

TRANSCRIPT

LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into the Industrial Hemp Industry in Victoria

Melbourne – Monday 11 September 2023

MEMBERS

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Renee Heath

Sarah Mansfield

Rachel Payne

WITNESS

Fiona Patten.

The CHAIR: I declare open the Legislative Council Economy and Infrastructure Committee's public hearing for the Inquiry into the Industrial Hemp Industry in Victoria. Please ensure that mobile phones have been switched to silent and that background noise is minimised.

I would like to begin this hearing by respectfully acknowledging the Aboriginal peoples, the traditional custodians of the various lands we are gathered on today, and paying my respects to their ancestors, elders and families. I particularly welcome any elders or community members who are here today to impart their knowledge of this issue to the committee or who are watching the broadcast of these proceedings. I also welcome any other members of the public watching via the live broadcast.

Fiona, I know you know a lot of the committee members, but some are new, so we will still do an introduction, starting down this end of the room.

Renee HEATH: My name is Renee Heath, and I am one of the members for the Eastern Victoria Region.

Fiona PATTEN: Thanks, Renee.

Bev McARTHUR: Bev McArthur, Western Victoria Region, Fiona.

Fiona PATTEN: Yes.

Georgie PURCELL: It feels weird for Rachel and me to –

Fiona PATTEN: And Tom, Jacinta and Sarah.

The CHAIR: Beautiful. Thank you. Fiona, all evidence taken is protected by parliamentary privilege as provided by the *Constitution Act 1975* and further subject to the provisions of the Legislative Council's standing orders. Therefore the information you provide during this hearing is protected by law. You are protected against any action for what you say during this hearing, but if you go elsewhere and repeat the same things, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded, and you will be provided with a proof version of the transcript following this hearing. Transcripts will ultimately be made public and posted on the committee's website.

For the Hansard record, can you please state your name and any organisation or organisations you are appearing on behalf of.

Fiona PATTEN: Thank you. My name is Fiona Patten, and I am representing myself.

The CHAIR: Beautiful. We welcome your opening comments but ask that they are kept to around 10 minutes.

Fiona PATTEN: Yes, I will be relatively brief. Thank you for the opportunity. I think it is terrific that this inquiry is up and running and is hopefully building on the work that the taskforce tried to complete. The taskforce was established in 2019, and it was a response to both I and the Member for Mildura, Ali Cupper, calling for greater investment and development and support for the hemp industry in Victoria. As I mentioned, that taskforce was established in 2019 with the then agriculture minister, Minister Symes. As you can imagine, COVID did affect the capacity for that taskforce, but like you, it was examining the information and we were talking to stakeholders. We were considering the uses, what was happening in other jurisdictions, how the government could support the industry to grow but also what barriers were holding back the industry. I think that is probably where, in my mind, we saw the most opportunity for change. Certainly I think there is a great need for more industry development and research, and I think that is something that not only Victoria should be doing but should be done at a federal level as well. The committee tabled two reports. We tabled an interim report followed by a final report. To be honest, I cannot say that anyone was particularly satisfied with either. I

do not think the committee members were – certainly I was not satisfied with the final report. The interim report probably showed where the committee could go, and we just never got there. We sort of broke it down into three areas, which were industry development, research and development and regulatory reform.

As you have heard, the cannabis hemp plant – the industrial cannabis plant – is quite an extraordinary plant in that it has this quite unique fibre that can be used in so many different ways. We have seen it being used over the centuries. I think, Renee, you were asking how long a hemp brick lasts; I think you were asking one of the witnesses last week. There are bridges in France from the fifth century that are made from hemp bricks. This is a very long lasting product. Hemp was used in Roman times. I was actually looking this morning at this most beautiful hemp kimono that had been made in Japan during the 1600s, so the 17th century. It is an incredibly versatile and long-lasting fibre. There is some conversation that Australia was being developed not as a convict colony but as a cannabis colony. There are some conversations around the Crimean War possibly hampering the British navy's access to hemp. We know that hemp actually fuelled the British navy and that they were looking for new sources of hemp and that Australia was seen as one. Certainly banks brought out hemp seeds to Australia, and hemp has been grown in Australia for as long as we have had British settlement here. It is a very long lasting and historical product. We are now seeing it used as a replacement to fibreglass in cars. We are seeing it used to mediate land that is high in metals. We are seeing, again, these multiple uses for it.

Unfortunately there is still significant stigma to the product, and part of that lies in the fact that Victoria is one of the only jurisdictions in Australia that treats it as a drug. So here we have this industrial crop being treated as a drug. It is almost treated with similar concern and regulation to poppy seeds that make opium. If you picked a few of those poppy flowers at the right time and put them into a tea, they could kill you. If you picked an acre of hemp, you would get a headache; you could not be killed. It is a much more inert and harmless product. We also restrict what parts of the crop can be used. We have said, 'You can use the inside of the stalk, you can use the fibre from the outside of the stalk and you can use the seeds. You can't use the flowers, and you can't use the leaves.' I do not know another industrial crop where we say, 'Do not use the whole thing. Throw away probably half of what you produced, because we don't allow you to use it.'

Now, I certainly think in considering what sort of regulatory reform can take place that that should be part of it. The leaves and the flowers especially are important in the production of CBD, so cannabidiol. We are seeing CBD as a medicinal cannabis product, but it also has many other uses. We are seeing around the world CBD products being developed for other health purposes, but certainly in the cosmetics industry it is seen as a very effective replacement for some of the petrochemicals that we are using in our cosmetics today. You look at Europe, you look at Canada – all of these countries are running forward on CBD and running forward on hemp production for structures but also for, as I say, cosmetics and for food. Australia is lagging, and Victoria is lagging behind everyone.

Queensland and Victoria are the only two states that treat the growing of hemp as a drug. Every other state has its own standalone hemp Act and sees it as an industrial agricultural crop, which it is. If we were to change that, I think that would go a long way. Certainly in the interim report of the taskforce the minister at the time committed to doing that – committed that the taskforce would consider this change to move hemp out of the drugs and poisons Act and into its own standalone Act or into a part of a more generalised agricultural Act. That never occurred. In fact, while we stated that in our interim report, we never actually finalised that body of work when we were doing the taskforce, so I think this is certainly an area for the committee to consider.

When we were looking at this there were also applications for the leaves to be used as food – food for livestock. We know that with the Ukrainian war we are seeing shortages in livestock food not only in Australia but around the world. Hemp could provide an option for livestock food if it was allowed to. It is also a very popular product in fresh food for humans in many other jurisdictions but not in Australia. I understand that there was an application to the Australia and New Zealand food administration authority, but we mentioned in our interim report that there was no update on that. I wonder if the inquiry and the committee might consider where that is going.

We have seen very little investment and support from the government, even though AgriFutures looked at the future of fibres. There were nine products that it said were really of high importance for greater development and greater research, and hemp was one of those nine. This was from AgriFutures. I think you are hearing from them or you have heard from them. This is something we should be considering given that our experts are saying that. As far as I was aware, during our time on the taskforce we agreed that some of the land at the

SuniTAFE SmartFarm in Mildura could be used to develop seed strains that were appropriate to Victoria. I did not hear of any results. Those results should have been coming through this year. And there is also a seed trial at the Hamilton SmartFarm. Again I think the studies that they are doing are supposed to be released in 2024. It might be interesting to see if you can receive some sort of update on the progress of that research. But those are the only two research projects that are supported by government that I am aware of in Victoria at the moment, so there is so much more that we could do.

I think certainly we need to be allowing the whole of the crop to be used, we need to be creating a hemp Act as is in every other state and pretty much every other country and we need to be considering our licensing fees as well. We have very high licensing fees, and I think we have unnecessary over-regulation of this industry. You look at Tasmania, where there is zero licence fee, and guess where has got the largest production of hemp – Tasmania. Now, I am not saying that it is the licence fee that is the barrier in Victoria, but I think it would certainly help. I think certainly moving hemp out of being treated as a drug and treating it as a crop, which it has always been treated as for thousands of years, would also assist us. I am happy to fill in anything more from there. Thank you.

The CHAIR: Beautiful. Thanks, Fiona. We will start with Dr Heath.

Renee HEATH: Thank you. Thank you so much for your presentation. I was amazed at that table at the start where it goes through the whole plant and what everything is used for. There are a couple of things that I will ask you, because you may have looked at it in the taskforce. Sweden's Supreme Court said that CBD oil containing THC – or it might be HTC – is a narcotic preparation. Do you agree with that?

Fiona PATTEN: Look, THC is a psychoactive substance, so if a CBD oil has a certain amount of THC in it then yes, it can have a psychoactive effect and you could class that as a narcotic. I do not necessarily agree with the term 'narcotic' for THC, but I think we are getting to the point: that it could have a psychoactive effect. The cannabis plant, and I think this is also something that the committee could consider, industrial cannabis, has got 0.35 per cent to less than 1 per cent THC. There is no chance that that could have a psychoactive effect, absolutely none, so this is the type of product that the Supreme Court in that Swedish case is not considering. I would say that one of the things the government could do, as Canada has done, is actually license it or say, 'These types of cultivars are accepted and supported by the Victorian government to be grown in Victoria,' and I think that would also diminish the need for the constant policing of this product. If people are growing seeds that we know are less than 1 per cent THC, then we are not going to be concerned about people hiding plants with high THC in the middle of their hemp crops – which because of the cross-pollination of the plants would not work anyway, but the theory is that that could be the case.

Renee HEATH: And just another one on safety, a risk assessment done for Health Canada, and I think you were around when we spoke about this yesterday, so you might have had something to add, said:

New food products and cosmetics made from hemp ... pose an unacceptable risk to the health of consumers.

And it said that any amount of THC could cause developmental issues, particularly in children. It said that:

... children exposed in the womb or through breast milk, or teen-agers whose reproductive systems are developing ...

are particularly at risk. Do you know of any research or any evidence that would disprove that, or talk about its safety?

Fiona PATTEN: I would be happy to take that on notice, Renee. I did hear you mention that at the hearings last week, and I was quite surprised because Canada is the largest manufacturer of hemp products in the world. While China might grow more hemp, Canada produces more hemp products, and it is fully supported by the Canadian government. So when you were speaking about this I was googling on the sidelines, and I saw another Canadian health report that probably stated the opposite, so I would be happy to send you information.

Renee HEATH: Yes, send it through if you can.

Fiona PATTEN: Certainly given that hemp has been used as a food, as a fabric, as a fibre, as an oil, as a biofuel, as a way to run our British navy for centuries – a millennium, even – I do not think there is a strong basis of evidence. There is no doubt that you do not want young people taking THC, unless it is in a medical circumstance. We do not want developing brains – not only THC but ethanol, alcohol, nicotine. On a developing brain you want as little as can mess that up. But I am not aware of any research around industrial

hemp being problematic in the health circle. But I would be happy to see if I could find some more information to counter that study.

Renee HEATH: Thank you so much. I think that is all the questions I have at the moment. Thank you.

The CHAIR: Thank you. Mrs McArthur.

Bev McARTHUR: Thank you, Chair. Thank you, Fiona. You are an experienced politician. Why do you think this government in Victoria has failed to understand the barriers-to-entry issue associated with this industry?

Fiona PATTEN: Sadly, I do not think they have failed. I think they have just failed to do. I think there is a great –

Bev McARTHUR: Well, failed to act, then.

Fiona PATTEN: Yes, I think they have failed to act.

Bev McARTHUR: Why do you think that is?

Fiona PATTEN: I suspect there is still significant stigma around the hemp plant. I was up in Mildura at a farm up there that had grown – it was sort of a Jack and the beanstalk story: he had gone to the wholesaler to get tomato seeds, came home with hemp seeds, and before he knew it he had 4-metre crops in his paddock. He saw in his security footage a car pull up, grab some plants, throw them in the back seat and tear off in this great heist. So there is still this misunderstanding and stigma, and I think that pervades the agricultural department. The agricultural department seems to have very good relationships with other industries, be that cattle, be that wheat, be that other crops, so I think that we have not developed those relationships, I guess that lobbying has not taken place. But I think it is easy to do nothing.

Bev McARTHUR: Should one of the recommendations potentially be a kind of national approach to the regulation, now that we are in a bit of a greenfield site here; rather than having states go off creating their own little bailiwicks on this, that we really sort of look at how you could do this nationally? Because clearly we are going to have perhaps border areas producing it where there is a different sort of agricultural environment, rather than having Victoria do one thing, New South Wales do the next.

Fiona PATTEN: That is right. Look, I think the agricultural ministers over the years, and certainly when I met with the WA agricultural minister, they were all saying we need a national approach. So we have been saying we need a national approach since probably 2016, 2017. We now have a fairly uniform regulation around THC content. We have got a national approach to how it can be used in foods, and that is in collaboration with –

Bev McARTHUR: Because you can go and buy hemp oil and hemp seeds.

Fiona PATTEN: That is right. That is exactly right. But we are limited to making that oil from the seeds themselves where, in the industrial cannabis plant, most of the value for making oil out of that plant comes from the leaves and the flowers. The seeds actually contain quite a small amount of the good stuff. So I think you are absolutely right, a national approach would be terrific. Failing a national approach, which is often the disappointment that we experience in many areas, I think Victoria could start taking a lead here.

Bev McARTHUR: Yes. And you have given us four areas that we should be looking at: utilising the whole crop, changing the hemp Act, the licensing fee situation and the overregulation. They would seem to be perfectly reasonable suggestions.

Fiona PATTEN: That is right. There is also talk about incorporating hemp into the procurement, because here we have a product that answers the needs of our concrete shortages, but there is no incentive within our procurement. I think governments could actually look at incorporating hemp into our procurement, so when we are building those sound barriers on our freeways, we could be using hempcrete that was made and grown locally. When we are looking at housing builds, again, we could be looking at incorporating hemp into our procurement processes. Even when we are looking at the making of uniforms, we could be looking at hemp being part of our procurement process and part of looking at our local procurement, as we see in the timber

industry. Timber mills can take hemp, so it does not cost a lot to retrofit not only a timber mill that would be chipping but a paper mill. It needs different kind of teeth and things that go round – that would be my professional, technical advice there. I think there is still a lot the state can do, but I totally agree: a national approach would be terrific.

Bev McARTHUR: Just like they are procuring EVs or hybrid vehicles for government vehicle use. They could be leading the way – is that what you are suggesting?

Fiona PATTEN: Absolutely. If we have been looking at wanting to support the local timber industry over the years –

Bev McARTHUR: I do not think we have really. We have been killing it off.

Fiona PATTEN: now we should be supporting the local hemp industry.

Bev McARTHUR: Is that my time up?

The CHAIR: Yes.

Bev McARTHUR: I get the look from the Chair.

Fiona PATTEN: It is very fierce.

Bev McARTHUR: It is like: I would not dare ask another question.

The CHAIR: I do not know if I am capable of that.

Bev McARTHUR: I am looking at the clock.

The CHAIR: I had a question similar to Bev's in relation to why you think this has taken some time by the government, even though you have deemed it not necessarily a failure. Something that I have obviously noticed and experienced in my own work has been the constantly changing nature of who the agriculture minister is. Do you think that that plays a role in understanding the importance of this work and what was undertaken by the taskforce?

Fiona PATTEN: I certainly do.

Bev McARTHUR: So we have to go on a re-education program.

Fiona PATTEN: Well, absolutely. We started with an agriculture minister who had gone overseas – had looked at the hemp industries in Canada and the US and understood the possibilities and the potential for this. Then through a cabinet reshuffle we had a new agriculture minister who did not have the same experience, and that certainly did have an impact. I think this is why we would like to see hemp being brought in as something that the agriculture department should be focusing on. AgriFutures has said it is one of the top nine crops that Australia should be focusing on, and this is an opportunity for the Victorian government to do that. I am sure you will be speaking to AgVic about this. From my understanding, they have not prioritised hemp. They have done very little towards this as a possible crop. There have been some small trials. I think they might have put on a small field day. So much more could be done, and I agree – it is that continuity. But the department has had considerable continuity over that time. We know there have been people in there for many years. We saw with SuniTAFE in Mildura how excited the kids were to be learning about this new crop. They were doing all sorts of things, whether they were growing it under grapevines to keep the moisture in and keep the weeds down or they were looking at growing these Jack-and-the-beanstalk fibrous plants. They were hoping to actually build a building out of hemp at the Mildura TAFE and teach the students the whole process. Unfortunately that did not get government support, which I think goes straight back to your point – there was a change in minister.

The CHAIR: Yes. And another one since.

Fiona PATTEN: And another one since then. I think we might have had a short one in between. So we have probably had three ministers during the taskforce.

The CHAIR: Great. We are a little bit short on time, so I will go to Rachel.

Rachel PAYNE: Thank you, and thank you, Fiona, for presenting today. I guess I want to reflect on other jurisdictions, which you touched on, and the need for Victoria to go further to ensure this is a robust hemp inquiry. I appreciate Bev bringing up the fact that we would like to see federal reform in this space as well. Is there merit in synergy with other states for cross-border investment and production but also export opportunities?

Fiona PATTEN: Yes. You are absolutely right, Rachel. What grows well in Victoria – and when it grows – may not grow as well in South Australia or Queensland, so we could see different cropping times. If we could collaborate and bring that together, that would be of great benefit to everyone. If you are looking at things like hempcrete and if you are looking at things like building supplies and creating the particle boards and creating the high-tensile beams that we know that hemp is capable of, there is a need for a strong and steady supply. How do we create a strong and steady supply when in some parts of the country it will not grow all year round? I think I heard someone talking about a dream of a million hectares. If we could get a million hectares across Australia, that would be significant. I think that the idea of a million hectares in Victoria is probably ambitious, but a million hectares across Australia is highly achievable. With the right decortication and with the right processing in the right places, we could definitely do that, and that goes to Bev's point of having a national conversation about this. I know that the Western Australian government was very keen to speak to the Victorian government about how they could work together. The Western Australian government was providing grants for research. In fact they were looking at doing a remote community-building development where they were going to grow the hemp onsite, process it onsite and build the buildings onsite. I think there is a formula that 1 acre of hemp will build a house. So yes, absolutely, Rachel.

Rachel PAYNE: There is heavy regulation around the plant, we can see that. It is under the *Drugs, Poisons and Controlled Substances Act* – to cultivate, process, sell and supply low-THC cannabis and low-THC cannabis seed. Is this a barrier to entry for farmers? I just want to understand your experience. You actually spent quite a bit of time on the ground going out and speaking with farmers and spending time on those farms. What was their experience?

Fiona PATTEN: They have grown tomatoes, they have grown wheat and they have grown all sorts of crops, whether it is cotton, whether they are dry cropping up in the north or doing something more lush in the Gippsland area. Having to apply for a licence under the drugs and poisons Act that requires you to do police background checks not just on yourself but in many cases on your family to grow a crop – those types of barriers. You walk away, because you kind of think, 'If it's that dangerous, do I want to be growing it?' It really sends a very mixed and false message about the product.

Rachel PAYNE: Yes. So from your understanding, the reason for that requirement is just a lack of understanding of hemp as a product?

Fiona PATTEN: That is right. As we know, hemp was a widely available product. It was grown widely up until really the 1930s. It was still a mainstay of our war effort in the 40s, and it was only in the 1950s that hemp became prohibited. I am sure you have heard all of the conspiracy theories swirling around about that, but I think many of them are true – we wanted to see nylon, we wanted to see the polyesters; we wanted to see those emerging products. We saw the change in the way we make paper, which really opened it up to wood pulp. We are clawing back from 70 years of prohibition on hemp, and that is really, really adding to that. But this over-regulation – you have got to have your crop tested twice and you have got to have inspectors come out to test your crop. In Canada and places like that, if you are producing a cultivar that is known to be low THC, they are not sending the drug squad out to test your plants.

Rachel PAYNE: And from your understanding and looking at some of the research that was to be invested in some of the TAFEs around seed development, you can produce seeds and ensure that the crop being grown is of a certain standard –

Fiona PATTEN: Absolutely.

Rachel PAYNE: including that it is more conserving of water and better suited to that environment.

Fiona PATTEN: That is right. As we know, we have got this happening out at the Hamilton SmartFarm. I think it would be really interesting to hear from the government and from the department how that is going.

Bev McARTHUR: We might have to go on a site visit.

The CHAIR: We might.

Fiona PATTEN: I think it would be really interesting to see that. I think they were testing 33 seed variations. To date they have probably got results on about half of them, so I think an update right there in the field would be really interesting and useful for the committee.

Rachel PAYNE: Great. Thank you.

The CHAIR: Thanks, Rachel. I cannot see the screen, so I am hoping that you are there, Ms Ermacora.

Jacinta ERMACORA: Yes. Hello. This is great. I am finding it really interesting. I guess I just wanted to know about this kind of – I think, Fiona, you called it a conspiracy theory. Sorry, I am going down that black hole. Oil and gas won the battle between electric and oil and gas in 1900. By 1913 the whole debate about whether cars should be electric or combustion, fossil fuel, was won at an industry level, and it really was a battle. And you could say in another area that the tobacco industry survived a lot longer than the science justified. And then you could even say that some areas of the food industry distorted the definition of a healthy diet for their own interests. I guess this kind of stuff could come under the heading of ‘industry protection’ in a way, literally. I guess this battle is starting now for hemp. Is there a case for a free-market approach, supported by government in a way? It sounds like an oxymoron. I think you know where my question is going.

Fiona PATTEN: Thanks, Jacinta. I would say: do not tell the oil industry you are interested in a free market, because they are well subsidised.

Jacinta ERMACORA: Exactly. That is what I meant by a black hole.

Fiona PATTEN: They will choke on their cornflakes. You are absolutely right. When we talk about not being able to fund or subsidise this industry, we neglect the fact that we subsidise the cotton industry – we give them great discounts on their water purchases. We subsidise the oil industry and we subsidise many other industries that are in direct competition with the hemp industry. And here is a fibre and a crop that sequesters carbon, that could reduce our emissions in so many areas and that could replace some of our finite resources, oil being one of them but also timber and even things like concrete. We are seeing shortages in concrete in this state with all of the massive builds that we are doing.

It is interesting going back to that debate over the car, because the first car was made of hemp. The model T Ford was made from a hemp fibre, and that was quickly taken over by the steel industry and other industries. Those industries have grown to be more powerful, there is no doubt. And certainly the hemp industry, I would say, has been in hibernation and hiatus due to the prohibitions on it for a number of decades. But you now look in Europe, Canada, China and the United States and you are seeing this real emergence and real change, and you are seeing governments change regulations to support this industry in ways that they used to do to support other industries. So I think the time is right for hemp, and I think the time is right for us to send a bit of love that way. And whether that means that it may negatively impact on some of the other subsidised industries, well, let us look at what is best for the nation and what is best for the state. I certainly think that a fibre and a crop that is as versatile as hemp should really be up there on the top of the list – as AgriFutures said, top nine in all crops.

Jacinta ERMACORA: Thanks, Fiona. Georgie, I do have one more, if that is all right.

The CHAIR: Yes, that is fine.

Jacinta ERMACORA: I do not know the answer to this, but the question around whether or not the plants are dangerous to the community, for people running up on the side of the road – I just go to, say, canola and wheat. The components of the canola plant that are available to make oil from are not the whole plant, so presumably it is not particularly healthy to eat the roots or the other leaves of the canola plant for humans, and the same for wheat. It is the wheat seed that we want, and we kind of generally accept that and no-one stops on the side of the road and eats wheat leaves. So I just wonder if we are going a bit overboard on the general community acceptance of this.

Fiona PATTEN: I think it is a really good point, Jacinta, that we do not use the whole plant. But we are not prohibited from it. We are not prohibited from using the canola leaf; it is just that it probably tastes terrible and is really hard to harvest. But the same does not apply to the hemp leaf. The hemp leaf is actually quite a nutritious product, and it would make a very nutritious feedstock, for example. But because of this misconception around ‘Oh, my goodness. We’ll be feeding our cows drugs and they’ll be hanging out in the sun looking at the clouds all day’ – although I think that is probably what cows do – there is this concern that it would then go into our system. So while, yes, I agree we do not eat the whole of all plants, I think this particular crop is one where the whole plant has been used historically and there is no reason for us to prevent it and prohibit it from being used now. Australia and New Zealand are some of the few countries that do have this prohibition on the whole of plant being used.

Jacinta ERMACORA: Thank you. So I guess it is a reasonable proposition that we already have societal acceptance that some elements of plants are not good for us. I mean, the oleander flower is good to look at, but you do not really want to scrape against the leaves. So it was just sort of from that angle.

Fiona PATTEN: Yes, I think it is a good point, Jacinta.

Jacinta ERMACORA: We are all used to not eating all of it.

Fiona PATTEN: Yes, I think it is a good point, and as I mentioned, to that Australia New Zealand food standards there was an application put in, which was mentioned in our interim report, around expanding the use of the plant to include leaves. I do not know the results of that application. It might be something that the committee could look at as to, if it was rejected, what were the reasons for that.

Jacinta ERMACORA: Thank you.

The CHAIR: Thanks, Ms Ermacora. Dr Mansfield.

Sarah MANSFIELD: Thank you. Thank you, Fiona. It has been great to get your insights on this, particularly given your experience going through a similar committee process in the past. Just touching on that, you mentioned that the committee was not particularly satisfied with the outcomes of that inquiry or where you got up to. Can you elaborate a little bit on that?

Fiona PATTEN: Look, it was really frustrating, Sarah. As I said, it was a taskforce so it was not a committee. The Minister for Agriculture said, ‘All right, we understand that there is potential and interest in this crop. Let’s have a taskforce. Let’s look at what we can do.’ And it was really supposed to be a fairly short taskforce. Unfortunately COVID arrived, and while we did do considerable work in 2019, around 2020 that actually became more difficult. I do not think the taskforce did the work that it could have done. We had meetings with a lot of industry leaders. We had meetings with governments – not just here but the minister travelled to the United States and Canada. I met with the minister in WA. So we saw some progress but then we saw a change in minister – not once, probably twice – and by the end, the report had been pushed back, been pushed back and been pushed back. It was around August 2022 that they were wanting to get this report off their desk in the run-up to an election. I felt that it was rushed. We did not provide any great direction in it. We made very generalised statements in it. But I felt like everyone had already left the building and it was very hard to get change. That actually is not a criticism of anyone. It just is what it is. What started as a really enthusiastic and optimistic taskforce really just creaked to the finish line with, I would say, a fairly average report. In fact I think our interim report was probably of greater benefit than our final report.

Sarah MANSFIELD: Thank you. Obviously it is for this committee to come up with our own report. But from your perspective, how could we avoid ending up in the same place? What sort of direction would you like to see coming out of this in terms of, I guess, state government action with respect to hemp?

Fiona PATTEN: Absolutely, regulatory reform – it does not cost the government any money to reform this – and, in that, reflect some confidence in hemp, and in hemp as a really viable crop for Victorian farmers. With climate change, looking for alternative, robust, versatile crops should be right up the top of the list for agriculture departments to be doing. I think this is certainly something that your committee has the ability to make recommendations to. Of course the taskforce was also in that position that we really were not reporting to anyone. We put out a report. But here you are reporting back to the Parliament, and the government must respond to your report, so it has more weight. Strangely and sadly – I think the taskforce was hoping to achieve

change by different measures, but here this committee can do this. Certainly looking at the whole-of-plant opens up the door for CBD. Since the committee reported we have seen CBD downscheduled. We are seeing further changes to the availability of CBD in the marketplace. Taking into account Renee's possible health concerns about this, we are seeing it. CBD oil is sold on Amazon. It is sold in every supermarket in Europe. It is sold as a foodstuff, but it is also sold as an alternative to petrochemicals in our cosmetic industry. So I think there is great potential there. Again, the government has the levers, and it does not necessarily have to cost as much, but maybe we could also redirect some of the subsidies and funding that we give to other parts of our agricultural industry to this one.

Sarah MANSFIELD: Great. Thanks. Sorry, Georgie, is that my time?

The CHAIR: No. It has not been your time, but we have just gone slightly over, so I reckon one more question and then that will be your time.

Sarah MANSFIELD: No worries. No, that is fine. Look, if you had to rank the regulatory changes you think would make the biggest difference, what would they be and in what order?

Fiona PATTEN: Without a doubt, I think the Victorian government implementing a hemp Act could really transform how we view this industry and could really dispel a lot of the myths and stigma around this industry, and it would enable us to have a community conversation around the future of hemp. I certainly think procurement is another area, particularly in building. When we were doing this report, when we started in 2019, hemp was really only seen as food; it was really only seen as a nutritious, high-protein seed product that you could make oil from. In the four years, we have seen a remarkable change. We have seen remarkable developments in the use of hempcrete, in the use of hemp as an alternative to plastics and fibreglass and also as an alternative to timber. We have seen great progress in that. And some of that progress has been happening here in Victoria, but you would not know. I think a hemp Act would be where I would start, and then I would also look at how we can expand the use of the plant to include the whole plant. Now that may require, as Bev was touching on, some federal cooperation as well as state, but this state could lead that conversation, and I think the rest of the states would be very happy to have that conversation.

Sarah MANSFIELD: Thank you.

The CHAIR: Thank you. And just confirming: do you have any questions, Tom?

Tom McINTOSH: No, Chair.

The CHAIR: Beautiful. All right. Thanks very much for coming along and speaking to us, Fiona. It was very, very helpful. Thank you.

Witness withdrew.