farm equipment. Therefore there is a real financial loss to farmers if hemp foods continue to be prohibitive.

*9. What are the potential benefits to food manufacturers if hemp foods were approved for use?*

As a potential manufacturer of hemp foods, the benefit of offering a new and valuable product to consumers is high. Based on a current business plan with low start-up capital there is an opportunity for a small business (<\$2m) to be created in less than 6 months. Due to the versatility of hemp seeds being used in many food products this opportunity would be available to many Australian food manufacturers.

*10. Are there likely to be any additional costs for food manufacturers wishing to supply hemp foods?*

The answer to this depends on legislation approved. If, like the rest of the world, whole hemp seeds are allowed for consumption then it is unlikely there would be any additional costs for food manufacturers in the direct production of a food product. Marketing of a novel product is not included in this assessment.

*11. Would the approval of low THC hemp foods increase the cost of food enforcement beyond what would be expected of the approval of any other substance added to food, or other food regulatory change?*

From my experience in the United Kingdom and European markets, there is no cost of food enforcement beyond what would be expected of the approval of any other substance added to food.

*12. What other legislation in Australia and New Zealand would affect or be affected by approval of hemp foods?*

Customs (Prohibited Imports) Regulations 1956 would need to be adopted to allow the importation of hemp seeds. The importation of any drug ingredient (including high THC products) would need to continue to be enforced. If 'cannabis' is taken from the Customs (Prohibited Imports) Regulations 1956, tetrahydrocannabinols still exist which mean that only products with drug ingredients are not allowed. All hemp seed

would therefore be permitted, and any other high drug form of cannabis would continue to be prohibited.

*13. Would the approval of hemp food have an impact on existing hemp regulations in Australia and New Zealand? For example, would industrial hemp destined for use in food require additional controls to those already specified in industrial hemp regulations?*

Industrial hemp destined for food would have the same specifications as any crop grown for food. By growing a crop of soy beans for human consumption compared to soy beans for cattle or non-food applications similar differences would occur.

*14. Would food manufacturers be required to be licensed under existing hemp regulations?*

No. If hemp seeds were legal for human consumption, there would be no need for licensing food manufacturers. This is the case in Europe and America. If, however, whole hemp seeds were not allowed then this would cause a number of complications for both farmers (who would be required to process whole seeds on the farm - not always practical plus cost of new machinery) and/or further licenses to hold hemp seed by food manufacturers would be required and the policing of this, by Federal and State Authorities, as well as within the food manufacturing company would likely make such an operation unviable and unattractive. Therefore legislation to support the whole hemp seed is the only supportive legislation for food manufacturers.

*15. Would additional costs be incurred by government agencies responsible for granting licenses for the cultivation of hemp as a result of approval of hemp foods?*

Yes, with additional licenses being sought there would be additional costs in granting such licenses. However, in my humble opinion the cost of such licenses is already extremely high and likely to be a profitable venture for Government licensing departments. Therefore, rather than being a problem this is likely to create more jobs for Australians within such Government Departments.

*16. Can you identify other risk management options that have not been considered in the impact analysis? Comments on the possible costs and benefits are welcome.*

No

*17. Can you identify any other costs and benefits for any of the risk management options considered in this paper?*



There would be costs in educating the public as to the benefits of hemp seed. It would be recommended for a short, but all encompassing campaign to make it very clear that legal hemp seeds and hemp foods made from this product do not have any drug like affect, are safe for human consumption and have a proven history in health food stores and supermarket chains globally. This may be done by fact sheets, social media campaign, television and national newspapers. Sponsorship of this would be considered by the organisations I represent, and possibly others with an interest in this new and emerging industry.

*18. Do you have a view about an appropriate preferred regulatory option regarding the approval of hemp foods, based on benefits and costs?*

Yes. In our view, the only appropriate regulatory option would be to ensure whole hemp seeds and it's by-products are legal for human consumption. By ensuring a maximum THC limit in foods, already existing in Tasmania as stated in your references and based on the other international studies referenced may be prudent. Any further licensing or production requirements may make positive legislation other than viable for the commercial and therefore health interests of the Australian people.

Paul Benhaim

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Blog:

<http://www.hempowered.com/hemp-blog.html>

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"We shall require a substantially new manner of thinking if mankind is to survive."

Albert Einstein

"There are some people who live in a dream world, and there are some who face reality; and then there are those who turn one into the other."

Douglas H. Everett