

SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE
AUSTRALIAN FEDERAL POLICE

Question No. 230

Senator Stott-Despoja asked the following question at the hearing on 31 October 2005:

a) The officially funded study by Degenhardt¹ and others of the causes of the heroin shortage records that the immediate cause of the shortage was the withdrawal of key groups from supplying the drug to Australia – “*a small number of key groups had traditionally financed major heroin imports to Australia in the 1990s, and these groups had withdrawn from the financing and facilitating these imports in the late 1990s.*” Adopting the assessment of key law enforcement informants, the study attributes this decision to “*coordinated action of Australian law enforcement*”.

Can the AFP explain why, if law enforcement was so effective in deterring heroin suppliers, it was, at the same time, so ineffective in preventing a flood of the new potent methamphetamine stimulants, like crystal meths, that originated from the same region and passed through similar hands?

b) The Degenhardt study states that the reductions in heroin supply were most likely the result of actions aimed “at the very high levels of drug trafficking” (p. xviii). Do you agree with this statement? If so, why is so much of the law enforcement effort directed at low level suppliers and consumers?

The answer to the honourable senator’s question is as follows:

- a) There is no evidence of any "flood" into Australia of “methamphetamine stimulants”. AFP seizures of methylamphetamine have remained steady since 2003/04. The majority of the Australian methylamphetamine market continues to be supplied through domestic production in clandestine laboratories with chemicals sourced through the illicit diversion of legitimate pharmaceutical products. Evidence suggests that the majority of precursor chemicals required to manufacture ATS are sourced domestically.
- b) The AFP agrees that law enforcement targeting of high levels of drug trafficking contributed to the heroin shortage in Australia. AFP analysis suggests that the shortage was affected by the disruption of importation syndicates by the AFP and its law enforcement partners, particularly the range of offshore capabilities facilitated by the expansion of the AFP’s International Network. The United Nations Drug Control Program *Global Illicit Drug Trends 2002* and the National Drug and Alcohol Research Centre (NDARC) report on *Causes, Course and Consequences of the Heroin Shortage in Australia* support this assessment.

The central finding of the NDARC research is that law enforcement efforts were a key contributing factor to the reduction of the heroin supply in 2001. The research notes that following a period of high availability of heroin during the 1990s, funding to law enforcement increased; improving effectiveness and enabling greater collaboration with overseas officials in source and trans-shipment countries and arrests of key people in drug supply networks.

¹ Louisa Degenhardt, Carolyn Day and Wayne Hall (eds.), *The causes, course and consequences of the heroin shortage in Australia*, NDLERF Monograph Series no. 3 (Funded by the National Drug Law Enforcement Research Fund, an initiative of the National Drug Strategy, [Marden, SA], 2004) & NDARC monograph no. 53 (National Drug and Alcohol Research Centre, University of New South Wales, 2004) summary at <http://www.ndlerf.gov.au/>.

The report affirms supply reduction as an integral component of a comprehensive policy approach that aims to reduce the demand for drugs, as well as the harms that arise from drug use. The report indicates that the multifarious nature of the approach in Australia served to mitigate adverse consequences that may have resulted from the reduced availability of heroin.

The researchers were able to reject a number of theories for the shortage that have previously been the subject of media and other speculation. The shortage cannot be easily explained by changes in the supply of opium in supply regions. For example:

- Heroin availability in Australia did not fall after the relatively poor crop in Burma in 1999;
- The heroin shortage in Australia was apparent from late 2000, well before any effect the reduced Afghanistan production levels resulting from the Taliban's restrictions could have had on global supplies; and
- The shortage was unique to Australia and did not effect other markets supplied by Golden Triangle heroin, such as Canada.

The AFP does not generally target "low level suppliers and consumers". The AFP concentrates on targets whose apprehension will assist in dismantling organised illicit drug trafficking syndicates.

The Australian Government is working closely with State and Territory agencies through the Ministerial Council on Drug Strategy and the National Precursor Working group to develop national strategies to prevent the supply of illicit drugs. The National Working Group on the Prevention of the Diversion of Precursor Chemicals into Illicit Drug Manufacture was established in September 2002. The Working Group brings together 44 members from law enforcement, health and industry. The Working Group is focused on the diversion of pseudoephedrine and other precursor chemicals from both legitimate and illegitimate sources, including pharmacies and the chemical industry.