



Australian Government
Attorney-General's Department

15/5562

20 January 2017

Ms Sophie Dunstone
Committee Secretary
Parliamentary Joint Committee on Law Enforcement
PO Box 6100
Parliament House

Dear Ms Dunstone

Inquiry into crystal methamphetamine (ice)

On behalf of the Attorney-General's portfolio, I am pleased to provide a supplementary submission for consideration by the Parliamentary Joint Committee on Law Enforcement, following re-initiation of the inquiry into crystal methamphetamine (ice) on 12 October 2016.

I confirm that our earlier submission, made jointly between the Attorney-General's Department, the Australian Federal Police, the Australian Crime Commission (now known as the Australian Criminal Intelligence Commission), the Australian Institute of Criminology, the Australian Transaction Reports and Analysis Centre, and the Department of Immigration and Border Protection on 16 June 2016, remains current, subject to the updated material provided below, and we ask that it be taken into account by the Committee.

The purpose of this supplementary submission is to provide an update about the implementation of justice and law enforcement initiatives under the National Ice Action Strategy, which was agreed by the Council of Australian Governments in December 2015. This submission will also outline the new national governance arrangements to oversee Australia's drug and alcohol policy framework, and provide a brief update on the methylamphetamine and precursor market in Australia.

For the Committee's reference, this submission uses the following key terms:

- **Methylamphetamine:** Methylamphetamine is a synthetic drug produced from precursor chemicals that comes in crystalline, powder, base or liquid forms. Commonwealth law enforcement agencies generally use the terms 'methylamphetamine' and 'methamphetamine' interchangeably.
- **Crystal methylamphetamine (ice):** This term refers to methylamphetamine in crystalline form, which is often colloquially referred to as 'ice'.

National Ice Taskforce

On 8 April 2015, the Australian Government established a National Ice Taskforce (led by former Chief Commissioner of Victoria Police, Mr Ken Lay APM) to develop a coordinated national response to the growing use of ice.

On 6 December 2015, the Taskforce released its final report, making 38 recommendations across five priority areas for action:

- Support families, communities and frontline workers
- Target prevention
- Tailor services and support
- Strengthen law enforcement, and
- Improve governance and build better evidence.

In its final report, the Taskforce found that, despite significant ice-related arrests and seizures, the Australian market continued to grow, with the price remaining stable and purity and availability of ice on the rise. While law enforcement will continue to play a pivotal role in our national response, the Taskforce identified that the major opportunity lay in curbing the demand for ice and addressing the harms associated with its use. The Taskforce Report is publicly available at:
www.dpmc.gov.au/sites/default/files/publications/national_ice_taskforce_final_report.pdf.

National Ice Action Strategy

On 11 December 2015, the Council of Australian Governments approved the National Ice Action Strategy, which was based on the National Ice Taskforce's recommendations. The Strategy is publicly available at:
www.coag.gov.au/sites/default/files/communique/2015%20National%20Ice%20Action%20Strategy.pdf.

The Commonwealth, states and territories are working together to take forward a range of initiatives in the Strategy, with an increased focus on efforts to reduce the demand for ice and deliver effective support to help current users quit. Through the Strategy, the Commonwealth Government has committed to deliver \$241.5 million in funding to improve drug and alcohol treatment services over the next four years, with an additional \$24.9 million to promote community-level solutions to the ice problem.

Notwithstanding this focus on reducing demand and providing support, in any national response it is critical that our strong law enforcement efforts continue. Under the Strategy, Commonwealth, state and territory justice and law enforcement agencies have undertaken significant work to stop major players in Australia's ice trade. Some of the key achievements over the last 12 months include:

- On 21 October 2016, law and justice ministers from all jurisdictions agreed to implement nationally consistent controls on the precursor chemicals and equipment used to manufacture ice and other illicit drugs. These reforms include the development of a national electronic end user declaration (eEUD) system, which will give law enforcement agencies access to real-time information about precursor sales. The Australian Criminal Intelligence Commission will host the new eEUD system.
- The Australian Government provided Crime Stoppers Australia with \$1 million in funding to establish a national 'dob in a dealer' hotline to address the supply of ice. Crime Stoppers Australia officially launched the campaign to encourage public reporting about ice and other illicit drug activity in February 2016.
- The Attorney-General's Department is leading work to strengthen the eligibility criteria for holders of Aviation Security Identification Cards and Maritime Security Identification Cards. These reforms will help to exclude individuals with serious or organised criminal

offences from accessing secure areas of Australia's airports, seaports and offshore oil and gas facilities.

- The Australian Criminal Intelligence Commission is working with sixteen partner agencies to pilot a new National Criminal Intelligence System (NCIS) – a federated platform which exposes information and criminal intelligence to relevantly authorised staff. The NCIS pilot has already demonstrated the ability to identify where criminal targets are being investigated simultaneously by separate jurisdictions, ensuring that such investigations are connected, coordinated and fully resourced. This is a powerful tool for combating sophisticated drug supply syndicates that operate across jurisdictional and international borders.
- The Australian Federal Police is leading the development of a Commonwealth strategy to disrupt the supply of ice and precursors from major source and transit countries. The new strategy will be provided to the Ministerial Drug and Alcohol Forum for endorsement in 2017.
- The Attorney-General's Department is continuing work with participating jurisdictions to develop a national cooperative scheme to target the unexplained wealth of people involved in serious and organised crime.
- In October 2016, the Australian Criminal Intelligence Commission entered into a contract with the University of Queensland and the University of South Australia to jointly deliver a pilot national waste water analysis capability. Over the next three years, this capability will provide a more objective assessment of illicit drug usage across metropolitan and regional cities in Australia. Sample collection has commenced with the results to inform the first report in the first quarter of 2017.

Commonwealth law enforcement agencies have also experienced considerable success in combating the supply of ice in Australia, through existing and enhanced operational activity to address illicit drugs and organised crime. Under the Strategy, law enforcement will continue to exploit existing capabilities, such as the Australian Federal Police-led National Anti-Gangs Squad, National Forensic Rapid Lab and Forensic Drug Intelligence capability, and the coercive powers of the Australian Criminal Intelligence Commission, to disrupt the supply of ice, including in regional and remote areas. This work contributes to and complements the work of the Serious and Organised Crime Coordination Committee under the National Law Enforcement Methamphetamine Strategy.

Ministerial Drug and Alcohol Forum

As part of the National Ice Action Strategy, the Council of Australian Governments (COAG) agreed to establish a new Ministerial Forum to oversee the development and implementation of Australia's national drug and alcohol policy framework.

The Minister for Justice, the Hon Michael Keenan MP, and the Minister for Health, the Hon Greg Hunt MP, co-chair the new Ministerial Drug and Alcohol Forum, which held its first meeting on 16 December 2016. The Forum focuses on high-level policy initiatives, such as the National Ice Action Strategy and the National Drug Strategy, where strong collaboration between health and justice portfolios is essential.

The Ministerial Drug and Alcohol Forum seeks to address one of the key recommendations of the National Ice Taskforce. In its final report, the Taskforce identified that the previous governance structure did not support a timely or coordinated response to emerging drug policy issues. The new

framework will promote more streamlined decision-making, with a direct line of authority to COAG and greater cohesion between health and justice initiatives.

Australia's methylamphetamine and precursor market

Several significant seizures of both methylamphetamine and precursor chemicals have been made at the border and domestically over the past 12 months. However, the methylamphetamine market remains resilient and continues to pose the highest risk of all illicit drug markets in Australia. This is unlikely to change in the near future with high levels of demand in both urban and rural areas, and the willingness of users to pay very high prices for methylamphetamine compared to other countries.

Most methylamphetamine detected in Australia is imported in its finished form. Transnational organised crime groups continue to play a significant role in facilitating this importation. However, large seizures of precursor chemicals, such as ephedrine and pseudoephedrine, indicate significant, ongoing levels of domestic manufacture of methylamphetamine at varying levels of sophistication.

I hope this information is of assistance to you.

Yours sincerely

Kelly Williams