

The Parliament of the Commonwealth of Australia

**PARLIAMENTARY JOINT COMMITTEE
ON THE AUSTRALIAN CRIME COMMISSION**

**Inquiry into the manufacture, importation and use of
amphetamines and other synthetic drugs (AOSD) in Australia**

February 2007

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RECOMMENDATIONS

Chapter 2

Recommendation 1

2.10 The Committee recommends that the Australian Government and the states, the territories and their agencies standardise the terms being used to describe amphetamines and other synthetic drugs (AOSD), particularly for research and statistical purposes.

Recommendation 2

2.60 The Committee recommends that the Australian Crime Commission develop a nationally coordinated response to new and emerging communications technologies used by organised criminal networks to undertake serious criminal activities.

Recommendation 3

2.75 The Committee recommends that the Australian Crime Commission work with federal, state and territory law enforcement agencies to achieve consistency in the collection and analysis and reporting of data on the chemical composition of seized illicit tablets, as well as drug identification and coding.

Recommendation 4

2.88 The Committee recommends that the Australian Crime Commission continue to be funded commensurate with the anticipated increase in organised criminal activity in relation to amphetamines and other synthetic drugs (AOSD).

Chapter 4

Recommendation 5

4.22 The Committee recommends that public education and demand-reduction campaigns for illicit drugs be factual, informative and appropriately targeted. The Committee also recommends that such campaigns seek input from young people, and take account of user experiences of amphetamines and other synthetic drugs (AOSD).

Recommendation 6

4.50 The Committee recommends that, in the execution of the National Drug Strategy, harm-reduction strategies and programs receive more attention and resources.

Recommendation 7

4.71 The Committee recommends that the Victorian feasibility study for an illicit tablet monitoring and information service be monitored and, as appropriate, the outcomes independently evaluated by the appropriate Commonwealth government agency.

Chapter 5**Recommendation 8**

5.77 The Committee recommends that a review of the provisions of the *Law and Justice Legislation Amendment (Serious Drug and Other Offences) Act 2005* be undertaken not later than December 2007, and that it be amended to provide for regular reviews of the effectiveness of the provisions at two-year intervals after the initial review.

Recommendation 9

5.86 The Committee recommends that the states and territories consider adopting drug offence regimes based on the *Law and Justice Legislation Amendment (Serious Drug and Other Offences) Act 2005* with the aim, as far as is practically possible, of establishing greater national consistency in the offences and penalties that apply to crimes related to amphetamines and other synthetic drugs (AOSD).

Recommendation 10

5.99 The Committee recommends that the Commonwealth government undertake regular reviews of the effectiveness and interaction of Commonwealth and state drug legislation.

Recommendation 11

5.100 The Committee recommends that the Commonwealth government continue to work with the state and territory governments to encourage national consistency of offences relating to amphetamines and other synthetic drugs (AOSD) and precursor chemicals.

Chapter 6**Recommendation 12**

6.35 The Committee recommends that the Commonwealth government, in collaboration with state and territory governments and pharmacists, continue to implement Project STOP nationally.

Recommendation 13

6.64 The Committee recommends that the Australian Crime Commission collaborate with the Australian Federal Police, the Australian Customs Service and the relevant state and territory law enforcement agencies to improve performance measurements for drug law enforcement under the National Drug Strategy.

Recommendation 14

6.67 The Committee recommends that the reporting of Australian Federal Police statistics show separately the drug law enforcement policing outcomes for the ACT and federal jurisdictions.

Recommendation 15

6.90 The Committee recommends that the Australian Crime Commission and other Commonwealth law enforcement agencies, in conjunction with the relevant state and territory agencies, develop a standard data dictionary to ensure that information shared is as accurate as possible.

Recommendation 16

6.91 The Committee recommends that the Australian Crime Commission review its current sources of information so that the potential for double counting between state, territory and Commonwealth agencies is minimised. Such a review should be published so stakeholders have a clear understanding of the basis and accuracy of supply data.

Recommendation 17

6.92 The Committee recommends that the Australian Crime Commission work with the state and territory law enforcement agencies to increase their participation in data provision to the Australian Crime Commission's databases.

Recommendation 18

6.93 The Committee recommends that the Australian Crime Commission work to include the data provided by the state and territory law enforcement agencies to further develop the Illicit Drug Data Report.

ACRONYMS

ABCI	Australian Bureau of Criminal Intelligence
ACC	Australian Crime Commission
ACC Act	<i>Australian Crime Commission Act 2002</i>
ACID	Australian Criminal Intelligence Database
ACS or Customs	Australian Customs Service
ACT	Australian Capital Territory
AFP	Australian Federal Police
AGD	Attorney-General's Department
AIDIP	Australian Illicit Drug Intelligence Program
AIDR	Australian Illicit Drug Report
AIHW	Australian Institute of Health and Welfare
ALRC	Australian Law Reform Commission
ANCD	Australian National Council on Drugs
AOSD	amphetamines and other synthetic drugs
ATS	amphetamine type substances/stimulants
CDPP	Commonwealth Director of Public Prosecutions
CMC	Queensland Crime and Misconduct Commission
DoHA	Department of Health and Ageing
DHI	Drug Harm Index
EM	explanatory memorandum
FFDLR	Families and Friends for Drug Law Reform
GHB	gamma hydroxybutyrate
IDDR	Illicit Drug Data Report

IDRS	Illicit Drug Reporting System
IGCD	Intergovernmental Committee on Drugs
JACG	Joint Asian Crime Group
LEA	law enforcement agency
LECP	Law Enforcement Cooperation Program
LSD	lysergic acid diethylamide
MCDS	Ministerial Council on Drug Strategy
MDA	methylenedioxyamphetamine
MDEA	methylenedioxyethylamphetamine
MDMA	methylenedioxymethylamphetamine (ecstasy)
MDP2P	methylenedioxyphenyl-2-propane
MoU	memorandum of understanding
NCA	National Crime Authority
NCADA	National Campaign Against Drug Abuse
NCETA	National Centre for Education and Training on Addiction
NCIPs	National Criminal Intelligence Priorities
NDARC	National Drug and Alcohol Research Council
NDLERF	National Drug Law Enforcement Research Fund
NDPSC	National Drugs and Poisons Scheduling Committee
NDRC	National Drug Research Centre
NDS	National Drug Strategy
NDSHS	National Drug Strategy Household Survey
NGO	non-government organisation
NIDAC	National Indigenous Drug and Alcohol Committee
NIDS	National Illicit Drug Strategy

NSW	New South Wales
NSWCC	New South Wales Crime Commission
NT	Northern Territory
nuaa	NSW Users and AIDS Association
OMCG	outlaw motorcycle gangs
PDI	Party Drugs Initiative
PMA	paramethoxyamphetamine
PSE	pseudoephedrine
QADREC	Queensland Alcohol and Drug Research and Education Centre
SA	South Australia
SDO Act	<i>Law and Justice Legislation Amendment (Serious Drug Offences and Other Measures) Act 2005</i>
SDO Bill	Law and Justice Legislation Amendment (Serious Drug Offences and Other Measures) Bill 2005
TI	telecommunications interception
UK	United Kingdom
UNODC	United Nations Office on Drugs and Crime
UNSW	University of New South Wales
US and USA	United States of America
WA	Western Australia

Chapter 1

Introduction

Terms of reference

1.1 The duties of the Parliamentary Joint Committee on the Australian Crime Commission are set out in paragraph 55(1)(d) of the *Australian Crime Commission Act 2002* (the ACC Act). The duties of the Committee are:

...to examine trends and changes in criminal activities, practices and methods and report to both Houses of the Parliament any change which the Committee thinks desirable to the functions, structure, powers and procedures of the ACC...¹

1.2 On 4 December 2005, pursuant to its remit under paragraph 55(1)(d), the Committee initiated an inquiry into the importation, manufacture and use of amphetamines and other synthetic drugs (AOSD) in Australia. The particular focus of the inquiry was on:

- trends in the production and consumption of AOSD in Australia and overseas;
- strategies to reduce the AOSD market in Australia;
- the extent and nature of organised crime involvement;
- the nature of the Australian law enforcement response;
- the adequacy of existing legislation and administrative arrangements between Commonwealth and state agencies in addressing the importation, manufacture, and distribution of AOSD and the precursor chemicals and equipment used in their manufacture; and
- an assessment of the adequacy of the response by Australian law enforcement agencies (LEAs), including the ACC.²

Conduct of the inquiry

1.3 The Committee advertised the inquiry in the *Australian* newspaper on Wednesday 11 January 2006. In addition, the Committee wrote to organisations and individuals with a likely interest in the inquiry.

1 The *Australian Crime Commission Act 2002* may be accessed at: http://www.austlii.edu.au/au/legis/cth/consol_act/acca2002289/ (website viewed 28 November 2006).

2 The inquiry's terms of reference may be accessed at: http://www.aph.gov.au/senate/committee/acc_ctte/aosd/tor.htm (website viewed 28 November 2006).

1.4 The Committee received 33 submissions, which were published and made publicly available on the Committee's website. A list of submissions is at appendix 1.

1.5 The Committee conducted five public hearings as part of the inquiry. Throughout 2006, hearings were held in Adelaide on 3 May, Perth on 4 May, Brisbane on 15 May, Sydney on 16 May, Canberra on 5 and 19 June, and Melbourne on 13 October. Details of witnesses who appeared at these hearings are listed at appendix 2.

1.6 A number of documents were tabled in the course of the inquiry; these are listed at appendix 3.

1.7 Additional information received is listed at appendix 4.

1.8 A table of AOSD is included at appendix 5. The table contains details of common and chemical names, methods of use and the chemical compositions of various AOSD.

1.9 Posters from the Department of Health and Ageing's National Drugs Campaign, discussed at paragraph 4.5, may be found at appendix 6.

The report

1.10 The report addresses the Committee's terms of reference in the following five chapters:

1.11 Chapter 2 defines AOSD and provides an overview of the production and consumption of AOSD in Australia. The chapter also discusses the extent to which organised crime is involved in AOSD manufacture and distribution in Australia.

1.12 Chapter 3 examines the current national policy framework for licit and illicit drugs, the National Drug Strategy (NDS), and provides a brief overview of the key policy and research bodies that oversee and have input into the policy.

1.13 Chapter 4 scrutinises two goals of the NDS: demand reduction and harm reduction. This chapter highlights the harms associated with AOSD use and underlines the need for a holistic and integrated approach to the issues surrounding AOSD.

1.14 Chapter 5 discusses the national law enforcement environment. It provides an overview of the key Commonwealth agencies, and reviews legislative arrangements to address the importation, manufacture and distribution of AOSD and to regulate the precursor chemicals and equipment required in their manufacture, particularly the *Law and Justice Legislation Amendment (Serious Drug Offences and Other Measures) Act 2005*.

1.15 Chapter 6 discusses the third goal of the NDS: supply reduction. It reviews the main strategies employed by LEAs to achieve this goal, and assesses the adequacy of the overall response.

1.16 The report structure reflects the current NDS, which is predicated on pursuing the three goals of supply reduction, demand reduction, and harm reduction. While the Committee acknowledges that the latter two goals are largely outside the concern of the Australian Crime Commission (ACC) and other LEAs, the wider policy environment in which LEAs are required to operate influences how they address the issue of AOSD supply. Therefore, the report examines harm and demand reduction in order to provide a more complete picture of the response to AOSD in Australia.

Recommendations

1.17 The Committee's report makes 18 recommendations, which flow from the inquiry's findings on the importation, manufacture and use of AOSD in Australia. Eight recommendations relate directly to the functions, structure, powers and procedures of the ACC and, as such, require consideration and responses from the ACC. Ten recommendations do not. The Committee acknowledges that, because they fall outside its jurisdiction, the ACC is not directly responsible for acting upon these ten recommendations. However, the inquiry found that a number of legislative and administrative issues around AOSD should be addressed, and the Committee has made recommendations accordingly.

Acknowledgments

1.18 The Committee wishes to express its appreciation to all parties that contributed to the conduct of this inquiry, whether by making a written submission, by personal attendance at a hearing or, as in many cases, by making both written and oral submissions.

1.19 The nature of this inquiry was such that it was difficult for those most affected by the use of amphetamines and other synthetic drugs—the users—to give evidence to the Committee. The Committee acknowledges the contribution of radio station Triple J in dedicating its current affairs program *The Hack*, on Friday 5 May 2006, to the subject of AOSD, and by providing the Hon. Senator Ian Macdonald, the chair of the Committee, with the opportunity to discuss the AOSD inquiry on the program. Along with the contributions of people who telephoned the station during the program, the Committee received a number of useful written submissions from listeners.

1.20 Finally, the Committee wishes to recognise the efforts of the officers of the secretariat, who assisted with the conduct of the inquiry and the drafting of this report.

Chapter 2

Amphetamines and other synthetic drugs in Australia

Introduction

2.1 Australia has one of the highest levels of methamphetamine use in the world,¹ and recent years have seen usage increasing. The Department of Health and Ageing (DoHA) noted the following from the UN *World Drug Report 2005*:

In comparison with other data presented in the report, Australia has a substantially higher rate of amphetamine use than the other countries listed including the UK (1.6%), USA (1.4%), Netherlands (0.6%) and Canada (0.6%).

The annual prevalence of ecstasy in Australia was 3.4% of the population aged 15-64 years in 2001. According to the report the rates for Australia are well above those presented for the UK (2.0%), the Netherlands (1.5%), USA (1.1%) and Canada (0.9%).²

2.2 Deputy Commissioner Simon Overland, of the Victoria Police, highlighted the scale of the AOSD problem in Australia. He said:

Our estimation, our intelligence, is that there are somewhere in the vicinity of 100,000 tablets of ecstasy being consumed per weekend across Australia.³

2.3 Similarly, the DoHA noted:

One in eight persons aged 20–29 years had used ecstasy in the last 12 months. The 20–29 years age group had the highest proportion and number of persons ever using ecstasy compared with all other age groups. There were approximately 100,000 more recent ecstasy users in 2004 when compared with 2001.⁴

2.4 This chapter examines trends in the use of AOSD in this country. First, in order to contextualise the problem, the chapter provides an overview of AOSD-class drugs. Second, it discusses the trends in the consumption and production of AOSD in Australia and overseas, and examines the extent and nature of organised criminal involvement in the Australian AOSD market.

1 United Nations Office on Drugs and Crime, *World Drug Report 2004 Volume 2: Statistics*, United Nations Publications Sales, No. E.04.XI.16, Vienna, Austria, p. 398.

2 Department of Health and Ageing, *Submission 16*, p. 2.

3 *Committee Hansard*, 13 October 2006, p. 2.

4 Department of Health and Ageing, *Submission 16*, p. 2.

What are AOSD?

Terminology

2.5 The term 'amphetamines and other synthetic drugs' (AOSD) as used for this inquiry was derived from the 'Special Intelligence Operation Authorisation and Determination (Amphetamines and Other Synthetic Drugs)', issued by the Australian Crime Commission (ACC) Board in May 2003. It is commonly referred to as the 'AOSD determination'. The Australian Customs Service advised the Committee that, under the determination, the term AOSD is defined to include amphetamine, methamphetamine, methylenedioxymethamphetamine (MDMA),⁵ gammahydroxybutyrate (also known as GHB or 'fantasy') and yaa baa, a mixture of caffeine and methamphetamine (also known as yaba).⁶

2.6 A number of submissions used the descriptor ATS (amphetamine-type stimulants) and pointed out that this was the descriptor most commonly used internationally for this range of illicit drugs. For example, the submission from the Australian Institute of Health and Welfare said:

The Committee should also note that researchers and other workers in the alcohol and other drugs field often refer to the group 'amphetamine-type stimulants/substances' (ATSS), which comprises amphetamines and related substances, cocaine, and ecstasy and related substances.⁷

2.7 However, the submission from the Australian Federal Police noted:

Amphetamines and other synthetic drugs (AOSD) is a term used by the ACC to incorporate synthetically manufactured illicit drugs and their precursors. On a global level the term Amphetamine Type Stimulants (ATS) is used to describe this group of drugs. In the interests of global nomenclature consistency the AFP has continued to use the term ATS and reports separately on ATS and MDMA (ecstasy) seizures.⁸

2.8 The AFP's submission states that MDMA is not included in the definition of ATS for their reporting purposes.

2.9 The Committee is concerned that the ambiguity over what is or is not included in the term ATS could lead to confusion for researchers, law enforcement and community support organisations. The Committee recommends the Australian Government and its agencies standardise their use of a descriptor for this class of illicit drugs and clarify what is included in the term selected.

5 The common or street name for MDMA, 'ecstasy', is not used in this report. See the discussion on terminology at 4.30.

6 Australian Customs Service, *Submission 5*, p. 2.

7 Australian Institute of Health and Welfare, *Submission 3*, p. 1.

8 Australian Federal Police, *Submission 6*, p. 2.

Recommendation 1

2.10 The Committee recommends that the Australian Government and the states, the territories and their agencies standardise the terms being used to describe amphetamines and other synthetic drugs (AOSD), particularly for research and statistical purposes.

2.11 The Committee notes that cocaine is included as an AOSD in some contexts, because of its stimulant effect. However, this inquiry has focused solely on synthetic, as opposed to crop-based, drugs, and cocaine was not a focus of its deliberations.

Types of AOSD

2.12 The two major drugs in the AOSD category are methamphetamine and methylenedioxymethamphetamine (MDMA). These drugs feature most prominently in recent increases in and patterns of drug use and are the focus of this report. However, the term AOSD is understood to refer to other synthetic drugs such as ketamine and GHB (gamma-hydroxybutyrate).⁹

Amphetamine

2.13 Amphetamine is a class of synthetic drugs that stimulates the central nervous system by triggering the release of chemicals such as dopamine and serotonin. It is synthetically derived from betaphenethylamine to form a substance similar in structure and effect to the naturally occurring stimulant ephedrine and the hormone adrenalin.

2.14 'Amphetamines' is a generic term referring to a range of substances which includes amphetamine and methamphetamine (also referred to as methylamphetamine) but, generally, excludes amphetamine analogues such as MDMA. Methamphetamine is structurally similar to amphetamine, however, its effects are more powerful and longer lasting.¹⁰

2.15 In Australia, amphetamines have been associated historically with the street drug 'speed'. Whilst twenty years ago speed was amphetamine sulphate, today's speed

9 Ketamine is ketamine hydrochloride and is used primarily for veterinary anaesthesia. GHB is gamma-hydroxybutyrate. Also known as 'grievous bodily harm', it is often referred to as a date-rape drug because it can be used to spike a person's drink in order to render them vulnerable to sexual predators. Appendix 5 provides further information on this drug.

10 ACC, *Illicit Drug Data Report 2004-05*, p. 10. Appendix 5 contains a summary of terms, drugs and methods of use.

is almost exclusively methamphetamine.¹¹ Speed is usually sold in powder form, heavily diluted with glucose, with a purity level of around 10 per cent.¹²

2.16 In recent years, three other forms of methamphetamine have become prevalent: base; crystalline methamphetamine, commonly known as 'ice' or 'crystal meth'; and methamphetamine tablets.¹³ The submission from the Families and Friends for Drug Law Reform provided the following details on the different forms of methamphetamines:

Methamphetamine is produced as an oil which for ease of handling and use is converted into a salt. What is sold as “base” is “a sticky, gluggy, waxy or oily form of damp powder paste or crystal...[As such it] is probably poorly purified methamphetamine crystal resulting from an incomplete conversion of methamphetamine base to methamphetamine crystal” ...Methamphetamine has also come to be sold as tablets of varying purity as ecstasy in the “party drug” scene. As a crystal it should have a purity of about 80% “however over half of the methamphetamine seizures that had a crystalline appearance were less than 60% pure” indicating that it included an adulterant. Even in adulterated forms crystalline methamphetamine is much more potent than “base”.¹⁴

2.17 Methamphetamine is also pressed into pills. Although methamphetamine pills are very common within South-East and East Asia (for example, yaa baa pills in Thailand), there is little evidence that these pills are being imported into Australia.¹⁵ The ACC told the Committee that tablets are often passed-off as MDMA to take advantage of MDMA's higher price and popularity. Producers often combine methamphetamine and ketamine in pills to give an MDMA-like effect. The submission of the ACC noted:

High demand for MDMA has facilitated the counterfeiting of imported products. It is not uncommon for ketamine to be added to methylamphetamine in an attempt to mimic the effects of MDMA.¹⁶

11 In its 2004 National Drug Strategy Household Survey, the Australian Institute of Health and Welfare, in recognition of the change in chemical composition from amphetamine to methamphetamine, substituted the term 'methamphetamine/amphetamine (speed)' for the term 'amphetamine', which had been used in previous surveys. The new term was defined as including drugs with the common or street names of crystal, whiz, goey, gogo, zip, uppers, ice, amphet, meth, ox blood, leopard's blood, MDEA, methylamphetamine, eve and shabu.

12 National Drug and Alcohol Research Council, *Submission 13*, p. 1.

13 *Submission 13*, pp 6-7.

14 Families and Friends for Drug Law Reform, *Submission 19*, p. 10.

15 National Drug and Alcohol Research Council, *Submission 13*, p. 3.

16 ACC, *Submission 18*, p. 2.

Methylenedioxymethamphetamine (MDMA)

2.18 MDMA, commonly known as 'ecstasy',¹⁷ belongs to the family of synthetic drugs known as phenethylamines and shares a chemical similarity to the stimulant amphetamine and the hallucinogen mescaline. MDMA is a central nervous system stimulant and has both hallucinogenic and ephedrine-like effects. Although chemically related to amphetamine, MDMA is not a derivative and is produced by a different chemical process.¹⁸

2.19 In its crude or base form, MDMA is a white, musty-smelling oil with a searing, bitter taste. The base is converted into a salt or powder form for processing into capsules or tablets, usually stamped with a symbol or logo. MDMA derivatives found in Australia include MDA, MDEA and PMA.¹⁹

Methods of using AOSD

2.20 The most popular methods of taking methamphetamines are swallowing, inhaling (snorting), smoking and injecting.²⁰

2.21 The purity of ice makes it particularly potent and addictive. The use of ice is increasing in social groups that traditionally have not been associated with hard drug or amphetamine use, particularly because it can be ingested in a number of ways. In contrast, heroin traditionally has been injected, which has limited its market to the small proportion of the population who are willing to inject themselves, which is estimated to be 0.5 per cent.²¹

Who is using AOSD?

2.22 The Committee found that, contrary to widely-held public perceptions of amphetamine and other synthetic drug users as a narrow group of individuals disenfranchised from society, synthetic drugs are very much a mainstream issue, with most users being young, well educated and in stable, well-paying jobs.²² According to the Alcohol and other Drugs Council of Australia:

AOSD users cut across all sectors of society and come from a variety of backgrounds. Users may range from well-educated professionals who, for example, use ecstasy and methamphetamine at dance parties, through to

17 The common or street name for MDMA, 'ecstasy', is not used in this report. See the discussion on terminology at 4.30.

18 ACC, *Illicit Drug Data Report 2004-05*, p. 24.

19 See Appendix 5 for details of chemical composition and common names.

20 See Appendix 5.

21 The Australia Institute, *Submission 24*, p. 5.

22 *Committee Hansard*, 4 May 2006, p. 21.

marginalised injecting drug users who inject methamphetamine and/or cocaine.²³

2.23 Most users do not see themselves as criminals or as participating in criminal behaviour; drug use occurs as a familiar or normal part of their social lives. Dr Andreas Schloenhardt, a lecturer in law at the University of Queensland, told the Committee of an informal survey of law students, which found that young users were unaware of or indifferent to the level of criminality of drug-related activity:

But the sort of evidence that you get from this is that among these students, who are in the age bracket 18 to 25 and are probably all very well off, there is complete ignorance that what they are doing has any sort of criminal element to it, either for themselves in possessing or using drugs or for the person who sells them.

It was alarming to hear the ways in which drugs are obtained...Some students came forward and said: 'I know where I can get it. They come around every Thursday night to the university colleges. There is a little van and that is where you buy it.' Even the openness with which they talk about that is quite alarming. I think there is really no consciousness that this is the end of a chain of some very serious criminal events.²⁴

2.24 The Committee notes that there is, particularly amongst younger people, unprecedented and growing involvement in the recreational taking of drugs.

Trends in AOSD consumption in Australia

2.25 The 2004 National Drug Strategy Household Survey, undertaken by the Australian Institute of Health and Welfare, found that 38 per cent of the population aged 14 and over had at some point in their lifetime used an illicit drug. The study found that the most common type of illicit drug ingested was cannabis, followed by pharmaceuticals for non-medical purposes, MDMA and then methamphetamine. Compared with the other states, the Australian Capital Territory, the Northern Territory and Western Australia had relatively high usage rates of all these drugs.²⁵

2.26 Between 1991 and 2004, the recent use—that is, use in the last 12 months—of cannabis in fact declined from 13.7 per cent to 11.3 per cent of the population aged 14 and over, recent use of MDMA increased from 1.1 per cent to 3.4 per cent, and recent use of methamphetamine increased from 2.6 per cent to 3.2 per cent. Substances such as ketamine and GHB were included in the MDMA classification until 2004; the

23 Alcohol and other Drugs Council of Australia, *Submission 7*, p. 2.

24 *Committee Hansard*, 15 May 2006, pp 26-27.

25 Australian Institute of Health and Welfare, *2004 National Drug Strategy Household Survey*, p. 33.

survey found that both ketamine and GHB had been consumed recently by 0.4 per cent of the sample population.²⁶

2.27 The *Containing ecstasy* study described MDMA users as primarily young, white, well educated and middle class. They were less likely to be involved in criminal activity—other than illegal drug possession—or to seek treatment than any other types of illicit drug users. Users see the key benefits of MDMA as enhanced closeness, bonding and empathy; enhanced communication, talkativeness and sociability; and enhanced mood. The main perceived risks are depression, dependence and damage to brain function.²⁷

2.28 For this demographic, the low cost of MDMA, as with other AOSD, makes the drug very accessible. The street price for a single MDMA tablet or capsule has remained relatively stable. According to the 2005 Party Drug Trends survey, the median price of an MDMA tablet ranged from \$30 in New South Wales, Victoria, Queensland and South Australia to \$50 in the Northern Territory.²⁸

2.29 Specifically in relation to AOSD the National Drug Strategy Household Survey (NDSHS) found:

- recent use—that is, in the previous 12 months—of methamphetamine in the population rose from 2.1 per cent in 1995 to 3.2 per cent in 2004;
- the number of people who had ever used amphetamines increased from 5.4 per cent in 1993 to 9.1 per cent in 2004;
- the use of ice by methamphetamine users rose steeply from 12 per cent to 45 per cent between 2000 and 2003-04;
- the most common form of amphetamine used was speed (60 per cent);
- between 1995 and 2004 recent use of MDMA use increased from 0.9 per cent to 3.4 per cent;
- one in eight persons aged 20 to 29 years had used MDMA in the last 12 months and there were approximately 100,000 more recent MDMA users in 2004 compared with 2001;
- the estimated number of regular methamphetamine users in Australia in 2004 was 102,600 or 10.3 per 1,000 persons aged 15 to 49 years;²⁹ and

26 Australian Institute of Health and Welfare, *2004 National Drug Strategy Household Survey*, p. 33; and *Submission 3A*, p. 2.

27 G Fowler, S Kinner and L Krenske, *Containing ecstasy: analytical tools for profiling an illegal drug market*, 2006, pp 7-8.

28 ACC, *Illicit Drug Data Report 2004-05*, p. 29.

29 Department of Health and Ageing, *Submission 16*, p. 1.

- of those regular methamphetamine users, it was estimated that there were 72,700 dependent methamphetamine users or 7.3 per 1,000 population aged 15 to 49 years.³⁰

Methamphetamine

2.30 The NDSHS found that about nine per cent of Australians aged 14 years and older, about 1.5 million persons, have used methamphetamine for non-medical purposes at least once in their lifetime. While an estimated 9.1 per cent of Australians aged 14 and over have tried methamphetamines at least once, it is worth emphasising that the vast majority of Australians (90.9 per cent) have never tried these drugs. Furthermore, the numbers fall away quickly in the older age categories.

2.31 It seems that while many young people try methamphetamine, relatively few use it on a regular basis. There are significant differences between age cohorts. The highest use of methamphetamine is in the 20 to 29 age cohort. About one in every five young adults in the 20 to 29 age cohort has tried this drug at least once. The average age at which Australians first used methamphetamine is 20.8 years. Males are more likely than females to use methamphetamine.³¹

2.32 Characteristics of the estimated 532,100 users of methamphetamine in 2004 were as follows:³²

- 11 per cent used at least once a week, 16 per cent used about once a month, 29 per cent used every few months and 44 per cent used once or twice a year;³³
- 74 per cent usually took the drug in powder form, 39 per cent used crystal, 26 per cent base, 12 per cent tablets and nine per cent liquid (some respondents nominated more than one form);³⁴
- 70 per cent indicated that they normally obtained the drug from a friend or acquaintance. A further 23 per cent obtained it from a dealer, and three per cent from a relative;³⁵

30 Department of Health and Ageing, *Submission 16*, p. 1. Source: McKetin, McLaren, Kelly, Hall and Hickman, *Estimating the Number of Regular Dependent Methamphetamine Users in Australia*, Technical Report No. 230.

31 Australian Institute of Health and Welfare, *2004 National Drug Strategy Household Survey*, p. 59.

32 Figures have been rounded to the nearest percentage point.

33 Australian Institute of Health and Welfare, *2004 National Drug Strategy Household Survey*, p. 60.

34 *2004 National Drug Strategy Household Survey*, p. 60.

35 *2004 National Drug Strategy Household Survey*, p. 61.

- 66 per cent indicated that they were most likely to use these drugs in their own home or at a friend's house. Other popular locations were private parties, public establishments and raves/dance parties;³⁶
- 87 per cent had consumed alcohol with methamphetamines on at least one occasion, 68 per cent had used cannabis and 49 per cent had used MDMA;³⁷ and
- 38 per cent said that they used alcohol as a substitute when methamphetamines were not available, with 24 per cent nominating MDMA as the next most common substitute.³⁸

MDMA

2.33 There has been a strong growth in MDMA use. While the use of methamphetamine seems to have levelled out, there is no indication that the strong growth in the use of MDMA is slowing down.

2.34 There are significant usage differences between age cohorts and between females and males. By far the highest use of MDMA is in the 20 to 29 age cohort. More than one in five young adults in the 20 to 29 age cohort, or 22 per cent, has tried MDMA at least once, and one in eight, or 12 per cent, has used it in the last 12 months, which is the measure of recent use. The average age at which Australians first use MDMA is 22.8 years. Males are more likely than females to use MDMA.³⁹

2.35 Characteristics of the estimated 556,600 recent users of MDMA in 2004 were as follows:⁴⁰

- six per cent used at least once a week, 15 per cent used about once a month, 31 per cent used every few months and 48 per cent used once or twice a year;⁴¹
- 76 per cent usually take one to two MDMA pills in a session;
- 72 per cent indicated that they normally obtained the drug from a friend or acquaintance, 23 per cent obtained it from a dealer and two per cent from a relative;⁴²
- 63 per cent indicated that their usual place of MDMA use was at raves or dance parties. Other popular locations of use nominated were: 58 per

36 2004 National Drug Strategy Household Survey, p. 61.

37 2004 National Drug Strategy Household Survey, pp 61-62.

38 2004 National Drug Strategy Household Survey, p. 62.

39 2004 National Drug Strategy Household Survey, p. 64.

40 Figures have been rounded to the nearest percentage point.

41 2004 National Drug Strategy Household Survey, pp 64-65.

42 2004 National Drug Strategy Household Survey, p. 65.

cent at a public establishment, such as a club or pub; 53 per cent at private parties; and 48 per cent in a private home (respondents could nominate more than one location);⁴³

- 83 per cent had consumed alcohol with MDMA on at least one occasion, 57 per cent had used cannabis with MDMA and 39 per cent had used methamphetamine with MDMA;⁴⁴ and
- 42 per cent nominated alcohol as their preferred substitute when MDMA was not available, followed by 24 per cent nominating methamphetamine as their next most common substitute.⁴⁵

2.36 Mr Greg Fowler, a senior research officer with the Queensland Alcohol and Drug Research and Education Centre, told the Committee that MDMA users as a group were quite different from heroin users. He said:

Most consumers are middle-class, well-educated people who use these drugs in a social context. They tend to be within the age group of 20 to 29. They are predominantly male, but not exclusively so. Also, they use in a broad array of contexts, rather than being stereotypically attached to certain types of music events. Those stereotypes are long past in the ecstasy field, although there is some enduring relationship.

We have found that these consumers plan their drug use. They are introduced to the market by peers, by friends, and are supplied by the same mechanisms. They consider the harmful effects that they suffer from their drug use to be relatively manageable. Hospitalisation or drug treatment outcomes for participants in the market are relatively low... People involved in the ecstasy market are less involved in criminal activity [than heroin users], apart from peer dealing.⁴⁶

International comparisons

2.37 Australia has the world's highest per capita consumption of MDMA and the second-highest per capita consumption of methamphetamine.⁴⁷ The table below shows

43 *2004 National Drug Strategy Household Survey*, pp 65-66.

44 *2004 National Drug Strategy Household Survey*, p. 66.

45 *2004 National Drug Strategy Household Survey*, p. 67.

46 *Committee Hansard*, 15 May 2006, p. 3. MDMA-related deaths are relatively rare. Between 2001 and 2004 there were 11 MDMA-related deaths in Australia, five in which MDMA made a 'primary contribution' and six where MDMA was the only drug present. Source: 'Containing Ecstasy: profiling the ecstasy market in Queensland,' 2006, PowerPoint presentation, p. 15.

47 See, for example, ACC, *Submission 18*, p. 3; and New South Wales Crime Commission, *Submission 9A*, p. 1.

the use of cannabis, amphetamines, MDMA, cocaine and opiates in Australia and four comparable countries.⁴⁸

Annual prevalence of substance use as a percentage of the population aged 15-64 years,¹ selected countries, selected years from 1996 to 2003

Country ²	Cannabis	MDMA	Amphetamines	Cocaine	Opiates
Australia	15.0	3.4	4.0	1.5	0.6
New Zealand	13.4	2.2	3.4	0.5	0.7
Republic of Ireland	9.0	3.4	1.6	2.4	0.6
United Kingdom	10.6	2.0	1.6	2.1	0.7
USA	11.0	1.3	1.4	2.5	0.6

Note 1: Population age 15 to 64 years except: Ireland 18-plus for cannabis, ecstasy and cocaine; United Kingdom 16–59 for cocaine, amphetamines, MDMA and cannabis, United States of America 12-plus.

Note 2: Australia 2001; New Zealand 2001; Ireland 1996 and 2000; United Kingdom 2000 and 2003; United States of America 2000 and 2002.⁴⁹

2.38 While Australia outranks any other country, the Department of Health and Ageing cautioned against unquestioning acceptance of a comparative interpretation of statistics. The department's submission warned:

Australia appears to have some of the highest levels of illicit drug use, and in relation to amphetamines and ecstasy, the highest reported in the world. Such comparisons conceal what are likely to be substantial under estimates of use in other countries, many of whom often do not provide such comprehensive and transparent data. The above statements should therefore be interpreted with caution.⁵⁰

2.39 Globally, there are indications that AOSD production, including MDMA, is decreasing, which suggests declining use; however, use in Australia is showing continued growth.⁵¹ It is unclear whether this discrepancy is due to the fact that Australia lags behind trends in the USA and Europe—in which case we should see a fall in AOSD use in the next NDSHS—or to the fact that Australia is developing its own unique pattern and culture of drug-use.

48 Various types of population survey and other data collection methods are used. Although methods used by the five countries are broadly consistent, comparisons should be treated with caution [see 2.38].

49 Australian Institute of Health and Welfare, *Statistics on drug use in Australia 2004*, Table 6.5, p. 36. Statistics derived from the United Nations Office on Drugs and Crime (UNODC), 2004. The figures in this table may vary slightly from NDSHS results because they are adjusted for the different age cohort (the UNODC uses ages 15 to 64, while the NDSHS uses age 14 and over).

50 Department of Health and Ageing, *Submission 16*, p. 2.

51 ACC, *Illicit Drug Data Report 2004-05*, p. 11.

2.40 Dr Schloenhardt told the Committee:

...it is always hard to know what the next drug will be. We seem to go through cycles. It is like fashion. But it is quite surprising that the issue of ice has taken so long to really come to the attention of law enforcement and government. It has been such a big problem in South-East Asia for so many years. The consumer population there was clearly identifiable. It is a cheap drug and it is for party use. The after-effects are incredibly dangerous. Even in Port Moresby it was a common drug three or four years ago. But the attitude in Australia was, 'We haven't got it here so we don't really have to worry about it.' It has to be a matter of keeping your eyes open to see what is going to be next—and there will be something next as drugs seem to go through cycles, because that is what the demand is made of: 'We want something that's cool and that's fun.'⁵²

Effect of recent trends in methamphetamine use

2.41 Concerns about the rising use of AOSD in Australia, and particularly about the increasing use of the stronger forms of amphetamine such as base and ice, have attracted much attention in recent months. These concerns have to a large extent been driven by the recognition of a connection between methamphetamine and mental health problems, such as psychosis.⁵³ A number of submitters to the inquiry made observations about the health effects of AOSD.⁵⁴ A report by the National Drug and Alcohol Research Council found the following:

- poor mental health among methamphetamine users; two-thirds experienced some degree of mental health disability and one in five suffered severe disability in their mental functioning; and
- common problems included increased aggression, agitation, depression and symptoms of psychosis.⁵⁵

2.42 Although a complete discussion of this issue occurs at Chapter 4, it is pertinent at this point to indicate that the major health issues attached to habitual methamphetamine use have had vast consequences for health and police services. Increasingly, the work and resources of health and law enforcement professionals are directed to dealing with the violence and behavioural issues that users display. Central to establishing the proper processes and correct balance of effort to deal with users at this level is the issue of what effort and resources LEAs should contribute to the problem at this level.

52 *Committee Hansard*, 15 May 2006, pp 29-30.

53 Australian National Council on Drugs, *Methamphetamine*, p. 4.

54 For example: Queensland Alcohol and Drug Research and Education Centre, *Submission 12*; Family and Friends for Drug Law Reform, *Submissions 19 and 19A*; National Centre for Education and Training on Addiction, *Submission 22*; *The Hack*, *Submission 28*.

55 Australian Bureau of Criminal Intelligence, *Australian Illicit Drug Report 1999-2000*, Canberra, March 2001, p. 55.

Supply of AOSD

2.43 Approximately 50 per cent of all global amphetamine production takes place in Asia, while North America accounts for approximately 33 per cent and Europe 15 per cent. The main producers of methamphetamine in the Asia region are China and Myanmar. In Europe, large-scale production and consumption appears to be limited to the Czech Republic and the Baltic states.⁵⁶

2.44 In Australia, the first shipments of high-purity crystalline methamphetamine were detected six years ago. Most large-scale ice detections originated in Asia, mainly China, but also from Japan, the Philippines, South Korea and Taiwan; shipments are often transhipped through other countries in the Asia Pacific region. The Committee was informed that in 2001 the AFP revealed that Asian organised crime gangs had switched from heroin production as a major source of income to the making of methamphetamine, as this was perceived as more lucrative, being easier to produce and to market.⁵⁷

2.45 Global seizures of MDMA have declined by a third since 2002, which suggests falling production and demand in Europe and the USA. In contrast, the total weight of MDMA detected in Australia in 2004-05 was nearly three times the weight of MDMA detected in the preceding year.⁵⁸

2.46 Europe continues to be the main supply source of MDMA for Australian consumers. Relatively high prices in Australia, compared to Europe, contribute to opportunistic smuggling of traffickable quantities of the drug to Australia by air passengers and in postal articles. The AFP submission states:

Global MDMA manufacture and trafficking is generally controlled by European syndicates emanating from the Netherlands. Information received from the AFP Liaison Officer in the Hague has identified that these groups operate in a manner similar to that employed by multinational companies including conducting cost benefit analyses on MDMA trafficking which took into consideration factors such as foreign exchange rates in the transshipment of drugs. This level of sophistication is alleged to exist within the transnational MDMA market while similar opportunistic importation attempts continue to occur. The street price of MDMA in Australia is considerably higher than in other countries, ensuring that Australia will remain an attractive target for MDMA trafficking syndicates.⁵⁹

2.47 As a proportion of the total number of detections, parcel post represented 84 per cent of the total number of detections in 2004-05, followed by eight per cent for air passengers. However, by weight, much larger shipments were smuggled in via sea

56 ACC, *Illicit Drug Data Report 2004-05*, p. 10.

57 Families and Friends for Drug Law Reform, *Submission 19*, p. 2.

58 ACC, *Illicit Drug Data Report 2004-05*, p. 25.

59 Australian Federal Police, *Submission 6*, p. 4.

and air cargo: sea cargo represented 63 per cent of detections by weight in 2004-05, followed by 35 per cent for air cargo.⁶⁰

2.48 In their submission, the National Drug and Alcohol Research Council outlined the method of methamphetamine distribution within Australia:

- methamphetamine distribution mainly occurs through social networks of drug users and by word of mouth, much like a pyramid or multi-level marketing scheme;
- almost all methamphetamine users report that their main dealer is a close friend or acquaintance; the majority of methamphetamine users have more than one dealer;
- methamphetamine is most often bought from the dealer's home; it is also common for transactions to take place at a pre-arranged location or for the drug to be delivered to the customer's home;
- methamphetamine is typically purchased with cash; receiving methamphetamine on credit or in exchange for goods is rare at the retail level; and
- methamphetamine users can often get a variety of drugs from their dealer; many methamphetamine dealers also sell cannabis, MDMA and, to a lesser extent, cocaine and heroin.⁶¹

2.49 In relation to the availability of MDMA, the ACC's *Illicit Drug Data Report 2004-05* states:

...a national study of MDMA users shows that the availability of MDMA remains stable. Sixty-one percent of those surveyed considered MDMA to be 'very easy' to obtain and 35 percent considered it to be 'easy'. Over two thirds (68 percent) of the national sample reported that they typically used more than one tablet. The majority of users were also likely to use other drugs with MDMA.⁶²

2.50 The distribution of MDMA also occurs through private parties, at nightclubs, and at dance and rave parties.

Manufacture and production of AOSD

Clandestine laboratories

2.51 While the majority of AOSD in Australia is imported, recent seizures of precursor chemicals and detections of clandestine laboratories (clan labs) show that

60 ACC, *Illicit Drug Data Report 2004-05*, p. 27.

61 National Drug and Alcohol Research Council, *Submission 13*, p. 5.

62 ACC, *Illicit Drug Data Report 2004-05*, p. 29.

domestic manufacture of AOSD is increasing in Australia.⁶³ Detective Inspector Paul Willingham, of the NSW Police, told the Committee:

There is a growing proportion of it [ice] being produced here. When it first hit the streets it was exclusively imported. Our domestic manufacturers are now seeing that they have to compete with the imported product, and there are more and more labs that are going to that final purification process and converting their base or paste to ice.⁶⁴

2.52 Methamphetamine can be produced by a number of different chemical processes, including:

- the hypophosphorous method, using hypophosphorous acid and iodine;
- the red phosphorus method, using hydriodic acid and red phosphorus;
- the Nazi method, using lithium or sodium with anhydrous ammonia; and
- the P2P or Leuckart method, using P2P, which is also called phenylacetone or benzyl methyl ketone, together with formic acid or aluminium amalgam.⁶⁵

2.53 Detections of bulk precursors suggest a shift in clandestine manufacture of MDMA in Australia towards larger-scale operations using more efficient chemical processes. However, many of the clandestine laboratories are small-scale backyard operations, referred to as 'box labs' because they are small enough to be packed away into a box or suitcase for transportation or storage.⁶⁶ There have been instances of box labs operating out of the boots of cars.⁶⁷

2.54 Detections of clandestine laboratories by law enforcement agencies have increased significantly, rising from 58 in 1996-97 to 381 in 2004-05.⁶⁸ About three-quarters of these laboratories were producing methamphetamine using the hypophosphorous method.⁶⁹ The *Illicit Drug Data Report 2004-05* noted that

63 A very large clandestine laboratory producing ice was detected in northern NSW in April. See Amanda Hodge, 'Super lab for meth 'tip of iceberg'', *Weekend Australian*, 8 April 2006, p. 4.

64 *Committee Hansard*, 16 May 2006, p. 27.

65 *Submission 13*, p. 3. The submission from the New South Wales Crime Commission noted that the relatively simple hypophosphorous method is most commonly used in Australia, while in the USA most clandestine laboratories use the Nazi method, which is more dangerous and prone to explosion: *Submission 9A*, p. 4.

66 ACC, *Illicit Drug Data Report 2004-05*, p. 18.

67 National Drug and Alcohol Research Centre, *Submission 13*, p. 21.

68 ACC, *Illicit Drug Data Report 2004-05*, p. 18.

69 *Illicit Drug Data Report 2004-05*, p. 18. The New South Wales Crime Commission noted that 17,170 clandestine laboratories were detected in the USA in 2004: *Submission 9A*, p. 2.

clandestine laboratories are increasingly being located in rural areas to reduce the risk of detection,⁷⁰ with strong concentrations in the Northern Territory and Queensland.⁷¹

2.55 Despite some success in detecting clandestine laboratories by law enforcement agencies, the availability of methamphetamine in most jurisdictions remained stable, with the drug 'easy' or 'very easy' to obtain in most areas. Predictably, when there is plentiful supply, prices are low and 'relatively stable across most jurisdictions.'⁷²

Use of the internet

2.56 The internet is playing an increasing role in the development of local manufacturing of methamphetamine. The ACC submission noted:

In recent years the Internet has become a major facilitator for sourcing of AOSD chemical precursors, equipment and information. AOSD 'cooks' are able to access techniques and information through websites, chat rooms and dispersed networks. In addition, online auction sites appear to have significantly assisted the capacity of groups and individuals to procure equipment and other materials needed for the production of AOSD.⁷³

2.57 Deputy Commissioner Simon Overland, from the Victoria Police, also highlighted the use of the internet to obtain precursor chemicals and equipment for manufacture:

Some of the changes that we are seeing at the moment that present a threat to us are around use of the internet to order precursor chemicals from overseas and have them imported—and there has been some evidence of iodine being purchased from the United States. Iodine is a chemical that often is required in the manufacture of amphetamines.⁷⁴

2.58 The internet and new technologies are being used by some criminals as the preferred method of communication. Deputy Commissioner Overland told the Committee:

I think that is going to be a major issue for us generally, but particularly in relation to organised crime and drugs.⁷⁵

2.59 The Committee is concerned that organised criminal groups are exploiting new technologies and that, at the present time, law enforcement agencies do not have

70 *Illicit Drug Data Report 2004-05*, p. 18.

71 *Illicit Drug Data Report 2004-05*, p. 18.

72 *Illicit Drug Data Report 2004-05*, pp 15-16.

73 ACC, *Submission 18*, p. 3.

74 *Committee Hansard*, 13 October 2006, p. 5.

75 *Committee Hansard*, 13 October 2006, p. 6.

the capacity to address these weaknesses. The Committee recommends that a response to this issue be developed.

Recommendation 2

2.60 The Committee recommends that the Australian Crime Commission develop a nationally coordinated response to new and emerging communications technologies used by organised criminal networks to undertake serious criminal activities.

Hazards involved in manufacture

2.61 The manufacture of methamphetamine often involves the use of dangerous methods and materials that are toxic, flammable and explosive. Detective Inspector John Hartwell, from the Gold Coast Criminal Investigations Branch of the Queensland Police, told the Committee:

A trend that has become evident in the last 18 months on the Gold Coast is using high-rise accommodation units for the overnight production of amphetamines. So far this year we have had three explode in units, causing fires...The concern is that they are all high-rises. There are a lot of people staying in those units and it becomes a serious risk to their health and wellbeing...They do part of the process in one motel and they go to another motel and do the next process there. Unfortunately, because of the volatility of the chemicals they are using, fire and explosions are not uncommon.⁷⁶

2.62 The submission of the New South Wales Crime Commission (NSWCC) highlighted the fact that the chemicals in fumes from clandestine laboratories present a danger to emergency and other personnel entering these sites. When homes are rented for the operation of clandestine laboratories, residual chemicals can affect the health of later occupants. The NSWCC submission observed:

The contamination caused by labs, and the expense required to remediate the sites, is a growing problem...The Australian Institute of Criminology has recently commenced a study into the impact of these issues in Australia, funded by the Attorney-Generals Department.⁷⁷

2.63 In Perth, the Committee heard that police have brought the issue of contamination of premises to the attention of the Real Estate Institute of Western Australia. Sergeant Gill Wilson, Drug Education Officer with the Alcohol and Drug Coordination Section of the Western Australia Police, told the Committee:

Just recently we have introduced a strategy whereby we have brought the situation to the attention of REIWA—the real estate industry organisation here. This strategy is very worthwhile, if you think about what Inspector Scupham has just said and identified, you can understand that real estate agencies through their property management teams can become realistically

76 *Committee Hansard*, 15 May 2006, pp 56-57.

77 New South Wales Crime Commission, *Submission 9A*, p. 4.

the third policeman. They have the opportunity of inspecting premises and may come across situations that they can report through Crime Stoppers—in this state, anyway.⁷⁸

2.64 The Committee commends this strategy, and believes there is value in law enforcement agencies across all jurisdictions pursuing similar partnerships with the real estate industry.

2.65 Children living in close proximity to clandestine laboratories operated by parents or family members face increased risk of injury and risks to health. This was recognised in the *Law and Justice Legislation Amendment (Serious Drug Offences and Other Measures) Act 2005* (the SDO Act), which amended the *Criminal Code*. The SDO Act included two new offences which involve endangering children, carrying a maximum custodial sentence of life imprisonment.⁷⁹

Purity of AOSD

2.66 The unpredictability of the purity of AOSD in Australia is a major issue. The ACC observed:

Some tablets sold as 'ecstasy' may include a variety of drugs mixed with MDMA or may contain no MDMA at all. Tablets have been found to include such combinations as: methylamphetamine with additives such as ketamine and caffeine; amphetamine and caffeine; amphetamine and MDMA; MDA and MDMA; MDA, caffeine, and LSD; and LSD and clonazepam. As such, the purity of phenethylamines fluctuates with the time and place of manufacture being the major determinants.⁸⁰

2.67 The Committee heard that frequently pills sold as MDMA contain little or no MDMA. The Alcohol and other Drugs Council of Australia submitted:

Although the types of pills available change frequently, at the time of writing (2006), pills sold as ecstasy are widely available throughout most of Australia. Pills that actually contain MDMA are less available. In fact an estimated 80% of so-called ecstasy tablets seized in Australia don't contain any MDMA at all but instead contain other amphetamine-type substances such [as] methamphetamine mixed with any of a range of other things including MDA, ketamine, PMA, ephedrine, pseudoephedrine, caffeine, glucose or bicarbonate soda.⁸¹

2.68 In relation to the purity of amphetamine and methamphetamine, the submission of Family and Friends for Drug Law Reform (FFDLR) states:

78 *Committee Hansard*, 4 May 2006, p. 5.

79 New South Wales Crime Commission, *Submission 9A*, pp 4-5.

80 ACC, *Illicit Drug Data Report 2004-05*, p. 29.

81 Alcohol and other Drugs Council of Australia, *Submission 7*, p. 3.

From purity figures collated by the ACC for seizures by State police and the AFP it is not at present feasible to distinguish the average purity of speed from the more potent forms of “base” and crystal...⁸²

2.69 Citing an analysis of the Party Drugs Initiative by Jennifer Stafford et al., the submission further notes that the purity of the drug:

...fluctuates widely in Australia as a result of a number of factors, including the type and quality of chemicals used in the production process and the expertise of the 'cooks' involved, as well as whether the seizure was locally manufactured or imported...[T]here is no clear trend in the purity of methamphetamine at a national level although overall, the median purity generally remains low at less than 35%, except in WA w[h]ere the purity reached a high 52% in the second quarter of 2004...⁸³

2.70 The FFDLR conclude:

In short, the best sense of trends in purity of the various forms of methamphetamine is the extent to which usage is moving between the low potency powder, the middle potency “base” and the high potency crystal.⁸⁴

2.71 In relation to the purity of MDMA, the submission of the FFDLR observes:

Between 1999/2000 and 2003-04 the purity of seizures of what was ostensibly ecstasy has remained fairly stable. “The median purity of the State Police seizures analysed indicates that generally purity has remained relatively stable around 30% purity.” The purity of AFP seizures which might be expected to be the result of higher level operations has also remained fairly stable.⁸⁵

2.72 The dangers associated with unpredictable AOSD purity are amplified when drugs are taken in combination with alcohol. The VIVAIDS and Ravesafe submission argues:

Unfortunately, the harms associated with use of these substances can be maximised without appropriate education through adverse reactions and interactions where more than one drug is used, the unpredictable purity and strength of the drugs available and, in particular, the admixture of alcohol to the mix.⁸⁶

82 Families and Friends for Drug Law Reform, *Submission 19*, p. 34 (footnotes omitted).

83 Jennifer Stafford, Louisa Degenhardt, Maria Agaliotis, Francoise Chanteloup, Jane Fischer, Allison Matthews, Jacyln Newman, Phoebe Proudfoot, Mark Stoové & Josephine Weekley, *Australian trends in ecstasy and related drug markets 2004: findings from the Party Drugs Initiative (PDI)*, NDARC monograph No. 57, National Drug and Alcohol Research Centre, University of New South Wales, 2005.p. 55-58.

84 Families and Friends for Drug Law Reform, *Submission 19*, p. 34 (footnotes omitted).

85 *Submission 19*, p. 34.

86 VIVAIDS and Ravesafe, *Submission 32*, p. 6.

2.73 The Committee is concerned over the increasing use of the more potent forms of amphetamine, such as ice and base, and by the practice of poly-drug taking—mixing AOSD with alcohol and other drugs—and by production methods that use a variety of chemicals and compounds to fill out, mimic or replace entirely the drug that is purported to be sold. Mr Greg Fowler, Senior Research Officer with the Queensland Alcohol and Drug Research and Education Centre, School of Population Health, University of Queensland, informed the Committee that the true extent of the problem is not clear:

...the data about what is in these tablets is not collected and presented systematically for strategic intelligence purposes. Some work of that nature has been done in Victoria by forensic services, but the combination of drugs which appear in a tablet and the ratio of those in terms of their relative purity are not sampled on an ongoing basis. At various times in Australia there have been lots of tablets released into the market and sold as ecstasy which did not contain MDMA and were essentially methamphetamine and perhaps some ketamine.⁸⁷

2.74 The Committee considers that the trends in the composition and purity of AOSD imported, manufactured and consumed in Australia, demand further structured research to assist law enforcement agencies to develop priorities for supply reduction. The ability to understand and interpret such trends will also be critical in the design of education programs and treatment methods for AOSD users in Australia.

Recommendation 3

2.75 The Committee recommends that the Australian Crime Commission work with federal, state and territory law enforcement agencies to achieve consistency in the collection and analysis and reporting of data on the chemical composition of seized illicit tablets, as well as drug identification and coding.

Involvement of organised crime in AOSD

2.76 The Committee received and heard evidence of significant organised crime involvement in the importation, domestic manufacture and distribution of AOSD, particularly methamphetamine and MDMA, in Australia. Production of AOSD appears to be presently concentrated in NSW, Victoria⁸⁸ and Queensland.

2.77 The Queensland Crime and Misconduct Commission reported in September 2004, and again in 2006, that members of outlaw motorcycle gangs (OMCGs) have significant involvement in organised crime in Queensland. The submission of the Crime and Misconduct Commission states:

Members play a substantial role in the methylamphetamine market and are involved in other illicit drugs markets including cannabis, cocaine, MDMA

87 *Committee Hansard*, 15 May 2006, p. 6.

88 Australian Customs Service, *Submission 5*, p. 3.

(ecstasy) and GHB (fantasy). It is evident from these various criminal activities that OMCGs and/or their members form a significant component of Queensland's organised crime environment...

The networks are...considered as fluid groupings of criminals who share a common purpose. Their membership can include members of OMCG chapters, where illegal activities are undertaken for personal profit of the individual members of the club.⁸⁹

2.78 The ACC submission observes that organised crime is also involved in AOSD production in NSW and Victoria. The Queensland, Western Australian and South Australian AOSD markets are also characterised by the involvement of OMCGs in the manufacture and distribution of AOSD, particularly the manufacture of amphetamine, MDMA and crystal methamphetamine or ice.⁹⁰

2.79 Deputy Commissioner Simon Overland, from the Victoria Police, told the Committee:

...we say outlaw motorcycle gangs have been directly involved in the manufacture of amphetamines, primarily for similar reasons—there is money to be made and they see it as quite a low-risk activity.⁹¹

2.80 Discussing the nature of organised crime, the Queensland Crime and Misconduct Commission submission observes:

Organised crime networks can deal simultaneously in a variety of illicit commodities and the members of one network may simultaneously be members of a number of other networks. In some cases, the description by law enforcement of a group of criminals as a network is more a case of analytical convenience than an accurate reflection of the intentions of the criminals.⁹²

2.81 Detective Chief Superintendent Denis Edmonds, Officer in Charge, Strategy and Support Branch, South Australia Police, also highlighted this aspect of organised crime:

I think it is worth noting that it is prudent to recognise that the manufacture and trafficking of AOSD is only one aspect of the business enterprises of organised crime.⁹³

2.82 Mr Kevin Kitson, Director of National Criminal Intelligence for the ACC, offered an analysis of the nature of organised crime similar to that of the Queensland Crime and Misconduct Commission. In evidence to the Committee, Mr Kitson said:

89 Queensland Crime and Misconduct Commission, *Submission 17*, p. 3.

90 *Submission 17*, p. 3.

91 *Committee Hansard*, 13 October 2006, p. 3.

92 Queensland Crime and Misconduct Commission, *Submission 17*, p. 3.

93 *Committee Hansard*, 3 May 2006, p. 15.

Their networks are...fluid, entrepreneurial and flexible. Some longstanding notions of hierarchical structures in organised crime, I think, simply do not apply here. So we have a series of shifting alliances of convenience that allow people to move their commodities at whatever stage of the production cycle they might be at. What we see is a strong representation of people with outlaw motorcycle gang associations or connections in that process. I would not wish to characterise OMCGs as being the predominant force in amphetamines and other synthetic drugs, but there are significant representations.⁹⁴

2.83 A number of submitters argued that the manufacture and distribution of AOSD by organised criminal groups and opportunistic producers were business ventures motivated by significant financial gains.⁹⁵ Detective Inspector James O'Brien, representing the Victoria Police, informed the Committee of the profitability of methamphetamine manufacture. Detective O'Brien said:

Certainly, there are what you would call backyard type operations but you have to bear in mind that even those backyard operations are capable of producing anywhere between half a pound to a pound of methamphetamine, which is going to sell for between \$60,000 and \$70,000.⁹⁶

2.84 Similarly, the submission of the NSW Crime Commission argued:

Manufacture of speed has grown rapidly because it is relatively easy, with 'recipes' available for download on the Internet and most ingredients readily available for purchase. It is also profitable, with US figures indicating that \$600 worth of chemicals can produce \$2000 worth of amphetamines.⁹⁷

2.85 The Committee notes that organised crime involvement in the various facets of the AOSD market in Australia is likely to be associated with other offences or criminal enterprises, as well as with the affairs and operations of legitimate businesses. Mr Kitson pointed out that it is profit that ultimately drives the production of amphetamines, not the production of the drug itself, and that it is quite possible that AOSD-related offences will be uncovered as a result of, for example, a tax fraud or money laundering investigation.⁹⁸

2.86 The ACC submission says that, apart from the significant involvement of OMCGs, the ACC is concerned and expects that the AOSD-related activity of serious and organised crime groups will increase. In part, this is due to a continuing trend towards domestic MDMA and methamphetamine production, coupled with the

94 *Committee Hansard*, 5 June 2006, p. 95.

95 See for example: New South Wales Crime Commission, *Submission 9A*, p. 1.

96 *Committee Hansard*, 13 October 2006, p. 5.

97 New South Wales Crime Commission, *Submission 9A*, p. 1.

98 *Committee Hansard*, 5 June 2006, p. 99.

expected gradual shift towards greater transnational orientation of AOSD-producing networks.⁹⁹

2.87 In light of the anticipated escalating involvement of organised criminal groups in the AOSD market, the ACC must remain in a position to ensure adequate development of its intelligence-gathering function in fulfilment of its responsibilities concerning organised crime. Organised criminal groups appear to have unlimited resources, the ACC must continue to be funded in a way which allows it to meet the challenges of organised crime.

Recommendation 4

2.88 The Committee recommends that the Australian Crime Commission continue to be funded commensurate with the anticipated increase in organised criminal activity in relation to amphetamines and other synthetic drugs (AOSD).

Conclusions

2.89 The use of AOSD is escalating in Australia. Evidence suggests that it is becoming the drug of choice for many young people and that AOSD are being used regularly in social situations. For many in this group, AOSD do not carry the social stigma of drugs such as heroin.

2.90 Evidence to the inquiry suggests that the growth in the Australian AOSD market is in part a result of entrepreneurial decisions made by international organised criminal groups that moved from the heroin market to AOSD, as AOSD, being easier to produce and market, was perceived as more lucrative. Domestic organised criminal groups are also increasingly becoming involved in production of AOSD, again because domestic production is more profitable.

2.91 The escalation in the use of AOSD, coupled with the increasing availability of illicit drugs, now poses a significant problem for governments, law enforcement agencies, the health sector and the wider community. The following chapter considers the national policy framework in place to deal with illicit drugs.

99 ACC, *Submission 18*, p. 7.

Chapter 3

The national policy framework

Introduction

3.1 Whilst over the last 40 years concerns about illicit drugs have largely focused on cannabis, LSD, cocaine and heroin, it is AOSD, particularly methamphetamine and MDMA, that have caused the most disquiet over the last decade. The use of MDMA has risen to a point where Australia is now the largest consumer of MDMA in the world.¹ Newspaper headlines such as 'Our Deadly Ice Age'² and 'Scourge of the Ice Age',³ and television reports such as 'The Ice Age'⁴ on *Four Corners* and 'Ice'⁵ and 'The Ice Epidemic'⁶ on *Sixty Minutes*, have alerted the public to the rising level of AOSD use in the community and the impact that these drugs have on individuals and society more generally.

3.2 The Commonwealth government's response to the increase in importation, manufacture, distribution and use of AOSD in Australia is based upon a range of strategies. This chapter discusses the key drug policy framework in Australia.

Policy

3.3 Chapter 2 outlined the widespread, entrenched and growing use of AOSD in Australia. In the light of that profile, the complete eradication of the AOSD market in Australia appears a difficult, if not impossible, policy objective. As the Queensland Alcohol and Drug Research and Education Centre argued in its submission to the Committee:

A drug-free society is unachievable and an unrealistic policy goal, particularly where regular intoxication with legal drugs is both permitted and, for commercial reasons, encouraged.⁷

3.4 Australian law enforcement policy is not aimed at the unachievable goal of eradication of illicit drugs. The government's current approach to AOSD, which is

1 United Nations Office on Drugs and Crime, *2004 World Drug Report*, United Nations Publications, Vienna, 2004.

2 *Sunday Telegraph*, 22 October 2006, p. 83.

3 *The Australian*, 12 October 2006, p. 12.

4 ABC, 'The Ice Age', *Four Corners*, 23 March 2006.

5 Channel 9, 'Ice', *Sixty Minutes*, 9 July 2006.

6 'The Ice Epidemic', *Sixty Minutes*, 10 September 2006.

7 Queensland Alcohol and Drug Research and Education Centre, *Submission 12*, p. 7.

formally articulated in the National Drug Strategy, is to reduce the size and value of the AOSD market.

National Drug Strategy

3.5 The National Drug Strategy (NDS) was established in 1997, having grown out of the National Campaign Against Drug Abuse, which was founded in 1985. The strategy is aimed at both licit and illicit drugs, with the latter being specifically dealt with under the National Illicit Drug Strategy. The NDS is the responsibility of the Ministerial Council on Drug Strategy. This national policy framework is complemented and supported by, and integrated with, a range of national, state, and territory strategies, plans and initiatives, both government and non-government. One of the key elements of the NDS is cooperation between health, law enforcement and other stakeholders in dealing with issues associated with the use of licit and illicit drugs.

3.6 The basis for the current framework for 2004-09 is:

- supply-reduction strategies to disrupt the production and supply of illicit drugs and for the control and regulation of licit substances;
- demand-reduction strategies to prevent the uptake of harmful drug use, including abstinence-oriented strategies and treatment to reduce drug use; and
- harm-reduction strategies to reduce drug-related harm to individuals and communities.⁸

3.7 The objectives of the NDS 2004-09 are to contribute to reducing drug use and supply and to prevent and minimise harm caused by the use and abuse of licit and illicit drugs. The NDS aims to:

- prevent the uptake of harmful drug use;
- reduce the supply and use of illicit drugs in the community;
- reduce the risks to the community of criminal drug offences and other drug related crime, violence and antisocial behaviour;
- reduce risk behaviours associated with drug use;
- reduce drug-related harm for individuals, families and communities;
- reduce the personal and social disruption, loss of life and poor quality of life;
- reduce loss of productivity and other economic costs associated with harmful drug use;

8 Ministerial Council on Drug Strategy, *The National Drug Strategy: Australia's integrated framework 2004-2009*, p. 2.

-
- increase access to a greater range of high-quality prevention and treatment services;
 - increase community understanding of drug-related harm;
 - promote evidence-informed practice through research, monitoring drug use trends and developing workforce organisation and systems;
 - strengthen existing partnerships and build new partnerships to reduce drug-related harm;
 - develop and strengthen links with other related strategies; and
 - develop mechanisms for the cooperative development, transfer and use of research among interested parties.⁹

National Illicit Drug Strategy

3.8 The NDS is complemented by the Australian Government's National Illicit Drug Strategy (NIDS), Tough on Drugs. The NIDS pursues an integrated response to the harms caused by illicit drugs to the Australian community across the health, education, family services and law enforcement sectors. Since 1997, this has involved more than \$1 billion of measures aimed at reducing supply and demand for illicit drugs.¹⁰

3.9 Under the NIDS, funding is provided for a range of supply-reduction measures that are implemented by the Commonwealth law enforcement agencies. This funding is administered by agencies within the Justice and Customs portfolio.

National strategy on ATS

3.10 On 23 and 24 February 2006, the Intergovernmental Committee on Drugs, as part of the NDS, endorsed the creation of a national strategy specific to ATS, amphetamine-type substances, or AOSD, as they are generically referred to in this report. The proposed strategy will be based on the ATS National Action Plan, which is currently being developed, and will further implement the strategic goals of the NDS and NIDS and address the challenges of the burgeoning AOSD market in Australia.¹¹

3.11 Mr Andrew Stuart, First Assistant Secretary, Population Health Division, Department of Health and Ageing, told the Committee that the implementation of the National AOSD strategy will be similar to that of the cannabis strategy. It will involve extensive consultation and a strong law enforcement component. Among the

9 The National Drug Strategy website, [http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/publishing.nsf/Content/978CCA3285B6CA42CA25717D000297A4/\\$File/framework0409.pdf](http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/publishing.nsf/Content/978CCA3285B6CA42CA25717D000297A4/$File/framework0409.pdf), viewed 7 November 2006.

10 Attorney-General's Department, *Submission 15*, p. 1.

11 *Submission 15*, p. 7.

suggested initiatives is an advertising campaign focusing on crystal methamphetamine or ice.¹²

3.12 According to Mr Stuart, the impetus for the strategy came from research and analysis which showed that, while overall use of amphetamines had declined marginally, the use in Australia of more harmful forms of amphetamine such as base and ice was increasing.¹³

Policy and expert bodies

3.13 The current Australian Government policy on AOSD is informed by a network of government councils, intergovernmental committees and research institutions.

Ministerial Council on Drug Strategy

3.14 Established in 1998, the Ministerial Council on Drug Strategy (MCDS) is the peak licit and illicit drug policy and decision-making body in Australia and is responsible for setting strategic policy goals and direction. The MCDS consists of the Commonwealth, state and territory ministers responsible for health and law enforcement, who collectively determine national policies and programs to ensure that Australia has a nationally coordinated and integrated approach to reducing the harm arising from the use of drugs, including AOSD. The council's collaborative approach is 'designed to achieve national consistency in policy principles, program development and service delivery'.¹⁴

The Intergovernmental Committee on Drugs

3.15 The MCDS is supported by the Intergovernmental Committee on Drugs (IGCD). The IGCD consists of senior officers from the health, law enforcement and education portfolios of the Commonwealth, all states of Australia and New Zealand, as well as representatives of the Ministerial Council on Aboriginal and Torres Strait Islander Affairs.

3.16 The IGCD is responsible for:

- policy advice on drug-related matters;
- implementing NDS policies and programs, as directed by the MCDS;
- commissioning work and seeking specialist advice from a variety of sources; and
- ensuring the consistency of policies, strategies and directions in the NDS.

12 *Committee Hansard*, 19 June 2006, p. 5.

13 *Committee Hansard*, 19 June 2006, p. 5.

14 Department of Health and Ageing, *Submission 16*, p. 2.

3.17 The IGCD works with the Australian National Council on Drugs to provide research and data for policy development.¹⁵

3.18 The IGCD is currently considering the AOSD National Action Plan of the Australian Crime Commission (ACC). It is proposed that the action plan be used to form the basis of development of a National Strategy on Amphetamine Type Stimulants. The strategy would encompass the range of activities being undertaken under the National Drug Strategy and would highlight gaps, emerging trends and future opportunities.¹⁶

The Australian National Council on Drugs

3.19 The Australian National Council on Drugs (ANCD) is a non-government, independent body that provides expert advice on licit and illicit drugs. Collectively, the members of the ANCD represent a wide range of experience and expertise on all aspects of drug policy. The ANCD forges closer links between the government's efforts in policy development and program implementation and the work of the community sector.

3.20 The ANCD also supported the formation of the National Indigenous Drug and Alcohol Committee (NIDAC). The membership of NIDAC includes individuals with expertise in a range of areas that relate to Indigenous alcohol and other drug policy. NIDAC provides the ANCD with advice for government on a range of alcohol and other drug issues that affect Indigenous communities.

3.21 The Committee commends the ANCD for its recently released position paper on methamphetamines and the recommendations made in that paper.¹⁷

The National Expert Advisory Panel

3.22 The National Expert Advisory Panel also provides support to the MCDS. A multidisciplinary body, the panel includes representatives from organisations in local government, education, alcohol and tobacco treatment, Indigenous affairs, drug prevention, drug harm reduction and youth affairs. The panel provides expert advice on identifying emerging trends of drug use, and offers advice on priorities and strategies for dealing with specific drugs, including supply reduction, demand reduction and harm reduction.¹⁸

15 National Drug Strategy website, <http://www.nationaldrugstrategy.gov.au/internet/drugstrategy/publishing.nsf/Content/igcd-lp>, viewed 17 October 2006.

16 Australian Federal Police, *Submission 6*, p. 3.

17 Australian National Council on Drugs, *Methamphetamines*, 31 January 2007.

18 Australian National Council on Drugs website, <http://www.ncd.org.au/about/ndsf.htm>, viewed 17 October 2006.

National Drug Research Centres

3.23 The National Drug Research Centres (NDRCs) provide information about emerging drug issues and trends for the MCDS and the IGCD. NDRCs are located at the University of New South Wales (UNSW) and Curtin University in WA.

3.24 Research is also undertaken by other organisations such as Turning Point, which is affiliated with the UNSW and Curtin University research centres, the University of Melbourne and the National Centre for Education and Training in the Addictions at Flinders University; the latter is jointly assisted by the Department of Health and Ageing and the South Australian Government.

3.25 The Queensland Alcohol and Drug Research and Education Centre (QADREC), based at the University of Queensland, is another leading research agency on AOSD in Australia. QADREC contributes Queensland data to the national monitoring systems: the Illicit Drug Reporting System and the Party Drugs Initiative. A comprehensive study, commissioned by the National Drug Law Enforcement Research Fund, into the MDMA market in Australia has recently been completed by QADREC. QADREC is also currently undertaking longitudinal studies of treatment and non-treatment samples of regular amphetamine users.¹⁹

3.26 The National Drug and Alcohol Research Centre (NDARC), is provided with regular assistance from Customs. This cooperative approach includes continuous contribution to the preparation of NDARC's Illicit Drug Reporting System, which covers trends and developments in key AOSD and other drug markets and supports specifically-targeted research projects.

The Department of Health and Ageing

3.27 The Department of Health and Ageing (DoHA) primarily fulfils a policy and research role; however, its work is not limited to these areas. The department described its role to the Committee in the following way:

Our role in Commonwealth health is to work with other Commonwealth agencies including across education, law enforcement and family and community services as well as to work with a similar array of portfolios in the states and territories. We also manage the secretariat for the Ministerial Council on Drug Strategy. We have largely a policy role and a research role with some national coordination. We do fund some programs, but principally the responsibility for funding of treatment services lies with the states and territories.²⁰

19 Queensland Alcohol and Drug Research and Education Centre, *Submission 12*, p. 1.

20 Mr Andrew Stuart, First Assistant Secretary, Population Health Division, Department of Health and Ageing, *Committee Hansard*, 5 June 2006, p. 48.

3.28 DoHA supported the recent conference on amphetamines in Australia, organised by Anex, and provides funding for the Australian Institute of Health and Welfare.²¹

The Australian Institute of Health and Welfare

3.29 The Australian Institute of Health and Welfare (AIHW) has been at the forefront of research into drug use in Australia. Since 1998, the AIHW has conducted a survey of Australian households to determine the prevalence in the community of tobacco, alcohol and other substances.²² The latest survey, in 2004, is widely quoted in AOSD research in Australia.²³

Other research institutions

3.30 Other research institutions and NGOs that provide research and policy development in the area of AOSD include the Australian Institute of Criminology and the New South Wales Bureau of Crime Statistics and Research. Universities and private think tanks, such as the Australia Institute, are also significant and important contributors.

Conclusion

3.31 The NDS encompasses a wide range of initiatives aimed at reducing supply and demand for a range of licit and illicit drugs and the physical, mental and social harms that flow from their use. The following chapter examines demand- and harm-reduction strategies.

3.32 A number of witnesses indicated to the Committee that they held particular concerns about the balance of effort that emerges from the current Australian policy mechanisms and settings. Mr Michael Lodge, the General Manager of the New South Wales Users and AIDS Association, said:

We think there should be a better balance in resources between the three components of the Australian approach to harm minimisation so that demand reduction and harm reduction get an equal share. We would suggest that they are more effective around drug policy than supply reduction.²⁴

3.33 The Committee notes that the question of the best or most effective policy balance is a vexed one, and one that underlies any assessment of the adequacy of the response to AOSD by Australian LEAs. The discussion of demand and harm

21 Australasian Amphetamines Conference, Darling Harbour, 28-29 September 2006.

22 Mr Mark Cooper-Stanbury, Head, Population Health Unit, Australian Institute of Health and Welfare, *Committee Hansard*, 5 June 2006, p. 2.

23 *Committee Hansard*, 5 June 2006, p. 2.

24 *Committee Hansard*, 13 October 2006, p. 63.

reduction in the following chapter provides important context for the discussion of supply reduction in chapters 5 and 6.

Chapter 4

Demand and harm reduction under the National Drug Strategy

Introduction

4.1 As outlined in the previous chapter, the Commonwealth government's illicit drug policy is directed to three goals: supply reduction, demand reduction and harm reduction. Because the terms of reference of this inquiry focus on the responses of law enforcement agencies (LEAs), and particularly the Australian Crime Commission (ACC), to AOSD, the Committee's examinations could have been, strictly speaking, justifiably limited to the traditional area of concern for LEAs—that is, supply reduction.

4.2 However, the three goals that comprise the NDS prescribe what is essentially a holistic approach to the AOSD problem, and in practical terms LEAs operate in a broad policy environment that affects the nature and quality of the law enforcement effort. The Committee therefore considers it relevant to examine and report on demand and harm reduction as the critical context for any consideration or assessment of the adequacy of the law enforcement response to the AOSD problem.

Demand reduction

4.3 Under the National Drug Strategy (NDS), demand reduction is one of the policy goals to address the use of both licit and illicit drugs in the community. Principally, demand reduction uses education and public community awareness campaigns to achieved desired outcomes. Regulation of demand can occur through:

- preventive education targeting potential new market entrants;
- education of consumers on the risks of consumption and prolonged market participation;
- research into the impact of street-level or retail-level policing on consumer behaviour and perceptions of risk associated with involvement in various drug markets;
- diversion of consumers to mandatory counselling and education; and
- multifaceted strategies to reduce overall levels of intoxication in the community, especially among young adult males.¹

1 Queensland Alcohol and Drug Research and Education Centre, *Submission 12*, p. 5.

4.4 The importance of education to reduce demand for AOSD was highlighted by Detective Chief Superintendent Denis Edmonds, of the South Australian Police, who told the Committee:

What I do perceive is that there is a lack of knowledge across the community about drugs, their short- and long-term effects and the legal status of some of them. It really does come down to education. Effective education will impact on demand. As I said at the outset, we are talking about a commodity that is out there because there is a demand for it within the community. If we reduce the demand, we reduce the problems.²

Education and public awareness

4.5 At the Commonwealth level, the Department of Health and Ageing is responsible for a number of strategies aimed at demand reduction. The National Drugs Campaign (NDC) is a two-phase campaign targeted to parents of children aged eight to 17 years. The first phase of the campaign provided information, strategies and support to parents to assist them in their role of preventing drug use by their children and teenagers. The second phase of the campaign, conducted in 2005, consisted of:

- print, television and cinema advertisements targeting young people and their parents; and
- youth marketing activities to promote alternatives to drug use and encourage positive lifestyles.³

4.6 The campaign also produced a range of resource materials, including information for parents, service providers and stakeholders, and activities to address the specific needs of Indigenous Australians and people from non-English speaking backgrounds.⁴

4.7 The effectiveness of drug education programs is dependent on how information is presented. The Department of Health and Ageing, in a supplementary submission, argued that its national drug prevention campaigns and messages to young people are based upon a thorough, evidence-based social marketing approach, which includes extensive research conducted with young people themselves.⁵

4.8 To date, the evaluation survey of the NDC has found that these campaigns have been successful in raising awareness of AOSD. Based on a nationally representative sample of 1,490 young people aged 13 to 20 years, the survey found that, of those interviewed as part of the evaluation, 84 per cent recognised

2 *Committee Hansard*, 3 May 2006, p. 21.

3 Department of Health and Ageing website, <http://www.drugs.health.gov.au/internet/drugs/publishing.nsf/Content/media-campaign>, viewed 8 February 2007.

4 Department of Health and Ageing, *Submission 16*, p. 3.

5 *Submission 16A*, p. 20.

advertisements pertaining to amphetamines and 81 per cent recognised advertisements about MDMA. Of the interviewees that recognised the advertisements for MDMA and amphetamines, 97 per cent stated that the advertisements were believable.⁶

4.9 However, the Committee notes that some of the evidence given to this inquiry questions the effectiveness of some campaigns to modify the behaviour of current drug users.

4.10 The current NDC aims to highlight the negative and terrifying effects of AOSD use, and it is reported that the Commonwealth government intends to use a scare campaign in future advertising on AOSD use. As part of the second phase of the NDC, this campaign is likely to be based upon the AIDS Grim Reaper advertisements of the mid-1980s.⁷ Examples of current posters may be found at appendix 6.

4.11 The Committee received some useful evidence on this issue via contributions to a discussion about AOSD on the Triple J radio program *The Hack*. A number of comments suggested that the use of graphic scare campaigns was effective and that more was needed to illuminate the 'seedy' and uncontrolled industry that produces AOSD:

I do fear what my friends and I will be like in our old age due to the delayed effects—we all dread to think (so we don't)! Education re: the negative effects, the dodgy ingredients, the seedy very unglamorous underworld that goes along with it and more graphic campaigns are needed.⁸

4.12 One submitter to *The Hack*, Clara, felt that people who have not been exposed to AOSD use are more likely to be influenced by campaigns which seek to shock—that is, scare campaigns:

In reference to the TV ads about pills etc. I saw them and as a former pill user I didn't find them effective and agreed with the caller who said she saw them as unrealistic scare tactics. However, my younger brother who hasn't been involved in the 'party' scene told me that they really did deter him from ever trying a pill.⁹

4.13 Another submitter felt that if a user has a negative or adverse experience as a result of AOSD use then they are more likely to find scare campaigns more credible, because the message accords with their own experience:

I felt that many of the callers perspectives that were voiced on Hack were really once (sic) sided, endorsing recreational drugs. Personally, I have a really negative experience with recreational drugs...From a personal experience I have been hospitalised from taking ecstasy and speed...After

6 *Submission 16A*, p. 3.

7 Matt Price, 'Ice ads will rely on scare tactics', *Weekend Australian*, 28 October 2006, p. 3.

8 Corrinne, ABC Triple J, *The Hack*, *Submission 28*, p. 46.

9 Clara, ABC Triple J, *The Hack*, *Submission 28*, p. 59.

this frightening experience with recreational drugs I have decided to not participate in taking party drugs ever again.¹⁰

4.14 In contrast to the evidence supporting the effectiveness of scare campaigns, particularly in raising awareness of a specific issue, the Committee heard evidence suggesting that such campaigns did little to curb or reduce demand.¹¹ Mr Michael Lodge, from the New South Wales Users and AIDS Association, told the Committee:

Most people in health do not see that the Grim Reaper campaign was particularly successful, except that it raised the profile of HIV-AIDS within the Australian community. There were negatives—for example, it raised anxiety amongst groups of people who were never at risk. The AIDS information line had 80-year-old grandmothers, who had not been sexually active in a long time, ringing up worried that they might have contracted AIDS. So we raised the anxiety and we demonised sex in some ways but we did not give people appropriate ways to reduce their anxiety or necessarily change their behaviour.¹²

4.15 Similarly, the Family and Friends for Drug Law Reform told the Committee that the effectiveness of education programs that use scare tactics to prevent or stop drug use is limited, because they lack credibility with young people.¹³ Lack of credibility meant that the balance of any drug education program was likely to be often discounted or ignored. One submitter to *The Hack*, Jonathon, said:

I believe that the media through which synthetic drug education must be one credible to a young audience (sic). Government funded leaflets are treated with cynicism by youth, the credibility of message communicated via JJJ or community radio is more believable to youth. Independent media communication messages backed up by experiences of people who have already been through the rave scene achieves more than a Drug Aware sign in school, uni and club toilets.¹⁴

4.16 The need for truthful and realistic information was highlighted in the majority of comments provided by submitters to *The Hack*. A typical comment was:

Education should be more realistic. The ads on television are bullshit. I've been to lots of raves and never seen anything like what happens on these educational ads.¹⁵

4.17 Another contributor to the program wrote:

10 Alison, ABC Triple J, *The Hack*, *Submission 28*, p. 37.

11 Department of Health and Ageing, *Submission 16A*, p. 20.

12 Mr Michael Lodge, New South Wales Users and AIDS Association Inc., *Committee Hansard*, 13 October 2006, p. 71.

13 Family and Friends for Drug Law Reform, *Submission 19A*, p. 2.

14 Jonathon, ABC Triple J, *The Hack*, *Submission 28*, p. 20.

15 Name not supplied, ABC Triple J, *The Hack*, *Submission 28*, p. 36.

I think truthful and realistic education is the only way to make a positive difference. All we hear is 'drugs are bad' not why or how or even that the exact same drug can be taken by 2 people and both can have completely different reactions! We need to target high schools and give kids the REAL information.¹⁶

4.18 A number of participants in *The Hack* program argued that the sensationalism of education campaigns was redundant because the facts about AOSD use were frightening enough:

Use education rather than scare tactics (the facts are often scary enough!), lay out the facts!¹⁷

4.19 Dr Susan Carruthers, a Research Fellow from the National Drug Research Institute, observed that education campaigns based on blanket assertions that 'all drug taking activities will have a negative impact' are often ineffective because their message does not accord with the experiences of AOSD users:

The majority of the problems are caused by a minority of people who end up in trouble with it. I think that we have to be realistic when we are talking about campaigns on television which are supposed to educate young people about the use of drugs and how dangerous they can be. Yes, they can be very dangerous, but the reality is that most of the people who use these drugs do not experience any of these negative effects in terms of health. Therefore, a lot of these advertising campaigns become non-believable because people think, 'I know lots of people who use them and they don't end up in that situation.' It is a matter of being realistic.¹⁸

4.20 The Alcohol and other Drugs Council of Australia (ADCA), the peak national non-government organisation representing the interests of the Australian alcohol and other drugs sector, argued that there is a need for targeted and credible information:

As AOSD are often used in social settings by young people, there is a need for the targeted dissemination of culturally appropriate and credible information on the different types of AOSD and the range of harms associated with their use, particularly the considerable risks associated with frequent use and use by injection.¹⁹

4.21 The Committee acknowledges that education campaigns designed to scare and shock can be effective in getting community attention and elevating awareness of certain issues. However, the evidence gathered by the inquiry, particularly from AOSD users, indicates that drug education programs must also consider the use of factual and realistic information. The use of public awareness scare campaigns should

16 Carly, ABC Triple J, *The Hack*, *Submission 28*, p. 24.

17 Lauren, ABC Triple J, *The Hack*, *Submission 28*, p. 9.

18 Dr Susan Carruthers, National Drug Research Institute, Curtin University, *Committee Hansard*, 4 May, p. 23.

19 Alcohol and other Drugs Council of Australia, *Submission 7*, p. 1.

be resisted, or at the very least pursued with caution, as this approach can potentially reduce the credibility of education and harm-reduction campaigns more generally.

Recommendation 5

4.22 The Committee recommends that public education and demand-reduction campaigns for illicit drugs be factual, informative and appropriately targeted. The Committee also recommends that such campaigns seek input from young people, and take account of user experiences of amphetamines and other synthetic drugs (AOSD).

4.23 The Family and Friends for Drug Law Reform informed the Committee that any expectation that a particular type of drug education campaign will be effective is problematic. Their submission highlighted a 1998 study that undertook an analysis of drug education programs and evaluated their effectiveness. The study found that the effect of drug education programs was very small and that they were less effective with the passage of time. Notable findings in the study were:

- that the combined effect size of studies with follow-up to one year was small, at 0.037;
- that that figure suggests that drugs education has such a trivial impact on behaviour that in its present form it is of no practical relevance; and
- that another way of expressing the meaning of this effect size is that 3.7 per cent of young people who would use drugs, which is fewer than four in 100, delay their onset of use or are persuaded to never use.²⁰

4.24 The effectiveness of drug education programs can be enhanced if these programs are targeted and based upon scientific data. Dr Carruthers told the Committee that there needs to be a sound research base that informs demand-reduction campaigns. Having produced this data, it would then be possible to design programs which are more credible:

That is one of our major aims and that is why we do research to inform the type of prevention that we promote. We do not actually design the preventions. We provide the evidence base for other organisations whose responsibility it is to design the resources, the curriculums and the prevention. We do need to be realistic. If we keep saying to people, 'All drug use is really bad and will cause you major harm,' then we lose a lot of our audience because they know—or they think they know—differently.²¹

4.25 The need for education campaigns to be delivered by an appropriate person or in an appropriate forum was also raised with the Committee. The Committee heard that many AOSD users in the 18 to 30 age range were resistant to information that came from what they perceived to be distant official sources:

20 Family and Friends for Drug Law Reform, *Submission 19A*, p. 3.

21 *Committee Hansard*, 4 May, p. 24.

Young people who use illicit drugs recreationally tend to be highly sceptical of information they perceive as coming from “official sources” and are much more likely to act upon information that is accessed through a credible source and that is framed within a context of relevance to the young people.²²

4.26 On this point, a submitter to *The Hack* from Melbourne argued:

I believe such scenarios in anti-drug advertisements should be aired but in a creative manner to attract attention of the 15 – 30yr olds eg. animated cartoons which relate to today's youth and doesn't [sic] seem like something dreamt up by a 50yo, soon to be retiring politician! It is important for users to be informed of the negative affects [sic] by past users or other peers.²³

4.27 The Committee heard that a common response to the use of AOSD is peer education. Peer education involves the use of peers to support and educate users to reduce the potential harms of AOSD use. The approach builds upon capacity within the target population to inform, disseminate and give credibility to health-promoting messages and strategies.²⁴ In their submission, the Alcohol and other Drugs Council of Australia noted that, although the evidence on the effectiveness of peer education is variable, it has been found that well-designed and sufficiently well-supported peer education initiatives can be effective in reducing drug use and harm.²⁵

The role of the media

4.28 The media's reporting on AOSD use and its social and individual impacts focuses predominantly on the sensational and the controversial. Media headlines such as 'Ice party drug creates a new wave of addition',²⁶ 'The drug that's transforming normal people into monsters',²⁷ 'Ice scourge causes havoc'²⁸ and 'Party drug disguise for danger and death',²⁹ have fuelled community anxiety about the use of AOSD.

4.29 Some submitters were critical of the role the media played, accusing the media of scaremongering and thereby undermining the goal of responsible and effective drug education.³⁰ A number of submitters argued that inaccurate and sensationalised reporting of AOSD issues were driven by the media industry's preoccupation with enhancing newspaper and advertising sales:

22 VIVAIDS, *Submission 32*, p. 3.

23 Name supplied, ABC Triple J, *The Hack*, *Submission 28*, p. 21.

24 VIVAIDS, *Submission 32*, p. 3.

25 Alcohol and other Drugs Council of Australia, *Submission 7*, p. 5.

26 Paola Totaro, *Sydney Morning Herald*, 1 December 2005, p. 8.

27 Catherine Munro, *Sun Herald*, 5 March 2006, p. 4.

28 Xavier La Canna, *Canberra Times*, 8 April 2006, p. 18.

29 Angela Kamper, *Daily Telegraph*, 16 May 2006, p. 4.

30 Bluelight, *Submission 29*, p. 12.

Falsehoods about drug deaths are propagated in the media in order to sell papers or attract audiences. The media has a vested financial interest in presenting material in a sensational and alarming manner to ensure that the reader will buy their paper, or watch their broadcast. Truth and accuracy run a poor second to sales and ratings.³¹

4.30 Concerns were also raised over the media's use of the term 'party drug' and the name 'ecstasy' for MDMA.³² The use of such terms reinforces particular positive social expectations or impressions and thereby undermines, to a degree, the efforts of health, education and law enforcement sectors. Detective Superintendent David Laidlaw, from the NSW Police, told the Committee that the media's continued use of terms other than MDMA was a concern because it tended to sensationalise or soften ideas about drug use:

They [the media] are calling them recreational drugs. When we talk to our media, we refer to it as MDMA. You will see sometimes that, in some of the captions in newspapers that we have, they will call it MDMA and put in brackets 'ecstasy'. We are trying to work towards that. I suppose the media are there to sensationalise; they are there to sell papers, to be quite honest.

4.31 Sensationalist and inaccurate reporting of AOSD use in the media has the effect of stigmatising drug users. The Committee heard that stereotypes of drug users were often used in media stories and government advertising campaigns, producing a 'them and us' mentality. The marginalising of drug users consequently makes it less likely for AOSD users to seek assistance. One submitter argued:

While these drugs have a huge stigma amongst mainstream society, for the vast majority of environments that stimulants are used there is no stigma at all. What has been created for both sides is an 'us and them' dynamic, whereby mainstream society perceives drug users as the degenerates in the government ad campaigns, and the users themselves scoff at these portrayals as the misperceptions of the establishment.³³

4.32 In an attempt to address the issue of the stigmatisation of people with drug or alcohol problems, the Australian National Council on Drugs is looking to develop a set of media guidelines on the most appropriate way for the media to produce and report stories dealing with drug and alcohol issues.³⁴

4.33 Mr John Ryan, the Chief Executive Officer of Anex, told the Committee that the media has a positive and valuable role to play in providing factual information to the community about these complex issues:

31 Mr Andrew Swindells, *Submission 30*, p. 17.

32 Angela Kamper, *Daily Telegraph*, 16 May 2006, p. 4.

33 Name withheld, *Submission 25*, p. 1.

34 Ms Karen Price, Department of Health and Ageing, *Committee Hansard*, 5 June 2006, p. 57.

We know from concentrating on needle and syringe programs and injecting drug use that there are literally thousands of people in Australia injecting drugs who are not aware of the risks that they are taking, the potentially fatal consequences or, just as importantly, the morbidity consequences of their behaviour. We cannot expect the Telegraph or the Age to provide that sort of information. What we do need to provide to parts of the community is absolutely full, frank and fearless information and advice, because people are operating with minimal or mythical understanding of the issues and the risks that they are taking. I think as a community we have an obligation to face up to that.³⁵

4.34 As outlined in this chapter, education, public awareness campaigns and responsible media reporting on the detrimental health and social effects of AOSD use are able to play a significant role in reducing AOSD use in society. However, the fact that AOSD use in Australia continues to rise suggests that this approach has limited success. Under the NDS, harm reduction is the ultimate strategic policy approach to dealing with AOSD. Harm reduction is essential in dealing with the potentially devastating impact of AOSD use on individuals, families and the wider community, and on law enforcement, health and emergency services personnel.

Harm reduction

Health and social effects of AOSD

4.35 The damage inflicted by regular and frequent AOSD use is of concern from both a health and an economic perspective. A number of submitters made observations about the health effects of AOSD.³⁶ A report by the National Drug and Alcohol Research Council found the following:

- poor mental health among methamphetamine users; two-thirds experienced some degree of mental health disability and one in five suffered severe disability in their mental functioning;
- common problems included increased aggression, agitation, depression and symptoms of psychosis.³⁷

4.36 The submission from the National Drug Research Institute observed:

Accidental deaths in which AOSD were reported...numbered 50 with state differences. The rate per million did not change between 2002 and 2003 (4.4 and 4.9 per million respectively).

35 *Committee Hansard*, 13 October 2006, p. 49.

36 For example: Queensland Alcohol and Drug Research and Education Centre, *Submission 12*; Family and Friends for Drug Law Reform, *Submissions 19 and 19A*; National Centre for Education and Training on Addiction, *Submission 22*; *The Hack*, *Submission 28*.

37 Australian Bureau of Criminal Intelligence, *Australian Illicit Drug Report 1999-2000*, Canberra, March 2001, p. 55.

States where AOSD consumption is high also report higher number of hospital admissions attributed to AOSD. For example, in WA which has one of the highest rates of AOSD use the number of admission was 550 per million (aged 15 to 54 years) in 2001-02 and 448 per million (aged 15 to 54 years) in 2002-03.³⁸

4.37 The rise in methamphetamine use—particularly regular use of its purer forms, base and ice—has been linked with an increase in mental illness in users. Common problems include increased aggression, agitation, depression and symptoms of psychosis.³⁹

4.38 The FFDLR submission quoted work by McKetin et al.⁴⁰ that estimates 'the prevalence of psychosis among regular methamphetamine users was 11 times higher than that seen in the general population'.⁴¹ The submission also notes that:

...the onset of these severe behavioural and other problems is much quicker with the potent forms of methamphetamine than with forms that had long been available. Although the half-life of amphetamines is substantially longer than cocaine, use of it and its methamphetamine analogue are associated with bingeing and disinhibition. [C]rystal meth is described as acutely 'moreish' by many users, leading to episodes of bingeing that may last several days where little or no sleep or food is had.⁴²

4.39 The Committee notes that, in a recent paper on methamphetamines, the Australian National Council on Drugs (ANCD) describes methamphetamine psychosis as 'perhaps the most concerning aspect of the current methamphetamine situation'.⁴³

4.40 The ANCD paper sets out the particular relationship between methamphetamine use and psychosis:

Methamphetamine use can induce a brief toxic psychosis characterised by persecutory delusions and hallucinations. Other manifestations of psychosis can include stereotyped repetitive behaviour...disorganised speech and illogical tangential thoughts.

Symptoms typically last hours to days, and subside without intervention after blood levels of methamphetamine subside. In some instances, symptoms can run a more chronic course, lasting up to several months, and recur in the absence of drug intoxication. In these cases, it could be argued that methamphetamine has triggered a brief psychotic episode, and that the

38 National Drug and Health Research Institute, *Submission 10*, pp 4-5.

39 Department of Health and Ageing, *Submission 16*, p. 1.

40 Rebecca McKetin, Jennifer McLaren and Erin Kelly, 'The Sydney methamphetamine market: patterns of supply, use, personal harms and social consequences', *NDLERF Monograph Series no. 13*.

41 Family and Friends for Drug Law Reform, *Submission 19*, p. 46.

42 *Submission 19*, p. 46 (footnotes omitted).

43 Australian National Council on Drugs, *Methamphetamine*, p. 4.

person may have a lasting vulnerability to re-experience psychotic symptoms.⁴⁴

4.41 At the Anex Australasian Amphetamines Conference, held from 28 to 29 September 2006, Associate Professor Janie Sheridan, from the University of Auckland, argued that research in the US and New Zealand has shown that the detrimental effects of amphetamine use extend well beyond injury caused to users. Families, support personnel, bystanders and, indeed, any person with whom an affected user comes into contact, can suffer the consequences of a violent episode or attack induced by AOSD use.⁴⁵

4.42 Family and Friends for Drug Law Reform (FFDLR) similarly identified the effects of methamphetamine use on the mental health of users, its the flow-on effects to friends, family and service providers, as the most noticeable consequences of methamphetamine use. In relation to the difficulties families experience when a member becomes addicted to methamphetamine, the submission observes that in Queensland:

...a number of workers in the health sectors “expressed concern over the incidence of unreported intrafamilial violence related to methamphetamine use, often within a relationship context but also directed at parents by teenage children”. There is a dearth of support for families because use of the potent stimulants seems to have stretched the country's drug treatment and mental health services beyond their capacity. In short, the shift from heroin to stimulants among injecting drug users “has grave consequences”.⁴⁶

4.43 The Committee notes that, although the deterioration of family relationships is common when a member becomes dependent on drugs, the level of violence arising from crystal methamphetamine or ice use is a new phenomenon, at least in terms of scale. Further, the FFDLR noted:

People using large amounts of methamphetamine-type stimulants are typically difficult to engage in treatment and demanding once engaged. There is “a great deal less evidence relating to the effectiveness and cost-effectiveness of treatments for stimulant dependence” than for heroin...Many who are “regular users experience methamphetamine-related financial, relationship and occupational problems”.⁴⁷

4.44 Along with the direct effects of methamphetamine use on users and their families and friends, the Committee identifies health and law enforcement authorities as being at the frontline of dealing with the problematic behaviour arising from

44 *Methamphetamine*, p. 5.

45 'Methamphetamines and Injury', address to the Australasian Amphetamines Conference, 29 September 2006.

46 Family and Friends for Drug Law Reform *Submission 19*, p. 46 (footnotes omitted).

47 *Submission 19*, p. 47 (footnotes omitted).

methamphetamine use. The ANCD paper estimates that hospital presentations for methamphetamine psychosis have risen by almost a third in the last five years.⁴⁸ This often involves people experiencing 'severe agitation', who require chemical and physical restraint. In many cases, police intervention is necessary.⁴⁹

4.45 The ANCD paper observes:

Aggressive behaviour is one of the most challenging aspects of the frontline management of methamphetamine psychosis. Violence is related to persecutory ideation, and often occurs because the patient interprets their environment in a threatening way. For this reason, physical restraint and law enforcement intervention, although sometimes necessary, can exacerbate hostility and the risk of violent behaviour.⁵⁰

4.46 The Committee notes that some much-needed steps are being taken in Australia towards assisting health and law enforcement authorities to deal with the AOSD-related increase of violence and mental health issues. The ANCD paper notes:

Guidelines on the emergency management of methamphetamine psychosis have been developed specifically for police, ambulance workers and emergency departments. These guidelines include draft protocols which need to be actively disseminated, evaluated and refined where necessary.⁵¹

4.47 The Committee endorses the ANCD's recommendation that:

Existing guidelines on management of methamphetamine toxicity for police, ambulance workers and emergency departments need to be actively disseminated. Adequate resources need to be made available to frontline emergency services to ensure that they can safely manage methamphetamine psychosis presentations.⁵²

4.48 The Committee considers that, although the long-term health and social effects of the use of AOSD, particularly MDMA and methamphetamine, are not yet certain, there is sufficient evidence to be sure that their impact is often severe and devastating for users, their families and friends, and for the health and law enforcement authorities that are dealing with the significant behavioural problems that are emerging.

4.49 The Committee believes it is critical that adequate funds be made available to research the long-term effects of these drugs and to provide adequate treatment and assistance for the mental and physical health problems that arise from AOSD use. The

48 Australian National Council on Drugs, *Methamphetamines*, p. 4.

49 *Methamphetamines*, p. 4.

50 *Methamphetamines*, p. 5.(footnotes omitted)

51 *Methamphetamines*, p. 5 (footnotes omitted).

52 *Methamphetamines*, p. 5.

Committee also considers that such funding should also be available for support for the families of users.

Recommendation 6

4.50 The Committee recommends that, in the execution of the National Drug Strategy, harm-reduction strategies and programs receive more attention and resources.

Harm-reduction programs

4.51 While no-one who appeared before the Committee was opposed to harm reduction per se, there were a variety of views on what the proper emphasis should be between it and other NDS strategies, and the kind of tactics that should be employed in seeking harm-reduction outcomes.

4.52 In their submission, the Alcohol and other Drugs Council of Australia (ADCA) argued that, because users come from all parts of society, various AOSD harm-prevention and harm-reduction initiatives are needed. The submission observed that there is a need for strategies:

...that target both the traditional injecting drug use networks as well as other users who take pills at parties and who don't necessarily see themselves as 'drug users'. There is growing recognition that governments and the alcohol and other drugs sector need to maintain credibility with AOSD users through the provision of accurate, culturally appropriate and credible information.⁵³

4.53 The effectiveness of current harm-reduction strategies was endorsed by Dr David Caldicott, who is the Convenor for OzTox, a harm-reduction coalition that attends rave parties to test pills that are to be used by the participants. Dr Caldicott told the Committee that, '[o]verall, harm minimisation has been shown to prevent more deaths and injuries than any other policy.'⁵⁴

4.54 Harm reduction embraces those measures that have the effect of reducing the damage done by drugs to those who use them. One of the earliest examples was the introduction of needle and syringe exchange programs. The ADCA submission said:

Tertiary prevention initiatives such as needle and syringe programs have made a significant contribution to preventing the spread of infections and have been directly responsible for the reduction in needle sharing amongst Australian injecting drug users. It is therefore essential that needle and syringe programs continue to be supported and adequately resourced to help maintain the health of injecting drug users and meet the likely rising demand for needles and syringes.⁵⁵

53 Alcohol and other Drugs Council of Australia, *Submission 7*, p. 4.

54 *Committee Hansard*, 3 May 2006, p. 26.

55 Alcohol and other Drugs Council of Australia, *Submission 7*, p. 5 (footnotes omitted).

4.55 The needle and syringe exchange programs are considered to have had a positive effect on the potential damage of contracting HIV-AIDS and hepatitis C.

4.56 In addition, there have been community initiatives that provide educational and first-aid support to users. An example is Ravesafe, which the Committee heard has been operating for over 11 years in Victoria. Funded by the Victorian Department of Human Services, Ravesafe is a peer-based education and support program that attends parties and events of more than 500 people. Ms Purple Hazelwood, a coordinator of Ravesafe, told the Committee:

We have 12 key peer educators or volunteers who go out to parties and hand out information on harm reduction strategies and ways to reduce risk while at parties and taking drugs. At these events, we have a place where people can sit down, chill out and relax and talk to us. We give them a space to relax and get away from the noise, the music and all of that. While they are sitting there relaxing they can talk to our peers about anything that they want to talk about—and that ranges greatly. All of the peer educators are trained in first aid. So if something is going wrong or if someone is highly drug affected and needs further medical assistance, we can pass that on to first aid or the ambulance service that is usually at the parties that we attend. We are currently funded to do 15 events a year and we maintain 12 volunteers.⁵⁶

4.57 Ravesafe works with the dance party community and has produced, in conjunction with the Victorian Department of Human Services, a code of practice for safer dance parties. Ravesafe also provides training for staff of other community organisations, including Turning Point and Enlighten Harm Reduction.

4.58 The Committee considers that there is much to commend in the peer support programs provided by community groups, including the emergency medical assistance they are able to render. The Committee has commented elsewhere in the report on the value of credible educational programs.

Pill testing

4.59 The Committee acknowledges that tension exists around the harm-reduction and demand-reduction potential of pill testing programs. There are concerns that such schemes equate to condoning drug taking, could expose pill-testing authorities or practitioners to civil or criminal liability, and could endanger users of such services.

4.60 Ms Catherine Quinn, Manager of the Drug and Alcohol Branch of the Victoria Police Forensic Services Centre, informed the Committee that pill testing is now largely based on commercial colour-test kits:

You take a scraping from the tablet, drop a couple of drops of liquid onto it and you will get a colour from that. The colour is indicative of a class of drugs or a particular reaction but not a specific drug. For amphetamine type

56 *Committee Hansard*, 13 October 2006, p. 50.

stimulants—the methamphets and amphet—you will get an orange colour; for ecstasy you will get black.⁵⁷

4.61 Ms Quinn went on to raise some concerns over the sophistication and accuracy of colour-test kits:

There is no component splitting in there, so you have no sense of what is in the tablet other than that the darkest reaction will be the predominant one. You have no way of assessing the quantity of material in there. It does not give you a purity test. There will be a lot of people saying, 'Oh, yes, it is a faint test, so you've got a lower level,' or 'It is a strong test, so you've got a higher level.' That really does not mean anything. The test responds to a certain quantity and it really depends how much you have in that sample, not how much is in that tablet. Because the tablets are not necessarily made to a pharmaceutical grade they are not necessarily homogeneous, so the little scrape may have been from the low side of the tablet et cetera, which is why when we analyse everything is ground and you have these scientific practices.⁵⁸

4.62 The Committee received a considerable amount of evidence from law enforcement agencies, which all argued their opposition to pill testing. Deputy Commissioner Simon Overland, from the Victoria police, told the Committee:

We do not support pill testing. I guess we understand the arguments for it...Our view is that, unless you do this stuff pretty carefully and you fully understand what is in a pill, you run all sorts of risks in doing it in a half-baked way, if I can put it that way. I think the science is such that you really need to do it pretty rigorously in a controlled way to be very clear about what is in there.⁵⁹

4.63 Some witnesses, however, disagreed with the criticisms outlined above. Mr John Davidson, a spokesperson for Enlighten Harm Reduction, explained that colour-based testing of pills in clubs or at raves was an outdated model, and that, as such, criticisms based on this model were misleading. The Committee heard that more sophisticated laboratory-based testing of pills, conducted by medical professionals at dedicated locations, was now available.⁶⁰

4.64 A number of witnesses supported the efficacy of pill testing as a harm-reduction strategy. Dr Caldicott felt that pill testing was effective in reducing harm, and that more sophisticated models, such as some being trialled in Europe, could enhance their effectiveness:

...we can not only show that pill testing can reduce harm; we can also improve on the models that currently exist. We already have. The Swiss, for

57 *Committee Hansard*, 13 October 2006, p. 16.

58 *Committee Hansard*, 13 October 2006, p. 16.

59 *Committee Hansard*, 13 October 2006, p. 13.

60 *Committee Hansard*, 13 October 2006, p. 32.

example, are trying to introduce a pill testing program where doctors and nurses are involved, rather than other workers, because it is known that people will pay attention to them.⁶¹

4.65 Mr Davidson explained that pill testing is not merely a harm-reduction exercise carried out at rave parties, but has other, more significant, functions:

The first is a monitoring service, to have an idea of what is out there in the market. As we have seen, we do not know, to a large degree. It seems as though these problems sneak up on the government out of nowhere and suddenly we have an ice epidemic or whatever. The second part is the information service that goes hand in hand with it.⁶²

4.66 While the Committee acknowledges that pill-testing proponents are well-intentioned, a majority of the Committee considers that such programs have yet to overcome a number of legitimate and serious concerns:

- the perception that official conduct and sanction of such programs are akin to condoning drug-taking behaviour;
- that such programs could expose conducting authorities, bodies or individuals to liability for harm arising to users of pill-testing services; and
- that there are questions over the accuracy of the testing procedures employed.

4.67 The Committee was also concerned that, despite pill-testing proponents pursuing a neutral, information-based approach,⁶³ users of such services will tend to use the information provided to decide whether or not to ingest a particular MDMA pill. Given the critical and unpredictable role that individual physiology plays in cases of adverse or even fatal reactions to MDMA pills, the Committee was concerned about the extent to which MDMA users might seek to use the information provided by pill testers as the basis of, or to confirm, a decision to ingest a particular MDMA pill.

4.68 In responding to the Committee's concerns that pill testing sends the wrong message and appears to give official endorsement to the taking of illicit drugs, Dr Caldicott disputed that pill testing sends the wrong message to the community and to would-be users:

That makes the assumption that people who are not using drugs understand what message it actually does send. In fact, as my colleague from the police mentioned, this is a commodity. Particularly the pill form of an illicit substance is a commodity and, if we wanted to destroy a legitimate commodity, one of the best ways we might go about doing that is by questioning the manufacturing technique, the purity and the intention of the supply of the substances. So, while there is an assumption that the wrong

61 *Committee Hansard*, 3 May 2006, p. 27.

62 *Committee Hansard*, 13 October 2006, p. 34.

63 *Committee Hansard*, 3 May 2006.

message is being sent, we believe that the message being received by young people who are faced with the results of pill testing is that it shakes their faith in what is often regarded within the community as a fairly pure product. If you go back to the history of ecstasy, it was marketed, along with health food supplements, as a pure product.⁶⁴

4.69 The Committee notes the tension between, on the one hand, law enforcement agencies' concerns about the complexities and uncertainties surrounding pill testing and, on the other, pill-testing proponents' belief that it is an important and effective harm-reduction tool.

4.70 Mr Davidson told the Committee of the current 'preparation of a feasibility study for the development and implementation of an illicit tablet information and monitoring service'.⁶⁵ The Committee considers that such studies could contribute to debate on the issues outlined above. Without endorsing or otherwise approving pill testing, the Committee considers that the Victorian study should be monitored for information that could contribute to future considerations of the issues surrounding pill testing.

Recommendation 7

4.71 The Committee recommends that the Victorian feasibility study for an illicit tablet monitoring and information service be monitored and, as appropriate, the outcomes independently evaluated by the appropriate Commonwealth government agency.

Diversionary programs

4.72 Some states have established diversionary programs, which are designed to keep drug offenders out of the gaol system and to provide rehabilitation and support to overcome their addiction.

Illicit Drug Diversion Initiative

4.73 In their submission, the Department of Health and Ageing (DoHA) observed that \$340 million has been allocated to the Illicit Drug Diversion Initiative (IDDI) for the period 1999-2000 to 2007-08.⁶⁶ The initiative has the following objectives:

- to increase incentives for drug users to identify and treat their illicit drug use early;
- to decrease the social impact of illicit drug use within the community; and
- to prevent a new generation of drug users and drug-related crime from emerging in Australia.⁶⁷

64 *Committee Hansard*, 3 May 2006, pp 24-25.

65 *Committee Hansard*, 13 October 2006, p. 23.

66 Department of Health and Ageing, *Submission 16*, p. 4.

4.74 The funding for IDDI is provided by the Commonwealth. The programs are managed by the states and territories and run by preferred providers, which deliver services 'such as assessment and treatment to ensure that those diverted have the fullest opportunity to address their drug use and expiate their diversion.'⁶⁸

4.75 The table below is based on information provided by the department and summarises the IDDI funding allocation by state for the 2005-06 financial year.

State/ Territory	Number of programs	Amount (\$)
New South Wales	9	16,982,144
Victoria	8	12,307,766
Queensland	2	2,700,000
Western Australia	7	4,853,447
South Australia	3	3,500,000
Tasmania	3	927,168
Northern Territory	3	1,200,000
Australian Capital Territory	4	1,041,513

4.76 Additional information supplied by the department explained that the programs fall into two major groups: one administered by the police and the other by the courts. Within these groups, programs are further categorised as being for adults, youth, the Indigenous population and those in rural and remote areas.⁶⁹

Police programs

4.77 Some of the police diversion programs are aimed at one specific drug (several states have a cannabis cautioning program, for example). In Victoria, the police have a drug diversion program that allows an apprehended person to be cautioned rather than charged, if they will accept a clinical assessment and a period of treatment, which must be completed within 28 days.⁷⁰

4.78 In Western Australia, the All Drug Diversion program aims to divert people without prior convictions for drug offences or crimes of violence within the previous

67 *Submission 16A*, p. 33.

68 *Submission 16A*, p. 33.

69 *Submission 16A*, p. 33.

70 Victoria Police website, http://www.police.vic.gov.au/content.asp?Document_ID=5059, viewed 23 November 2006.

three years. The South Australian Police conduct a drug diversion scheme aimed at juveniles aged 10 to 17 years.⁷¹

4.79 The ACT, Northern Territory and Tasmanian police also have similar schemes aimed at keeping users of small amounts of illicit drugs out of the gaol system and channelling them into treatment as early as possible.

Court diversion

4.80 In the last twenty years, the courts have played an increasing role in providing opportunities for drug offenders to rehabilitate themselves and thereby avoid custodial sentences. Known generally as 'drug courts', they are specialist courts that deal with drug dependent offenders. Drug courts were instituted because of 'growing disenchantment with the ability of traditional criminal justice approaches to provide long-term solutions to the cycle of drug use and crime.'⁷²

4.81 The United States established the first drug court in 1989, a model later followed by Canada, the United Kingdom and several Australian jurisdictions. Commencing operation in 1999, the Drug Court of New South Wales was the first in Australia. It has been the subject of an evaluation by the Bureau of Crime Statistics and Research.⁷³ Drug courts have been established in Queensland, Victoria, South Australia and Western Australia.

4.82 In some states, drug court programs devolve into further specialisation; there are courts for young offenders, rural offenders and Indigenous offenders, all of which have support from counsellors and the police.

4.83 Generally, the minimum eligibility criteria for a person to be diverted to a drug court program are:

- sufficient admissible evidence of the offence of possession or use of a drug;
- the person must admit to the offence;
- the person should have no history of violence; and
- the person must give their informed consent to undertake a diversion.

71 Divert website, South Australian Police Drug Diversion Initiative, <http://www.divert.sa.edu.au/>, viewed 23 November, 2006.

72 Lawlink New South Wales website, <http://www.lawlink.nsw.gov.au/drugcrt/drugcrt.nsf/pages/drugcrt2>, viewed 15 November 2006.

73 Lawlink New South Wales website, <http://www.lawlink.nsw.gov.au/drugcrt/drugcrt.nsf/pages/drugcrt2>, viewed 15 November 2006. The Bureau of Crime Statistics and Research evaluation can be found at www.lawlink.nsw.gov.au/bocsar.

4.84 Some courts are able to provide options for rehabilitation before a plea is entered. The person must show some potential for successful treatment but is not required to plead guilty to the offence.

4.85 The DoHA advised the Committee that 'diversion for amphetamines and other synthetic drugs is included as part of the states and territories diversion programs.'⁷⁴ The department observed that the states and territory governments have the flexibility to allocate the use of funding as they see fit.⁷⁵

4.86 The Committee notes that diversion programs depend on the participation of the health and law enforcement sectors in working to integrate the two facets of the program to give offenders the opportunity to be rehabilitated in terms of both their criminal behaviour and health.

4.87 Drug diversion programs are being evaluated to 'inform the future of the program.'⁷⁶ The Committee notes that there are tailored diversion programs, with some focused on people as young as 10 years and some directed towards other discrete sectors of the community. The Committee considers that any program able to minimise the incarceration of non-recidivist and non-violent offenders should be provided with a level of funding to ensure its success. Such programs must be able to engage the services of sufficient numbers of fully professional staff to meet the need for support and to provide the greatest opportunity for success.

Conclusion

4.88 The Committee has come to the view that, in dealing with the escalating problems surrounding the use of AOSD and their effects, particularly on young people, harm reduction must receive more support in the execution of the NDS. It is an unpalatable fact that AOSD are being used increasingly in our society. Prohibition, while theoretically a logical and properly-intentioned strategy, is not effective, as it has the effect of driving AOSD use underground. Consequently, drug-induced illness is frequently going untreated because people who use illicit substances are reluctant to seek medical help for fear of the possible consequences of criminal conviction.

4.89 The Committee does not consider that the efforts of law enforcement agencies to reduce supply of AOSD should be diminished in any way. However, the evidence to the inquiry suggests there is a need to place greater emphasis on, and resources in, the area of harm reduction. The current national approach to illicit drugs—supply reduction, demand reduction and harm reduction—will achieve greater outcomes if a better balance between these approaches can be reached. As one submitter argued:

The problem with current drug strategies is not that they include law enforcement; it is that law enforcement is the nucleus around which all

74 Department of Health and Ageing, *Submission 16*, p. 33.

75 *Submission 16A*, p. 34.

76 *Submission 16A*, p. 34.

other programs must work. Most people agree that harm minimisation should be the objective of drug strategies. If this is the case, resources should be directed to those areas that offer the greatest returns. This means putting treatment and prevention at the centre of drug strategies, and letting law enforcement fit around the priorities set by these programs.⁷⁷

4.90 The problems caused by AOSD are multifaceted, and supply reduction is one aspect of their solution. In its submission, Anex argued that the best approach to formulating policy in the area of AOSD:

...involves a balance between the interconnected aspects of supply reduction, demand reduction and harm reduction. The complexity of illicit drug use and the associated harms requires a multi-faceted approach to the development and implementation of strategies including supply reduction strategies. Demand and harm reduction strategies are important components of any comprehensive approach to illicit drug use, including the use of amphetamines.⁷⁸

4.91 Similarly, the Hon. Dr John Herron, Chairman of the Australian National Council on Drugs (ANCD), at the recent launch of the ANCD's position paper on methamphetamines, argued:

I would also like to stress that to address methamphetamines and indeed all drug use requires a balanced, pragmatic and partnership approach, and that if there is one way we could make an immediate impact it would be to recognise that treatment is the great investment. As I said at the start, no-one sets out to become addicted to drugs and to hurt those around them, and treatment provides a real pathway out of this mire.⁷⁹

77 The Australia Institute, *Submission 24*, p. 13.

78 Anex, *Submission 31*, p. 3.

79 The Hon. Dr John Herron, speech to National Press Club, 31 January 2007, p. 9.

Chapter 5

The national law enforcement environment: agencies, strategies and legislative initiatives

Introduction

5.1 The previous chapter discussed the strategic aspects of demand and harm reduction and, in particular, the need to draw together all aspects of meeting the challenge presented by AOSDs. This chapter focuses on the law enforcement environment. It outlines the key Commonwealth agencies that deal with the policing of AOSD internationally, at the border, and across Australian law enforcement jurisdictions, and the notable strategies these agencies use in their task of supply reduction. The chapter then discusses recent legislative initiatives that will assist law enforcement agencies (LEAs) in this goal.

Commonwealth law enforcement agencies

5.2 Primary responsibility for supply reduction rests with the LEAs. As a result of Australia's federal system of government, the management of this process is both difficult and complex:

It is difficult to describe the management of Australia's Drug Law Enforcement (DLE) in a simple way, as the relationship between DLE agencies is complex; largely a product of the independent development of law enforcement within Australia's federated system of government...However, what can be said is that DLE occurs at many levels in Australia, from general duty policing to drug unit and command levels, through to state and federal levels, as well as across jurisdictions. Each level and jurisdiction differs in terms of whether there is a dedicated or generalist organisational structure, and whether this is primarily centralised or regionalised in nature. They also differ according to preferred operational approaches, the number of specialised personnel employed, legislation, agency resources and the character of the different markets for illicit drugs themselves.¹

5.3 Across the many law enforcement bodies that gave submissions and evidence to the Committee, a consensus view appears to be that the dynamic nature of the AOSD industry, in terms of its ability to rapidly develop new drugs, markets and means of production, presents a 'considerable challenge for Australian law enforcement'.²

1 National Drug Law Enforcement Research Fund, *Developing and implementing a performance measurement framework for drug law enforcement in Australia, Monograph Series No. 18*, 2006, p. 9.

2 Australian Customs Service, *Submission 5*, p. 3.

...it is important to note that the AOSD market is a dynamic one, and the potential for new AOSD to emerge and gain popularity is an ongoing threat that law enforcement must continue to monitor and address.³

5.4 Enforcement of Commonwealth drug legislation, and hence of the spectrum of offences that relate to AOSD, is undertaken principally by the Australian Crime Commission (ACC), the Australian Federal Police (AFP), and the Australian Customs Service (ACS). In brief, the roles of these agencies are as follows:

The Australian Crime Commission

The role of the ACC

5.5 The ACC is a Commonwealth statutory body working nationally with other federal, state and territory agencies to counter serious and organised crime. It aims to bring together all arms of intelligence gathering and law enforcement to unify the effort against serious and organised criminal activity.

5.6 The ACC performs a number of functions, including:

- criminal intelligence collection and analysis;
- providing advice to the ACC Board on National Criminal Intelligence Priorities; and
- investigating federally relevant criminal activity, and undertaking taskforces as approved by the ACC Board.⁴

5.7 The ACC is engaged in a number of activities that contribute to supply-reduction strategies under the National Drug Strategy and which, inter alia, focus on reducing the AOSD market in Australia. In its submission, the ACC emphasises that its role is one of investigation and intelligence gathering 'to enhance national intelligence on the importation, manufacture and distribution of AOSD, precursor chemicals and associated equipment.'⁵

5.8 Mr Alastair Milroy, Chief Executive Officer of the ACC, emphasised that the ACC is a 'criminal intelligence and investigative agency with a mandate to counter federally relevant activity,'⁶ and whose role is inherently strategic. The ACC aims, according to Mr Milroy:

3 *Submission 5*, p. 2.

4 ACC website, http://www.crimecommission.gov.au/content/about/ACC_PROFILE.pdf, viewed 18 November 2006.

5 ACC, *Submission 18*, p. 9.

6 *Committee Hansard*, 5 June 2006, p. 85.

...to bring together all arms of intelligence gathering and law enforcement to unify the fight against serious and organised criminal activity.⁷

The ACC Special Intelligence Operation determination on AOSD

5.9 The ACC Board of Management referred an AOSD Special Intelligence Determination to the ACC in 2003. The determination authorises the ACC to 'develop intelligence on the importation, production and trafficking in AOSD and precursor chemicals in Australia.'⁸ Crucially, the making of the determination allows the ACC to use its coercive powers.⁹ The issuing of the AOSD determination acknowledged that 'traditional law enforcement methods were not as effective in this particular area as a result of the growth of...[the AOSD] market.'¹⁰ In its strategic investigative and intelligence function, the ACC has sought to 'deliver informed and timely advice to drive an effective national response' to the AOSD problem.¹¹

5.10 Mr Milroy described the ACC's approach under the AOSD determination as intended to establish 'strong collaboration arrangements with key stakeholders, including jurisdictional and Commonwealth partner agencies and industry groups, and to highlight the issue as a national priority for both the ACC and the broader law enforcement community.'¹²

5.11 Similarly, Mr Michael Outram, Director of National Operations for the ACC, characterised the ACC's approach under the AOSD determination as collaborative, broad based and holistic:

That determination has worked very closely with industry and academia, looking for the causes, the problems, and to get various views from across the whole spectrum of people who have a stake in this as to why there might be a problem and how it can be fixed.¹³

Coercive powers

5.12 Under section 7C of the *Australian Crime Commission Act 2002*, the board of the ACC can authorise in writing a special investigation or determination. Once the authorisation is made, the ACC is able to use its coercive powers, allowing it to compel a person to attend a hearing before an ACC Examiner, to produce documents and to answer questions. Under sections 22 and 23 of the ACC Act, authorised persons within the ACC are allowed to apply for search warrants, with provision for

7 ACC, *Australian Crime Commission Annual Report 2004-05*, p. 10.

8 *Submission 18*, p. 10.

9 *Submission 18*, p. 8.

10 *Committee Hansard*, 5 June 2006, p. 86.

11 *Committee Hansard*, 5 June 2006, p. 86.

12 *Committee Hansard*, 5 June 2006, p. 85.

13 *Committee Hansard*, 5 June 2006, p. 87.

applications by telephone. The AOSD determination has been authorised by the ACC Board and the coercive powers are available to be used in the ACC's investigations.

5.13 A number of submitters highlighted the significance of the coercive powers for the intelligence and investigative role that the ACC plays in the control of AOSD. The NSW Police submission states:

The ACC has made excellent use of its coercive powers to identify rogue pharmacists and equipment suppliers. They have also arranged the surrender of suspicious pill presses. A monitoring role on the internet eBay site produced evidence of suspicious purchases of scientific glassware that led the arrest and charge for an individual in Parkes for manufacturing prohibited drugs. The ACC disseminates intelligence to NSW police pursuant to its charter.¹⁴

5.14 The ACC submission notes that, in undertaking the AOSD determination, the ACC has 'directed its efforts and resources to areas not already specifically targeted by other jurisdictions and to those where the ACC's special intelligence operations tools could be most effective'.¹⁵ Furthermore:

The Determination has established a 'niche' area in national law enforcement for the timely collection of strategic and tactical intelligence which has proven successful in the disruption and deterrence of nationally significant criminal activity.¹⁶

5.15 However, there have been some challenges to these powers since the inception of the ACC Act, particularly to the abrogation of the privilege against self-incrimination for Commonwealth, state and foreign offences, and the abrogation of legal professional privilege.

5.16 In evidence to the Committee's review of the ACC Act in 2005, Mr John Hannaford, an ACC Examiner, told the Committee that the coercive powers are exercised only after deliberation within the ACC. Mr Hannaford noted that submissions are made to the examiners regarding the use of the powers and that authorisation is not automatic.¹⁷

The Amphetamine-Type Stimulant National Action Plan

5.17 In May 2005, in furtherance of the ACC's work under the AOSD determination and in recognition of the myriad issues relevant to developing an effective response, the ACC Board requested the preliminary development of an AOSD national action plan—since renamed the Amphetamine-Type Stimulants

14 New South Wales Police, *Submission 9B*, p. 7.

15 ACC, *Submission 18*, p. 11.

16 *Submission 18*, p. 9.

17 Parliamentary Joint Committee on the Australian Crime Commission, *Review of the Australian Crime Commission Act 2002*, p. 20.

National Action Plan—to outline current and potential further responses to the problem.¹⁸ The plan, according to Mr Milroy:

...identified a lot of areas of responsibility, a lot broader than just law enforcement. It addressed issues to do with health, education, research, academia and so on which indicates that there is a considerable amount of work that might need to be considered...¹⁹

5.18 The draft plan covered the following eight elements:

- policy debate and implementation;
- government legislative or regulatory responses;
- industry self-regulation;
- enhanced education;
- the role of the criminal justice system;
- strategic partnerships;
- research and development; and
- environmental concerns.

5.19 Recognising the intrinsically linked nature of the above elements, and thus of any responses designed to solve the AOSD problem, in July 2005 the ACC Board presented a draft of the national action plan to the Intergovernmental Committee on Drugs (IGCD) to be reviewed and reported on. The ACC Board had agreed:

...that the broad nature of the consultation required to ensure inclusion of all relevant sectors, and the wide ranging nature of current and potential strategies and activities, were beyond the scope of the responsibilities and partnership relationships that are appropriate to the role of the ACC.²⁰

5.20 The ACC submission indicates that, with the IGCD, the ATS National Action Plan is being progressed, and that consideration is being given to using the draft plan as the basis for the development of a national ATS strategy.²¹

5.21 The ACC's constitutional focus is on law enforcement and intelligence agencies. The Committee observes that the intelligence-gathering and strategic-planning aspects around its investigations into nationally significant crime at times require the ACC to consider an issue across a range of agencies and stakeholders. The Committee commends the role of the ACC in developing a broad ATS National Action Plan and in advancing it appropriately through established forums.

18 ACC, *Submission 18*, p. 5.

19 *Committee Hansard*, 5 June 2006, p. 87.

20 ACC, *Submission 18*, p. 6.

21 *Submission 18*, p. 7.

The Australian Federal Police

5.22 The functions of the AFP in drug matters are split between federal policing and ACT policing. The ACT Police indicated that MDMA use in the ACT is increasing in line with the national trend. Recent ACT legislation supports police in investigations related to precursor chemicals and equipment used in the manufacture of AOSD.²²

5.23 At the federal level, the AFP's role is 'to enforce Commonwealth criminal law and protect Commonwealth and national interests from crime in Australia and overseas'.²³ Section 37(2) of the *Australian Federal Police Act 1979* provides for a ministerial direction setting out the government's priorities for the AFP. The current ministerial direction, signed on 31 August 2004, directs the AFP to give special emphasis to a number of activities. They include:

- crime prevention;
- illicit drug trafficking;
- providing an effective contribution to the implementation of the government's Tough on Drugs strategy;
- ensuring that the AFP's strategic directions in relation to these and other activities appropriately complement priorities set at board level for the ACC, particularly in the area of national criminal intelligence; and
- contributing to the government's international law enforcement interests.²⁴

The Australian Customs Service

5.24 The Australian Customs Service (ACS) is a national organisation employing over 5,000 people around Australia and overseas. The agency's principal role in relation to AOSD is border protection. The ACS has a fleet of eight ocean-going patrol vessels and, 'using a combination of contracted aircraft, Australian Defence Force patrol boats and aircraft, and sea-going vessels of the Customs National Marine Unit,' operates Coastwatch, a civil maritime surveillance and response service for a range of government agencies, including the Australian Quarantine and Inspection Service and the ACS itself.²⁵

5.25 The interception of AOSD and their precursors is a high priority for the ACS, with a variety of techniques used to target high-risk aircraft, vessels, cargo, postal items and travellers. These techniques include the application of intelligence and computer-based analysis methods to risk assess the large volume of movements of

22 Australian Federal Police, *Submission 2*, p. 2.

23 *Submission 6*, p. 1.

24 *Submission 6*, pp 1-2.

25 Australian Customs Service website, <http://www.customs.gov.au/site/page.cfm?u=4238>, viewed 15 November 2006.

passengers and goods across the Australian border. These approaches are complemented by the use of detector dogs, container X-ray and various other detection technologies.²⁶

5.26 The ACS investigates and prosecutes serious customs offences, including those relating to AOSD and their precursors, under the *Customs Act 1901* and the *Criminal Code*. The ACS also conducts financial investigations in accordance with the *Proceeds of Crime Act 2002* for recovery of assets gained through the commission of criminal offences.

5.27 The Commonwealth law enforcement agencies, in conjunction with the state and territory police, undertake a range of approaches to the reduction of supply of illicit drugs in Australia. Their approach to this task is collaborative. The Committee heard that a number of mechanisms exist to enhance the efforts of these agencies. Following is a discussion of the notable strategies through which LEAs and the ACC pursue supply reduction.

Information sharing

5.28 The efforts to reduce the supply of AOSD in Australia are pursued through and enhanced by information-sharing arrangements between the ACC, AFP, ACS and a range of international and domestic LEAs.

5.29 The AFP submission states that the AFP monitors and responds to global trends in trafficking of precursor chemicals and 'the manufacture of...[AOSD], the movement of specialist chemists, and the diversification of global production centres'.²⁷

5.30 International information sharing around AOSD is enhanced through the Australian Illicit Drug Intelligence Program (AIDIP). In 2002, the National Illicit Drug Strategy (NIDS), which was established to address issues surrounding heroin, provided further funding to expand AIDIP to encompass AOSD. The Joint Drug Intelligence Team, which is a strategic level partnership between the AFP and the National Measurement Institute, administers this expanded program. AIDIP provides physical and chemical analyses of illicit drugs. The results allow the identification of regions of origin, manufacturing trends and the nature and composition of drugs within specific markets, against which new drug seizures may be searched. The information obtained assists the AFP and ACS to allocate resources and to gain insights into particular illicit drug markets.²⁸

26 Australian Customs Service, *Submission 5*, p. 2.

27 Australian Federal Police, *Submission 6*, p. 5.

28 Australian Federal Police website, http://www.afp.gov.au/national/drug_trafficking/drug_intelligence, viewed 20 November 2006.

5.31 The effectiveness of the ACS in the control of AOSD at the border is underpinned by, and directly related to, the quality of intelligence. Coastwatch, for example, places the highest value on accurate and timely intelligence. The ACS website states:

Coastwatch's effectiveness is directly related to the quality of available information sources and intelligence assessments that flow from these sources.²⁹

5.32 The NSW Crime Commission acknowledged the valuable role played by the ACS in the identification of international trends, which assists local law enforcement agencies in detecting shipments and locating possible clandestine laboratory sites.³⁰

Training and education

5.33 The AFP administers the Law Enforcement Cooperation Program (LECP), which provides training programs, strategic law enforcement seminars and workshops, equipment and short-term attachment and/or exchange of law enforcement personnel. The AFP submission states, for example, that 'LECP funding has enabled specific programs to be delivered in the region on identification of precursor chemicals and clandestine laboratories'.³¹

5.34 Both international and domestic knowledge on AOSD is enhanced through the National Chemical Diversion Congress (NCDC). This annual event is sponsored by the ACC and the Attorney-General's Department, and brings together law enforcement, health care, legal, and pharmaceutical industry representatives to discuss issues relating to the diversion of chemicals into the manufacture of AOSD, particularly amphetamines. The 10th Annual Congress was held on the Gold Coast in October 2006, and included keynote speakers from the US, Germany and India. The 9th Annual Congress was held in Darwin in October 2005, and included representatives from Australia, New Zealand, China, Hong Kong, the Philippines, Thailand, Samoa, Fiji, Papua New Guinea, Germany, Japan, the Netherlands, Belgium, Canada and the USA.

5.35 The Queensland Crime and Misconduct Commission noted the value of this forum:

The ACC's commitment to national forums such as the annual National Chemical Diversion Conference and National Criminal and Intelligence Operations Forum (NCIOF) enhances the ability of all LEAs in Australia to

29 Australian Customs Service website, <http://www.customs.gov.au/site/page.cfm?u=4238>, viewed 15 November 2006.

30 New South Wales Crime Commission, *Submission 9A*, p .4.

31 Australian Federal Police, *Submission 6*, p. 5.

become aware of emerging issues and to proactively target participants in the AOSD market.³²

Joint operations

5.36 The Committee heard that there is currently a high level of collaborative and joint operations between the various LEAs. Mr John Valastro, ACS National Manager, Law Enforcement Strategy and Security Branch, told the Committee:

Customs does not work in isolation with respect to this issue. Amphetamines and other synthetic drugs present an ongoing challenge to Australian law enforcement and we are committed to meeting this challenge. Key respects of how we are doing this include, with regard to risk assessment, our results being based on intelligence-driven risk assessment philosophy. We recognise that the majority of international movements are legitimate and target resources at areas that are high risk for illegal activity. The ACC is an important partner in helping us do this effectively.³³

5.37 Internationally, the AFP liaises with other agencies in the region and provides assistance to establish regional transnational crime centres. Although such centres are intended to assist investigations into all crime, the AFP's submission describes these centres as:

...[a] fulcrum for effective drug investigations, allowing proper coordination with intelligence and related crime such as money laundering.³⁴

5.38 Between 1998 and 2005, the AFP's international representation has increased from maintaining a presence in 14 countries to having 88 officers in 26 countries.³⁵ In addition, the AFP has signed a number of MOUs with key international law enforcement partners, particularly those from within the Asia Pacific region; the MOUs encompass measures to target illicit drug trafficking. The Committee were informed that other agreements are being considered and progressed as appropriate.³⁶

5.39 The ACC is a leading agency in the planning and administration of domestic joint operations. A key feature of this role is a nationally focused effort, involving cooperation between state, territory and Commonwealth law enforcement and relevant partner agencies. The ACC shapes strategic and operational decisions and activities

32 New South Wales Crime Commission, *Submission 9A* p. 4.

33 *Committee Hansard*, 5 June 2006, p. 9.

34 Australian Federal Police, *Submission 6*, p. 6.

35 *Submission 6*, p. 6; *Committee Hansard*, 5 June 2006, p. 74.

36 *Submission 6*, p. 6.

through appropriate intelligence products and services, as well as by providing advice on law and other regulatory reforms.³⁷

5.40 The AFP routinely undertakes collaborative operations with state law enforcement agencies. Additionally, the ACS notes that Customs maintains strong relationships with domestic law enforcement agencies, regulatory agencies and the law enforcement intelligence and research communities. The ACS submission states:

These relationships encompass active participation in joint agency groups and taskforces, intelligence exchange, and collaboration on research products. Much of this work either encompasses, or is specifically focused on AOSD matters.³⁸

5.41 Mr Valastro outlined the ACS's involvement with state agencies:

[The ACS works]...pretty closely with state law enforcement as well, and that is every single state because we have a presence there. Essentially we work with the AFP primarily in relation to these types of offences but, where there are opportunities for other agencies to be involved, we certainly bring them on board as well.³⁹

5.42 The Committee acknowledges that LEAs employ a range of mechanisms to address the issue of AOSD at both an international and domestic level. The development of partnerships and relationships between various LEAs at both the federal and state levels is at the centre of a successful law enforcement response. The Committee encourages all relevant agencies to continue to pursue and develop these collaborative arrangements.

Legislative initiatives

5.43 The effectiveness of the Commonwealth drug law enforcement response to AOSD has been enhanced by the recent enactment of legislation that has consolidated all federal drug offences into the *Criminal Code Act 1995* and increased the uniformity of drug offences in Australia.

Commonwealth law

5.44 Commonwealth drug law is broadly concerned with the import and export of illicit drugs. Until 2005, Commonwealth drug offences were contained in the *Customs Act 1901* and the *Crimes (Trafficking in Narcotic Drugs and Psychotropic Substances) Act 1990*.⁴⁰ Section 233B(1) of the *Customs Act 1901* contained the two most important offences: importing prohibited imports and possessing prohibited

37 ACC, *Australian Crime Commission Annual Report 2004-05*, p. 36.

38 Australian Customs Service, *Submission 5*, p. 7.

39 *Committee Hansard*, 5 June 2006, p. 9.

40 Dr Andreas Schloenhardt, University of Queensland, *Submission 21*, p. 10.

imports. By definition, narcotics were 'prohibited imports': subsections 233B(2) and (4).⁴¹

5.45 On 5 December 2005, the *Law and Justice Legislation Amendment (Serious Drug Offences and Other Measures) Act 2005* (the SDO Act) commenced. The SDO Act moved previous import and export offences from the *Customs Act 1901*, together with a number of new drug offences, into the *Criminal Code Act 1995*.

5.46 In restructuring the *Criminal Code* drug offences, the SDO Act introduced offences for the import, export, manufacture or possession of precursors—chemical substances used in the manufacture of drugs.⁴² The amendments also include offences for the possession of equipment for manufacturing illicit drugs, and aggravated offences where trafficking or manufacture involves children.

5.47 These amendments correspond to Australia's obligations under the United Nations Convention against Illegal Trade in Narcotic Drugs and Psychotropic Substances.⁴³

5.48 The development of the SDO Act was a collaborative effort involving the relevant government agencies. As Customs outlined in its submission:

Customs was closely involved in the development of the SDO Act, which consolidated all federal drug offences into the *Criminal Code Act 1995* and increased the uniformity of drug offences in Australia. Of particular note in relation to AOSD, the SDO Act includes provision for newly emerged AOSD to be emergency scheduled, enabling rapid legislative response to emerging threats. Also, a number of new offences and increased penalties in relation to AOSD precursors were significant enhancements introduced through the SDO Act.⁴⁴

5.49 The explanatory memorandum to the SDO Bill states that section 300.4 of the bill (now the SDO Act) allows overlapping state and territory drug offences to operate alongside the offences in part 9.1 of the *Criminal Code*. This is similar to jurisdictional arrangements in other areas of the criminal law, such as terrorism, fraud, computer crime, money laundering and sexual servitude. The explanatory memorandum concludes:

It is intended that drug offences will continue to be investigated in accordance with the established division of responsibility between federal and State and Territory law enforcement agencies.⁴⁵

41 *Submission 21*, p. 10.

42 Commonwealth Director of Public Prosecutions, *Submission 11*, p. 1.

43 Australian Federal Police, *Submission 6*, pp 7-8.

44 Australian Customs Service, *Submission 5*, p. 10.

45 Explanatory memorandum, *Law and Justice Legislation (Serious Drug Offences and Other Measures) Amendment Bill 2005 (Cth)*, p. 2.

5.50 The new section 300.3 of the *Criminal Code* includes a statement of geographical jurisdiction such that the offences apply to all Australian citizens, corporations and residents anywhere in the world, although with some qualification.

5.51 The basis of the SDO Act amendments was the Model Criminal Code developed by the Model Criminal Code Officers Committee of the Standing Committee of Attorneys-General, which consists of Commonwealth and state officers. The intention behind the amendments was to develop criminal legislation that could be adopted by all Australian jurisdictions. The ACT, Tasmania and Victoria have passed legislation based upon the Model Criminal Code, with some variations.⁴⁶

5.52 The Committee considers that the effectiveness of the SDO Act amendments to the *Criminal Code* could be lessened if the states do not enact similar provisions, particularly in relation to precursor offences.

Offences and penalties: section 300.2 of the Criminal Code

5.53 Section 300.2 of the *Criminal Code* defines the key concepts of 'controlled drug' and 'controlled precursor'. 'Controlled drug' is defined to mean a substance, other than a growing plant:

- listed or described as a controlled drug in section 314.1; or
- prescribed by regulations under paragraph 301.1(1)(a); or
- specified in a determination under paragraph 301.6(1)(a).

5.54 A similarly constructed definition exists for 'controlled precursors'.

5.55 Division 301 of the *Criminal Code* allows a swift response to the entry of new precursors and drugs to the illicit drug market through proscription of controlled substances by regulation or specification under determination, rather than through legislation. In particular, the emergency determination procedures allow the Minister for Justice and Customs to make a determination by legislative instrument that a substance is a controlled drug, a controlled precursor or a border controlled drug or precursor.

5.56 The offences and penalties are arranged in a hierarchy according to the quantity of drugs involved and in which the greatest maximum penalties—7,500 penalty units or life imprisonment—are incurred for a commercial quantity.⁴⁷ A marketable quantity incurs a penalty of 25 years or 5,000 penalty units or both, and a simple possession offence where no specific quantity is involved attracts a penalty of 10 years or 2,000 penalty units or both. What is classed as a commercial or marketable quantity varies according to the substance involved.

46 Australian Federal Police, *Submission 6*, p. 8.

47 A penalty unit is presently \$110.00.

Import/export of border controlled drugs

5.57 The Commonwealth Director of Public Prosecutions (CDPP) submitted that division 307 of the *Criminal Code* provides for offences relating to the import and export of 'border controlled drugs'. Section 314.4 lists border controlled drugs and sets out quantities relevant to the various offences. This list includes amphetamines and other synthetic drugs.

5.58 Sections 307.1 to 307.4 of the *Criminal Code* relate to importing and exporting border controlled drugs. The penalty where a commercial quantity is involved is imprisonment for life or 7,500 penalty units (\$825,000), or both. Where a marketable quantity is involved, the penalty is 25 years imprisonment or 5,000 penalty units (\$550,000), or both. There is a new tier of offence that applies to any quantity, which carries a penalty of 10 years or 2,000 penalty units (\$220,000), or both, provided there is a commercial purpose. In addition, there is an offence that applies to any quantity, which carries a penalty of two years or 400 penalty units (\$44,000), or both.⁴⁸

Import/export of border controlled precursors

5.59 Division 307 of the *Criminal Code* introduces new offences for the importation or exportation of border controlled precursors with the intention of manufacturing a controlled drug. Section 314.6 of the *Criminal Code* lists border controlled precursors and sets out quantities relevant to the various offences. Fourteen precursor chemicals are currently listed. A Ministerial Council on Drug Strategy working party is examining the question of whether any additional precursors should be added to the section 314.6 list, and, if so, what quantities of those precursors should relate to each tier of the offence.

5.60 The penalty where a commercial quantity is involved is 25 years imprisonment or 5,000 penalty units (\$550,000), or both. Where a marketable quantity is involved the applicable penalty is 15 years or 3,000 penalty units (\$330,000), or both. In addition, there is an offence that applies to any quantity, which carries a penalty of seven years or 1,400 penalty units (\$154,000), or both.⁴⁹ The set quantities for commercial and marketable offences are based on the amount of precursor necessary to manufacture the corresponding amount of a border controlled drug.⁵⁰

Domestic offences: trafficking in controlled drugs

5.61 Division 302 of the *Criminal Code* provides for offences relating to trafficking in controlled drugs. Section 314.1 lists controlled drugs and sets out

48 Commonwealth Director of Public Prosecutions, *Submission 11*, p. 2.

49 *Submission 11*, p. 3.

50 *Submission 11*, pp 2-3.

quantities relevant to the various offences. This list includes amphetamines and other manufactured drugs.

5.62 Section 302.1 provides that a person traffics in a controlled drug if:

- the person sells the substance; or
- the person prepares the substance for supply with the intention of selling any of it or believing that another person intends to sell any of it; or
- the person transports the substance with the intention of selling any of it or believing that another person intends to sell any of it; or
- the person guards or conceals the substance with the intention of selling any of it or assisting another person to sell any of it; or
- the person possesses the substance with the intention of selling any of it.

5.63 The applicable penalty where a commercial quantity is involved is imprisonment for life or 7,500 penalty units (\$825,000), or both. Where a marketable quantity is involved the applicable penalty is 25 years imprisonment or 5,000 penalty units (\$550,000), or both. There is a lowest-tier offence applying to any quantity, which carries a penalty of 10 years or 2,000 penalty units (\$220,000), or both.⁵¹

Domestic offences: pre-trafficking in controlled precursors

5.64 'Pre-trafficking' is the label given to various illicit dealings in precursor chemicals; this range of offences is covered in division 306 of the *Criminal Code*.

5.65 Section 314.3 lists controlled precursors and sets out quantities relevant to the various offences. Pre-trafficking covers four types of conduct. Section 306.1 provides that a person pre-trafficks in a precursor if:

- they sell the precursor believing that the buyer or another person will use it to manufacture a controlled drug; or
- they manufacture that precursor with the intention of using any of it to manufacture a controlled drug and with the intention of selling any of the drug so manufactured or believing that another person intends to do so; or
- they manufacture that precursor with the intention of selling it to another person and believing that the other person intends to use any of it to manufacture a controlled drug; or
- they possess the precursor with the intention of using any of it to manufacture a controlled drug and with the intention of selling any of the drug so manufactured.

51 *Submission 11*, p. 3.

5.66 Division 306 of the *Criminal Code* sets out new domestic offences of pre-trafficking in controlled precursors. The offences have the same three-tier structure and penalties as the offences for importing precursors: 25 years or 5,000 penalty units (\$550,000), or both, for a commercial quantity; 15 years or 3,000 penalty units (\$330,000), or both, for a marketable quantity; and seven years or 1,400 penalty units (\$154,000), or both, for any quantity. The quantities for commercial and marketable quantities are based on the amount of precursor necessary to manufacture the corresponding amount of border controlled drug.⁵²

Commercial manufacture of drugs

5.67 Division 305 of the *Criminal Code* addresses the commercial manufacture of controlled drugs. 'Manufacture' is defined in section 305.1 to mean any process by which a substance is produced. This includes the process of extracting or refining a substance and the process of transforming a substance into another substance. A person manufactures a substance when the person is engaged in its manufacture, exercises control or direction over its manufacture, or provides finance for its manufacture. The commercial dimension of this offence is reflected in the requirement contained in section 305.2 that to be guilty of a section 305.1 offence a person must manufacture the substance with the intention of selling any of it or believing that another person intends to sell any of it.

5.68 Division 305 of the *Criminal Code* also provides for three tiers of offences based on quantity. The penalties are the same as for the trafficking offences: imprisonment for life or 7,500 penalty units (\$825,000), or both, for manufacturing a commercial quantity of controlled drugs; imprisonment for 25 years or 5,000 penalty units (\$550,000), or both, for manufacturing a marketable quantity; and imprisonment for 10 years or 2,000 penalty units (\$220,000), or both, for manufacturing any quantity of drugs.⁵³

Drug offences involving children

5.69 Division 309 of the *Criminal Code* contains offences directed at adults who involve children under 18 years of age in the drug trade. Section 309.3 lists the offence of supplying a marketable quantity of controlled drugs to children for trafficking, which carries a penalty of imprisonment for life or 7,500 penalty units (\$825,000), or both. Where a child is supplied with any quantity of controlled drugs for trafficking, section 309.4 provides for a penalty of 25 years imprisonment or 5,000 penalty units (\$550,000), or both.⁵⁴

52 *Submission 11*, pp 4-5; Attorney-General's Department, *Submission 15*, p. 5.

53 *Submission 11*, p. 5.

54 *Submission 11*, p. 6.

Adequacy of the legislation

5.70 Comparing the old and new legislation, Dr Andreas Schloenhardt, from the University of Queensland, observed that the new legislation covers precursors more adequately than did the offences contained in the *Customs Act 1901*. The new division 306 specifically provides penalties for offences involving precursors.⁵⁵

5.71 The Australian Federal Police (AFP) submission to the inquiry indicates that the amendments to the *Criminal Code* have had 'significant implications for Commonwealth law enforcement.'⁵⁶ In particular, the submission notes that the tiering provisions have improved the AFP's ability to focus on importation and trafficking of large amounts of illegal drugs and precursors. The submission states that the scope of operation of the legislation is expanded through section 300.3, which establishes jurisdiction over Australians operating overseas. This is achieved through the application of division 15 of the *Criminal Code*, which allows some criminal activities engaged in by Australian citizens or residents when abroad to be subject to Australian criminal law.

5.72 The addition of Commonwealth offences for selling, manufacturing or possessing precursors has filled gaps in the previous legislative regime. In evidence, Ms Melinda Cockshutt, from the Commonwealth Attorney-General's Department, observed that, in particular, the creation of parallel domestic offences enabled the AFP to pursue convictions for drug offences where the offences might not have involved the import or export of the controlled precursor.⁵⁷

5.73 Evidence from several witnesses suggest that, at a Commonwealth level, the scope and intent of the amendments introduced by the SDO Act are currently adequate to combat AOSD importation, manufacturing and trafficking effectively.⁵⁸ The Attorney-General's Department submitted:

The SDO Act represents a significant step forward in the fight against ATS [AOSD] and drugs in general. It has created a range of offences to inhibit the supply of ATS to the Australian community through decreasing ATS manufacture and trafficking. It also aims to protect children from the harms associated with ATS. The Commonwealth continues to encourage all States and Territories to include similar offences in their individual drug legislation.⁵⁹

5.74 Similarly, the ACC endorsed the effectiveness of the new precursor offences and regulatory measures:

55 University of Queensland, *Submission 21*, pp 10-11

56 Australian Federal Police, *Submission 6*, p.8.

57 *Committee Hansard*, 19 June 2006, p. 17.

58 Australian Federal Police, *Submission 6*, p. 7.

59 Attorney-General's Department, *Submission 15*, p. 6.

The enactment of the Law and Justice Amendment (Serious Drug Offences and Other Measures) Bill 2005, coupled with the actions of rescheduling by the National Drugs and Poisons Schedule Committee, will significantly decrease the risk of diversion of precursor chemicals (particularly pseudoephedrine) in Australia.⁶⁰

5.75 Dr Schloenhardt identified significant improvements in the application, construction and substantive operation of the new legislative regime, saying that it removed potential ambiguity of judicial interpretation and was easier to use:

The legislation does remove many of the difficulties and uncertainties of former s 233B Customs Act 1901 (Cth). The principles under Chapter 2 of the Criminal Code (Cth) now apply more consistently to federal drug offences and there is less room for judicial interpretation of the elements of federal drug offences. The new legislation is significantly easier to use (and understand).⁶¹

5.76 The Committee has recommended elsewhere that the legislation dealing with illicit drugs be evaluated. However, the Committee also considers that the effectiveness of the provisions of SDO Act should be evaluated within two years of commencement, and that it be reviewed every two years after that to ensure that it is achieving the objectives set for it.

Recommendation 8

5.77 The Committee recommends that a review of the provisions of the *Law and Justice Legislation Amendment (Serious Drug and Other Offences) Act 2005* be undertaken not later than December 2007, and that it be amended to provide for regular reviews of the effectiveness of the provisions at two-year intervals after the initial review.

The deterrent potential of penalties

The prohibition model

5.78 The penalties under the Model Criminal Code are intended to act as a substantial deterrent to AOSD and precursor importation, manufacture and distribution. The Commonwealth Director of Public Prosecutions submission states:

Offences relating to the importation and possession of drugs, including amphetamines and other synthetic drugs, are amongst the most serious Commonwealth offences. The CDPP submits in the courts that substantial and deterrent sentences are required in order to protect the community.⁶²

60 ACC, *Submission 18*, p. 10.

61 University of Queensland, *Submission 21*, p. 13.

62 Commonwealth Director of Public Prosecutions, *Submission 11*, p. 1.

5.79 However, a number of witnesses questioned the deterrent value of penalties for drug offences:

Harsher penalties for users will do nothing to deter them, and will only exacerbate the us and them dynamic.⁶³

5.80 In his submission, Andrew Macintosh, the Deputy Director of the Australia Institute, argued that '[p]eople with a propensity to use drugs are generally not deterred by legal sanctions'.⁶⁴ A prohibition approach—in which 'the manufacture, import, supply, possession and use of these drugs are crimes carrying harsh penalties'—is based on the deterrence theory, which assumes that increasing the costs of supplying and using drugs will reduce the market size and thus the harms that flow from it.⁶⁵ Mr Macintosh argued that this reasoning was flawed, as decisions regarding drugs were rarely made rationally:

This theory assumes that people's decisions are a product of rational processes whereby the costs and benefits of a proposed course of action are meticulously weighed before an action is taken.⁶⁶

5.81 Dr Schloenhardt also raised concerns about the deterrent value of penalties. He expressed doubt that the new offences and the slightly higher penalties contained in the *Criminal Code* 'will deter large-scale operators in a growing illicit market'.⁶⁷ Dr Schloenhardt explained that the deterrent value of penalties may affect the consumers rather than the producers of AOSD:

People can be deterred by penalties and not use drugs. I do not think any serious drug trafficker can really be deterred by our penalties. He has other ways to keep himself immune from investigation.⁶⁸

Consistency

5.82 The Committee considers that another factor with the potential to undermine the deterrent value of the new penalties is the national inconsistency of AOSD-related laws.

5.83 The Committee is concerned that inconsistency between jurisdictions in the severity of sentences imposed for the same category of AOSD-related crime will have the potential to undermine the deterrent effect of those penalties in two ways. First, where the principles underlying the calculation and application of penalties are unclear, those penalties are unlikely to act as a specific or known deterrent. Second,

63 Name withheld, *Submission 25*, p. 2.

64 Australia Institute, *Submission 24*, p. 9.

65 *Committee Hansard*, 5 June, 2006, p. 18.

66 *Committee Hansard*, 5 June, 2006, p. 17.

67 University of Queensland, *Submission 21*, p. 13.

68 *Committee Hansard*, 15 May 2006, p. 21.

where state systems are producing disparate penalty or sentencing outcomes, the deterrent effect of the federal laws could, at best, be undermined and, at worst, be consciously avoided by organised criminals selecting certain jurisdictions in which to undertake their activities.

5.84 Accordingly, the Committee supports the adoption of offences and penalty regimes based on the SDO Act by those states that have not yet done so.

5.85 The Committee is of the opinion that the effectiveness of the SDO Act amendments to the *Criminal Code* would be strengthened by greater national consistency in the offence and penalty regimes in place to combat AOSD-related crime.

Recommendation 9

5.86 The Committee recommends that the states and territories consider adopting drug offence regimes based on the *Law and Justice Legislation Amendment (Serious Drug and Other Offences) Act 2005* with the aim, as far as is practically possible, of establishing greater national consistency in the offences and penalties that apply to crimes related to amphetamines and other synthetic drugs (AOSD).

State legislation

5.87 Drug offences under state legislation have traditionally focused on use, possession and trafficking, and have had no international aspect, which is the province of federal laws. Inevitably, no two states are exactly alike in their offence and penalties legislation, although some states have at least partially adopted the regime set out in the Model Criminal Code. In its submission, the ACC noted:

...there remains some lack of uniformity of drug offences throughout Australia...The lists of controlled substances and quantities covered by State and Territory drug legislation also vary by jurisdiction.⁶⁹

5.88 The *Bills Digest* to the SDO Act notes, for example, that 'there is considerable variation between jurisdictions in the area of simple cannabis possession.'⁷⁰ In the ACT, Northern Territory, South Australia and Western Australia, possession of small amounts of cannabis—an amount that is variously defined—generally attracts an infringement notice rather than a criminal penalty. In Western Australia, possession of up to 30 grams of cannabis can result in a fine of \$150, while possession of up to 50 grams attracts a fine of \$200. However, in NSW and Tasmania, the penalties for possession of cannabis are more severe: a fine of up to \$2,200 or two years

69 ACC, *Submission 18*, p. 12.

70 Jennifer Norberry, *Bills Digest for the Law and Justice Legislation Amendment (Serious Drug Offences and Other Measures) Bill 2005 (Cth)*, pp 3-4.

imprisonment in NSW and a fine of up to \$5,000 or two years imprisonment in Tasmania.⁷¹

5.89 The problems in operating across these disparate legislative regimes were highlighted in evidence by the Detective Inspector Frederick Scupham, Assistant Divisional Officer, Organised Crime Division, Western Australia Police, who told the Committee that the constraints imposed by state borders militate against effective policing—principally because the criminals are not similarly constrained. He continued:

A recent operation between the WA Police, the Australian Crime Commission and New South Wales Police was Operation Schumacher...it was very evident that the criminal element were in fact working on a national basis...It was really only...the facility under the ACC Act that enabled us to [police them nationally] without having restrictions or borders.⁷²

5.90 Detective Inspector Scupham indicated that variations in drug legislation from state to state add to the limitations on special projects, irrespective of how closely the state agencies work.

5.91 Detective Chief Superintendent Denis Edmonds, Officer in Charge, Strategy and Support Branch, Crime Service, South Australia Police, reinforced the need for uniformity in drug laws across the states. He told the Committee that, while there is movement towards national consistency for the more serious offences such as drug manufacture and trafficking, and some consistency on the code of conduct for reporting the sale of precursor chemicals, jurisdictional differences remain for possession of precursor chemicals or clandestine laboratory equipment.⁷³

5.92 Dr Andreas Schloenhardt, from University of Queensland, also noted the potential for the fragmented state regimes to favour organised crime. He observed that the 'modern and sophisticated' Commonwealth laws widen the gap between the federal and state drug offence regimes.⁷⁴ Dr Schloenhardt told the Committee:

...if you look at the present-day drug offences that exist in Queensland compared to those of the Commonwealth, the gap could not be wider. There is no precursor offence in Queensland. It is a sophistication in detail that our drug misuse act does not have.⁷⁵

71 *Bills Digest for the Law and Justice Legislation Amendment (Serious Drug Offences and Other Measures) Bill 2005 (Cth)*, pp 3-4.

72 *Committee Hansard*, 4 May 2006, p. 4.

73 *Committee Hansard*, 3 May 2006, p. 5.

74 *Committee Hansard*, 15 May 2006, p. 20.

75 *Committee Hansard*, 15 May 2006, p. 20.

5.93 The Committee notes that the Queensland parliament passed amendments to the *Drugs Misuse Act 1986* earlier this year which go some way towards criminalising the possession of certain items and substances that are precursors for the manufacture of dangerous drugs.

5.94 Like Queensland, New South Wales has not adopted the model drug legislation, although there have been amendments to the *Drug Misuse and Trafficking Act 1985* that prohibit possession of precursors as well as possession of equipment such as the glass pipes used to smoke ice.

5.95 In his submission, Dr Schloenhardt observed that the diversity of and discrepancies in the drug laws of the Commonwealth, the states and the territories remain a significant obstacle in criminalising AOSD-related activities.⁷⁶ Dr Schloenhardt expressed the view that the work of investigators and prosecutors would be made easier by a more uniform approach:

In the long-term, it may be desirable to consolidate jurisdiction over drug offences (along with other aspects of criminal law and criminal justice) in a single, federal jurisdiction, thus avoiding administrative obstacles as well as discrepancies between legislation.⁷⁷

5.96 Similarly, the Queensland Alcohol and Drug Research and Education Centre argued:

The current legislative and regulatory powers available to criminal justice agencies in Australia for the control of illegal drug markets are largely adequate. Greater consistency in laws and regulation between state jurisdictions may improve regulatory effectiveness.⁷⁸

5.97 The Committee notes that there has not been adequate time since the SDO legislation commenced to collect data on prosecutions under the new legislation. In evidence, the Committee was advised that there are several bodies that could monitor the success of the new legislation, as it appears that the Model Criminal Code Officers Committee no longer performs that function.⁷⁹

5.98 The Committee considers that it is crucial to measure the effectiveness of the current legislation as part of considering the longer-term possibility of developing a national drug law that encompasses federal and state jurisdictions as well as standardised penalties and systems for administering international and domestic offences.

76 University of Queensland, *Submission 21*, p. 13.

77 University of Queensland, *Submission 21*, p. 13.

78 Queensland Alcohol and Drug Research and Education Centre, *Submission 12*, p. 7.

79 Mr Craig Anthony Harris, Assistant Secretary, National Law Enforcement Policy Branch, Criminal Justice Division, Attorney-General's Department, *Committee Hansard*, 19 June 2006, p.16.

Recommendation 10

5.99 The Committee recommends that the Commonwealth government undertake regular reviews of the effectiveness and interaction of Commonwealth and state drug legislation.

Recommendation 11

5.100 The Committee recommends that the Commonwealth government continue to work with the state and territory governments to encourage national consistency of offences relating to amphetamines and other synthetic drugs (AOSD) and precursor chemicals.

International treaties and obligations

5.101 The principal conventions on drugs that govern Australia's international obligations are:

- the United Nations Single Convention on Narcotic Drugs of 1961, as amended by the 1972 protocol;
- the United Nations Convention on Psychotropic Substances of 1971; and
- the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988.

5.102 During the course of the inquiry, and as discussed in chapter 2, the issue of international involvement in the supply of AOSD and precursors was raised. In particular, the Committee heard that there is growing evidence of trafficking of AOSD to and through the South Pacific islands. Anecdotal evidence supports concerns in Australia and the international community about growing levels of AOSD abuse in some Pacific island nations.⁸⁰ Many South Pacific countries do not have adequate laws and penal codes to criminalise the activities associated with AOSD manufacture, trafficking and sale. Further, only five of the 15 South Pacific nations have ratified relevant international instruments and the three key UN drug conventions listed above. Dr Schloenhardt argued:

The lack of comprehensive drug laws along with weaknesses in the regulation of the financial markets in many countries make the Pacific islands particularly vulnerable to AOSD and other drug trafficking and to the laundering of proceeds of AOSD and other drug-related crime.⁸¹

5.103 The need to strengthen regional approaches to the control of AOSD was identified in a number of submissions. The AFP emphasised the importance of strong international law enforcement cooperation in AFP operations. Examples include:

80 Dr Andreas Schloenhardt, University of Queensland, *Submission 21*, p. 5.

81 *Submission 21*, p. 6.

- the AFP's international network, which provides a conduit for intelligence obtained and for coordination of overseas operations affecting Australia's interests. The AFP submission states that '[a]pproximately 84 per cent of all high-impact work undertaken by the AFP in 2003-04 involved the international network',⁸²
- the establishment of transnational crime centres for drug investigations and related crime; and
- the signing of memoranda of understanding (MOUs) with key international law enforcement agencies. The AFP states that the MOUs focus on combating transnational crime and developing police cooperation, and encompass measures to target illicit drug trafficking.⁸³

5.104 In evidence, Federal Agent Michael Phelan, National Manager, Border Intelligence Network, Australian Federal Police, told the Committee that the AFP posts in Western Europe are '100 per cent devoted to AOSD intelligence gathering, as are posts in the Philippines, Malaysia, Indonesia and Bangkok'.⁸⁴

5.105 The AFP submission also notes that amendments to the *Criminal Code* 'broadened the scope of law enforcement operations to include greater geographical jurisdiction over Australians operating overseas'.⁸⁵ This is a reference to section 8(1)(bf) of the *Australian Federal Police Act 1979*, a provision that, according to the explanatory memorandum to the SDO Act, specifically allows 'police services and police support services to assist and cooperate with law enforcement agencies, intelligence or security agencies and government regulatory agencies, both in Australia and overseas'.⁸⁶ The explanatory memorandum continues:

This will ensure that the AFP can undertake activities that do not have an immediate, apparent nexus to traditional "police services". For example, educational activities such as instructing the police force of another country in the techniques of forensic investigation to build that country's expertise in that area.⁸⁷

5.106 The Committee considers that the AFP's activities in interrupting internationally-sourced supplies of AOSD and their precursors and efforts in providing education and support for neighbouring nations will contribute significantly to the strategy of supply reduction.

82 Australian Federal Police, *Submission 6*, p. 6.

83 *Submission 6*, p. 6.

84 *Committee Hansard*, 5 June 2006, p. 73.

85 Australian Federal Police, *Submission 6*, p. 8.

86 Explanatory memorandum, *Law and Justice Legislation Amendment (Serious Drug Offences And Other Measures) Bill 2005*, p. 120.

87 Explanatory memorandum, *Law and Justice Legislation Amendment (Serious Drug Offences And Other Measures) Bill 2005*, p. 120.

Conclusion

5.107 The Committee considers that the SDO Act amendments to the *Criminal Code* are clearly a significant step forward in creating a legislative framework that recognises the particular issues surrounding the importation, trafficking and possession of AOSD precursor chemicals. The adoption of the code across state jurisdictions, coupled with uniform sentencing practices, would assist in achieving greater consistency between states and the Commonwealth in prosecuting precursor drug offences, and enhance the deterrent effect of the new division 309 penalties.

5.108 Commonwealth agencies in collaboration with each other and state law enforcement agencies have developed, and are continuing to develop, a range of strategies and administrative arrangements that deal with AOSD importation, manufacture and distribution. The Committee is confident that law enforcement agencies currently have sound and evolving legislative and administrative frameworks to assist them in their collaborative efforts against AOSD in Australia. The Committee concurs with the following view expressed by the Australian Customs Service:

AOSD will continue to pose a considerable challenge for Australian law enforcement agencies in the coming years. It is only by fostering expertise and capability within law enforcement and through law enforcement agencies continuing to work closely together—including with their regulatory, health and research partners—that the excellent outcomes that have been achieved in recent years in reducing the supply of these drugs to the Australian community will continue to be surpassed.⁸⁸

5.109 The following chapter examines the specific law enforcement approaches to reducing the supply of AOSD in Australia, and critiques the adequacy of that response.

Chapter 6

Supply reduction: the adequacy of the response

Introduction

6.1 Chapter 5 outlined the national law enforcement environment and the agencies responsible for the Australian Government's approach to policing illicit drugs, as articulated in the National Drug Strategic Framework. Also discussed was the recent legislative arrangements for dealing with the importation, distribution and use of AOSD and their precursors in Australia.

6.2 This chapter will describe key Commonwealth strategies and programs that target the supply of AOSD. The chapter concludes with suggestions for enhancing the response of law enforcement agencies (LEAs) to the issue of AOSD.

Supply reduction

6.3 The effort to reduce the availability of AOSD depends upon law enforcement agencies effectively targeting the importers, manufacturers and distributors of AOSD and their precursors. International and domestic strategies to reduce the supply of precursors both complement and are a distinct element of the overall approach to reducing the production and thus supply of AOSD.

6.4 The West Australian Police submission highlighted the importance of supply-reduction strategies to an effective police response to the problem of AOSD:

With the significant user demand for AOSD, the most effective method of reducing the market is supply reduction. Ongoing national cooperation and targeting, including participation by law enforcement, Government and industry will generate the most effective mechanisms and strategies for reducing the supply of AOSD to end users.¹

6.5 In its submission, the Queensland Alcohol and Drug Research and Education Centre (QADREC) proposed an outline of the priorities in law enforcement regulation of illicit drug or AOSD markets. In QADREC's view, law enforcement agencies should seek to regulate supply of AOSD through:

- disruption of supply chains and removal of suppliers of volume, their financiers and infrastructure from the market through targeted policing operations;
- containing access to precursors and laboratory equipment;
- detection of clandestine laboratories; and

1 Western Australia Police, *Submission 1*, p. 1.

- rehabilitation of incarcerated suppliers and consumers.²

6.6 Putting aside the issue of the rehabilitation of incarcerated suppliers and consumers, the Committee observes that the law enforcement response to AOSD in Australia largely follows the approach set out above.

6.7 The disruption of supply of AOSD through importers and manufacturers has both international and domestic aspects. Trends in AOSD importation, production and use suggest that, whereas ice, MDMA and their precursors have in the past mainly been imported into Australia from overseas, domestic production in clandestine laboratories is on the rise. This trend will potentially see domestic supply strategies targeting precursors and clandestine laboratories becoming more important into the future.

Strategic aspects of supply reduction

6.8 The Committee notes that there are significant strategic aspects in pursuing supply reduction under the overarching goal of harm minimisation, which is established by the National Drug Strategy (NDS). Whilst interdiction and interruption of supply lead to direct and obvious benefits in reducing opportunities for harm and criminality arising from AOSD, LEAs must consider the broader consequences of supply-reduction activities.

6.9 The AOSD industry is, by virtue of the vast profits that can be made, dynamic in nature, and is capable of rapid and constant innovation in response to commercial imperatives, market realities and law enforcement strategies. Thus, successes in supply reduction, such as consistently large seizures and interruption of criminal activities, must be judged not only by the direct effect on supply but also by the perverse consequences that result from changes in the market.

6.10 For example, supply reduction arising from the successful targeting of backyard manufacturers can create an enforcement environment which favours larger, more organised and efficient criminal enterprises.³ Similarly, the effects of supply reduction can have a complex effect on usage trends. A recent position paper on methamphetamines, produced by the Australian National Council on Drugs (ANCD), explains:

Efforts to control the supply of methamphetamine need to consider their broader impact on patterns of drug use. Historically, there have been remarkable shifts in patterns of drug use among injecting drug users in Australia in the face of changing availability of drugs. For example, in the mid-1990s methamphetamine injectors shifted to injecting heroin when it became relatively cheap and available. Conversely, there was a strong up-

2 Queensland Alcohol and Drug Research and Education Centre, *Submission 12*, p. 5.

3 *Committee Hansard*, 15 May 2006, p. 75.

take of methamphetamine injection in the wake of the 2001 heroin shortage.⁴

6.11 The Committee therefore notes that the success or otherwise of supply reduction may only be sensibly judged in the broader context, and against the discrete aims, of the government's illicit drug policy.

Importation

6.12 Chapter 5 outlined the 2005 amendments to the *Criminal Code* introduced by the *Law and Justice Legislation Amendment (Serious Drug Offences and Other Measures) Act 2005*, (the SDO Act). The new provisions were directed at broadening the range of AOSD-related offences and increasing and standardising related penalties. The discussion noted that these provisions have significantly improved the ability of LEAs to effectively charge offenders and prosecute offences at the border or international level.

6.13 As discussed in chapter 5, the AFP is currently working with a range of international partners to tackle international drug trafficking, particularly within our region. The AFP submitted:

The effects of globalisation have meant that criminal groups have greater access to markets for illicit drugs and increasingly drugs are being shipped from producer countries to markets in other parts of the world. This has enabled criminals to more extensively exploit commodity sources, transshipment routes and networks. There is evidence that drug trafficking syndicates have commenced using Pacific Islands for storage, production and transshipment locations.⁵

6.14 The submission continued:

The AFP believes that there is significant benefit in taking the fight against illicit drug and precursor trafficking offshore and will continue to combat the importation of illicit drugs and precursors at their source. Through effective collaboration with international partners, the APP disrupts transnational syndicates offshore to ensure illicit drugs are seized at the earliest opportunity and with the greatest law enforcement impact.⁶

6.15 The Australian Illicit Drug Intelligence Program (AIDIP) and the Law Enforcement Cooperation Program (LECP) are critical to efforts directed at international trafficking.

4 Australian National Council on Drugs, *Methamphetamines*, p. 7; also see: National Drug Law Enforcement Research Fund, *Developing and implementing a performance measurement framework for drug law enforcement in Australia*, Monograph Series No. 18, 2006.

5 Australian Federal Police, *Submission 6*, p. 4.

6 *Submission 6*, p. 5.

Domestic manufacture

6.16 One aspect of supply reduction in the domestic market targets reducing the supply and diversion of precursors that are used in the local production of AOSD. In recent years, a number of programs have been implemented that address this by disrupting precursor chemical supplies and the establishment of clandestine laboratories. The following strategies came to light during the course of the inquiry.

The National Strategy to Prevent the Diversion of Precursor Chemicals into Illicit Drug Manufacture

6.17 Under the Tough on Drugs initiative, the Australian Government has allocated \$5.4 million over five years for the National Drug Strategy to prevent the diversion of precursor chemicals into illicit drug manufacture. This strategy provides national leadership and coordination to better inform and target efforts to prevent the diversion of precursor chemicals into illicit drug manufacture. The national precursor strategy pursues a partnership-based approach to policy development and implementation and engages all relevant stakeholders from across the community. It allows and encourages pharmacists, industry, the Australian Customs Service, police, intelligence officers and policy analysts to improve their capacity to share information and intelligence on the diversion of precursor chemicals.

6.18 The implementation of the national strategy is informed by the expertise made available through the National Working Group on the Prevention of the Diversion of Precursor Chemicals into Illicit Drug Manufacture, which was established as an initiative of the Minister for Justice and Customs in September 2002. The working group held its inaugural meeting on 4 December 2002, bringing together 44 members from relevant industry bodies and regulatory agencies; law enforcement and health agencies at Commonwealth, state and territory government level; and the Australian National Council on Drugs.⁷

6.19 The National Strategy to Prevent the Diversion of Precursor Chemicals into Illicit Drug Manufacture is delivering a policy response to AOSD manufacture under four broad outcomes:

- enhanced intelligence and information-sharing capacity among law enforcement and regulatory agencies;
- enhanced law enforcement, forensic and judicial responses through training;
- national regulatory approaches to control access to chemicals and equipment while recognising the legitimate needs of business and the public; and

7 *Submission 6*, pp 3-4; Australian Customs Service, *Submission 5*, p. 7.

- key stakeholders being aware of the problem of precursor diversion.⁸

6.20 The national precursor strategy has resulted in a number of positive outcomes, including new regulatory restrictions on the sale of pseudoephedrine-based medications; the development and delivery of a number of precursor-related training initiatives to Customs officers and forensic chemists; awareness raising in the pharmaceutical and chemical industries, which has led to initiatives such as Project STOP, discussed below; the establishment of the annual National Chemical Diversion Congress; and the development of new projects such as the National Clandestine Laboratory Database, discussed below.⁹

Restricting the supply of pseudoephedrine

6.21 Pseudoephedrine is a key ingredient or precursor in the manufacture of methamphetamine. To date, the most common source of pseudoephedrine has been over-the-counter cold and flu preparations. As a result, pharmacies and pharmacy wholesalers have in some instances been the victims of ram raids or thefts targeting pseudoephedrine products. However, the most common method of obtaining pseudoephedrine has been through the use of 'pseudo-runners'—buyers who systematically attend pharmacies to effect purchases of pseudoephedrine products, which are then diverted to illicit methamphetamine production. The submission of the Pharmacy Guild of Australia (PGA) describes the practice in the following way:

“Pseudo-runners” are individuals or groups who travel from pharmacy to pharmacy sourcing a number of pseudoephedrine-containing products. They are known to operate along pre-planned routes, visiting each pharmacy with different buyers. This practice has become more refined with time and the 'runners' have become more astute in obtaining the supplies from the pharmacy without arousing suspicion. It has also been reported that organisers involved in PSE [pseudoephedrine] diversion approach people on the street and pay them a fee to purchase PSE products from pharmacies. As a result, the pharmacy customers for PSE for illicit diversion are diverse and not from any particular background, age, race or socio-economic group. As such, it is very difficult for pharmacy staff to distinguish illicit customers from legitimate customers. So-called 'pseudo-runners' would go from pharmacy to pharmacy purchasing quantities of these products which would then be used in the manufacturing process.¹⁰

6.22 The PGA informed the Committee that since the late 1990s pharmacists have been actively promoting a number of voluntary or industry approaches to prevent the practice of pseudo-running. These include:

8 Attorney-General's Department, *Submission 15*, p. 4.

9 *Submission 15*, p. 4.

10 Pharmacy Guild of Australia, *Submission 26*, p. 5.

- reminders to pharmacists from their respective state and territory pharmacy boards of their professional responsibilities in selling drugs such as pseudoephedrine;
- providing professional advice on storage and supply of pseudoephedrine products;
- monitoring of purchases of pseudoephedrine tablets, with consequential disciplinary action against pharmacists supplying multiple packs of pseudoephedrine tablets in excess of therapeutic standards;
- reformulation of pseudoephedrine to increase the difficulty of the process of extracting it;
- discontinuation of larger-sized packs of pseudoephedrine tablets; and
- creation of a pharmaceutical industry code of conduct to establish a common system of practice for marketing pseudoephedrine products.¹¹

6.23 The Committee received evidence that further encouraging steps have recently been taken to prevent pseudo-running. Following a series of meetings of the National Drugs and Poisons Schedule Committee in 2005, pseudoephedrine was rescheduled under the NSW *Poisons and Therapeutic Goods Act 1966* to become a schedule 3 substance.¹² The PGA submission states that this was to 'further reduce access of the criminal element to this class of drugs.'¹³ The effect of the rescheduling has been to ensure that every sale of a pseudoephedrine product is monitored by a pharmacist.¹⁴

Project STOP

6.24 The PGA's submission outlines a scheme to limit the diversion of supplies of pseudoephedrine through pseudo-running. The scheme, Project STOP, has recently been instituted and tested in Queensland, and was developed jointly by the Queensland branch of the PGA, the Queensland Police and Queensland Health.

6.25 The scheme involves recording pseudoephedrine purchaser information on a pharmacy database called Epothecary, which tracks purchases of pseudoephedrine products. The system allows pharmacists to identify persons who may be pseudo-

11 *Submission 26*, p. 6.

12 Substances are classified in a schedule to the Standard for the Uniform Scheduling of Drugs and Poisons, and its amendments contain the decisions of the National Drugs and Poisons Schedule Committee regarding the classification of drugs and poisons into schedules for inclusion in the relevant legislation of the states and territories. Schedule 3 drugs are preparations that require professional advice on use, which should be available to the public from a pharmacist without a prescription. National Poisons and Drugs Schedule Committee website, <http://www.tga.gov.au/ndpsc/gazette/g980800.htm>, viewed 30 November 2006.

13 Pharmacy Guild of Australia, *Submission 26*, p. 10.

14 *Submission 26*, p. 10.

running, using the products illegally or operating a clandestine laboratory, and to refuse sale where a transaction arouses suspicions. Mr Timothy Logan, President of the Queensland branch and National Vice-President of the PGA, told the Committee:

The Queensland legislation, in particular among the states, authorises and requires pharmacists not only to request, or even require, photographic identification for someone coming in and requesting a pseudoephedrine containing medication but also to record the nature of the identification if you do not know the person...[If they] ask for a medication containing pseudoephedrine, we request a driver's licence, typically; it can be an 18-plus card or it can be a passport. We enter the serial number of that particular identity document into the software; it is a web based tool and goes via the internet to a central database. If you have purchased that product in the last three days, it will show up on the computer.¹⁵

6.26 The submission from the PGA indicates that, since the pilot program for Project STOP commenced in November 2005, over 40,000 entries have been put through the system and there have been over 2,500 refusals of sale by pharmacists.¹⁶ Further, the submission states that, between January and March 2006, Project STOP resulted in:

- the generation of more than 100 police investigative files;
- 12 offenders being arrested on 114 drug related charges together with six counts of trafficking;
- three illicit laboratories being detected; and
- a number of suspected pseudo-runners being summonsed to attend Australian Crime Commission (ACC) coercive hearings.¹⁷

6.27 At the Anex 2006 Australasian Amphetamines Conference, held on 28 and 29 September 2006, Mr Shaun Singleton, from the PGA, updated the above figures, telling the conference that overall the project has resulted in the detection and closure of seven clandestine amphetamine laboratories and 195 charges being laid.¹⁸

6.28 The Committee heard that the scheme holds attraction as a model for a national scheme. Evidence was presented of support and enthusiasm from pharmacists in other states, notably NSW, for the adoption of Project STOP. Mr Peter McBeath, Vice-President of the New South Wales branch of the PGA, explained:

The Pharmacy Guild in New South Wales would be very keen to introduce Project STOP...one of our real concerns is that there is lack of consistency

15 *Committee Hansard*, 13 October 2006, p. 22.

16 Pharmacy Guild of Australia, *Submission 26*, p. 9.

17 *Submission 26*, p. 9.

18 'Law and Order', session 2, Australasian Amphetamines Conference, 28 September 2006.

of legislation across the states, which is causing us all concerns and always has been a concern.¹⁹

6.29 The Committee was informed that the major impediment to expanding Project STOP as a national scheme is the issue of maintenance of privacy. Mr McBeath explained:

In New South Wales currently we are having difficulty convincing the regulators that Project STOP is not in breach of privacy legislation.²⁰

6.30 The issue of maintenance of privacy was also referred to in the PGA submission, which says:

Current Queensland and NSW legislations require pharmacists to collect personal details prior to the sale of PSE [pseudoephedrine] products however, in other jurisdictions there is uncertainty. The Guild believes that each State or Territory jurisdiction should have nationally consistent provisions in their legislations to enable pharmacists to perform their duties without contravening any privacy guidelines with regard to the supply of pseudoephedrine containing products.²¹

6.31 The PGA submission notes that the issue of privacy was perhaps connected to, or complicated by, issues of consumer convenience and expectations:

Pharmacies have reported receiving some objections from consumers who have expressed frustration of being asked questions and are reluctant or are refusing to give their details/identification when buying common 'cold and flu' products. The Guild has received similar calls from consumers as well as pharmacist members advising of the consumer reaction regarding the new regulations surrounding pseudoephedrine. Reports within the media have also been critical about the red tape and additional personal information required of customers in order to purchase 'cold and flu' medication.²²

6.32 Beyond what might be matters of mere convenience, Mr Logan suggested that the privacy concerns raised are misplaced, and described the way in which the Queensland trial of Project STOP had recognised and sought to allay privacy concerns:

The Pharmacy Guild developed a software support tool that linked in to a database that was accessible by the health department and the police department, so all the requirements were being met in that they had quite stringent requirements with regard to access and security of the data.²³

19 *Committee Hansard*, 13 October 2006, p. 24.

20 *Committee Hansard*, 13 October 2006, p. 24.

21 Pharmacy Guild of Australia, *Submission 26*, p. 9.

22 *Submission 26*, p. 10.

23 *Committee Hansard*, 13 October 2006, p. 24.

6.33 As a further protection against unwanted intrusions into or breaches of privacy, Mr Logan pointed out that pharmacies using the database could view only information they had themselves put into the Project STOP database. The submission of the PGA indicated that approaches are under way to address this issue:

It is the understanding of the Guild that that the Attorney General's Department is approaching the National Privacy Commissioner with a view to being granted a public interest determination to allow pharmacists nationally to request relevant patient identification prior to the sale of pseudoephedrine products.²⁴

6.34 The Committee acknowledges the trial's success and commends the recent announcement by the Minister for Justice and Customs, the Hon. Chris Ellison, that the federal government, in collaboration with state and territory governments and pharmacists, will implement Project STOP at the beginning of 2007.²⁵

Recommendation 12

6.35 The Committee recommends that the Commonwealth government, in collaboration with state and territory governments and pharmacists, continue to implement Project STOP nationally.

The National Clandestine Laboratory Database

6.36 As discussed in chapter 2, trends in AOSD importation, production and use suggest that, whereas ice, MDMA and their precursors have in the past mainly been imported into Australia, domestic production in clandestine laboratories is on the rise. This trend will potentially see domestic supply strategies aimed at precursors and clandestine laboratories becoming more important into the future.

6.37 The Committee was informed that Australia presently does not have the capability to undertake national trend analysis of illicit drugs produced domestically, including issues relating to production methods, precursors, equipment, and persons of interest, as well as important information relating to clandestine laboratories.²⁶ The New South Wales Crime Commission highlighted the difficulties that this causes:

A key problem for law enforcement agencies lies in the adaptability of the manufactures—there are many ways to produce amphetamines, using many different chemicals and reactions. By controlling one chemical, as has been done with pseudo-ephedrine, we simply force the manufacturers to use a different methodology. For example, in NSW there have been recent laboratories found using methcathinone, which is not controlled and can

24 Pharmacy Guild of Australia, *Submission 26*, p. 9.

25 Attorney-General's Department website, http://www.ag.gov.au/agd/WWW/justiceministerHome.nsf/Page/Media_Releases_2006_4th_Quarter_16_November_2006_-_Progress_in_fight_against_amphetamine_drug_trafficking, viewed 20 November 2006.

26 ACC, *Submission 18*, p. 12.

easily be converted to ephedrine and then to amphetamine. This flexibility makes it very hard to prevent manufacture through stricter controls on chemicals, because most of the chemicals do have legitimate uses in industry. Generic offences may need to be created.²⁷

6.38 The ACC informed the Committee that it is currently involved in the development of a National Clandestine Laboratory Database (NCLD). This national database will track new trends in AOSD manufacture and related chemical use and provide detailed information assisting in the location of clandestine laboratories throughout Australia.²⁸

6.39 The New South Wales Crime Commission submission drew attention to the desirability and value of such a database. It said:

This will be an invaluable resource for law enforcement agencies. Enhanced communication between the various agencies involved in this area would allow a more efficient and effective law enforcement response.²⁹

6.40 As discussed in chapter 2, the fluidity of AOSD manufacture and use in Australia makes the establishment of the NCLD an important goal in tackling AOSD. The Committee commends the initiative of the ACC and other bodies in pursuing the NCLD, and recognises the great advantages that its establishment will bring to the efforts of law enforcement agencies in combating AOSD production and supply in Australia. The Committee acknowledges the need to establish the NCLD to capture and disseminate information on activities conducted in clandestine laboratories, and concurs with the assessment of the Minister for Justice and Customs, the Hon. Chris Ellison, as expressed in a recent media release:

...[the NCLD] will assist police to better target their drug investigations by storing and sharing national data on seized laboratories and precursor chemicals used in illicit drug production. It will help to identify trends in illicit drug manufacture and 'cooks' and persons of interest moving across state borders by signature chemicals, equipment, recipes and manufacturing methods.³⁰

Monitoring tablet presses

6.41 Although the Committee did not receive a great deal of evidence concerning equipment used in the manufacture of AOSD, a small number of submitters made

27 New South Wales Crime Commission, *Submission 9A*, p. 5.

28 ACC, *Submission 18*, p. 12.

29 New South Wales Crime Commission, *Submission 9A*, p. 5.

30 Attorney-General's Department website, http://www.ag.gov.au/agd/WWW/justiceministerHome.nsf/Page/Media_Releases_2006_4th_Quarter_16_November_2006_-_Progress_in_fight_against_amphetamine_drug_trafficking, viewed 20 November 2006.

reference to the lack of oversight and regulation of tablet presses in Australia. The Queensland Alcohol and Drug Research and Education Centre observed:

There may be a case for better regulation of tableting machines, or pill presses, used in the pharmaceutical and patent medicine industries. This may reduce the use of such equipment in the local manufacture of drugs sold as ecstasy.³¹

6.42 Similarly, the ACC argued:

...the Australasian Police Ministers Council (APMC) has recently agreed that diversion of tablet presses is a problem of national significance and that current domestic and border controls to prevent the diversion of tablet presses into illicit drug manufacture should be enhanced.³²

6.43 The Committee was informed that the Commonwealth will fund further research to determine the nature and scope of the legitimate tablet-press market, regulatory options to control tablet presses and the impact of controls on business and government under the auspices of the National Strategy to Prevent the Diversion of Precursor Chemicals into Illicit Drug Manufacture. It is anticipated the National Precursor Working Group, chaired by Senator the Hon. Chris Ellison, will provide recommendations on a proposed course of action to the Australasian Police Ministers Council.³³

6.44 The Committee commends the range of national and international strategies to reduce the supply of AOSD within Australia.

The adequacy of the response

6.45 Since recognising the emerging AOSD problem, the law enforcement response to the importation, manufacture and use of AOSD in Australia by the ACC and LEAs may be described as a coordinated approach, involving legislative measures and cooperative administrative, investigative and enforcement arrangements.³⁴

6.46 A key aim of the ACC's approach has been to seek to establish collaborative arrangements with key stakeholders, and evidence was presented to the Committee to suggest that cooperative arrangements between LEAs, under the ACC Special Intelligence Operation determination on AOSD and through information-sharing and joint operations, are flexible and currently sufficient to allow the effective pursuit of supply-reduction activities and operations.³⁵

31 Queensland Alcohol and Drug Research and Education Centre, *Submission 12*, p. 7.

32 ACC, *Submission 18*, p. 13.

33 Department of Premier and Cabinet, Queensland Government, *Submission 20*, p. 4.

34 Legislative measures are discussed in chapter 5.

35 *Committee Hansard*, 5 June 2006, p. 85.

6.47 The West Australian Police gave an assessment of the ACC, and of current arrangements, that was typical of LEAs:

...WA Police have derived significant benefits from participation in National AOSD initiatives and cooperative law enforcement strategies. ACC coercive hearings and initiatives emanating from the National working group to prevent the diversion of precursor chemicals into illicit drug manufacture have been of particular benefit.³⁶

6.48 In discussing the suitability of the arrangements allowing cross-jurisdictional cooperation between LEAs, Federal Agent Michael Phelan, National Manager, Border Intelligence Network, Australian Federal Police, told the Committee:

...in my experience there is very little demarcation. There is a clear area of responsibility but, where those cross from one jurisdiction to another, it is very much seamless because of the joint task force and the arrangements that we all work on...Very much we work together.³⁷

6.49 Deputy Commissioner Simon Overland, of the Victoria Police, indicated that the Victoria Police had worked closely with the ACC.

...we have worked very closely with the Australian Crime Commission, particularly around Purana [the task force investigating organised crime in Victoria]. They have provided an invaluable tool to assist us in that investigation and in fact there is a significant number of people now facing charges out of appearances in front of the Crime Commission around the giving of false evidence.³⁸

6.50 Deputy Commissioner Overland drew particular attention to the value of the ACC's information and information-sharing practices:

They are also very good at sharing intelligence with us and we think the quality of the intelligence coming out of that body has improved quite significantly and that is obviously very useful to us. We continue to work quite closely with them as opportunities present themselves.³⁹

6.51 Federal Agent Phelan observed that the development of the intelligence networks had been and would continue to be important to maintaining the success of the information and intelligence-gathering processes of the ACC and LEAs. He said:

The job of intelligence networks is to try to keep ahead of the game in...developing our intelligence networks, working with our partners to try to stem the flow [of criminal enterprise]...I think we have been relatively successful at that over recent years.⁴⁰

36 West Australian Police, *Submission 1*, p. 2.

37 *Committee Hansard*, 5 June 2006, p. 83.

38 *Committee Hansard*, 13 October 2006, p. 5.

39 *Committee Hansard*, 13 October 2006, p. 5.

40 *Committee Hansard*, 5 June 2006, p. 73.

6.52 However, outside of collaboration arrangements for the ACC and LEAs, some concern was expressed by submitters and witnesses about the divisions between the Commonwealth and state agencies around drugs policy generally.

6.53 Pointing to the ability of drug markets to change rapidly and thereby challenge the appropriate targeting and delivery of the enforcement response, Deputy Commissioner Overland suggested that the relationship between LEAs and health, research and community support organisations is complex, unclear and likely to be generating inefficient and confusing drug policies:

It is the arrangements that are in place between the Commonwealth-state around drugs policy generally. There are key players: there are health players, there are law enforcement players, there is a range of committees...If you actually map it out, you get to understand that it is very, very complex and confused and it suggests that it is probably not the most efficient or most effective way to go about dealing with it.⁴¹

Enhancing the response to AOSD

6.54 In recognition of the importance of the underlying policy settings, the Committee sees the following issues as having a bearing on the formulation of considered and effective AOSD policy in Australia.

Measuring success

6.55 In the area of drug law enforcement, the measure of success is usually interdiction, which is measured by the amounts and types of drugs seized; the number of arrests and charges; the number of successful prosecutions; and, possibly, the amount of property and assets confiscated. However, it has long been acknowledged that such measures of performance are simplistic and of limited value as they are unable to provide a wider picture of the value of current supply-reduction efforts:

In keeping with their overseas counterparts, Australian drug law enforcement agencies have used seizure and arrest data to measure the effectiveness of their work performance for many years. While such measures are simple, visible and well-understood measures of law enforcement effort, they are in many cases ambiguous measures of law enforcement performance. These measures essentially demonstrate the extent to which law enforcement agencies 'engage' in certain types of activities rather than demonstrating the broader 'impacts' of law enforcement work.⁴²

6.56 The Committee notes that the ACC is not a law enforcement organisation but an information-gathering and intelligence-gathering one in which the information and

41 *Committee Hansard*, 13 October 2006, p. 4.

42 National Drug Law Enforcement Research Fund, *Developing and implementing a performance measurement framework for drug law enforcement in Australia*, Monograph Series No. 18, 2006, p. vii.

intelligence gathered may or may not lead to convictions or to a reduction in the availability of certain drugs. The Committee is aware of the difficulties of measuring outcomes in the light of these circumstances.

6.57 The AFP indicated in its submission that in recent years it has 'further developed existing and identified new methods of measuring law enforcement outcomes in relation to illicit drug investigations'.⁴³ The AFP submission notes:

The AFP undertakes benchmarking of its drug law enforcement activities both nationally and internally. In general, this analysis is completed every second year. The most recently available international data was used (2003) for international comparisons and the most comparable national data (2003/04) for national comparisons.⁴⁴

6.58 Concerns were raised over using quantity-of-seizure figures as a measure of efficiency. The Committee was informed that the AFP assesses the benefits of seizures through the Drug Harm Index (DHI):

The Drug Harm Index, which measures the economic benefit to the Australian community of AFP drug seizures, increased from \$427m in 2003-04 to \$680m 2004-05. It represents the dollar value of harm if the drugs had reached the community. It does not estimate the deterrent effect of AFP investigations.⁴⁵

6.59 The AFP submission reports that 'the AFP returns over \$5 for every one dollar invested in economic and illicit drug investigations'.⁴⁶ In evidence, Federal Agent Phelan explained that the DHI measures only the potential harm or cost to the community, had the seized drugs become available on the street. Federal Agent Phelan expanded on the limitations of the index:

One of the weaknesses of the Drug Harm Index is that it does not pick up the deterrent effect of the AFP on operations. That is a theoretical figure that would be difficult for us to do in any sort of quantitative analysis...[for example] we might be able to say that if we closed down a syndicate that had been producing 100 kilos per month of a particular drug or importation, we could say that we reduced the potential for 100 kilos a month right into the future. We do not do that because that is something that is theoretical and we are unable to quantify. What we do work on is the actual amount of seizure and the ability to stop that hitting the streets of Australia.⁴⁷

43 Australian Federal Police, *Submission 6*, p. 7.

44 *Submission 6*, p. 7.

45 *Submission 6*, p. 7.

46 *Submission 6*, p. 7; *Committee Hansard*, 5 June 2006, p.75.

47 *Committee Hansard*, 5 June 2006, p. 75.

6.60 The Committee notes that the AFP acknowledges the limits of the analyses based upon the DHI for predicting the deterrent effect of seizures.⁴⁸ In light of the rising trends in the importation, manufacture and use of AOSD, particularly the more potent forms of base and ice, the Committee is concerned that there is an apparent inability to assess seizures against supply-reduction and public health outcomes and to provide an understanding of the true effect of what are in many cases successful policing efforts.

6.61 The National Drug Law Enforcement Research Fund (NDLERF), articulated this concern in *Developing and implementing a performance measurement framework for drug law enforcement in Australia*:

...there is now general agreement in Australia and elsewhere that the traditional supply-side indicators of DLE [drug law enforcement] activity should at the very least be complemented by demand-side indicators (public health and amenity indicators).⁴⁹

6.62 The Committee acknowledges that it is not an easy task to measure the wider community value of interdiction. Evidence of submitters highlighted a difference of emphasis as to the measure of success for interdiction. Families and Friends for Drug Law Reform and the Australia Institute strongly questioned the worth or meaning of seizures as an indication of policing effectiveness.⁵⁰ Mr Andrew Macintosh, Deputy Director of the Australia Institute, argued there is a need for a better measure of effectiveness than interdiction of supply:

But the problem is that if you catch more drugs they just supply more. By taking drugs out of the market we lose, say, three per cent of the drug market for the year. They increase supply. That three per cent does not have a notable impact on the market...the only time in history that anyone has ever found a statistically significant effect or relationship between the seizure of drugs and actual ground level supply and prices was the heroin drought in 2001.⁵¹

6.63 The Committee notes the NDLERF research in the area of performance measurement for drug law enforcement and suggests that law enforcement agencies should consider developing better methods of measuring effectiveness to ensure that

48 See also: National Drug Law Enforcement Research Fund, *Developing and implementing a performance measurement framework for drug law enforcement in Australia, Monograph Series No. 18*, 2006.

49 National Drug Law Enforcement Research Fund, *Developing and implementing a performance measurement framework for drug law enforcement in Australia, Monograph Series No. 18*, 2006, p. 16.

50 Families and Friends for Drug Law Reform, *Submission 19*, p. 39ff.

51 *Committee Hansard*, 5 June 2006, p. 20.

they are meaningfully related to the three NDS policy aims of supply reduction, demand reduction and harm reduction.⁵²

Recommendation 13

6.64 The Committee recommends that the Australian Crime Commission collaborate with the Australian Federal Police, the Australian Customs Service and the relevant state and territory law enforcement agencies to improve performance measurements for drug law enforcement under the National Drug Strategy.

6.65 The Committee acknowledges that prosecutions are also used as an indicator of success. On this issue, the Committee was concerned at statistics showing some 80 per cent of those charged with drug related offences by the AFP are charged with user-related crimes, despite claims that most of the AFP's work has been targeted at the high end of the supply chain.⁵³ In response, Federal Agent Phelan said:

If we were to excise the ACT policing component from the AFP stats, and you were talking about AFP national/international operations, then the arrests and charging of users is extremely limited. The vast majority, certainly in my time doing this job in the last 2½ years—well over 95 per cent, if not even more—would be those that were involved in either the importation or the direct manufacture and not the users...I can categorically say that our resources are being pitched at the higher end, and I would be extremely surprised if we were putting any resources at all towards low-level trafficking.⁵⁴

6.66 The Committee believes that the reporting of AFP statistics should show separately the AFP's ACT and federal policing outcomes in order to give clear and separate pictures of illicit drug supply-reduction outcomes for each jurisdiction.

Recommendation 14

6.67 The Committee recommends that the reporting of Australian Federal Police statistics show separately the drug law enforcement policing outcomes for the ACT and federal jurisdictions.

Allocation of resources

6.68 Concerns were raised over whether the AFP's emphasis on counter-terrorism had compromised its activities in the area of drug law enforcement. Federal Agent Phelan explained:

52 National Drug Law Enforcement Research Fund, *Developing and implementing a performance measurement framework for drug law enforcement in Australia*, Monograph Series No. 18, 2006.

53 *Committee Hansard*, 5 June 2006, p. 74.

54 *Committee Hansard*, 5 June 2006, p. 74.

...there is a high priority placed on counter-terrorism activities both here and offshore but, having said that, the AFP also delivers its resources towards drug interdiction, and there we have to focus on what we believe are the most important areas of responsibility that get the best result for us here in Australia. There has been a shift in priorities, but it does not necessarily mean that there is a total move away from other areas of interdiction. In recent times we have had some great successes in drug and in particular precursor seizures both here and, most importantly, offshore before they even get anywhere near our shores.⁵⁵

6.69 The Committee considers that the AFP's response is somewhat equivocal. Whilst acknowledging the paramount importance of counter-terrorism measures to national security, the Committee suggests that the escalating availability and use of AOSD require a discrete, sufficient and appropriate allocation of resources.

6.70 Although the Committee does not criticise the AFP's allocation of priorities, the Committee is concerned that the AFP does not compromise its efforts to reduce either the supply of drugs or the threat of terrorism by being forced into invidious choices in the allocation of funding and resources. The Committee considers that the seriousness of AOSD trafficking and manufacture requires that drug interdiction remains a high priority area for the AFP.

Collection of data on illicit drugs

6.71 The development of effective drug policy begins with a soundly-based assessment of the problem, which cannot occur without accurate data. The Committee heard from a number of organisations that produce research and data in this field.⁵⁶

6.72 The Queensland Alcohol and Drug Research and Education Centre (QADREC) noted that modelling the size and value of illegal drug markets provides both a strategic intelligence function and benchmarks against which to assess the effectiveness of market regulation. However, this type of modelling requires the systematic collection of quality data on both consumption and seizures.⁵⁷

6.73 Data on the consumption of illicit drugs is available from the following sources:

- National Drug Strategy Household Survey;
- Illicit Drug Reporting System and Party Drugs Initiative;
- Drug Use Monitoring in Australia;
- Australian School Students on Alcohol and Drug survey;

55 *Committee Hansard*, 5 June 2006, p. 71.

56 The Committee acknowledges the valuable work of the Queensland Alcohol and Drug Research and Education Centre, which provided a tailored analysis of data collected on AOSD.

57 Queensland Alcohol and Drug Research and Education Centre, *Submission 12*, p. 2.

- National Mental Health Survey; and
- National Drug Law Enforcement Research Fund studies of the extent and nature of organised crime involvement in MDMA and methamphetamine markets.

6.74 Data on the supply of illicit drugs is gathered by various law enforcement agencies. The primary data sources are:

- Australian Customs Service drug and precursor seizures;
- AFP seizures made independently, with Customs and with other police services;
- state police clandestine laboratory detections and drug and precursor seizures; and
- arrest data pertaining to offences of possession, use, supply and manufacture.⁵⁸

6.75 The Committee heard that there are a number of limitations in the current methods of collection. QADREC identified the following weaknesses in the arrangements for the collection and availability of data on illicit drugs:

- inadequate data collection on drug seizures and clandestine laboratory detections by some state and federal agencies;
- unknown degree of overlap in federal seizure data;
- poor and inconsistent record-keeping at a state level;
- lengthy delays in drug seizure and clandestine laboratory analysis as well as limited information on clandestine laboratory capacity in this data;
- failure to separate data on MDMA from data on methamphetamines;
- limited use of open source intelligence on the demand side of the market and on consumer behaviour in retail transactions;
- delays in building research partnerships for strategic intelligence; and
- inadequate information sharing among agencies and with the research community.⁵⁹

6.76 In particular, the accuracy of data was questioned. Mr Greg Fowler, from QADREC, explained that there is a danger of double counting. Mr Fowler said:

Sometimes for a joint operation between AFP and the state police force the seizure amount may be reported in the state government system and the AFP system, and those amounts then get rolled up again into reports that go

58 *Submission 12*, p. 4.

59 *Submission 12*, p. 6.

to ACC. So that same amount collected by two organisations can be counted twice.⁶⁰

6.77 Dr Andreas Schloenhardt, from the University of Queensland, observed that while there is significant research done on the demand and consumption of illicit drugs:

...there is a lack of in-depth research. I do not know if the agencies should do that themselves, but even independent research on this particular nexus between organised crime and drugs is completely lacking. The most substantive recent report is that produced by this committee when it was the NCA committee in 1995.⁶¹

6.78 QADREC also commented upon what it perceives as the decline in the quality of the ACC's principal public domain intelligence product, the Illicit Drug Data Report (IDDR), due, at least in part, to major internal restructuring and the loss of experienced intelligence officers. Mr Fowler told the Committee:

The publications of the ACC and one of its previous organisations have been some of the best public domain intelligence about the supply side of drug markets. In the past those publications have systematically provided the best available summary of seizure data in particular, sometimes some case scenarios and quite often international supply chain intelligence which would not be relatively accessible to other people who have ongoing work in the illicit drug field. However, the document itself has undergone a couple of title and format changes, and for the last two levels of publication the data contained within the report has been less detailed and perhaps more what I, as a social scientist, would call anecdotal, in the sense that you are using case studies to describe successful operations.⁶²

6.79 Mr Fowler went on to acknowledge the difficulties faced by the ACC in gathering reliable information. He said:

The ACC is in a difficult position. It relies upon state police forces to supply a lot of this information. It relies upon the Australian Federal Police and the Australian Customs Service. It can only produce as good an intelligence document as the data which is provided to it. Some of those agencies do an excellent job. Australian Customs would be a good example. Perhaps the data some other agencies provide is of a poorer quality, less consistent or not described in the same way.⁶³

6.80 In response to QADREC's comments, the ACC accepted that the current version of the IDDR may give rise to expressions of concern about its reporting methodology, but rejected the criticism. In a supplementary submission the ACC said:

60 *Committee Hansard*, 15 May 2006, p. 13.

61 *Committee Hansard*, 15 May 2006, p. 23.

62 *Committee Hansard*, 15 May 2006, p. 13.

63 *Committee Hansard*, 15 May 2006, p. 13.

The ACC inherited the report from the ABCI. The Australian Illicit Drug Report (AIDR) was a substantially larger volume than the IDDR, containing more generalised information about illicit drug markets as well as illicit drug data...the ACC...strongly rejects the ill-informed assertions that this is a consequence of restructuring or a loss of skilled intelligence officers...The change in nomenclature to IDDR reflects the ACC's view that while there remains a niche for a report aggregating law enforcement data on illicit drug seizures, its primary responsibility is to provide a flow of strategic and tactical intelligence to partner agencies in a way not previously undertaken by any of the ACC's predecessor agencies.⁶⁴

6.81 The ACC went on to argue that the IDDR exists because there is a 'commitment to information sharing on this issue'.⁶⁵ The ACC commits considerable resources and a high degree of collaboration to the report, and the collated and synthesised data is shared with research bodies without charge. The commission concluded:

The ACC does accept that there is scope for more collaborative work with research bodies and has work in hand to improve partnerships in this area.⁶⁶

6.82 The ACC's acceptance of the need for a collaborative approach is pivotal to the resolution of the problems of data relevance and data quality. QADREC made some suggestions as to how this might be improved across the board.

6.83 QADREC emphasised the importance of developing a research agenda that gathers and analyses all relevant intelligence from seizure, detection and arrest data sources. The Committee heard that there was a need for greater consistency across jurisdictions, and for the compilation of a standard data dictionary. The QADREC submission argued:

These data sources require the development of a data dictionary for consistent description of drugs and drug related events. Such data should be updated in a timely fashion, to allow analysis of dynamic market trends. This is not currently the case where, for example some State jurisdictions do not distinguish ecstasy seizures and arrests, from those involving methamphetamines. Also some joint state police and AFP seizures may be counted twice in national seizure estimates.⁶⁷

6.84 QADREC also recommended expanding the sample size and response rate of key surveys, particularly the National Drug Strategy Household Survey, which would improve the validity of drug consumption estimates. Significantly, it was suggested

64 ACC, *Submission 18A*, pp 2-3.

65 *Submission 18A*, p. 3.

66 *Submission 18A*, p. 3.

67 Queensland Alcohol and Drug Research and Education Centre, *Submission 12*, p. 4.

that the over-sampling of young urban males, with more innovative data collection methods, would contribute to improvements in data quality.⁶⁸

6.85 The discrepancies in quality and quantity of information sharing are matters that were canvassed in the Parliamentary Joint Committee on the Australian Crime Commission report on the review of the *Australian Crime Commission Act 2002*. In that report, the Committee recommended:

...that the ACC in consultation with the Attorney General's Department identify barriers to information sharing, and where regulatory or legislative remedies are necessary [that] these be developed and implemented.⁶⁹

6.86 The Committee acknowledges that the ACC itself recognises the limitations of the data on which it relies to produce the IDDR. These limitations range from the comparability of law enforcement data across states and territories to the recording, storage and quality of data across law enforcement agencies.⁷⁰

6.87 The Committee notes that some of these shortcomings are the inevitable result of a system that focuses on regions—that is, the states—in order to respond to local needs, but which depends on the federal government for integrated intelligence and, to an extent, funding. The Committee considers that an overarching body to coordinate data collection at the federal level would go some way to addressing the issues canvassed above. The functions of this body would include setting standards for the material to be collected and the methodology for doing so, and would enhance the interoperability of state and territory law enforcement databases. Unless governments, LEAs and research institutions have reliable and accurate data on which to base drug policy and strategies, attempts to address the problem of AOSD will be less effective.

6.88 The Committee acknowledges that there are several initiatives that would assist this process. First, there is a clear need for a standard data dictionary. This would ensure that data contributors would be doing so according to the same set of definitions. Second, in a federal system the risk of double counting is always present. The Committee believes that the ACC should carefully review its current sources of information so that the potential for double counting is minimised. Such a review should be published so that stakeholders have a clear understanding of the basis and accuracy of supply data.

6.89 Evidence to the inquiry suggests that the IDDR in its current form appears to have limited value. Although it presents facts, there is limited analysis of what those facts actually mean for Australia. The Committee acknowledges the ACC's work on the IDDR; however, there are opportunities to enhance the quality of this important intelligence product.

68 *Submission 12*, p. 3.

69 Parliamentary Joint Committee on the Australian Crime Commission, *Review of the Australian Crime Commission Act 2002*, p. ix.

70 ACC, *Illicit Drug Data Report 2004-05*, pp. 76 - 80.

Recommendation 15

6.90 The Committee recommends that the Australian Crime Commission and other Commonwealth law enforcement agencies, in conjunction with the relevant state and territory agencies, develop a standard data dictionary to ensure that information shared is as accurate as possible.

Recommendation 16

6.91 The Committee recommends that the Australian Crime Commission review its current sources of information so that the potential for double counting between state, territory and Commonwealth agencies is minimised. Such a review should be published so stakeholders have a clear understanding of the basis and accuracy of supply data.

Recommendation 17

6.92 The Committee recommends that the Australian Crime Commission work with the state and territory law enforcement agencies to increase their participation in data provision to the Australian Crime Commission's databases.

Recommendation 18

6.93 The Committee recommends that the Australian Crime Commission work to include the data provided by the state and territory law enforcement agencies to further develop the Illicit Drug Data Report.

Conclusion

6.94 This inquiry has highlighted that, while the use of AOSD in Australia is increasing, governments and LEAs have increased their efforts to meet this challenge. The Committee has heard that current supply-reduction strategies have proved to be effective in limiting the availability of AOSD. However, as discussed in this chapter, it is extremely difficult to quantify and get a true picture of the effects of current strategies on the AOSD market.

6.95 Despite the successes of the response to the AOSD problem to date, the question of how this is resolved by policy makers must be reviewed often to keep in step with trends in drug use, and to remain relevant to the experiences and needs of LEAs and the health, research and community support organisations that deal at the coalface with the consequences of the illicit drug market.

6.96 As acknowledged in this report, the illicit drug market is a dynamic one. The potential for large economic gains ensures that those involved with AOSD are innovative and well resourced and will seek to stay ahead of drug law enforcement efforts. The Committee finds that the response of the ACC and Australian LEAs through collaborative arrangements and coordinated operations has been adequate, and continues to improve with the addition of policy responses and new legislation and the targeting of operations towards identified trends in and areas of the AOSD market. The Committee commends the drug law enforcement efforts of the ACC, the

AFP, the ACS and the relevant state and territory LEAs, and encourages them to continue to work collaboratively and proactively in this difficult task.

Senator the Hon Ian Macdonald

Chair

Appendix 1

Public submissions

- 1 Western Australia Police
- 2 Australian Federal Police (ACT)
- 3 Australian Institute of Health and Welfare
- 3A Australian Institute of Health and Welfare
- 4 South Australia Police
- 5 Australian Customs Service
- 5A Australian Customs Service
- 6 Australian Federal Police (National)
- 7 Alcohol and other Drugs Council of Australia
- 8 Enlighten Harm Reduction
- 9A New South Wales Crime Commission
- 9B New South Wales Police
- 10 National Drug Research Institute (Curtin University)
- 11 Commonwealth Director of Public Prosecutions
- 12 Queensland Alcohol and Drug Research and Education Centre (University of Queensland)
- 13 National Drug and Alcohol Research Centre
- 14 Drug and Alcohol Office
- 15 Attorney-General's Department
- 16 Department of Health and Ageing
- 16A Department of Health and Ageing
- 17 Crime and Misconduct Commission (Queensland)
- 18 Australian Crime Commission
- 18A Australian Crime Commission
- 19 Families and Friends for Drug Law Reform
- 19A Families and Friends for Drug Law Reform
- 19B Families and Friends for Drug Law Reform
- 20 Department of Premier and Cabinet (Queensland)
- 20A Queensland Police Service

- 21 TC Beirne School of Law (University of Queensland)
- 22 National Centre for Education and Training on Addiction (Flinders University)
- 23 Australian Self-Medication Industry
- 24 The Australia Institute
- 25 Name withheld
- 26 The Pharmacy Guild of Australia
- 27 New South Wales Users and AIDS Association Inc.
- 28 *The Hack* (ABC Triple J)
- 29 Blue Light
- 30 Mr Andrew Hyde Swindells
- 31 Anex
- 32 VIVAIDS Inc.
- 33 Ms Cate Quinn

Appendix 2

Public hearings and witnesses

Adelaide, Wednesday 3 May 2006

South Australia Police

Detective Chief Superintendent Denis Edmonds, Officer in Charge, Strategy and Support Branch, Crime Service, South Australia Police

OzTox Collaboration

Dr David Caldicott, Convenor

Perth, Thursday 4 May 2006

West Australia Police

Detective Senior Sergeant Paul McMurtrie, Officer in Charge, Organised Crime Squad
Detective Superintendent Kim Porter, Divisional Superintendent, Organised Crime Division
Detective Inspector Frederick Scupham, Assistant Divisional Officer, Organised Crime Division
Sergeant Gill Wilson, Drug Education Officer, Alcohol and Drug Coordination Section

National Drug Research Institute

Dr Susan Carruthers, Research Fellow

Drug and Alcohol Office

Miss Eleanor Costello, Manager, Drug Programs Branch, Prevention and Practice Development Directorate
Mr Terry Murphy, Acting Executive Director

Brisbane, Monday 15 May 2006

Queensland Alcohol and Drug Research and Education Centre

Mr Greg Fowler, Senior Research Officer

TC Beirne School of Law, University of Queensland

Dr Andreas Schloenhardt, Senior Lecturer

Enlighten Harm Reduction

Mr Michael Brennan, Consultant and Researcher
Mr John Davidson, Spokesperson

Queensland Police Service

Superintendent Tonya Carew, Superintendent and District Officer, Brisbane Central District
Detective Inspector John Hartwell, Criminal Investigations Branch, Gold Coast

Queensland Crime and Misconduct Commission

Mr Chris Keen, Director, Intelligence

Sydney, Tuesday 16 May 2006**Australian Self-Medication Industry**

Dr Christopher Arblaster, Director, Marketing and Development

New South Wales Police

Detective Superintendent David Laidlaw, Commander, Drug Squad

Detective Inspector Paul Willingham, Investigations Coordinator, Chemical Operations

National Drug and Alcohol Research Centre

Dr Louisa Degenhardt, Senior Lecturer

Professor Richard Mattick, Director

Dr Rebecca McKetin, Research Fellow

Canberra, Monday 5 June 2006**Australian Institute of Health and Welfare**

Dr Ann Allbon, Director (CEO)

Mr Mark Cooper-Stanbury, Head, Population Health Unit

Ms Rosamond Madden, Head, Functioning and Disability Unit

Dr Paul Magnus, Acting Head, Health and Functioning Group

Ms Chrysanthe Psychogios, Project Manager and Senior Analyst

Australia Institute

Mr Andrew Macintosh, Deputy Director

Families and Friends for Drug Law Reform

Mr William Bush, Member

Mr John Ley, Vice-President

Mr Brian McConnell, President

Department of Health and Ageing

Ms Karen Price, Director, Research Data and Policy Development, Drug Strategies Branch,
Population Health Division

Ms Linda Rigby, Assistant Director, Illicit Drugs Section, Drug Strategy Branch, Population
Health Division

Mr Andrew Stuart, First Assistant Secretary, Population Health Division

Australian Customs Service

Mr Craig Lindsay, Director, Law Enforcement Strategy, Law Enforcement Strategy and
Security Branch, Border Intelligence and Passengers

Mr John Valastro, National Manager, Law Enforcement Strategy and Security Branch,
Border Intelligence and Passengers

Australian Federal Police

Federal Agent Bruce Hill, Manager, Border

Federal Agent Michael Phelan, National Manager, Border and Intelligence Network

Australian Crime Commission

Mr Kevin Kitson, Director, National Criminal Intelligence

Mr Alastair Milroy, Chief Executive Officer

Mr Michael Outram, Director, National Operations

Canberra, Monday 19 June 2006**Department of Health and Ageing**

Mr Mark Cooper-Stanbury, Director, Outposted Australian Institute of Health and Welfare Unit, Strategic Planning Branch, Population Health Division

Ms Karen Price, Director, Research Data and Policy Development, Drug Strategies Branch, Population Health Division

Ms Allison Rosevear, Acting Assistant Secretary, Drug Strategy Branch, Population Division

Mr Andrew Stuart, First Assistant Secretary, Population Health Division

Attorney-General's Department

Mrs Melinda Cockshutt, Acting Assistant Secretary, Criminal Law and Policy Review Section, Criminal Law Branch

Mr Craig Harris, Assistant Secretary, National Law Enforcement Policy Branch, Criminal Justice Division

Melbourne, Friday 13 October 2006**Victoria Police**

Inspector Martin Boorman, Officer in Charge, Traffic Alcohol Section, Technical Unit

Detective Inspector James O'Brien

Deputy Commissioner Simon Overland

Ms Catherine Quinn, Manager, Drug and Alcohol Branch, Victoria Police Forensic Services Centre

Pharmacy Guild of Australia

Ms Jenny Bergin, Director, Community Pharmacy Practice Division, National Secretariat

Mr Timothy Logan, President, Queensland Branch; and Vice-President, National

Mr Peter McBeath, Vice-President

Enlighten Harm Reduction

Mr John Davidson, Spokesperson

Association for Prevention and Harm Reduction Programs

Mr John Ryan, Chief Executive Officer

VIVAIDS Inc.

Mr Damon Brogan, Chief Executive Officer

Ms Lisa (Purple) Hazelwood, RaveSafe Coordinator

New South Wales Users and AIDS Association Inc.

Mr Michael Lodge, General Manager

Appendix 3

Tabled documents

Adelaide, Wednesday 3 May 2006

South Australia Police

- South Australian Drug Strategy 2005-2010 ISBN 0 7308 9357 X

Perth, Thursday 4 May 2006

Drug and Alcohol Office, Government of Western Australia

- Clinical Guidelines. Management of Acute Amphetamine Related Problems. Developed under the auspices of the State Dual Diagnosis Planning Group
- Drug Aware Info Pack
 - Night Venues and Entertainment Events Project

Posters

- Overheating? HP 1467
- Preventing Overdose . . . HP 1468
- Thirsty HP 1466

Booklet and Pamphlets

- Preventing Drug Related Harm HP 1465
- thirsty? HP1469
- preventing overdose HP1470
- overheating? HP1471
- speed HP1472
- ecstasy HP1473
- cannabis HP1474
- poly drug use HP1475
- stay safe HP1476

Posters – www.drugaware.com.au

- Pick which one is ecstasy. (the other is a cocktail of Caffeine, Smack and Insecticide.) OA 03116
- Before you think about using speed, ask yourself where you want to go in such a hurry. OA 003118
- Her body is dangerously overheated. But, on ecstasy, Sarah thinks she's cool. OA 003119
- Speed the social drug? BRAND HADP0325A

- Using too much speed? HP2860

- Using too much speed? HP2861

Posters – www.drugaware.com.au

- Health Warning – cannabis HP1143

- The facts on the new cannabis laws

- Take in the facts on the Cannabis Education Session

- Booklets and Pamphlets

- There are New Laws on Cannabis in Western Australia HP 1481

- Take in the facts on the new Cannabis Education Session HP 1482

- Cannabis The Health Effects HP 1142

Posters – www.drugaware.com.au

- Wrecked – Drugs and driving don't mix HP2873

- For a lethal cocktail just add your car HP2874

- Facts About Drugs HP 6349

Pamphlets

- Benzodiazepines – about benzodiazepines HP 8194

- Benzodiazepines – stopping benzodiazepine use HP 8195

- Benzodiazepines – using benzodiazepines with medicines or drugs HP 8196

- Using Benzos HP 8197

- Managing Stress and Anxiety HP 8198

Posters – www.drugaware.com.au

- One big night on meth, a criminal record for life BRAND HADP0477A

- One big night out on meth, eight days out of my mind BRAND HADPOA477B

- One big night on meth, five days fighting for life BRAND HADP0477C

Brisbane, Monday 15 May 2006

Queensland Alcohol and Drug Research and Education Centre, University of Queensland
Mr Greg Fowler

- *Containing ecstasy. Profiling the ecstasy market in Queensland, Australia.*
Dr Stuart Kinner & Mr Greg Fowler

Sydney, Tuesday 16 May 2006

National Drug and Alcohol Research Centre, University of New South Wales

- Australian Trends in Ecstasy and Related Drug Markets 2005: Findings from the Party Drugs Initiative (PDI) NDARC Monograph No. 58
- Australian Drug Trends 2005: Findings from the Illicit Drug Reporting SYSTEM (IDRS): NDARC Monograph No. 59

Canberra, Friday 5 June 2006

Australian Institute of Health and Welfare

- 2004 National Drug Household Survey – First results – AIHW cat. No. PHE 57
- Statistics on drug use in Aust 2004 AIHW Cat. No. PHE 62
- 2004 National Strategy Household Survey – Detailed findings AIHW cat.no. PHE 66

Melbourne, Friday 13 October 2006

Enlighten Harm Reduction

- Briefing Paper – Legal party pill use in New Zealand
- Tender to Rural & Regional Health & Aged Care Division, Department of Human Services, Melbourne Victoria 3000, for The Preparation of a Feasibility Study for the Implementation of an Illicit Tablet Information and Monitoring Service. Tender No: T3565 to Department of Human Services

VIVAIDS Inc.

Ravesafe party pack

Appendix 4

Additional information

Adelaide, Wednesday 3 May 2006

South Australian Police – Detective Chief Superintendent Denis Edmonds SAPOL

- Illicit Drug Strategy 'Preventing drug use, reducing crime'
- Policy and Procedures, Media Releases on Illicit Drug Seizures p.6 & 7 together with document titled Media Releases on Illicit Drug Seizures
- DUMA Bulletin: Amphetamines Use Amongst Polic Detainees, Nick Turner, Sophie Pointer and Allan Trifonoff, April 2005
- South Australian Drugs Summit 02, Tackling Drugs Government and Communities Working Together, Initial Government Response and Initiatives for Immediate Action, December 2002
- South Australian Drugs Summit 2002, Tackling Drugs Government and Communities Working Together, Initial Government Response and Initiatives for Immediate Action
- South Australian Justice Portfolio Illicit Drug Strategy – A measured approach to harm minimisation 2001 2006
- Memorandum of understanding for the conduct of Joint Agency Organised Crime Investigations in South Australia Investigative Agreement Attachment 1 to the MOU
- Australian Crime Commission DRAFT Attachment B Amphetamine-Type Stimulants (ATS) National Action Plan (Draft)
- Drugs. Together, South Australians can make a difference. A Guide to Community Programs in South Australia, Government of South Australia
- Search results–. Pill Reports – Ecstasy Test Results Database by Enlighten
- www.pillreports.com/index.php?page=search_reports&sent=1&pp=10&name=&... 30/05/06

Perth, Thursday 4 May 2006

Western Australia Police

- Chemical & Scientific Suppliers Industry Training Manual (Version I) *Misuse of Drugs Act Amendment Bill Misuse of Drugs Act Amendment Regulations* compiled by Western Australia Police Service Chemical Diversion Desk, January 2005
- *Psychostimulants – management of acute behavioural disturbances. Guidelines.* National Drug Strategy Western Australia Police Service
- Pamphlet *Keeping Illegal Drugs out of Rental Properties A Guide for Property Managers* Western Australia Police
- *Drug and Alcohol Action Plan 2005-2009* Western Australia Police
- Western Australia Drug and Alcohol Office – Government of Western Australia
- *Drugspeak April 2006* a partnership newsletter of the West Australian alcohol and other drug sector ISSN 18833-5357
- Western Australian Drug and Alcohol Strategy 2005-2009, HP 2565 JAN'06 20953
- *inPHARMation January/February 2006 Vol 7 No 1 Pseudoephedrine diversion* The Pharmacy Self Care and Pharmacy Disease State Management magazine for pharmacists and staff. Pharmacy Self Care Health Information a program of the Pharmaceutical Society of Australia

Brisbane, Monday 15 May 2006 – nil

Sydney, Tuesday 16 May 2006 – nil

Canberra, Friday 5 June 2006

Australian Institute of Health and Welfare

- Paper to assist with the inquiry into amphetamines and other synthetic drugs (AOSD)
 - First half relates to data from the National Drug Strategy Household Surveys (NDHS)
 - Second half presents data from the Alcohol and Other Drug Treatment Services National Minimum Data Set (AODTS-NMDS)
- Alcohol and other drug treatment services in Australia 2003-04 – Report on the National Minimum Data Set – AIHW cat. No. HSE 100
- Alcohol and other drug treatment services in Australia 2002-03 – Report on the National Minimum Data Set – AIHW cat. No. HSE 33
- Alcohol and other drug treatment services in Australia 2001-02 – Report on the National Minimum Data Set – AIHW cat. No. HSE 28

Australia Institute Ltd

- Drug Law Reform, Beyond Prohibition, Andrew Macintosh
Discussion Paper Number 83, February 2006

Canberra, Monday 19 June 2006 – nil

Melbourne, Friday 13 October 2006

Victoria Police

- Illustration of organisations responding to the drugs problem

Appendix 5

Information on amphetamines and other synthetic drugs

Amphetamines ¹	<i>Common name</i>	<i>Medical or chemical name</i>	<i>Other street names</i>	<i>Drug action</i>	<i>Form</i>	<i>Method of administration</i>	<i>Comments</i>
SPEED	amphetamine sulphate, dexamphetamine	whizz, dexies	stimulant	tablet, capsule, liquid	orally, injected	Family of amphetamine drugs that have been synthesised from approximately the late 19th century. The term 'amphetamines' may also include MDMA. More commonly it refers to the specific drug amphetamine sulphate. More recently it may also refer to methamphetamines and prescription drugs such as ephedrine and pseudoephedrine.	

1 The information contained in these tables has been compiled from the Victorian Parliament report on amphetamines and party drugs and the Australian Crime Commission *Illicit Drug Data Report 2004-05*.

Methamphetamines

<i>Common name</i>	<i>Medical or chemical name</i>	<i>Other street names</i>	<i>Drug action</i>	<i>Form</i>	<i>Method of administration</i>	<i>Comments</i>
METH	methamphetamine, methylamphetamine	speed, base	stimulant	powder, paste	intranasally, orally, injected, smoked	
CRYSTAL METH	methamphetamine hydrochloride	crystal, ice, shabu, crank, glass, meth, D-meth, batu, shabu	stimulant	crystalline powder, crystals (ice)	intranasally, orally, injected, smoked	Ice is a strong, high-purity form of methamphetamine.

Phenethylamines

<i>Common name</i>	<i>Medical or chemical name</i>	<i>Other street names</i>	<i>Drug action</i>	<i>Form</i>	<i>Method of administration</i>	<i>Comments</i>
ECSTASY	3,4-methylenedioxymethamphetamine, MDMA	eccies, XTC, pills, eggs, Adam, M and M, go, scooby, snacks, hug, beans and many others	stimulant with hallucinogenic properties; sometimes known as a psychedelic amphetamine	tablet, pill, gel tab, powder	intranasally, orally, injected, smoked	While 'ecstasy' is traditionally MDMA, analysis in recent years shows that MDMA is often adulterated or substituted with other substances, including PMA, methamphetamine, caffeine and paracetamol.
MDEA	3,4-methylenedioxyethylamphetamine	Eve	stimulant	tablet	orally	
MBDB	n-methyl-1-(1,3-benzodioxol-5-yl)-2-butanamine	eden	stimulant	tablet	orally	
PMA	paramethoxyamphetamine	death, Dr Death,	stimulant,	tablet,	intranasally,	Similar effects to MDMA.

<i>Common name</i>	<i>Medical or chemical name</i>	<i>Other street names</i>	<i>Drug action</i>	<i>Form</i>	<i>Method of administration</i>	<i>Comments</i>
2CB	4-bromo-2,5-dimethoxyphenethylamine	nexus, 2CB, bromo, TWOs	stimulant	tablet, powder, blotting paper	intranasally, orally	
DOB	4-bromo-2,5-dimethoxyamphetamine	DOB, 4bromo-DMA, bromo	stimulant	tablet, blotting paper	orally	
DOM	2,5-dimethoxy-4-methylamphetamine	DOM, STP	stimulant	tablet, blotting paper	orally	
4-MTA	4-methylthioamphetamine	flatliner, golden eagle	stimulant	tablet	orally	

Other common synthetic drugs

<i>Common name</i>	<i>Medical or chemical name</i>	<i>Other street names</i>	<i>Drug action</i>	<i>Form</i>	<i>Method of administration</i>	<i>Comments</i>
KETAMINE	ketamine hydrochloride	K, special K	hallucinogenic, anaesthetic	tablet, pill, powder	intranasally, orally, injected	Used primarily for veterinary anaesthesia. Difficult to synthesise.
GHB	gammahydroxybutyrate or gammabutyrolactone (GBL), an analogue of GHB	liquid E, GBH, grievous bodily harm, blue nitro, fantasy, easy lay	depressant, anaesthetic with sedative properties	liquid, bright blue liquid form called 'blue nitro'	orally, injected	Notoriously able to be used to spike liquids and drinks in order to render victim vulnerable to sexual assault.

Effects of amphetamines and MDMA

Amphetamines²

<i>Common name</i>	<i>Medical or chemical name</i>	<i>Short term</i>	<i>Effects</i>	<i>Long term</i>	<i>Overdose</i>
SPEED	amphetamine sulphate, dexamphetamine, methamphetamine, crystal, meth, rock	hyperactivity; increased blood pressure, breathing and pulse rates; anxiety; irritability; suspiciousness; panic attacks; threatening manner; increased energy; alertness; confidence; talkativeness; reduced appetite; inability to sleep; enlarged pupils		malnutrition, reduced resistance to infection, violent behaviour, emotional disturbances, periods of psychosis, tolerance	strokes, heart failure, seizures, death

MDMA

<i>Common name</i>	<i>Medical or chemical name</i>	<i>Short term</i>	<i>Effects</i>	<i>Long term</i>	<i>Overdose</i>
ECSTASY	3,4-methylenedioxymethamphetamine, MDMA	overheating and dehydration can cause muscle meltdown; excessive water consumption can cause a breakdown of cell structure, which can cause cells to swell, burst and die; feelings of wellbeing and exaggerated confidence; anxiety; jaw clenching; teeth grinding; poor concentration; insomnia; increased pulse rate and blood pressure; hot and cold flushes; sweating; nausea		depression, drowsiness, muscle aches, loss of appetite, insomnia, loss of concentration, irritability	Overdose usually results from the body overheating and becoming dehydrated, which can cause muscle meltdown and possible death from failure of major organs such as liver or kidneys. Excessive water consumption and retention may lead to the body's cells swelling, which can result in brain damage and death.

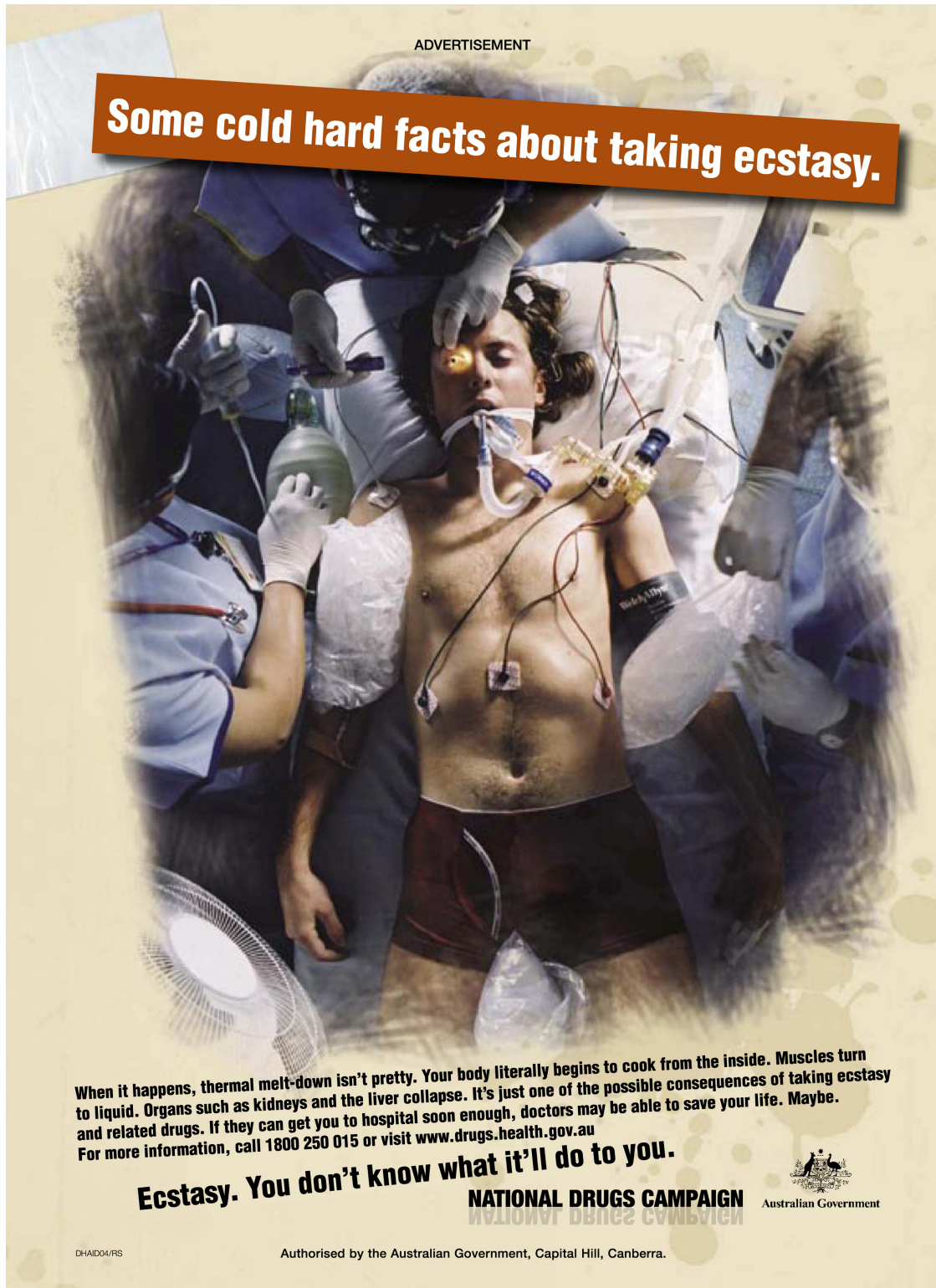
2 Information in these tables taken from DrugAware, 'Facts about Drugs', published and produced by the Prevention Directorate, Drug and Alcohol Office, Western Australia.

Appendix 6

Department of Health and Ageing National Drugs Campaign posters

ADVERTISEMENT


Some cold hard facts about taking ecstasy.



When it happens, thermal melt-down isn't pretty. Your body literally begins to cook from the inside. Muscles turn to liquid. Organs such as kidneys and the liver collapse. It's just one of the possible consequences of taking ecstasy and related drugs. If they can get you to hospital soon enough, doctors may be able to save your life. Maybe. For more information, call 1800 250 015 or visit www.drugs.health.gov.au

Ecstasy. You don't know what it'll do to you.

NATIONAL DRUGS CAMPAIGN

 Australian Government

DHAI004/RS

Authorised by the Australian Government, Capital Hill, Canberra.

Source: Department of Health and Ageing National Drugs Campaign
<http://www.drugs.health.gov.au/internet/drugs/publishing.nsf/Content/materials-youth#posters>

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**Speed. You don't know who made it.
Or what's in it.**

Speed is made from a combination of dangerous chemicals, usually in dirty backyard labs. The drug that's created in the process can have a disastrous effect on the human body, and there's no simple way of knowing what's in it or what it'll do to you. For more information, call 1800 250 015 or visit www.drugs.health.gov.au

Speed. You don't know what it'll do to you.

NATIONAL DRUGS CAMPAIGN


Australian Government

DHAI05/NW

Authorised by the Australian Government, Capital Hill, Canberra.

Source: Department of Health and Ageing National Drugs Campaign
<http://www.drugs.health.gov.au/internet/drugs/publishing.nsf/Content/materials-youth#posters>