



# Parliamentary Joint Committee on Law Enforcement

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## Inquiry into crystal methamphetamine (ice) First Report

September 2017

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Senator the Hon Eric Abetz	LP, TAS
Dr Anne Aly MP	ALP, WA
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Senator Catryna Bilyk	ALP, TAS (from 12.9.16 – 23.11.16)
Mr Chris Hayes MP	ALP, NSW (Deputy Chair 19.9.16 – 8.2.17)
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## Abbreviations

ABF	Australian Border Force
ACIC	Australian Criminal Intelligence Commission
ACC	Australian Crime Commission
ACT	Australian Capital Territory
ADF	Australian Drug Foundation
ADLRF	Australian Drug Law Reform Foundation
AFP	Australian Federal Police
AGD	Attorney-General's Department
AGICC	Australian Gangs Intelligence Coordination Centre
AHCWA	Aboriginal Health Council of Western Australia
AIC	Australian Institute of Criminology
AIHW	Australian Institute of Health and Welfare
ANU	Australian National University
AOD	Alcohol and other drug
AODTS	Alcohol and Other Drug Treatments Services
AODTS NMDS	Alcohol and Other Drug Treatment Services National Minimum Data Set
ASEAN	Association of Southeast Asian Nations
ASIC	Aviation Security Identification Card
ATCA	Australasian Therapeutic Communities Association
ATO	Australian Taxation Office
ATS	Amphetamine-type stimulants

AUSTRAC	Australian Transaction Reports and Analysis Centre
CND	Commission on Narcotic Drugs
COAG	Council of Australian Governments
CPCA Act	<i>Criminal Property Confiscation Act 2000 (WA)</i>
CPF Act	<i>Criminal Property Forfeiture Act 2002 (NT)</i>
Crime Response Plan	National Organised Crime Response Plan 2015–18
DIBP	Department of Immigration and Border Protection
DoH	Department of Health
DUMA	Drug Use Monitoring in Australia
eEUD	End User Declaration system
HOPE	Hawaii's Opportunity Probation with Enforcement
Household survey	National Drug Strategy Household Survey
Ice	Crystal methamphetamine
IDRS	Illicit Drug Reporting System
JMGs	State and Territory Joint Management Groups
LGBTI	Lesbian, gay, bisexual, transgender and intersex
MDA	3,4-methylenedioxyamphetamine
MDAF	Ministerial Drug and Alcohol Forum
MDMA	3,4-Methylenedioxymethamphetamine
Mekong MOU	Mekong Memorandum of Understanding on Drug Control
MERIT	Magistrates Early Referral Into Treatment program
MHA	Mental Health Australia
MOU	Memorandum of Understanding
MSIC	Maritime Security Identification Card
MSM	Men who have sex with men



NAGS	National Anti-Gangs Squad
NCETA	National Centre for Education and Training on Addiction
NCIS	National Criminal Intelligence System
NCTL	National Criminal Target List
NDARC	National Drug and Alcohol Research Centre
NDRI	National Drug Research Institute
NDS	National Drug Strategy
NDSC	National Drugs Strategy Committee
NDSHS	National Drug Strategy Household Survey
NIAP	National Ice Action Plan
NIAS	National Ice Action Strategy
NIT	National Ice Taskforce
NPS	New Psychoactive Substance
NSW	New South Wales
NSWCC	New South Wales Crime Commission
NT	Northern Territory
OMCGs	Outlaw motorcycle gangs
PCIR	Precursor Chemicals Information Resource
PHAA	Public Health Association of Australia
PHNs	Public Health Networks
PM&C	Department of the Prime Minister and Cabinet
PoC	Proceeds of Crime
Proceeds of Crime Act	<i>Proceeds of Crime Act 2002</i>
Rapid Lab	National Forensic Rapid Lab and Forensic Drug Intelligence Capability

SA	South Australia
SAP	Sub-regional Action Plan
SOCCC	Serious Organised Crime Coordination Committee
SWIFT model	Swift, Certain and Fair Sanctions model
THC	Cannabis or tetrahydrocannabinol
the COMMIT program	Northern Territory's SWIFT model
the committee	Parliamentary Joint Committee on Law Enforcement
UNGASS	United National General Assembly Session
UNODC	United Nations Office on Drugs and Crime
USA	United States of America
Wastewater program	National Wastewater Drug Monitoring Program
VAADA	Victorian Alcohol and Drug Association

# List of recommendations

## Recommendation 1

**3.70** The committee recommends that all progress reports and the mid-point review provided to the Ministerial Drug and Alcohol Forum and Council of Australian Governments on the implementation of the National Drug Strategy 2017–2026 and its sub-strategy, the National Ice Action Strategy (NIAS), are made publicly available, and include but are not limited to:

- reporting on the implementation and achievement of actions outlined in the NIAS, with reference to qualitative and/or quantitative key performance indicators as appropriate;
- reporting on steps taken to enhance co-operation between health and law enforcement agencies;
- data on the prevalence of crystal methamphetamine use, particularly among vulnerable groups;
- information on new and existing treatment options, their accessibility and cost (to both government and patients);
- statistics from the justice system, including the number of crystal methamphetamine prosecutions, convictions and rates of recidivism in each Australian jurisdiction;
- reporting on the implementation and efficacy of drug courts and drug diversionary programs;
- reporting on local initiatives implemented through the Primary Health Networks; and
- the quantum of funding derived from proceeds of crime and allocated to initiatives to address crystal methamphetamine use.

## Recommendation 2

**5.13** The committee recommends that Commonwealth, state and territory governments commit long term funding for the implementation, maintenance and ongoing use of the National Criminal Intelligence System.

## Recommendation 3

**5.41** The committee recommends that Commonwealth, state and territory governments, as a matter of urgency, agree and enact nationally consistent unexplained wealth legislation.

#### **Recommendation 4**

**5.69** The committee recommends that, subsequent to the national review of drug diversionary programs articulated by the National Ice Taskforce and in the National Ice Action Strategy, states and territories commit to improving, expanding, or where no drug diversionary program(s) currently exists, implementing such programs across their jurisdictions.

#### **Recommendation 5**

**5.87** The committee recommends that Australian governments implement the electronic End User Declaration System as soon as practicable.

#### **Recommendation 6**

**5.100** The committee recommends that the Commonwealth government strengthens eligibility criteria for Aviation Security Identification Cards and Maritime Security Identification Cards to address current inadequacies, particularly the use of criminal intelligence where a person may have links with serious and organise crime.

#### **Recommendation 7**

**5.130** The committee recommends that the Australian government expand its leadership in relevant international fora and considers:

- strengthening ties with countries in the Asia Pacific, beyond existing ties with China, Cambodia and Thailand;
- collaborating to develop regional law enforcement and health and welfare responses to crystal methamphetamine;
- sharing its practices with a particular focus on demand reduction and harm reduction; and
- enhancing co-operation with the United Nations Office on Drugs and Crime.

#### **Recommendation 8**

**5.150** The committee recommends that Australian law enforcement agencies, in addition to the number and volume of drug seizures, assess and report on the availability, purity and price of illicit drugs, particularly at the street level, to better determine the impact of law enforcement and other strategies on the illicit drug market.

# Chapter 1

## Introduction

### Conduct of the inquiry

1.1 On 18 March 2015, the Parliamentary Joint Committee on Law Enforcement (the committee) initiated an inquiry into crystal methamphetamine (ice), which lapsed at the end of the 44<sup>th</sup> Parliament. Submissions had been received and a number of hearings held at the time the inquiry lapsed.

1.2 On 12 October 2016, during the 45<sup>th</sup> Parliament, the committee re-instated the inquiry. The committee resolved that documents received in the 44<sup>th</sup> Parliament, including Hansards transcripts and submissions, would be considered in respect of the re-instated inquiry. The committee also accepted additional submissions.

1.3 The terms of reference for the inquiry were as follows:

Pursuant to the committee's functions set out in paragraph 7(1)(g) of the Parliamentary Joint Committee on Law Enforcement Act 2010, the committee will examine the criminal activities, practices and methods involved in the importation, manufacture, distribution and use of methamphetamine and its chemical precursors, including crystal methamphetamine (ice) and its impact on Australian society.

In particular, the committee will examine:

1. the role of Commonwealth law enforcement agencies in responding to the importation, manufacture, distribution and use of methamphetamine and its chemical precursors;
2. the adequacy of Commonwealth law enforcement resources for the detection, investigation and prosecution of criminal activities involving the importation, manufacture, distribution and use of methamphetamine and its chemical precursors;
3. the effectiveness of collaborative arrangements for Commonwealth law enforcement agencies with their regional and international counterparts to minimise the impact of methamphetamine on Australian society;
4. the involvement of organised crime including international organised crime and outlaw motorcycle gangs in methamphetamine related criminal activities;
5. the nature, prevalence and culture of methamphetamine use in Australia, including in indigenous, regional and non-English speaking communities;
6. strategies to reduce the high demand for methamphetamines in Australia; and
7. other related issues.

1.4 The committee received 82 submissions during the 44<sup>th</sup> Parliament and a further 37 submissions during the 45<sup>th</sup> Parliament (listed at Appendix 1). The

committee also received a number of additional documents and answers to questions on notice (see Appendix 2).

1.5 The committee invited a number of individuals and organisations, many of which had submitted to the 44<sup>th</sup> Parliament, to comment on:

- the National Ice Taskforce's (NIT) final report;
- the government's response to the NIT; and
- the National Ice Action Strategy (NIAS) 2015 endorsed by the Council of Australian Governments (COAG) on 11 December 2015.

1.6 During the 44<sup>th</sup> Parliament, the committee held 10 hearings in the following locations:

- Melbourne, Victoria (27 July 2015);
- Mount Gambier, South Australia (28 July 2015);
- Liverpool, New South Wales (29 July 2015);
- Caboolture, Queensland (30 July 2015); and
- Canberra, Australian Capital Territory (12 August, 9 September, 14 October, 11 November, 25 November and 2 December 2015).

1.7 A further two hearings were held during the 45<sup>th</sup> Parliament in Canberra (24 March 2017) and Perth (3 May 2017).

1.8 In total, the committee took evidence from 69 organisations over the course of the inquiry. A list of witnesses who appeared at the public hearings is at Appendix 3.

### **First report**

1.9 This report is the committee's first report. It is the committee's intention to present a second report (outlined in more detail in paragraphs 1.16 to 1.24) following a visit to Portugal.

1.10 This report's focus is on law enforcement, or supply reduction measures to address crystal methamphetamine. This report is cognisant of the work done by the NIT and the NIAS. For this reason, this report's primary aim is to build upon, and provide recommendations that complement the work of the NIT and NIAS to address the issue of crystal methamphetamine use in Australia.

1.11 Chapter 2 of this report provides an overview of crystal methamphetamine and its use in Australia. First, it describes the substance and how it differs from other methamphetamines. The chapter then examines:

- crystal methamphetamine use in Australia;
- problematic use versus non-problematic use, especially for groups of users identified as at risk of developing problematic consumption;
- the mental and physical impacts of crystal methamphetamine including violent and psychotic behaviours;

- 
- factors that contribute to problematic crystal methamphetamine use and people's motivations for using the drug;
  - the price and purity of crystal methamphetamine and how this has changed over time, as well as methods of its administration;
  - how crystal methamphetamine use is often associated with poly-drug use and how this influences users' health outcomes; and
  - finally, national data on illicit drug arrests and illicit drug offences recorded in Australian courts.

1.12 Chapter 3 looks at Australia's drug strategies and work already done, at a Commonwealth level, which focuses on crystal methamphetamine. This analysis includes:

- an overview of the National Drug Strategy and its promotion of demand, supply and harm reduction measures for all drugs, including crystal methamphetamine;
- consideration of the NIT and the government's response to the NIT's final report;
- examination of the NIAS and the establishment of the Ministerial Drug and Alcohol Forum (MDAF); and
- initial commentary from stakeholders following the release of the NIT's final report and the NIAS.

1.13 The chapter concludes with analysis of the NIT and the NIAS and the apparent shift in Australia's strategy, away from a law enforcement approach and towards a health-focussed approach.

1.14 Chapter 4 provides an overview of a number of current Commonwealth law enforcement activities, followed by:

- consideration of data on the number of detections of crystal methamphetamine at Australia's borders, existing border control measures and embarkation points for crystal methamphetamine into Australia; and
- the role of outlawed motorcycle gangs and other organised criminal groups in the manufacture, importation and sale of crystal methamphetamine in Australia.

1.15 The examination of law enforcement strategies continues in chapter 5. This chapter looks at the strategies announced in the NIAS and considers how current and planned future strategies might be improved. Specifically, the chapter considers:

- the development of the National Criminal Intelligence System;
- a nationally consistent unexplained wealth regime;
- the development of a Swift, Certain and Fair Sanctions model based on the Northern Territory pilot program;
- the role of drug diversionary programs;

- combatting the availability of precursor chemicals and equipment to prevent domestic production of crystal methamphetamine;
- eligibility criteria for aviation and maritime security identification card schemes;
- strengthening of international cooperation and bringing together of law enforcement and health strategies; and
- the limits of law enforcement strategies to deal with the problems caused by illicit drug use.

## Second report

1.16 A considerable amount of evidence provided to the committee discussed the role of decriminalisation. Many of the submitters and witnesses that addressed decriminalisation outlined the model employed in Portugal and advocated that such a model was worth consideration in the Australian context.

1.17 For example, Dr Alex Wodak, President of the Australian Drug Law Reform Foundation, argues that evidence from the Portuguese experience shows:

There is no doubt that drug overdose deaths decreased, drug related crime decreased, HIV infection decreased and the number of prison inmates serving sentences for drug related offences decreased. There is debate about whether drug use increased, but there is no doubt that what the Portuguese call problematic drug use decreased, and I think it is problematic drug use that we should be principally concerned with. The evidence is starting to accumulate and become quite strong that, rather than burdening the health system, moving to reduce the penalties in the way I describe means that we are going to see a reduction in the burden on the health service. That was the experience in Portugal. At the same time, I have to emphasise that, when Portugal introduced those changes in 2001, they also introduced a considerable enhancement of their drug treatment system, with greater funding and improvement in quality and access.<sup>1</sup>

1.18 Dr Wodak also highlighted the popularity of this policy, stating it is supported both politically and 'by 70 or 80 per cent of the people in Portugal in opinion polls, so it has been a success pragmatically as a policy, and politically'.<sup>2</sup> Further, when compared with Portugal's neighbours, Spain, Italy and France, 'there were increases in drug use at the same time that were far greater than what may have occurred in Portugal'.<sup>3</sup> The United Nations Office on Drugs and Crime advised the committee that data from the European Monitoring Centre for Drugs and Drug Addiction shows a decrease in the total number of HIV and AIDS cases in Portugal since the early 2000s. Further, drug mortality rates among adults (aged 15 to 64 years) in Portugal is

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1 Dr Alex Wodak, Australian Drug Law Reform Foundation (ADLRF), *Committee Hansard*, 29 July 2015, p. 48.

2 Dr Wodak, ADLRF, *Committee Hansard*, 29 July 2015, p. 48.

3 Dr Wodak, ADLRF, *Committee Hansard*, 29 July 2015, p. 49.



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estimated at 4.5 deaths per million, significantly lower than the European average of 19.2 deaths per million in recent years.<sup>4</sup>

1.19 In her evidence to the committee, Professor Nadine Ezard, Clinical Director of St Vincent's Hospital noted the effectiveness of the Portuguese system, especially in addressing relapse rates by decriminalising illicit drugs and placing 'effort into expanding treatment places...integration–employment opportunities and supporting employers to take someone off a treatment program and retrain them into employment'.<sup>5</sup>

1.20 The Honourable Ms Sheila McHale from the Palmerston Association declared that Portugal provides a model of best practice<sup>6</sup> and countries that have adopted a decriminalisation approach have shown:

...that it is a good policy—it is a good public policy. If you are going down that line, then there is a lot of education that has to happen because, of course, it is one of those counterintuitive policies. It works in other countries. It creates an environment where people can see their drug addiction as a health problem and not a criminal problem—and we have not even started to talk about the criminal justice system and what that does or does not do for people with a drug addiction. That is a whole other inquiry, I am sure. We would support consideration of decriminalisation.<sup>7</sup>

1.21 Representatives from Families and Friends for Drug Law Reform also expressed their support for the Portuguese model, arguing 'in Portugal the price of drugs has gone down but usage has [also] gone down. This is counterintuitive'.<sup>8</sup> This organisation urged the committee to investigate this model further.<sup>9</sup> Another supporter of drug decriminalisation, Professor Rebecca McKetin advised caution when adopting a policy developed within the context of another country but also recommended that the committee consider the Portuguese approach.<sup>10</sup>

1.22 From a law enforcement perspective, Mr Mick Palmer, former Australian Federal Police Commissioner, stated that a decriminalised model in Australia would not lead to an increase in drug use and:

...certainly in other parts of the world there are signs that...usage rates have decreased—not markedly, but they have decreased. I do not think there is a

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4 United Nations Office on Drugs and Crime, answers to questions on notice, 11 April 2016 (received 24 March 2016), p. 2.

5 Professor Nadine Ezard, St Vincent's Hospital, *Committee Hansard*, 29 July 2015, p. 73.

6 The Honourable Ms Sheila McHale, Palmerston Association, *Committee Hansard*, 3 May 2017, p. 13.

7 Ms McHale, Palmerston Association, *Committee Hansard*, 3 May 2017, p. 17.

8 Mr William Bush, Families and Friends for Drug Law Reform, *Committee Hansard*, 25 November 2015, p. 4.

9 Mr Bush, Families and Friends for Drug Law Reform, *Committee Hansard*, 25 November 2015, p. 4.

10 Professor Rebecca McKetin, *Committee Hansard*, 9 September 2015, p. 13.

great danger of demand increasing. Even if there were political reluctance towards moving to decriminalise...just simply allowing us to deal with people who use it in a more humane and supportive way would really encourage people to admit what they have done and tell police or paramedics who arrive at the scene of an overdose or similar about what they have taken. Providing support and treatment for people in that situation would be an enormous step forward.<sup>11</sup>

1.23 The committee has reservations about the decriminalisation of illicit drugs; however, the committee agrees that Portugal's decriminalised drug policy is worth more detailed consideration. On this basis, the committee sought and was granted approval to travel to Portugal. The committee hopes that its visit allows it to explore the benefits, limitations and risks of Portugal's approach. In particular, the committee is interested in gaining a better understanding of law enforcement agencies' perspectives on and experiences of the decriminalised model, and how a decriminalised model has influenced policing within Portugal and at its borders.

1.24 The outcomes of the committee's visit to Portugal will be presented in a second report, following the visit. This second report will also consider evidence concerning treatment and rehabilitation services, harm reduction measures, and the allocation of NIAS funds.

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11 Mr Mick Palmer, *Committee Hansard*, 12 August 2015, p. 2.

## Chapter 2

### Overview of crystal methamphetamine and its use in Australia

2.1 This chapter provides a summary of crystal methamphetamine and its use in Australia. It first defines crystal methamphetamine and how it differs from other methamphetamine substances; it then explores the following matters:

- Crystal methamphetamine use in Australia, the number of users and the difficulty estimating the quantity of crystal methamphetamine consumed each year.
- Problematic versus non-problematic use and the identification of groups at risk of developing problematic consumption behaviours.
- The mental and physical effects of crystal methamphetamine, specifically methamphetamine-induced psychosis and violent behaviours demonstrated by some users.
- Drivers of crystal methamphetamine use and factors that contribute to problematic use.
- Price, purity and methods of administration.
- Poly-drug use as a feature of crystal methamphetamine use and how this influences users' health outcomes.
- National data on illicit drug arrests and illicit drug offences recorded in the criminal courts of each state and territory.

#### What is crystal methamphetamine?

2.2 Crystal methamphetamine is a form of methamphetamine,<sup>1</sup> grouped under the class of amphetamine-type stimulants (ATS). The term 'crystal' refers to its crystalline structure, which gives the substance the appearance of crushed ice,<sup>2</sup> hence its colloquial name of 'ice'.

2.3 Various common or street names for methamphetamines with reference to their forms and methods of administration are outlined in Table 1.

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1 According to the *Illicit Drug Data Report 2014–15*, there are four common forms of methamphetamine. They are: tablet, crystal (ice), base (referred to as 'paste') and powder (referred to as 'speed'). See, Australian Criminal Intelligence Commission (ACIC), *Illicit Drug Data Report 2014–15*, 4 August 2016, p. 24.

2 ACIC, *Illicit Drug Data Report 2014–15*, 4 August 2016, p. 23.

**Table 1: common names for methamphetamines<sup>3</sup>**

<b>Drug type</b>	<b>Common names</b>	<b>Forms</b>	<b>Method of administration</b>
Methamphetamine	Meth, speed, whiz, fast, uppers, goey, louee, Lou Reed, rabbit, tail, pep pills.  In paste form it can be referred to as base, pure or wax.  In liquid form it can be referred to as ox blood, leopard's blood, red speed or liquid red.	White, yellow or brown powder, paste, tablets or a red liquid	Oral, intranasal, injection, anal.
Crystal methamphetamine	Ice, dmeth, glass, crystal, batu, shabu (in South-East Asia)	Crystalline	Smoking, intranasal, injection

2.4 Some evidence presented in this report refers to crystal methamphetamine specifically, while other evidence describes methamphetamine and/or amphetamine. Generally, methamphetamine is referred to when specific data on crystal methamphetamine is not available. Australia's federal law enforcement agencies refer to methamphetamine as methylamphetamine.

2.5 During the course of the inquiry, many witnesses rejected the term 'ice' on the basis this term can have positive connotations and potentially encourage use. For this reason, this report refers to crystal methamphetamine, methamphetamine or amphetamine, as appropriate, unless directly quoting evidence where another name for the drug was used.

### **Crystal methamphetamine use in Australia**

2.6 Accurately ascertaining crystal methamphetamine use in Australia is difficult, as it is for all illicit substances, due to a paucity of data and limitations on the accuracy of the data that is available. Despite this, Australia has a number of initiatives and longitudinal studies that provide authorities and those working in the alcohol and other drug (AOD) sector with some insight into the consumption of illicit substances. These include:

- the National Drug Strategy Household Survey (household survey);

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3 ACIC, *Illicit Drug Data Report 2014–15*, 4 August 2016, p. 23.

- the Drug Use Monitoring in Australia (DUMA) program;
- the Illicit Drug Reporting System (IDRS);
- Clients of Alcohol and Other Drug Treatment Service (AODTS); and
- the recently established National Wastewater Drug Monitoring Program.

2.7 These initiatives are discussed in detail below.

### ***National Drug Strategy Household Survey***

2.8 Every three years the Australian Institute of Health and Welfare (AIHW) conducts the household survey and reports on alcohol, tobacco and illicit drug use in Australia. The survey includes data on people's attitudes and perceptions about alcohol, tobacco and illicit drug use. The survey allows the AIHW to collect data from nearly 24 000 people<sup>4</sup> across Australia, mostly aged 14 years or older.<sup>5</sup>

#### ***Key findings from the 2016 National Drug Strategy Household Survey<sup>6</sup>***

2.9 The 2016 household survey showed a decline in recent self-declared use (defined as use of an illicit drug in the last twelve months) of meth/amphetamine from 2.1 per cent in 2013 to 1.4 per cent in 2016. Data from the household survey indicates that the percentage of people using meth/amphetamine has continued to decline since 2001 (see Table 2).

***Table 2: Meth/amphetamine drug use, people aged 14 years or older, 1993 to 2016<sup>7</sup>***

<b>Year</b>	1993	1995	1998	2001	2004	2007	2010	2013	2016 <sup>8</sup>
<b>Meth/amphetamine<sup>9</sup> (per cent)</b>	2.0	2.1	3.7	3.4	3.2	2.3	2.1	2.1	1.4

2.10 Despite the overall decline, the 2016 survey demonstrated that crystal methamphetamine remains the preferred form of meth/amphetamine for users: 57 per cent of recent users reported that crystal methamphetamine is their main form

4 The National Drug Strategy Household Survey (NDSHS) is a triennial population survey that provides data on the use of alcohol and other drugs in Australia. Due to the survey being a household survey, it omits institutionalised people and people not living in private dwellings.

5 Australian Institute of Health and Welfare (AIHW), *National Drug Strategy Household Survey (NDSHS) 2016 Key findings (NDSHS 2016 Key findings)*, <http://www.aihw.gov.au/alcohol-and-other-drugs/data-sources/ndshs-2016/key-findings/> (accessed 3 July 2017).

6 The 2016 survey was conducted from 18 June 2016 to 29 November 2016.

7 AIHW, *Submission 6*, p. 7.

8 AIHW, *NDSHS 2016 Key findings*, <http://www.aihw.gov.au/alcohol-and-other-drugs/data-sources/ndshs-2016/key-findings/> (accessed 3 July 2017).

9 For non-medical purposes.

of meth/amphetamine used in the previous 12 months (an increase of 7 per cent compared to 2013).<sup>10</sup> This result continues an upward trend observed since 2010 (see Table 3).

**Table 3: Main form of meth/amphetamine used in last 12 months, people aged 14 years or older, 2007 to 2016<sup>11</sup>**

<b>Drug</b>	<b>2007</b>	<b>2010</b>	<b>2013</b>	<b>2016</b>
<b>Powder/Speed</b>	51.2	50.6	28.5	20.2
<b>Crystal/ice</b>	<b>26.7</b>	<b>21.7</b>	<b>50.4</b>	<b>57.3</b>
<b>Base/paste/pure</b>	12.4	11.8	7.6	1.6
<b>Tablet</b>	5.1	8.2	8.0	5.6
<b>Prescription amphetamines</b>	3.2	6.8	3.0	11.1
<b>Liquid</b>	1.3	0.9	0.5	n.p
<b>Capsules</b>	NA	NA	2.0	3.8

2.11 The 2016 survey also reported that the frequency of meth/amphetamine use has increased, in particular for those people using crystal methamphetamine (see Tables 4 and 5).

10 AIHW, *NDSHS 2016 Illicit use of drugs*, <http://www.aihw.gov.au/alcohol-and-other-drugs/data-sources/ndshs-2016/illicit-drug-use/> (accessed 3 July 2017).

11 AIHW, *NDSHS 2016 Key findings table*, <http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129559847> (accessed 3 July 2017).

**Table 4: Frequency of meth/amphetamine use by recent users aged 14 years or older (all recent meth/amphetamine users)<sup>12</sup>**

Frequency of use	2007	2010	2013	2016
At least once a week or more	13.0	9.3	15.5	20.4
About once a month	23.3	15.6	16.6	10.6
Every few months	27.9	26.3	19.8	24.7
Once or twice a year	35.6	48.8	48.0	44.3

**Table 5: Frequency of meth/amphetamine use by recent users aged 14 years or older (frequency of crystal methamphetamine use)<sup>13</sup>**

Frequency of use	2007	2010	2013	2016
At least once a week or more	23.1	12.4	25.3	31.9
About once a month	24.3	17.5	20.2	8.3
Every few months	20.7	23.1	14.3	22.6
Once or twice a year	31.8	47.0	40.2	37.3

#### *Perceptions and attitudes towards meth/amphetamine*

2.12 The household survey also surveys respondents' perceptions and attitudes towards illicit drugs. Despite the overall decline in use, the perception that meth/amphetamines are causing social and criminal problems has increased.

2.13 Household survey data shows a significant increase in the number of people who believe that meth/amphetamines are the most concerning drugs for the general community and in 2016, for the first time, meth/amphetamines overtook the excessive consumption of alcohol as the drugs of most concern (see Table 6).

12 AIHW, *NDSHS 2016 Key findings table*, <http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129559847> (accessed 3 July 2017).

13 AIHW, *NDSHS 2016 Key findings table*, <http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129559847> (accessed 3 July 2017).

Meth/amphetamines were also considered the drugs most likely to be associated with a 'drug problem' (21.9 per cent in 2013 to 46.4 per cent in 2016).<sup>14</sup>

**Table 6: Drug thought to be of most concern for the general community, people aged 14 years or older, 2007 to 2016<sup>15</sup>**

<b>Drug</b>	<b>2007</b>	<b>2010</b>	<b>2013</b>	<b>2016</b>
<b>Excessive drinking of alcohol</b>	32.3	42.1	42.5	28.4
<b>Cannabis</b>	5.7	4.5	3.8	2.6
<b>Meth/amphetamine</b>	<b>16.4</b>	<b>9.4</b>	<b>16.1</b>	<b>39.8</b>
<b>Cocaine</b>	8.3	6.1	3.6	3.3
<b>Ecstasy</b>	6.0	5.5	5.2	5.0
<b>Heroin</b>	10.5	11.4	10.7	7.5

2.14 The 2016 household survey noted that factors, such as media coverage and personal experiences, are likely to influence the opinions of respondents in terms of perceptions of and attitudes towards illicit drugs.<sup>16</sup>

2.15 The committee heard evidence from Professor Rebecca McKetin in 2015 and again in 2017. Professor McKetin referenced a detailed study of the household survey conducted by Professor Anne Roche. This study showed that prevalence of use was stable but this was not consistent across regions. It found use in regional areas had increased, whilst it had decreased in metropolitan areas. Professor McKetin said researchers have followed these indicators and:

...there is certainly a broad range of indicators consistently showing an increase. There is definitely an increase in the level of problematic use and there is a little evidence of an increase in the uptake of use too, but I think it is important to understand that the situation is not the same everywhere, so you cannot make one sweeping statement that things have not changed.<sup>17</sup>

14 AIHW, *NDSHS 2016 Key findings table*, <http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129559847> (accessed 3 July 2017).

15 AIHW, *NDSHS 2016 Key findings table*, <http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129559847> (accessed 3 July 2017).

16 AIHW, *NDSHS 2016 Illicit use of drugs*, <http://www.aihw.gov.au/alcohol-and-other-drugs/data-sources/ndshs-2016/illicit-drug-use/> (accessed 3 July 2017).

17 Professor Rebecca McKetin, Curtin Senior Research Fellow, National Drug Research Institute (NDRI), Curtin University, *Committee Hansard*, 3 May 2017, p. 34.



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2.16 Professor McKetin also explained that the study of the household survey shows evidence that there has been under-reporting of methamphetamine use, which she believes may explain for the disparate trends in other indicators and the survey.<sup>18</sup> Professor Steve Allsop from the National Drug Research Institute (NDRI) added that:

We also have to recognise that, for all sorts of reasons, we end up with underreporting. There is a high nonresponse rate. Many of the people who might be particularly at risk are more likely to be non-respondents; for example, people who are in the prison system, people who do not have phones or addresses that are easily contactable, people who choose not to respond—or to not respond accurately—or sometimes people do not even know accurately. For example, if you ask people how much alcohol they have consumed, some people underreport deliberately and some people do not have a good idea.<sup>19</sup>

2.17 This issue had been raised by Professor McKetin in earlier evidence provided to the committee:

There is also an issue with population surveys that they quite strongly underrepresent problematic drug use, and they are very sensitive to any stigma around drug use. There is negative publicity, and we have seen this before for methamphetamine; you get strong underreporting. If you look back to the 2001 survey, almost 10 per cent of Australians said they had ever used speed, amphetamine and methamphetamine. By 2007, after all of the bad press, that fell to 6 per cent. Suddenly 4 per cent of Australians who had used methamphetamine no longer have used methamphetamine. That is the extent of underreporting that you can get.<sup>20</sup>

2.18 The Department of Health addressed the issue of under-reporting in the household survey. It acknowledged that having people admit to an illegal activity may lead to under-reporting, but:

That is the way people answer, and there is nothing you can do to control that. However, I would point to, if there is underreporting—and I do not know whether there is—you can still look at the trends in the data. You would assume that you would be getting the same kind of underreporting or over-reporting or whatever it might be. The way statisticians work with data is to work out what the degrees of error are.<sup>21</sup>

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18 Professor McKetin, Curtin University, *Committee Hansard*, 3 May 2017, p. 34.

19 Professor Steve Allsop, Project Leader, NDRI, Curtin University, *Committee Hansard*, 3 May 2017, p. 34.

20 Professor McKetin, Curtin University, *Committee Hansard*, 9 September 2015, p. 11.

21 Dr Wendy Southern, Deputy Secretary, Department of Health, *Committee Hansard*, 9 September 2015, p. 18.

### ***Drug Use Monitoring in Australia program***

2.19 The DUMA program measures drug use amongst police detainees from nine sites across Australia. This ongoing study examines the relationship between drugs and crime, local drug markets and patterns of use by detainees. DUMA data is collected and published periodically by the Australian Institute of Criminology (AIC). Its last publication was on 9 February 2016, as a part of a series of papers about methamphetamine use and the perspectives of DUMA police detainees.<sup>22</sup> The *Drug use monitoring in Australia: 2013–14 report on drug use among police detainees* is the last full year analysis publicly available on the AIC website, but the Australian Criminal Intelligence Commission's (ACIC) *Illicit Drug Data Report 2015–16* notes results from the 2014–15 and 2015–16 DUMA examinations.

2.20 According to the *Illicit Drug Data Report 2015–16*, the number of detainees testing positive for amphetamine use increased, from 40.9 per cent in 2014–15 to 50.5 per cent in 2015–16. This recent result marked the 'highest percentage reported in the last decade'.<sup>23</sup> The ACIC identified the increase in detections of methamphetamine (methylamphetamine) use in detainees as the reason for the continued upward trend in detections, with data showing an increase from 38.7 per cent in 2014–15 to 49 per cent in 2015–16. Further:

The proportion of detainees testing positive for methylamphetamine continues to be higher than the proportion testing positive for MDMA,<sup>24</sup> heroin, cocaine, benzodiazepines and opiates (excluding heroin). In 2015–16, the proportion of detainees testing positive for methylamphetamine was higher than the proportion testing positive for cannabis (44.4 per cent). In 2015–16, 59.7 per cent of detainees self-reported recent methylamphetamine use, an increase from the 50.4 per cent reported in 2014–15.<sup>25</sup>

### ***Illicit Drug Reporting System***

2.21 Since 1999, the IDRS has monitored illicit drug use across all states and territories. The IDRS provides a coordinated monitoring system with a particular focus on heroin, methamphetamine, cocaine and cannabis. The IDRS comprises interviews with people who inject drugs, interviews with experts, and the examination

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22 Australian Institute of Criminology (AIC), *Drug use monitoring in Australia (DUMA)*, [http://www.aic.gov.au/about\\_aic/research\\_programs/nmp/duma.html](http://www.aic.gov.au/about_aic/research_programs/nmp/duma.html) (accessed 30 March 2017).

23 ACIC, *Illicit Drug Data Report 2015–16*, 30 June 2017, p. 43.

24 3,4-Methylenedioxymethamphetamine.

25 ACIC, *Illicit Drug Data Report 2015–16*, 30 June 2017, p. 43.

of other data sources, such as opioid overdose data, treatment data, and purity of seizures of illicit drugs made by law enforcement agencies.<sup>26</sup>

2.22 Key findings from the IDRS for 2016 showed:

- 75 per cent of the national sample reported 'using one or more forms of methamphetamine in the last six months on a median of 36.5 days', significantly higher than the 2015 median of 24 days;<sup>27</sup>
- recent use of crystal methamphetamine was significantly higher, with use increasing from 67 per cent in 2015 to 73 per cent in 2016;
- the frequency of use in the last six months for crystal methamphetamine had increased from 20 days in 2015 to 30 days in 2016 in total; and
- the majority of methamphetamine users administered the drug through injections; and this method was common to all forms of methamphetamine (see Table 7).<sup>28</sup>

**Table 7: Proportion of people who inject drugs that reported use of crystal methamphetamine in the preceding six months, by jurisdiction, 2010–2016<sup>29</sup>**

%	National	NSW	ACT	Vic.	Tas.	SA	WA	NT	Qld.
<b>2010</b>	39	48	48	36	20	60	40	18	37
<b>2011</b>	45	53	57	53	26	44	46	28	50
<b>2012</b>	54	68	66	59	43	56	64	26	44
<b>2013</b>	55	74	61	55	45	57	59	30	50
<b>2014</b>	61	74	72	75	54	60	53	26	58
<b>2015</b>	67	65	79	71	59	70	64	60	62
<b>2016</b>	73	77	78	73	73	75	62	69	69

26 National Drug and Alcohol Research Centre (NDARC), 'Australian Drug Trends 2016: Findings from the Illicit Drug Reporting System', *Australian Drug Trends Series No. 146*, 2017, p. 1.

27 NDARC, 'Australian Drug Trends 2016: Findings from the Illicit Drug Reporting System', *Australian Drug Trends Series No. 146*, 2017, p. 19.

28 NDARC, 'Australian Drug Trends 2016, Findings from the Illicit Drug Reporting System', *Australian Drug Trends Series No. 146*, 2017, p. 19.

29 NDARC, 'Australian Drug Trends 2016: Findings from the Illicit Drug Reporting System', *Australian Drug Trends Series No. 146*, 2017, p. 21.

### *Clients of Alcohol and Other Drug Treatment Services*

2.23 The AIHW collects data as part of the Alcohol and Other Drug Treatment Services National Minimum Data Set (AODTS NMDS). Data included in the AODTS NMDS is from treatment provided by publicly-funded AOD treatment agencies in Australia. Since 2003–04, the AIHW releases the Clients of AODTS reports.<sup>30</sup>

2.24 The Clients of AODTS report for 2015–16 found that 23 per cent of closed treatment episodes<sup>31</sup> had amphetamines listed as the principal or additional drug of concern.<sup>32</sup> There were 46 441 treatment episodes for amphetamines in 2015–16, an increase<sup>33</sup> from 32 407 treatment episodes in 2014–15 (see Table 8).<sup>34</sup>

**Table 8: National closed treatment episodes for clients own drug use by principal drug of concern, 2010–2016<sup>35</sup>**

Year	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16
<b>Amphetamine</b>	12 563	16 875	22 265	28 919	32 407	46 441

### *National Wastewater Drug Monitoring Program*

2.25 On 26 March 2017, the ACIC released its first report from the National Wastewater Drug Monitoring Program (wastewater program's first report). The wastewater program was established in June 2016 after \$3.6 million was allocated from the Confiscated Assets Fund to fund it.<sup>36</sup> The wastewater program tests for 13

30 AIHW, *Alcohol and other drug treatment National Minimum Data set*, <http://www.aihw.gov.au/alcohol-and-other-drugs/data-sources/aodts-nmnds-2015-16/> (accessed 26 July 2017).

31 A closed treatment episode is when a treatment is considered closed because: it has completed or has ceased; there has been no contact with the client for three months; or there is a change in the main treatment type/principal drug of concern/or delivery setting (*See* AIHW, 'Alcohol and other drug treatments services in Australia 2014–15', *Drug Treatment Series No. 27*, 2016, p. 12).

32 AIHW, 'Alcohol and other drug treatments services in Australia 2014–15', *Drug Treatment Series No. 27*, 2016, p. 25.

33 The AIHW noted a significant increase in the number of treatment episodes from 170 367 in 2014–15 to 206 635 in 2015–16. The increase was largely due to improvements in the reporting following the underreporting of treatment episodes due to a system issue. *See* AIHW, *Clients of alcohol and other drug treatment services*, <http://www.aihw.gov.au/alcohol-and-other-drugs/data-sources/aodts-nmnds-2015-16/clients/> (accessed 26 July 2017).

34 AIHW, *Clients of alcohol and other drug treatment services 2015–16*, <http://www.aihw.gov.au/alcohol-and-other-drugs/data/#aodts-cubes> (accessed 30 July 2017).

35 AIHW, *Clients of alcohol and other drug treatment services 2015–16*, <http://www.aihw.gov.au/alcohol-and-other-drugs/data/#aodts-cubes> (accessed 30 July 2017).

36 ACIC, *National Wastewater Drug Monitoring Program*, Report 1, March 2017, p. 2.

drugs, both illicit<sup>37</sup> and licit.<sup>38</sup> The data collected captures approximately 14 million Australians (58 per cent of the population).<sup>39</sup>

2.26 The wastewater program's first report argued that methamphetamine 'is the highest consumed illicit drug tested across all regions<sup>40</sup> in Australia'.<sup>41</sup> Although the wastewater analysis has found methamphetamine use to be high, the exclusion of cannabis (THC)<sup>42</sup> has meant this finding conflicts with some other evidence. For example, the 2013 household survey showed the most common illicit drug used both recently and over participants' lifetime was cannabis, 'used by 10.2 per cent and 35 per cent respectively of people aged 14 and over'.<sup>43</sup>

2.27 The wastewater program's first report noted:

- the capital city sites in Tasmania and the Australian Capital Territory showed the lowest levels of methamphetamine in their wastewater;
- methamphetamine detections in South Australian (SA) city sites exceeded detections in SA regional sites;
- methamphetamine detections in wastewater over the past five years at the Queensland and SA sites have shown a consistent pattern of increasing levels;<sup>44</sup>

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37 Illicit drugs tested are methamphetamine, amphetamine, cocaine, 3,4-methylenedioxymethamphetamine (MDMA), 3,4-methylenedioxyamphetamine (MDA), JWH-018, JWH-073, mephedrone and methylone. Cannabis or tetrahydrocannabinol (THC) is not tested as part of the wastewater analysis.

The absence of cannabis was questioned by UnitingCare's Chief Executive Officer (CEO) Mr Laurence Alvis and Dr Stephen Bright from the NDRI, see: Mr Laurence Alvis, CEO ReGen and Dr Stephen Bright, Senior Lecturer of Addiction at Edith Cowan University and Research Fellow, NDRI. See also, 'Wastewater drug monitoring: Never let the evidence get in the way of a good story', *Media Watch*, 6 April 2017, <http://aodmediawatch.com.au/wastewater-drug-monitoring-never-let-the-evidence-get-in-the-way-of-a-good-story/> (accessed 27 July 2017).

38 Licit drugs include tobacco, alcohol, oxycodone and fentanyl.

39 The breakdown of sites by jurisdiction are: New South Wales has 10 sites; Victoria 7 sites; Queensland 12 sites; South Australia 8 sites; Tasmania 7 sites; Western Australia 4 sites; Northern Territory 2 sites and the Australian Capital Territory has one site. 22 sites are capital cities and 29 sites are regional. See, ACIC, *National Wastewater Drug Monitoring Program*, Report 1, March 2017, pp 7, 12.

40 The National Wastewater Drug Monitoring Program does not specify specific test sites; however, this information is shared confidentially with law enforcement and health agencies.

41 ACIC, *National Wastewater Drug Monitoring Program*, Report 1, March 2017, p. 3.

42 Tetrahydrocannabinol.

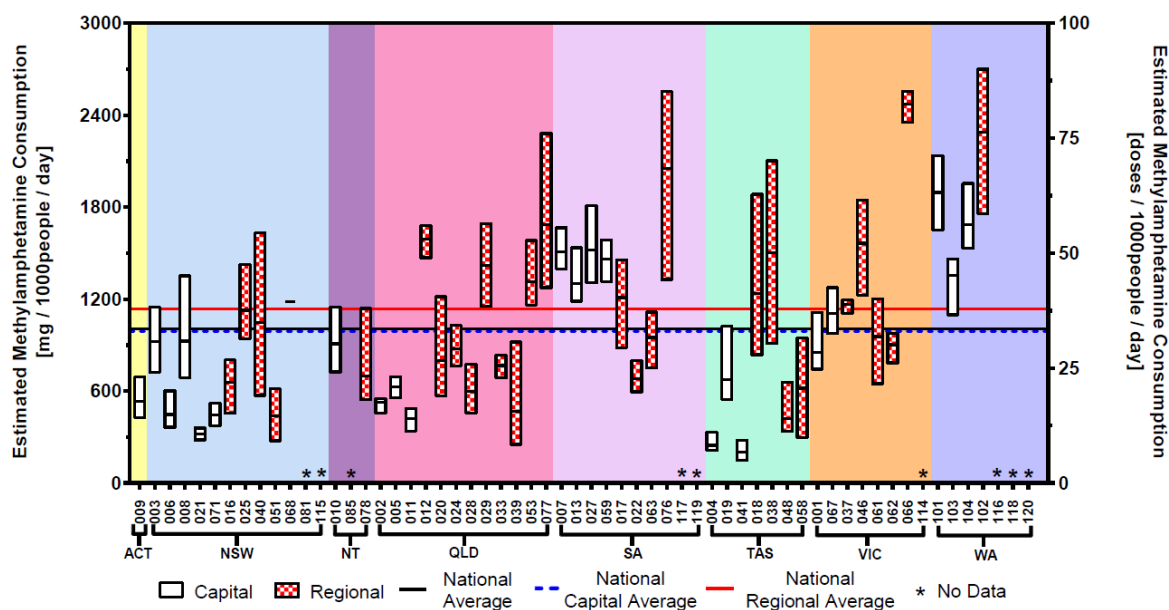
43 AIHW, *National Drug Strategy Household Survey detailed report 2013*, AIHW, p. 49.

44 Queensland and South Australia were included in a pilot program and therefore have longitudinal analysis available.

- Western Australia (WA) has the highest levels of methamphetamine in its wastewater, with detection in both city sites and regional sites far exceeding the national average;
- several regional sites in Queensland, Victoria and Tasmania show high levels of methamphetamine detection; and
- Australia ranks second out of 18 countries for consumption of methamphetamine (Slovakia is ranked first).<sup>45</sup>

2.28 Figure 1 is extracted from the wastewater program's first report. It shows the estimated amount of methamphetamine consumption per thousand people and doses per day at each of the testing sites. Data is separated by state and territory and by capital region and regional area. Finally, the figure indicates both national capital average and regional average (the red and blue lines). The figure shows regional consumption rates in WA, SA and Queensland are far higher than the national regional average. Data from WA and SA show above average consumption in capital areas.

**Figure 1: Estimated methamphetamine consumption in mass consumed per day (left axis) and doses per day (right axis) per thousand people. The number of collection days varied from 1–7<sup>46</sup>**



2.29 The national wastewater program complements other wastewater analysis, such as the University of South Australia's Drug use in Adelaide Monitored by Wastewater Analysis reports (SA analysis), commissioned by the Drug and Alcohol Services South Australia. This analysis commenced in 2011 and focuses on

45 ACIC, *National Wastewater Drug Monitoring Program*, Report 1, March 2017, p. 3.

46 ACIC, *National Wastewater Drug Monitoring Program*, Report 1, March 2017, p. 26.

metropolitan Adelaide. Unlike the national program, the SA wastewater analysis includes heroin<sup>47</sup> and cannabis.<sup>48</sup>

2.30 The SA analysis for April 2017 showed methamphetamine use in metropolitan Adelaide slowly increasing between 2012 and December 2016. However, there has been a steady decline during the reporting periods for 2017.<sup>49</sup>

2.31 On 27 July 2017, the ACIC released the wastewater program's second report. This second wastewater report found that methamphetamine remained the highest consumed illicit drug tested across all regions; however, nationally there has been a slight reduction in methamphetamine detections when compared to the first reporting period.<sup>50</sup> Testing sites in the Northern Territory (NT) and Tasmania<sup>51</sup> did not participate<sup>52</sup> in the second reporting period.<sup>53</sup>

2.32 The second wastewater report found detections were highest in SA and WA.<sup>54</sup> For both these states, use appears to have peaked in October 2016 and has subsequently declined since. Queensland shows a similar pattern, although less pronounced.<sup>55</sup> The ACIC concluded that:

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47 The ACIC announced in its second waste water analysis report that heroin will be tested in future analyses. See, ACIC, *National Wastewater Drug Monitoring Program*, Report 2, July 2017, p. 10.

48 University of South Australia, *Drug use in Adelaide Monitored by Wastewater Analysis*, April 2017, p. 6, [http://www.sahealth.sa.gov.au/wps/wcm/connect/f801a20045027e445f4005ba75f87/Standard+report+December+2016+data\\_16+03+17.pdf?MOD=AJPERES&CACHEID=f801a20045027e445f4005ba75f87](http://www.sahealth.sa.gov.au/wps/wcm/connect/f801a20045027e445f4005ba75f87/Standard+report+December+2016+data_16+03+17.pdf?MOD=AJPERES&CACHEID=f801a20045027e445f4005ba75f87) (accessed 27 July 2017).

49 University of South Australia, *Drug use in Adelaide Monitored by Wastewater Analysis*, April 2017, p. 6, [http://www.sahealth.sa.gov.au/wps/wcm/connect/f801a20045027e445f4005ba75f87/Standard+report+December+2016+data\\_16+03+17.pdf?MOD=AJPERES&CACHEID=f801a20045027e445f4005ba75f87](http://www.sahealth.sa.gov.au/wps/wcm/connect/f801a20045027e445f4005ba75f87/Standard+report+December+2016+data_16+03+17.pdf?MOD=AJPERES&CACHEID=f801a20045027e445f4005ba75f87) (accessed 27 July 2017).

50 ACIC, *National Wastewater Drug Monitoring Program*, Report 2, July 2017, p. 6.

51 On 27 July 2017, TasWater denied it opted out of the wastewater analysis. See: Edith Bevin, 'TasWater denies it has opted out of "vital" wastewater testing for drugs like ice', *ABC*, 27 July 2017, <http://www.abc.net.au/news/2017-07-27/taswater-denies-opt-out-from-national-sewage-drug-testing/8748620> (accessed 31 July 2017).

52 The ACIC noted if further testing sites decide to not participate in the national wastewater analysis, the ACIC will identify replacement sites in participating jurisdictions to ensure the largest possible segment of the national population is sampled. The ACIC noted the location of sites may change over the three years of the study. See, ACIC, *National Wastewater Drug Monitoring Program*, Report 2, July 2017, p. 10.

53 ACIC, *National Wastewater Drug Monitoring Program*, Report 2, July 2017, p. 4.

54 ACIC, *National Wastewater Drug Monitoring Program*, Report 2, July 2017, p. 24.

55 ACIC, *National Wastewater Drug Monitoring Program*, Report 2, July 2017, p. 24.

The overall picture for methylamphetamine is one of ongoing and strong demand. While the National Wastewater Drug Monitoring Program has shown signs that consumption may have peaked in late 2016, it is too early to say with any certainty if this recent reduction in consumption is the start of a longer term trend.<sup>56</sup>

### **Problematic versus non-problematic use**

2.33 Despite the number of users and the negative effects of crystal methamphetamine use, numerous submitters and witnesses advised the committee that the majority of individuals who use the drug do not demonstrate problematic use (such as anti-social or criminal behaviour) and live normal and productive lives. Further, although crystal methamphetamine impacts on a wide range of individuals from across Australia, there are particular communities and groups that are more at risk of developing problematic crystal methamphetamine use.

2.34 The Australian Injecting and Illicit Drug Users League observed that a small minority of people, approximately 15 per cent, use crystal methamphetamine on a regular or daily basis. The remaining '85 per cent are engaging in more irregular or occasional use, and perhaps less problematic use—that is, less than weekly and, for most, less than monthly'.<sup>57</sup>

2.35 The Australian Federation of AIDS Organisations described the majority of crystal methamphetamine users as non-problematic, that is:

...problematic in being contrary to criminal law but not necessarily problematic in terms of health use. However, we do acknowledge that for some people there are problematic levels of ice use...[it is] [n]ot problematic in terms of being able to function.<sup>58</sup>

2.36 Dr Alex Wodak, President of the Australian Drug Law Reform Foundation (ADLRF) commented on the differences between problematic and non-problematic use of crystal methamphetamine. Referring to a series of longitudinal studies for cocaine and amphetamine, Dr Wodak stated that people who consume 'impressive quantities' of these drugs 'never came to the attention of law enforcement or health services for their drug problem' and '[w]hen they started getting some difficulties, they managed to work out how to pull themselves back'.<sup>59</sup> Further, Dr Wodak argued that:

...although it does not seem to be something that we would leap at believing, the evidence is fairly clear that some people are able to use

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56 ACIC, *National Wastewater Drug Monitoring Program*, Report 2, July 2017, p. 43.

57 Ms Annie Madden, Executive Officer, Australian Injecting and Illicit Drug Users League, *Committee Hansard*, 25 November 2015, p. 7.

58 Ms Linda Forbes, Manager, Policy and Communications, Australian Federation of AIDS Organisation, *Committee Hansard*, 29 July 2015, p. 15.

59 Dr Alex Wodak, President, Australian Drug Law Reform Foundation (ADLRF), *Committee Hansard*, 29 July 2015, p. 49.



powerful psychoactive substances for long periods and monitor their own behaviour to a surprising degree. That is not to say that that is recommended. I do not recommend it and I am not calling for people to do that, clearly. I spent the last 30 years dealing with people who got into serious trouble—some died—caused great misery and anxiety to their families, caused great pain and suffering in the community generally and were struggling with psychoactive drug use. So I am not a fan of people getting into trouble with drugs, but we have to acknowledge the truth, and the truth is: yes, some people can manage to consume significant quantities of these drugs and somehow not get into trouble.<sup>60</sup>

...people who used large quantities of drugs and started to have some difficulty pulled themselves up. They would say, 'I'm not going to take any cocaine for three months,' or six months, or 'I'm only going to take it on weekends,' or 'I'm not going to spend more than \$30 a day on it.' They made up some rule and stuck to it. After they got it under control, they would go back. A lot of people monitor their own behaviour in other areas in a similar way. We have to remember that a lot of people who have problems with psychoactive drugs in the community do get better by themselves. There is a lot of resilience in human beings.<sup>61</sup>

2.37 Although problematic crystal methamphetamine use may not eventuate for all users, the Penington Institute highlighted that problematic use can adversely affect 'people from all backgrounds and from all geographic areas' and:

...the spread of ice use in Australia has proven that drugs are available in country areas—in regional and rural and even remote areas—just as much as they are in the big cities. We have heard stories of the landed big farming families—very well-to-do families—having problems with ice in their own families, right down to the most socially disadvantaged and marginalised communities. The people that get addicted and cause most of the problems typically have pre-existing mental health issues like depression or anxiety, and sometimes for those people ice is the first time they have ever experienced great pleasure in their life. So they go back to it, and sooner rather than later they are addicted.<sup>62</sup>

### ***Young people***

2.38 Evidence presented to the committee identified young people as being more likely to use crystal methamphetamine and at greater risk of problematic use. The household survey for 2013 showed that 41 per cent of people between the ages of 20 and 29 years identified amphetamine as their principal drug of concern<sup>63</sup> when seeking

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60 Dr Wodak, ADLRF, *Committee Hansard*, 29 July 2015, p. 49.

61 Dr Wodak, ADLRF, *Committee Hansard*, 29 July 2015, p. 50.

62 Mr John Ryan, CEO, Penington Institute, *Committee Hansard*, 27 July 2015, p. 10.

63 The primary drug that leads an individual to seek treatment is identified because users often report poly-drug use. Poly-drug use is discussed further in this chapter (see paragraph 2.117–2.118).

treatment.<sup>64</sup> Amphetamine was identified as an additional drug of concern for 36 per cent of people aged between 20 and 29 years who sought treatment during the surveyed period.<sup>65</sup>

2.39 Professor Rebecca McKetin, at the time based at the Australian National University, warned the committee that the uptake of crystal methamphetamine amongst young people is an indicator of the beginning of an epidemic.<sup>66</sup> Further, Professor McKetin advised that trends show there has been a 'doubling of the number of heavy users' of crystal methamphetamine and the 'increase was strongest in the under-24 age group'.<sup>67</sup> Although heavy use had increased for people aged 24 or under, the bulk of users are people in their 30s.<sup>68</sup>

2.40 The committee heard anecdotal evidence from staff involved in front line treatment of problematic use that there has been an increase in the number of young people seeking crystal methamphetamine treatment. A particular concern of Queensland Health was the early age of people initiating the use of crystal methamphetamine. Historically, those entering treatment programs were 17 or 18 years old, but Queensland Health staff expressed concern that they are now seeing 15 and 16 year olds coming through their service.<sup>69</sup> Kidz Youth Community Consultancy advised that it has provided treatment for children as young as 10 and that adolescents and young people who are experimenting with crystal methamphetamine are:

...unfortunately more inclined to become [dependent]. It is one of the characteristics we are seeing with [crystal methamphetamine]. For our service, probably about 40 per cent of the young people are staying on it quite heavily, whereas others may binge use and then stop using for a little while and then binge use, depending on availability and also on whether there are other drugs around at the time.<sup>70</sup>

2.41 Research by Professor Louisa Degenhardt et al published in the *Medical Journal of Australia* indicates that the number of dependent and regular users of methamphetamine in Australia has increased since 2010, especially in the 15–24 and 25–34 age groups. The research found:

Rapid uptake of methamphetamine use may still be occurring outside the largest cities, especially in regional centres where young people without

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64 AIHW, *Submission 6*, p. 5.

65 AIHW, *Submission 6*, p. 5.

66 See paragraph 2.41.

67 Professor Rebecca McKetin, Australian National University (ANU), *Committee Hansard*, 9 September 2015, p. 11.

68 Professor McKetin, ANU, *Committee Hansard*, 9 September 2015, p. 11.

69 Mrs Emma Armitage, Allied Health Manager, Queensland Health, *Committee Hansard*, 30 July 2015, p 22.

70 Ms Kim Reid, Executive Director, Kidz Youth Community Consultancy, *Committee Hansard*, 30 July 2015, p. 22.

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prior experience of methamphetamine may be exposed to it. The available data, together with findings reported in this article, suggest a sharp increase in problematic methamphetamine use among particular subgroups (particularly young people) in Australia.<sup>71</sup>

2.42 Other factors relating to the uptake of crystal methamphetamine among young people include its availability and affordability (discussed further at paragraph 2.105–2.107) and whether those using the drug are a member of one of the vulnerable categories described in the following sections.

### ***Regional and rural communities***

2.43 The committee heard that regional and rural communities are particularly vulnerable to problematic crystal methamphetamine use. According to the AIHW, people living in remote and very remote regions 'were at least twice as likely to have used meth/amphetamines in the previous 12 months as people living in Major cities and Inner regional areas'.<sup>72</sup>

2.44 Table 9 outlines data provided by the AIHW demonstrating differences in meth/amphetamine use between those located in major cities compared with those in regional and remote areas.

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71 Louisa Degenhardt, Sarah Larney, Gary Chan, Timothy Dobbins, Megan Weier, Amanda Roxburgh, Wayne Hall and Rebecca McKetin, 'Estimating the number of regular and dependent methamphetamine users in Australia, 2002–2014', *Medical Journal of Australia* 2014 (4), 7 March 2016, p. 1.e4.

72 AIHW, *Submission 6*, p 4.

**Table 9: Meth/amphetamine use, people aged 14 years or older, by remoteness area (2007 to 2013)<sup>73</sup>**

Remoteness/Year	Ex-users <sup>74</sup>			Recent users <sup>75</sup>		
	2007	2010	2013	2007	2010	2013
Major cities	3.9	5.1	4.3	2.5	2.0	2.1
Inner regional	3.2	4.1	4.1	1.7	2.0	1.6
Outer regional	4.1	4.4	4.0	1.6	1.5	2.0
Remote/very remote	5.7	7.2	8.6	3.0	4.0 <sup>76</sup>	4.4 <sup>77</sup>

2.45 The ACIC's wastewater program similarly highlighted differences in methamphetamine use between capital and regional sites across Australia. The program's first report shows WA with the highest levels of methamphetamine, in both capital and regional areas.<sup>78</sup> Regional areas had higher levels of methamphetamine use compared to capital sites, except for SA and the NT.<sup>79</sup>

2.46 Figure 2 is extracted from the wastewater program's first report. It shows the estimated amount of methamphetamine consumption per thousand people and doses per day. Data is separated between capital and regional areas, and by state and territory. The figure shows both the national capital average and regional average. Regional consumption in SA, Victoria and WA is above the national average. WA and SA have higher average consumption of methamphetamine than other state and territories.

73 AIHW, *Submission 6*, p 9.

74 Users that had not used crystal methamphetamine in the previous 12 months.

75 Used within the previous 12 months.

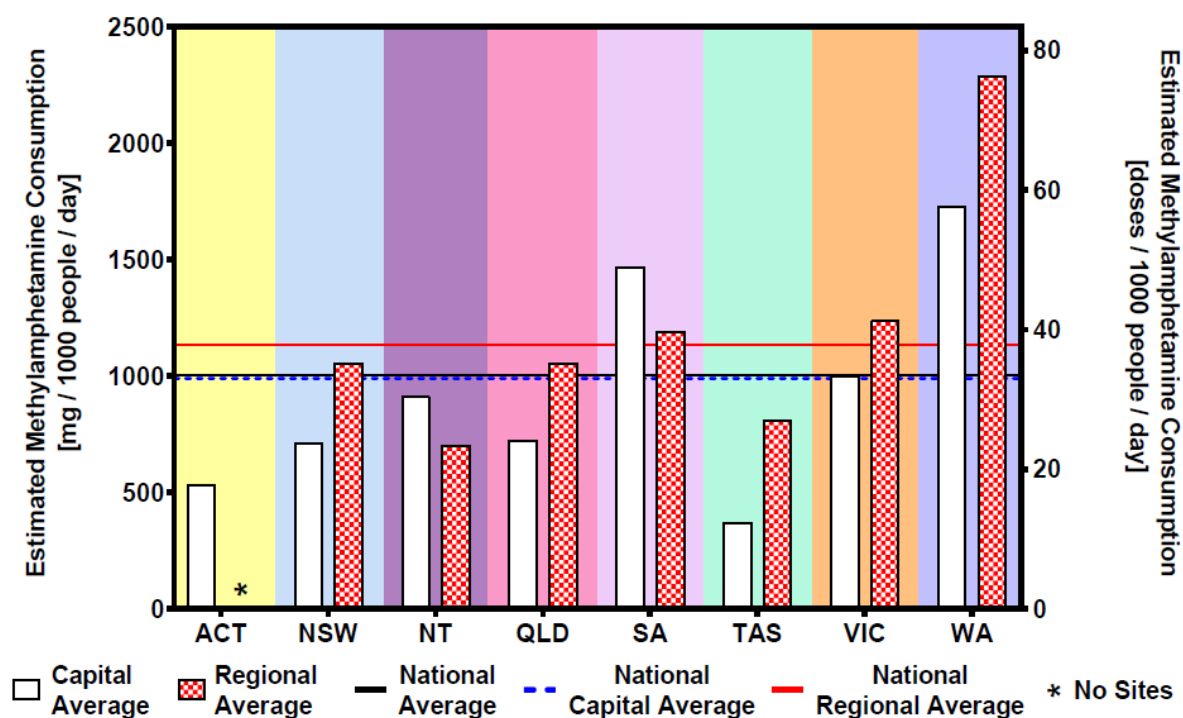
76 The NDSHS noted that this estimate has a relative standard error of 25 per cent and 50 per cent and should be used with caution.

77 The NDSHS noted that this estimate has a relative standard error of 25 per cent and 50 per cent and should be used with caution.

78 Western Australia had only one regional testing site included in the report.

79 ACIC, *National Wastewater Drug Monitoring Program*, March 2017, p. 35.

**Figure 2: Estimated average consumption of methamphetamine for capital city sites and regional sites by state/territory<sup>80</sup>**



2.47 According to the National Rural Health Alliance's *Illicit Drug use in Rural Australia* report, the causes of illicit drug use in rural and remote areas are multiple and inter-related: '[d]istance and isolation, poor or non-existent public transport, a lack of confidence in the future and limited leisure activities all contribute to illicit drug use in rural communities'.<sup>81</sup>

2.48 The unique challenges faced by regional and rural communities were raised by a number of submitters and witnesses. Professor Ann Roche from Flinders University observed that regional and rural communities are more 'likely to experience greater levels of consumption of alcohol and have associated problems with alcohol' and that '[h]igher levels of most illicit substances tend to concentrate where they have access to these drugs in regional and rural areas'.<sup>82</sup> The reason, according to Professor Roche, is that at a social level:

...where you have communities where there are higher levels of unemployment and social disadvantage and higher levels of depression and mental health problems, as you often get in many regional and rural

80 ACIC, *National Wastewater Drug Monitoring Program*, March 2017, p. 35.

81 National Rural Health Alliance, *Illicit Drug Use in Rural Australia, Fact Sheet 33*, June 2015, p. 1.

82 Professor Ann Roche, Director, National Centre for Education and Training on Addiction, Flinders University, *Committee Hansard*, 28 July 2015, p 4.

communities, and fewer life opportunities the individuals in those communities are more vulnerable to the use of substances that are basically going to make them feel better when life is not looking particularly good.<sup>83</sup>

2.49 She argued that this issue must be a major consideration for government when forming appropriate response strategies to problematic drug use in those communities.<sup>84</sup>

2.50 Another significant issue facing people in regional and rural areas is accessing treatment services. According to the Victorian Alcohol and Drug Association (VAADA), individuals from regional and rural communities have less access to health services, including both primary health and AOD treatments. Primary health care is limited in regional and rural areas with 3.6 general practitioners available per 10 000 head of population, compared to 7.6 general practitioners per 10 000 in metropolitan areas.<sup>85</sup> Distance, privacy, availability, and simple staffing of services all create barriers for those in rural communities to access AOD treatments.<sup>86</sup>

2.51 A further hurdle facing people from regional and rural communities, as described by the Australian Psychological Society (APS), is that once users return to the 'real world' after seeking treatment, they can find themselves back in their community 'where everyone is using and [they] are not'. Those trying to recover from addiction are:

...discharged back to [their] community where there is nothing. [They] can go from seeing a counsellor every day or once a week in a very supportive community to being discharged back to [a] community in some regional place where [they] will get no access to any support at all.<sup>87</sup>

2.52 As discussed above, a number submitters and witnesses stated that people from regional and rural communities are at a higher risk of developing problematic crystal methamphetamine use. By contrast, others suggested that this was not necessarily the case. For example, Drug Arm Australasia argued that its data does not indicate a 'real difference in presentation rates' between metropolitan and regional and remote areas. The problem was instead the visibility of those people using crystal methamphetamine because 'in a metro region you have the dilution effect that you do not have in a regional area'.<sup>88</sup>

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83 Professor Roche, Flinders University, *Committee Hansard*, 28 July 2015, pp 4–5.

84 Professor Roche, Flinders University, *Committee Hansard*, 28 July 2015, pp 4–5.

85 Victorian Alcohol and Drug Association (VAADA), *Submission 14*, p. 8.

86 VAADA, *Submission 14*, p. 9.

87 Dr Louise Roufeil, Executive Manager Professional Practice, Australian Psychological Society, *Committee Hansard*, 27 July 2015, p. 54.

88 Ms Jody Wright, Executive Officer, Drug Arm Australasia, *Committee Hansard*, 30 July 2015, p. 6.

2.53 Professor Paul Dietze, the Deputy Director of the Burnet Institute, indirectly supported Drug Arm Australasia's comments. He informed the committee that although there was sufficient anecdotal evidence describing the negative effects of methamphetamine related problems in regional and remote communities:

...whenever we look closely at those reports, there is really not much evidence to support them in terms of some of the indicator data that are there. When I talk about indicator data, I mean things like ambulance attendances and so forth.<sup>89</sup>

2.54 The problem, as detailed by Professor Dietze, is not necessarily that there is no problem with crystal methamphetamine use in regional and rural communities, but there is 'very little reasonable data from regional Australia'<sup>90</sup> and for this reason:

We do not really have a good picture of what is going on...We really have not made an investment in trying to find out what is actually going on, either. We need to be moving beyond anecdote in relation to these parts of the country.<sup>91</sup>

### ***Indigenous communities***

2.55 The committee heard that Australia's Indigenous communities are at a higher risk of developing problematic crystal methamphetamine use. Indigenous communities share the same vulnerabilities as other people found in regional and remote communities;<sup>92</sup> however, these vulnerabilities are more complex due to other factors such as the 'disparity in the general health of Aboriginal Australians compared to non-Indigenous Australians'<sup>93</sup> and the imprisonment rates of Indigenous people being '14 times higher than the rate of non-Indigenous population'.<sup>94</sup> The National Aboriginal & Torres Strait Islander Legal Service said that Indigenous communities 'are at a higher risk of complex trauma because of the legacy of colonisation, stolen generation policies, loss of land and ongoing racism and discrimination which places them at greater risk of drug abuse'.<sup>95</sup>

2.56 The AIHW reported that 'Aboriginal and Torres Strait Islander people were 1.5 times<sup>96</sup> more likely to have recently used meth/amphetamine than non-Indigenous

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89 Professor Paul Dietze, Deputy Director, Burnet Institute, *Committee Hansard*, 9 September 2015, p. 5.

90 Professor Dietze, Burnet Institute, *Committee Hansard*, 9 September 2015, p. 5.

91 Professor Dietze, Burnet Institute, *Committee Hansard*, 9 September 2015, p. 4.

92 Miss Laura McGillivray, Bond University, *Committee Hansard*, 30 July 2015, p. 39.

93 Youth Off the Streets, *Submission 33*, p. 6.

94 Youth Off the Streets, *Submission 33*, p. 6.

95 National Aboriginal & Torres Strait Islander Legal Service, *Submission 69*, p 5.

96 The AIHW reported that this estimate had a relative standard error of between 25 per cent and 50 per cent, and therefore should be interpreted with caution.

people'.<sup>97</sup> However, Youth Off the Streets was concerned that research into Indigenous communities and drug use has been primarily focused on Indigenous people in urban areas and there is limited data on usage rates for Indigenous peoples in regional and remote areas.<sup>98</sup> According to a 2012–13 National Australian Aboriginal and Torres Strait Islander Health Survey, 2.7 per cent of Indigenous Australians living in non-remote areas reported the use of speed or amphetamine in the past year.<sup>99</sup>

2.57 The NT Police told the committee that there are a small number of known Indigenous meth/amphetamine users in the NT and that these users are largely from urban centres. The NT police also advised that there is use in some remote communities<sup>100</sup> but that it is not widespread.<sup>101</sup> The Cape York Health Council commented that across Cape York there is 'probably only about 18 or so methamphetamine users' but the number of crystal methamphetamine users is unknown. The Health Council further remarked that 'people know it is around and report it, but [health services] are not seeing the worst effects of [crystal methamphetamine] coming into the health services as yet'.<sup>102</sup> The Cape York Partnership said that 'regions like Cape York are very vulnerable to drugs like ice' and therefore its representatives were:

...very concerned about this drug and its potential consequences. But it is 'potential'. We are not saying that ice is prevalent in use or consequences at this stage in Cape York, thankfully.<sup>103</sup>

2.58 Overall, the committee was made aware of a heightened level of concern amongst Indigenous communities about the risk posed by crystal methamphetamine and the proactive approach taken by some communities. Dr Pendo Mwaiteleke from the Cape York Partnership said that there had been a summit of:

...200 community leaders and representatives. One of the themes that came across really strongly was that there is actually a growing culture within the community and community leaders that they do not want ice in the community and are trying to do everything to make sure that ice does not come in. At the same time, there are some anecdotes that there have been some attempts to bring ice into some communities. I made a visit to Aurukun. The community is very strong. I spoke to quite a number of people, and everyone I spoke to was very anti-ice. There was a feeling that, if ice were to get into the community, it is going to be devastating. 'We are

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97 AIHW, *Submission 6*, p. 4.

98 Youth Off the Streets, *Submission 33*, p. 7.

99 Bond University, *Submission 70*, p. 10.

100 Reported occurrences were in East Ernhem and Tiwi Island regions.

101 Northern Territory Police, *Submission 68*, pp 11–12.

102 Dr Mark Wenitong, Cape York Health Council, *Committee Hansard*, 30 July 2015, p. 15.

103 Mr Brian Stacey, Cape York Partnership, *Committee Hansard*, 30 July 2015, p. 18.



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trying to solve the problems that we have; so, if we do not stand up to make sure that ice is not brought to our community, we know there are going to be very serious ramifications'.<sup>104</sup>

2.59 The WA Primary Health Alliance informed the committee that there are two principal concerns regarding crystal methamphetamine use in Indigenous communities. Firstly, younger Indigenous people are more likely to develop dependency issues; and secondly, high rates of crystal methamphetamine being administered intravenously.<sup>105</sup> As noted above, longitudinal studies confirm that these issues are mirrored in the Australian population more broadly. However, the evidence indicates that these issues, combined with the challenges faced by Indigenous communities, increases the impacts of crystal methamphetamine use on young Indigenous people.

2.60 The Aboriginal Health Council of Western Australia, when asked whether crystal methamphetamine use more prevalent in Indigenous communities, responded:

Throughout a number of consultations that we have undertaken with our sectors, we have seen the shift and we have seen the impacts that methamphetamines have. It has had an empowering or overwhelming effect on, particularly, our younger generations. However, it is a combination of alcohol and methamphetamine usage. Whilst there has been evidence provided that alcohol use is still higher than methamphetamine use, in our opinion, looking at it from the Aboriginal community perspective, we see methamphetamine use overpowering alcohol use. One of the things that we have been adamant about is that just focusing on methamphetamine use is not going to have a dramatic impact, because we need to also deal with the social impacts for these young people who actually have that urge to sample that particular drug.<sup>106</sup>

### ***Lesbian, gay, bisexual, transgender and intersex community***

2.61 Another community that presents with higher use of crystal methamphetamine is the lesbian, gay, bisexual, transgender and intersex (LGBTI) community. The AIHW reports that people who identify as homosexual or bisexual are 4.5 times more likely to use methamphetamine than people in the general population.<sup>107</sup>

2.62 The 2016 Sydney Gay Community Periodic Survey reports that since 2012 there has been a significant decline in the use of crystal methamphetamine, although HIV positive men are disproportionately more likely to report using the substance.<sup>108</sup>

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104 Dr Pendo Mwaiteleke, Cape York Partnership, *Committee Hansard*, 30 July 2015, pp 15–16.

105 Ms Learne Durrington, CEO, WA Primary Health Alliance, *Committee Hansard*, 2 May 2017, p. 18.

106 Ms Michelle Nelson-Cox, Chairperson, Aboriginal Health Council of Western Australia, *Committee Hansard*, 3 May 2017, p. 44.

107 AIHW, *National Drug Strategy Household Survey detailed report 2013*, p. 95.

108 University of New South Wales (UNSW), *Gay Community Periodic Survey: Sydney 2016*, p. 5.

Of the 3015 men surveyed, 10.4 per cent reported use of crystal methamphetamine, down from the 11.5 per cent (2846 respondents) in 2015.<sup>109</sup>

2.63 The 2016 Gay Community Periodic Survey for Melbourne reported that crystal methamphetamine use amongst Melbourne's gay population had remained stable.<sup>110</sup> In 2016, 9.9 per cent of the 2886 respondents reported using crystal methamphetamine, lower than the 11.4 per cent (3 006 respondents) in 2015.<sup>111</sup>

2.64 The AIDS Council of New South Wales advised the committee that LGBTI people may use drugs:

...for similar reasons as the general populations, the ways in which this use plays out can be very different for people in [LGBTI] communities. There is a significant association between the use of methamphetamine and sex, and that use can impact negatively on sexual health and HIV, both in terms of transmission and treatment adherence. This association is very complicated and is worthy of dedicated and specific government attention.<sup>112</sup>

2.65 The Penington Institute reported that HIV positive men who have sex with men (MSM) and use crystal methamphetamine are 'more likely to report high-risk sexual behaviours such as unprotected anal intercourse, compared to HIV positive MSM who do not use ice'.<sup>113</sup> The use of drugs such as crystal methamphetamine during sex has become commonly known as 'chemsex' and is a growing sub-culture within the Australian LGBTI community.<sup>114</sup>

2.66 Although use of crystal methamphetamine in the LGBTI community is significantly higher than the general population, its use is not as visible, and as a result of this lack of visibility:

...its use and impacts are often more private and hidden. Despite this lack of visibility, the impacts can be just as great. They can include loss of careers, relationship stress and domestic and family violence, but rarely do they manifest in the displays of public aggression or dysfunction that play out in other sections of the community.<sup>115</sup>

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109 UNSW, *Gay Community Periodic Survey: Sydney 2016*, p. 21.

110 UNSW, *Gay Community Periodic Survey: Melbourne 2016*, p. 7.

111 UNSW, *Gay Community Periodic Survey: Melbourne 2016*, p. 23.

112 Mr Nicolas Parkhill, CEO, AIDS Council of New South Wales, *Committee Hansard*, 29 July 2015, p. 16.

113 The Penington Institute, *Submission 26*, p 21.

114 Imogen Brennan, 'Sex and crystal meth: The rise of chemsex', *ABC Lateline*, <http://www.abc.net.au/news/2016-04-14/the-rise-of-chemsex/7326744> (accessed on 13 September 2016).

115 Mr Parkhill, AIDS Council of New South Wales, *Committee Hansard*, 29 July 2015, p. 16.

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## The mental and physical effects of crystal methamphetamine

2.67 Amphetamine and methamphetamine have similar effects; however differences in the chemical structure of methamphetamine increase its potency.<sup>116</sup> The short term mental effects of use may include:

- anxiety;
- fatigue;
- irritability;
- hallucinations;
- suppressed appetite; and
- insomnia.<sup>117</sup>

2.68 Long term mental effects may include:

- memory loss;
- decision making impairment;
- drug dependency;<sup>118</sup> and
- depression, anxiety and psychosis.<sup>119</sup>

2.69 In the short term, the physiologically the effects of crystal methamphetamine on the body include:

- an increase in the user's heart rate;
- hypertension; and
- constriction of blood vessels.<sup>120</sup>

2.70 In the long term, the physical effects include:

- an increased risk of stroke;
- potential for ruptured blood vessels in the brain;
- decreased lung function;
- poor dental health;<sup>121</sup>
- weight loss;

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116 ACIC, *Illicit Drug Data Report 2014–15*, p. 24.

117 ACIC, *Illicit Drug Data Report 2014–15*, p. 24.

118 ACIC, *Illicit Drug Data Report 2014–15*, p. 24.

119 The National Centre for Education and Training on Addiction (NCETA), *Submission 27*, Attachment 1, p. 1.

120 NCETA, *Submission 27*, Attachment 1, p. 1.

121 NCETA, *Submission 27*, Attachment 1, p. 1.

- skin problems; and
- sleep problems.<sup>122</sup>

2.71 In addition to the negative effects listed above, submitters noted that of particular public concern are psychotic episodes and violent behaviour induced by the use of crystal methamphetamine. These are discussed in greater detail in the following sections.

### ***Methamphetamine-induced psychosis***

2.72 As highlighted by the Australian Drug Foundation (ADF), one of the more serious health impacts of chronic methamphetamine<sup>123</sup> use is psychosis. The symptoms of psychosis include confusion, delirium and panic, which can be accompanied by a range of hallucinations.<sup>124</sup> The ADF told the committee that users of methamphetamine are:

- 11–12 times more likely to experience psychosis than the general population;
- 23 per cent more likely to experience clinically significant psychotic symptoms of suspiciousness, hallucinations or delusions; and
- where they are dependent on methamphetamine, three times more likely than their non-dependent peers to have experienced psychotic symptoms.<sup>125</sup>

2.73 A common manifestation of methamphetamine-induced psychosis is the delusion of insect and/or parasite infestations under the user's skin.<sup>126</sup>

2.74 Professor McKetin explained that one risk associated with methamphetamine use is an acute psychosis that manifests as transient paranoia and 'when people are using this drug, their risk of that paranoid state increases five-fold from when they are not using the drug'.<sup>127</sup> A further risk is that transient psychosis for a minority of people can trigger a more chronic psychological problem. However, there is less evidence to support this idea and researchers 'do not know whether it has triggered schizophrenia because they are already predisposed to schizophrenia, or whether it is just a prolonged episode of methamphetamine psychosis that will eventually go away'.<sup>128</sup> Professor McKetin estimated that 20 per cent of users who have transient psychosis will form some kind of chronic symptoms.<sup>129</sup>

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122 Australian Drug Foundation (ADF), *Submission 51*, p 7.

123 Including crystal methamphetamine.

124 ADF, *Submission 51*, p 7.

125 ADF, *Submission 51*, p 7.

126 Australian Medical Association, *Submission 39*, p 2.

127 Professor McKetin, ANU, *Committee Hansard*, 9 September 2015, p. 15.

128 Professor McKetin, ANU, *Committee Hansard*, 9 September 2015, p. 15.

129 Professor McKetin, ANU, *Committee Hansard*, 9 September 2015, p. 15.

2.75 A paper published by the National Drug and Alcohol Research Centre (NDARC) in 2005 examined the Sydney methamphetamine market and reported that psychotic episodes tend to last up to three hours and only 11 per cent of those people who suffer psychosis attend hospital. Those people who attend hospital were 'more likely to have more severe long lasting symptoms'.<sup>130</sup> Of those users that displayed symptoms of psychosis, half felt 'hostile or aggressive at the time, and one quarter of methamphetamine users exhibited overt hostile behaviour while they were psychotic, such as yelling at people, throwing furniture or hitting people'.<sup>131</sup>

2.76 In addition to psychosis, methamphetamine can have a long-term effect on the cognitive function of users. Professor Roche said that it has a more damaging effect 'than many other drugs' and:

...within a very short period of time it can severely impact on your ability to think clearly and function, and it can take one to two years to regain that normal cognitive functioning that you had previously. That is one of the very severe potential outcomes of methamphetamine use.<sup>132</sup>

### ***Violent behaviour***

2.77 A significant concern for those in regular contact with crystal methamphetamine users is severe aggression. Many representatives from law enforcement agencies and frontline health and welfare services reported incidences of violent behaviour to the committee.

2.78 The Victoria Police observed that some users of crystal methamphetamine can become quite violent and that police have seen violent behaviour 'play out in the street' between dealers and users. In comparison, those addicted to heroin 'did not resort to the level of violence that [users] do with [crystal methamphetamine]'.<sup>133</sup> Victoria Police qualified 'that [the] demeanour of the individual probably enhances it, but violence is a factor that [police] see in a lot of individuals'.<sup>134</sup>

2.79 The Penington Institute informed the committee that people in the family violence sector have reported extreme levels of violence associated with crystal methamphetamine use. The problem, therefore:

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130 Rebecca McKetin, Jennifer McLaren and Erin Kelly, 'The Sydney methamphetamine market: Patters of supply, use, personal harms and social consequences', *Monograph Series No. 13*, NDARC, 2005, p. xviii.

131 Rebecca McKetin, Jennifer McLaren and Erin Kelly, 'The Sydney methamphetamine market: Patters of supply, use, personal harms and social consequences', *Monograph Series No. 13*, NDARC, 2005, p. xviii.

132 Professor Roche, Flinders University, *Committee Hansard*, 28 July 2015, p. 7.

133 Mr Stephen Fontana, Assistant Commissioner, Victoria Police, *Committee Hansard*, 27 July 2015, p. 2.

134 Mr Fontana, Victoria Police, *Committee Hansard*, 27 July 2015, p. 2.

...is that the connection between violence and ice is much more complex than only those people who are addicted or only those people with a severe problem. It could be people in their first period of use or it could be someone with an extreme problem'.<sup>135</sup>

2.80 The issue of domestic violence was highlighted by the NDARC, which argued that the discussion about crystal methamphetamine-related violence has to date primarily focused on random acts of violence in areas such as Kings Cross. However, little consideration has been given to domestic violence especially in concert with alcohol. The NDARC said that it was rare to have an individual that has taken only one drug and:

If you get a combination of alcohol with crystal methamphetamine in a certain person who has a propensity for rage than you are going to find yourself in a very difficult situation. So I think it is probably not as simple as talking about one drug versus another drug. I think you get this combination in people, and I think that combination or the effect of that combination behind closed doors is unseen. We see the street assaults; we do not see the family violence. I think that, for that very reason, we need to focus more attention.<sup>136</sup>

2.81 Other submitters and witnesses cautioned against over-emphasising violence associated with crystal methamphetamine use. In particular, a number of submitters and witnesses highlighted that while crystal methamphetamine is a dangerous drug that has significant health and social impacts on individuals and communities, alcohol is a far bigger problem. For example, Professor Roche stated that there are difficulties quantifying a greater propensity to violence among users of crystal methamphetamine and that a number:

...of substances can induce more aggressive and violent behaviours. Certainly you see it with the stimulants—say, with methamphetamine—but we also see it with some individuals with alcohol as well. We have exceptionally high levels of alcohol related violence in our community. We do not have good data that can compare one group using alcohol and being violent compared to people being intoxicated with methamphetamine. In both instances they both become cognitively impaired and so their judgement is really affected. With methamphetamine you have an elevated threat response. So often it is not an issue of somebody wanting to behave in a violent and aggressive way. The drug affects the brain in such a way that they cannot form appropriate and accurate judgements about what is happening around them and they feel very threatened and then often can lash out. People do behave quite differently and it can manifest in violent behaviour in a way that is different from other substances.<sup>137</sup>

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135 Mr Ryan, Penington Institute, *Committee Hansard*, 27 July 2015, p. 12.

136 Dr Lucy Burns, NDARC, *Committee Hansard*, 29 July 2015, p. 25.

137 Professor Roche, Flinders University, *Committee Hansard*, 28 July 2015, p 7.

2.82 Similarly, the APS opined that crystal methamphetamine is a problem, however:

...alcohol is probably an even greater problem. We are talking about a very low incidence. I loved reading that submission from Emergency Medicine pointing out that the number of more serious acute aggressive episodes in emergency departments are not due to ice, they are due to people with alcohol. It is just that the people with alcohol eventually fall asleep on you and the person with ice does not. At the moment, we are certainly seeing sensationalism in this, but alcohol is significantly more problematic than ice for emergency departments, police and families.<sup>138</sup>

2.83 Indeed, Dr Wodak advised that:

The violence we see from alcohol at St Vincent's Hospital and at every emergency department in every hospital throughout the country is colossal. Every Thursday night, every Friday night and every Saturday night if you go to any emergency department in the country between 9 pm and 3 am it is mayhem—and it is largely caused by alcohol.<sup>139</sup>

### ***Ambulance callouts and emergency department presentations***

2.84 Accurate information about ambulance callouts and emergency department presentations associated with methamphetamine use is difficult to ascertain as this data is not consistently collected by ambulance services and emergency departments across the country. There are, however, a number of initiatives to record this information that provide a valuable insight into the growth of methamphetamine-related ambulance callouts and emergency department presentations. Two examples are Turning Point's Ambo Project, which collects Victoria's ambulance callout data, and the data collected by New South Wales (NSW) emergency departments.

#### *Turning Point's Ambo Project*

2.85 Turning Point's ongoing initiative titled *Ambo Project: Alcohol and Drug-Related Ambulance Attendances* records ambulance callout trends and the substances involved. It began in 1998 in collaboration with Ambulance Victoria and is funded by the Victorian Department of Health.<sup>140</sup> Data collected identifies crystal methamphetamine-related attendances. Evidence presented in the Ambo Project's 2014–15 report shows a significant growth in the total number of crystal methamphetamine attendances in Victoria between 2013–14 and 2014–15 with an increase of 47.8 per cent (see Table 10 and Figure 3).

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138 Dr Louise Roufeil, Australian Psychological Society, *Committee Hansard*, 27 July 2015, p 56.

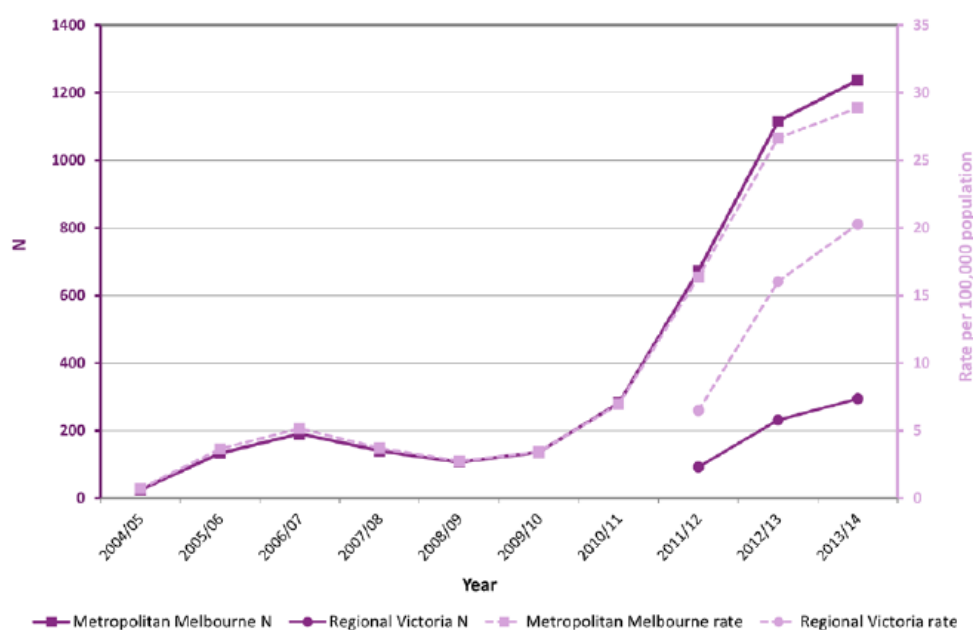
139 Dr Wodak, ADLRF, *Committee Hansard*, 29 July 2015, p. 47.

140 Turning Point, *Ambo-AOD statistics*, 30 November 2016, <http://www.amboaodstats.org.au/> (accessed 5 April 2017).

**Table 10: Number of attendances, crystal methamphetamine, in metropolitan Melbourne and regional Victoria, 2013–14 and 2014–15<sup>141</sup>**

	<b>Metropolitan Melbourne</b>	<b>Regional Victoria</b>	<b>All Victoria</b>
<b>2013–14</b>	1240	296	1537
<b>2014–15</b>	1802 (+45.3 per cent increase)	467 (+57.8 per cent increase)	2271 (+47.8 per cent increase)

**Figure 3: Crystal methamphetamine-related attendances by year – 2004–05 to 2013–14<sup>142</sup>**



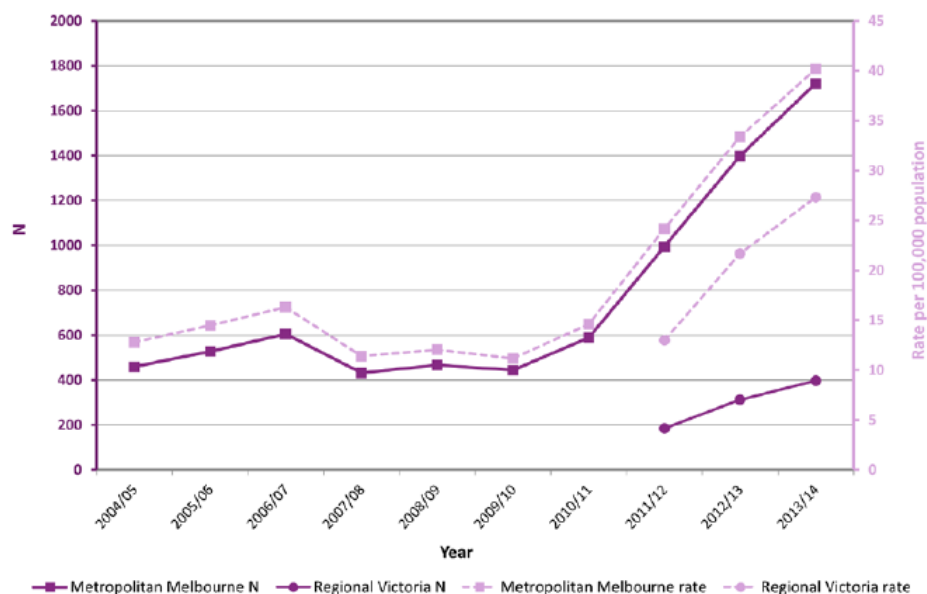
2.86 Since data collection commenced in 2004–05, Victoria's all amphetamine-related ambulance attendances have increased with a notable upward trend since 2010–11 (see Figure 4).

141 Turning Point, *Ambo Project: Alcohol and Drug related Ambulance Attendances 2014–15 Summary Bulletin*, October 2016, p. 3.

142 Turning Point, 'Trends in alcohol and drug-related ambulance attendances in Victoria 2013/14', *Ambo Project: Alcohol and Drug-Related Ambulance Attendees*, August 2015, p. 40.



**Figure 4: All amphetamine-related attendances by year – 2004–05 to 2013–14<sup>143</sup>**



2.87 The committee is aware that the National Ice Action Strategy (NIAS) supports a commitment to expand the Ambo Project to all states and territories<sup>144</sup> based on the National Ice Taskforce's (NIT) recommendation to establish 'a system to gather and share national ambulance data drawing on the Victorian 'Ambo Project'.<sup>145</sup>

#### *New South Wales emergency department presentations*

2.88 NSW emergency departments routinely collect data about methamphetamine presentations.<sup>146</sup> This data shows that there has been an increase in these presentations: in 2009–10 there were 470 people attending a NSW emergency department with a methamphetamine-related presentation, in 2015–16 there were 4771 people (see Table 11).

143 Turning Point, 'Trends in alcohol and drug-related ambulance attendances in Victoria 2013/14', *Ambo Project: Alcohol and Drug-Related Ambulance Attendees*, August 2015, p. 40.

144 National Ice Action Strategy, *Our Actions*, 2015, p. 25.

145 National Ice Taskforce, *Final Report*, 2015, p. 153.

146 Definition for presentation includes provisional diagnosis for symptoms: overdose/poisoning, acute alcohol problems, illicit drugs or mental health problems; or where nursing assessment includes reference to terms 'ice' or 'meth'. See, Health Stats NSW, *Methamphetamine related Emergency Department presentations*, 19 July 2016, [http://www.healthstats.nsw.gov.au/indicator/beh\\_illimethed/beh\\_illimethed](http://www.healthstats.nsw.gov.au/indicator/beh_illimethed/beh_illimethed) (accessed 5 April 2017).

**Table 11: Methamphetamine-related NSW Emergency Department presentations, persons aged 16 years and over, 2009–10 to 2015–16<sup>147</sup>**

Year	Number of persons
2009–10	470
2010–11	699
2011–12	1162
2012–13	1834
2013–14	2455
2014–15	3627
2015–16	4771

2.89 Again, 2010–11 and 2011–12 mark significant upwards shifts in the number of methamphetamine-related presentations to emergency departments.

#### ***Deaths linked to methamphetamine use***

2.90 During the course of the inquiry, the committee was told that deaths linked to methamphetamine are considered quite rare.<sup>148</sup> However, data from the 2016 household survey demonstrates that the public increasingly believes that meth/amphetamine deaths are quite common. Survey participants ranked meth/amphetamine as the third highest drug thought to cause deaths in Australia (from 8.7 per cent in 2013 to 19.2 per cent in 2016), after tobacco (23.9 per cent in 2016) and alcohol (34.7 per cent in 2016).<sup>149</sup>

2.91 Available data has shown an increase in meth/amphetamine deaths. The NDARC reported that accidental drug deaths involving methamphetamine significantly jumped between 2010 and 2011. An examination of drug-related deaths, hospital admissions and treatment services by *The Guardian* suggested that there were

147 Health Stats NSW, *Methamphetamine related Emergency Department presentations*, 19 July 2016, [http://www.healthstats.nsw.gov.au/indicator/beh\\_illimethed/beh\\_illimethed](http://www.healthstats.nsw.gov.au/indicator/beh_illimethed/beh_illimethed) (accessed 5 April 2017).

148 Mr Sam Biondo, VAADA, *Committee Hansard*, 27 July 2015, p. 31.

149 AIHW, *NDSHS 2016 Key findings table*, <http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129559847> (accessed 3 July 2017).

101 methamphetamine-related deaths in Australia in 2011, 16 more than in 2010.<sup>150</sup> Estimates have also indicated that up to 170 drug-induced deaths involved methamphetamine in 2013.<sup>151</sup>

2.92 On 28 March 2017, the Victorian Coroner released statistics on the number of people who had died in Victoria from drug overdoses. Since 2009, Victoria has seen the number of drug overdose deaths steadily increase. In 2016, instances where methamphetamine contributed to an overdose death increased by 40 per cent, from 72 to 116 people. Seventy per cent of all fatal overdoses in Victoria have been contributed to poly-drug use.<sup>152</sup>

2.93 A further study was released by the NDRI on 31 July 2017. The NDRI assessed 1649 crystal methamphetamine related deaths between 2009 and 2015 and found 43 per cent of those deaths were caused by an overdose; 22 per cent of deaths were due to natural diseases, such as heart disease. The study found the yearly national death toll had doubled between 2009 to 2015, most of which occurred in rural and regional areas (41 per cent).<sup>153</sup>

2.94 The NDRI's Professor Shane Darke said the results show that crystal methamphetamine 'is a serious public health problem and I think we're right to treat it as such. This is not a beat-up, this is real'.<sup>154</sup> Professor Darke noted that the number of deaths due to crystal methamphetamine appeared to have stabilised, but have stabilised at a worrying level.<sup>155</sup>

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150 Helen Davidson, 'Methamphetamine deaths in Australia have jumped significantly – report', *The Guardian*, 5 June 2015, <https://www.theguardian.com/australia-news/2015/jun/05/methamphetamine-deaths-in-australia-have-jumped-significantly-report> (accessed 30 March 2017).

151 NDARC, *Methamphetamine deaths increase across Australia and ice use jumps by 52 per cent among people who inject drugs*, 5 June 2015, <https://ndarc.med.unsw.edu.au/news/methamphetamine-deaths-increase-across-australia-and-ice-use-jumps-52-cent-among-people-who> (accessed 5 April 2017).

152 Chloe Booker, 'Drug overdose deaths rise in Victoria', *The Age*, 28 March 2017, <http://www.theage.com.au/victoria/drug-overdose-deaths-rise-in-victoria-20170328-gv8f6k.html> (accessed 5 April 2017).

153 Mr Gavin Coote, 'This is not a beat up: Ice-related deaths doubled over seven years, study finds', *ABC*, 31 July 2017, <http://www.abc.net.au/news/2017-07-31/this-is-not-a-beat-up-study-finds-ice-related-deaths-double/8755172> (accessed 31 July 2017).

154 Mr Coote, 'This is not a beat up: Ice-related deaths doubled over seven years, study finds', *ABC*, 31 July 2017, <http://www.abc.net.au/news/2017-07-31/this-is-not-a-beat-up-study-finds-ice-related-deaths-double/8755172> (accessed 31 July 2017).

155 Mr Coote, 'This is not a beat up: Ice-related deaths doubled over seven years, study finds', *ABC*, 31 July 2017, <http://www.abc.net.au/news/2017-07-31/this-is-not-a-beat-up-study-finds-ice-related-deaths-double/8755172> (accessed 31 July 2017).

2.95 Although the rise in deaths related to methamphetamine is a concern, Professor Roche made a comparison between methamphetamine and the heroin epidemic in the 1990s:

It is probably helpful to remind people that, in 1999 in Australia, 1,000 young Australians died from a heroin overdose. That is pretty catastrophic. I think it is helpful to keep a balance here. We have in Australia dealt with numbers of very severe drug problems. Death is as catastrophic as it is going to get, and we know that the death rate associated with methamphetamine is increasing. So death is the worst possible outcome, and that is the thing that we work extremely hard to prevent. We then work back in terms of a hierarchy of harms after that.<sup>156</sup>

### **Drivers of crystal methamphetamine use**

2.96 Despite the negative emotional and health effects of meth/amphetamine use, people continue to use these drugs throughout Australia. Reasons for consuming meth/amphetamine, include to:

- increase productivity (especially in work environments);<sup>157</sup>
- increase pleasure and enjoyment (including sexual activities);
- manage emotions;
- increase a sense of belonging;
- replicate perceived 'normative' behaviour;
- expand one's consciousness/heightened awareness; and
- counter the effects of other drugs and/or avoid the negative experience of drug withdrawal.<sup>158</sup>

2.97 As described in the ADF's 2015 report *Drugs: the facts*:

People use drugs to relax, to function, for enjoyment, to be part of a group, out of curiosity or to avoid physical and/or psychological pain. Drug use is influenced by a number of factors. Most people use drugs because they want to feel better or different. They use drugs for the benefits (perceived and/or experienced), not for the potential harm. This applies to both legal and illegal drugs.<sup>159</sup>

2.98 Another significant driver of methamphetamine use in Australia is inequality. The Ted Noffs Foundation called crystal methamphetamine 'a drug of disadvantage'.<sup>160</sup> Typically, as with other drugs such as heroin, disadvantaged

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156 Professor Roche, Flinders University, *Committee Hansard*, 28 July 2015, p. 7.

157 Mr Ryan, Penington Institute, *Committee Hansard*, 27 July 2015, p. 12.

158 ADF, *Submission 51*, p. 6.

159 ADF, *Drugs: the Facts*, <http://adf.org.au/drug-facts/drugs-the-facts/> (accessed 3 July 2017).

160 Mr Mark Ferry, CEO, Ted Noffs Foundation, *Committee Hansard*, 29 July 2015, p. 53.

communities experience the negative impacts of crystal methamphetamine more so than advantaged communities. According to the Ted Noffs Foundation, approximately 80 per cent of their clients are socially and economically disadvantaged.<sup>161</sup> Important factors identified by the Ted Noffs Foundation as contributing to this trend include:

- intergenerational drug use and children bearing witness to the dysfunctional use of drugs and alcohol;
- community drug usage that normalises that behaviour for children;
- people who experience homelessness;<sup>162</sup> and
- the difficulties for children to remove themselves from these at risk communities.<sup>163</sup>

2.99 The ADF also identified that those people most at risk of problematic drug use are vulnerable through 'no "fault" of their own' and are significantly influenced by both environmental and biological factors outside of their control.<sup>164</sup> These factors include:

- the emotional distress caused by the lack of employment opportunities, or mental health problems;
- children with learning difficulties and dysfunctional family environments; and
- the lack of positive role models to guide young people to make constructive life choices.<sup>165</sup>

2.100 Professor McKetin said there would always be a proportion of the Australian population that will 'indulge in drug taking, and that is related to social acceptability of drug use, availability of drugs, and a variety of other factors'.<sup>166</sup> However, Professor McKetin emphasised that one key predictive factor in determining whether an individual develops a dependency for an illicit drug is that person's resilience.<sup>167</sup>

2.101 Professor McKetin listed other factors that may contribute to a user developing a problematic drug habit:

Things like mental health problems, low socioeconomic status, lack of opportunities, all of these things increase the risk of drug problems developing, as does the availability of the drug in the community, and this

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161 Mr Ferry, Ted Noffs Foundation, *Committee Hansard*, 29 July 2015, p. 54.

162 Mr Ferry defined homelessness as those who live in refuges, couch surf or live on the street.

163 Mr Ferry, Ted Noffs Foundation, *Committee Hansard*, 29 July 2015, p. 54.

164 ADF, *Submission 51*, p. 11.

165 ADF, *Submission 51*, p. 11.

166 Professor McKetin, ANU, *Committee Hansard*, 9 September 2015, p. 10.

167 Professor McKetin, ANU, *Committee Hansard*, 9 September 2015, p. 10.

is not to be underestimated because now we have high availability of this drug.<sup>168</sup>

2.102 Dr Wodak highlighted the importance of discussing the role of inequality in the context of these public health problems, and argued:

A number of public health researchers around the world have come to the conclusion that countries with high levels of inequality—and that includes Australia—have much higher levels of mental health and public health problems such as illicit drug use. It is striking when you compare Australia, a country with high inequality, to Japan and the Scandinavian countries, which have much lower levels of inequality. In all those countries the problems they have with illicit drugs are a fraction of the problems we experience in Australia. Proving this hypothesis is probably beyond us, but the face validity is such that we should be doing it.<sup>169</sup>

2.103 The Penington Institute suggested that another contributing factor to Australia's high levels of methamphetamine consumption is the demand for intoxication through drugs (both legal and illegal) and opined that 'we have to deal with the driver for drug consumption, which is, indeed, ourselves. It is the Australian community; it is not a failure of law enforcement. It is a failure of the community'.<sup>170</sup>

### **Price, purity and methods of administration**

2.104 The following sections of the report discuss the price, purity and methods of administration of crystal methamphetamine, and how these have changed over time.

#### ***Price***

2.105 The ACIC's *Illicit Drug Data Report 2015–16* revealed that the price of crystal methamphetamine continues to decline, despite record seizures. Crystal methamphetamine's price per gram across the nation ranged from \$150 to \$1200, down from \$250 and \$1200 per gram in 2014–15.<sup>171</sup> The price per gram in 2013–14 was \$300 to \$1600.<sup>172</sup> It was also reported that a point (a tenth of a gram)<sup>173</sup> of crystal methamphetamine cost around \$20 to \$200, compared to \$50 to \$150 in 2014–15.<sup>174</sup>

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168 Professor McKetin, ANU, *Committee Hansard*, 9 September 2015, p. 10.

169 Dr Wodak, ADLRF, *Committee Hansard*, 29 July 2015, p. 46.

170 Mr Ryan, Penington Institute, *Committee Hansard*, 27 July 2015, p. 15.

171 ACIC, *Illicit Drug Data Report 2015–16*, p. 46.

172 ACIC, *Illicit Drug Data Report 2014–15*, p. 47.

173 A point is the typical amount of methamphetamine sold on the streets. Approximately a tenth of a gram.

174 ACIC, *Illicit Drug Data Report 2015–16*, p. 46.

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2.106 Nationally, in 2015–16 the price per kilogram for crystal methamphetamine ranged from \$75 000 to \$280 000 in 2015–16. The price range in 2014–15 was between \$120 000 and \$280 000.<sup>175</sup>

2.107 Professor McKetin discussed the relationship between the price per 'point' and the availability of crystal methamphetamine. She advised that crystal methamphetamine's price (in the Sydney market) has remained relatively stable, suggesting that price has not been a factor driving increased usage:

...the price seems to have been \$50 a point forever, at least in Sydney, and what changes is the purity, the availability. I am sure that there is a relationship. We saw it with heroin, and it was about the dose relationship and the way it was marketed as well. It went from something that you could buy as a gram from a secret dealer that you would have to know personally for a few hundred dollars, and then the price dropped down to about \$200, which was cheap for a gram, but what happened was that people started selling it on the street corner for \$20 or \$30 a cap. That makes it much more accessible...I actually could imagine common sense is like, if you can pay a certain amount of money for a drug that is going to give you a good high for four hours, and you look at the price of alcohol and other drugs, it is going to play a role.<sup>176</sup>

### ***Purity***

2.108 Although the price of crystal methamphetamine continues to decline, the purity of crystal methamphetamine has increased.

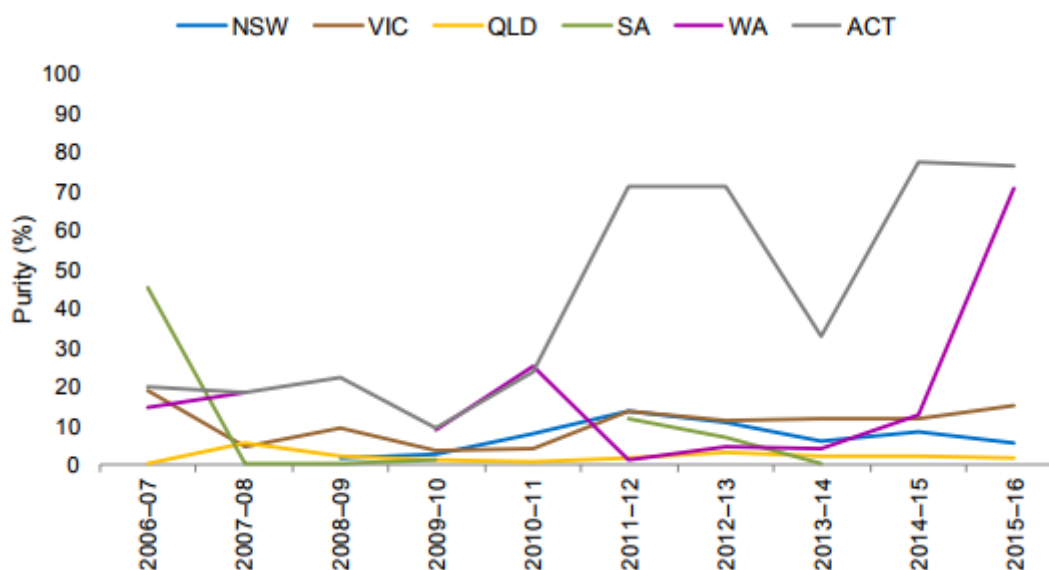
2.109 The *Illicit Drug Data Report 2015–16* outlines the median purity of amphetamine/methamphetamine samples from 2006–07 to 2015–16. Figures 5 and 6 are drawn directly from the report and demonstrate that the purity of methamphetamine samples in particular have increased drastically between 2010–11 and 2015–16.

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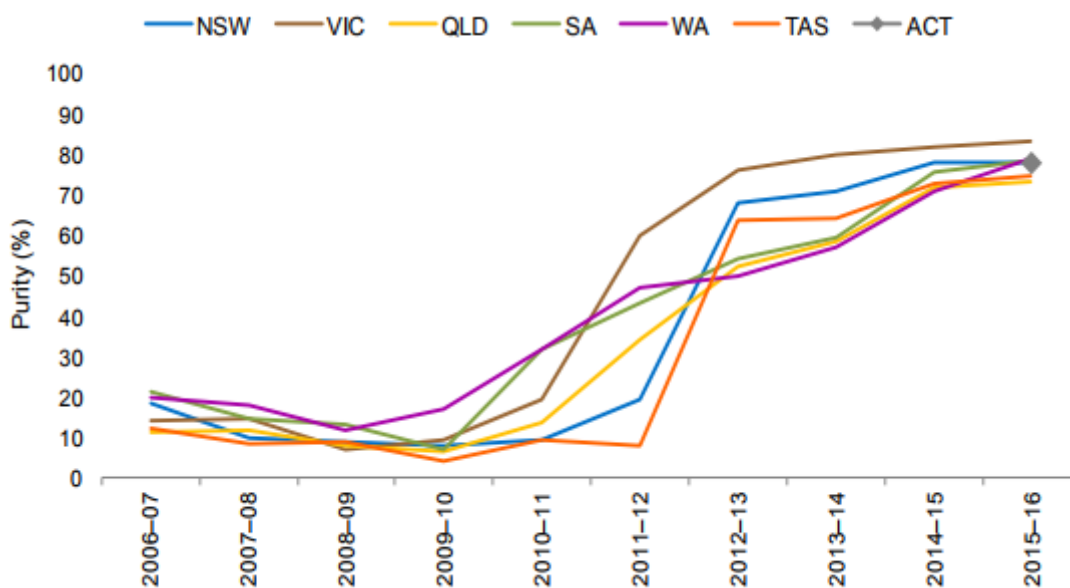
175 ACIC, *Illicit Drug Data Report 2015–16*, p. 46.

176 Professor McKetin, ANU, *Committee Hansard*, 9 September 2015, p. 12.

**Figure 5: Annual median purity of amphetamine samples, 2006–07 to 2015–16 (by state and territory)**<sup>177</sup>



**Figure 6: Annual median purity of methamphetamine samples, 2006–07 to 2015–16 (by state)**<sup>178</sup>



2.110 The quarterly analysis of the median purity of methamphetamine samples in 2015–16 (by state) (see Figure 7) indicates that most states have methamphetamine with purity between 70 to 80 per cent, and that this level of purity remained stable over the course of the year.

<sup>177</sup> ACIC, *Illicit Drug Data Report 2015–16*, p. 47.

<sup>178</sup> ACIC, *Illicit Drug Data Report 2015–16*, p. 48.



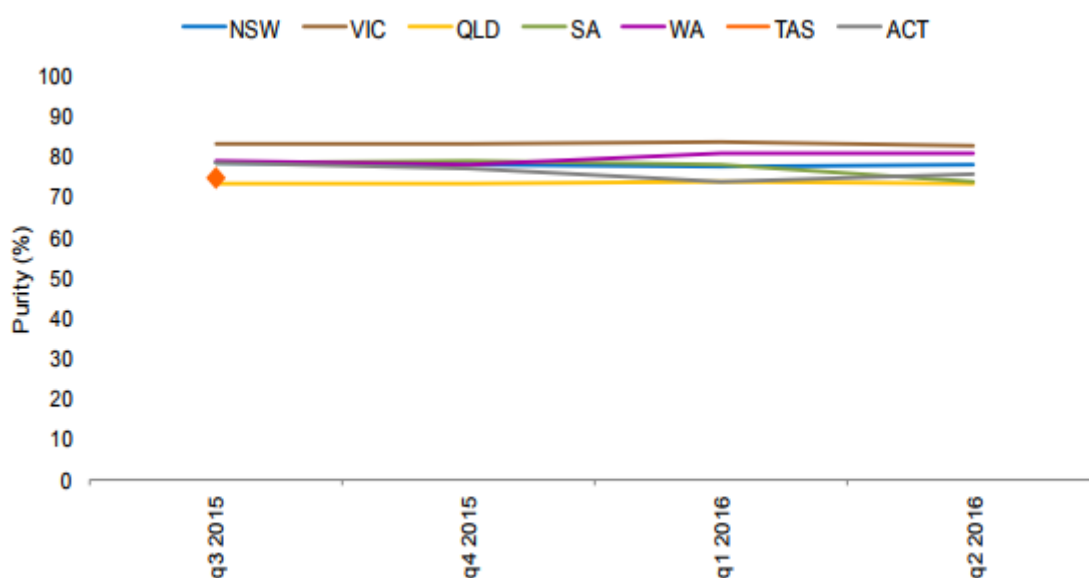
2.111 Participants in the 2015 IDRS remarked that the purity of crystal methamphetamine was 'high' and that high purity methamphetamine was considered 'easy' and 'very easy' to obtain.<sup>179</sup>

2.112 A number of submitters discussed the purity of crystal methamphetamine, with many highlighting the increase in purity as a significant concern.

2.113 The NDARC highlighted that crystal methamphetamine is becoming the preferred form of methamphetamine and is increasing in purity, observing:

...the community has moved towards a changed form of the substance. Where traditionally we had seen the powder form more commonly used, we have seen a move towards ice in its crystalline form. That doubled in that population survey in 2013 that we were talking about. That means we are seeing more people taking the crystalline form, which is a purer form, but they are also taking that form more regularly. They are using it more often. We know from a lot of previous work that the crystalline form is generally of much higher purity than the powder form or any of the other forms. If you have an increase in the pure substance being taken more often then you are going to find the potential for harm is, indeed, magnified.<sup>180</sup>

**Figure 7: Quarterly median purity of methamphetamine samples, 2015–16 (by state)**<sup>181</sup>



2.114 Additionally, the Centre for Population Health at the Burnet Institute spoke of users not necessarily knowing the purity of crystal methamphetamine each time it was

179 NDARC, *Australian Drug Trends 2015. Findings from the Illicit Drug Reporting System*, Australian Drug Trend Series No 145, 2016, p. xvi.

180 Dr Burns, NDARC, *Committee Hansard*, 29 July 2015, p. 23.

181 ACIC, *Illicit Drug Data Report 2014–15*, p. 50.

purchased, a situation that can cause greater harm to the user and the community. Work done by the Burnett Institute shows:

...when someone goes and buys the drug, and they are buying a typical amount, they are typically buying, say, 0.1 of a gram. When they used to purchase it a few years ago, it used to be around 15 per cent pure, and it would cost a certain amount. Then through the end of 2013, the price they paid went up a little bit, but the purity had gone up from, say, 15 per cent to around 70 per cent. So essentially for the same amount of money, you would get a dramatically increased amount of the drug. People who were not used to using such high purity drugs were getting into much more trouble, and that is a really plausible explanation for the increase in ambulance call-outs, the increase in emergency department presentations, and all of those harms that you mentioned in the health domain would easily be accounted for by that change in purity, as well as the change from using powder through to using the crystal form of the drug, which generally is smoked.<sup>182</sup>

### ***Methods of administration***

2.115 Crystal methamphetamine is typically administered into the body either by smoking (through a glass pipe) or injecting directly into the bloodstream. According to the School of Social and Political Science at the University of Melbourne, these two forms of use are 'extremely efficient absorption mechanisms...which means you get a bolus dose—a big thump of the drug straight away...[t]hat is going to be a much more intense experience than someone who snorts the drug'.<sup>183</sup> As noted by Burnet Institute:

If you smoke the drug, the way in which it is metabolised, or the body takes it up, the effect is much quicker than if you were to snort it, as people traditionally did with speed powder.<sup>184</sup>

2.116 Professor McKetin agreed that because crystal methamphetamine is primarily smoked, it has become a social drug, unlike injecting methamphetamine, which is a stigmatised behaviour. The ease of passing around a pipe to smoke crystal methamphetamine means users:

...take it to a party and bang, 20 people are exposed to it. It is also because when someone becomes dependent, the main way that they will earn the money to support their drug habit is through dealing. That way they get a ready supply of wholesale price methamphetamine. In doing that, they sell it to their friends...That is how the market operates. If you have someone who is dependent, it is a social drug; they take it to the party and then they start selling it to those friends. There is a potential for this to spread more

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182 Professor Dietz, Burnet Institute, *Committee Hansard*, 9 September 2015, p. 2.

183 Associate Professor John Fitzgerald, University of Melbourne, *Committee Hansard*, 27 July 2015, p. 37.

184 Professor Dietz, Burnet Institute, *Committee Hansard*, 9 September 2015, p. 2.

rapidly than what we would have seen with other forms of the drug, because you have the dependence liability and you have the social aspect.<sup>185</sup>

## **Poly-drug use**

2.117 Poly-drug use—which involves the use of multiple substances at once—is another issue commonly associated with crystal methamphetamine, especially problematic users, who 'dabble across a range of substances and are polydrug users'.<sup>186</sup>

2.118 The committee heard that poly-drug use, including crystal methamphetamine, was a common feature of people seeking treatment for drug addiction. The Salvation Army placed emphasis on this fact, stating that it does not generally see methamphetamine use in isolation:

Once people get into treatment services they are usually polydrug users, so it is very rare to get someone who has only used ice. Very often we will see people having used opiates such as heroin or benzodiazepines such as valium to assist them in the cycle of ups and downs; they would use one of those other drugs to help them come off. Of course, alcohol and ice are quite a difficult combination we see a lot of, particularly because people are able to drink a lot more alcohol without feeling drunk while they use ice. The increased complexity in related health issues is a huge issue for us as well.<sup>187</sup>

## **National data on illicit drug arrests and illicit drug offences recorded in Australia's criminal courts**

2.119 The ACIC's *Illicit Drug Data Report* for 2015–16 shows that the number of illicit drug arrests in Australia have continued to rise over the last decade. There were 82 389 arrests in 2006–07; the total increased to 154 538 arrests in 2015–16 (an 87.6 per cent increase).<sup>188</sup> By drug, the ACIC reported the following:

- National ATS arrests have increased by 213 per cent over the last decade, with 15 216 people arrested in 2006–07 and 47 625 people arrested in 2015–16. Proportionally, ATS arrests make up 30.8 per cent of all national illicit drug arrests, a substantive increase from 18.5 per cent in 2006–07.
- The number of cannabis arrests have increased by 40.1 per cent over the last decade, with 56 862 people arrested in 2006–07 and a record 79 643 people arrested in 2015–16. Proportionally, this total has decreased from 69 per cent of all drug arrests in 2006–07 to 51.6 per cent in 2015–16.

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185 Professor McKetin, ANU, *Committee Hansard*, 9 September 2015, p. 10.

186 Mr Biondo, VAADA, *Committee Hansard*, 27 July 2015, p. 32.

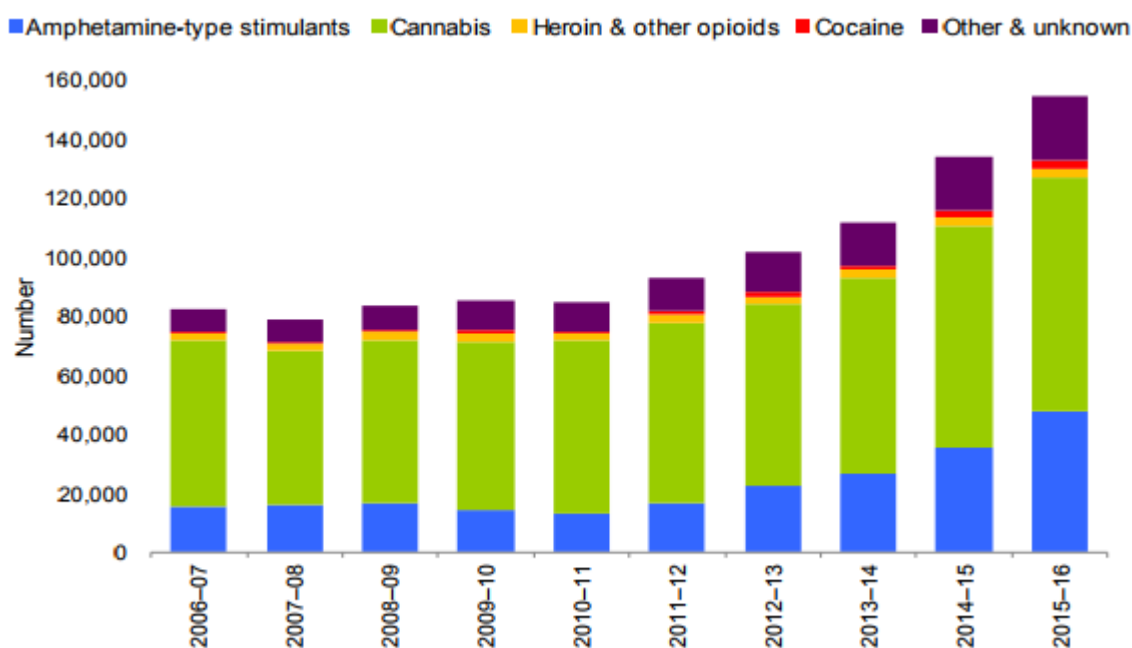
187 Ms Kathryn Wright, Territorial Drug and Alcohol Director, Salvation Army, *Committee Hansard*, 29 July 2015, p. 29.

188 ACIC, *Illicit Drug Data Report 2015–16*, 2016, p. 12.

- Heroin and other opioid arrests have increased by 37.5 per cent, from 2164 in 2006–07 to 2975 in 2015–16. However, as a proportion of all drug arrests this total has decreased from 2.6 per cent in 2006–07 to 1.9 per cent in 2015–16.
- The number of cocaine arrests has increased by 270.8 per cent, from 699 in 2006–07 to 2592 in 2015–16. Proportionally, these arrests represent 0.8 per cent of all drug arrests in 2006–07 and 1.7 per cent in 2015–16.
- Other and unknown drug arrests have substantially increased too, by 191.4 per cent over the past decade. In 2006–07 there were 7448 arrests and in 2015–16 there were 21 703 arrests. As a proportion of all drug arrests this has increased from 9 per cent in 2006–07 to 14 per cent in 2015–16.<sup>189</sup>

2.120 Figure 8 shows the number of national illicit drug arrests from 2006–07 to 2015–16 by drug type.

**Figure 8: National illicit drug arrests by drug type, 2006–07 to 2015–16<sup>190</sup>**



2.121 The growth in the number of arrests has correlated with an increase in the number of illicit drug offences (including charges for possession and use) recorded in the criminal courts of each state and territory. The Australian Bureau of Statistics (ABS) provides this data annually. Although this data does not distinguish between drug types, it does provide insight into the broader context of illicit drug use and possession offences in each state and territory.

<sup>189</sup> ACIC, *Illicit Drug Data Report 2015–16*, 2016, p. 12.

<sup>190</sup> ACIC, *Illicit Drug Data Report 2015–16*, 2016, p. 12.

2.122 Key findings from Australian criminal courts for 2015–16 revealed the number of defendants finalised<sup>191</sup> for an illicit drug offence has continued to rise. In 2015–16 there were 63 541 defendants finalised with a principal offence for an illicit drug offence(s), an increase from the 59 341 finalised offences in 2014–15. The majority, 59 per cent (37 201) of these 'defendants were charged with offences related to possession or use of illicit drugs'.<sup>192</sup>

2.123 The increase in the number of defendants finalised for possession and use of illicit drugs was highlighted by the ABS on 1 March 2016. The ABS reported the number of defendants finalised for illicit drug offences in 2014–15 had continued to rise, and were at the highest level in the past five years. The 2014–15 figures show an increase of 51 per cent compared to 2010–11. Fifty eight per cent of those finalised for illicit drug offences in 2014–15 were for possession and/or use.<sup>193</sup> The ABS reported possession/use offences have increased by 21 per cent (5834 defendants in total) compared to 2013–14.<sup>194</sup> Seventeen per cent of illicit drug offences that were finalised were for dealing or trafficking illicit drugs. These increases continue an upward trend in the number of illicit drug cases before Australian courts.<sup>195</sup>

2.124 Nationally in 2015–16, there were 56 282 defendants proven guilty for illicit drug offences. Of this total, 35 578 were for possession and/or use offences.<sup>196</sup>

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191 A finalised defendant is a person or organisation for whom all charges in a case have been formally completed so that they cease to be an item of work. For further information see: Australian Bureau of Statistics (ABS), *Defendants finalised 2015–16*, 2 March 2017, <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/4513.0~2015-16~Main%20Features~Defendants%20finalised~4> (accessed 8 August 2017).

192 ABS, *Criminal Courts Australia*, 2015–16, 2 March 2017, <http://www.abs.gov.au/ausstats/abs@.nsf/mf/4513.0> (accessed 8 August 2017).

193 ABS, 'Illicit drug offences continue to rise', *Media release*, 1 March 2016, [http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/4513.0~2014-15~Media%20Release~Illicit%20drug%20offences%20continue%20to%20rise%20\(Media%20Release\)~18](http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/4513.0~2014-15~Media%20Release~Illicit%20drug%20offences%20continue%20to%20rise%20(Media%20Release)~18) (accessed 3 February 2017)

194 ABS, *Criminal Courts Australia*, 2014–15, 1 March 2016 <http://www.abs.gov.au/ausstats/abs@.nsf/mf/4513.0> (accessed 3 February 2017)

195 ABS, 'Illicit drug offences continue to rise', *Media release*, 1 March 2016, [http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/4513.0~2014-15~Media%20Release~Illicit%20drug%20offences%20continue%20to%20rise%20\(Media%20Release\)~18](http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/4513.0~2014-15~Media%20Release~Illicit%20drug%20offences%20continue%20to%20rise%20(Media%20Release)~18) (accessed 3 February 2017)

196 ABS, *Defendants proven guilty*, 2015–16, 2 March 2017, <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/4513.0~2015-16~Main%20Features~Defendants%20proven%20guilty~5> (accessed 8 August 2017).

2.125 Table 12 shows national illicit drug offences for defendants proven guilty by offence type, from 2008–09 to 2015–16.

**Table 12: National illicit drug offences for defendants proven guilty by offence type, 2008–09 to 2015–16<sup>197</sup>**

<b>Year</b>	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16
<b>Illicit drug offences (total)</b>	34 555	35 713	33 894	35 447	38 914	44 788	52 561	56 282
<b>Import or export illicit drugs</b>	139	191	161	217	191	253	228	186
<b>Deal or traffic in illicit drugs</b>	4792	4736	4463	4684	4753	5678	6262	7106
<b>Manufacture /cultivation of illicit drugs</b>	4806	5066	5037	4877	4578	5085	4964	4519
<b>Possession and/or use of illicit drugs</b>	21 136	21 667	20 380	21 494	24 214	27 145	32 712	35 578
<b>Other illicit drug offences</b>	3678	4053	3848	4178	5169	6620	8394	8888

2.126 The ABS also provides data on the number of defendants finalised for principal illicit drug offences in each Australian jurisdiction. Table 13 shows annual figures of defendants finalised for a principal illicit drug offence in the criminal courts of each state and territory, 2011–12 to 2015–16.

<sup>197</sup> ABS, *Data Cubes*, 2015–16, 31 July 2017, <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4513.02015-16?OpenDocument> (accessed 8 August 2017).

*Table 13: Annual figures of defendants finalised for a principal illicit drug offence in the criminal courts of each state and territory, 2011–12 to 2015–16.<sup>198</sup>*

Year	2011–12	2012–13	2013–14	2014–15	2015–16
<b>New South Wales</b>					
<b>Illicit drug offences</b>	10 990	11 935	12 849	14 956	16 445
<b>Victoria</b>					
<b>Illicit drug offences</b>	4147	4461	5010	5543	5499
<b>Queensland</b>					
<b>Illicit drug offences</b>	14 429	16 229	20 120	23 970	25 158
<b>South Australia</b>					
<b>Illicit drug offences</b>	3282	3573	3688	3310	3223
<b>Western Australia</b>					
<b>Illicit drug offences</b>	5787	6420	7740	9841	11 394
<b>Tasmania</b>					
<b>Illicit drug offences</b>	1 127	895	720	797	820
<b>Northern Territory</b>					
<b>Illicit drug offences</b>	654	768	580	773	831
<b>Australian Capital Territory</b>					
<b>Illicit drug offences</b>	180	137	150	148	164

198 ABS, *Data Cubes*, 2015–16, 31 July 2017, <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4513.02015-16?OpenDocument> (accessed 8 August 2017).

## Committee comment

2.127 It has traditionally been difficult to get an accurate picture of the extent of crystal methamphetamine use in Australia due to weaknesses with data collection methods, largely surveys, and the likelihood of respondents under-reporting drug use. For example, the AIHW household survey is susceptible to under-reporting arising from negative popular views and media reporting that may influence drug users' willingness to accurately self-report illicit drug use. However, new approaches to data collection and analysis, such as the *National Wastewater Drug Monitoring Program*, mark a significant step forward in gaining a more thorough understanding of drug use in this country. The committee anticipates that future wastewater analysis by the ACIC will build a more accurate picture of drug use in Australia and assist governments, service providers and academics to develop more targeted policies and strategies to address illicit drug use.

2.128 Crystal methamphetamine use is not necessarily a one way path to more problematic consumption for all users. However, the drug can have serious short- and long-term physical and psychological impacts and these should not be underestimated.

2.129 As demonstrated in this chapter, specialists have identified groups within our community that are more at risk of developing problematic crystal methamphetamine use and face greater hurdles when attempting to access treatment. For this reason, culturally appropriate AOD resources must be directed towards and treatment available to vulnerable communities, that is Australia's young people, regional and remote communities, Indigenous communities and the LGBTI community.

2.130 The committee also heard that problematic crystal methamphetamine use has been linked to social and economic disadvantage and inequality. The committee agrees that this is a feature of crystal methamphetamine use in Australia and one that brings a complex dimension to the problem. However, it can be glib to say that socioeconomic disadvantage and inequality cause problematic drug use and the committee is concerned that this can have the effect of further stigmatising or marginalising crystal methamphetamine users on account of their socioeconomic circumstances. Genuine and serious consideration must be given to the inter-relationship between people's socioeconomic circumstances, their drug use and their ability to access AOD services and treatment. In the committee's opinion, drug users' socioeconomic status must be used to inform appropriate and effective policy responses and must not simply be used to identify a particular group of drug users.

2.131 The committee is concerned that despite large, and in some cases record seizures occurring at Australia's borders, the price, purity and availability of crystal methamphetamine remains cheap, high, and readily accessible. In no way does the committee wish to diminish from the efforts and successes of our law enforcement and border protection agencies; however, the evidence before it suggests to the committee that law enforcement strategies alone will not solve the crystal methamphetamine problem in Australia.



2.132 Indeed, Mr Ken Lay APM, Chair of the NIT, announced at the release of the NIT's final report that 'ice use is not a problem we can solve overnight, and not something we can simply arrest our way out of'.<sup>199</sup> The committee shares this view. The NIT and the NIAS appear to mark a significant shift in and a renewed focus on Australia's national drug strategy, and an attempt to rebalance the three pillars (supply, demand and harm reduction). Submitters and witnesses to the inquiry, from both the health and law enforcement sectors, consistently told the committee that crystal methamphetamine use should be approached primarily as a health issue and not a law enforcement issue.

2.133 The subsequent chapters of this report and the committee's second report will consider current and future responses to crystal methamphetamine use in Australia. In particular, the remainder of this report will focus on law enforcement strategies and their effectiveness.

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199 Nation Ice Taskforce, *Final Report*, 2015, p. ii.



# Chapter 3

## Australia's drug strategies

3.1 Australia's drug strategies have been coordinated through the National Drug Strategy (NDS) since 1985. Recently, the National Ice Taskforce (NIT), the government's response to the NIT's final report and the National Ice Action Strategy (NIAS) have articulated a focus on crystal methamphetamine. This focus has in turn informed the future direction of the NDS, and in particular the current NDS for 2017–2026.

3.2 This chapter considers the NDS, in conjunction with a brief discussion of the NIT's final report and the government's subsequent response to it. The chapter will then examine the NIAS and progress of its implementation since the NIAS was agreed by the Council of Australian Governments (COAG).

### National Drug Strategy

3.3 The NDS has been operating since 1985<sup>1</sup> as a co-operative strategy between the federal, state and territory governments and non-government organisations. In recognition of the important relationship between law enforcement and healthcare providers, the NDS aims to:

...contribute to ensuring safe, healthy and resilient Australian communities through minimising alcohol, tobacco and other drug-related health, social and economic harms among individuals, families and communities.<sup>2</sup>

3.4 The current iteration of the NDS is the first to have a ten year term, whereas previous strategies covered a period of five years.

3.5 The NDS is built upon a 'three pillars' approach. The three pillars of the NDS—demand reduction, supply reduction and harm reduction—are described in the following paragraphs.

### *Demand reduction*

3.6 The demand reduction measures are to:

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1 Formally known as the National Campaign Against Drug Abuse and renamed the National Drugs Strategy (NDS) in 1993. See Intergovernmental Committee on Drugs, *National Drug Strategy 2016–2025 (Draft)*, October 2015, p. 3, [http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/73E3AD4C708D5726CA257ED000050625/\\$File/draftnds.pdf](http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/73E3AD4C708D5726CA257ED000050625/$File/draftnds.pdf) (accessed 6 July 2017).

2 Intergovernmental Committee on Drugs, *National Drug Strategy 2016–2025 (Draft)*, October 2015, p. 3, [http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/73E3AD4C708D5726CA257ED000050625/\\$File/draftnds.pdf](http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/73E3AD4C708D5726CA257ED000050625/$File/draftnds.pdf) (accessed 6 July 2017).

- prevent the uptake and/or delay the use of alcohol, tobacco and other drugs;
- reduce the misuse of alcohol and use of tobacco and other drugs in the community; and
- support people to recover from their dependence on alcohol, tobacco and other drugs, and to reintegrate into the community.

### ***Supply reduction***

3.7 The supply reduction (law enforcement approach) measures aim to:

- prevent, stop, disrupt or reduce the production and supply of illicit drugs to the Australian community; and
- control, manage and/or regulate the availability of legal drugs.

### ***Harm reduction***

3.8 The harm reduction measures seek to reduce the adverse health, social and economic consequences of the use of alcohol, tobacco and other drugs.

### ***National Drug Strategy 2017–2026***

3.9 The NDS for 2017–2026 was endorsed by the newly formed Ministerial Drug and Alcohol Forum (MDAF) (see paragraphs 3.40 to 3.43) on 29 May 2017<sup>3</sup> and released on 19 July 2017.

3.10 The current iteration of the NDS is the first to have a ten year lifespan.<sup>4</sup> It promotes continued co-operation between law enforcement and health services, and prioritises:

- people's access to evidence-based, effective and affordable treatment and support services;<sup>5</sup>
- new data collections and sharing of information across jurisdictions;<sup>6</sup>
- strategies that prevent, delay and reduce the use of alcohol and other drugs (AOD);<sup>7</sup>
- support to communities to identify and respond to alcohol, tobacco and other drug issues;<sup>8</sup>

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3 Ministerial Drug and Alcohol Forum (MDAF), *Communique*, 29 May 2017, p. 1.

4 Australian Government, NDS 2017–2026, p. 3.

5 NDS 2017–2026, p. 19.

6 NDS 2017–2026, p. 20.

7 NDS 2017–2026, p. 21.

8 NDS 2017–2026, p. 22.

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- the reduction of adverse health, social and economic consequences of AOD problems by enhancing harm reduction approaches;<sup>9</sup>
  - the development of responses that restrict and/or regulate the availability of alcohol, tobacco and other drugs;<sup>10</sup> and
  - national co-operation to identify and address AOD problems including the sharing of jurisdictional information, innovative approaches and the development of effective responses.<sup>11</sup>

3.11 The NDS 2017–2026 prioritises populations at higher risk of developing AOD issues, many of which align with the target populations of the NIAS. These include Aboriginal and Torres Strait Islander people; people with co-morbid mental health conditions; young people; older people; people in contact with the criminal justice system; culturally and linguistically diverse populations; and people that identify as gay, lesbian, bisexual, transgender or intersex.<sup>12</sup>

3.12 A number of sub-strategies exist under the NDS. These sub-strategies inform and provide further direction and context on specific AOD issues.<sup>13</sup> These sub-strategies include:

- the NIAS;
- the National Aboriginal Torres Strait Islander Peoples Drug Strategy 2014–2019;
- the National Alcohol and other Drug Workforce Development Strategy 2015–2018;
- National Tobacco Strategy 2012–2018;
- the future iteration of the National Alcohol Strategy, penned to be released later in 2017; and
- the National Pharmaceutical Misuse Framework for Action (which expired in 2015).<sup>14</sup>

3.13 The most recent NDS includes a description of the reformed governance structure of the strategy (a description of the governance structure is at paragraphs 3.40 to 3.46) and the monitoring and progress reporting.

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9 NDS 2017–2026, p. 23.

10 NDS 2017–2026, p. 24.

11 NDS 2017–2026, p. 25.

12 NDS 2017–2026, pp 25–29.

13 NDS 2017–2026, p. 38.

14 NDS 2017–2026, p. 38.

*Monitoring and progress reporting*

3.14 The NDS 2017–2026 outlines the reporting of NDS activities. Annual progress reports will be released by the MDAF which will provide information on:

- jurisdictional and national activities;
- identify AOD trends; and
- emerging issues based on best available data.<sup>15</sup>

3.15 The National Drug Strategy Committee (NDSC) will provide a more detailed progress report to the MDAF, which will subsequently be submitted to COAG every three years. These detailed reports will be released in conjunction with the release of findings from the National Drug Strategy Household Survey (household survey) and will be evaluated against key measures of success. These detailed progress reports will be released in 2018, 2021, 2024 and in 2027.<sup>16</sup>

3.16 Finally, the NDSC will also conduct a mid-point review of the NDS in 2021–2022 to determine new priorities, and identify emerging issues and challenges.<sup>17</sup>

*Measures of success*

3.17 The three-year detailed progress reports of the NDS will include new measures of success that illustrate its progress. The five headline indicators are:

- **Increasing the average age of uptake of drugs, by drug type.** This indicator will be informed by the 2016 household survey's baseline data. This data shows that currently the average age of uptake for illicit drugs is 19.7 years; alcohol is 17.3 years; and smoking is 16.4 years.
- **Reduction of the recent use of any drug of people living in households.** Again, this measure will be informed by the 2016 household survey and seeks to see the household use of illicit drugs in the last 12 months reduced to less than 15.6 per cent; the harmful use of alcohol over a lifetime to less than 17.1 per cent and in the short time to less than 37.3 per cent; and the daily use of tobacco<sup>18</sup> to less than 12.2 per cent.
- **Reduction in arrestees' illicit drug use in the month before committing an offence for which they are charged.** The 2013–14 baseline data from the Drug Use Monitoring in Australia (DUMA) will be used to measure whether detainees who have tested positive for drug use has decreased over time. As of 2013–14, 73 per cent of detainees who participated in DUMA had tested positive for drug use.

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15 NDS 2017–2026, p. 40.

16 NDS 2017–2026, p. 40.

17 NDS 2017–2026, p. 40.

18 By those aged 14+ years.

- **Reduction in the number of victims of drug-related incidents.** This measure aims to see a reduction in the number of victims<sup>19</sup> of both illicit drug-related incidents (9.3 per cent) and alcohol-related incidents (22.2 per cent). This measure will be informed by 2016 household data.
- **Reduction in the drug-related burden of disease, including mortality.** Baseline data from the 2011 Australian Burden of Disease Study will be used to determine whether the NDS has successfully reduced diseases caused by illicit drugs (1.8 per cent), alcohol (5.1 per cent) and tobacco (9 per cent).<sup>20</sup>

3.18 In addition to the detailed benchmarks listed above, annual progress reports will include supplementary indicators to monitor the implementation, progress and emerging AOD issues. These indicators include:

- illicit drugs and precursor chemicals seized;
- the availability of illegal drugs, as perceived by people who use illegal drugs;
- the purity of illegal drugs;
- the evaluation data from current policy interventions, programs and projects;
- Hepatitis C virus and HIV/AIDS incidence;
- Opioid pharmacotherapy clients;
- drug treatment episodes;
- diversion of licit drugs;
- coronial data sources;
- wastewater analysis;
- the Illicit Drug Data Report; and
- the Alcohol and other Drug attributable hospital admission and ambulance attendances.<sup>21</sup>

3.19 The committee's view in relation to measuring success, in the context of law enforcement strategies, is discussed in chapter 5.

3.20 Further details relating to the NDS will be discussed in the second report which align with the NDS's demand reduction and harm reduction pillars.

### **The National Ice Taskforce's final report and the government response**

3.21 On 8 April 2015, the Abbott government announced the creation of the NIT. It was established to provide advice to government on the impacts of crystal

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19 Reported over the previous 12 month period.

20 NDS 2017–2026, p. 41.

21 NDS 2017–2026, p. 42.

methamphetamine use in the Australian community and assist with the development of the NIAS.<sup>22</sup>

3.22 Three experts were appointed to the taskforce:

- Mr Ken Lay APM, former Chief Commissioner of Victoria Police;
- Associate Professor Sally McCarthy, Medical Director of the Emergency Care Institute, the New South Wales (NSW) Agency for Clinical Innovation, and a senior emergency physician at the Prince of Wales Hospital in Sydney; and
- Professor Richard Murray, Dean of the College of Medicine and Dentistry at James Cook University.<sup>23</sup>

3.23 The NIT was overseen by the Minister for Justice, the Hon. Michael Keenan MP and then Minister for Rural Health, Senator the Hon. Fiona Nash.<sup>24</sup>

3.24 The final report of the NIT was delivered to Prime Minister Malcolm Turnbull on 9 October 2015 and released publicly on 6 December 2015.<sup>25</sup>

3.25 The NIT made 38 recommendations under five priority areas:

- support families, communities and frontline workers (eight recommendations);
- target prevention (four recommendations);
- tailor services and support (11 recommendations);
- strengthen law enforcement (eight recommendations); and
- improve governance and build better evidence (seven recommendations).<sup>26</sup>

3.26 In December 2015, the government released a two page response to the NIT's report. The government's response announced a package addressing the five priority areas detailed in the NIT's report. A significant part of the package was the announcement of an additional \$285.2 million to fund programs that would 'reduce the demand for ice and the harm it is causing through the delivery of locally-based and targeted solutions'.<sup>27</sup> A further \$13 million was also included for the introduction of

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22 Department of the Prime Minister and Cabinet (PM&C), *The National Ice Taskforce*, <https://www.dpmc.gov.au/domestic-policy/taskforces-past-domestic-policy-initiatives/national-ice-taskforce> (accessed 22 September 2016).

23 National Ice Taskforce (NIT), *Final report*, 2015, p. 1.

24 NIT, *Final Report*, 2015, p. 1.

25 PM&C, *The National Ice Taskforce*, <https://www.dpmc.gov.au/domestic-policy/taskforces-past-domestic-policy-initiatives/national-ice-taskforce> (accessed 22 September 2016).

26 NIT, *Final report*, 2015, pp vi–xv.

27 Commonwealth of Australia, *Taking action to combat ice*, December 2015, p. 1.



new Medicare Benefits Schedule items for Addiction Medicine Specialists.<sup>28</sup> In total, \$298.2 million was allocated over four years from 1 July 2016.<sup>29</sup>

3.27 The government response also included:

- \$24.9 million for family and community support programs, such as 220 new Community Drug Action Teams and online resources for parents, students, teachers and community organisations;
- new targeted communications through the National Drugs Campaign and enhanced school education programs;
- \$241.5 million for the delivery of treatment services via the Primary Health Networks (PHNs), expanding early intervention support through online counselling and information;
- \$5 million for the Australian Criminal Intelligence Commission (ACIC) to deploy officers abroad and increase co-operation with China;
- \$10 million to be invested from the proceeds of crime (PoC) account to develop a National Criminal Intelligence System;
- \$1 million for the development of a national 'Dob in a Dealer' campaign; and
- \$18.8 million for better research, the development of new guidelines and the improvement of the collection and quality of data.<sup>30</sup>

3.28 After the release of the NIT's final report and the government's response, the Minister for Justice discussed the measures focused on supply reduction. The minister stated that the NIT's report highlighted the need to 'improve on intelligence collection and to also go after the money'; he reiterated that the government has achieved this aim by placing ACIC intelligence officers abroad and through a new national unexplained wealth regime.<sup>31</sup>

3.29 The minister's comments also emphasised the need to focus on reducing demand for crystal methamphetamine:

Law enforcement are doing a magnificent job, but it's very clear that whilst we're doing everything we can on the supply side—and with seizures up, we've had seizures of over \$1 billion of this insidious drug. But it is very clear from the Taskforce report that we need to do more on the demand side. So whilst we're tackling supply, if demand still exists at such a record

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28 Commonwealth of Australia, *Taking action to combat ice*, December 2015, p. 1.

29 Department of Health (DoH), *Government response to the Final Report of the National Ice Action Taskforce*, <http://www.health.gov.au/internet/main/publishing.nsf/Content/MC15-009596-national-ice-taskforce> (accessed 22 September 2016).

30 Commonwealth of Australia, *Taking action to combat ice*, December 2015, pp 1–2.

31 The Hon. Malcolm Turnbull MP, Prime Minister, the Hon Michael Keenan MP, Minister for Justice, Senator the Hon Fiona Nash, Minister for Rural Health, Joint Doorstop Interview (Joint Doorstop Interview), *Transcript*, Sydney, 6 December 2015, p. 3.

rate, it's going to be impossible for law enforcement to retain control of supply. And, of course, the best thing that we can do to help our law enforcement agencies is to stop people from using this drug in the first place.<sup>32</sup>

3.30 The then Minister for Rural Health announced that any current contracts with AOD treatment services would be extended to mid-2017 while the sector transitions to the new PHN-led model. In addition, the minister highlighted that the government would give specific attention to Indigenous treatment services and that PHNs would work closely with the Aboriginal community-controlled health organisations.<sup>33</sup> The minister stated that the government was supportive of all 38 of the NIT's recommendations and would incorporate these into the government's response, and an agreed response between the Commonwealth and the state and territory governments.<sup>34</sup>

3.31 Upon the release of the NIT's report, Mr Lay asserted that law enforcement will play a very important role in drug policy because of illegal importations, profits and the international responses required to address the illicit drug trade. He highlighted, however, that '[p]olice cannot, will not and will never arrest their way out of this problem. It is far more difficult than that'.<sup>35</sup> He expressed his delight that the government's response to the NIT's report initiates a 'real shift' to support families, facilitate targeted prevention, help users and develop research.<sup>36</sup>

3.32 Associate Professor McCarthy supported the recommendations and the government's response because:

...the impact we expect to see is a very broad impact on all drug use and particularly alcohol which is a great scourge as well and causes a lot of presentations to emergency departments and dysfunction and adverse consequences in the community. We expect to see that when we see a crystal methamphetamine intoxicated person, that there will be much more accessible intervention available, and hopefully at an earlier phase of their use... we anticipate the measures taken as a whole will really support the work of emergency departments, general practitioners, all parts of the health sector, in being able to identify and intervene earlier.<sup>37</sup>

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32 Joint Doorstop Interview, *Transcript*, Sydney, 6 December 2015, p. 3.

33 Joint Doorstop Interview, *Transcript*, Sydney, 6 December 2015, p. 3.

34 Joint Doorstop Interview, *Transcript*, Sydney, 6 December 2015, p. 5.

35 Joint Doorstop Interview, *Transcript*, Sydney, 6 December 2015, p. 4.

36 Joint Doorstop Interview, *Transcript*, Sydney, 6 December 2015, p. 5.

37 Joint Doorstop Interview, *Transcript*, Sydney, 6 December 2015, p. 8.

3.33 Associate Professor McCarthy also highlighted the importance of research to assist the AOD sector with an understanding of what works, what is the most effective action and whether it is of value.<sup>38</sup>

3.34 Dr Nadine Ezard, from Saint Vincent's Hospital added that:

...the idea that we will have a treatment sector that can detect early, respond early and then refer into treatment rather than just having some specialised treatment centres scattered around the country, means that we can build a comprehensive response for early intervention and treatment.<sup>39</sup>

3.35 At the time of NIT's release, the Minister for Rural Health wrote that focus on the supply side of the crystal methamphetamine problem would continue, however '[n]ow it is time to focus on reducing demand' as doing so will 'help cripple the ice dealer's model by reducing demand for their despicable product'. Further:

If we can reduce the market by helping the biggest clients give up their habit, demand will drop. If we can educate our children not to ever try ice, there will be less young people coming into the ice market to replace those exiting it.

Credible studies suggest improved aftercare -- ongoing counselling and meetings for recovering addicts who have completed rehabilitation programmes -- could be an important key to keeping those users off the drug and out of the drug market.

Of course, different treatment is appropriate for different people and different levels of addiction, which is why we're having the local Primary Health Networks decide which method of treatment is best for their area -- enlisting local knowledge instead of Canberra ivory-tower policy.<sup>40</sup>

## **The National Ice Action Strategy**

3.36 Following the release of the NIT and the government's response, the government published the NIAS. This strategy was agreed by the COAG on 11 December 2015. The NIAS includes a package encompassing five areas, allocating \$298.2 million in new funding over four years from 1 July 2016. The five targeted areas of the package are:

- local communities and family support programs;
- enhanced targeted prevention activities for at risk populations;
- investment in further treatment services via the PHNs and in Addiction Medicine Specialists (\$241.5 million);

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38 Joint Doorstop Interview, *Transcript*, Sydney, 6 December 2015, p. 8.

39 Joint Doorstop Interview, *Transcript*, Sydney, 6 December 2015, p. 9.

40 Senator the Hon. Fiona Nash, 'Determined To Shatter The Ice Problem', *Huffington Post*, 6 December 2015, [http://www.huffingtonpost.com.au/fiona-nash/post\\_10682\\_b\\_8726420.html](http://www.huffingtonpost.com.au/fiona-nash/post_10682_b_8726420.html) (accessed 30 September 2015).

- further investments in law enforcement activities; and
- additional funding for research into crystal methamphetamine and other illicit drugs.<sup>41</sup>

3.37 The NIAS identifies its main priority as supporting those families and communities directly impacted by the harms caused by crystal methamphetamine use. To achieve this goal, it states that the solution to Australia's crystal methamphetamine problem is reducing the demand for the drug, by targeting 'prevention efforts towards high-risk populations, increase investment in treatment with improvements in how treatment programmes are delivered'.<sup>42</sup> Law enforcement remains a critical element of the strategy, by stopping the supply of crystal methamphetamine through activities focused on 'increasing the use of intelligence and international cooperation, as well as directly targeting organised crime groups and criminal networks'.<sup>43</sup>

3.38 Finally, the NIAS highlights the importance of improving the collection of data and evidence to inform policy responses, as well as requiring regular reporting to ensure Commonwealth, state and territory governments track the impact of their efforts.<sup>44</sup>

3.39 A principal feature of the NIAS is the allocation of \$241.5 million to PHNs to commission AOD treatment services.<sup>45</sup> In February 2016, the Department of Health (DoH) announced that there would be a phased implementation to prepare PHNs for this additional responsibility. These AOD services will complement the PHNs' role in the coordination of Commonwealth funded mental health programs at a local level, as well as build linkages with primary care.<sup>46</sup> The DoH has developed an AOD treatment program to assist PHNs with the commissioning process and share evidence on best practice drug and alcohol treatment services.<sup>47</sup>

#### *Ministerial Drug and Alcohol Forum*

3.40 Another key feature of the NIAS is the establishment of the MDAF. The MDAF brings together ministers from the health and justice portfolios across

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41 Council of Australian Governments (COAG), *National Ice Action Strategy (NIAS)*, 2015, p. 22.

42 COAG, *NIAS*, 2015, p. 22.

43 COAG, *NIAS*, 2015, p. 22.

44 COAG, *NIAS*, 2015, p. 22.

45 This funding is not exclusively directed to crystal methamphetamine specific services. See, Professor Rebecca McKetin, *Drug and Alcohol Review*, May 2016, pp 247–249.

46 DoH, *Drug and Alcohol Treatment Service PHN Circular 1–4 February 2016*, [http://www.health.gov.au/internet/main/publishing.nsf/Content/PHN-Circular1\\_AOD](http://www.health.gov.au/internet/main/publishing.nsf/Content/PHN-Circular1_AOD) (assessed 28 July 2017).

47 DoH, *Drug and Alcohol Treatment Service PHN Circular 1–4 February 2016*, [http://www.health.gov.au/internet/main/publishing.nsf/Content/PHN-Circular1\\_AOD](http://www.health.gov.au/internet/main/publishing.nsf/Content/PHN-Circular1_AOD) (accessed 28 July 2017).

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jurisdictions to coordinate alcohol and drug policies, and law enforcement strategies. Its deliberations and recommendations will be reported to COAG. Initially, the MDAF will 'oversee the development, implementation and monitoring of Australia's national drug policy framework', including the NIAS and the NDS.<sup>48</sup>

3.41 The DoH informed the committee that the MDAF is co-chaired by the Commonwealth Ministers for Health and Justice. According to the DoH, the establishment of the MDAF is a consolidation of the governance and ministerial arrangements around drugs and alcohol; governance had previously been separately reported through health ministers and justice ministers.<sup>49</sup> The NIAS establishes a requirement for departments to provide progress reports on the implementation of the strategy to COAG. COAG will then determine whether these progress reports are made public.<sup>50</sup>

3.42 According to the Attorney-General's Department (AGD), the COAG Health Council, the COAG Law, Crime and Community Safety Council, and the MDAF all report to COAG on the NIAS. This approach was implemented because:

Not every issue is relevant for all of us around the table in health and justice, so hence the three streams—so you have the whole health stream going up from officials up to ministers, you have the law and justice stream going from officials up to ministers, you have the combined one in the centre for the key issues where it is important for health and justice issues to be considered and then that all reports up to COAG first ministers. So, as I say, in summary, you have all of the great on-the-ground operational cooperation—we have heard from our colleagues; it is at an all-time high in terms of Commonwealth, state and territory cooperation—and then you have this governance structure that is bringing it up through officials into the political level.<sup>51</sup>

3.43 The MDAF has met twice since its establishment, on 16 December 2016 and 29 May 2017. The communiques from these two meetings reference discussions on a range of matters relating to the NIAS across the health and law enforcement sectors. A key consideration of the MDAF was the NDS 2016–2025 which was endorsed by the forum at its second meeting.<sup>52</sup> Other key developments included:

- the progress of the NIAS, including the availability of a new online education and prevention resource via the Positive Choices portal;

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48 COAG, *NIAS*, 2015, p. 26.

49 Dr Wendy Southern, Deputy Secretary, DoH, *Committee Hansard*, 24 March 2017, p. 23.

50 Dr Southern, DoH, *Committee Hansard*, 24 March 2017, p. 23.

51 Ms Catherine Hawkins, First Assistant Secretary, Attorney-General's Department, *Committee Hansard*, 24 March 2017, p. 34.

52 MDAF, *Communique*, 29 May 2017, p. 1.

- expansion of AOD treatment services through Online Counselling, funding through the PHNs and increased capacity in services offered by the states and territories;
- introduction of new Medicare items for Addiction Medicine Specialists;
- strengthening efforts to combat serious and organised crime;
- improving timeliness and quality of data collections; and
- the ongoing development of a national precursor chemical tracking system (Ne-EUD) and the improvement and harmonisation for precursor chemicals and equipment;
- the establishment of a new National Centre of Clinical Excellence for Emerging Drugs of Concern, which was anticipated in coming months;
- the roll out of Local Drug Action Teams and the *Cracks in the ice* website;
- a national phone line to act as a single point of contact for individuals and families seeking support, information and counselling for drugs; and
- the implementation of a quality framework to provide consistent and appropriate treatment in accordance with best practice.<sup>53</sup>

#### *The National Drugs Strategy Committee*

3.44 In addition to the MDAF, there is the NDSC, which reports to the MDAF. The committee is co-chaired by the Commonwealth DoH and the AGD. The NDSC was referred the work of the former Intergovernmental Committee on Drugs, which was abolished by the Law, Crime and Community Safety Council in October 2016.<sup>54</sup>

3.45 The NDSC consists of senior officials from across the health, justice and law enforcement portfolios from each jurisdiction. These officials will consider alcohol and other drug policies.<sup>55</sup>

#### *Working groups*

3.46 An initiative detailed in the NDS 2017–2026 is the NDSC's authority to establish time limited and expert working groups. These working groups will undertake work on particular projects and issues, and provide ongoing policy advice on AOD issues. The membership of these groups will be inclusive of members from the non-government, research, treatment, intelligence and public health sectors.<sup>56</sup>

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53 MDAF, *Communique*, 16 December 2016, pp 1–2.

54 Law, Crime, and Community Council, *Communique*, 21 October 2016, p. 2.

55 NDS 2017–2026, p. 35.

56 NDS 2017–2026, p. 36.

## Initial response to the National Ice Taskforce's report and the National Ice Action Strategy

3.47 Overall, the public's initial response to the NIT and the NIAS was positive. In general, commentators were supportive of the shift in both focus and funding from a supply reduction approach to treatment services. However, some commentators were concerned that the NIAS did not provide an adequate balance between reducing demand and harm minimisation. Others felt that the harm minimisation approaches advocated by the NIAS will not be sufficient.

### *Renewed harm minimisation focus*

3.48 The Public Health Association of Australia (PHAA) commented that by 'funding treatment as a main focus of the government's response to the issue of ice there is a much greater likelihood of a reduction in harm associated with the use of this drug'<sup>57</sup> and that:

For too long Australia has paid lip-service to harm reduction while focussing most of the funding and effort on just the supply reduction aspect. This announcement marks the first steps in a sensible return to re-align funding, focus and efforts into moving away from a largely prohibitionist approach to the much more effective approach of harm minimisation.<sup>58</sup>

3.49 Mental Health Australia (MHA) welcomed the NIT's report and highlighted the links between methamphetamine use and mental illness. MHA argued that the NIT report ensures 'closer integration between the mental health system and the alcohol and drug treatment systems...[to ensure] a service that is built around the needs of individuals who require support'.<sup>59</sup>

3.50 Professor Margaret Hamilton from the University of Melbourne and Professor Adrian Dunlop from the University of Newcastle wrote that the NIT's report provided 'an opportunity for action'.<sup>60</sup>

However, many key issues raised in the report still require adequately resourced strategies; this applies especially to specific plans for Indigenous communities. Mixed funding by the federal and state governments makes it challenging to achieve the necessary coherence of response. The Primary

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57 Ms Amy Coopes, 'Health at the heart of ice strategy', *Croakey*, 7 December 2015, <https://croakey.org/health-at-the-heart-of-ice-strategy/> (accessed 5 October 2016).

58 Ms Amy Coopes, 'Health at the heart of ice strategy', *Croakey*, 7 December 2015, <https://croakey.org/health-at-the-heart-of-ice-strategy/> (accessed 5 October 2016).

59 Mental Health Australia, 'Report from Ice Taskforce welcomed', *Media release*, 4 December 2015.

60 Professor Margaret Hamilton and Professor Adrian Dunlop, "'Ice" (crystal methamphetamine): concerns and responses', *Australian Medical Journal*, 204 (4), 7 March 2016, p. 137.

Health Networks will need to rapidly develop the capacity to engage with GPs, and specialist drug and alcohol services if they are to play a key role.<sup>61</sup>

3.51 Broadly, commentators were supportive of the NIT and the NIAS because they mark a transition from the previous policy focus on law enforcement initiatives to a response focused on health initiatives.

### ***Primary Health Networks and service delivery***

3.52 The PHAA also supported the use of the PHNs to allocate funds for treatment services because the PHNs 'have the ability to ensure that the funding is directed appropriately, to deal with overlap of other drug dependency and to see comorbidities are dealt with in the most effective manner'.<sup>62</sup>

3.53 The Australasian Therapeutic Communities Association (ATCA) was less supportive of the announcement that the PHNs would be used to distribute funds to AOD services. ACTA described the PHNs as 'incredibly patchy' and:

Many are still in a changeover state from Medicare locals and not properly developed...How are those resources going to flow through the PHNs when many would not even have relationships with the community organisations that are doing alcohol and other drug work?<sup>63</sup>

3.54 Professor Rebecca McKetin, in the *Drug and Alcohol Review*, wrote that although there was a warm reception to the NIT's report, many from the health sector 'were bewildered by the lack of detail or strategy accompanying the response'. Further, the announcement that the new funding would be distributed via the PHNs was a cause of angst amongst those in the sector.<sup>64</sup> Professor McKetin cautioned against the use of the PHNs, noting:

This is an entirely new and uncharted funding model for the AOD sector in Australia, and a surprising shift given that the core business of the PHNs is to increase the efficiency and effectiveness of primary care medical services provided to patients...they have no significant prior experience providing treatment services for AODs.<sup>65</sup>

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61 Professor Margaret Hamilton and Professor Adrian Dunlop, "'Ice' (crystal methamphetamine): concerns and responses', *Australian Medical Journal*, 204 (4), 7 March 2016, p. 137.

62 Ms Amy Coopes, 'Health at the heart of ice strategy', *Croakey*, 7 December 2015, <https://croakey.org/health-at-the-heart-of-ice-strategy/> (accessed 5 October 2016).

63 Mr Eamonn Duff, 'Malcolm Turnbull pledges \$300 million funding for drug treatment services', *The Sydney Morning Herald*, 6 December 2015.

64 Professor McKetin, 'Will the Australian Government's response to its 'National Ice Taskforce' deliver more treatment as promised', *Drug and Alcohol Review*, 35, May 2016, p. 247.

65 Professor McKetin, 'Will the Australian Government's response to its 'National Ice Taskforce' deliver more treatment as promised', *Drug and Alcohol Review*, 35, May 2016, p. 247.



3.55 Professor McKetin explained that the government's announcement was unclear about the 'nature and scope of services' because allocation of funding would be based on the local needs of each PHNs, and that:

Although this new model of funding has the potential to provide a more integrated service platform at a local level, a significant risk lies in what PHNs may not know about existing AOD treatment infrastructure, including their knowledge about best practice in the field, evidence-based treatment and the gaps in knowledge in encouraging better management of patients with substance use problems in both primary care and specialist AOD services. It may also leave existing service providers out-of-the-loop and result in sub-optimal assessment and commissioning of specialised AOD patient care.<sup>66</sup>

3.56 Professor McKetin also advised that it was unknown whether funding will be available to existing specialist non-government AOD treatment services. Additionally, the breakdown of the amount of funding announced (\$241.5 million) across the 31 PHNs over four years equates to under \$2 million per PHN, per year.<sup>67</sup> Professor McKetin was concerned that:

It is easy to imagine the Ice Taskforce funding being absorbed in a homogenous model of service provision, catering to the base common denominator across competing health priorities, leaving limited scope for funding or providing specialist non-Government AOD services for either methamphetamine use or for other drug use.<sup>68</sup>

3.57 However, Professor McKetin also remarked that the announcement 'provides the opportunity to develop new and more flexible models of treatment and service provisions' that will 'foster a multidisciplinary approach to help address associated physical, mental and social comorbidities'.<sup>69</sup> For patients, it will also provide a broader range of services that are better integrated, and provide continuum of care. Finally, she said the new funding model would provide individual PHNs the ability to 'commission local services that are most effective and appropriate given the local context'.<sup>70</sup>

3.58 In May 2016, Dr Alex Wodak and Mr Matthew Frei wrote in the *Medical Journal of Australia* that the illicit drug market in Australia is continuing to grow, despite measures being taken by governments to address the issue. They argued that this situation highlights the disproportionate allocation of funding to law enforcement measures: approximately two-thirds of drug-related spending is directed to law enforcement, with only nine per cent on prevention, 21 per cent on treatment and two per cent on harm minimisation. Despite this reliance on law enforcement

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66 Professor McKetin, *Drug and Alcohol Review*, 35, May 2016, p. 247.

67 Professor McKetin, *Drug and Alcohol Review*, 35, May 2016, p. 248.

68 Professor McKetin, *Drug and Alcohol Review*, 35, May 2016, p. 248.

69 Professor McKetin, *Drug and Alcohol Review*, 35, May 2016, p. 248.

70 Professor McKetin, *Drug and Alcohol Review*, 35, May 2016, p. 248.

strategies, the authors pointed out that Australia's illicit drug market continues to expand and:

Not only are illicit drugs easy to obtain but prices have fallen and many newly identified psychoactive drugs have appeared, often more dangerous than older drugs. Over recent decades, drug-related deaths, disease, crime, corruption and violence appear to have increased.<sup>71</sup>

3.59 Dr Wodak's and Mr Frei's article discussed key recommendations made by the NIT, and was generally supportive of its focus on treatment and funding through the PHNs. However, the authors expressed concerns that these strategies exist within a drug treatment system that is an 'inflexible, poor quality system with limited capacity'.<sup>72</sup> Further, they argued that it is unclear whether the distribution of funds through PHNs 'will be distributed effectively given the fragmented nature of the Australian drug treatment systems'.<sup>73</sup> The authors also questioned the NIT's emphasis on education, arguing the government and community have unrealistic expectations of drug education's ability to reduce demand; generally the gains from education campaigns are modest or temporary. The authors stated that '[d]rug education must be credible for the target audience, which is hard to achieve in an environment of drug prohibition'.<sup>74</sup> Finally, the authors expressed their support for supervised consumption facilities in areas of high drug consumption to provide information to users about harm reduction and treatment.<sup>75</sup>

### ***Balance between demand reduction and harm reduction***

3.60 A more critical response to the National Ice Action Plan<sup>76</sup> (NIAP) was expressed by Mr Bill O'Loughlin, former Chair of Harm Reduction Victoria. In an opinion piece, Mr O'Loughlin argued that the NIAP returned Australia to 'an old and failed drug response' that:

...exclusively focuses on strategies for preventing people from beginning to use ice and getting users to stop by providing increased and easier access to treatment. It is the old mantra: 'Don't take drugs and, if you do, then stop'.<sup>77</sup>

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71 Dr Alex Wodak and Mr Matthew Frei, 'Beyond ice: rethinking Australia's approach to illicit drugs', *Medical Journal of Australia*, 206 (4), pp 151–152.

72 Dr Wodak and Mr Frei, *Medical Journal of Australia*, 206 (4), pp 151–152.

73 Dr Wodak and Mr Frei, *Medical Journal of Australia*, 206 (4), pp 151–152.

74 Dr Wodak and Mr Frei, *Medical Journal of Australia*, 206 (4), pp 151–152.

75 Dr Wodak and Mr Frei, *Medical Journal of Australia*, 206 (4), pp 151–152.

76 The National Ice Action Plan refers to the combination of the NIT's report, the government's response and the NIAS.

77 Mr Bill O'Loughlin, 'The National Ice Action Plan is a setback to all that has been achieved in drug policy', *The Guardian*, 7 December 2015, <https://www.theguardian.com/commentisfree/2015/dec/07/the-national-ice-action-plan-is-a-setback-to-all-that-has-been-achieved-in-drug-policy> (accessed 6 October 2016).

3.61 He wrote that the three pillars of Australia's NDS were ignored, despite being essential and effective components to Australia's drug policy. Mr O'Loughlin argued that the NIAP not only ignores harm reduction but that harm reduction was not a feature in the NIT's community consultations.<sup>78</sup> Additionally, Mr O'Loughlin felt that the NIT's report:

...reframes and reinterprets harm reduction by focusing on the harms created by ice and uses this as evidence for the need for treatment services. This is a serious and dangerous reinterpretation of government policy, and of what is accepted by specialists in the field.<sup>79</sup>

3.62 Furthermore, Mr O'Loughlin opined that the report does not address the fact that young people do not communicate with older people or professionals about their drug use, and only seek support when they are in trouble. In some circumstances, young people will be 'quietly and furtively using ice and the report does not give attention to ways to reach them effectively'.<sup>80</sup> His article drew attention to models that already exist which encourage conversations between peers who have experience with crystal methamphetamine use that 'creates a unique space in which people can talk about their drug use and allows for a conversation that encourages safety and wellbeing'.<sup>81</sup>

### Committee view

3.63 Two months after the committee first initiated its inquiry into crystal methamphetamine in the 44<sup>th</sup> Parliament, the Commonwealth government announced the commencement of the NIT. The committee's inquiry was conducted in parallel with the NIT's inquiry, and for this reason much of the evidence and issues discussed in the NIT's final report correlate with the evidence received by the committee. The committee's re-initiated inquiry provided an opportunity to consider the NIT's report, as well as the government's response to it through its action plan outlined in the NIAS.

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78 Mr Bill O'Loughlin, 'The National Ice Action Plan is a setback to all that has been achieved in drug policy', *The Guardian*, 7 December 2015, <https://www.theguardian.com/commentisfree/2015/dec/07/the-national-ice-action-plan-is-a-setback-to-all-that-has-been-achieved-in-drug-policy> (accessed 6 October 2016).

79 Mr O'Loughlin, 'The National Ice Action Plan is a setback to all that has been achieved in drug policy', *The Guardian*, 7 December 2015, <https://www.theguardian.com/commentisfree/2015/dec/07/the-national-ice-action-plan-is-a-setback-to-all-that-has-been-achieved-in-drug-policy> (accessed 6 October 2016).

80 Mr O'Loughlin, 'The National Ice Action Plan is a setback to all that has been achieved in drug policy', *The Guardian*, 7 December 2015, <https://www.theguardian.com/commentisfree/2015/dec/07/the-national-ice-action-plan-is-a-setback-to-all-that-has-been-achieved-in-drug-policy> (accessed 6 October 2016).

81 Mr O'Loughlin, 'The National Ice Action Plan is a setback to all that has been achieved in drug policy', *The Guardian*, 7 December 2015, <https://www.theguardian.com/commentisfree/2015/dec/07/the-national-ice-action-plan-is-a-setback-to-all-that-has-been-achieved-in-drug-policy> (accessed 6 October 2016).

3.64 As noted earlier, the NIT and the NIAS appear to mark a substantial shift in how Australia responds to illicit drugs and the treatment of people with substance abuse issues. The committee is fully supportive of the 38 recommendations in the NIT's final report and the NIAS. The committee commends the government's substantial investment of \$298.2 million for AOD treatment, the shift in emphasis to demand reduction strategies and the strengthening of collaboration between jurisdictions.

3.65 Bringing together health and law enforcement ministers and agencies, through the MDAF, the NDSC and formalised in the NDS 2017–2026, is an important and vital step in the development of a coherent response to the harms of crystal methamphetamine use. If crystal methamphetamine use is to be successfully addressed, health and law enforcement agencies must work in collaboration on AOD matters. The changes to the governance structure brought about by the establishment of the MDAF and NDSC reinforce the key message that demand for crystal methamphetamine and the harm it causes are primarily a health issue. While law enforcement agencies play a key role in targeting the manufacture, importation and distribution of illicit drugs, the committee shares the view that this is not an issue we can arrest our way out of.

3.66 The committee supports the announcement in the NDS 2017–2026 that the MDAF will make its annual progress reports publicly available. However, it is not clear whether the more detailed, three-year progress reports and the mid-point review of the NDS will also be made publicly available. The committee supports the public release of these reports and the mid-term review, and considers this important so that the efficacy of the NDS, and its sub-strategies, such as the NIAS, can be fully assessed.

3.67 In this report, the committee has assessed a number strategies found in the NIAS, and for this reason, considers it important to ensure the actions in the NIAS are properly reported on. For this reason, the committee proposes that the progress reports include the following items:

- updates on the implementation and achievement of actions outlined in the NIAS, with reference to qualitative and/or quantitative key performance indicators as appropriate;
- identification of legislative changes either made or required to implement the NIAS;
- reporting on steps taken to enhance federal and international co-operation between health and law enforcement agencies;
- data on the prevalence of crystal methamphetamine use, particularly among vulnerable groups;
- information on new and existing treatment options, their accessibility (for example, their location and capacity), and cost (to both government and patients);

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- statistics from the justice system, including the number of crystal methamphetamine prosecutions, convictions and rates of recidivism in each Australian jurisdiction;
  - updates on the implementation and efficacy of drug courts and drug diversionary programs;
  - updates on local initiatives implemented through the PHNs; and
  - the quantum of funding derived from PoC and allocated to initiatives to address crystal methamphetamine use.

3.68 The committee believes that the information outlined above must be considered in conjunction with data on the price, purity, availability and seizures of crystal methamphetamine. In this regard, the committee acknowledges the important work of the ACIC and the information presented in its annual *Illicit Drug Data Reports*. These reports are a valuable source of law enforcement data; however, as the ACIC itself noted, law enforcement data should be read in conjunction with findings from other sources such as DUMA and academic research.<sup>82</sup>

3.69 The committee notes New Zealand's reporting mechanisms on its cross-agency plan of action to tackle the harms caused by methamphetamine and commends this approach to the MDAF. From 2010 to 2015, the New Zealand Department of the Prime Minister and Cabinet has reported annually on indicators and progress of its *Tackling methamphetamine: an Action Plan*. The New Zealand reporting arrangements could inform the MDAF and its planned future reporting.<sup>83</sup>

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82 Australian Criminal Intelligence Commission, *Illicit Drug Data Report 2015-16*, June 2017, p. 3.

83 New Zealand Department of the Prime Minister and Cabinet, 'Methamphetamine – indicators and progress reports', *Publications*, 17 December 2015, <https://www.dPMC.govt.nz/publications/methamphetamine-indicators-and-progress-reports> (accessed 7 July 2017).

**Recommendation 1**

**3.70** The committee recommends that all progress reports and the mid-point review provided to the Ministerial Drug and Alcohol Forum and Council of Australian Governments on the implementation of the National Drug Strategy 2017–2026 and its sub-strategy, the National Ice Action Strategy (NIAS), are made publicly available, and include but are not limited to:

- reporting on the implementation and achievement of actions outlined in the NIAS, with reference to qualitative and/or quantitative key performance indicators as appropriate;
- reporting on steps taken to enhance co-operation between health and law enforcement agencies;
- data on the prevalence of crystal methamphetamine use, particularly among vulnerable groups;
- information on new and existing treatment options, their accessibility and cost (to both government and patients);
- statistics from the justice system, including the number of crystal methamphetamine prosecutions, convictions and rates of recidivism in each Australian jurisdiction;
- reporting on the implementation and efficacy of drug courts and drug diversionary programs;
- reporting on local initiatives implemented through the Primary Health Networks; and
- the quantum of funding derived from proceeds of crime and allocated to initiatives to address crystal methamphetamine use.

## Chapter 4

### The role of law enforcement and serious and organised crime

4.1 This chapter discusses current law enforcement measures to combat the supply, distribution and consumption of crystal methamphetamine (and other illicit drugs) in Australia. It first provides an overview of a number of current Commonwealth law enforcement activities and key collaboration aimed at targeting criminal groups' illicit activities. This is followed by consideration of data on detections of methamphetamine at Australia's border, existing border control measures and known embarkation points of crystal methamphetamine being trafficked to Australia. Finally, this chapter considers the role of outlaw motorcycle gangs (OMCGs) and other organised criminal groups in the manufacture, importation and sale of crystal methamphetamine in Australia.

4.2 The next chapter, chapter 5, considers Australia's law enforcement approach to tackling crystal methamphetamine in the context of the National Ice Taskforce (NIT) and the National Ice Action Strategy (NIAS).

#### Commonwealth's law enforcement activities

4.3 The principal agencies responsible for the Commonwealth's law enforcement measures to combat illicit drugs are:

- the Australian Border Force (ABF);
- the Australian Crime and Intelligence Commission (ACIC);
- the Australian Federal Police (AFP);
- Attorney-General's Department (AGD);
- the Australian Institute of Criminology (AIC);
- the Australian Transaction Reports and Analysis Centre (AUSTRAC); and
- the Department of Immigration and Border Protection (DIBP).

4.4 The Commonwealth is primarily responsible for controlling illicit substances at Australia's borders. The state and territory governments have responsibility for criminal laws and regulatory controls, such as laws for possession, trafficking or manufacturing of illicit drugs. Regulation of the sale of precursor chemicals, including recordkeeping and reporting, is also the responsibility of the states and territories.<sup>1</sup>

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1 Commonwealth of Australia, *Submission 53*, p. 9.

4.5 Collaboration between Commonwealth agencies and the state and territory law enforcement bodies is common, and has significantly improved over time. Victoria Police highlighted the importance of collaboration:

From a law enforcement perspective, a collaborative response or approach between the Commonwealth law enforcement agencies and the state and territory police is absolutely critical. My experience working in Victoria Police on organised crime is that, in terms of a collaborative approach, the better and more involved we get in working together, the better chance we have of targeting this issue from a law enforcement perspective.<sup>2</sup>

4.6 Collaboration between agencies is demonstrated by a number of national initiatives and committees that provide a holistic and inter-agency approach to dealing with illicit drugs, such as:

- the Serious Organised Crime Coordination Committee (SOCCC);
- the Australian Gangs Intelligence Coordination Centre (AGICC) and the National Anti-Gangs Squad (NAGS);
- the National Criminal Target List (NCTL); and
- Taskforces Eligo and Vestigo.

#### *Serious Organised Crime Coordination Committee*

4.7 The SOCCC is a national committee that prioritises, endorses and coordinates operational strategies to deal with serious and organised crime investigations. Representatives of all Australian police jurisdictions (as well as New Zealand) participate in the SOCCC, together with the ACIC, DIBP, AUSTRAC and the Australian Taxation Office (ATO).<sup>3</sup> The SOCCC considers and endorses key law enforcement strategies, such as the National Organised Crime Response Plan 2015–18 (Crime Response Plan),<sup>4</sup> which outlines law enforcement activities.<sup>5</sup>

4.8 The SOCCC also supports the work of State and Territory Joint Management Groups (JMGs). The management and prioritisation of serious and organised crime activities are managed through JMGs, as well as the implementation of multi-agency strategies. JMGs are also supported by Joint Analyst Groups that 'identify, coordinate and prioritise intelligence about targets and threats, and provide JMGs with

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2 Mr Stephen Fontana APM, Assistant Commissioner, Crime Command, Victoria Police, *Committee Hansard*, 27 July 2015, p. 1.

3 Commonwealth of Australia, *Submission 53*, p. 11.

4 Attorney-General's Department (AGD), *National Organised Crime Response Plan 2015–18*, available: <https://www.ag.gov.au/CrimeAndCorruption/OrganisedCrime/Documents/NationalOrganisedCrimeResponsePlan2015-18.pdf> (accessed 18 July 2017).

5 AGD, *National Organised Crime Response Plan 2015–18*, available: <https://www.ag.gov.au/CrimeAndCorruption/OrganisedCrime/Documents/NationalOrganisedCrimeResponsePlan2015-18.pdf> (accessed 18 July 2017).



information to support local decision making and de-confliction of cross jurisdictional targeting'.<sup>6</sup>

4.9 Western Australia Police (WA Police) acknowledged the vital role that collaborative efforts, such as the SOCCC, play:

What I will say about our cooperation with our Commonwealth partners—having been involved in drug investigations as a detective and now running state crime in the operational area—is that our partnerships have never been better. We are no longer acting with a silo mentality. With the creation of the [Joint Organised Crime Task Force] and working out the Serious and Organised Crime Coordination Committee, down to our joint management groups and to our strategy groups, and then the local efforts here in Western Australia and across Australia, the information sharing and the cooperation have never been better.<sup>7</sup>

4.10 One activity outlined under the Crime Response Plan is the *National Law Enforcement Methylamphetamine Strategy*, established to respond to organised crime groups' activities. This strategy outlines agencies' roles and aligns 'responsibilities for...enforcement, intelligence collection, public engagement and awareness'.<sup>8</sup> The overall goal of the strategy is to improve cross-border coordination and reduce the supply of methamphetamine.<sup>9</sup>

#### *Australian Gangs Intelligence Coordination Centre and the National Anti-Gangs Squad*

4.11 The AGICC is housed within the ACIC, and coordinates an intelligence led response to OMCs and other gangs operating across jurisdictions. The AGICC includes representatives from the AFP, ATO, ABF, DIBP and the Department of Human Services. Intelligence gained through the AGICC informs the activities of the AFP's NAGS and 'aims to:

- develop and maintain the national and transnational picture of criminal gangs impacting on Australia;
- strengthen the coordination and sharing of gang intelligence by complementing existing Commonwealth and [s]tate and [t]erritory efforts;

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6 Commonwealth of Australia, *Submission 53*, p. 11.

7 Commander Pryce Scanlan, Commander (Crime Operations), Western Australia Police, *Committee Hansard*, 3 May 2017, p. 2.

8 AGD, *National Organised Crime Response Plan 2015–18*, p. 7, <https://www.ag.gov.au/CrimeAndCorruption/OrganisedCrime/Documents/NationalOrganisedCrimeResponsePlan2015-18.pdf> (accessed 18 July 2017).

9 AGD, *National Organised Crime Response Plan 2015–18*, p. 7, <https://www.ag.gov.au/CrimeAndCorruption/OrganisedCrime/Documents/NationalOrganisedCrimeResponsePlan2015-18.pdf> (accessed 18 July 2017).

- provide high quality tactical, operational and strategic intelligence advice to the NAGS and its members;
- drive the proactive discovery and development of new criminal gang intelligence insight; [and]
- identify new targeting opportunities to complement existing Commonwealth and State and Territory investigative efforts'.<sup>10</sup>

### *National Criminal Target List*

4.12 The NCTL is a national listing of known organised crime groups operating in Australia based on input from Commonwealth, state and territory agencies. The Commonwealth government informed the committee that more than 60 per cent of the high risk criminal targets on this list are known to be involved in the methamphetamine market.<sup>11</sup>

### *Eligo 2 National Taskforce*

4.13 In December 2012, the Eligo National Taskforce was authorised to coordinate activities to tackle high risks in the alternative remittance sector and operators of the informal value transfer systems.

4.14 After the Eligo National Taskforce ended, Eligo 2 was established to target high priority international and domestic money laundering operations. This taskforce comprised members from the ACIC, AFP, AUSTRAC and other state, territory and international partners. The ACIC reported that Eligo 2 resulted in:

...the disruption of very significant global money laundering operations and drug networks, resulting in the seizure of over \$80 million in cash, the restraint of more than \$59 million worth of assets and in excess of \$1.6 billion in street value of drugs which have been taken from the streets. The work of the task force does include long-term prevention strategies. There are significant arrests that have been made by our international partners. Those have severely disrupted a number of networks.<sup>12</sup>

4.15 Eligo 2 ceased operation on 31 December 2016.<sup>13</sup>

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10 Australian Criminal Intelligence Commission (ACIC), *Australian Gangs Intelligence Coordination Centre*, 30 June 2016, <https://www.acic.gov.au/about-crime/taskforces/australian-gangs-intelligence-coordination-centre> (accessed 19 July 2017).

11 Commonwealth of Australia, *Submission 53*, p. 5.

12 Mr Chris Dawson, Chief Executive Officer (CEO), ACIC, Inquiry into the Australian Crime Commission annual report 2015–16, *Committee Hansard*, 14 June 2017, p. 2.

13 Mr Dawson, ACIC, Inquiry into the Australian Crime Commission annual report 2015–16, *Committee Hansard*, 14 June 2017, p. 2.

## *Vestigo Taskforce*

4.16 The Vestigo Taskforce began in November 2016 to target transnational serious organised crime activities that impact on Australia and international partners. It coordinates efforts by Commonwealth, state and territory partners, as well as international partners including those from the Five Eyes Law Enforcement Group.<sup>14 15</sup> According to the ACIC, the Vestigo Taskforce:

...provides a framework for the ACIC to enhance our international engagement and collaboration in response to the threat posed by high risk serious and organised crime entities based overseas or with direct links to criminal entities based overseas impacting adversely on Australia.<sup>16</sup>

4.17 Building upon the work of Eligo 2 and Taskforce Morpheus, Vestigo has identified and is addressing a range of criminal issues, including the importation of methamphetamine into Australia, cyber-crime, money laundering and serious financial crime.<sup>17</sup>

...identified and are addressing a range of serious and organised crime activities which continue to pose a significant threat to the Australian community and its national interests, including but not limited to the importation methylamphetamine into the Australian market, evolving threats posed by serious organised crime groups within the national security environment, the criminal exploitation of cyber technologies, money laundering and serious financial crime.

## **Detections of illicit substances at Australia's border**

4.18 In its *Illicit Drug Data Report 2015–16* the ACIC reported on illicit drug detections at Australia's border. Since 2008–09, there has been an increase in the number of detection of amphetamine-type stimulants (ATS) at Australia's border, with a drastic increase since 2011–12. However, the number of border detections for 2015–16 decreased by 13.3 per cent,<sup>18</sup> a significant change from 2014–15, when there was a 47 per cent increase.<sup>19</sup>

4.19 There were 3017 border detections of ATS in 2015–16, weighing a total of 2620.6 kilograms. In 2014–15, there were 3478 detections, weighing

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14 Consisting of Australia, Canada, New Zealand, United Kingdom, and the United States of America.

15 ACIC, *Vestigo Task Force*, <https://www.acic.gov.au/about-crime/task-forces/vestigo-task-force> (accessed 20 July 2017).

16 ACIC, *Vestigo Task Force*, <https://www.acic.gov.au/about-crime/task-forces/vestigo-task-force> (accessed 20 July 2017).

17 ACIC, *Vestigo Task Force*, <https://www.acic.gov.au/about-crime/task-forces/vestigo-task-force> (accessed 20 July 2017).

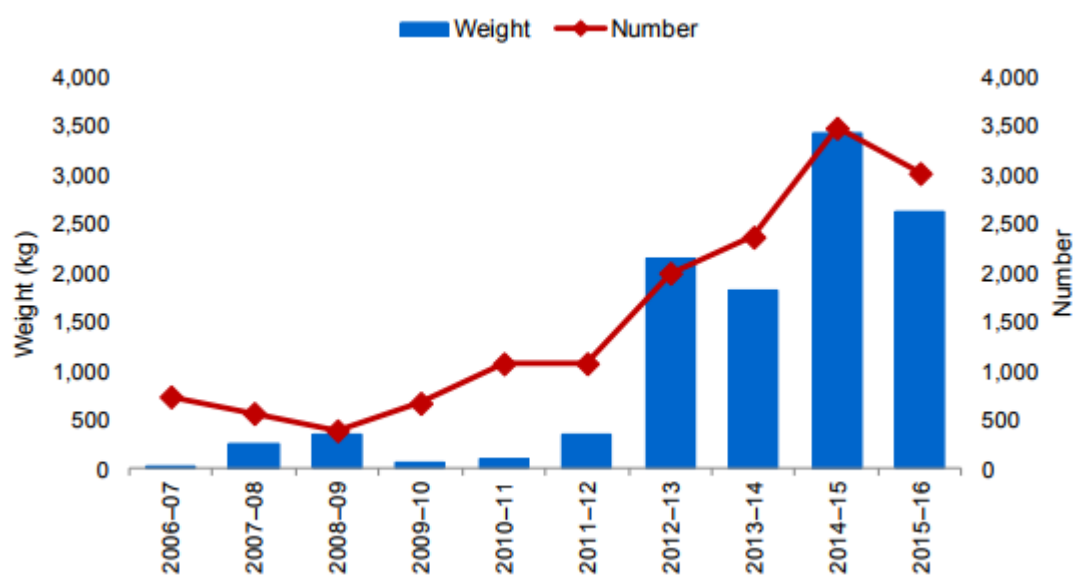
18 ACIC, *Illicit Drug Data Report 2015–16*, 30 June 2017, p. 28.

19 ACIC, *Illicit Drug Data Report 2014–15*, 30 June 2017, p. 26.

3422.8 kilograms, the highest number on record. By weight, methamphetamine was the predominant drug detected at the border: 64.2 per cent of all ATS detections were crystal methamphetamine.<sup>20</sup>

4.20 Figure 9 shows the number and weight of ATS detections (excluding MDMA)<sup>21</sup> at Australia's border from 2006–07 to 2015–16.<sup>22</sup>

**Figure 9: number and weigh of ATS detections between 2006–07 and 2015–16**



4.21 ATS are imported into Australia via four pathways: air cargo; air passengers and crew; international mail; and sea cargo. Of the four pathways, the majority of detections were made in international mail (86.9 per cent), followed by air cargo (10.7 per cent), sea cargo (1.3 per cent) and air passenger and crew (1.0 per cent).<sup>23</sup>

4.22 By weight, international mail detections are often smaller amounts of ATS. A technique known as 'scatter imports' is used by criminals, which involves sending large volumes of postal items each containing a small amount of drugs to multiple addresses or post box numbers.<sup>24</sup>

4.23 While international mail represents the bulk of detections by number, most ATS by weight is trafficked to Australia in sea cargo. In 2015–16, sea cargo

20 ACIC, *Illicit Drug Data Report 2015–16*, 30 June 2017, p. 28.

21 3,4-Methylenedioxymethamphetamine.

22 ACIC, *Illicit Drug Data Report 2015–16*, 30 June 2017, p. 28.

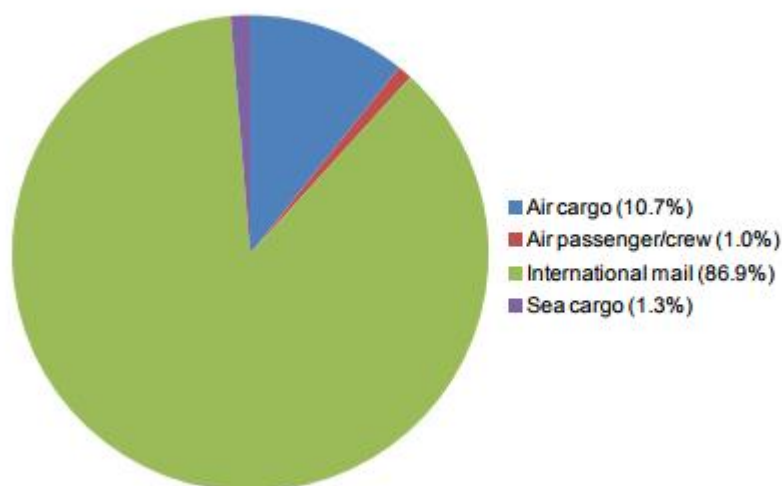
23 ACIC, *Illicit Drug Data Report 2015–16*, 30 June 2017, p. 30.

24 Commonwealth of Australia, *Submission 53*, pp 6–7.

accounted for 46.2 per cent of total weight, followed by air cargo (30.5 per cent), international mail (19.0 per cent) and air passenger/crew (4.3 per cent).<sup>25</sup>

4.24 Figure 10 shows the number of ATS detections (excluding MDMA) at Australia's border, as a proportion of the total detections and by the method of importation in 2015–16.<sup>26</sup>

**Figure 10: ATS detections by number in 2015–16**



4.25 Figure 11 shows the number of ATS detection by weight (excluding MDMA) at Australia's borders as a proportion of total weight and method of importation in 2015–16.<sup>27</sup>

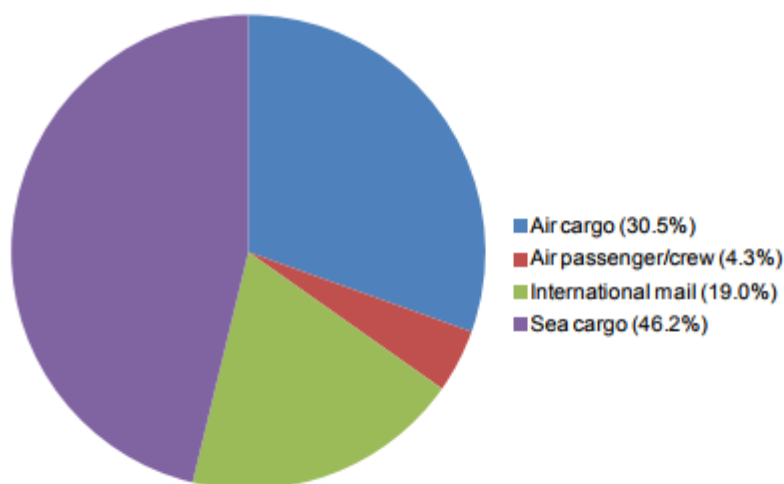
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25 ACIC, *Illicit Drug Data Report 2015–16*, 30 June 2017, p. 30.

26 ACIC, *Illicit Drug Data Report 2015–16*, 30 June 2017, p. 30.

27 ACIC, *Illicit Drug Data Report 2015–16*, 30 June 2017, p. 30.

**Figure 11: ATS detections by weight in 2015–16**



### *Major seizures in 2016–17*

4.26 The AFP and ABF regularly release details of methamphetamine seizures. Major seizures since August 2016 have included:

- 17 June 2017: 200 kilograms of crystal methamphetamine were detected in the air cargo of a flight from Taiwan to Sydney.
- 4 January 2017: 195 kilograms of methamphetamine were detected via sea cargo from Hong Kong to Sydney.<sup>28</sup>
- Two Malaysian nationals were arrested and charged with possessing over 100 kilograms of methamphetamine on 23 December 2016. This seizure was worth an estimated street value of \$128 million.<sup>29</sup>
- 21 December 2016: four men were charged with attempted possession of approximately 10 kilograms of methamphetamine disguised as 'aircraft cylinders'.<sup>30</sup>
- 18 August 2016: a man was arrested and charged with importing 210 kilograms of methamphetamine hidden in 12 boxes of women's clothing. The estimated street value was \$210 million.<sup>31</sup>

28 ACIC, *Illicit Drug Data Report 2015–16*, 30 June 2017, p. 29.

29 Australian Federal Police (AFP), 'Two Malaysian nationals charged with possessing over 100 kilograms of methamphetamine', *Media release*, 24 December 2016, <https://www.afp.gov.au/news-media/media-releases/two-malaysian-nationals-charged-possessing-over-100-kilograms> (accessed 15 February 2017).

30 AFP, 'Four charged following interception of methamphetamine', *Media release*, 21 December 2016, <https://www.afp.gov.au/news-media/media-releases/four-charged-following-interception-methamphetamine> (accessed 15 February 2017).

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- 4 August 2016: two people were arrested after anomalies were found in timber logs imported from Africa via sea cargo. 154 kilograms of methamphetamine were found, with an estimated street value of \$115 million.<sup>32</sup>

#### *Border control measures*

4.27 Australia's border control measures continue to be improved, through additional screening of incoming sea and air cargo, and through the establishment of the National Forensic Rapid Lab and Forensic Drug Intelligence Capability (Rapid Lab).

4.28 As discussed in paragraphs 4.23–4.24, sea cargo and air cargo detections accounted for 76.7 per cent of all illicit drug detections in 2015–16. The NIT's final report stated that the sharp increase in detections over recent years was due to a rise in both high and low volume smuggling into Australia. Another contributing factor to the increase in detections, especially during the 2014–15 reporting period, was additional screening of incoming cargo occurring from July 2014.<sup>33</sup>

4.29 In addition to screening of air and sea cargo, law enforcement agencies have sought to enhance the detection of illicit drugs through the international mail system. This enhancement has been achieved through the creation of the Rapid Lab.

4.30 The committee was informed that any illicit drugs detected in the international mail system is:

...put through the rapid lab process where it then goes through a series of filters. So it will go through an intelligence filter, a DNA filter and a fingerprint filter trying to do an analysis of those items to determine who is actually bringing the import in. So, instead of chasing after every single mail item trying to work out who is doing it, which is next to impossible from a resource point of view, we are now taking a really sophisticated approach. It is an intelligence-driven process. All mail items with narcotics are taken to one place and put through this process. Then we can determine who the organisers are, and they are who we are going after.<sup>34</sup>

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31 AFP, 'Man charged for attempting to import 210kg of methamphetamine concealed in jeans', *Media release*, 19 August 2016, [https://www.afp.gov.au/news-media/media-releases/media-release-man-charged-attempting-import-210kg-methamphetamine?utm\\_source=mail%20alert&utm\\_medium=email&utm\\_campaign=media%20release](https://www.afp.gov.au/news-media/media-releases/media-release-man-charged-attempting-import-210kg-methamphetamine?utm_source=mail%20alert&utm_medium=email&utm_campaign=media%20release) (accessed 15 February 2017).

32 AFP, 'Two people charged with importing 154kg of methamphetamine in timber logs', *Media release*, 4 August 2016, <https://www.afp.gov.au/news-media/media-releases/media-release-two-people-charged-importing-154kg-methamphetamine-timber> (accessed 15 February 2017).

33 National Ice Taskforce (NIT), *Final report*, 2015, p. 8.

34 Commander Bruce Hill, Manager, Organised Crime, AFP, *Committee Hansard*, 24 March 2017, p. 32.

4.31 AUSTRAC advised the committee that it uses the information obtained through the Rapid Lab to develop financial profiles of those sending illicit drugs, which are shared with DIBP and then linked with parcel post importations.<sup>35</sup>

4.32 The Rapid Lab resides within Sydney's Clyde mail exchange, and it is at this location that seizures are made. The AFP anticipates that by the end of 2017, all international mail will be received and processed through the Clyde mail exchange. Once processed, ABF will utilise its own international networks to find out more about the source of the illicit material, information which will also go into a single database. This database will then be used to target future incoming mail.<sup>36</sup>

#### *Embarkation points*

4.33 In 2015–16, the DIBP identified 49 countries as embarkation points for ATS. In order of the total number of detections, these were:

- the Netherlands (457 detections);
- China and Hong Kong (408 detections);
- the United Kingdom (UK) (398 detections);
- Singapore (272 detections);
- Germany (201 detections);
- India (188 detections);
- Thailand (169 detections);
- Malaysia (143 detections);
- Canada (142 detections); and
- the United States of America (136 detections).<sup>37</sup>

4.34 The three main embarkation points, by weight, were:

- China and Hong Kong (1458.7 kilograms);
- Taiwan (289.2 kilograms); and
- Nigeria (222 kilograms).<sup>38</sup>

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35 Dr John Moss, National Manager, Intelligence, Australian Transaction Reports and Analysis Centre, *Committee Hansard*, 24 March 2017, p. 32.

36 Commander Hill, AFP, *Committee Hansard*, 24 March 2017, p. 33.

37 ACIC, *Illicit Drug Data Report 2015–16*, 30 June 2017, p. 31.

38 ACIC, *Illicit Drug Data Report 2015–16*, 30 June 2017, p. 31.



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## Role of outlaw motorcycle gangs and other organised criminal groups

4.35 Law enforcement agencies frequently refer to the role of OMCGs and other organised criminal groups as facilitators of the illicit drug market in Australia. The role of OMCGs and other organised criminal groups is explored in the following sections.

### *Outlaw motorcycle gangs*

4.36 OMCGs are known to supply of methamphetamine in Australia. The Commonwealth government reports that approximately 45 per cent of high risk criminal targets in the methamphetamine market are OMCGs.<sup>39</sup> These gangs have strong links with both domestic and international criminal groups, have access to precursor chemicals and have established drug distribution networks. OMCGs use violence, have access to weaponry and are specialised in money laundering.<sup>40</sup> Often, OMCGs' illicit activities are merged with legitimate business interests, such as the 'transport industry, tattoo parlours, gyms and nightclubs that allow for the distribution of methamphetamine to a wider drug market'.<sup>41</sup>

4.37 According to NSW Police, OMCGs are heavily involved in the drug market, but:

The percentage of their productivity out in the field is almost impossible to guess because we do not have visibility on the entire market. But certainly there is more than enough anecdotal evidence to satisfy me and the drug squad that pretty much all the outlaw motorcycle groups are heavily involved in methamphetamines.<sup>42</sup>

4.38 The National Drug Law Enforcement Research Fund's report titled *Sydney methamphetamine market: Patterns of supply, use, personal harms and social consequences* notes that OMCGs 'play a dominant role in the clandestine production of methamphetamine in Australia'<sup>43</sup> but, within the Sydney market, they are influential in the domestic production and distribution of base methamphetamine, rather than

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39 Commonwealth of Australia, *Submission 53*, p. 5.

40 Commonwealth of Australia, *Submission 53*, p. 5.

41 Law Reform, Drugs and Crime Prevention Committee, *Inquiry into the supply and use of methamphetamine in Victoria*, Volume 1, September 2014, p. 359.

42 Deputy Commissioner Nick Kaldas, Deputy Commissioner, NSW Police Force, *Committee Hansard*, 29 July 2015, p. 9.

43 National Drug and Alcohol Research Centre (NDARC), *Sydney methamphetamine market: Patters of supply, use, personal harms and social consequences*, Monograph Series No. 13, 2005, p. 37.

crystal.<sup>44</sup> These groups are also heavily involved in the distribution of precursors, reagents and the glassware required to smoke crystal methamphetamine.<sup>45</sup>

4.39 Other state and territory law enforcement agencies also spoke of OMCGs' involvement in the methamphetamine market. The Northern Territory (NT) police reported that OMCGs (and other organised crime groups) have had a significant influence on the supply of amphetamines to the territory. The NT police has seen a correlation between the increase in the supply of amphetamines in the territory and the increase in the number of members of NT-based OMCGs.<sup>46</sup>

4.40 In Tasmania, the police force's focus is on aggressively targeting motor cycle gangs and preventing the establishment of clubrooms in the state:

We impact on them as much as we possibly can, whether that is through major operations or using Treasury to close down their clubhouses and take their licences off them. Certainly one motorcycle gang from the mainland have tried to set up a group here, and we have targeted those quite aggressively with a view to making it uncomfortable. We are letting them know that we do not want them to set up in Tasmania. They are not welcome. They are part of an organised crime group. They are not welcome in Tasmania.<sup>47</sup>

4.41 WA Police told the committee that its force has no doubt that OMCGs are involved in a range of criminal activities, 'including where a payment has possibly been made for a consignment and people are threatened or extorted'.<sup>48</sup>

4.42 The Victoria Police informed the committee that motorcycle gangs are a particular concern, especially in rural communities. In some instances, there have been turf wars between motorcycle gangs and:

...outlaw motorcycle gangs have probably got really good distribution networks throughout the country; they have particularly expanded in Victoria. They have set up a lot of clubs in rural communities, and we have seen violence play out in those communities between different clubs. One example would be Mildura, where we had the Rebels outlaw motorcycle gang initially set up its operations there and then the Comancheros took over and it was a very violent takeover within that particular community.

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44 NDARC, *Sydney methamphetamine market: Patters of supply, use, personal harms and social consequences*, Monograph Series No. 13, 2005, p. 51.

45 NDARC, *Sydney methamphetamine market: Patters of supply, use, personal harms and social consequences*, Monograph Series No. 13, 2005, p. 41.

46 Northern Territory Police, *Submission 109*, p. 8.

47 Mr Glenn Frame, Assistant Commissioner of Police (Operations), Tasmania Police, *Committee Hansard*, 24 March 2017, p. 7.

48 Commander Scanlan, Western Australia Police, *Committee Hansard*, 3 May 2017, p. 8.

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They terrified the individuals there until we actually managed to arrest the main players for the violence and the drug trafficking that was going on.<sup>49</sup>

4.43 Submitters and witnesses informed the committee that there are a number of challenges in combating OMCGs. Mr Mick Palmer said one challenge facing police is that the higher up the drug supply chain an investigations gets:

...the more sophisticated the people and the more likely that they will call a lawyer within two minutes. They will not answer any questions unless you find them with the drugs in their possession. They will deny involvement in whatever it is you are alleging they are involved in.

It becomes difficult. And it must be considered that the reality in this country, particularly with ice but also with regard to most illicit drugs, is that the marketplace is essentially owned by the outlaw motorcycle gangs. They talk to nobody, they answer no questions and they are very difficult to infiltrate. Police officers who go undercover take a very big risk and can quite easily be killed, as has happened in the United States. It is a very difficult proposition, which is only very rarely considered.<sup>50</sup>

4.44 Another issue, raised by Victoria Police, is the lack of nationally consistent OMCG legislation which 'results in displacement to states such as Victoria which is perceived by opportunists as an arena where OMCGs, gangs and/or organised crime groups can move their drug operations'.<sup>51</sup>

4.45 The view that OMCGs are key players in the illicit drug market was questioned by Dr Terry Goldsworthy from the Criminology Department at Bond University. Dr Goldsworthy questioned the role of OMCGs in the Queensland illicit drug market, arguing that they are not central to the illicit trade, contrary to previous thinking. In his analysis of data on OMCG member arrests in Queensland, Dr Goldsworthy found that over a six year period the supply of illicit drugs only accounted for 0.2 per cent of arrests; the production of illicit drugs accounted for 0.3 per cent; and drug trafficking accounted for 0.9 per cent. Dr Goldsworthy's analysis concluded that although OMCGs are players in the illicit drug market, they are not major players.<sup>52</sup> Dr Goldsworthy felt that this misconception is due to OMCGs being an easy target:

They are very visible—they were very visible up here but they are not anymore—and we do get a lot of media exposure on arrests involving bikies, because they are great media ammunition...I just do not think that we are seeing the number of arrests to justify saying they are the major players. Where do they fit into the organised crime chain? If you look at

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49 Mr Fontana APM, Victoria Police, *Committee Hansard*, 27 July 2015, p. 3.

50 Mr Michael Palmer, *Committee Hansard*, 12 August 2015, p. 7.

51 Victoria Police, *Submission 59*, p. 13.

52 Dr Terry Goldsworthy, Associate Professor, Criminology Department, Bond University, *Committee Hansard*, 30 July 2015, p. 38.

drug activity and the functional level of that, are they manufacturers and wholesalers? Again I have not seen the evidence for that. We have had claims from the police that they were heavily involved in clandestine amphetamine labs, but we never saw any data to back that claim up, and I would have thought it would be quite easy to say, 'We located 380 labs. Of those labs, this many resulted in the arrest of an OMCG member attached to it. We have never seen that come out to back up the claim that they were heavily behind the labs. Certainly they do play a role in distribution and retailing. I think you can see that coming out in some of the arrests. We know that in Queensland the criminality within the gangs averages about 40 per cent; so 60 per cent do not have criminal histories and 40 per cent do.'<sup>53</sup>

4.46 The NIT's final report discussed the issue of OMCG involvement in crystal methamphetamine distribution and made recommendations to tackle the issue. It found that OMCGs play a significant role in the distribution of crystal methamphetamine and other illicit drugs in rural and remote communities, providing a 'competitive advantage over other organised crime groups in this context because of their geographic diversity'.<sup>54</sup> Subsequently, the NIT recommended the Commonwealth government work with the states and territories through the AFP's NAGS to:

...tackle the significant outlaw motorcycle gangs' involvement in ice production, importation and distribution, and through the [AFP's] Rapid lab capacity to disrupt regional ice distribution through the mail and parcel post.<sup>55</sup>

4.47 The NIAS makes minimal reference to OMCGs, however, it did note that law enforcement agencies would '[w]ork through existing structures to disrupt the production and supply of ice in regional and remote areas' as part of the NIAS.<sup>56</sup>

### ***Organised criminal groups and the international supply chain***

4.48 Pursuant to the *Australian Crime Commission Act 2002*, serious and organised crime is an offence:

- (a) that involves 2 or more offenders and substantial planning and organisation; and
- (b) that involves, or is of a kind that ordinarily involves, the use of sophisticated methods and techniques; and
- (c) that is committed, or is of a kind that is ordinarily committed, in conjunction with other offences of a like kind.<sup>57</sup>

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53 Dr Terry Goldsworthy, Bond University, *Committee Hansard*, 30 July 2015, p. 38.

54 NIT, *Final report*, 2015, p. 142.

55 NIT, *Final report*, 2015, p. 142.

56 Council of Australian Governments (COAG), *National Ice Action Strategy* (NIAS), 2015, p. 25.

57 *Australian Crime Commission Act 2002*, ss. 4(1).

4.49 Serious offences include crimes such as theft, fraud, tax evasion, money laundering, illegal drug dealings, illegal gambling and cybercrime.<sup>58</sup>

4.50 Internationally, organised crime groups are defined, under Article 2 of the *United Nations Convention against Transnational Organized Crime*, as:

...a structured group of three or more persons, existing for a period of time, acting on concert with the aim of committing serious crime offences in order to obtain, directly or indirectly, a financial or material benefit.<sup>59</sup>

4.51 Links between organised criminal groups<sup>60</sup> and drug trafficking are well documented, and drug trafficking is considered the leading source of funds and activity for serious and organised crime. According to the United Nations Office on Drugs and Crime (UNODC), drug trafficking is responsible for 20 to 85 per cent of proceeds from organised crime, followed by counterfeiting and human trafficking.<sup>61</sup>

4.52 According to the ACIC, organised criminal groups are responsible for much of Australia's serious crime. Primarily driven by money, their activities include:

- transnational connections;
- activities across multiple criminal markets;
- financial crime (such as money laundering);
- intermingling of legitimate and criminal enterprises;
- use of a range of new technologies to facilitate crime;
- use of specialist advice and professional facilitators; and
- ability to withstand law enforcement initiatives.<sup>62</sup>

4.53 The ACIC estimates that approximately 70 per cent of Australia's serious and organised crime threats are based in offshore locations, or have links to offshore criminal groups.<sup>63</sup> Mr Chris Dawson, Chief Executive Officer of the ACIC, advised the committee that the 70 per cent are diverse and international, for example:

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58 *Australian Crime Commission Act 2002*, ss. 4 (1).

59 *United Nations Convention against Transnational Organized Crime*, New York, 15 November 2000, entry into force 26 June 2004, [2004] ATS 12, Article 2.

60 According to EUROPOL, serious and organised crime is defined as 'having involved two more people where the crime is serious enough to warrant sanctions of at least four years imprisonment and where the purpose is, directly or indirectly, to obtain a financial or other material benefit', see: NDARC, University of New South Wales, *Submission 16*, p. 10.

61 NDARC, University of New South Wales, *Submission 16*, p. 10.

62 ACIC, *Criminal syndicates*, <https://www.acic.gov.au/about-crime/organised-crime-groups/criminal-syndicates> (accessed 20 July 2017).

63 ACIC, *Criminal syndicates*, <https://www.acic.gov.au/about-crime/organised-crime-groups/criminal-syndicates> (accessed 20 July 2017).

Chinese triad or Australians that have located themselves in other countries, they are organising a lot of the harm in the form of drug trafficking, money laundering, weapons and all of those sorts of criminal threats. They are either domiciled offshore or they have very strong connections with Australian criminals. But our estimation is that 70 per cent of these have that international or transnational connection. Hence, they are not just domestically focused.<sup>64</sup>

4.54 Serious and organised criminal groups use professional facilitators, such as public servants, accountants, lawyers and members of the police, to assist with their criminal activities. These professionals may be willing participants or paid helpers, or are coerced through blackmail and intimidation. Often these professionals have access to specialist knowledge of and expertise in legal or regulatory systems. This information assists criminal groups with finding opportunities or to retain and legitimise their proceeds of crime.<sup>65</sup>

4.55 Within Australia, organised criminal groups are known producers and distributors of illicit drugs, including crystal methamphetamine. According to the Commonwealth government, organised criminal groups are drawn to methamphetamine because of its high profitability and ease of manufacture: 60 per cent of high risk criminal targets on the NCTL are known by the Commonwealth government to be involved in the methamphetamine market. These criminal groups were once predominantly focused on heroin or cocaine markets, but are now focusing predominantly or in part on methamphetamine.<sup>66</sup>

4.56 Organised criminal groups supply Australia's methamphetamine market primarily from China and Hong Kong. Approximately 70 per cent of all methamphetamine detected (by weight) in Australia originates from China.<sup>67</sup> The AFP described the situation in China and South East Asia, as well as Australia's proximity to these countries:

China, like a lot of countries in Asia, has a serious domestic drug problem. We are not immune from that sitting here in Australia. I think if you look at most South-East Asian countries, they do have a serious ice problem which is growing. We have a situation in our country where we are paying a lot for drugs. So we are creating the problem. Organised crime is just obtaining the drug and bringing it to Australia. At the moment, we have an unprecedented amount of drugs coming onto our shores.<sup>68</sup>

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64 Mr Dawson, ACIC, Inquiry into the Australian Crime Commission annual report 2015–16, *Committee Hansard*, 14 June 2017, p. 2.

65 ACIC, *Professional facilitators*, <https://www.acic.gov.au/about-crime/organised-crime-groups/professional-facilitators> (accessed 20 July 2017).

66 Commonwealth of Australia, *Submission 53*, p. 5.

67 Commonwealth of Australia, *Submission 53*, p. 6.

68 Commander Hill, AFP, *Committee Hansard*, 24 March 2017, p. 35.

4.57 Mexican and West African organised crime groups are also major suppliers of methamphetamine to Australia. Other countries known to be linked to the global supply chain for methamphetamine include Iran, Canada, Indonesia, Nigeria, Kenya, Thailand, Singapore, Brazil, Congo, South Africa and India.<sup>69</sup>

4.58 The UNODC also identified the growing threat from the methamphetamine market in Pacific Island Countries (PICs). Criminal groups are using PICs to trans-ship precursors and finished methamphetamine products. Fiji, French Polynesia, Guam, Samoa and Tonga have all reported methamphetamine seizures over recent years. The UNODC noted that these countries lack the resources to manage the problem.<sup>70</sup> Counter to the UNODC's view, the AFP said that it has not seen an increase in the number of methamphetamine detections coming from the Pacific, although it has seen an increase in the number of cocaine detections.<sup>71</sup> The AFP has in place a liaison network through the Pacific to monitor the illicit drug market and identify vulnerabilities.<sup>72</sup>

4.59 The UNODC considers East Asia, South East Asia and Oceania (Australia and New Zealand) to be the world's largest market for ATS (with methamphetamine comprising of the majority of ATS), as well as having the largest number of users in the world (almost 9.5 million). ATS seizures in the region have substantially increased, from 12 tonnes in 2008 to approximately 48 tonnes in 2013; methamphetamine seizures have increased from 11 tonnes in 2008 to 42 tonnes in 2013, accounting for more than 85 per cent of all ATS seizures.<sup>73 74</sup>

4.60 The magnitude of the problem in the region, and the accessibility of the Australian methamphetamine market, means law enforcement agencies have seen an increasing amount of crystal methamphetamine coming across Australia's border. South Australia Police made it clear to the committee that the organised criminal groups responsible for the importation of illicit drugs:

...are savvy business people. They do not make these things in the hope that they will find a market; they tap into the market, they exploit the market. They are very in tune with the market forces and where that market is.<sup>75</sup>

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69 Commonwealth of Australia, *Submission 53*, p. 6.

70 United Nations Office of Drugs and Crime (UNODC), *Submission 36*, p. 13.

71 Commander Hill, AFP, *Committee Hansard*, 24 March 2017, p. 31.

72 Commander Hill, AFP, *Committee Hansard*, 24 March 2017, p. 31.

73 The UNODC acknowledges that increased seizures may partly be due to effective law enforcement measures, as well as expanding demand/manufacturing and increased trafficking through the region.

74 UNODC, *Submission 36*, p. 3.

75 Detective Superintendent Graham Goodwin, Officer in Charge, Serious and Organised Crime Branch, South Australia Police, *Committee Hansard*, 28 July 2015, p. 10.





## Chapter 5

### Law enforcement strategies to address crystal methamphetamine

5.1 As discussed elsewhere in this report, the National Ice Action Strategy (NIAS) outlines a number of key strategies agreed to by Commonwealth, state and territory governments to combat crystal methamphetamine use in Australia. This chapter discusses a range of law enforcement strategies included in the National Ice Taskforce's (NIT) final report and under the NIAS, as well as some suggested in evidence to the committee. Collectively, these strategies propose a law enforcement approach to crystal methamphetamine both domestically and in the Asia Pacific region.

5.2 Specifically, this chapter considers:

- the National Criminal Intelligence System (NCIS);
- a nationally consistent unexplained wealth regime;
- the Swift, Certain and Fair Sanctions model, as trialled in the Northern Territory (NT);
- a national review of drug diversion programs and the need for interjurisdictional consistency; and
- control and monitoring of precursor chemicals and the development of an electronic end user system;
- eligibility criteria of the aviation and maritime security identification cards; and
- co-operation with international partners to disrupt the supply of crystal methamphetamine.

5.3 Finally, the chapter gives consideration to the limitations of law enforcement strategies in combatting crystal methamphetamine use, given its complex health and social elements.

#### National Criminal Intelligence System

5.4 Since 30 June 2015, the Australian Criminal Intelligence Commission (ACIC) has been piloting a National Criminal Intelligence System (NCIS). The pilot program received \$9.8 million in funding under the *Proceeds of Crime Act 2002* (Proceeds of Crime Act). The aim of the NCIS is to:

...strengthen criminal information and intelligence sharing across law enforcement agencies, jurisdictions and the criminal intelligence community. As well as connecting the existing data holdings and making searching across these highly efficient, NCIS will also offer enhanced

analytical and collaboration services. By improving information sharing and system agility, police and national security agencies will have an enhanced ability to detect and disrupt criminal activity.<sup>1</sup>

5.5 There has been consistent and ongoing support for a NCIS. Commonwealth, state and territory governments first agreed to develop a NCIS as part of the National Organised Crime Response Plan 2015–18.<sup>2</sup> The development of a national information sharing system for law enforcement agencies was also recommended by the NIT.<sup>3</sup>

5.6 The NIT's final report identified the need to strengthen information infrastructure between law enforcement agencies across jurisdictions. The NIT subsequently endorsed the ACIC's NCIS. Recommendation 25 for the final report stated:

The Commonwealth Government should establish a new national platform for criminal intelligence to improve the existing information sharing infrastructure. This will enable greater national collaboration to proactively tackle organised crime in Australia, informed by findings of the current programme by the [Australian Crime Commission (ACC)].<sup>4</sup>

5.7 Further support was confirmed in the NIAS, which promises to '[d]evelop a pilot infrastructure platform to inform the design and development of a [NCIS]'.<sup>5</sup>

5.8 The Attorney-General's Department (AGD) explained that the ACIC and 16 partner agencies developed the NCIS as a:

...federated platform which exposes information and criminal intelligence to relevantly authorised staff. The NCIS pilot simultaneously by separate jurisdictions, ensuring that such investigations are connected, coordinated and fully resourced.<sup>6</sup>

5.9 The AGD concluded that the NCIS will be a powerful tool to combat sophisticated drug supply syndicates that operate across national and international jurisdictions.<sup>7</sup>

5.10 The committee was updated on the status of the program during its questioning of the 2015–16 ACIC's annual report. The ACIC reported the project was

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1 Australian Criminal Intelligence Commission (ACIC), *National Criminal Intelligence System*, <https://www.acic.gov.au/ncis> (accessed 11 July 2017).

2 Commonwealth of Australia, *Submission 53*, p. 21.

3 See Recommendation 25, National Ice Taskforce (NIT), *Final report*, p. 141.

4 NIT, *Final report*, 2015, p. xii.

5 Council of Australian Governments (COAG), *National Ice Action Strategy (NIAS)*, 2015, p. 25.

6 Attorney-General's Department (AGD), *Submission 117*, p. 3.

7 AGD, *Submission 117*, p. 3.

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conducted in collaboration with 15 partner agencies and over 400 users. It has 'consolidated over 100 million records, including 30 million records from 400 different data sources' and:

...will exponentially improve the way criminal intelligence and information is shared and used across the country, meaning the right people will have the right information sets at the right time, when they need them, and this will greatly improve Australia's national capabilities to prevent, detect and disrupt threats, particularly those of serious and organised crime and, indeed, matters of national security such as terrorism.<sup>8</sup>

5.11 The committee was informed that the pilot program would end in July 2017, to be followed by an evaluation of the project.<sup>9</sup> The ACIC estimated that the NCIS, if approved, will cost \$200 million. The ACIC's board has committed, subject to the evaluation, \$50 million in funding. The remaining \$150 million would need to be sought elsewhere.<sup>10</sup>

### *Committee comment*

5.12 The value of enhanced co-operation and information sharing between law enforcement agencies is vital to Australia's ability to combat the trade in illicit drugs. The NCIS will assist law enforcement agencies, in all Australian jurisdictions, to share intelligence and further disrupt the activities of serious and organised crime groups, including outlaw motorcycle gangs (OMCGs).

5.13 The committee is supportive of the permanent establishment of the NCIS at the conclusion of the pilot, taking into account the outcome of the evaluation and any recommendations therein. To ensure the implementation and continuity of the NCIS after the conclusion of the trial, the committee recommends that Commonwealth, state and territory governments commit to long-term funding for it.

### **Recommendation 2**

**5.14 The committee recommends that Commonwealth, state and territory governments commit long term funding for the implementation, maintenance and ongoing use of the National Criminal Intelligence System.**

### **Nationally consistent unexplained wealth regime**

5.15 An unexplained wealth regime is a law enforcement strategy that targets and restrains or confiscates money and other assets derived from criminal activities. These laws require suspected criminals to prove to a court how they 'acquired their assets,

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8 Mr Chris Dawson, Chief Executive Officer, ACIC, *Committee Hansard*, 14 June 2017, p. 2.

9 Mr Dawson, ACIC, *Committee Hansard*, 14 June 2017, p. 2.

10 Mr Dawson, ACIC, *Committee Hansard*, 14 June 2017, p. 5.

rather than law enforcement needing to prove the assets were linked to a particular crime'.<sup>11</sup> These laws are primarily targeted at senior organised crime figures.<sup>12</sup>

5.16 According to a paper released by the Australian Institute of Criminology (AIC) in December 2016, unexplained wealth laws are a new approach to confiscating proceeds of crime by securing assets that cannot be recovered through conventional conviction-based legislative means. These unexplained wealth mechanisms do not require the state to prove the owner of the assets had committed a crime; instead, the burden of proof is on the property owner to provide evidence that the asset was acquired legitimately.<sup>13</sup>

5.17 Western Australia (WA) was the first state to implement an unexplained wealth law. By 2014, all Australian jurisdictions, with the exception of the Australian Capital Territory, had developed their own unexplained wealth laws.

5.18 The Commonwealth's unexplained wealth laws were enacted by the Crimes Legislation Amendment (Serious and Organised Crime) Bill 2010 that amended the Proceeds of Crime Act.<sup>14</sup> The legislation places the onus of proof on the respondent, who must 'prove, on the balance of probabilities that their wealth was not derived from one or more offences linked to a Commonwealth head of power'.<sup>15</sup>

5.19 A short description of each state and territory unexplained wealth regime is detailed below.

### ***Western Australia***

5.20 WA's unexplained wealth legislation is enacted under the *Criminal Property Confiscation Act 2000* (WA) (CPCA Act). The powers in the CPCA Act allow the state to have all assets of a convicted drug trafficker seized, regardless of whether they have been lawfully obtained.<sup>16</sup> For an unexplained wealth declaration to proceed, a court must determine whether a 'person's total wealth is greater than the value of their lawfully acquired wealth. It is not necessary to demonstrate reasonable grounds to

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11 NIT, *Final report*, 2015, p. 60.

12 NIT, *Final report*, 2015, p. 60.

13 Australian Institute of Criminology (AIC), *Trends and issues in crime and criminal justice: Procedural impediments to effective unexplained wealth legislation in Australia*, No. 523, December 2016, p. 1.

14 Parliamentary Joint Committee on Law Enforcement (PJCLE), *Inquiry into Commonwealth unexplained wealth legislation and arrangements*, March 2012, p. 16.

15 AIC, *Trends and issues in crime and criminal justice: Procedural impediments to effective unexplained wealth legislation in Australia*, No. 523, December 2016, p. 5.

16 Western Australia Police, *Proceeds of Crime*, <https://www.police.wa.gov.au/Crime/Proceeds%20of%20crime> (accessed 27 July 2017).

suspect that the person committed an offence to apply for an unexplained wealth declaration'.<sup>17</sup>

5.21 WA has a specialised investigative proceeds of crime squad to target assets connected with illegal activity.<sup>18</sup>

### ***Queensland***

5.22 Queensland's unexplained wealth laws are established under the *Criminal Proceeds Confiscation (Unexplained Wealth and Serious Drug Offender Confiscation Order) Act 2013* (Qld). In this system, a court must determine whether there is reasonable suspicion that an individual has: engaged in serious criminal activity; acquired property that has derived from criminal activities; or that their current or previous wealth was acquired unlawfully.<sup>19</sup>

### ***South Australia***

5.23 Unexplained wealth law in South Australia (SA) is enacted by the *Serious and Organised Crime (Unexplained Wealth) Act 2009* (SA). The Supreme Court of South Australia may authorise an unexplained wealth order if it 'reasonably suspects that a person or an incorporated body has unlawfully acquired wealth' with no requirement to show reasonable grounds to suspect that person has committed an offence.<sup>20</sup>

### ***Northern Territory***

5.24 The NT has an assets confiscation and forfeiture regime established under the *Criminal Property Forfeiture Act 2002* (NT) (CPF Act). Similar to the WA provisions, there is no requirement on police to show reasonable grounds for suspecting a person has committed an offence. The NT's legislation has meant a judge has minimal discretion when making an unexplained wealth declaration. If authorised, the onus of proof is on the respondent, and the person's wealth is presumed to have been unlawfully obtained unless proven otherwise. According to the AIC's report, the CPF Act has successfully obtained approximately \$3.5 million, including one settlement of \$968 000.<sup>21</sup>

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17 AIC, *Trends and issues in crime and criminal justice: Procedural impediments to effective unexplained wealth legislation in Australia*, No. 523, December 2016, p. 2.

18 Western Australia Police, *Proceeds of Crime Squad*, <https://www.police.wa.gov.au/Crime/Proceeds-of-crime/Proceeds-of-Crime-Squad> (accessed 27 July 2017).

19 AIC, *Trends and issues in crime and criminal justice: Procedural impediments to effective unexplained wealth legislation in Australia*, No. 523, December 2016, p. 3.

20 AIC, *Trends and issues in crime and criminal justice: Procedural impediments to effective unexplained wealth legislation in Australia*, No. 523, December 2016, p. 3.

21 AIC, *Trends and issues in crime and criminal justice: Procedural impediments to effective unexplained wealth legislation in Australia*, No. 523, December 2016, p. 4.

### ***New South Wales***

5.25 The New South Wales (NSW) unexplained wealth powers are found in the *Criminal Assets Recovery Act 1990* (NSW). The AIC's analysis indicates the NSW scheme has been quite successful and equates its success with the powers being administered by the NSW Crime Commission (NSWCC), which has specialist financial investigators. The approach of the NSWCC is different to other jurisdictions because it treats an unexplained wealth matter as a 'financial investigation that can lead to and support legal proceedings, rather than legal proceedings with a financial aspect'.<sup>22</sup>

5.26 The AIC reported that more than 95 per cent of unexplained wealth matters are finalised through a negotiated settlement, rather than through a trial. Recent successes include approximately \$1.25 million recovered in 2013, and \$1.225 million in 2014. Many cases that begin as unexplained wealth proceedings are finalised using other asset confiscation orders.<sup>23</sup>

### ***Tasmania***

5.27 Tasmania's unexplained wealth law is modelled upon the NT's legislation. The *Crime (Confiscation of Profits) Amendment (Unexplained Wealth) Act 2013* (Tas) allows the Supreme Court to make unexplained wealth declarations, which empowers the state to confiscate unexplained wealth, to investigate, conduct examinations and restrain property.<sup>24</sup>

### ***Victoria***

5.28 Victoria's unexplained wealth legislation is the *Confiscation Act 1997* (Vic). The legislation empowers the Victorian Director of Public Prosecutions to seek an order to have property restrained if there is a reasonable ground that a 'person with an interest in the property has engaged in serious criminal activity'.<sup>25</sup>

### ***Application of unexplained wealth legislation***

5.29 A Criminology Research Advisory Council paper authored by Mr Marcus Smith and Mr Russell Smith from December 2016 reviewed the success of

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22 AIC, *Trends and issues in crime and criminal justice: Procedural impediments to effective unexplained wealth legislation in Australia*, No. 523, December 2016, p. 4.

23 AIC, *Trends and issues in crime and criminal justice: Procedural impediments to effective unexplained wealth legislation in Australia*, No. 523, December 2016, p. 4.

24 AIC, *Trends and issues in crime and criminal justice: Procedural impediments to effective unexplained wealth legislation in Australia*, No. 523, December 2016, p. 5.

25 AIC, *Trends and issues in crime and criminal justice: Procedural impediments to effective unexplained wealth legislation in Australia*, No. 523, December 2016, p. 5.

Australia's unexplained wealth legislation.<sup>26</sup> They reported approximately \$9 million had been restrained through unexplained wealth regimes, and a further \$32.3 million through drug-trafficker declaration procedures. The report stated there had been no proceedings, orders or settlements under the Commonwealth, Victorian and Tasmania unexplained wealth regimes during the period of review.<sup>27</sup>

### ***Barriers to a national unexplained wealth regime***

5.30 The AIC's report from December 2016 identified a number barriers to the development of a national unexplained wealth regime. These include:

- political issues associated with states and the NT ceding power to the Commonwealth;
- a lack of consolidation between stakeholders;
- the ineffectiveness of current Commonwealth legislation;
- uncertainty about the practical benefits of the approach; and
- uncertainty about how the proceeds of crime would be shared between the Commonwealth, states and territories.<sup>28</sup>

5.31 During the course of the inquiry, some submitters and witnesses argued that a nationally consistent unexplained wealth regime is vital. For example, former Australian Federal Police (AFP) Commissioner, Mr Michael Palmer, identified the need to target those profiting from illicit drugs at the top, rather than targeting 'low-hanging fruit'.<sup>29</sup> To achieve this goal, Mr Palmer supported:

...stronger and more nationally consistent and cohesive unexplained wealth laws that would allow us to seize, freeze and confiscate unexplained wealth from people without the need for a link to a criminal conviction or a predicate offence.<sup>30</sup>

5.32 Failure to improve the current legislation means police:

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26 The authors noted that information on the success of unexplained wealth legislation is incomplete because full data could not be obtained from some jurisdictions and there are no national statistics available on the success of unexplained wealth orders. See, Mr Marcus Smith and Mr Russell Smith, *Exploring the procedural barriers to securing unexplained wealth orders in Australia: Report to the Criminology Research Advisory Council*, December 2016, p. 7.

27 Mr M Smith and Mr R Smith, *Exploring the procedural barriers to securing unexplained wealth orders in Australia: Report to the Criminology Research Advisory Council*, December 2016, p. 7.

28 AIC, *Trends and issues in crime and criminal justice: Procedural impediments to effective unexplained wealth legislation in Australia*, No. 523, December 2016, p. 8.

29 Mr Michael Palmer, *Committee Hansard*, 12 August 2015, p. 2.

30 *Committee Hansard*, 12 August 2015, p. 2.

...do not get the people—many of whom are well known to police—living in very palatial homes, driving very palatial cars, with yachts moored at their bayside moorings. We do not get near them because they go nowhere near the commission of the offence. You do that and you do exactly what they did in the 1920s with Al Capone. You take away these people who are in the business for profit and the influence and power the profit gives them. You take away the profit. You increase the risk their operation poses to them and their wealth and they think about doing other business. I think that has a real chance of making a difference.<sup>31</sup>

5.33 Former NSW Police Commissioner, Mr Ken Moroney, and Mr Palmer during his time as AFP Commissioner, conducted a review of unexplained wealth legislation for the Commonwealth's Justice Minister in 2013.<sup>32</sup> Mr Palmer informed the committee that this report recommended a national seminar to look at ways to achieve a nationally consistent strategy.<sup>33</sup> He also noted that:

It was supported by all the jurisdictions, albeit with some discussion about how you would share the recovery of assets and who would control the agenda, if you like. There was some concern in a couple of the states about whether you could trust the Commonwealth not to take over and whether they would be prepared to refer powers to the Commonwealth to allow them to achieve what they would like to achieve in an ideal world. There was very strong support for it. I think it is critical to increasing our effectiveness.

...

But even without that, a referral to the Commonwealth of the power to oversight state offences, as opposed to just Commonwealth offences, would cure a lot of the problems. I do not know how far those recommendations have gone. To my knowledge they were quite strongly endorsed by most of the police ministers around the country as well as by the federal minister at the time. I have no feedback. My strong advice would be that, to the extent that they have not been enacted or further considered, it would be very valuable to do so.<sup>34</sup>

5.34 Mr Palmer also explained difficulties encountered by Australian law enforcement agencies when seeking to 'follow the dollar' overseas:

...chasing assets offshore is not easy and, as you know, we need the cooperation and goodwill of other countries. There are a number of recommendations that focus on precisely that. Some things are happening at the moment through [the Australian Transaction Reports and Analysis Centre (AUSTRAC)] and the [ACC] to strengthen those relationships and give ourselves better opportunities to chase assets. That has become much

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31 Mr Palmer, *Committee Hansard*, 12 August 2015, p. 2.

32 *Committee Hansard*, 12 August 2015, p. 2.

33 *Committee Hansard*, 12 August 2015, p. 6.

34 *Committee Hansard*, 12 August 2015, p. 6.



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more important because, among other people, I know outlaw motorcycle gangsters are quite deliberately offshoring their assets—they are doing things like buying pubs and casinos, perhaps joss houses and the like in South-East Asia, where they believe the assets cannot be touched, cannot be frozen or seized, regained or regathered, by us. I think we can do better. Internationality of any movement, business or crime, creates problems for us. The legislation was not ever aimed at dealing with that, so it will always be a challenge. But I think there is more we can do, and there are some recommendations that focus on it.<sup>35</sup>

5.35 State police agencies expressed support for strong unexplained wealth legislation. SA Police argued it was critical to develop standardised unexplained wealth legislation across the country:

Because all too often we deal in points where a part of it was committed in New South Wales, a part of it is here and all the rest of it. That complicates matters considerably. We look very closely at that legislation now. When we do apprehend offenders, particularly at the higher end of the organisation, we think very carefully about under what legislation they are going to be charged because more often than not, there will be a federal aspect to their behaviour. The money laundering legislation from a federal perspective is better than our state legislation.<sup>36</sup>

5.36 The NSW Police Force noted more could be done in terms of a nationally consistent unexplained wealth regime and asset seizures.<sup>37</sup> Victoria Police argued that legislation 'regulating unexplained wealth should be harmonised and uniformly enacted across all jurisdiction in Australia' and should include the seizure of 'crypto-currencies used in connection with online trafficking'. Further:

Currently, large scale trafficking and asset seizures are difficult to coordinate when the offence does not fall under Commonwealth legislation. This complexity fosters an enabling environment for the national and international movement of illicit drugs. There are recent efforts to allow the Commonwealth access to state-based legislation when dealing with the confiscation of criminal proceeds which will significantly improve this. Victoria Police is supportive of this proposal and is working with a national workgroup to implement this change. Through the creation of nationally consistent schemes relating to unexplained wealth and asset seizure, multi-agency taskforces would be better positioned to secure the assets of offenders operating in these circumstances.<sup>38</sup>

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35 Mr Palmer, *Committee Hansard*, 12 August 2015, p. 8.

36 Detective Superintendent Graham Malcolm, Officer in Charge, Serious and Organised Crime Branch, South Australia Police, *Committee Hansard*, 28 July 2015, pp 16–17.

37 Deputy Commissioner Naguib Kaldas, Deputy Commissioner, Field Operations, New South Wales Police Force, *Committee Hansard*, 29 July 2015, p. 1.

38 Victoria Police, *Submission 59*, p. 14.

5.37 In its final report, the NIT expressed support for a nationally consistent regime, noting that the Council of Australian Governments (COAG) Law, Crime and Community Safety Council had been considering a national scheme.<sup>39</sup> The NIAS correspondingly reports that COAG would develop 'a national cooperative scheme to target the unexplained wealth of people involved in serious and organised crime'.<sup>40</sup>

5.38 At a public hearing, the AGD provided the following update on the status of negotiations to establish a nationally consistent unexplained wealth regime:

At a Commonwealth, state and territory ministerial level there have been a lot of discussions about this. Where we are up to at the moment is that we have a number of participating jurisdictions. New South Wales, South Australia, Western Australia, ACT and the Northern Territory are working with us. That COAG law meeting—I was talking about the COAG Law, Crime and Community Safety Council—has looked at a whole lot of details on this. Now, where we are up to is that New South Wales is taking the lead on drafting some model legislation. So it is moving ahead, but, as you would understand, bringing together all of these very complicated laws is taking some time. But we are making some good progress, because it is such an important initiative.<sup>41</sup>

...

A cooperative part of it is that the states would actually do a referral of powers to the Commonwealth. So you can see that there is a limited referral of powers so that we can make this cooperative scheme work.<sup>42</sup>

### ***Committee comment***

5.39 This committee has an ongoing interest in the effectiveness of unexplained wealth legislation and the development of a nationally consistent regime. In 2012, the committee recommended that the Commonwealth government develop a 'nationally consistent unexplained wealth regime' and that the states and territories should refer their powers to the Commonwealth 'for the purpose of legislation for a national unexplained wealth scheme, where unexplained wealth provisions are not limited by having to prove a predicate offence'.<sup>43</sup>

5.40 Evidence presented during the course of this inquiry indicates that the absence of a nationally consistent unexplained wealth regime continues to be a hindrance to

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39 NIT, *Final report*, 2015, p. 114.

40 COAG, *NIAS*, 2015, p. 25.

41 Ms Catherine Hawkins, First Assistant Secretary, AGD, *Committee Hansard*, 24 March 2017, p. 34.

42 Ms Hawkins, AGD, *Committee Hansard*, 24 March 2017, p. 34.

43 PJCLE, *Inquiry into Commonwealth unexplained wealth legislation and arrangements*, 19 March 2012, p. xvi.

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law enforcement agencies and hampers their efforts to target, in particular, the upper echelons of serious and organised crime groups.

5.41 The committee is pleased to hear that a nationally consistent unexplained wealth regime is currently the subject of negotiation by COAG and that work has progressed as far as the preparation of draft model legislation. The committee is very supportive of this work and urges all Australian governments to participate in and commit to it. The committee would welcome prompt resolution of this matter and therefore recommends that Australian governments, as a matter of urgency, formally agree and enact nationally consistent unexplained wealth legislation.

### **Recommendation 3**

**5.42 The committee recommends that Commonwealth, state and territory governments, as a matter of urgency, agree and enact nationally consistent unexplained wealth legislation.**

### **Swift, Certain and Fair Sanctions**

5.43 Both the NIT and NIAS support the development of a pilot Swift, Certain and Fair Sanctions model (SWIFT model). The NIAS reported that this pilot SWIFT model would be trialled in the NT (the COMMIT program).<sup>44</sup> The model originates from Hawaii, the United States of America (USA) and is known as Hawaii's Opportunity Probation with Enforcement (HOPE). As of January 2015, this model had been implemented in 21 states across the USA. An evaluation of HOPE after one year indicated that probationers in the program were:

- 55 per cent less likely to be arrested for a new crime;
- 72 per cent less likely to use drugs;
- 61 per cent less likely to skip appointments with their supervisory officer; and
- 53 per cent less likely to have their probation revoked.<sup>45</sup>

5.44 Associate Professor Peter Miller, an advocate for the SWIFT model, gave evidence that suggested those in the program had larger reductions in positive drug tests, missed fewer appointments, and were less likely to be arrested in the three, six and 12 months after the program, compared with those on regular probation. Professor Miller argued:

With a growing prison population in Australia, as well as an increase in those people seeking treatment for methamphetamine use in prisons, it is important that this issue is addressed. HOPE provides the opportunity for

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44 COAG, *NIAS*, 2015, p. 25.

45 Office of Justice Programs, *"Swift and Certain" Sanctions in Probation Are Highly Effective: Evaluation of the HOPE Program*, 3 February 2012, available: <http://www.nij.gov/topics/corrections/community/drug-offenders/pages/hawaii-hope.aspx> (accessed 1 August 2017).

those who use crystal methamphetamine to take responsibility for their drug use, and demonstrate they are capable of managing their substance use problem in the community. Not only will this result in a reduction of resources being spent on placing crystal methamphetamine using offenders in prison, but it also allows people to maintain employment, housing, and their support network, which may in turn result in a drug-free and crime-free lifestyle.<sup>46</sup>

5.45 Professor Ann Roche from Flinders University commented on the high rates of methamphetamine use in Hawaii and for that reason it:

...introduced and evaluated, very successfully, a program where parolees, after having been charged and gone through the criminal justice system for a methamphetamine related offence, have now introduced an alternative way of supporting and managing parolees so that they get really intensive monitoring and care. That is showing exceptionally positive results...So there are some success stories through the criminal justice system.<sup>47</sup>

5.46 Despite its reported success, questions remain about the effectiveness of the program outside of the one year mark, in particular after probationers are released from supervision.<sup>48</sup> A follow-up evaluation paper on HOPE<sup>49</sup> from 17 May 2016 reported that HOPE probationers performed better<sup>50</sup> than those under routine supervision, and were half as likely as control subjects to have a new drug charge during the follow up period.<sup>51</sup>

5.47 In August 2015, the former Attorney-General of the NT, Mr John Elferink, called for the implementation of the SWIFT model in the NT. The founder of the model, Judge Steven Alm, visited the territory to assist with the NT government's consideration of the plan. Judge Alm reportedly expressed confidence that the program would work in the NT, despite its difference to the criminal profile of the

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46 Associate Professor Peter Miller, *Submission 1*, p. 2.

47 Professor Anne Roche, Director, National Centre for Education and Training on Addictions, Flinders University, *Committee Hansard*, 28 July 2015, p. 5.

48 Office of Justice Programs, National Institute of Justice, *Swift and certain sanction in probation are highly effective: Evaluation of the HOPE program*, 3 February 2012, available: <http://www.nij.gov/topics/corrections/community/drug-offenders/pages/hawaii-hope.aspx> (accessed 24 July 2017).

49 The 10 year follow up evaluation is limited by its small sample size and selection biases inherent in the selection of the original study groups. The researchers noted this 'substantially limits the strengths of any conclusions that might be drawn'.

50 The report noted the follow up evaluation was limited by its small sample size and the selection biases inherent in the selection of the original study groups.

51 Angela Hawken, Jonathan Kulick, Kelly Smith, Jie Mei, Yiwen Zhang, Sara Jarman, Travis Yu, Chris Carson, Tifanie Vial, *HOPE II: A follow-up to Hawaii's HOPE evaluation*, 17 May 2016, p. 13.

USA. He argued that '[h]uman nature being what is, we think this can work anywhere'.<sup>52</sup>

5.48 The AGD informed the committee that the Commonwealth government is not currently providing support to the NT government to develop and implement the model.<sup>53</sup>

### *Committee view*

5.49 Given the evidence presented to the committee during the course of this inquiry that crystal methamphetamine use in Australia is not a problem that has to date nor will in the future be solved simply by traditional law enforcement measures, the committee is supportive of more novel approaches such as the HOPE program.

5.50 While the HOPE program has only been underway for a relatively short period of time in the USA, the results thus far seem positive. The committee sees value in similar programs being developed and implemented in Australia, and welcomes the NT's commitment to trial the HOPE program 'to increase offenders' ability and motivation to participate in behavioural change processes'.<sup>54</sup>

5.51 The committee emphasises the importance of pilot programs such as that announced by the NT government being critically reviewed so that their success and possible implementation in other Australia jurisdictions can be assessed. To that end, the committee encourages the NT government to conduct a review at the conclusion of its HOPE trial, including feedback from the justice system, alcohol and other drug health, support and treatment services, law enforcement agencies, and academics. The committee is also of the view that, in order to meaningfully inform other jurisdictions, the results of that review should be made publicly available.

### **National review of drug diversionary programs**

5.52 Drug diversionary programs divert perpetrators of minor illicit drug-related crimes to treatment programs, rather than the justice system. These programs are run by the states and territories and vary across Australian jurisdictions. According to the NIT:

Diversion programmes work to break the cycle of offending by diverting offenders away from the criminal justice system towards appropriate drug-based assessment, education and treatment services. These programmes

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52 Katherine Gregory, 'NT Attorney-General calls for US HOPE program of swift and certain sanctions to deter 'knuckheads' from reoffending', *ABC*, 17 August 2015, [www.abc.net.au/news/2015-08-17/john-elferink-calls-for-us-hope-program-to-deter-offenders/6703492](http://www.abc.net.au/news/2015-08-17/john-elferink-calls-for-us-hope-program-to-deter-offenders/6703492) (accessed 31 July 2017).

53 AGD, answers to questions on notice, 28 March 2017 (received 12 April 2017).

54 Northern Territory government, *Tackling ice in the Northern Territory*, 26 February 2016, [https://breaktheice.nt.gov.au/\\_\\_data/assets/pdf\\_file/0007/231919/tackling-ice-in-nt-action-plan.pdf](https://breaktheice.nt.gov.au/__data/assets/pdf_file/0007/231919/tackling-ice-in-nt-action-plan.pdf) (accessed 27 July 2017), p. 10.

were once seen as controversial, but are increasingly seen as a pragmatic response, and have become one of the most used policy interventions in Australia.<sup>55</sup>

5.53 A number of submitters and witnesses spoke of the benefits of drug diversionary programs. Tasmania Police outlined the program in Tasmania, which includes an inter-agency drug committee, and spoke highly of it. From the perspective of Tasmania Police:

...our policy is that the users that meet certain criteria, we divert them from the justice system. We are not interested in low-level users being entered into the justice system. As an organisation, we focus on traffickers and suppliers, not on users. Obviously, as part of our operations, we come across users on a regular basis, and our objective there is to divert those to health facilities or health professionals for assistance in drug diversion.<sup>56</sup>

5.54 WA Police shared a similar view:

...we do not go out of our way to target drug users. We target drug suppliers. Where we are charging people with simple possession and not going to diversionary programs, that is usually part of another action—that is, we stop a vehicle and they just happen to have drugs et cetera. We execute search warrants, and there will be a number of people within a house. You will have a supplier and the users. We do not go out of our way to target drug users as such. We are focused primarily on drug suppliers and traffickers.<sup>57</sup>

5.55 The NSW Police Force remarked on the success of the Magistrates Early Referral Into Treatment (MERIT) program and argued that the program could be used more frequently in relation to crystal methamphetamine users:

...another scheme introduced at the same time [2000] has not been utilised enough, in my view, particularly now with the emerging presence of ice...this scheme is MERIT—the Magistrates Early Referral Into Treatment program. It is designed for offenders with drug problems who are eligible for bail and may benefit from treatment and rehabilitation. This diversion option is now being championed by a number of my sergeants at Cabramatta, and to date we have had 38 referrals for the year. Two of those involved ice users.

Although one of these referrals was not successful, as the male ice user reoffended within weeks of commencing the program, I can provide the committee with some detail of what I consider a relative success story to date. This girl is 19 years of age, from Cabramatta, and she was arrested

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55 NIT, *Final report*, 2015, p. 62.

56 Mr Glenn Frame, Assistant Commissioner of Police (Operations), Tasmania Police, *Committee Hansard*, 24 March 2017, p. 5.

57 Commander Pryce Scanlon, Commander (Crime Operations), Western Australia Police, *Committee Hansard*, 3 May 2017, p. 8.

during a drug operation in February of this year. At the time she was in possession of 0.19 grams of ice. She was employed in working in the food industry. She admitted to using between \$150 to \$200 of ice per week. She had no priors and had not been known to police prior her arrest. She accepted a merit referral and commenced treatment. She was later convicted at court and placed on a good behaviour bond, and part of that bond was that she continued the drug counselling.

At this stage she has had no further involvement or charges since that particular date. She has a hope of full recovery. The Cabramatta Local Area Command, and obviously with myself, will continue to use the program as its primary diversion strategy for detected meth or ice users. I intend to expand the opportunities to engage persons detected with meth and ice into the future, but not just by engaging these persons during proactive operations.<sup>58</sup>

5.56 Mr Mick Palmer, former AFP Commissioner, echoed law enforcement agencies' support for drug diversionary programs and highlighted that imprisonment does little to resolve an offender's drug use and generally worsens their future prospects upon release:

Some of the drug court diversionary initiatives are still working quite well. It gives us a much better chance of reducing the reoffending ratio...Of course, one of the problems with simply arresting people and throwing them in the can is the fact that they will probably get drugs while they are inside and the moment they come out they go back where they started from, and the fact that they have a conviction makes them even less employable than they were before they went in. I have just seen so many examples, and some of them I know personally and some of them are related in a broader family sense. I have, as no doubt many of you people have, seen this firsthand, and everything about it is tragic. We are almost ensuring that this guy or this woman—normally a guy—ends up at the bottom of the heap. If we sat down and worked out a plan to ensure that that is where he would finish, we probably could not do a much better job.<sup>59</sup>

5.57 Although there was overall support for drug diversionary programs, some submitters and witnesses identified a number of factors that may limit the success of these programs. For example, SA Health said:

...the current drug diversion program is somewhat inadequate as a deterrent to drug use and needs to be more complex and consist of more than one counselling session. If we are serious about deterring drug use, we need to be hard and fast about consequences for actions.

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58 Superintendent Wayne Murray, Commander, Cabramatta Local Area Command, NSW Police Force, *Committee Hansard*, 29 July 2015, p. 5.

59 Mr Palmer, *Committee Hansard*, 12 August 2015, p. 3.

Giving a person one counselling session for being in possession of a drug is probably not enough to change that person's mindset: I go to one session and that is my penalty. I can sit through one session and then go back and do the same behaviours again and again.<sup>60</sup>

5.58 NSW Police Force highlighted that drug diversionary programs must be matched with adequate treatment and rehabilitation capacity:

...if drug diversion strategies are pushed by police. You will have a lot of meat being put into the mincer and a lot of sausages coming out, but I hope there will be someone there to grab them at the other end. When police start to focus on an area there are unintended consequences. So I think there will need to be an increase in the availability of health professionals for treatment and rehabilitation programs.<sup>61</sup>

5.59 Not only must those services be available to offenders, but:

Drug diversion programs need to be able to adequately address the inherent challenges associated with providing services to small, geographically disparate communities, which often experience these higher levels of social disadvantage and have a higher proportion of Aboriginal residents. It is important, therefore, to ensure that the Illicit Drug Diversion Initiative continues to have the capacity and capability to deliver services that are responsive to changes in drug use patterns and, in particular, can meet the needs of this diverse and sometimes challenging group of psychostimulant users.<sup>62</sup>

5.60 The Australian Psychological Society, which expressed support for diversionary programs as a more effective means to deal with illicit drug use than incarceration,<sup>63</sup> said these programs need 'to be a therapeutic diversionary approach rather than a custodial or supportive one. It needs to be therapeutic'.<sup>64</sup>

5.61 The NIT's assessment of Australia's drug diversionary programs was that they have benefits over traditional criminal justice responses, including reducing rates of reoffending, lower overall costs, and improving health and social outcomes for users. However, the NIT found that these programs:

...differ greatly in governance structures and how they operate. Some of this variation is justified due to differences in geography, culture, the nature

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60 Ms Jennifer Cruise, Mental Health Clinician, Mental Health Services, SA Health, *Committee Hansard*, 28 July 2015, p. 31 and 33.

61 Superintendent Murray, NSW Police Force, *Committee Hansard*, 29 July 2015, p. 11.

62 Deputy Commissioner Nick Kaldas, Deputy Commissioner, Field Operations, NSW Police Force, *Committee Hansard*, 29 July 2015, pp 3–4.

63 Dr Louise Roufeil, Executive Manager Professional Practice, Australian Psychological Society (APS), *Committee Hansard*, 27 July 2015, p. 54.

64 Dr Roufeil, APS, *Committee Hansard*, 27 July 2015, p. 61.



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of drug-related problems and other interventions, but there is room for the broader application of best-practice approaches.<sup>65</sup>

5.62 Concerns about existing diversionary programs identified by the NIT were:

- equity of diversion;
- access to the programs;
- inconsistencies with the implementation of the programs; and
- female offenders, young offenders, Indigenous offenders and offenders in regional and remote communities having difficulty participating in a diversionary program (due to not meeting eligibility criteria, physical remoteness and the cultural factors).<sup>66</sup>

5.63 The NIT recommended that state and territory governments, under the National Drug Strategy Framework, review drug diversionary programs 'to determine best practice approaches, and consider options for improving and expanding existing arrangements'.<sup>67</sup> It was suggested that reviews include:

- assessing how current designs are working and interacting with each other;
- identifying types of offenders and who would be best served by a court-based diversion;
- identifying issues of access and equity, particularly for young people; and
- examining different approaches and the best program design.<sup>68</sup>

5.64 To further implement the NIT's recommendations, the NIAS identified a national review of drug diversionary programs to 'inform best practice approaches and options for improving and expanding existing arrangements' as a key priority.<sup>69</sup>

5.65 The Penington Institute supported the review of Australia's diversionary programs, but added that a review should also consider how to 'use diversionary programs to identify people at greatest risk of progressing to problematic use'. Further, the Institute argued for greater consistency in 'reporting on the use of diversionary programs, especially where access to diversion is determined by police discretion'.<sup>70</sup>

5.66 The AGD informed the committee that:

Western Australia Police has undertaken a national review of police drug diversionary programs, which was identified as a key priority under the

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65 NIT, *Final report*, 2015, p. 146.

66 NIT, *Final report*, 2015, p. 146.

67 NIT, *Final report*, 2015, p. 147.

68 NIT, *Final report*, 2015, p. 147.

69 COAG, *NIAS*, 2015, p. 25.

70 Penington Institute, *Submission 114*, p. 6.

National Ice Action Strategy. We understand that the outcomes of this review will be provided by Western Australia to the National Drug Strategy Committee for its consideration.<sup>71</sup>

### *Committee view*

5.67 Australian law enforcement agencies are largely supportive of drug diversionary programs for some illicit drug offenders, and have seen some success with them.

5.68 From the committee's perspective, effective drug diversionary programs can have a range of positive impacts, not only for drug users, but also for government by reducing the burden on and resources required by police and the justice system. However, the committee agrees with the evidence from NSW police and SA Health that drug diversionary programs must be implemented in conjunction with adequate and accessible health and treatment services: there is little value in diverting a drug offender to treatment and counselling services if these are not fit-for-purpose, nor available in a timely and geographically proximate way.

5.69 The committee concurs with the recommendation in the NIT's final report and the key priority under the NIAS that drug diversionary programs should be reviewed to inform best practice and identify options for improving and expanding such programs. The committee suggests that action is taken one step further and that subsequent to the national review, states and territories commit to improving, expanding, or where no drug diversion program(s) currently exists, implementing drug diversionary programs across their jurisdictions.

### **Recommendation 4**

**5.70 The committee recommends that, subsequent to the national review of drug diversionary programs articulated by the National Ice Taskforce and in the National Ice Action Strategy, states and territories commit to improving, expanding, or where no drug diversionary program(s) currently exists, implementing such programs across their jurisdictions.**

### **Control and monitoring of precursor chemicals**

5.71 In its 2015 submission to this inquiry, the Commonwealth government indicated that its law enforcement agencies have seen strong growth in the importation of precursor chemicals. These agencies report that organised criminal groups are purchasing precursor chemical from lower priced countries, such as China and India, and importing them in large volumes.<sup>72</sup>

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71 AGD, answers to questions on notice, 24 March 2017, p. 2 (received 12 April 2017).

72 Commonwealth of Australia, *Submission 53*, p. 8.

5.72 These precursor products are imported illegally, by mislabelling and concealing the products, or by importing quantities that are inconsistent with their intended use. Criminal groups also use a technique known as precursor masking, which involves altering the product's chemical structure to avoid detection at the border.<sup>73</sup>

5.73 Reporting by the ACIC in its *Illicit Drug Data Report 2015–16* shows a continued decline in the detection of clandestine laboratories within Australia. However, the ACIC noted that the detection of industrial scale laboratories has increased.<sup>74</sup> In 2014–15, law enforcement agencies detected 667 clandestine laboratories, in 2015–16 there were 575.<sup>75</sup>

5.74 At the border, amphetamine-type stimulants (ATS), (excluding MDMA) precursor detections have also declined, from 620 in 2014–15 to 400 in 2015–16. Although the number has decreased, the weight has increased substantially: 500.8 kilograms in 2014–15 to 1063.7 kilograms in 2015–16.<sup>76</sup> Most of the detections by number were in international mail; however, by weight, it was via air and sea cargo routes.<sup>77</sup>

5.75 China (including Hong Kong), Vietnam, Malaysia, India, the United Kingdom, Ethiopia, Korea, Indonesia and the USA are the main embarkment points for precursor chemicals trafficked to Australia.<sup>78</sup>

5.76 A concern raised during the course of the inquiry was that of domestic controls for precursor chemicals. Although compliance with regulatory and voluntary controls has increased, inconsistencies between jurisdictions have meant that domestic diversion of precursor chemicals can be exploited by organised criminal groups. Chemicals are being diverted from hospitals, medical centres, transport chains, waste destruction facilities, pharmacies and chemical companies. The Commonwealth government reported that criminal groups resort to 'breaking and entering, exploitation of contacts within legitimate businesses, internet sales', or establishing seemingly legitimate chemical companies to use as cover for purchasing and possessing precursor chemicals.<sup>79</sup>

5.77 The NIT's final report discussed precursors and the manufacture of crystal methamphetamine. It noted a doubling in clandestine methamphetamine laboratories in Australia over a decade. However, in recent times this number has plateaued. The

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73 Commonwealth of Australia, *Submission 53*, p. 8.

74 ACIC, *Illicit Drug Data Report 2015–16*, 2016, p. 161.

75 ACIC, *Illicit Drug Data Report 2015–16*, 2016, p. 160.

76 ACIC, *Illicit Drug Data Report 2015–16*, 2016, p. 156.

77 ACIC, *Illicit Drug Data Report 2015–16*, 2016, p. 158.

78 ACIC, *Illicit Drug Data Report 2015–16*, 2016, p. 159.

79 Commonwealth of Australia, *Submission 53*, p. 8.

NIT stated, however, that laboratories are becoming larger and more sophisticated, and it is unclear whether the overall quantity of domestically-produced methamphetamine has fallen.<sup>80</sup> The NIT ultimately recommended that:

The Commonwealth Government should:

- continue to work with the states and territories to examine ways to achieve greater national consistency of controls on precursor chemicals and equipment, and an agile mechanism to amend existing legislation as illicit manufacturing methods evolve
- prioritise the development of a national electronic end-user declaration system to provide law enforcement agencies with access to information about precursor and equipment sales across Australia through an online, searchable database
- encourage states and territories to enact legislation to support compliance with the new end-user declaration regime
- engage with industry to facilitate the development of a more contemporary and comprehensive industry code to provide best-practice guidelines for supply diversion into illicit drug manufacture.<sup>81</sup>

### *Nationally consistent controls of precursor chemicals and equipment*

5.78 The control of precursor chemicals and equipment is the responsibility of the states and territories, and at present, the regulatory systems differ between jurisdictions resulting in three particular problems:

- inconsistencies in jurisdictional controls, both in terms of the type of controls and the list of precursor chemicals and equipment to which they apply
- the lack of real-time submission and sharing of information about precursor sales with law enforcement agencies, and
- limited collection and sharing of intelligence regarding the importation of precursor chemicals.<sup>82</sup>

5.79 To improve the currently inconsistent control of precursor chemicals and equipment, and in response to the NIT's recommendations, the Commonwealth government has announced a number of initiatives. For example, on 5 April 2016 the government released the Precursor Chemicals Information Resource (PCIR). The Minister for Justice, the Hon. Michael Keenan MP described the PCIR as 'a vital tool

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80 NIT, *Final report*, 2015, p. xii.

81 Department of the Prime Minister and Cabinet (PM&C), *Final report of the National Ice Taskforce*, 2015, p. xiii, [https://www.pmc.gov.au/sites/default/files/publications/national\\_ice\\_taskforce\\_final\\_report.pdf](https://www.pmc.gov.au/sites/default/files/publications/national_ice_taskforce_final_report.pdf) (accessed 28 July 2017).

82 AGD, *Precursor chemicals and equipment: Decision Regulation Impact Statement*, 17 October 2016, p. 62, <https://www.ag.gov.au/CrimeAndCorruption/Drugs/Documents/Decision-Regulation-Impact-Statement-Controls-on-precursor-chemicals-and-equipment.pdf> (accessed 28 July 2017).

for those involved in the legitimate chemical supply chain, whose products are being diverted to the illegal market'.<sup>83</sup> He continued:

The PCIR is designed to educate industry about what indicators to look out for in relation to the diversion of chemicals, which in turn will assist law enforcement in combating the illicit manufacture of drugs...The chemicals and methods in the PCIR are those which have either been directly linked to illicit manufacturing events, or which are considered viable and likely to be used in a clandestine laboratory environment...This new resource is another important step in responding effectively to the domestic manufacture of illicit drugs to protect Australians, and in identifying and understanding drug manufacturing techniques which are being used by organised crime groups.<sup>84</sup>

5.80 On 21 October 2016, the COAG Law, Crime and Community Safety Council agreed to introduce new measures to improve the national consistency of controls on precursor chemicals and equipment used to manufacture crystal methamphetamine and other illicit drugs.<sup>85</sup> To improve national consistency of controls:

Ministers agreed that all jurisdictions will implement harmonised schedules of precursor chemicals and equipment, to establish a national electronic end user declaration system and to strengthen information-sharing between border and law enforcement agencies.<sup>86</sup>

5.81 As stated above, an element of these reforms is the development of the national electronic End User Declaration System (eEUD). The eEUD will give law enforcement agencies access to information in 'real time' and according to the Regulation Impact Statement:

- The key benefit of the proposed electronic system is its ability to automatically to alert law enforcement about suspicious precursor sales using pre-defined triggers. This would enable proactive investigation of illicit activity and enhance visibility of precursor distribution, new and emerging precursors, manufacturing trends and illicit drug availability across Australian jurisdictions.
- Improved 'data matching' across jurisdictions would assist in deployment of resources to target higher value investigations and to undertake proactive deterrence strategies. This may also enhance collaboration in cross-jurisdictional/national responses.

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83 The Hon. Michael Keenan MP, Minister for Justice, 'New resource to combat illicit drug manufacture', *Media release*, 5 April 2016.

84 The Hon. Michael Keenan MP, Minister for Justice, 'New resource to combat illicit drug manufacture', *Media release*, 5 April 2016.

85 AGD, *Submission 117*, p. 2.

86 PM&C, *Regulation Impact Statement Update: Precursor Chemicals and Equipment [Decision]*, <http://ris.pmc.gov.au/2017/01/06/precursor-chemicals-and-equipment-decision> (accessed 28 July 2017).

- A centralised system would reduce the resources that need to be devoted to on-site visits to suppliers and enable law enforcement to target their efforts towards strategic rather than compliance-based activities.
- More broadly, by tracing sales through either an account, or via a traceable means (for non-account holders), law enforcement would be equipped with an audit trail with which to aid investigations and prosecutions.<sup>87</sup>

5.82 The ACIC will host the eEUD system<sup>88</sup> and informed the committee:

Criminals often take the path of least resistance, so if they can easily divert a precursor that has been legitimately imported into Australia then they will do that. The purpose of the end-user declaration system is to clearly record who is actually purchasing with a licence those particular precursors. By the same token you can illegally import precursors, just like you can the finished product. So there are two streams that they can come in: they can come in lawfully and be diverted, or they can come in unlawfully in the first instance, just like the finished product.<sup>89</sup>

5.83 Concerns about the control and diversion of precursor chemicals and equipment were raised with the committee during the early stages of its inquiry.

5.84 In 2015, the NSW Police Force discussed with the committee the issue of precursor controls. It spoke about the work it had done to inform a national control framework. At the time, the NSW police commented that there was a 'limited capacity to monitor and regulate the supply and subsequent diversion of precursor chemicals and equipment used in manufacture of methamphetamines' and this has 'contributed to its production and availability nationally'.<sup>90</sup>

5.85 In response to this issue, the NSW Police Force at the time was leading a national working group to develop an end of user declaration system.<sup>91</sup> This working group reported in May 2015 and supported:

- the development and implementation of a national web-based system for end user declarations;
- the implementation by states and territories of legislative and regulations that mandate an end of user system;
- the harmonisation by states and territories of schedules that deal with precursor chemicals and equipment; and

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87 AGD, *Precursor chemicals and equipment: Decision Regulation Impact Statement*, 17 October 2016, p. 64.

88 AGD, *Submission 117*, p. 2.

89 Mr Col Blanch, Executive Director, Intelligence, ACIC, *Committee Hansard*, 24 March 2017, p. 29.

90 Deputy Commissioner Kaldas, NSW Police Force, *Committee Hansard*, 29 July 2015, p. 2.

91 Deputy Commissioner Kaldas, NSW Police Force, *Committee Hansard*, 29 July 2015, p. 2.

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- that consideration be given to align Commonwealth border controls of precursor chemical and equipment with legislation and regulations of the states and territories.<sup>92</sup>

5.86 The NSW Police Force highlighted the importance of the Commonwealth aligning its border control with state and territory legislation and regulations, and added the importance of dialogue with Australia's international partners:

Australia is currently vulnerable to the business practices of our trading partners. There are many examples of the importation of mislabelled chemicals and equipment which is aided by overseas manufacturers. This raises the need for ongoing dialogue with international trading partners regarding their own border controls.<sup>93</sup>

### *Committee view*

5.87 The committee is supportive of measures that improve control and monitoring of precursor chemicals and equipment. Such measures will help to eliminate the local manufacture of crystal methamphetamine and reduce the prevalence of clandestine laboratories in Australia. To this end, the committee recommends that the eEUD is implemented as soon as practicable.

### **Recommendation 5**

**5.88 The committee recommends that Australian governments implement the electronic End User Declaration System as soon as practicable.**

5.89 However, the committee highlights that recent data show that the importation of precursor chemicals and the prevalence of local clandestine laboratories are in decline (see paragraphs 5.72–5.76). During the same period, the availability of crystal methamphetamine in Australia has not diminished. Put simply, domestically manufactured crystal methamphetamine pales in comparison to the quantity of crystal methamphetamine manufactured elsewhere and trafficked to Australia. Therefore, efforts to improve the control and monitoring of precursor chemicals and equipment cannot occur in isolation, they must occur in concert with other strategies to disrupt supply of and reduce demand for the drug.

### **Eligibility criteria for aviation and maritime security identification cards**

5.90 Prior to the release of the NIT's final report and the NIAS, the committee received evidence expressing concern about the Maritime Security Identification Card (MSIC) and Aviation Security Identification Card (ASIC) schemes. These schemes

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92 Deputy Commissioner Kaldas, NSW Police Force, *Committee Hansard*, 29 July 2015, p. 2.

93 Deputy Commissioner Kaldas, NSW Police Force, *Committee Hansard*, 29 July 2015, p. 3.

background check and identify individuals working in Australia's aviation and waterfront industries.<sup>94</sup>

5.91 Victoria Police warned the committee that the MSIC and ASIC regimes were 'failing to limit or prevent criminal activity within the aviation/waterfront industries' and that:

Organised crime groups are exploiting inadequacies in the MSIC and ASIC systems and infiltrating ports, airports and related logistics industries. While the Australian National Audit Office conducted a review into the system in 2006 and 2007, there is limited visibility as to how these recommendations have been addressed. There is a need for a thorough review of vulnerabilities in the waterfront and aviation industries and for the robustness and adequacy of the MSIC and ASIC systems to be carefully considered.<sup>95</sup>

5.92 The final report of the NIT discussed the infiltration of serious and organised crime groups at Australia's airports and seaports. The NIT found that:

...the use of criminal intelligence in the background checking process for ASIC and MSICs could help identify links to organised crime among workers at air and sea ports and enhance the effectiveness of this regime in mitigating the risk from trusted insiders. The [ACC] is a valuable source of criminal intelligence to support such background checks.

The [AGD] and the Department of Infrastructure and Regional Development are already progressing reforms to the ASIC and MSIC schemes. These reforms seek to amend legislation (the *Aviation Transport Security Act 2004* and the *Maritime Transport and Offshore Facilities Security Act 2003*) to include serious and organised crime considerations in the ASIC and MSIC eligibility criteria and to introduce a tiered approach to eligibility criteria, based on the seriousness and risk associated with different criminal offences. There is potential to also lay the foundation for the use of criminal intelligence to identify cases where individuals have links to organised crime, but have not been convicted of a relevant offence.

Options for benchmark legislation may be found in state and territory security schemes, such as the 'fit and proper person' and 'public interest' standards that exist in the governance of New South Wales security licences.<sup>96</sup>

5.93 The NIT concluded that the Commonwealth government should:

...continue to protect the aviation and maritime environments against organised crime by strengthening the eligibility criteria for holders of

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94 Department of Immigration and Border Protection (DIBP), *Aviation and Maritime Security Identification Cards*, <https://www.border.gov.au/australian-border-force-abf/protecting/airports-and-seaports/asic-and-msic> (accessed 11 July 2017).

95 Victoria Police, *Submission 59*, p. 15.

96 PM&C, *Final Report of the National Ice Taskforce*, 2015, pp 139–140.



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[ASIC and MSIC]; and establishing a legal mechanism to enable compelling criminal intelligence to be used in determining suitability of workers to hold such a card.<sup>97</sup>

5.94 This recommendation was agreed to by COAG in the NIAS.<sup>98</sup>

5.95 On 11 February 2016, the Transport Security Amendment (Serious or Organised Crime) Bill 2016 was introduced into Parliament. The Bill sought to amend the *Aviation Transport Security Act 2006* and the *Maritime Transport and Offshore Facilities Security Act 2003*; however, this bill is not proceeding.

5.96 On 31 August 2016, the Transport Security Amendment (Serious Crime) Bill 2016 was introduced into Parliament. The bill seeks to:

- a) create an additional purpose in the Aviation and Maritime Acts to prevent the use of aviation and maritime transport or offshore oil and gas facilities in connection with serious or organised crime;
- b) support the strengthening of the eligibility criteria for the ASIC and MSIC schemes to target serious criminal offences;
- c) clarify and align the legislative basis for undertaking background checking of individuals under the Aviation and Maritime Acts;
- d) allow for regulations to be made prescribing penalties for offences against the new serious or organised crime requirements that are consistent with existing penalty provisions across the ASIC and MSIC schemes; and
- e) insert an additional severability provision to provide guidance to a court as to Parliament's intention.<sup>99</sup>

5.97 The bill is currently before the House of Representatives.<sup>100</sup>

### ***Committee view***

5.98 The committee is aware that the ASIC and MSIC schemes have been the subject of multiple inquiries by various parliamentary committees, including:

- this committee's 2011 inquiry into the adequacy of aviation and maritime security measures to combat serious and organised crime;

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97 PM&C, *Final Report of the National Ice Taskforce*, 2015, p. 140.

98 See, COAG, *NIAS*, 2015, p. 25.

99 Transport Security Amendment (Serious Crime) Bill 2016, explanatory memorandum, p. 2.

100 Transport Security Amendment (Serious Crime) Bill 2016, information available: [http://www.aph.gov.au/Parliamentary\\_Business/Bills\\_Legislation/Bills\\_Search\\_Results/Result?bId=r5689](http://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bId=r5689) (accessed 1 August 2017).

- the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity's 2016 inquiry into the jurisdiction of the Australian Commission for Law Enforcement Integrity;
- the Senate Rural and Regional Affairs and Transport Legislation Committee's 2016 inquiry into the Transport Security Amendment (Serious or Organised Crime) Bill 2016 [Provisions]; and
- the Senate Rural and Regional Affairs and Transport References Committee's 2017 inquiry into airport and aviation security.

5.99 As outlined in paragraphs 5.94 and 5.95, the schemes are also currently the subject of legislative change, as proposed in the Transport Security Amendment (Serious Crime) Bill 2016.

5.100 For these reasons, the committee will not discuss the merits of and possible changes to the ASIC and MSIC schemes in any detail. Nevertheless, the committee agrees with the NIT's recommendation that the eligibility criteria for ASIC and MSIC cards should be strengthened and that a mechanism allowing the use of criminal intelligence—particularly where a person may have links with serious and organised crime but has not been convicted of a relevant offence—in the ASIC and MSIC vetting processes is warranted.

## **Recommendation 6**

**5.101 The committee recommends that the Commonwealth government strengthens eligibility criteria for Aviation Security Identification Cards and Maritime Security Identification Cards to address current inadequacies, particularly the use of criminal intelligence where a person may have links with serious and organised crime.**

## **Co-operation with international partners**

5.102 The NIAS commits the Commonwealth government to strengthening its international co-operation by developing a new international supply disruption strategy.<sup>101</sup> The NIT also advocated that the Commonwealth government consider a transnational engagement strategy in the Asia and Pacific region to target international drug networks.<sup>102</sup>

5.103 The AGD informed the committee that the aim of the international strategy is to 'consolidate and leverage the existing law enforcement efforts to even better disrupt the supply of ice and its precursors from major source and transit countries'.<sup>103</sup> As of

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101 COAG, *NIAS*, 2015, p. 25.

102 NIT, *Final report*, 2015, p. 143.

103 Ms Hawkins, AGD, *Committee Hansard*, 24 March 2017, p. 28.

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March 2017, this strategy was in an advanced stage of development and the AGD confirmed it is forthcoming.<sup>104</sup>

5.104 This forthcoming international strategy will be part of a number of existing collaborative efforts to target the activities of serious and organised crime groups. International collaborations, such as Taskforce Blaze and Strikeforce Dragon, are examples of these existing efforts. Australia also promotes international co-operation through the United Nation's (UN) Commission on Narcotic Drugs (CND). The following sections consider existing international collaboration as well as other opportunities for Australia to engage with the international partners in the Asia Pacific region.

### ***Taskforce Blaze***

5.105 In November 2015, the AFP and the Chinese National Narcotics Control Commission established Taskforce Blaze, a joint investigatory body targeting the trafficking of methamphetamine into Australia. This taskforce was the first of its kind, making Australia the first and only country to form this type of crime fighting operation with China.<sup>105</sup> The AFP briefed the committee on its relationship with China:

We have six liaison officers based in China. We have two in Beijing, two in Guangzhou and two in Hong Kong. Hong Kong has always been one of our centres of operation; we have been there for something like 32 or 33 years, with high-level cooperation there. China is a relatively new area for us—within the last 10 or 15 years. Taskforce Blaze, in my view, has been an outstanding success. It commenced in November 2015 almost as a pilot task force that we thought would do some relatively successful operations. It has gone well past that. It has gone well past any expectation that we had at its introduction. Something like seven tonnes of drugs have been taken off the streets both in Australia and China as a result of that task force.<sup>106</sup>

5.106 On 6 June 2017, the Minister for Justice announced Taskforce Blaze would continue to operate until January 2018. The minister said the new agreement would 'continue to focus on expanding investigation into multinational drug smuggling

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104 Ms Hawkins, AGD, *Committee Hansard*, 24 March 2017, p. 33.

105 The Hon. Michael Keenan MP, Minister for Justice, 'Successful Taskforce Blaze to continue fight against illicit drug scourge', *Media release*, 6 June 2017, <https://www.ministerjustice.gov.au/Mediareleases/Pages/2017/SecondQuarter/Successful-taskforce-blaze-to-continue-fight-against-illicit-drug-scourge.aspx> (accessed 13 July 2017).

106 Commander Bruce Hill, Manager, Organised Crime, Australian Federal Police (AFP), *Committee Hansard*, 24 March 2017, p. 31.

organisations'.<sup>107</sup> He added that since Taskforce Blaze's inception, 10.5 tonnes of illicit drugs and precursors, worth more than \$5 billion, had been seized.<sup>108</sup>

5.107 The committee sought further insight from the AFP on relations between China and Australia. Commander Bruce Hill reflected on Australia's relationship with China, as well as other countries in Asia:

China, for us, is a new arena. Their way of operating, their political system—everything—is completely different to us. For us to come together and operate as one is going to take a long time. But I must say: they are making a very strong, sincere effort, particularly with us, to bridge that gap.

Like I said in my introduction, in our wildest dreams we never thought we would be sitting here talking about how successful Taskforce Blaze is. They are definitely taking a leadership role in the region. We have set up other taskforces. There is one in Thailand, Taskforce Storm; one in Cambodia, Taskforce Dragon; we have information from Myanmar. They see the advantages of this union and of us working together.

I think the future is very bright. It has a lot of issues to get there but I think, in the future, it is just going to be better and better for us. Be mindful, like I said, we only have six people in country. We also have Border Force and other agencies there as well. So far we are doing what we can with our resources to be very successful. I think, over the next year or two, you are going to see some very, very successful operations as a result of that.

...

They have organised crime in their country like other countries. China is an incredible country that is emerging like it never has before. It has seven of the top 10 ports in the world. I went to Shenzhen, which is one of the big ports. When you stand there and look at the container terminal, you are just completely blown away. With the size of the ports and the number of containers they move through every year and then we have to try to find 100 kilos or 500 kilos in a container coming to Australia is why intelligence is so important. If we do not have these relationships and are not moving this intelligence between us, we are dead in the water. I think we are very successful. We are ahead of the game in a lot of ways.<sup>109</sup>

5.108 When asked about Australia's role coordinating responses to tackle crystal methamphetamine, Commander Hill replied:

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107 The Hon. Michael Keenan MP, 'Minister for Justice, Successful Taskforce Blaze to continue fight against illicit drug scourge', *Media release*, 6 June 2017, <https://www.ministerjustice.gov.au/Mediareleases/Pages/2017/SecondQuarter/Successful-taskforce-blaze-to-continue-fight-against-illicit-drug-scourge.aspx> (accessed 13 July 2017).

108 The Hon. Michael Keenan MP, 'Minister for Justice, Successful Taskforce Blaze to continue fight against illicit drug scourge', *Media release*, 6 June 2017, <https://www.ministerjustice.gov.au/Mediareleases/Pages/2017/SecondQuarter/Successful-taskforce-blaze-to-continue-fight-against-illicit-drug-scourge.aspx> (accessed 13 July 2017).

109 Commander Hill, AFP, *Committee Hansard*, 24 March 2017, p. 35.

I must say that I am a little bit biased. I have been out to the network three times. I have been to Indonesia, Thailand and China. I would say we are one of the world leaders in this region, and so we should be.<sup>110</sup>

### ***Financial intelligence co-operation with China***

5.109 In addition Taskforce Blaze, AUSTRAC informed the committee that progress has been made in establishing financial intelligence co-operation with China. In November 2016, AUSTRAC signed an agreement with the Chinese Anti-Money Laundering Monitoring and Analysis Centre. This agreement is Australia's first information exchange with China around financial intelligence because China is not a member of the international financial network, known as the Egmont Group.<sup>111</sup> The Egmont Group is a body of 154 Financial Intelligence Units that exchange expertise and financial intelligence to combat money laundering and terrorism financing.<sup>112</sup>

5.110 Since the agreement was made, China and Australia now have monthly exchanges:

...predominantly centred around suspect matter reporting, which is predominantly around money laundering and terrorism financing. But, within those categories, you will find issues around corruption, narcotic trafficking and other predicative offences.<sup>113</sup>

5.111 Since July 2017, there had been five information exchanges that have:

...produced actionable intelligence for partner agencies, and we are in the process of negotiating a [Memorandum of Understanding (MOU)] with the financial regulator in China. Unlike Australia, the financial regulator and the financial intelligence unit are two different agencies. Those negotiations are well progressed.<sup>114</sup>

### ***Strikeforce Dragon and Taskforce Storm***

5.112 In addition to China, Australian law enforcement agencies are progressing their co-operation with other countries in Asia. On 2 June 2016, the AFP formalised an agreement with the Cambodian National Police and the Cambodian General Department of Immigration to target illicit drugs and transnational crime. This agreement has been called Strikeforce Dragon.<sup>115</sup>

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110 Commander Hill, AFP, *Committee Hansard*, 24 March 2017, p. 35.

111 Dr John Moss, National Manager, Intelligence, Australian Transaction Reports and Analysis Centre (AUSTRAC), *Committee Hansard*, 24 March 2017, p. 32.

112 Egmont Group, *About*, <https://www.egmontgroup.org/content/about> (accessed 18 July 2017).

113 Dr Moss, AUSTRAC, *Committee Hansard*, 24 March 2017, p. 32.

114 Dr Moss, AUSTRAC, *Committee Hansard*, 24 March 2017, p. 32.

115 AFP, 'AFP and Cambodian authorities working closely to combat drugs and transnational crime', *Media release*, 2 June 2016, <https://www.afp.gov.au/news-media/media-releases/afp-and-cambodian-authorities-working-closely-combat-drugs-and> (accessed 13 July 2017).

5.113 The AFP has also partnered with the Royal Thai Police, Thailand's Office of Narcotics Control Board and the Thai Department of Special Investigation and Anti-Money Laundering Office to target transnational organised crime, including the trafficking of crystal methamphetamine.<sup>116</sup> Taskforce Storm was:

...set up specifically on the back of the Outlaw motorcycle gang threat. As you all well know, that is a very definite threat in this country. They are not staying just in this country, they are setting themselves up in South-East Asia. The Thais, who are very good partners with us, have joined together. There are four agencies that now form Taskforce Storm and we have an excellent working relationship with them to target particularly organisers of crime. It is not limited to OMCGs, it is most predominantly on ice and on ice traffickers.<sup>117</sup>

### *Model for international 'best practice' and other regional developments*

5.114 The UNODC advised the committee that the 'best practice' model for responding to illicit drugs is the UN's outcome document from the 2016 UN General Assembly Special Session (UNGASS) on the World Drug Problem.

5.115 The outcome document, which comprises a set of operational recommendations encouraging countries to adopt a multifaceted drug policy, focuses on three themes:

- market demand reduction, such as drug use prevention and treatment;
- supply reduction, such as effective law enforcement measures that address organised crime; and
- cross-cutting issues, such as human rights issues and the emerging synthetic drugs market.<sup>118</sup>

5.116 UNGASS signifies international endorsement for a shift away from drug strategies primarily driven by law enforcement policies towards health orientated policies. The UNODC provided the committee with a number of examples of where UNGASS has informed regional drug strategies.

5.117 For example, Myanmar's government is currently aligning drug policies with the UNGASS outcome document. The UNODC informed the committee that consultations from across Myanmar's government have occurred, with a drug policy review document currently being formulated in consultation with the UNODC. This

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116 AFP, *Annual report 2015–16*, 2016, <https://www.afp.gov.au/afp-annual-report-2015-16> (accessed 13 July 2017).

117 Commander Hill, AFP, *Committee Hansard*, 24 March 2017, p. 35.

118 United Nations Office on Drugs and Crime (UNODC), answers to questions on notice, p. 1 (received 11 April 2017).

document is expected to create a new set of holistic strategies to address illicit drug use in Myanmar, including methamphetamine.<sup>119</sup>

5.118 Linked to Myanmar's strategy is the Mekong Memorandum of Understanding on Drug Control (Mekong MOU). The Mekong MOU brings together Cambodia, China, Lao PDR, Myanmar, Thailand and Vietnam to address the threat posed by illicit drug production, trafficking and use. It is guided by the UNGASS and prioritises drugs and health, law enforcement co-operation, legal and judicial co-operation and sustainable alternative development.<sup>120</sup>

5.119 The Mekong MOU has also formulated a new Sub-regional Action Plan (SAP) in line with recommendations found in UNGASS.<sup>121</sup> The SAP is updated every two years, with its latest iteration for 2017–19. One of the SAP's thematic areas is law enforcement:

...which provides a strategic outline for collaborative efforts of MOU signatories, and puts into place action-oriented programmes that assist member Governments, individually and collectively, to fight illicit drug production, trafficking and use.<sup>122</sup>

5.120 The UNODC also informed the committee that a delegation from Thailand has visited Portugal to review the decriminalised approach to illicit drugs in that country. Thailand, which has a significant crystal methamphetamine problem, has over recent years moved towards drug policies with a focus on preventative and rehabilitation strategies.<sup>123</sup>

### *Australia's international role*

5.121 The Department of Health informed the committee that one of Australia's objectives as a member of the CND is to 'promote international cooperation in dealing with new psychoactive substances (NPS)...and [ATS] including methamphetamine'.<sup>124</sup> Australia introduced a resolution, adopted by the CND at its 58<sup>th</sup> session in March 2015, that sought to keep ATS issues at the forefront of the

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119 UNODC, answers to questions on notice, p. 1 (received 11 April 2017).

120 UNODC, *Mekong MOU on Drug Control*, <https://www.unodc.org/southeastasiaandpacific/en/what-we-do/toc/mou.html> (accessed 11 July 2017).

121 UNODC, answers to questions on notice, p. 2 (received 11 April 2017).

122 UNODC, answers to questions on notice, p. 2 (received 11 April 2017).

123 Bangkok Post, *Government 'won't legalise' meth*, 23 June 2016, <http://www.bangkokpost.com/archive/government-wont-legalise-meth/1017337> (accessed 21 July 2017).

124 Department of Health (DoH), *Submission 98*, p. 6.

CND and 'emphasised the importance of combining regulatory and treatment delivery responses to address emerging illicit drug issues and improve health outcomes'.<sup>125</sup>

5.122 During the 59<sup>th</sup> session of the CND, in March 2016, a delegation led by Australia negotiated another resolution that:

...focused on:

- international co-operation in monitoring the movement of precursor chemicals used in the manufacture of ATS and [new psychoactive substances (NPS)];
- sharing national approaches to reducing access to prevalent, persistent and harmful NPS that remain outside the system of international scheduling; and
- supporting the World Health Organisation to prioritise assessments of NPS when making scheduling recommendations.<sup>126</sup>

5.123 During the 59<sup>th</sup> session of the CND Australia also held a side event on addressing methamphetamine-related harms, featuring the work of the NIT and the NIAS.<sup>127</sup>

5.124 While Australia already plays an important role in fostering international collaboration and the development of international drug policies, the UNODC argued that Australia could play a larger role in the Asia Pacific region. The UNODC suggested that Australia can achieve this by engaging with existing regional mechanisms addressing illicit drug matters, such as the Mekong MOU, the Association of Southeast Asian Nations (ASEAN) Senior Officials Meeting on Drug Matters and the ASEAN Senior Officials Meeting on Transnational Crime.<sup>128</sup> The UNODC considered Australia's engagement with these regional bodies could:

...strengthen ties with countries in the region, and formulate regional responses that mutually benefit all parties. Australia also could share its own best practices in relation to effective supply and market demand reduction measures.<sup>129</sup>

5.125 According to the UNODC, a current gap in regional co-operation is that information sharing is largely limited to law enforcement. At present, there is no regional mechanism that 'brings not only law enforcement but also public health, and other relevant key authorities to formulate and discuss drug strategies'.<sup>130</sup> The UNODC is currently developing awareness of law enforcement officials' role in supporting public health policies, such as HIV prevention, treatment and care, and

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125 DoH, *Submission 98*, p. 6.

126 DoH, *Submission 98*, p. 6.

127 DoH, *Submission 98*, p. 6.

128 UNODC, answers to questions on notice, p. 1 (received 11 April 2017).

129 UNODC, answers to questions on notice, p. 1 (received 11 April 2017).

130 UNODC, answers to questions on notice, p. 5 (received 11 April 2017).



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'creating partnerships between law enforcement with public health and other authorities'.<sup>131</sup>

### *Committee view*

5.126 The committee continues to support the Commonwealth government's co-operation with regional partners to facilitate a transnational framework for tackling illicit drug trafficking. Existing partnerships, such as Taskforces Blaze and Storm and Strikeforce Dragon are evidence of the success that can be achieved through collaborative efforts; the committee commends Australian law enforcement agencies for their world-leading approach to international co-operation.

5.127 The committee is pleased by the advice from the AGD that an international strategy, to coordinate existing law enforcement activities with our regional partners, is well advanced. It is through enhanced regional co-operation such as this that law enforcement partners will be able to further disrupt the manufacture and supply of crystal methamphetamine. The committee looks forward to the release of this strategy.

5.128 The committee welcomes AUSTRAC's agreement with the Chinese Anti-Money Laundering Monitoring and Analysis Centre to exchange financial intelligence, and the endeavours to establish a MOU with the Chinese financial regulator. AUSTRAC's evidence states that these activities are primarily focused on money laundering and terrorism funding. Other illicit activities, such as corruption and drug trafficking, are supplementary to that work.

5.129 The committee congratulates the Commonwealth government on its advocacy through the CND and its efforts to ensure that addressing the harms arising from ATS remains a priority. The committee strongly supports Australia's objectives to promote international co-operation with respect to monitoring precursor chemicals and sharing approaches to reduce access to illicit drugs. The committee notes, however, that much of the international collaboration to date has focussed on law enforcement.

5.130 As discussed elsewhere in this report, the NIT's final report and the NIAS mark a shift from a primarily law enforcement approach to one with a greater emphasis on health and treatment approaches. The committee notes that the Australian government has already sought to share its approach under the NIAS internationally and encourages the government to continue doing so. Consistent with the UNODC's recommendation that Australia expands its leadership in this area through other international fora such as the Mekong MOU and ASEAN, the committee also recommends that Australia considers strengthening ties with countries in the Asia Pacific (beyond China, Cambodia and Thailand); collaborating to develop regional law enforcement and health and welfare responses to crystal methamphetamine; and sharing its practices with a particular focus on demand reduction and harm reduction. In doing so, the committee recommends that the

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131 UNODC, answers to questions on notice, p. 6 (received 11 April 2017).

Australian government look to establish co-operative relationships with health and welfare authorities, in addition to relationships with law enforcement agencies.

### **Recommendation 7**

**5.131 The committee recommends that the Australian government expand its leadership in relevant international fora and considers:**

- **strengthening ties with countries in the Asia Pacific, beyond existing ties with China, Cambodia and Thailand;**
- **collaborating to develop regional law enforcement and health and welfare responses to crystal methamphetamine;**
- **sharing its practices with a particular focus on demand reduction and harm reduction; and**
- **enhancing co-operation with the United Nations Office on Drugs and Crime.**

### **Limitations of law enforcement strategies**

5.132 Both law enforcement agencies and other stakeholders told the committee that law enforcement strategies cannot operate in a vacuum if they are to succeed in combating Australia's crystal methamphetamine problem. Indeed, the NIT and the NIAS both address this situation by advocating for health-led approaches to the problems created by crystal methamphetamine.

5.133 The AFP described the limits of law enforcement's reach, arguing that the most important approach to reduce illicit drug consumption is, in fact, demand reduction:

You can give us double the money to do this; it is next to impossible to stop importation of methamphetamine or new psychoactive substances. There are a whole series of chemicals and derivatives of chemicals that we simply cannot stop—it is next to impossible. So the emphasis has to be on demand. Most certainly our emphasis needs to be on law enforcement, stopping the organisers—not the people at the street level who are taking it. That should be dealt with, and I know it is being dealt with, but our job is to take the organisers, and we are putting all our effort, particularly at the federal level, into chasing after these guys—whether they are here domestically or internationally. That is what we should be doing. We are not going to stop drugs being imported into this country.<sup>132</sup>

5.134 The SA Police agreed:

We have a very difficult job. Does that mean that we are catching up or trying to get ahead of the curve? It probably does. But what I will say is that the strides forward that we have seen, the partnership, the operations

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132 Commander Hill, AFP, *Committee Hansard*, 24 March 2017, p. 33.

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conducted and the results achieved have then forced the behaviour of these groups to be modified, to change, to take further risks and the like. I would like to think that the efforts, in combination with the education and the treatment programs, are making a significant difference. Is it ahead of the curve now? No, I would not be confident to say that because there are still a lot of people suffering who are addicted and who are still facing significant health issues.<sup>133</sup>

5.135 Dr John Coyne submitted that despite a continued increase in amphetamines seizures, researchers from the AIC have found it is not having any marked impact on the drug's domestic availability to users'.<sup>134</sup> Dr Coyne argued:

...border enforcement's impact on ATS domestic availability is delayed by factors such as the presence of stockpiles, or market-responsive domestic manufacturing. But increased seizure rates have been a consistent trend over recent years, so decreases in domestic availability should have been realised by now, if the current strategy were effective.<sup>135</sup>

5.136 Dr Coyne provided the committee with an analysis the ACIC's *Illicit Drug Data Report 2014–15*. He argued that illicit drugs are actually becoming easier to obtain (see evidence in chapter 2 about availability) and that the average price of crystal methamphetamine continues to decrease.<sup>136</sup> Dr Coyne remarked that despite record seizures:

...stable user prices reveal border and enforcement agencies are not seizing increasing percentages of the total ATS (and their precursors) being imported into Australia.<sup>137</sup>

5.137 And:

These findings indicate the existence of a disconnect between the use of seizure rates as a performance measure and the achievement of the government's policy intent of harm minimisation. More specifically this submission argues that concentrating enforcement strategy towards higher seizure rates, restricts the ability of enforcement officers to implement innovative strategies to reduce supply reduction.<sup>138</sup>

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133 Detective Superintendent Graham Goodwin, SA Police, *Committee Hansard*, 28 July 2015, p. 16.

134 Dr John Coyne, *Submission 92*, p. 2.

135 Dr Coyne, *Submission 92*, p. 2.

136 Dr Coyne, *Submission 92*, p. 2.

137 Dr Coyne, *Submission 92*, p. 2.

138 Dr Coyne, *Submission 92*, p. 2.

5.138 As a consequence, law enforcement agencies 'focus on achieving higher seizure rates and arrests' as a performance measure.<sup>139</sup> However, the pursuit of these performance measures comes:

...at the cost of other, more innovative strategies and measures, which may include interventions by agencies not involved in law enforcement. Seizure and arrest rates have great political value, as they provide tangible quantitative measures of 'getting tough' policies. Law enforcement policymakers face a conundrum: whether to continue to pursue politically sensitive increases in seizures and arrests or to pursue less tangible but more complex and difficult outcomes, such as cooperating internationally to reduce illicit drug supply.<sup>140</sup>

5.139 As discussed in chapter 4, law enforcement strategies have not managed to reduce the availability, purity or price of crystal methamphetamine on the streets, despite record seizures. A common measure of law enforcement's success is seizure data, yet these seizures do not appear to impact the purity or increase the price of crystal methamphetamine. For this reason, a number of submitters argued for changes to the way in which law enforcement agencies' measure success.

#### *Measuring the success of law enforcement agencies*

5.140 Related to the effectiveness of law enforcement strategies, Professor Paul Dietze from the Burnet Institute questioned the appropriateness of measuring the success of law enforcement agencies by the number and/or weight of seizures, and the number of drug-related arrests.

5.141 As an alternative, Professor Dietze identified one possible alternative measure. The purity-adjusted price, which establishes a performance indicator for law enforcement agencies, is to 'drive up the price per pure gram'.<sup>141</sup> Professor Dietze suggested current policies are failing because the price per pure gram is falling quite dramatically (see chapter 2 for information about the purity of crystal methamphetamine)<sup>142</sup> and:

...we need to start thinking about what the indicators are that are important. If disrupting the methamphetamine market is the goal of law enforcement, for example, then driving purity adjusted price upwards would be one of the key targets. In actual fact, it has gone the reverse, despite significant investment. Those kinds of investments probably need to be reviewed.<sup>143</sup>

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139 Dr Coyne, *Submission 92*, p. 3.

140 Dr Coyne, *Submission 92*, p. 3.

141 Professor Paul Dietze, Deputy Director, Centre for Population Health, Burnet Institute UNSW, *Committee Hansard*, 9 September 2015, p. 2.

142 Professor Dietze, Burnet Institute, *Committee Hansard*, 9 September 2015, p. 2.

143 Professor Dietze, Burnet Institute, *Committee Hansard*, 9 September 2015, p. 2.

5.142 Professor Dietze also argued that the increase in the number of arrests for consumer-related offences is a major problem, for both law enforcement and for the community because:

...it does not actually do anything in relation to the purity-adjusted price. Law enforcement resources either need to be reinvested because they have been failing, or alternatively the law enforcement strategies need to be revised so that there is a different targeting.<sup>144</sup>

5.143 The most recent National Drug Strategy (NDS) 2017–2026 specifically outlines five headline indicators that will be used to measure the success of the NDS (see chapter 3). However, the headline indicators do not include quantifiable key performance indicators for purity or availability of illicit drugs. Instead, the availability and purity of illegal drugs, along with the Illicit Drug Data Reports, are listed as supplementary indicators<sup>145</sup> to inform annual progress reports to the MDAF.<sup>146</sup> The former NDS for 2010–2015 had a performance measure<sup>147</sup> aimed at reducing the purity levels and increasing the price of illicit drugs,<sup>148</sup> but the NDS for 2010–2015 did not provide a quantifiable benchmark for this performance measure.<sup>149</sup>

5.144 The NDS 2017–2026 report's headline indicators are informed by the *Evaluation and Monitoring of the National Drug Strategy 2004-2009 Final Report* (evaluation report). The evaluation report considered the matter of illicit drug purity, and advocated for an information system on the purity of illicit drugs to improve the monitoring and evaluation of the NDS as:

...valid and reliable information system on the purity of illicit drugs would be valuable for NDS monitoring and evaluation, because purity has been identified as the best single indicator of illicit drug availability.<sup>150</sup>

5.145 The evaluation report noted the absence of any common data standard for Commonwealth, state and territory police services, thus making it difficult to obtain

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144 Professor Dietze, Burnet Institute, *Committee Hansard*, 9 September 2015, p. 3.

145 See Chapter 3 for full list of other supplementary indicators.

146 Australian Government, *National Drug Strategy (NDS) 2017–2026*, p. 42.

147 The NDS 2010–2015 notes that there is not a straightforward relationship between price or purity and the success of supply reduction strategies. It provides an example that an increase in the price for an illicit drug may reflect increase in its demand as well as decreases in its supply. To measure its success, the NDS 2010–2015 stated that this measure needed to be interpreted alongside performance measure number one, which dealt with the indicators of drug use. For further information see, NDS 2010–2015, p. 23.

148 Australian Government, *NDS 2010–2015*, p. 23.

149 Australian Government, *NDS 2010–2015*, p. 23.

150 Siggins Miller, *Evaluation and Monitoring of the National Drugs Strategy 2004–2009 Final Report*, 2009, available: [http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/FD973BE3A786C9B0CA257682000E70DC/\\$File/eval1.pdf](http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/FD973BE3A786C9B0CA257682000E70DC/$File/eval1.pdf) (accessed 4 August 2017), p. 81.

an accurate measure of the purity of illicit drugs. The report found the *Illicit Drug Data Report* used 'somewhat patchy purity data on a state-by-state basis but cannot provide a national overview'<sup>151</sup> and recommended a:

consistent, coherent national system for monitoring the purity of illicit drugs<sup>152</sup> as a key indicator of drug availability, and by extension the success of drug law enforcement agencies in reducing drug availability.<sup>153</sup>

5.146 New Zealand has adopted different key performance indicators, in its *Tackling Methamphetamine: Indicators and Progress Reports*. The reporting on supply reduction measures includes indicators tracking the price and purity of methamphetamine, and establishes a desired trend of supply control leading to an increased price and lower purity over time.<sup>154</sup>

### ***Committee view***

5.147 Law enforcement strategies play a vital role in combating the manufacture, importation and distribution of illicit drugs. However, evidence to the committee demonstrates that law enforcement strategies alone will not solve the problem of illicit drugs in Australia. Despite record numbers of detections at the Australian border, the committee heard that there continues to be a high level of availability on the streets, and the purity of crystal methamphetamine remains high. Meanwhile, the price of crystal methamphetamine remains low.

5.148 The NIT, the NIAS and the NDS articulate a comprehensive policy solution, combining supply reduction, demand reduction and harm reduction measures, not just law enforcement. Implementation of the NIAS has already begun, as discussed in this report and as evidenced by the Commonwealth's allocation of funds (see chapter 3), and has been integrated into the most recent iteration of the NDS for 2017–2026. The committee is supportive of Australian law enforcement agencies' work to address crystal methamphetamine; the committee also welcomes the shift towards an approach

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151 Siggins Miller, *Evaluation and Monitoring of the National Drugs Strategy 2004–2009 Final Report*, 2009, available:

[http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/FD973BE3A786C9B0CA257682000E70DC/\\$File/eval1.pdf](http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/FD973BE3A786C9B0CA257682000E70DC/$File/eval1.pdf) (accessed 4 August 2017), p. 81.

152 The report also advocated for the monitoring of cannabis potency. See Siggins Miller, *Evaluation and Monitoring of the National Drugs Strategy 2004–2009 Final Report*, 2009, available:

[http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/FD973BE3A786C9B0CA257682000E70DC/\\$File/eval1.pdf](http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/FD973BE3A786C9B0CA257682000E70DC/$File/eval1.pdf) (accessed 4 August 2017), p. 82.

153 Siggins Miller, *Evaluation and Monitoring of the National Drugs Strategy 2004–2009 Final Report*, 2009, available:

[http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/FD973BE3A786C9B0CA257682000E70DC/\\$File/eval1.pdf](http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/FD973BE3A786C9B0CA257682000E70DC/$File/eval1.pdf) (accessed 4 August 2017), p. 81.

154 Department of the Prime Minister and Cabinet (New Zealand), *Tackling Methamphetamine: Progress Report, October 2015*, pp 5–6, <https://www.dpmc.govt.nz/sites/default/files/2017-03/indicators-and-progress-report-oct2015.pdf> (accessed 18 July 2017).

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with a greater emphasis on health and welfare. The committee intends to monitor the progress of the NIAS and would welcome updates from the Commonwealth government in relation to its progress and efficacy within the broader policy setting established by the NDS.

5.149 With respect to measuring the success of law enforcement strategies, however, the committee acknowledges the criticism raised by some submitters and witnesses, and agrees that alternative and potentially more meaningful measures should be given consideration. Using seizure rates as a measure of success fails to capture nuances in the crystal methamphetamine market such as the impact of seizures on the quality, quantity and price of crystal methamphetamine, which to date have not been negatively affected by higher numbers of seizures.

5.150 The need for a national monitoring system for the purity of illicit drugs committee was not raised the course of this inquiry; the committee notes that such information is currently provided in the ACIC's Illicit Drug Data Reports. The committee is, however, concerned that the current iteration of the NDS omits measures of availability, purity and price as headline benchmarks, despite the evaluation report identifying purity 'as the best single indicator of illicit drug availability'.<sup>155</sup> The committee recommends that attempts to measure the impact of law enforcement strategies should include assessments of the availability, purity and price of the drug, particularly at the street level. Steps should be taken to include these measures in the NDS 2017–2026.

## **Recommendation 8**

**5.151 The committee recommends that Australian law enforcement agencies, in addition to the number and volume of drug seizures, assess and report on the availability, purity and price of illicit drugs, particularly at the street level, to better determine the impact of law enforcement and other strategies on the illicit drug market.**

**Mr Craig Kelly MP**  
**Chair**

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155 Siggins Miller, *Evaluation and Monitoring of the National Drugs Strategy 2004–2009 Final Report*, 2009, available: [http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/FD973BE3A786C9B0CA257682000E70DC/\\$File/eval1.pdf](http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/Publishing.nsf/content/FD973BE3A786C9B0CA257682000E70DC/$File/eval1.pdf) (accessed 4 August 2017), p. 81.





# Appendix 1

## Submissions received

**Submission  
Number**

**Submitter**

*Received during the 44th Parliament*

1	Associate Professor Peter Miller
2	Confidential
3	Confidential
4	Rural Health Tasmania Inc.
5	Mr Martin Drinkwater
6	Australian Institute of Health and Welfare
7	Name Withheld
8	Families of Addicts Support Group
9	Social Research and Evaluation Pty Ltd
10	National Drug Research Institute
11	Name Withheld
12	Scarlet Alliance
13	Hon Steve Dickson MP
14	Victorian Alcohol and Drug Association
15	Ted Noffs Foundation
16	Drug Policy Modelling Program, NDARC, UNSW
17	Turning Point
18	St Vincent's Health Australia
19	Name Withheld
20	Queensland Network of Alcohol and Other Drugs
21	Western Australian State Parliamentary Labor Party
22	UnitingCare ReGen
23	Burnet Institute
24	FamilyVoice Australia
25	Victorian Dual Diagnosis Initiative
26	Penington Institute
27	National Centre for Education and Training on Addiction (NCETA)
28	Western Australian AIDS Council
29	National Association of People with HIV Australia
30	Dr Andrew Groves
31	National Drug and Alcohol Research Centre
32	Name Withheld
33	Youth Off The Streets
34	Australian Injecting and Illicit Drug Users League (AIVL) Inc.
35	Australian Industry Group
36	United Nations Office on Drugs and Crime
37	Melbourne City Mission

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38	Hepatitis NSW
39	Australian Medical Association
40	The Salvation Army
41	Dr Jann Karp PhD, University of Wollongong
42	AIDS Council of NSW (ACON)
43	Australian Federation of AIDS Organisations (AFAO)
44	Associate Professor Rebecca McKetin
45	Mercy Services
46	Northern Territory Aids and Hepatitis Council (NTAHC)
47	Living Positive Victoria
48	Hon John Castrilli MLA, Member for Bunbury
49	Police Federation of Australia
50	The Australian Psychological Society Limited
51	Australian Drug Foundation
52	Tasmanian Government
53	Australian Government - Attorney-General's portfolio agencies (Attorney-General's Department, Australian Crime Commission, Australian Federal Police, Australian Institute of Criminology, Australian Transaction Reports and Analysis Centre and Immigration and Border Protection Portfolio)
54	Associate Professor John Fitzgerald
55	Mr Peter Abetz MLA, Member for Southern River
56	Name Withheld
57	Confidential
58	Life Education Australia
59	Victoria Police
60	Aboriginal Health Council of Western Australia
61	Department of Justice & Regulation (Victoria)
62	Australasian College for Emergency Medicine
63	Mr Jawad Chafil
64	Public Health Association of Australia
65	Minerals Council of Australia
66	Confidential
67	Cape York Partnership
68	Northern Territory Police, Fire and Emergency Services
69	National Aboriginal and Torres Strait Islander Legal Services
70	Dr Terry Goldsworthy and Adjunct Teaching Fellow Laura McGillivray, Bond University
71	Families and Friends for Drug Law Reform
72	Mount Isa Community Yarning Circles
73	Mr Stephen Jones MP, Federal Member for Throsby
74	Magistrate Jennifer Bowles
75	Australian Government (Department of Health)
76	Name Withheld
77	Australian Federation of Employers and Industries (AFEI)
78	South Australian Government
79	Dr Alex Wodak AM, Australian Drug Law Reform Foundation

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80	South Australian Network of Drug & Alcohol Services
81	Mr Mick Palmer
82	Mission Australia

***Received during the 45th Parliament***

83	Secure Australia Party
84	Drug Education Network
85	National Drug and Alcohol Research Centre
86	Australian Medical Association
87	The National Centre for Education and Training on Addiction
88	Mission Australia
89	Ms Susan MacManus
90	Deakin University Violence Prevention Group, School of Psychology
91	NSW Users and AIDS Association
92	Dr John Coyne
93	Magistrate Jennifer Bowles, What can be done
94	Australasian College for Emergency Medicine
95	Victorian Alcohol and Drug Association
96	Network of Alcohol and Other Drug Agencies
97	Alcohol, Tobacco and other Drugs Council of Tasmania
98	Department of Health
99	Wangaratta Ice Steering Committee
100	Palmerston Association
101	Harm Reduction Australia, Students for Sensible Drug Policy Australia, and International Drug Policy Consortium
102	ACON
103	Drug Policy Australia
104	National Association of People with HIV Australia
105	AIVL - Australian Injecting & Illicit Drug Users League
106	Unharm
107	Western Australian Network of Alcohol & other Drug Agencies
108	Australian Network of State and Territory Alcohol and Other Drug Peak Bodies
109	Northern Territory Police, Fire and Emergency Services
110	Cohealth
111	Australian Federation of Employers and Industries
112	Ai Group
113	National Drug Research Institute, Curtin University
114	Penington Institute
115	Holyoake Tasmania Inc.
116	United Nations Office on Drugs and Crime
117	Commonwealth Attorney-General's Department
118	Name Withheld
119	Victorian Government



## **Appendix 2**

### **Tabled documents**

#### ***Received during the 44th Parliament***

1. Tabled by Magistrate Jennifer Bowles at a public hearing in Melbourne on 27 July 2015.
2. Tabled by Magistrate Jennifer Bowles at a public hearing in Melbourne on 27 July 2015.
3. Tabled by Magistrate Jennifer Bowles at a public hearing in Melbourne on 27 July 2015.
4. Tabled by Magistrate Jennifer Bowles at a public hearing in Melbourne on 27 July 2015.
5. Tabled by the Ice Meltdown Project at a public hearing in Melbourne on 27 July 2015.
6. Tabled by Ms Jennifer Cruise for Mental Health Services, SA Health at a public hearing in Mount Gambier on 29 July 2015.
7. Tabled by Dr Jann Karp at a public hearing in Liverpool on 29 July 2015.
8. Opening statement tabled by Deputy Commissioner, Field Operations at a public hearing in Liverpool on 29 July 2015.
9. Opening statement tabled by Mr William (Bill) Bush, Member, Families and Friends for Drug Law Reform at a public hearing in Canberra on 25 November 2015.

### **Additional information**

#### ***Received during the 45th Parliament***

1. WA Primary Health Alliance – Correction of evidence taken at public hearing 3 May 2017 from Ms Learne Durrington (received 29 May 2017).
2. Australian Criminal Intelligence Commission - Correction of evidence taken at public hearing on 24 March 2017 (received 11 April 2017).

3. Australian Criminal Intelligence Commission - National Wastewater Drug Monitoring Program, Report 1, 1 March 2017 (received 11 April 2017).

## **Answers to questions on notice**

### ***Received during the 44th Parliament***

1. Answers to Question on Notice - public hearing 28 July 2015, Mount Gambier - Dr David Phillips, National Director, FamilyVoice Australia.
2. Answer to Question on Notice - public hearing 27 July 2015 - Melbourne - Dr Louise Roufeil, Executive Manager (Professional Practice), Australian Psychological Society.
3. Answer to Question on Notice - public hearing 29 July 2015, Liverpool - Deputy Commissioner Kaldas, New South Wales Police.
4. Answer to Question on Notice - public hearing 29 July 2015, Liverpool - Mr Stephen Smith, Head of National Workplace Relations Policy, Ai Group.
5. Answer to Question on Notice - public hearing 9 September 2015, Canberra - Department of Health.
6. Answer to Question on Notice - public hearing 9 September 2015, Canberra - Department of Health.
7. Answer to Question on Notice - public hearing 9 September 2015, Canberra - Department of Health.
8. Answer to Question on Notice - public hearing 9 September 2015, Canberra - Department of Health.
9. Answers to Question on Notice - public hearing 14 October 2015, Canberra - Attorney-General's Portfolio.

### ***Received during the 45th Parliament***

1. Answers to questions on notice - Public hearing, 24 March 2016, Canberra - Department of Health (received 2 May 2017).
2. Answers to questions on notice - Public hearing, 24 March 2016, Canberra - Department of Health (received 10 May 2017).

3. Answers to questions on notice - Public hearing 24 March 2016, Canberra - Department of Health (received 2 May 2017).
4. Answers to questions on notice - Public hearing 24 March 2016, Canberra - Australian Criminal Intelligence Commission (received 13 April 2017).
5. Answers to questions on notice - Public hearing 24 March 2016, Canberra - Attorney-General's Department (received 12 April 2017).
6. Answers to written questions on notice - Public hearing 24 March 2016, Canberra - United Nations Office of Drugs and Crime.
7. Answers to questions on notice - Public hearing 24 March 2016, Canberra - Holyoake Tasmania (received 13 April 2017).
8. Answers to questions on notice - Public hearing 24 March 2016, Canberra - Alcohol, Tobacco and other Drugs Council Tasmania Inc (received 11 April 2017).





# Appendix 3

## Public hearings and witnesses

### *Public hearings during the 44th Parliament*

#### **Monday 27 July 2015 – Melbourne**

##### Victoria Police

Assistant Commissioner Stephen Fontana APM, Assistant Commissioner  
(Crime Command)

##### Penington Institute

Mr John Ryan, Chief Executive Officer

##### Private Capacity

Ms Jennifer Bowles

##### Ice Meltdown Project

Mrs Susan MacManus, Secretary

Ms Megan Waddell, Secretary

Mrs Denise Krawczyk, Member

Mrs Debbie McDonough, Member

##### Victorian Alcohol and Drug Association

Mr Sam Biondo, Executive Officer

Mr David Taylor, Policy Officer

##### University of Melbourne

Associate Professor John Fitzgerald

##### Melbourne City Mission

Ms Deborah Fewster, Head of Policy, Advocacy and Government Relations

Ms Sonia Chudiak, Senior Manager Homelessness and Justice Services

The Australian Psychological Society Limited

Dr Louise Roufeil, Chief Executive Officer

**Tuesday 28 July 2015 – Mount Gambier**

National Centre for Education and Training on Addiction (NCETA)

Professor Ann Roche, Director

South Australia Police

Superintendent Trevor Twilley

Detective Superintendent Graham Goodwin, Officer in Charge, Serious Organised Crime Branch

FamilyVoice Australia

Dr David Phillips, National Director

Mr Damian Wyld, National Policy Officer

South East Local Government Association

Mr Richard Sage, Vice President

Anxiety Disorders Association South East

Mrs Helen Williams, Chief Executive Officer and Founder

SA Health

Ms Jennifer Cruise, Mental Health Clinician, Community Mental Health, South East Region

Country Health South Australia

Ms Sally Neumann, Clinical Services Coordinator, Emergency Department

South Australia Ambulance Service

Mr David Dewar, Intensive Care Paramedic, Clinical Team Leader

Families of Addicts Support Group

Mr Maurie Judd

Ms Evelyn Gordon

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South Australian Network of Drug & Alcohol Services

Mr Michael White, Executive Officer

Centacare

Ms Helene Nielsen, Assistant Executive Manager

**Wednesday 29 July 2015 – Liverpool**

NSW Police

Deputy Commissioner Naguib (Nick) Kaldas, Field Operations

Superintendent Peter Lennon, Commander, Fairfield LAC

Superintendent James Johnson, Commander, Green Valley LAC

Chief Superintendent Peter Gillam, Commander, Liverpool LAC

Superintendent Wayne Murray, Commander, Cabramatta LAC

AIDS Council of NSW (ACON)

Mr Nicolas Parkhill, Chief Executive Officer

Australian Federation of AIDS Organisations (AFAO)

Ms Linda Forbes, Manager, Policy and Communications

Living Positive Victoria

Mr Brent Allan, Chief Executive Officer

National Association of People with HIV Australia (NAPWHA)

Mr Anthony Maynard, Treataware Project Officer

NAPWHA and Positive Life NSW

Mr Craig Cooper, Secretary/Treasurer and CEO

National Drug and Alcohol Research Centre

Dr Lucy Burns, Associate Professor

The Salvation Army

Mr Gerard Byrne, Recovery Services Clinical Director

Ms Kathryn Wright, Territorial Drug & Alcohol Director

Private Capacity

Dr Jann Karp PhD

Australian Drug Law Reform Foundation

Dr Alex Wodak, President

Ted Noffs Foundation

Mr Mark Ferry

Hepatitis NSW

Mr Stuart Loveday, Chief Executive Officer

Mr Alistair Lawrie, Policy and Engagement Manager

Australian Industry Group

Mr Stephen Smith, Head of National Workplace Relations Policy

Ms Nicola Street, National Manager, Workplace Relations Policy

St Vincent's Health Australia

Associate Professor Nadine Ezard, Clinical Director, Alcohol & Drug Service,  
St Vincent's Hospital Network

**Thursday 30 July 2015 – Caboolture**

Queensland Network of Alcohol and Other Drugs

Ms Rebecca MacBean, Chief Executive Officer

Ms Jody Wright, Executive Officer of Drug Arm

Central Australian Aboriginal Legal Aid Service Inc

Mr Mark O'Reilly, Principal Legal Officer

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Cape York Partnership

Mr Brian Stacey, Head of Policy

Dr Pendo Mwaiteleke, Senior Policy Officer

Apunipima Cape York Health Council

Dr Mark Wenitong, Senior Medical Officer

Metro North Mental Health, Metro-North Mental Health, Alcohol and Drug Service,  
Queensland Health

Mr Jeff Buckley, Principal Consultant, Statewide Clinical Support Services

Mrs Emma Armitage, Allied Health Manager

KYC Consultancy & KYC Trust - (Kidz Youth Community)

Ms Kim Reid, Executive Director

Mount Isa Community Yarning Circles

Ms Stephanie King

Ms Leanne Shaw

Bond University

Dr Terry Goldsworthy, Assistant Professor - Criminology Department

Dr Laura McGillivray, Teaching Fellow

**Wednesday 12 August 2015 – Canberra**

Private Capacity

Mr Michael Palmer AO APM

**Wednesday 9 September 2015 – Canberra**

Burnet Institute

Professor Paul Dietze, Head of Alcohol and other Drug Research, Centre for  
Population Health; Burnet Principal for Alcohol, other drugs and harm  
reduction

Australian National University

Associate Professor Rebecca McKetin

Australian Government (Department of Health)

Dr Wendy Southern, Deputy Secretary, National Program Delivery

Dr Lisa Studdert, First Assistant Secretary, Population, Health and Sport

**Wednesday 14 October 2015 – Canberra**

Attorney-General's Department

Mr Iain Anderson, First Assistant Secretary, Criminal Justice Division

Australian Border Force

Mr Stephen Lancaster, Assistant Commissioner, Investigations

Australian Crime Commission

Mr Chris Dawson APM, Chief Executive Officer

Australian Federal Police

Mr Ian McCartney, National Manager, Organised Crime and Cyber

Dr Simon Walsh, A/g National Manager, Specialist Operations

Australian Transaction Reports and Analysis Centre (AUSTRAC)

Mr Paul Jevtovic, Chief Executive Officer

St Vincent's Health Australia

Associate Professor Nadine Ezard, Clinical Director, Alcohol and Drug Service

Professor Gordian Fulde, Director, Emergency Medicine

**Wednesday 11 November 2015 – Canberra**

Australian Federation of Employers and Industries (AFEI)

Mr Garry Brack, Chief Executive Officer

Ms Jill Allen, Director, Policy and Research

**Wednesday 25 November 2015 – Canberra**

Families and Friends for Drug Law Reform

Mr William Bush, Member

Mr Peter Taylor, Member

Australian Injecting and Illicit Drug Users League (AIVL)

Ms Annie Madden, Executive Officer

**Wednesday 2 December 2015 – Canberra**

Australasian College for Emergency Medicine (ACEM)

Dr Sally McCarthy, Councillor, Council of Advocacy Practice and Partnerships

Associate Professor Diana Egerton-Warburton, Director of Emergency Medicine Research and Innovation

Dr Andrew Gosbell, Director of Policy & Research, Deputy Chief Executive Officer

Australian Medical Association (AMA)

Associate Professor David Mountain, Federal Council Emergency Physician Representative

***Public hearings during the 45th Parliament*****Friday 24 March 2017 – Canberra**

Tasmania Police

Assistant Commissioner Glen Frame, Assistant Commissioner of Police (Operations)

Alcohol, Tobacco and other Drugs Council of Tasmania

Ms Debra Rabe, Chief Executive Officer

Dr Jacqueline Hallam, Policy and Research Officer

Holyoake Tasmania Inc

Ms Sarah Charlton, Chief Executive Officer

Department of Health

Dr Wendy Southern, Deputy Secretary, Department of Health

Mr David Laffan, Assistant Secretary, Population Health and Sport Division,  
Drug Strategy

Mr Jaye Smith, Acting First Assistant Secretary, Population Health and Sport  
Division, Drug Strategy

Attorney-General's Department

Ms Catherine Hawkins, First Assistant Secretary, Criminal Justice Policy and  
Programmes Division

Australian Federal Police

Commander Bruce Hill, Manager, Organised Crime

Australian Criminal Intelligence Commission

Mr Col Blanch, Executive Director, Intelligence

Australian Transaction Reports and Analysis Centre (AUSTRAC)

Dr John Moss, National Manager Intelligence

**Wednesday 3 May 2017 – Perth**

Western Australia Police

Mr Pryce Scanlan, Commander (Crime Operations)

Mr Lucas Ride, Senior Policy Officer

Palmerston Association

Ms Sheila McHale, Chief Executive Officer

Youth Futures WA

Mr Timothy Lanzon, Drug Education Support Worker

WA Primary Health Alliance

Ms Learne Durrington, Chief Executive Officer



Western Australian Network of Alcohol & other Drug Agencies

Ms Jill Rundle, Chief Executive Officer

Mr Ethan James, Advocacy and Research Coordinator

National Drug Research Institute, Curtin University

Professor Steve Allsop, Director

Associate Professor Rebecca McKetin, Research Fellow

Centre for Health Services Research, University of Western Australia

Mr Craig Cumming, Research Associate

Aboriginal Health Council of Western Australia

Ms Michelle Nelson-Cox, Chairperson

Mr Shaun Wyn-Jones, Senior Policy Officer

Western Australia AIDS Council

Mr Matthew Creamer, Manager, Health Promotion

