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Official Committee Hansard

JOINT COMMITTEE ON THE AUSTRALIAN CRIME
COMMISSION

Reference: Amphetamines and other synthetic drugs

MONDAY, 15 MAY 2006

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

Monday, 15 May 2006

Members: Senator Ian Macdonald (*Chair*), Mr Kerr (*Deputy Chair*), Senators Ferris, Ludwig and Polley and Mrs Gash, Mr Hayes, Mr Richardson and Mr Wood

Members in attendance: Senators Ferris, Ludwig and Ian Macdonald and Mr Kerr, Mr Richardson and Mr Wood

Terms of reference for the inquiry:

To inquire into and report on:

The manufacture, importation and use of Amphetamines and Other Synthetic Drugs (AOSD) in Australia.

In particular:

- a. Trends in the production and consumption of AOSD in Australia and overseas.
- b. Strategies to reduce the AOSD market in Australia.
- c. The extent and nature of organised crime involvement.
- d. The nature of Australian law enforcement response.
- e. The adequacy of existing legislation and administrative arrangements between Commonwealth and State agencies in addressing the importation, manufacture, and distribution of AOSDs, precursor chemicals and equipment used in their manufacture.
- f. An assessment of the adequacy of the response by Australian law enforcement agencies, including the ACC.

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Committee met at 10.36 am

CHAIR (Senator Ian Macdonald)—I declare open this public meeting of the parliamentary Joint Committee on the Australian Crime Commission. This is the third hearing we have had in our inquiry into amphetamines and other synthetic drugs in Australia. The terms of reference of the inquiry look particularly at trends in production and consumption of amphetamines and other synthetic drugs in Australia and overseas. We are looking at strategies to reduce AOSDs in the market in Australia, the extent and nature of organised crime involvement, the nature of Australian law enforcement response, and the adequacy of existing legislation and administrative agencies between the Commonwealth and state areas, particularly addressing importation, manufacture, distribution of amphetamines, precursor chemicals and equipment used in their manufacture.

We are also trying to make an assessment of the adequacy of the response by Australian law enforcement agencies, including the Australian Crime Commission. This is a subject, obviously, that has been very intensely discussed in the public. Through this inquiry, the committee hopes that it will be able to shed some light on how this expanding issue might be dealt with effectively.

The committee comprises members of both the House of Representatives and the Senate, from both sides of the political spectrum and from many states of Australia.

[10.37 am]

FOWLER, Mr Greg, Senior Research Officer, Queensland Alcohol and Drug Research and Education Centre, School of Population Health, University of Queensland

CHAIR—Welcome. Thank you very much for coming along. We very much appreciate your time and your assistance to the committee in the inquiry we are conducting. Thank you very much for putting in your submission—which is, if I might say so, very well put together and presented. I invite you to make a short introductory statement and then to subject yourself to questioning from the committee.

Mr Fowler—I am a senior research officer with the Queensland Alcohol and Drug Research and Education Centre, which is part of the University of Queensland. I have worked there for five years in that capacity. I have previously had about 20 years experience in the drug and alcohol field in South Australia and the ACT. My introductory remarks are really just to focus on my area of expertise, which will help you with some questions. I have undertaken a research project funded by the National Drug Law Enforcement Research Fund, which is a fund managed by the Australasian Centre for Policing Research in Adelaide. The board of that fund includes the commissioners of police, Customs, AFP and a number of other agencies.

The brief for the research project was to develop analytical tools to look at the ecstasy market in particular. That research has been completed. The reports have been finalised and are with NDLERF for publication. With NDLERF's permission, I have brought along a copy of the summary report and a copy of a PowerPoint presentation that my colleague Dr Stuart Kinner delivered at an international conference in Vancouver last week. They might help to frame some of your questions. I have made about half-a-dozen copies.

Senator FERRIS—I think we need a motion to receive them.

CHAIR—Yes.

Senator FERRIS—I am happy to move that.

Mr KERR—Seconded.

CHAIR—Everyone is in favour. Thank you very much for that.

Mr Fowler—The nature of this piece of research is quite tightly focused in the sense that policing agencies around Australia have been concerned for some time at the growth in the market for ecstasy within the broad array of amphetamine type stimulants. They were concerned that the array of intelligence sources open to them for analysing other drug markets was not applicable to the ecstasy market. The brief came to us very explicitly to develop methodologies to analyse the ecstasy market in Queensland, for replication in other jurisdictions.

The processes which we undertook were to adapt very much an economics-market orientation overlaid over population health issues. There is an established tradition of health and social

sciences research on the consumption side of drug markets. We were expanding that demand side analysis to move into looking at the supply chain for ecstasy and to gather indicator data from both the health and law enforcement systems to build into a qualitative research process. We interviewed a large number of consumers—230-odd; a number of suppliers—which was a challenge in itself; as well as market regulators from law enforcement and health agencies.

In the briefest sense, the outcomes of that quite large piece of research are that the ecstasy market is substantially different from other illicit drug markets. It is particularly different from the heroin market. 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. These indicators have been used in the past by law enforcement to get some picture of the size of drug problems in the heroin market—the number of people who present for treatment and the number of people who get arrested for heroin related crime. People involved in the ecstasy market are less involved in criminal activity, apart from peer dealing. As I said, we looked at it in some detail through face-to-face interviews with a large number of consumers. Our report details those findings.

On the supply side of the market, we again looked in detail at what indicator data is available to law enforcement agencies. This indicator data is arrest data, which is more an indicator, really, of organisational activity than the state of the market. We were particularly interested in seizure data. Seizure data is very important in understanding the mechanisms of the marketplace. We found that the way in which seizure data is reported tends to be on the number and weight of seizures as aggregates, rather than the actual context in which seizures take place, and it is focused more on the substances themselves than precursors and laboratories. We found a number of inadequacies in the data in that area. I have reported them in my submission.

The ecstasy market is a national market in Australia, with regional subsets, but it is the endpoint of an international chain. Most manufacturing still occurs in western and eastern Europe, although in all countries where ecstasy is consumed there is now some attempt at manufacture. But manufacture in Australia of ecstasy tablets, principally of MDMA, is relatively rare.

CHAIR—In this state, did you say?

Mr Fowler—In Australia. It does occur but, in terms of continuous supply of volume product to the consumer market, it is still relatively light. Most of the ecstasy that is consumed that is MDMA is imported. That is not to say that tablets are not pressed in Australia, and those tablets contain a mixture of drugs. Some non-MDMA tablets come into Australia from Asia.

Part of our process was to try to estimate the size of the illicit drug market. Really, that is an attempt to provide a benchmark against which to measure what has happened to the market over

time. We found a substantial market, as you will note from the document you have. The best estimates, using data available to us, were that the total size of the ecstasy market in Australia is some 7.8 million tablets consumed annually.

Mr KERR—What page is that on?

Mr Fowler—Page 12.

Senator FERRIS—I would like to clarify something. Some of this data is not identified as national or Queensland. Are the graphs showing changes and the ecstasy ones on page 4 of the overheads national graphs or Queensland graphs?

Mr Fowler—They are national graphs.

Senator FERRIS—Fantastic.

Mr Fowler—The purpose of that particular graph on page 8—sorry to make you jump around—was just to indicate that, in terms of consumption in the marketplace, most consumption has plateaued or dropped slightly for other illicit drugs but the rate of change for ecstasy is reasonably spectacularly in an upward direction. That is the rate of change. Even compared to increased consumption of other amphetamine drugs—and this is basically from data up to 2004—the rate of change has been much more rapid for ecstasy. Part of the reason for that is that it is in tablet form and that there are a large number of people consuming small amounts of these particular drugs.

Mr WOOD—On page 9, on the world map, what does it mean by the 722 in Australia? Is that the number of arrests?

Mr Fowler—That is taken from the UNODC World Drug Report, and that is to give an indication of how the global ecstasy market works. That particular number, 722—is that the number you are referring to?

Mr WOOD—Yes.

Mr Fowler—That is the weight in kilograms of ecstasy seizures in Australia, according to reports provided by Australian law enforcement to this UN agency.

Mr WOOD—So we have had nearly as many as America?

Mr Fowler—So, in terms of global seizures and consumption, Australia is a substantial market for ecstasy. Ecstasy is relatively less popular in the United States because they have access to other illicit drugs which substitute for it, particularly cocaine. Sometimes this data can be misleading and you need to treat it with caution. One of the reasons Australia appears to have such a comparatively high prevalence of consumption is that we have better data collection processes. Australia is very effective in the way it monitors its markets compared to other nations. This data is collected principally through the National Drug Strategy Household Survey in terms of consumption but, certainly, Australia is a sizeable market in global terms for this particular drug.

I can perhaps provide more detailed responses to any questions that you might like to raise. The issues that I wanted to bring to the committee's attention were specifically around the quality of data which can inform strategic intelligence in the law-enforcement community. My argument is, essentially, that better use could be made of seizure data. The manner in which it is collected is inconsistent between state jurisdictions. The ACC, as they acknowledge in their Illicit Drug Data Report, have to deal quite often with data which is not consistent in what it is describing, and there may be cases where some seizures are counted twice in state data and in federal data for the AFP. This creates some substantial difficulties.

These data difficulties are not just in the law enforcement area. In the health sector there is no international classification or disease code for ecstasy type drugs—phenethylamines. They are summed up in amphetamines, so if you were to ask a health official to tell you how many people presented at hospitals with ecstasy related conditions, they could not tell you. Nor is the ABS able to tell you how many people died from ecstasy related events because they are not coded that way. It is a shortcoming in the data.

Mr KERR—You suggest in the paper, though, that it is quite modest.

Mr Fowler—We did an analysis of the national coroners database—the coroners data is a separate collection process to the deaths register—and we found that, I think, there were 51 ecstasy related deaths over a period of about 10 years. The extent of attribution is relative, and that is just where ecstasy was considered the primary drug involved in that death. There may have been other drugs on board at the same time, or the person may have been involved in an accident, an injury or violence and the drug contributed to their death. Of those deaths, I think only six or seven were specifically about drug toxicity.

Mr WOOD—There was a young girl who died in New South Wales a couple of years ago. Do you know the case?

Mr Fowler—There were a couple. I think that one was more recent—about two years ago?

Mr WOOD—Yes, two years ago. Why did she die? Was it simply because the tablets she took had too great a percentage of drug or was it more because of her own body's reaction to them?

Mr Fowler—This is one of the tricky things—the risk that consumers take with ecstasy is that the same dose can have different effects on different people. If somebody has other drugs on board as well, these can contribute to their risk, and there are a range of environmental factors—dehydration, heat and exertion—that can contribute to the effects. Ecstasy raises the cardiovascular system and it stimulates the release of serotonin in the brain. Serotonin is a neurochemical which regulates body temperature and, essentially, if you flood yourself with serotonin and you are hot already, and you are not taking sufficient fluid, then your blood can coagulate.

Mr WOOD—I know with heroin users that they can take a greater percentage of drug over time, and I also know that if they go cold turkey for a while and then they take a shot they can end up knocking themselves out. Is it the same with ecstasy? Are there different levels of tablets that users can actually graduate to?

Mr Fowler—The mechanisms of tolerance, dependence and withdrawal are different for ecstasy than, particularly, for heroin. A lot of our models of understanding illicit drug dependence derive from heroin. The patterns of use for ecstasy tend not to be the same for dependent heroin use. Most people who do use the drug, even on a regular basis, would do so only a few times a week. In the sample of regular ecstasy consumers that we looked at, the average use was twice a week and they only took up to two tablets.

In some ways the pharmacological mechanism is self-limiting, so you are quite right in that tolerance—both physical and psychological—can grow but, for a combination of reasons, I think ecstasy use does not have the same addiction potential that some other illicit drugs have—even methamphetamines—and a lot of these reasons are in the social context. They are self-limiting in the sense that people use the drug for a range of social activities where to be completely intoxicated defeats the purpose of taking the drug.

Mr WOOD—Do you know of people who actually are addicted to the tablets?

Mr Fowler—The term addiction is a difficult issue to define clinically and you need to have some effective measures. Dependence is a syndrome of symptoms. Our research would show that there are people who develop bad habits in using this drug regularly but do not develop the same type of drug dependence as people who use a drug like heroin.

Mr KERR—What about the crossover between amphetamines and ecstasy? This inquiry is looking at the range of synthetic drugs and amphetamines and the like. From what your data suggests, you have a different user group that is desiring to use amphetamines—speed—from those who are desiring to use ecstasy.

Mr Fowler—There is some overlap between those populations. The term we use is ‘drug of choice’. Some consumers in drug markets have preferences, and those preferences are associated with the activities that they normally do with which drugs are involved.

Mr KERR—But there are a lot of drugs that are dressed up as ecstasy to be sold into this market but are not ecstasy. Is that correct?

Mr Fowler—A main issue for this type of research is that 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. Some of those tablets are still released into the market and some of them are still manufactured in Australia. But the bulk of tablets in Australia which are sold as ecstasy contain MDMA and are imported.

Senator FERRIS—Can I clarify that. For example, when heroin comes in, it is usually possible to find out where its source was by the way it was grown, where it was grown and so on. But, because you do not have the chemical analysis, you are not able to build up consistent patterns of where drugs are being supplied from. Is that what you are telling us?

Mr Fowler—The Heroin Signature Program, which you are referring to, is an analysis of the specific, minute contaminants in heroin and is a system for tracing the source. That same level of detailed analysis is not applied in the ecstasy and amphetamine markets to the same extent, because a lot of our drug treatment systems and law enforcement systems developed over the last 20 or 30 years in response to the main illicit drug problem, heroin. The problems with heroin have declined, relatively speaking, whereas the problems with AOSDs have increased.

Mr KERR—Can I ask you about the economics of the distribution system. I suppose the distribution system of amphetamines has been largely characterised by outlaw motorcycle gangs. Whether that is a fair characterisation or otherwise we will have to assess. Does your data set suggest that there is a different vector of transmission for MDMA?

Mr Fowler—Our research looked very closely at the supply chain, whether the consumers understood where the drugs they bought came from and where the suppliers—we were only able to interview half a dozen, and those were of a moderate level—believed the material they supplied came from. The results for us were quite clearly a belief that the illegal tablet market is a mixed market but that drugs which are sold as ecstasy and consumed as such by regular consumers—they actually monitor this themselves on their own websites and some regular consumers do their own chemical analysis—are imported through a range of mechanisms to Australia from Europe, sometimes with transits in South-East Asia. This is reported in ACC publications.

CHAIR—Can I get back to your concern about data collection.

Mr Fowler—Yes, within the law enforcement community.

CHAIR—You mentioned that we grew up looking at heroin. Is the fact that we do not do it because we do not have to do it or because we do not use the resources? That is the first part of the question. The other part is: what should we as Australia be doing to correct the problem you see with the quality of the data?

Mr Fowler—I think the Commonwealth Attorney-General's Department has already recognised the lack of capacity in forensic analysis in this area. I believe that they have gone through a tender process on a number of occasions attempting to scope the existing capacity of forensic science for analysis of illicit drugs in Australia and to forecast what that requirement might be. The forensic analysis varies between state jurisdictions. In some states, like Queensland, it is managed by the health department and there is an acknowledged lack of capacity to respond to law enforcement needs for analysis. In other states it is run within the law enforcement community. There is certainly an issue about our capacity to do timely analysis of samples.

CHAIR—Are there not enough chemists to look into it?

Mr Fowler—There are probably not enough staff, and there are issues with systems as well.

Senator FERRIS—Would that enable you to do trace-backs?

Mr Fowler—The heroin signature project is in place. I am not familiar with the detail of that, but I am sure somebody from within the ACC would be able to give you more detail. The extent to which those same processes can be applied to amphetamines is somewhat different. Heroin that is imported into Australia would tend to be made in much larger batches and come from an organic source, whereas amphetamines produced domestically in Australia would be made in smaller batches. MDMA pressed tablets coming from sources overseas are perhaps more studied by their physical characteristics. Europol, the European policing agency, maintains a tablet logo database. It is a secure database that uses microphotography to record the size, bevelled edges and imprints of particular tablets, so they can tell where tablets come from a similar batch through a similar source. There is a tablet logo database in development by the Victorian Forensic Science Centre, but I do not know its status. I know that agency is overworked, and I am uncertain of their strategic planning to deal with those issues.

Mr WOOD—Is that organisation an offshoot of the Victoria Police?

Mr Fowler—That is right. They have an excellent officer there named Cate Quinn, who has undertaken some of the best research on these key issues about the changing ratio of composition and purity within what she calls the illicit tablet market, which is in some ways a better way to think about this. Part of the total growth of the markets for these drugs is related to the fact that people take them as a tablet and they perceive far fewer risks by doing so.

Mr RICHARDSON—I would like to discuss the recommendation you make on page 18:

Disrupting and dismantling organised criminal networks involved in drug markets is difficult. However, this focus is by far more effective in containing market growth than seeking to reduce demand by the arrest of consumers and peer suppliers.

I would have thought—and this is my personal opinion—that they work parallel with each other. Also, you do not mention anything about education, and perhaps you could comment on that. I am particularly keen to hear your thoughts on the rising number of younger people—not just the 21- to 29-year-olds that you mention in your report—at risk from these drugs. How is the message to be given to the younger people of 14 to 20?

Mr Fowler—There are two issues: one is about market regulation both in the wholesale supply chain and at the retail end of the market; the other is about educational messages to dampen demand.

Mr RICHARDSON—And perhaps you could mention any legislation that you may think appropriate.

Mr Fowler—I agree that you need to regulate the retail market at the same time as you try to disrupt the supply chain. Supply chain disruption, particularly for ecstasy, is the responsibility of the Australian Federal Police and the Australian Customs Service through interdicting border penetration. That is what Customs do—they do it very well and they have a lot of new technology to address those issues. The AFP have had some major successes with outsourcing of staff into regional offices in South-East Asia and into Europe to disrupt the wholesale supply chain. They would rightly claim to have had some substantial successes with seizures. You need to keep that in context, though. Even though their seizure rate has increased, the total size of the

market has increased even more. Regarding policing of the retail market, this is usually the role of state police forces, which regulate retail transactions and the peer supply that occurs immediately above that and sometimes a bit further up the middle level of the supply chain. Because so many people—550,000 people—have consumed ecstasy in Australia in the past year, there is a lot of policing at the retail level to deal with that.

One of the difficulties that police face is balancing the need to discourage people from participating in the market with not creating more harm through the arrest process. Arrest can be quite a traumatic experience for people who do not necessarily perceive themselves as criminals. These are educated young people who are engaging in an illicit, intoxicating activity that they perceive as being risky but not particularly criminal. That is their perception as consumers. An ongoing issue in drugs policy is the extent to which you try to dampen demand through a punitive approach.

Mr RICHARDSON—So we need the penalty plus education.

Mr Fowler—It depends on the form of the penalty. I would certainly argue that any incarceration, any criminal conviction for possession, is counterproductive in regulating the larger market. Experience in other countries that have a much more punitive approach—and even in Australia—has shown that arresting consumers does not significantly dampen demand. The size of the ecstasy market in Australia has grown. There are 550,000 people, and growing, engaging in this illegal activity every year. The fear of arrest is not a significant enough incentive to stop people doing it.

Mr WOOD—Is that simply because we are not getting the arrests at that level?

Mr Fowler—We are talking about consumers. We are not necessarily talking about the supply chain itself.

Mr WOOD—I am talking about consumers. One of the greatest difficulties for police, as the committee has discussed before, is the fact that to get police undercover operatives into a rave party is very difficult. Therefore, there is very little success in that environment. They are more likely to catch an offender outside, trafficking the drugs. What is the percentage of arrests compared to usage? How does that compare also to the usage of heroin and heroin arrests?

Senator FERRIS—Or marijuana.

Mr Fowler—For ecstasy consumers, their participation in crime is at a lower level than that of other illicit drug users. It is higher than that of the general population but not significantly so. The difficulty really is: what are you trying to achieve with policing strategies? It is a difficult issue; there are no two ways about it. I am fully supportive of diversionary initiatives. There is a significant role for the police in diverting people with drug related problems out of a drug-using environment. I think those have been proven to be quite successful. Here in Queensland the cannabis diversion system would be acclaimed by most people as a successful policing initiative.

Mr WOOD—But the point is that—and you have raised it before—the younger person does not realise that this is an illegal activity. Would they regard it in the same way as being drunk? Would they look at using an ecstasy tablet at that same level, which is fairly low risk?

Mr Fowler—I have not forgotten the issue about education and younger participants, but the issue here is that many people who consume ecstasy see it as a complement to or a substitute for alcohol or cannabis. They do not see it in the same way as being someone who injects drugs. Most people who use ecstasy do not inject drugs. They see a distinct line in their preferences for drugs.

Mr WOOD—My other question relates to the percentage of arrests of ecstasy users. I agree with diversion programs. I am a great supporter of them. But, at the same time, I would like to know how many people have been arrested for ecstasy.

Mr Fowler—The arrest data are quite difficult to gain in a number of jurisdictions. This is one of my criticisms in the report. In some jurisdictions there is no separation of offences that involve the possession of ecstasy, MDMA, from the possession of other amphetamine drugs. These things are lumped together in the data. Policing information systems are orientated towards operational activity, investigative activity, for the purposes of arrest and prosecution.

Quite often those information systems are relatively poor at extracting data for intelligence purposes, whether that is tactical intelligence purposes, in terms of managing retail markets, or particularly, I would argue, strategic intelligence purposes, to give you an overview of what is actually happening in the total market—that is, both the demand side and the supply side of the market.

Senator FERRIS—Can I just clarify two graphs. One is on page 8 and the other is on page 10 of your overhead presentation. They concern the role of friends in the supply for the first time and ongoing supply and the use of a friend's home in first supply and the first use. I assume these are national figures. I am talking about the graph on page 8, 'Consumers location of use', and page 10, 'Sources of supply'. Are they national figures?

Mr Fowler—No, this data is taken from our study here in Queensland.

Senator FERRIS—It does not matter, because the principle would be the same.

Mr Fowler—That is right. It is not representative, but it will be similar in other jurisdictions.

Senator FERRIS—What I want to focus on is this role of friends. It is quite different to the heroin and marijuana industries, for example, where you can pick it up in a shop or from a dealer. The role of friends here is by far the most significant in the source of supply, first use and ongoing use. Can you take us through that as well as the problem that makes for police and jurisdictional issues?

Mr Fowler—You are quite correct in identifying that, when people first enter the ecstasy market, their first point of supply is usually a social peer—a friend, or a friend of a friend.

Senator FERRIS—What a friend!

Mr Fowler—Continuing supply within the market among consumers also tends to be at that social peer level through known people. Some friends may enter into a peer supply process on a varying scale. Some people might graduate into a part-time or temporary career as a dealer,

gaining an income stream by supplying their friends. A fair proportion of this peer supply, though, is not for profit. It is people pooling funds to buy what are relatively expensive tablets, at an average of \$35 per tablet. They pool funds to perhaps buy in bulk and then get a discount for their own consumption. Some people might undertake the risk and the cost of going to another location to obtain the drug on behalf of a group of people.

Senator FERRIS—That makes the whole Dr Caldicott proposition of drug testing at rave parties relatively unimportant in the sense that, if you are trying it first at a friend's home—a friend is giving it to you and you are using it at the friend's home—no-one is going to be testing it before they get to use it.

Mr Fowler—That is a separate set of issues.

Senator FERRIS—It is locational.

Mr Fowler—There are some location issues there in the sense that where you actually obtain the drugs is not necessarily where you consume them. We need to make that distinction.

Senator FERRIS—Those two graphs show that it is at friends' places.

Mr Fowler—You are quite correct.

Mr KERR—The descriptive document talks about the nature of the market as a closed market.

Mr Fowler—Yes, that is right. We make that clear distinction. The retail transactions in the ecstasy market do not generally occur in public places. One of the key identifiers from a policing point of view is that you want to contain open street markets. You do not want people transacting and consuming in public places because it creates a whole range of other problems. This is an extreme case of what you might see with heroin markets in some locations in inner-city Sydney or the western suburbs of Sydney or in other countries. The markets are—you are quite right—closed markets and they tend to occur in private dwellings—either in someone's own dwelling or at a friend's.

Mr KERR—You talk about the user's perception that their conduct is not criminal. I suppose I would also invite you to comment on the other side of that. Broadly, there is an ambiguity about our own public response to the consumption of these drugs. In most areas of law enforcement the community would wish that every person who, for example, was responsible for a serious assault was actually dealt with by the criminal law system and punished for it. Given the number of persons, their circumstances and the like, it is not conceivable to imagine—

Mr Fowler—Are you speaking about consumers in this illegal market?

Mr KERR—Yes. It is not conceivable to imagine that we would have half a million Australians identified, dealt with as criminals and punished.

Mr Fowler—Some 1.2 million Australians have tried this particular drug in their lifetime. It might have only been once. They will say this—

Mr KERR—And the worst mortality figure that you can kick up is that it has been associated with 50 sudden deaths. In terms of other activities like driving—

Senator FERRIS—There is no data collected, Duncan.

Mr KERR—In terms of other activities, motor cars are a much more dangerous experience, as is smoking cigarettes.

Mr Fowler—There are certainly some risks, and we do not have good data collection about adverse events in emergency departments.

Senator FERRIS—That is exactly right.

Mr Fowler—There are certainly issues there. You are quite right that a lot of this is a question of keeping these things in perspective. There are risks with all drug use. With illicit drug use, those risks are elevated because you do not know about the dosage quantity, and quite often consumers are ignorant. This is where market issues need to be discussed more openly and dispassionately regarding what happens in drug markets—what the people actually do rather than how we perceive them. Regarding Mr Richardson's question before about young people, ecstasy market entrants have tended to be older, with some drug use experience before entering the ecstasy market. So they are in the 19 to 20 age group. That means that they are people who were perhaps introduced to this drug through licensed premises, through adult activities, and not as children. That has slowly changed over the last few years, in that the average age of market entrants has decreased, and that is of concern.

You are quite right: there is concern that children cannot make good decisions about their risk taking, about intoxication. What we are talking about here is intoxication. Mild intoxication is a common, natural occurrence in our society, whether we like it or not. Sometimes people can intoxicate themselves with legal substances—principally alcohol—and sometimes people are intoxicated with prescription substances. Young people research these different types of intoxicating effects. There are risks in it. Our argument is that you need to educate novices about the higher level of risk taking in entering those illicit markets. The message you give to people who are already in those markets is a different message. They know some of the issues already because they have a peer discussion process of shared knowledge and experiences, where people have bad experiences and some people perceive themselves as having good experiences. The educative message needs to be tailored to a particular audience, whether you call that harm reduction or whatever.

CHAIR—Sorry we are jumping all over the place here, but in your submission you said:

The quality of the ACC's principal public domain intelligence product, the Illicit Drug Data Report (IDDR), has declined in recent years.

I am concerned to hear that. In what way do you think the quality has declined, and in what way do you think we could recommend that the report be improved in its quality? I am concerned about how it has declined and why.

Mr Fowler—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 otherwise be readily 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 years 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.

I know an important part of policing activity is to demonstrate successes but, in the broader strategic intelligence sense, when you are trying to analyse markets, a particularly large success is of less use than getting more detailed data about all seizures, even if those seizure data are summary measures. The reason the amount and level of analysis of the data that has been presented in IDDR has changed is essentially that the organisation has undergone substantial internal change and substantial turnover in staff responsible for these areas. I am sure that they would argue that there is a lot of pressure on them to do a range of other activities as well as generating this particular publication.

CHAIR—So your recommendation is to go back to what it used to be.

Mr Fowler—Yes.

CHAIR—Have you made your concerns known to the ACC?

Mr Fowler—I certainly have spoken to some members of staff at the ACC about some of these issues. There are also issues which they need to make some decisions on, in terms of the standards that they have for the way they describe their data. 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.

CHAIR—Was it you or someone else who was talking about getting a dictionary of terms?

Mr Fowler—A data dictionary is a standard issue in developing descriptive statistic techniques so that you actually have the same unit of analysis that you are describing, so we know we are all talking about the same thing. I mentioned that there are issues with double counting. 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 to ACC. So that same amount collected by two organisations can be counted twice.

CHAIR—I would like to pursue this, but we are going to run out of time. Senator Ludwig, do you have any last burning questions?

Senator LUDWIG—You have made a recommendation. The report was *Containing ecstasy: analytical tools for profiling an illegal drug market*. Then you come up with a recommendation, which really goes to disrupting and dismantling organised criminal networks. Is it as broad sweep as that?

Mr Fowler—Are you referring to the conclusions in the summary report?

Senator LUDWIG—Yes.

Mr Fowler—The full report is some 400 pages, and I did not really want to burden you with the paper. The recommendations we were making were essentially about strategic intelligence. We are not making recommendations about how police should do their business, because we do not know. That is policing business, and they are the experts in that field. The comments we were making were very much more about how you detach yourself from operational activity to develop a strategic overview of how markets work. Our recommendations were essentially about the quality of data that informs the intelligence summaries.

Senator LUDWIG—That is helpful to understand. Thank you.

Mr WOOD—I have a question with regard to the statistical information gathered to say that there are 1.2 million Australians who have used ecstasy.

Mr Fowler—In their lifetime.

Mr WOOD—It says it is from the Australian Institute of Health and Welfare. How was that information gathered? Was it through a census?

Mr Fowler—The Australian Institute of Health and Welfare is the principal organisation which runs what is called the National Drug Strategy Household Survey. Every three years they survey a random sample of the population—approximately 30,000 people, I believe. That is across the whole country. From that random sample, you can apply population estimates to give what would essentially be a conservative estimation of usage.

Mr WOOD—Does that survey include all ages?

Mr Fowler—Fourteen and above. It is in fact the basic tool which the Commonwealth government uses to formulate the National Drug Strategy. Public policy on illicit and licit drug issues to a large extent is based upon data gathered by that survey. We are also involved in two other survey processes which regularly survey 100 injecting drug users and 100 ecstasy and related drug users in a number of jurisdictions around the country. Those regular user surveys are used as a sentinel to pick up quite quick changes in illicit drug markets. Those things are published annually and there is actually data available six monthly for those. They are managed by the National Drug and Alcohol Research Centre in Sydney and partly funded through NDLERF.

Mr KERR—If you could go to page 17, the size of the market is set out—

Mr Fowler—Graphically.

Mr KERR—Graphically, yes. I was just wondering about the Australia-wide figures. Am I right in assuming that the seizures are about 1,300,000 pills, or is it 7.8 million? I am just trying to work it out—

Mr Fowler—The mechanism for making this type of exercise is built upon research undertaken in the UK for the Home Office. Essentially what we do is unpack the unit-level data about consumption to work out what proportion of which age and gender group consume on average how many tablets on how many occasions in a given year. We multiply that out to a gross number of tablets and then add to that the number of tablets seized. We have done this exercise for Queensland and we have attempted to do it nationally. There are a number of shortcomings in the model because seizure data is quite difficult when some states do not differentiate between amphetamines and ecstasy tablets in their data. That is essentially what it is: consumption plus consumption avoided—seizures—equals your total market volumes. Times this by your average price, and that gives you the total market value. We are attempting to provide a benchmark for this particular drug market that we can then compare with the 2004 household survey data, which I hope to undertake this year.

Mr KERR—I just want to clarify the numbers. The blue bar on the bottom of the page says 7.8 million. I assume that is a running total.

Mr Fowler—That is the total amount seized by law enforcement agencies—state, federal and Customs—in one year.

Mr KERR—I am just trying to make sure that is right, because it seems too great, given the total market of 5,200,000. I would have thought that it would be 1,300,000, adding up to a total of 7.8 million.

Mr Fowler—The amount of seizures is not included in this graph. This is a simplification of what is actually in the summary report that is in front of you. That information is on page 12 of the summary report. It states:

In the Australian ecstasy market an estimated 450,000 people had used ecstasy within the last 12 months, based on 2001 data. It is estimated that at least 5,200,000 ecstasy tablets are consumed annually in Australia. The overall retail value of this consumption in the Australian ecstasy market is estimated at \$182 million per year. As total ecstasy seizures in Australia cannot be quantified, a total market size estimate is difficult. Our best estimate for 2001 is a total market size of 7.8 million tablets (or 2,282 kg) annually with a retail value of \$275.5 million.

Mr KERR—Is that therefore really an estimate of around 1.3 million tablets seized?

Mr Fowler—Yes. The trouble with that is that we had seizure estimates for some policing agencies but not others. Because we had a ratio of police seizures to consumption in a couple of jurisdictions, if we could work out what was the consumption in, say, Western Australia, then we could estimate what the seizure rate was.

Mr KERR—So it is working back from—

Mr Fowler—Yes—from the projections.

Mr KERR—I have one last question on the methodology.

Senator FERRIS—This is not working; it is not fair. I am just pointing out that government senators and members have questions too, Duncan, and you know that it is fair to share them.

CHAIR—All right, you can have this final question. We can go a little bit over time.

Senator FERRIS—It is just an observation.

Mr KERR—I am relaxed.

CHAIR—Senator Ferris?

Senator FERRIS—With all the information that you have and all of the years that you have worked in this industry, and the graph that shows how this is growing with young people, have you formed a view on how we can deal with this in a public education policy sense?

Mr Fowler—It is quite difficult to convince young people to change their chosen behaviours. Young people will take risks, and young people take risks with intoxication for a number of reasons. Whether those intoxicants are spray cans, alcohol, cannabis or some white powder, they will take risks. The issues are in providing, at a certain level of their education, some knowledge about those risks to discourage people from entering into those risk-taking activities, to discourage them getting intoxicated—full stop—with whatever substance. Young people—children—should not get intoxicated. It is a family and a social responsibility to contain that type of risk activity. It is associated with health related harms, injuries, violence, family disruption and a whole range of issues.

Once people are involved in those risk-taking activities, you need to respond to them appropriately so you can minimise their risks. There are a range of strategies with which you can attempt to do that. The belief that you can inoculate children with education in school so that they do not undertake any risks with intoxication does not work. The scientific evidence clearly shows that school based education has only a limited ability to change behaviour. It can increase knowledge and it can affect attitudes, but behaviour change occurs through a much more complex process—and that goes for any substance.

I think you are quite right, in the sense that we need to discourage the normalisation of the use of ecstasy tablets and the normalisation of getting intoxicated with cannabis, but we also need to change the normalisation of getting intoxicated with alcohol. So, thinking about discrete patterns of drug use, you need to put that in a broader context. The unfortunate thing is that some people associate some types of social activities, some types of enjoyment of leisure activities, with being intoxicated. In a cultural sense, some people associate going to nightclubs and dancing to particular types of music with a particular type of intoxication—ecstasy. It is a learned individual behaviour and a learned social behaviour. It can be changed, but the change is less likely to occur through policing strategies than it is through some other, broader cultural change.

The consumption of ecstasy has declined in the UK from a much, much higher rate, I would argue, than the data would actually suggest in comparison to Australia. The consumption of ecstasy has plateaued in Western Europe—it is not growing at the same rate that it is growing in

Australia. Why has that happened? I do not think it has actually been because of policing strategies and I do not believe it has been because of educational strategies. It is because of changing social attitudes among those young people and also, unfortunately, some drug substitution as well—substituting other drugs which may be more risky. Some of that has been a return to higher levels of alcohol consumption and some has been in terms of experimentation with cocaine, which is accessible in that market but much less accessible here. If there was a simple answer to drug related problems it would have been fixed 40 years ago, but there is no simple answer.

Senator FERRIS—Are you aware of the Montana meth program in the United States, and can you comment on it?

Mr Fowler—I am not aware of that particular program.

Senator FERRIS—It is an advertising campaign designed to—

Mr Fowler—Yes, I am aware that there are a number of state based and federal based advertising campaigns because there has been a resurgence in rural America of the production and consumption of methamphetamine as a poor person's choice alternative to cocaine, and there are certainly risks in that, but I would be very interested to see the evaluation of its effectiveness.

Senator FERRIS—You do not have any of that material that you could make available to the committee?

Mr Fowler—No. If you want me to find that information, I am happy to do so.

Senator FERRIS—I think your networks would probably be pretty effective at pulling it together, so if you could let our secretariat know that would be very helpful.

Mr Fowler—Perhaps I could speak to Jonathan about that later.

Senator FERRIS—That would be fantastic. Thank you very much.

Mr RICHARDSON—Firstly, I would like to congratulate you on the work you have done over a long period of time, and particularly in relation to this analytical study. My question may not be within your realm, but would you like to comment in relation to your impression of organised crime in the ecstasy and amphetamine drugs trade?

Mr Fowler—Yes. That is an on-target question. The retail distribution of ecstasy in Australia is essentially run by non-criminal peer consumers, up to amounts of perhaps 10 to 50 tablets in terms of transactions. The people involved in that are committing a criminal offence but do not necessarily have any prior convictions, and they do not perceive it as that. Quite often they are in full-time study and quite often they are in full-time employment. Although, further up the supply chains at the wholesale level of supply there certainly are people who become involved in dealing through their activities as peer suppliers. So some suppliers come from within the consumer groups. Some other suppliers at the wholesale level move across from other drug markets, and they have a history in the supply of methamphetamines or cannabis.

Mr RICHARDSON—Like the bikie gangs.

Mr Fowler—You have mentioned one particular group of people who are involved in that activity. The middle-level supply chain for heroin has traditionally been associated with a number of ethnic groups in Australia, and they are not always Asian but to a certain extent there are some who are, and there are some people who might be crossing over to the supply chain. The transshipment of European sourced materials into some Asian countries might be using some of those same supply people. There have been a number of cases where mixed cargoes of different types of drugs have been seized. In terms of police intelligence, this is where what is seized and the context of the seizure—what drugs are seized together—can inform you a lot more about those middle-level and international supply chains. More strategic intelligence work needs to be done to tease things out. It is a shifting target.

There are also people who supply the ecstasy market with smaller amounts, but there are a lot of them. In this sense you can have people on working holiday in the UK who have access to a wholesale market there and who can make substantial profits by sending small amounts through the postal system, through the parcel system. Because of the difference in the wholesale price, where the wholesale price has fallen away substantially, you can still make a substantial profit.

So the price along the supply chain and the relative profit margins from different sources are key issues strategically for where you can apply choke points along the supply chain to make it unprofitable. What are the opportunity costs for particular organised criminals to be involved in this particular traffic? From the policing point of view, ecstasy is more difficult because there are a lot of non-traditional criminal people involved in that trade. It is hard to identify them because they do not have prior convictions and do not necessarily have the same networks. They might just work at a social level. That is another difficult issue about regulating the supply in illicit drug markets. It is not as if you can just turn off the tap.

CHAIR—Mr Fowler, thank you very much for your evidence. It has been fascinating and we very much appreciate your taking the time to come along. If you would let us have the material that we have spoken about, it would be appreciated.

Mr Fowler—I will do that.

[11.39 am]

SCHLOENHARDT, Dr Andreas, Senior Lecturer, TC Beirne School of Law, University of Queensland

CHAIR—Dr Schloenhardt, thank you very much for coming to help us and for the submission you have put in. As you are aware, the committee is looking into various aspects of amphetamines and other synthetic drugs. I know that you are aware of the terms of reference for the committee so I will not repeat them. Would you like to make a short introductory statement and then subject yourself to questions from the committee.

Dr Schloenhardt—I teach in the area of criminal law, I coordinate the criminal law program at UQ and I have worked extensively in the area of organised crime in particular. My expertise in this particular field and topic is perhaps limited to some aspects of the inquiry, so there are many dot points that I will not be able to comment upon. I work very closely with the United Nations Office on Drugs and Crime—both the headquarters in Vienna, which is concerned specifically with the legal aspects of organised crime prevention as well as drug prevention, deterrence and the like, and the regional office in Bangkok, which has responsibility for Asia and the South Pacific, including Australia, obviously. I also work in a training capacity for the Australian Federal Police, but I am not at liberty to comment on any anecdotal evidence that comes out of my work with the AFP. Further, I have a close alliance with the Institute of Criminology in Canberra. We are currently investigating this topic a little bit further with an ongoing research project.

I do not think that I need to repeat in great length what is in my written submission. I thought I would highlight a few points that are of particular interest to me, and perhaps we can discuss them in the question time after this. I think much of the data speaks for itself. Many of the early submissions to this committee seem to confirm the increase of ecstasy, amphetamine and methamphetamine abuse in Australia. There are statements that we have the highest levels of abuse of anywhere in the world. I would say that the recent phenomenon of crystal methamphetamine, or ice, that has occurred in Australia has only really come to prominence in the last few months. Recently the *Four Corners* program in particular has put this into the minds of many Australians. I think people who have worked in this field a little bit longer have been anticipating the influx of crystal methamphetamine for quite some time because it has been so prominent in the Philippines and Indonesia in particular and also in Papua New Guinea at lower levels. We can perhaps discuss this problem a little bit further in a moment.

This brings me to another point that is very close to my heart and that I do not think has been addressed to the same extent in the other submissions—that is, the impact of our foreign neighbours on this problem in Australia. I am talking specifically about the South Pacific. You will be aware of seizures that have been made in Fiji in relation to crystal methamphetamine and other, often anecdotal, reports about appearances of drugs and related organised crime gangs in small Pacific islands. This is not only in the context of synthetic drugs; there are similar statements about cocaine and Colombian drug cartels that increasingly seem to be using South Pacific countries as points of sale, transit and the like. I think that is a very great concern. The

vulnerability of these islands is very obvious. There is a lack of governance and laws in many cases.

That is certainly the experience from the Fiji seizure, where 300 kilograms of precursor drugs were seized and the police realised they had no offence to charge these people with because synthetic drugs were not criminalised at that time. I think this goes hand in hand with a lot of other problems that occur in the region. The vulnerability to money laundering is equally notorious, and I think recent allegations of trafficking in persons through the Pacific islands go to the same problem.

That brings me to another point that I tried to be as informative as possible about in my submission—that is, the issue of organised crime. That is a very hard thing to comment on, simply because of the lack of any recent research into organised crime involvement in the drug trade in Australia. You may be aware that this committee made a report in 1995 on organised crime gangs in Australia. I think, if I read the report correctly, that it confirms longstanding trends of ethnic—Italian, Vietnamese and so on—criminal groups.

I think the market has changed since then. Organised crime has a different structure at the moment. This was confirmed by the previous speaker, from what I heard. I think there is really a lack of hard evidence so it is hard to comment on this. There seems to be a discrepancy between some of the patterns of the synthetic drug markets we see. They seem to be local, they have small labs and, as the previous speaker said, they have small retailers as well. But then you hear of these big research studies that come out of other jurisdictions which say that major organised crime gangs that operate globally also supply the drugs to Australia. I find it almost impossible to establish a link between those two pieces of conflicting evidence. The police agencies that I am familiar with do not have any extensive research beyond their own immediate investigations into this particular aspect.

The last point we can discuss relates to legislation. I am a lawyer so I do not want to neglect that. You are aware that the Commonwealth introduced new drug offences at the end of last year. They have just come into operation. I, and I think many of my colleagues, support and welcome these changes. I think they target the drug market better than the old customs offence did. In particular, the issue of precursor control and the offences related to precursors are, I think, welcome additions to the catalogue of offences. It is a very sophisticated regime of offences. I am not aware of any prosecutions under the new legislation so that we can actually see how the charges have been used, what offences are favoured by prosecutors and how the courts interpret them. I think it is early days.

There is some literature emerging now on the new legislation. I think it highlights again the diversity and discrepancy of drug laws in Australia. The fact that the Commonwealth now has these very modern and sophisticated laws I think only widens the gap between federal offences and the offences under state and territory law. It is my understanding that Victoria and Tasmania have for the most part followed Commonwealth legislation already. Other states are expected to do so. But, 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.

I think this gap in the legislation plays into the hands of criminal organisations, in the sense that they are following on from the lack of cooperation between agencies and lack of understanding of different jurisdictional issues and the like. Federal law now allows some federal agencies to investigate at the local level. Perhaps that overcomes some of these issues. But certainly the state and territory police forces would not be very pleased with any sort of interference.

I have one last point and then I will complete my comments. It relates to the drug legislation as well. It is interesting to look at the new way in which penalties are dealt with under the Commonwealth Criminal Code. There seem to be higher penalties across the board for large-scale operations, particularly commercial manufacturing; cultivation, which has now been legislated on for the first time; commercial sale of plants; and what we usually refer to as trafficking generally.

At the same time, it seems to me, although I will have to analyse this in more detail, that penalties for the end user are lower. From a criminal lawyer's perspective it seems that the issue of deterrence gets lost in all of that. I do not think that criminal organisations can be deterred by any penalty whatsoever as long as money can be made. But the demand issue is not really addressed by these new offences. Then again, federal law does not really deal with that end of the spectrum.

CHAIR—A lot of the submissions we have suggest that penalties on the end user really are not the way to go. Do you have a different view to that?

Dr Schloenhardt—If we are of the opinion that criminal offences seek to deter people from committing offences then I think that, in the context of drug offences, that can only work on the end user—on the demand. 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.

CHAIR—So it is a money thing?

Dr Schloenhardt—Yes.

CHAIR—I am quite sure we could discuss that for hours but our time is limited. You mentioned that there is no Queensland law on precursor availability. In Western Australia we were told that the Western Australian government are about to update, if they have not already, their legislation to almost align it with the Commonwealth's. To your knowledge, is that intended in Queensland?

Dr Schloenhardt—As far as I understand it, it was agreed between the attorneys-general and their representatives that the state must follow the new laws, although I do not know if there is any way that that can be enforced. What can be done at the moment is that the precursors can be simply added to the list of dangerous drugs. I do not think that really hits the nail completely on the head, and I do think that the terminology will simply be a little bit odd if you do it that way as you really then extend normal drug laws into ordinary chemical laws. Say you have specific precursor offences, as we have at the federal level. I think they are really tailor made for the specific conduct that is at the heart of it. Simply including the precursors in the drugs misuse

regulations—and that can be done very easily and very quickly—can lead to some very odd scenarios. But I do not know which way the Queensland government will go on this.

CHAIR—In your submission you said you thought the new Commonwealth legislation would have only a very limited effect. To clarify that, are you saying that is because the states, where a lot of the issues happen, do not have the same quality of legislation? Is that why you do not think the new federal act will have an effect?

Dr Schloenhardt—Yes, particularly in a domestic context. The trafficking offence has undergone a comprehensive reform, because the old trafficking offence related only to international trade—and there may be some side effects of that. In my experience, there has never been a lack of offences that those international rings can be charged with. Perhaps the new regime is clearer and more comprehensive. I think at the prosecutorial level the old laws had a lot of problems—and that explains the extensive case law on the old Customs Act offence.

Mr RICHARDSON—Let us stay on the context of what you said in respect of legislation but let us focus more on 14- to 17-year-olds—the under-18s—before they get to the adult court arena. Would you like to comment on the legislation that perhaps should be in place for the end user? Perhaps, as you said, that is the place to start. Therefore what legislation and/or education should happen for a young person under 18?

Dr Schloenhardt—Some of this goes a little bit beyond my expertise. I am certainly not particularly involved with any minors in my private or personal life. I do not know if there can be anything to say in terms of minors in that sense. I think the age group of those that are just over 18 is perhaps one that I could better comment on. I do not know that I can really give you a satisfying answer to this question, because that is really nothing that I have ever dealt with.

Mr RICHARDSON—That is fine. It is better that we all be up front, honest and open about this. I would personally like to see another form of outcome based on education models rather than what is occurring at the moment—but that is my personal opinion at this stage. Would you like to comment on the level of—if not the lack of, in your opinion—resources that the ACC, the Federal Police or state police forces have in relation to organised crime and the amphetamine drug trade?

Dr Schloenhardt—Sure. My experience has been particularly with the federal police, from having worked with them for the last six or seven years. The change could not be more significant because, after 9-11, people had to drop their pens and everybody who knew anything about organised crime suddenly became a terrorism expert. And I was one of them because we used to train on organised crime and suddenly we had a new terrorism program that we had to train on. I really was not an expert on that, but you live and learn, I guess.

Within the federal police there has been—and this is public knowledge—an enormous shift in duties and responsibilities. There has also been an increased budget and more staff, much to the benefit of work on particular crimes—namely, terrorism. The AFP—and this is perhaps not something that would appear in writing in any AFP document—simply does not pay the same attention to organised crime, and drugs specifically, as it did, because terrorism is the topic of the day. Perhaps that may change again if the topic of terrorism goes away, but I do not think that can be anticipated—not in the short to medium term. This is also reflected simply in the training

that we do in the AFP. I only train senior management—in both terrorism and organised crime—and I think the topic of drugs has not been on the agenda in that context since 1999.

About a year ago we held a round table here in Brisbane that had representatives from all the state and territory police forces, as well as from the federal police, to talk about organised crime and drugs. And while there was good expertise within each agency, really the overall picture was lacking, and people were completely at odds because of the sorts of evidence that they had. The Queensland representatives, who reported higher levels of organisation of the drug market—particularly on the Gold Coast, where synthetic drugs have always been very prominent—were completely at odds with the people who came from South Australia and Western Australia, who portrayed a completely different picture. So you wonder who is saying the truth or what the issue really is.

I think 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.

Senator FERRIS—You reflect in your submission on the decline in amphetamine use in Europe and its increase in Australia. Have you looked at that from a legal perspective? Is the decline in Europe because people are choosing other drugs, or is the decline to do with some sort of legal framework in some countries?

Dr Schloenhardt—I think it is the former rather than the latter. I am not aware of any major or significant legislative changes anywhere in Europe. There have been changes in enforcement and there have certainly been steps towards more cooperative enforcement by the EU member countries, but I am not aware that any one of the principal EU members has had any major overhaul of its drug laws like we had six months ago.

I do think—and the criminological research seems to support this—that there is much greater competition between drugs in Europe and that the patterns of drug abuse change much more rapidly as a result. People are interested in new drugs as soon as they come out. We have a smaller market, so it takes longer for things to emerge. Some things never come here. I think perhaps that explains a drop in the use of some of these drugs—they simply lose their appeal because something new is available. In some ways, some other research may support that. Australia seems to follow these trends with a few years delay. I do not have a crystal ball, but I assume that the ecstasy problem we have now will probably be substituted by a problem with another drug in five or 10 years time—perhaps earlier than that.

Senator FERRIS—Do you happen to have a summary of the legislative framework in some of those major EU countries?

Dr Schloenhardt—I will have to track that down. I am sure that can be done.

Senator FERRIS—It might be useful to have a look at a comparative analysis.

Dr Schloenhardt—I will be happy to make that available if I can come up with it.

Senator FERRIS—The other question I want to ask you relates to that issue as well, in principle, and that is: have you considered that it may not be a legal framework so much as the way that law enforcement agencies have interpreted it that might also have played a role?

Dr Schloenhardt—Without any doubt. I think—in prevalence of abuse, trafficking and so on—law enforcement determines the level, not the legislation. That goes back to the point I made earlier. In my opinion, no matter what penalty you impose, major organised crimes simply will not be deterred. The Pablo Escobars of ecstasy have their safeguards and sit in the right jurisdiction to be completely immune from any major prosecution, I would say.

Senator FERRIS—Yes. It is just that the statistical graph that the previous witness presented—I am not sure if you were here when he made the comment—shows that the major source of first use of ecstasy is a friend, and it takes place at a friend's house.

Dr Schloenhardt—There is a significant change in the Australian drug market in that there is more and more domestic production of synthetic drugs. I do not know whether that indicates that it is also organised much more locally and the international links are left in. I would be surprised if that were the case, because major organisations were needed to facilitate the majority of these drugs coming from Europe, the amounts that were trafficked and the number of transit points they had to go through, and people that get arrested here on a day-to-day basis simply do not have the sophistication to do that. I would be surprised. Why would organised crime let go of such a market? Or are there simply local entrepreneurs who say: 'Okay, there's a buck to be made. Let's jump onto that'? You may be aware of a report that was released in Brisbane a week ago containing Queensland data of drug labs, which talks about the box labs that happen in suburban Brisbane and elsewhere. It really seems that there are some local entrepreneurs that say: 'Hey, it's so simple to do that. We might as well.' I think that the organised crime angle—the bigger picture—is still behind that somewhere.

Mr WOOD—I have two questions. First of all, how does new Commonwealth legislation compare to that of other countries around the world? Is that equivalent, stronger or weaker?

Dr Schloenhardt—The penalties are pretty much in line, I think, with the major international partners—the US and Canada. Actual penalties vary a lot, it is my understanding, between the European countries. The Netherlands always seems to be on the more liberal side; the UK seems to be on the harsher side of penalties. In terms of elements of those offences and how they are set out, I think the Commonwealth offences are really state of the art and have a major advantage over some of the other offences.

Mr WOOD—In actually enabling police to charge traffickers and et cetera?

Dr Schloenhardt—I think the offences are really tailor-made for the sort of evidence that police find in day-to-day operations. A basic example is that if they find a lab with no precursors and no drugs but all the little bits and pieces that are used to process them then they have appropriate offences to apply. Really, the offences are tailor-made for the evidence and pass a certain way. The penalties also reflect what indicates commercial operations and what is local. It is tough to say. I think these offences at the moment are as good as they get.

Mr WOOD—That is good to hear. I turn to my other question. Obviously you are consulting the AFP in advance on counter-terrorism investigation programs. Have you seen any links with terrorists in the drug trade in Australia or overseas?

Dr Schloenhardt—I am not aware of any link in Australia. I think even evidence outside that is limited. Most of the literature refers to the Colombian issue of narco-terrorism, but I think that is a unique situation—in Colombia the drug market is so closely intertwined with the political ambitions of certain segments of Colombian society. We have not really seen this anywhere else—perhaps in Peru at the time of the Shining Path. It seems to have disappeared in recent years. I guess the vulnerability is there. Given the strength of the drug market in Australia—people spend a lot of money on drugs here; the market is very significant for the small population that we have—the vulnerability is that this could be used for fundraising for terrorist organisations, particularly using those local operators which are perhaps more difficult to detect and look more innocent. Even if they are arrested, the nexus to wider organisations may not always be made by the investigators. The vulnerability is certainly there, but I am not aware of any evidence that this is currently occurring.

Senator LUDWIG—It seems that you are also painting a lack of real research in this area since the mid-1990s. The evidence seems to suggest that most research now is focused on counter-terrorism and strategic information in that area. You have also outlined that there is clearly organised crime, at least at the importation level, which is bringing drugs into this country—particularly amphetamines, MDMA and the like. But then there is a disconnect: how does it end up in the house, at the friend's place, for local sale, in a few tablets or at least not in bulk? There is a lack of research as to how that is broken down and the distribution network that is used by serious organised criminal elements. The laws are focused at the high end but not necessarily at the low end, or do they go throughout? There are a number of questions in all of that, but if we could start with the research issue: can you confirm that there is significant research being undertaken in that area or not, and who is responsible for it?

Dr Schloenhardt—The research is clearly lacking. There is significant research—and you have seen it in many of the other submissions—at the demand level: what drugs are being used in Australia, to what extent and how it is changing. There are many lobby groups that also do their own research on this issue. But I think that, with the bigger picture you are painting from the production, through the trafficking and then to the retail level, there is really no comprehensive research into that by government agencies, by any other institution or in academic circles. If you were to ask me why that is the case, it is certainly not because of lack of interest in that field. I hate to say it, but it is the lack of funds for academic research in this country. I have tried to get the grants and to apply for them, but the money is not there for this research to be conducted. This would not be the only topic that I would put on an 'under-researched' list.

I think the same perhaps goes to your second question about the legislation. With much of the legislation it is not known how it is going to work because there is equally a lack of research, and we also do not have any case law that gives us much clarification. When the Model Criminal Code Officers Committee were meeting regularly, they were the ones that critically and independently examined how to draft laws. They drew up a comparative analysis of all the jurisdictions within Australia and looked at how it was done elsewhere. The committee does not operate in the same way any more, as far as I understand it. The Attorney-General's Department

does not have an ongoing unit that researches how our drug laws could be updated every six months. There are many questions, and I would like to make much more precise statements here. But the knowledge simply is not there, and I think that is one of the greatest obstacles I am fighting.

Senator LUDWIG—The area where we achieved some success is proceeds of crime. None of that has seemed to find its way back into research in any significant quantity either. Do you have any comments about that?

Dr Schloenhardt—That is a side of the problem that I am not awfully familiar with, but I would have thought that there was more research on that through the Institute of Criminology and perhaps even through AUSTRAC. I would have thought that perhaps they would pursue their information a little bit further. That is not the case. There has never been a great deal of academic interest in the issue of proceeds of crime and of money laundering, which is closely associated with that, in Australia. I think that would be very revealing research because that may confirm that the proceeds go back to international trafficking rings or stay locally.

Senator LUDWIG—You have not seen any research?

Dr Schloenhardt—No, unfortunately not.

Mr KERR—Can I be a bit provocative. Greg Fowler, who gave evidence to us before you, said that there is no evidence for the proposition and in fact the evidence is entirely counter to the proposition that you can effect reduction in demand through penalisation or criminalisation of users. You have said that there is no evidence whatsoever that you can effect reduction of supply through penalisation of suppliers. The combined total of that evidence is that there is nothing you can do to affect the availability and utilisation of drugs.

Dr Schloenhardt—I have said that and I stick to that. Perhaps I should elaborate a bit further on this point. Certainly there are issues beyond law and law enforcement that can address the drug problem, and education is a very important one, but that is beyond my area of expertise. I cannot comment in great detail on the demand level of the problem. The little that I can perhaps say is that there seems to be a general perception in the community, and perhaps among the users of those drugs in particular, that the drugs laws are not appropriately enforced and that, even if enforced, the penalties are low. If we just stand back and look neutrally at what the penalties are for the end users, they are comparatively low when we can say, ‘Okay, it is 25 years or life imprisonment if I bring in a kilogram of heroin from overseas, but if I am found with 10 grams of heroin or a bit less than that then the punishment is significantly lower.’

In preparation for this inquiry I did a rather random sampling of my students—I currently teach just over 300 students. I teach them about drug offences and the new laws. I told them: ‘If you have anything that you think I should put into my report come forward.’ Unfortunately, this resulted in nothing that I could really put in writing but it generated a lot of anecdotal evidence—and I am probably getting too old to be out every Saturday night to find out for myself. 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. I had said to them that anything they told me would be treated anonymously and it would probably never be put in writing, so people were very forthcoming. 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.

Mr KERR—But let us put this in perspective. If you were in the United States at a rich college, the same lack of consequence would apply to those students but, instead, a lot of blacks out there would be spending eight to 12 years in jail for relatively modest use offences and there would be no suggestion at all that even those cruel and unnatural punishments are reducing demand.

Dr Schloenhardt—There is a perception, particularly when it comes to synthetic drugs, and ecstasy specifically, that the user population is not targeted by law enforcement because it is middle class. They do not shoot in a dark back alley near a train station. At many of the nightclubs where these are consumed you pay a lot to get in. Certainly my experience is that the police do not turn a blind eye to that. In Queensland about a month ago there was a significant exercise in Fortitude Valley—and I happened to be out that night to see what was actually going on in these premises.

CHAIR—Was this with the dogs?

Dr Schloenhardt—Yes. But this is too rare. For the average consumer of these drugs it simply does not sink in, and the attitude is: 'I am not the target of law enforcement. Law enforcement is looking at the fringe of society.' And that is where I think some of this reluctance comes from.

Mr KERR—Is it not also true that, if there is no evidence that law enforcement directed at consumers has reduced demand, you end up with social policies that are inconsistently applied and are only attached to a few unfortunates who get very severe penalties when the rest of the community walks away unscathed? In these figures you are talking about 1.2 million Australians using ecstasy; you are not going to put 1.2 million Australians behind bars. That is an absurdity.

Dr Schloenhardt—I could not agree with you more. My earlier comments should not be taken as me wanting higher penalties for end users. I certainly would not advocate that at all. My point is that the issue of deterrence, which is one of the many aims of our drug offences, is probably lost in all of that. The deterrence of end users has to occur through other mechanisms. Education is probably the main one. The last major anti-drug campaign that the federal government ran emphasised the scare aspect of drugs. You can ask yourself: 'Has it really made a significant impact on demand?'

CHAIR—Some evidence that we have had is that people try drugs and nothing happens to them. Then they see these advertisements that are saying that they will go to hell or something and it does not happen, so they completely disregard the whole campaign.

Dr Schloenhardt—That is exactly right. I am sure you have people appearing before this committee who can better tell you what the right education may be.

CHAIR—In talking about offences, can I put to you something that Mr Richardson usually asks about: harm minimisation and the Dr Caldicott sort of treatment of going there and knowingly becoming involved in testing people's drugs. Do you have a view on that from a lawyer's perspective?

Dr Schloenhardt—I do not really know that I have an opinion on this issue. Testing whom, specifically? Who do you have in mind?

CHAIR—The kids at the rave parties. The doctor is there with nurses and other qualified practitioners, and they offer to test people's drugs so that they are not taking poor quality things that could do real harm. There is the argument about what position the doctor puts himself in by (a) certifying that the drugs are okay—and perhaps they are not—and (b) actually possessing drugs and being an accessory before or after the fact to what is, as you say, a serious criminal offence.

Dr Schloenhardt—I think you just named the problem as to the situation that this doctor is in. Does it, perhaps in a subtle way, encourage spending more on better quality? Then again, even if this test is conducted, you will always have a very small sample and maybe just the people whom you meet on that day will learn their lesson from that. Does it send a message beyond that?

Senator FERRIS—What about the legal aspect of the duty of care of the doctor?

Dr Schloenhardt—I honestly do not know enough about the liability of medical practitioners in that context to say anything more definite.

Mr WOOD—We heard the issues raised by Senator Kerr with regard to social use, and I think we are coming to the argument about whether it should be decriminalised. One of the things that I have noticed today is what I believe is a total lack of activity in law enforcement. My background is in the police force and in having the ability to use undercover police officers to get into the nightclubs to target that market. You have the end user who may not be aware of the personal ramifications. However, for the person who is trafficking the drugs, we need much tougher legislation to send a clear message. Also, we need to make sure that we have the police in place to apprehend these people. The greatest dangers I see are if the police and everyone else say it is all too difficult and if we have these medical practitioners going to rave parties and saying: 'What we are going to do is test this drug. Oh, this one is okay. So, if you see the same sort of tablet next week, you can use it.' To me, that is sending a very dangerous message to young people.

Dr Schloenhardt—It certainly does. You are bringing up the issue of underresourcing again. It may be interesting to undertake research to see whether, with the shift in law enforcement in the last five years, there is a link between the growing emphasis on other offences, mainly terrorism, and the rise in the drug market. Is that a coincidence or not? I would not want to speculate on that. It is a hard call to make.

Mr WOOD—I would say that you are definitely right. I know that an amount of resources of the Victoria Police and the AFP have gone into counter-terrorism. Unfortunately, I would say that, especially with ecstasy, the issue has been dropped. Now we have this crazy situation where we have 1.2 million Australians who have used it, with the majority of them thinking it is actually fairly safe.

Dr Schloenhardt—Another concern—and, Senator, you touched on this briefly—is that, with recent reports and from everything I read and know, ecstasy would be substituted by ice. That would have devastating consequences.

Mr KERR—This is one of the issues we have to confront. How can we intelligently convey to potential users of drugs that have a varying degree of risk where they should actually take self-protective action, while accepting that, at some stage, some people are going to choose the experience of taking drugs? There are some things that have much higher risks where choices have to be made. We have made that choice, for example, with the needle exchange program. We accept that there are people who, wisely or unwisely, foolishly or not, or because of whatever choice they make, have entered an intravenous-drug-using sector. We have said therefore that, to deal with that, we should have a series of education strategies which are designed to warn people beforehand about the risks of blood-borne diseases and the like.

We have really taken our eye off the ball with some things like amphetamines and particularly with things like ice and crack cocaine. They are drugs which have pretty instantaneous effects. The health message is not getting through because we have this general warning that all drugs are bad. That is true in the sense that all intoxication is potentially adverse and we can do foolish things whilst intoxicated. But we are not getting that clearly across to kids. They will disbelieve us if we treat everything as a terrifying and dangerous course to take when they know their peers are doing it with relatively low risk. When there are real dangers out there, it is like the ‘cry wolf’ phenomenon. We have cried wolf so many times about the dangers of drugs that they know are relatively benign that, when a real wolf comes onto the scene, you do not have the capacity to have kids and other users believe you.

Dr Schloenhardt—I totally agree with you. But, particularly with dangerous drugs on the market, such as ice, what do you do? You can single them out and warn about them. Are you then encouraging other drugs by doing that? Are you saying, ‘Smoke a joint, but do not use crystal methamphetamine’? Is that the message you want to send? I think we could discuss this for much longer.

Senator LUDWIG—What do you do then? Duncan raises an interesting point about the messages we are trying to get across in this area. Evidence that the committee has been taking comes from a wide variety of sources. There are people who advocate testing, people who advocate abstinence, people who advocate tougher laws and people who advocate less tough laws.

Dr Schloenhardt—I think it is important to demystify some of those drugs, really lay the cards down and say, ‘These are the facts about ice use, these are the facts of ecstasy use and these are the effects of cannabis.’ Of course, you run into trouble with cannabis in particular when you start to compare drugs. The other thing is that 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.' Ecstasy seems to be on the way out rather than in. If ice is the one that is being substituted for it, that is an extraordinarily dangerous thing. It amazes me that the club kids have the time and courage to really inhale crystal methamphetamine. You can see why taking a pill is okay, as it is done very quickly, but, to my mind, putting your mouth up to ice and inhaling it is psychologically a very different thing to do.

Mr WOOD—So what is the greatest danger with ice when compared with ecstasy?

Dr Schloenhardt—It is the psychosis that they develop. Apparently, some develop it after their first use. They become highly dependent. The research is lacking, so we must build on research that comes from other countries. South-East Asian countries have a unique market. They simply do not have the fringes of society and the break-and-enters to get drugs. It is more of a party population there. Once the drug gets injected, the dependency and the psychosis only get much worse.

CHAIR—You mentioned the Pacific area in your opening statement. Do you see any evidence of large-scale importation coming through Pacific islands rather than from elsewhere in the world?

Dr Schloenhardt—The figures are limited to the few seizures that the AFP has made in recent years, largely with the assistance of Pacific island countries. I would imagine that much of this is undetected because of a lack of cooperation between agencies. The seizure in Fiji was possible only because the Fijian authorities asked for assistance, as far as I understand it. Some countries are less cooperative.

CHAIR—Do you have any anecdotal feel for it?

Dr Schloenhardt—If I were a drug trafficker, of course I would go through there. Most of these countries have no appropriate laws: even if I lived there I would not be committing an offence; that is obvious. Also, the trade links to Australia are strong. Flights are frequent and easy to get on, as is shipping—I think that is obvious.

CHAIR—You say in your submission that there has been no comprehensive study of the nexus between organised crime and drug trafficking—and you were talking about that earlier. Isn't that what the Australian Crime Commission is all about?

Dr Schloenhardt—To a degree, yes, and I think that the reports that came out of the agency when it was the NCA were very useful in providing a picture. But I think, in drawing comparisons with other jurisdictions and in analysing the legal frameworks—and I do think, and please do not take offence when I say this, that independent research has greater credibility—

CHAIR—So this is about academia versus the practical officers on the ground?

Dr Schloenhardt—I guess so, and I am thinking of my own job. Take the level of research that is undertaken elsewhere from which you could very easily answer many of those questions. We simply do not have that. I think if we had that sort of inquiry 10 or 15 years ago we would have come up with better answers than what we have now. There would have been a better knowledge base than what we have now.

CHAIR—As there are no other questions, I thank you very much for your contribution. I was fascinated by your survey of your law students. Interestingly, given what you have said, Triple J did a program a couple of Friday afternoons ago which had results very similar to what you say were the results of your survey of your students. The whole inquiry and the whole issue do seem to involve two angles. There are those of us who think we know what might be right and then there are the actual users, who very clearly have a quite different view of it all. It would be interesting if you were to get back to us some day and tell us what conclusions your students had come to. Thank you very much for your submission and your discussions with us.

Proceedings suspended from 12.31 pm to 1.35 pm

BRENNAN, Mr Michael John, Consultant and Researcher, Enlighten Harm Reduction**DAVIDSON, Mr John William, Spokesperson, Enlighten Harm Reduction**

CHAIR—I declare reopened the committee inquiry into amphetamines and other synthetic drugs and welcome representatives from Enlighten Harm Reduction. Thank you for coming and for your submission. You are aware, obviously, of what our inquiry is all about; you would be aware of the terms of reference. As a committee we very much appreciate the effort you and other witnesses have put into this. You have indicated to me that your submission has been corrected, mainly in typographical form; that can be sent to the committee. I now invite you to make an opening statement, after which we will ask questions.

Mr Brennan—I would like to say a few things about how I became involved with Enlighten. I became aware of Enlighten in late 1999. As a concerned parent and someone who was working at the coalface of harm reduction, I was able to appreciate what the group was trying to achieve, and I supported their intentions to gain approval for outreach operations and their aspirations to use modern analytical equipment for that. Over the past six years I have been regularly consulted by Enlighten on matters pertaining to chemical analysis procedures. More recently, this has included evaluation of literature and peer reviews on state-of-the-art technologies and areas of in-field testing and analysis. While I would like to comment on some of the broader issues contained in the Enlighten submission, with the limited time I will give priority to what I consider the most pertinent aspect—that is, the need for an official and comprehensive trial of a user-accessible pill testing facility.

Foremost in the minds of well-educated drug users and harm reduction workers are concerns regarding the risk associated with consuming well-disguised substitutes, impurities and contaminants that are commonly found in illicit drugs such as ecstasy. Dosage is also a concern, as high dosages of MDMA are frequently a contributing factor in harm reduction interventions. While chemical supply diversion and related control legislation are essential components of any supply reduction mandate, it should nevertheless be mandatory that deliberation be given to changes that may occur to manufacturing and trafficking trends as a result of implementing these tighter controls and monitoring.

Potentially, new and more dangerous drugs may enter the recreational arena, and there are serious health aspects attached to impurities and side reaction products that accompany most illicit drugs. For example, forensic literature frequently reports dihydrosafrole as a common impurity in MDMA. This is a recognised carcinogen and has the potential to be very toxic. Over-the-counter chemicals that could be used in manufacturing these drugs would be expected to further exacerbate this problem by introducing additional variables.

Having been involved in countless drug related interventions, it would seem to me that ecstasy is commonplace and not merely confined to the dance and rave arenas, as some people purport. It can be found in almost every genre of Australian society. In this regard, Enlighten sees a rather urgent need for a comprehensive user-accessible drug testing facility. Ideally, this should record the major constituents of tablets and powders, as well as lower-level impurities and contaminants. It is obvious that there exists a considerable deterrent value when this information

on impurities is informally presented. Enlighten recommends establishing a comprehensive open source national database. In turn, a national database containing such pertinent information could assist forensic inquiries by profiling a range of illicit drugs that may not be seized by police. Copycat pills would be recognised, and data provided could well aid in identifying the demographics of supply and user trends. Therefore, a comprehensive education strategy, paralleling reductions in supply and demand, is a prerequisite in protecting the health and safety of our children, not to mention the many adults who indulge in the recreational use of these drugs.

Mr Davidson—There are quite a few misconceptions about what Enlighten does, what it has done and about pill testing in general, in Australia and overseas, that I have already heard the committee discuss. I would like to clear up a few of those before we go much further.

Enlighten is a user-initiated peer education group. Users themselves got together, looked at what was happening overseas, and decided that what was effective in Europe and America could be effective here in Australia. Pill testing is an idea that goes back to the early nineties in Europe. It has been done in the Netherlands, particularly, officially since 1990. Enlighten came out of online communities of internet users that were searching for information on drugs. That was around 1998, 1999 and 2000, when three things converged: there was an increase in the use of ecstasy in Australia, the internet was taking off and we also saw a dramatic decline in the interest of the government in harm reduction. Those things combined into people coming online together to seek information and to share that information to keep themselves and the people they cared about safe.

We have already discussed the way that ecstasy is used and dealt. We are talking about small social groups, and the person who buys ecstasy for a social group may buy 10 pills that they then supply to their friends. This arrangement means that someone is buying for their immediate peer group and their friends, and they want to look after them. This means that the word ‘dealer’, and all the connotations that go with that, is somewhat misplaced in this case. You have someone who is actively searching for information on harm-reduction.

The internet is the perfect forum for people to exchange information in an anonymous way. They could exchange information not just on specific pills and their effects, what to look out for and what could possibly be harmful, but also on more general things: what MDMA is, what it does to you and what harm reduction strategies you can take. It was also used to dispel the myths that were being propagated in the media around that time.

That is the essence of peer education and harm reduction. They are the two things that Enlighten is very much involved in. Pill testing came out of that. Again, we looked at what was happening in America and Europe and we saw a very effective harm reduction tool being used in those ecstasy markets. We saw what was happening in the early nineties in Europe and what was happening in the late nineties in America. That corresponds with what is happening now in Australia, with an emergent ecstasy-taking population which is widespread and socially diverse. In Australia there is no effective harm reduction being done to help these people.

I am not afraid of using the expression ‘harm reduction’. It is in our group’s name for a very good reason: we believe in it. It is not very popular now, though, to say that. Harm reduction is about reducing the harm to those people that do drugs. We are probably very quickly going to

get into the issue of what message we send to young people. Once we do pill testing, we are engaging with a drug user. We are engaging with someone who is undertaking illegal activity. But we have to do that to help them. We cannot do it otherwise.

There are three elements to Australian drug policy: supply reduction, demand reduction and harm reduction. They are still elements of the Australian government's drug policy. Supply reduction obviously stops drugs coming in or being manufactured here. If that was 100 per cent successful, we would not be here today and no one would worry about it. Demand reduction stops people wanting to take drugs. Again, if that was 100 per cent effective we would not have to worry—there would be no such thing as harm reduction. But those two other efforts are failing. I have nothing but respect for the people who work in those areas. They are doing some great work. But, unfortunately, when 98 per cent of the funding is going to areas that are failing quite spectacularly, we have to look at that. We have to look at the fact that, in the last 10 years, the rate of use of ecstasy in Australia has gone from one per cent to four per cent—a fourfold increase over 10 years, with an investment of billions of dollars. That is why we are asserting harm reduction, saying 'Harm reduction is there to pick up the pieces of what is left over.'

In the eighties, harm reduction was a paradigm of needle-injecting drug users. Harm reduction was invented in Australia. We pioneered the idea of needle or syringe programs. It was something to be proud of that we pioneered the idea of helping those people who were using drugs. Unfortunately, that has slipped away now, but in the eighties it was all about helping people who were using opiate drugs and who were a fringe element—a very small, marginalised part of society; they were always that. It was kind of okay to look upon them that way—the fringe thing. There was also the element of blood borne diseases. We could say, 'We have to protect the wider community from this fringe element with blood borne diseases.' Needle syringe programs are a very pragmatic and very effective way of doing harm reduction—that is the way that harm reduction was sold, and it worked.

The thing is we have a different time now. We have different drugs; we have a completely different situation. We have to look at that realistically and understand that it is no longer a fringe, marginalised group; it is a very wide group. We are talking in figures of millions of pills coming into this country—a massive market worth billions of dollars—and being consumed by generally middle-class people who get on with their lives and go to their full-time jobs or their full-time study. They incorporate and integrate the drugs into their lives. They are non-problematic drug users, but there are still attendant health issues with that. Millions of doses of these drugs have been taken in Australia over the last year; we have not seen millions of presentations to hospital. We are seeing presentations, and we have to target those, but we have to be realistic about the situation. This is a different time. We have to use harm reduction strategies to deal with the problem, and they must be unashamedly harm reduction strategies.

The next issue to discuss is the message we are putting forward, because that is the only argument left to combat the argument of harm reduction. The only impediment to moving forward with any of this is an ideological barrier; the facts cannot get through at the moment. We have a lot of research from the European and American experience in over 15 years of studies about pill testing, its effectiveness and how it does not encourage drug use. It has a demand reduction of fact. Those people who do not use ecstasy that are exposed to pill testing are less likely to start using or will start later. That fact goes counter to the assumptions that we always hear. People say, 'You're just putting a stamp of safety on it, and you'll encourage people.' The

facts go counter to the assumptions but, unfortunately, the assumptions are going to triumph until we get past the ideology. That is the impasse we are at. We cannot get much further than that.

Senator LUDWIG—How does the pill testing work in the way that you work with suppliers? What level of suppliers do you work with?

Mr Davidson—Suppliers of what exactly?

Senator LUDWIG—Drugs.

Mr Davidson—I will clear up a couple of things. Dr David Caldicott, who spoke to you in Adelaide, may have given you the impression that he was the one testing the pills. We do the testing of the pills in collaboration with Dr Caldicott and his OzTox group. We have always been the ones who handled the pills and did the testing. It is an illegal act. We know that, and we knowingly do it. We are an activist group; we unashamedly do it knowing it is illegal. But, to describe what happens, basically I am sitting at a table at an event and I have a sign behind me saying 'pill testing'. There will be a line 20-deep of people wanting to have their pills tested. People really want to know what is in their pills. They will come to me, they will line up and I will test their pills. They will present the pill to me.

In the European and American models, there was a common-law interpretation of that process. When a pill was handed to you, you could take that pill, take a scrape off it, hand it back, test it, and—because you did not know what was in the pill until you had tested it, handed it back and destroyed the sample with the test—you could not knowingly be in possession of a drug. Unfortunately, under Australian law there is a strict interpretation of knowledge of possession which goes against that. My mere surroundings will inform my knowledge of it, so, under Australian law, we cannot use that cloak of common-law exclusion.

CHAIR—You have obviously been around enough, but have you ever given evidence about this or said this publicly before?

Mr Davidson—Yes.

CHAIR—You appreciate that, as a result of what you do here, perhaps—

Mr Davidson—I will give you a little time line of what we did.

CHAIR—I am just warning you about incriminating yourself. Whether that is my role or not—

Senator FERRIS—It is privileged.

CHAIR—I am not sure that privilege counts against criminal activity, does it?

Mr Davidson—Can I answer?

CHAIR—As long as you are aware of that. Please carry on.

Mr Davidson—I did say that we are an activist organisation, knowing what I meant by that. We do take action that could be considered illegal to further a political point. That is what we do. We went into it with our eyes wide open. I had a QC look up the case law I was commenting on. Before we went public with any of this, I sat down with the head of drug policy in Victoria, Detective Inspector Steve James, and had a long chat about it. Do not worry—we have gone into this with our eyes wide open. I am constantly in the media talking about this. This is activism.

We continue to do this work because, as I say, every time we do it there are people waiting 20-deep. We will test 200 or 300 pills in one weekend. People want to know, but they are unhappy with the limitations of the test. At the moment, we have only been able to do the reagent testing, which is limited. We said from the very beginning that it is limited and that is why we want to talk about more detailed laboratory techniques, which we have been researching now for the last six years. We have some incredibly exciting opportunities to move forward with this in ways that have not been done before. The Europeans have done a lot of work with gas chromatography and HPLC. Those techniques are not portable and are time consuming and that sort of thing. We are working with techniques that are much quicker to use and much more portable and still incredibly accurate—astonishingly accurate.

CHAIR—What exactly do you do?

Senator LUDWIG—Perhaps you could explain the process to help us through this?

Mr Davidson—Sure. I will take you through it. If someone comes up with a pill and it is passed to us—we handle it; we are committing a crime—we take a small scraping of the pill. We drop the indicated chemical on it and watch the indication of the reaction. Then we advise them of the contents of the pill. We also take an image of the pill. We use a little portable USB microscope to take a picture of the pill. That software also takes the dimensions. We used to have calipers but now the software does the imaging of the pill. That gets put into a database. We take the name of the pill from the person. We put the test results directly into the database. We can now upload that directly to the internet.

In that situation, we test the pill and we advise them of the contents. We do not—and I have to stress this because it keeps on being said—tell them it is safe. We do not say it is safe in any way, shape or form. In fact, I have here the paper that we show to every single person for whom we do a test. It is big and orange. I will read what is on this paper for the record: ‘This test can detect a range of substances in a pill. See the chart’—you can see the chart with different colours—‘It does mean the pill is pure. There may be other substances that we are unable detect. It does not mean the pill is safe. No drug is safe even if it is pure. It does not tell you how much is in the pill. It could be a little or a lot, you never know.’ We say this to every person: ‘This substance is in the pill. Have you had this substance before? Are you aware of what this substance will do to you? Do you know the effects that it can have on you? Do you know about the short-term effects? Do you know about the long-term effects?’ That is what we describe with every pill. At no point have I said, ‘This pill is safe.’

Mr WOOD—If it is not safe, what do you tell them?

Mr Davidson—We tell them the substances that are in the pill and what can happen to them if they take that pill.

Senator FERRIS—Does a 15-year-old know what those substances are? Do you give the chemical names or their popular names?

Mr Davidson—Both. We are very careful about that. We say both the scientific name as well as the street name. There is a lot of confusion with street names and about what one thing is and what another thing is.

Senator FERRIS—Can you show us the piece of paper that explains that to them as an example?

Mr Davidson—Yes. We have here a range. I will show you some of the literature that we hand out about the different chemicals. The colour chart you can see shows the different indications from the chemicals. I stress, again, that this is all to do with the reagent test. The same thing would apply to the more accurate forms of testing. It would just be more specific and it would talk about different things.

Mr KERR—Can you pass it around so we can see it?

Mr Davidson—Absolutely. We are talking about the major drug constituents here, but one issue we would like to talk about is the other substances that turn up in drugs that are actually very harmful—the contaminants that are used. Because we are talking about illegally processed substances, some of the contaminants in there are far more dangerous than the actual drugs themselves. Michael, would you like to talk about that for a while?

Mr Brennan—Yes. Having a background in chemistry, it was of grave concern to me when I realised that some of the methods that are used to produce these drugs are far from what you would call optimum. The fact that there is sloppy handling and sloppy techniques as well ingredients used that are obviously not pharmaceutical-grade ingredients can have a severe impact on what is present in the final product.

Some of those toxins, as I mentioned before, are quite nasty, and we have not really had the research done on others to determine how nasty they could be, so we could be looking at health issues in the future relating to the impurities that are in the pills today. This is a grave concern. If we had the appropriate technology, we would quite likely be able to list those other chemicals as well, even though they might be present in very small amounts, and look at what sort of toxicological data exists on those compounds.

Mr WOOD—I have grave concerns about what you are doing. You have young people going to a nightclub. You are testing pills. I assume it is with the greatest of intentions, but there are going to be other young people watching, thinking, ‘Well, it’s safe to do this here.’ In fact, you could be encouraging more young people to take drugs.

Mr Davidson—This is the core of the issue: does engaging with the drug user condone it and send a message? This is what it really gets down to. You heard me explaining about the message that we sell directly to the people: your drug contains this, and it can do this to you. If we have a substance like PMA in a pill, I am not afraid to say to them, ‘Listen, 21 people have died in Australia over the last 10 years from PMA. Your muscles melt down. Blood comes out of your

ears, and you die screaming in an emergency room.' I am not afraid to say that to someone. But you will notice what I said there. I did not say, 'Don't take the drug.' I did not say, 'This is safe.'

Senator FERRIS—But why don't you say, 'Do not take the drug,' if you know the chances are that they will die?

Mr Davidson—No, this is exactly the point. It is about giving information in a neutral way, not in a parental way by saying: 'Just say no. Drugs are bad.' You have spent \$100 million on those ads. Are they working?

CHAIR—No.

Mr Davidson—This is what we have to address. We have to address the fact that no, they are not.

Senator FERRIS—Do you know that?

CHAIR—Usage is increasing.

Mr Davidson—We would not be here today, with four per cent of the Australian population doing ecstasy, if the \$100 million worth of ads was effective. What we are talking about is education by direct exposure: 'This drug you are about to take right now contains this substance. I'm going to engage with you as a peer and as an equal. I'm not a parent. I'm not a politician. I'm not the guy up there waving the finger. I'm engaging with you.' Hang on—I am treating someone like a mature person. We are getting a dialogue going. Do you think they are going to understand that?

Mr WOOD—Hang on. My background is the police force. If you have a long-time user or a person who has been around the drugs, yes, to them it is a very safe message, and I can understand where that works. My great concern is the young guy or the young girl watching from the sidelines who, in fact, probably even thinks it is being condoned by the government, and therefore says, 'Well, it looks to be okay.' That is where I have great concerns.

The other aspect I look at is that, when you said you have a person who may supply drugs to 10 friends, with the greatest intention of avoiding harm to them, to me that person is a drug trafficker and by supplying the drugs he is creating harm to them. We have heard experts say here today that the drugs are obviously bad, and to different degrees. So I am personally very concerned about what I am hearing.

Mr Davidson—I understand, but this is a problem that we do have to deal with. That is why we are here. We are trying to deal with it in a different way. I will answer the second part of your question, about the person who is perceived as a dealer, first. Yes, they are bringing harm by introducing the drugs, but a lot of the time that person is saying: 'I'd rather you buy them from me than the random guy down at the pub—that guy who's not going to test the pills, who's not going to tell you what's in them, who's not going to give you explanations. I'd rather you come through me.' It is about reducing harm. There is more harm with a random guy whose only interest in it is the money he gets from your pocket. There is more harm in that than in the person who says, 'Look, I don't want you to die.'

Now, on the first part of your question, which was about the people who have not used ecstasy before who see pill testing happening, this is one of the assumptions I am talking about where there is actually hard empirical data that does not break through the ideological barriers. This is referenced in a paper by Benschop, Rabes and Korf. That study was done on three cities in three different countries in Europe where pill testing has been happening for a number of years. It is a big study with a lot of respondents. There is a lot of data in there.

Basically, it gets down this exact point about the people who have not done ecstasy, who are in these environments and who are exposed to pill testing. It finds they are less likely to start or they will delay their use of ecstasy because they see all the pill testing. They look at the chart on the wall and they say: 'Hey, there's mercury in pills. There's ketamine. I don't want to take it. I can see it now.' That is what the evidence from Europe is showing us. It goes counter to the assumptions that you want to have and that you want to believe about young people and the way that they are impressed by authority and whether the government says it is okay. The government is way down the list of things that a young person looks at.

Senator FERRIS—How often do you see people go and throw that \$50 pill away after you have shown them about it?

Mr Davidson—It happens, honestly.

Senator FERRIS—How often? Can you take us through that?

Mr Davidson—Quite a number of times. Ketamine is a substance that people generally do not want. When we first did the tests and were able to identify it in pills, we had quite a lot of people say, 'I am not going to take that.' In the studies the data says—and Dr Caldicott mentioned this in his studies that he did with us—that only 17 per cent of respondents said they would take the pill if they found something they did not want in it. There are two separate European studies saying roughly the same thing: 12 per cent and 15 per cent, I think. They are the risk-taking people, who will do it anyway. But, as David rightly said, you can explain to the person: 'Here's your choice: a \$30 pill'—which is what it costs these days—'or a \$300 ambulance ride.' I have said that to people and they have said, 'I won't do it.' I have had people walk away and leave pills there that I have had to go and hand in to the police or throw away. It does happen. The other thing about it is that, if the person we were talking about a moment ago, who buys 10 for his friends, gets the pills tested before they buy them, they are not throwing away anything like that. They are doing it before that.

Mr RICHARDSON—Mr Davidson, following up on Mr Woods saying that, firstly, the testing is not 100 per cent accurate—

Mr Davidson—The current testing that we are doing for reagents is not, but the testing we are proposing is.

Mr RICHARDSON—It is 100 per cent accurate?

Mr Brennan—It would be as accurate as the forensic evidence presented to courts relating to amphetamines et cetera.

Mr RICHARDSON—Secondly, even with the accuracy of that testing, my or your 15-year-old daughter's or son's biochemical makeup might be such that, even though the pill may not have any impurities in it, the pill itself can cause the damage.

Mr Brennan—Absolutely. On the information that comes with the test kits there is a very strong line that says that the kit does not imply that any drug tested by it is safe. It also goes on to explain that any illicit or non-prescribed drug use carries both health and legal risks. It is very important that that message is got across—I agree completely with that.

Mr Davidson—And that is a useful environment to do that in because we are directly telling that same person, to use Mr Richardson's example, exactly what Mr Richardson just said: understand that this pill, even if it is considered to be pure of substance, can react with you badly. You can ask: 'Do you understand what you would need to do in that situation?' and say: 'Tell your friends, if they are worried, to not be afraid to call the ambulance.' It is incredibly important to get messages like that across at that point—to say: 'This is your night that is going to unfold before you—the next 12 hours. In four hours time, if you are worried and if you are feeling a little bit like you are too hot, call an ambulance, because they are not going to get you in trouble; they are going to save your life.' And that is when you need to tell people—immediately beforehand—to get it right there in their heads before they are about to do it. It is a perfect example of education that is directed at exactly the right time, to exactly the right person and hopefully in exactly the right way.

We do not have all the answers. We can work through this together. There are a lot of hard questions with this. We can work on the education strategies to deal with it, but our approach is the perfect targeting of it. We do a lot of syringe programs. You get the perfect example of targeting information to people in those environments. If you go to an exchange, you will see the posters up about hepatitis, people will talk to you about blood borne diseases, you will get a condom and all sorts of things in that environment. It is a perfect way because they are coming to you for something. There is nothing so far that is bringing the users of amphetamine drugs to us for help. What we are doing is we are giving them a locus. We are giving them a honey pot. We are saying: 'Look, we have got something that you want: information about those drugs. You want that.' And they do want it. Once we have them there, we can target the education. The point was made earlier today that education in school has limited value. Education in those ads has very limited value. We have to find places to put that education, and this is one of them.

Mr RICHARDSON—With respect, Mr Davidson, that was the generic message in Adelaide when you did the testing. However, as a result of the inquiry and the discussions that we had with Dr Caldicott in Adelaide, I received a phone call from a 16-year-old youth who was at that testing. That 16-year-old youth basically said, exactly as you have stated, that someone—and I am not saying it was you—went through the good and the bad things and the actual message. However, at the end that young person said, 'Do you think it would still be okay if I took it?' and the person behind the pill testing said, 'It should be okay.'

Mr Davidson—I really doubt that they said that. We have very strict training about that. The entire philosophy of pill testing is based around being completely impartial. You asked before why we do not just say, 'Don't do it.' We do not say, 'Do it!' The question always is, 'Is it good and should I take it?' and we always say, 'We cannot tell you that.'

Mr WOOD—What are the qualifications of the people giving this advice?

Mr Davidson—We have doctors, accountants, architects—it is peer education.

Mr WOOD—But what does an architect know about drug use?

Mr Davidson—The information in these kits—and that is what they need to know. The information is supplied to us by health-care professionals. We are peer educators passing on information.

Mr RICHARDSON—And that is why I am alleging that that was said to that 16-year-old. It would concern me greatly if it was.

Mr Davidson—And it would concern me greatly. It would concern me even more, because it would be either me or someone I was working with very closely. I am trying to tell you that our entire training is around the idea that we would not say that.

Mr RICHARDSON—Training is one thing but reality is another.

Mr Davidson—Well, yes—but that could be said about anything to do with health-care practice.

CHAIR—But why would they say that?

Mr Davidson—What would be our motivation?

Mr RICHARDSON—The young person wants to take it, he or she has heard about all the relevant—

Mr Davidson—Do you think that perhaps they were projecting?

Mr RICHARDSON—issues and the warnings, however a young person will always come back and say, ‘Yeah, but do you think it’s okay if I take it?’

Mr Davidson—And we will always come back with the same response: ‘No, I cannot tell you that. I have given you the information. You have to make your own decision.’ This is part of setting up a mature dialogue: ‘You make the decision. The power is with you. We have given you the information so you make the decision.’

Mr WOOD—I would hate to think that we would ever have the situation where you would be passing that information on to 15- or 16-year-olds. I am presuming that this takes place in nightclubs. I would be horrified—

CHAIR—But the people have come in and they have bought the pill. They have got it. They are there. They are going to take it.

Mr Davidson—They are going to take it one way or another.

CHAIR—The fact that these guys say it is—

Mr WOOD—Hang on! I look at this as being for over-18s, but you are saying that we could have this situation with younger people. Is this done at nightclubs and so therefore they need ID to get in?

Mr Davidson—Yes.

Mr WOOD—So it is not done at rave parties.

Mr Davidson—Some are rave parties.

Mr WOOD—What about underage rave parties?

Mr Davidson—We do not generally do underage ones.

Mr WOOD—You don't generally—but have you?

Mr Davidson—We have done them, so there is that possibility. But the thing is that we are not carding people. We are dealing with the health situation directly in front of us. A person has the pill and we want to deal with that situation. We are not going to card them to do that, because the dealer did not card them.

Mr WOOD—But you are dealing with a young person who is very impressionable.

Mr Davidson—What more can I say besides the completely neutral things that I described to you?

Mr WOOD—The easiest way is to say—

Mr Davidson—'Pack up and go home'?

Mr WOOD—Yes. You should say, 'You are under the age of 18 and this is way too dangerous for you to even be contemplating.' As I have said before, with an ongoing drug user who has been around and has been tested, I can see this working but, for a minor, I would look at this as being exceptionally dangerous.

Mr Davidson—Perhaps I can put it into perspective. What I am saying is that the pill testing that we are doing and the completely neutral approach is one part of a larger strategy. Next to us we have people from St John's Ambulance and RaveSafe, and we often have first aid people there as well. Any of those people can jump in, and often they do. Quite often RaveSafe people are right there, and I have seen them do that with young kiddies and go, 'Hey! Come on, let's talk about this.' That is because they have a different approach.

Mr WOOD—That is what I am saying. They realise that there is a danger there, but you have already gone past that level.

Mr Davidson—Because I am saying that the way that we work is on a neutral level. The only way that we can do that is to be impartial. If we go in there with an anti-drug message we will not have people coming to the table and we will have lost the opportunity to educate them.

Mr WOOD—What is the response of Victoria Police—

CHAIR—I think that was Senator Ferris's question.

Senator FERRIS—I was going to ask that question, because I had made a note that you had said that you had gotten advice from Victoria Police. Precisely what advice did they give you?

Mr Davidson—I sat down with them and we discussed the legality of the matter. Inspector James said: 'Are you aware that it is illegal?' We said: 'Yes, we went through exactly all the case law.' Before we went into anything else, the next thing Inspector James said to me was: 'How can we move beyond this? Do you understand the process it will take to get from this point to a point where we can do it legally?' We talked about that for the next half an hour. It is a 10-year process—

Senator FERRIS—But there is not a point at which you can do it legally. You have already admitted that.

Mr Davidson—What I was about to say is that it will be a 10-year process of very slow political change. You may not think it is possible but—

Senator FERRIS—No. I am asking: before you went ahead with this program—and I think this is what Jason is trying to get at—who did you meet in the Victoria Police, what were their names and what did they tell you?

Mr Davidson—Okay. I was told that the police have a thing called discretionary powers.

Senator FERRIS—In Victoria.

Mr Davidson—In all of Australia. It is one of the fundamental parts of policing.

Mr WOOD—The police themselves have this?

Mr Davidson—Yes. I was told that the police can use the discretionary powers when it comes to things like pill testing. I was advised that it was unlikely that I would be arrested in the act of pill testing unless certain circumstances happened. If a member of the public instructed the policeman to arrest me, they would have to arrest me. Also, a person could make a civilian arrest of me. This could actually happen.

Senator FERRIS—Who gave you this advice? Was it the police commissioner?

Mr Davidson—Inspector Steve James of the drug policy branch of Victoria.

Mr WOOD—So you arranged a meeting with Victoria Police and this is advice that you received.

Mr Davidson—Yes. I want to stress that it was the generalities of describing how the law stood. At the very end, he said, ‘You realise what you are doing is illegal?’ I said, ‘Yes.’ That is what it came down to, and I walked out at that point. I mention that in passing to point out that we have taken this seriously. We have looked into all the implications of it. We are not naive about this. We know the implications.

Senator FERRIS—You made the statement: ‘This does not encourage increased drug use. In fact, it results in a reduction in drug taking.’ Do you have some statistical evidence of that in Australia as a result of your work?

Mr Davidson—No, because we do not fund any research. If there was any research funded, perhaps we could duplicate all of the European studies. I was referring to the studies that have been done in Europe over the last 15 years. If we funded studies in Australia, if a pill testing trial was allowed with a sunset clause—and we could all make it go away if we did not like the results—and if we did it over 12 months, we could actually survey those people who were having the pill testing done in front of them and see if we get the same results that we are seeing consistently in Europe.

Senator FERRIS—Could you choose one of those studies and source it to Mr Curtis.

Mr Davidson—It is all in my paper.

Senator FERRIS—Okay. I thought you were referring to something else.

Mr Davidson—I reference the studies in my paper. I have a larger part of them here, but it is all referenced in my paper.

Senator FERRIS—I understand. I want to now explore the legal aspect of doctors taking part as volunteers in your program. What advice are the doctors given before they start giving out this advice? The line between doctors condoning the use of an illegal drug by the act of testing and showing the result and perhaps a 16-year-old doing a pill test is something we can explore with the AMA as a policy issue. In the discussions you have had with the doctors, how do they traverse the legal guidelines within which a general practitioner operates?

Mr Davidson—I would like to stress that Dr Caldicott and his team of doctors and nurses have never performed any pill testing. It has always been us. I think I may have said doctors and nurses were in our group. I actually just meant that we have nurses and other health practitioners. I do not think there are any doctors in our pill testing organisation as such. When they turn up and work in our pill testing organisation, they are just a peer educator. That is the way we look upon them. Some of them may use their health background in the more detailed way they explain the information that we give across, but ultimately they are a peer educator.

Senator FERRIS—How do you determine where you are going to go? For example, there are a couple of nightclubs in Adelaide. Do you think, ‘Right. That group will go tonight to that one and that group will go next Saturday night to that one’? If you have been going to one for, say, three weeks and then suddenly you are not there, what effect does that have on people? Do they say, ‘They’re not here this week, so we’ll just have to go without them’? Do you go into a nightclub and set up on a little table somewhere? Do you put a note up?

Mr Davidson—I can clear that up. We do not go to that many nightclubs, because, under licensing law, us being there would be admitting there were illegal drugs on the premises, and people can lose their licence. Most of the places we do are larger outdoor dance events and those types of parties. With those, it is always with the permission of the owners of the event or the owners of the site. We have had the situation where we have gone one year or month and have not been back the next year or month and people have said: ‘Where are you? Why aren’t you here?’ People have rung us up and that type of thing. There is a demand for us to be there. We had the situation in South Australia where we had consistently tested at one particular event. We were then prevented from doing so because we were directly told not to. I want to stress this again: if we are told by the police directly, or told by anyone directly, ‘Do not be at this event,’ we do not go. We do not go anywhere we are not welcome, but we are welcome in very many places, and encouraged to be there.

The people that ran this particular event particularly wanted us to be there. We had been very successful in the past. But there was direct intervention; the South Australian police said, ‘No, you go there and you will be arrested.’ We went along, but we did not test. Policemen followed us around the entire day anyway, but we did not test. We were not testing on that day and four people fell down with potential overdoses; one girl went to hospital. It has happened before. There have been people admitted to hospital and that type of thing when we have been there, but not that many. I am not saying there is a causal effect. We talked about duty of care before. It made me feel like hell to think I am just standing there twiddling my thumbs and there are a whole bunch of people there who want to talk about drugs and about the drugs they are going to take, and I cannot do it. I am watching people getting loaded into ambulances and driven away. That is the duty of care that really worries me; it worries the people I work with.

Mr WOOD—But wouldn’t that happen at an under-age rave party too?

Mr Davidson—Yes, it happens at the pub. It happens at the cricket.

Mr WOOD—If you are there with your pill testing—and you have stated that you have done this before—at an under-age rave party, and you have a young person who is experiencing ecstasy for the first time, surely the effect on a smaller person—maybe a 16- or 14-year-old girl who is very light—would be greater than on a larger male. Would that be the case, or not? Michael may be the best person to answer this.

Mr Brennan—It could very well be. There is a very important issue that surrounds the dosage of these tablets as well. Often, harm reduction interventions do involve people taking a large amount of these tablets, or a high dose tablet. It is very difficult to tell how much is in these tablets, and it certainly gets—

Mr Davidson—It is one of the reasons why we want quantitative analysis—to be able to advise people on that.

Mr Brennan—The kits will not do that, incidentally. They will not be able to tell you.

Mr Davidson—But other forms of test will.

Mr Brennan—Yes, that is correct.

Mr KERR—I am curious. At the moment, all of these interventions are premised on the availability of your volunteers and knowing that there will be events and what have you. The market information we got this morning is that there is a lot of household consumption and private utilisation.

Mr Davidson—That is correct.

Mr KERR—Is it part of your strategy or advocacy to urge the availability of something like the personal breathalyser that you can blow into to see whether you are safe to drive? Are there devices that can be used in the home, as it were, to self-administer safely?

Mr Davidson—We are almost at that point. We are advocating that testing at specific events and raves and that type of thing is so 10 years ago. We do not want to do that any more, because that market is dwindling. We are seeing it move into the wider community, and for the last couple of years we have been trying to work out strategies that can access more and more people. There are a couple of options here. We have the Dutch model, where people can go into a centre to get their pills tested at a central location. We believe it is probably a very good thing if people can come to a specific location. It is a place where you can get people in, put the posters on the wall, put the brochures out; it is a great opportunity for all of that.

The other option is testing in non-traditional places, like pubs. The pub is a perfect environment to test; a lot of people take drugs in pubs now. What we are looking at developing now is a stand-alone booth, where people can get their substances tested at somewhere like a pub. They can go behind a curtain, there is a little thing you put your pill on, there is a video monitor that takes you through the entire thing. It can test your pill and print out a whole bunch of information about the drug you are about to take—all the information about it, referral numbers, what happens if it goes wrong—on an A4 sheet of paper.

Mr Brennan—Particularly deterrent information, which would accompany any test result whatsoever.

Mr Davidson—Yes.

Mr RICHARDSON—But you still do not know the biochemical make up of that individual.

Mr Brennan—Absolutely, but the deterrent information would outline that particular area.

Mr Davidson—And these people are going to take it anyway. If they can go to the pub and have it tested on something like that, it would be a great example. The technology is available now. We can put this together now, and we are developing these systems. Some of these systems do not require human intervention, and some need a little human intervention. One of the problems we have is with the illegality of handling pills. That will be solved as we are going around that now with these new testing systems. If we get these systems up and going, I will never touch a pill again and I will never see a pill again, but we will be giving people a 100 per cent accurate result. This is being developed, and we are going to develop it—

Mr KERR—Sorry, you will have to excuse me, because I did not go to the Adelaide hearings either and I do not understand the technology that you are discussing. I thought you did a scrape and then a reagent test.

Mr Davidson—That is the old, limited technology that we are moving beyond.

Mr KERR—So how does the technology you are speaking of now intersect with the actual tablet? It just takes a photograph of it. How does that tell you what is in it?

Mr Brennan—No, there are various means that can be employed for that. But basically we are talking about a very much smaller amount that is required for the test. There was one proposal whereby a small pad would be pressed against the pill. The contents of the pill would be transferred to the pad and then that pad would be analysed. Therefore the person doing the testing would not have to handle the tablet at all.

Mr Davidson—Someone could go into the booth, as I said. The video would show: ‘Take out this pad, put it against the pill, put it back into this container and seal it, put your pills away—we never want to see them again.’ The person then comes out with the pad and we test it. This contains a few molecules, literally. We are talking about the picogram or nanogram range of material. Under no jurisdiction can you be charged with possession of a nanogram of an illegal substance. We would test that and then give them results based on that. That is one thing. That is doable right now with the technology that we have. The next generation of that is the new stuff coming through that can do a—can you explain it?

Mr Brennan—Basically, the new technologies just allow the time that is spent and the preparation of the sample to be minimised. But there is still a lot coming. This technology is advancing all the time. Customs obviously make use of fairly accurate ion scan devices. Something like that could be employed in this situation. They are very expensive machines, and I guess Enlighten—

CHAIR—How expensive in ballpark figures?

Mr Brennan—The handheld models start at around the \$50,000 mark or maybe a little bit cheaper than that. I think there may have been some—

Mr Davidson—Yes, the prices are dropping. We are looking at something of about the size which could be effectively used in the field for \$50,000.

Mr Brennan—But I feel that, if Enlighten were approved for such operations, it would probably be best to employ something a little bit more sophisticated so that those impurities that we talked about before could also be profiled. I think that a very important part of this argument is that we need to look at what other things—which are not really being talked about at all—are happening to you when you are taking these tablets. I am sure that, if David Caldicott were here, he would be able to back me up on that.

CHAIR—Can I just put this scenario to you. You will not believe this, but I am a 16-year-old person. I say: ‘I’ve heard drugs are bad and I’m not really prepared to take the risk, but—hang on—I know that there are going to be some drug testers there, so just tonight I’ll spend my 50

bucks and buy a pill. I wouldn't normally do it, but I'm going to do it today because I know there is someone there who will be able to look at my pill and see whether it is generally okay.' So there, in me, you have someone buying it who might not otherwise have done it, but I have done it because I know you are going to be there and you are going to look after me.

Mr Davidson—I am someone who has talked to a lot of 16-year-olds or slightly older people about this exact situation—and, as we say, the documentary evidence does not support that. But still, even just anecdotally, of all the influences on young people that are going to make them take that pill, if you stacked them all up, the influence of pill testing and the influence of what the government says about its permission would be right down below. Their personal experience of their life would be right up here at the top, then there would be their friends' experiences, then what they perceive in the media and stuff like that, ranking all the way down. That is going to be way down there. It may be an addition to it, but the thing is that we cannot throw out the baby with the bathwater and say that, just because of this very small thing down the bottom, we cannot explore this opportunity to directly educate people right at the moment before they take their drugs.

Mr Brennan—Can I just add that harm reduction groups, which often work hand in hand with Enlighten, always have a deterrent message to offer. I would suggest that those people are perhaps better targeted by those harm reduction groups, where they can offer that information. Maybe, seemingly, it is a bit biased to say, 'There is danger with all these tablets. Listen to what we've got to say, because you just don't know what is going to happen when you take this tablet.' Even though it may turn out in the test to be MDMA and MDMA only, as we heard before there is certainly opportunity for this to have an adverse reaction with a young person, and we see it quite often.

CHAIR—What percentage of the total mass of pill possessors are those who come forward with their pills at any particular function? Do a lot of them stand in the corner and say, 'I wouldn't go near those fuddy-duddies; they're all do-gooders and probably agents of the police'?

Mr Davidson—Just anecdotally, I could give ballpark figures as to what we observe, but there are some firmer figures in this documentation here about that—about the attendance at a particular rave and the number of people who test and that type of thing. There is firm data on that if you want to look into it.

CHAIR—Can you give it to me?

Mr Davidson—It is a smaller percentage.

CHAIR—In your experience around the town.

Mr Davidson—Put it this way: with a large outdoor event in Victoria, where there would be 4,000 people in attendance, we will test up to 200 pills, and we will be working constantly for two days. We are at the point where we could not test any more with our limited resources. Of that, you can see that a lot more than 200 pills are being consumed at a festival of 4,000 people.

CHAIR—What would your guess be out of an audience of 4,000 people? Would 2,000 have—

Mr Davidson—I do not like to make assumptions about that.

Mr Brennan—I can tell you that from a harm reduction perspective it varies considerably as to the nature of the event and, from our perspective, whether the people know the group that are there, whether they feel comfortable in approaching them, whether they have seen them before and that sort of thing. From my observations, I believe that the number of people attending these events today who do not take drugs is probably greater than when we first started doing harm reduction in the late nineties, when virtually everyone at these events was taking drugs.

Mr Davidson—Correspondingly, more people are now taking them at home.

Mr KERR—Do you get any situation where, for example, although you are testing 200, particular kinds of tablets are common and you identify that they might have ketamine or something like that in them? Some announcement is made, formal or informal, that there is—

Mr Davidson—We generally post the results of the pills after we have had a look at them and accessed them so people can look through them and see, ‘These have ketamine; these don’t’—that type of thing. We try to keep that exchange of information going—that sharing of information.

Mr Brennan—The advantage of having a comprehensive testing system is that virtually on every result, I am sure, you could find some impurity that is undesirable, and that could feature in the deterrent information. So you are actually getting a message across to someone who normally would never have seen that message and never understood those points before, because they would never have seen the information—that is, of course, unless they read forensic journals.

Mr Davidson—Mercury turns up in pills. That is one of the things that—

Mr Brennan—That is a concern, because mercury can be used in one of the processes in the clandestine production of MDMA, and sloppy lab techniques could see that as an impurity in the final product.

Mr Davidson—I think there are not many people who are so uneducated that mercury would not be a deterrent. Most people know it is dangerous, and they say, ‘There’s mercury in my pill?’

Mr Brennan—I think it has greater applications in terms of television advertising—all that sort of thing, where these things can be mentioned as really powerful deterrent tools.

Mr KERR—I suppose I go back to Woodstock. I remember the scene in Woodstock where they say, ‘Bummer, man; there’s bad stuff in the acid.’ I wondered whether similar kinds of bummer announcements are made. Some of the ecstasy tablets—those black tablets—have mercury and—

Mr Davidson—We have not had to but we have always had that as a backup plan, because PMA is the most dangerous thing. PMA is the reason we do pill testing. Our greatest fear is that PMA will be used as a substitute for MDMA and, when that happens, people will start dying by the hundreds.

Mr KERR—What is MDMA? My Woodstock did not—

Mr Brennan—Would you like to look at a picture of the molecule or would that be too much?

Mr KERR—I just want to know what we are speaking about.

Mr Brennan—Basically, when we are looking at amphetamines as a class, we have a ring—I will pass this around—which, with amphetamine, is substituted only in one spot. When we look at MDMA, we can see that there are other substitutes on this ring. Of course, there are other positions on this ring which with MDMA are not substituted. But there are other drugs in that class—and there are several; there are at least 50 or 60 psychoactive compounds in this range—where the other substitutes are substituted instead. PMA has a substitution pattern which is different from MDMA and it changes the pharmacology of that drug considerably. The problem is that the precursor for MDMA has been well scheduled and well looked after with the legislation that is about to be introduced, but the precursor for PMA exists in confectionary and other products everywhere, and it would be virtually impossible to stop and to regulate.

Mr KERR—What is PMA in language that I understand? Is it a like drug? What does it do? What is the danger?

Mr Davidson—To the uninitiated it would feel like MDMA for most of the experience. It would be a bit longer and a bit more visual, and you would see a lot more elevation of the heat. One of the problems with MDMA is that, essentially, the regulation of your body heat gets thrown out of whack, and that is why there is a danger of overheating, dehydration and that type of thing. With PMA, the same principle occurs but it is way off the charts.

Mr Brennan—The biggest problem is that users are likely to take a PMA tablet and figure that it is just a weak dose of MDMA, so they will take another tablet to get a greater effect, and that second tablet may put them over the threshold where this overheating runs away and it becomes very—

Mr Davidson—The threshold for PMA is very much lower.

Mr KERR—Are there other names for this—a chemical name or a street name?

Mr Brennan—The chemical name for PMA is paramethoxyamphetamine, but there are other names that can be used.

Mr Davidson—There is not really a common street name for it in Australia.

Mr Brennan—I think it was called chicken yellow once.

Mr Davidson—I think that was way back in Canada. There was a fair spate of usage of it in Adelaide and Western Australia. It has killed 21 people.

Mr KERR—And is it an accidental mistake from making—

Mr Davidson—No.

Mr Brennan—It is interesting that you should ask that. Because of the natural ingredients that are used to obtain the starting material to make MDMA—ecstasy—there is usually a tiny bit of the starting material for PMA in that. I do not want to be too specific with these names here. That will carry over to a degree to the end product. It is a very small amount but enough for forensics to be able to profile where that came from and how it was made. If you are setting out to make PMA, you are doing it intentionally. You are taking the over-the-counter available starting material and you are processing that in a similar way that you would to make MDA. You are using that different starting material and ending up with PMA instead, which is the more dangerous compound.

Mr Davidson—That is why we are worried that, if we do not target demand reduction at the same time as we hit supply, this can happen, because there is a massive demand. We have seen the figures. There is a huge demand for MDMA in Australia. If we suddenly had successes in the supply part that killed the supply chain, we think the people in the middle would turn over to something easily available like PMA, and we would see a massively larger health problem because of that. That is why demand reduction is so important. That is why we are now becoming advocates of demand reduction and looking at education about this. We understand that there is this time bomb there waiting—unless we also address the demand, if we cut the supply we can create havoc.

Mr RICHARDSON—This is a little left of your field, but would you like to comment in respect of legislation for the juvenile system—so ages 18 and under?

Mr Brennan—We may have different views on that. I will let John—

Mr Davidson—I will not answer that question, because I try not to think about that end of it. I look at anyone who comes to my table in the same way as I do when dealing with a health problem. The punitive side of punishment is not really my thing.

Mr Brennan—Were you mentioning it in terms of punishment?

Mr RICHARDSON—Yes.

Mr Brennan—That is a very hard one to decide on. I have a teenage boy. He is pretty well behaved, but he is a teenage boy. I would not like to see him punished adversely, but at the same time I think education is a very important priority. I think there needs to be something like the court diversion scheme. But it really comes back to school education. I think that children should be educated. They learn about poisons at an early age. Drugs are poisons. They should be included at perhaps a younger age than they are at the moment. That is the approach that we need to take. I do not think I would like to see young people have their lives ruined and take a step backwards to the framework that we had in the past.

Senator FERRIS—You have partly answered the question I was going to ask you, so I will ask Mr Davidson, because he described himself as an activist and talked about a 10-year program. If you had a magic wand, what are the three changes that you would make to our current drug policy?

Mr Davidson—I think giving an equal weight to harm reduction, looking at the three strands of the policy working together and stopping focusing on the supply end—the tough on drugs punitive area. We need to look at it all working together, because they have to work together—because, like I said, we have time bombs ticking, and unfortunately if we throw it out of whack it is going to happen. So there should be a focus on harm reduction. Harm reduction has been effective for needle-injecting drug users in the past. We now have this whole new paradigm. We need to focus on that. So I would basically spend all my three wishes on harm reduction, because it has to be done. We have seen the figures. Many people are taking these drugs, but we are not doing anything to help them when they are taking the drugs.

Senator FERRIS—But you do not think they are taking the drugs because interdiction has removed heroin from the market?

Mr Davidson—No, quite honestly. We have seen a number of submissions about this, and I do not believe that was a considerable factor.

Mr Brennan—There are obviously some who have switched.

Mr Davidson—Some, but we have seen a shift in manufacture to amphetamines, a shift of trafficking routes and also just a change of cultural things as well. Cultural changes are massively important and not investigated enough.

CHAIR—Repeating my question: do you have any feeling or research that says that because harm reduction is available some people who otherwise would not have taken a drug might take it?

Mr Davidson—No. As I said, the reverse is true. The data that we have about this says that people exposed to pill testing are less likely to start taking drugs. We have that. It is concrete data. And we would be happy to try and replicate it in Australia.

Mr KERR—I assume that you worked these things through well in the MDMA user group, which is essentially a group that wants a particular low-risk form of engagement with drugs. Do you have any suggestions to offer in the other areas, where people are probably accepting higher risks? I think ice was being discussed before the lunch break, where the user profile is probably quite different.

Mr Davidson—Not specifically with the deterrence of ice—we were talking about that—but just the idea of harm reduction and deterrence within MDMA. I do not want to use words like ‘gateway drug’, but there is sometimes a progression by people who are casual users of ecstasy into harder forms of drugs. One of the things about MDMA is that pharmacologically it does stop working with people. I do not know if it has been discussed, but essentially the highs can go away, and they want to recapture the high so they will move on to other substances. The thing is, we can get people using fewer pills and by using deterrent messages at that point we can stop them from then transferring over to other drugs.

Mr WOOD—Like I said before, I am gravely concerned, especially about having pill testing at underage rave venues. To me that is exceptionally dangerous and something I just cannot believe any group would actually be involved in. That is my closing statement.

CHAIR—Thank you very much for coming along. You have cleared up a few misconceptions in my mind. I cannot speak for the rest of the committee, but I think we have all found your contribution very valuable.

[2.40 pm]

CAREW, Superintendent Tonya Roxanne, Superintendent and District Officer, Brisbane Central District, Queensland Police Service

HARTWELL, Detective Inspector John David, Detective Inspector, Gold Coast Criminal Investigations Branch, Queensland Police Service

CHAIR—Welcome. Thank you very much for your time and for your submission. I know that you are very busy people, and attending things like this is just an extra imposition on your time. I invite you to make an opening statement, leaving plenty of time for us to ask you some questions. We have members of the committee from both houses of the federal parliament, from all states and from both sides of the political spectrum. As you have already noticed, we also have a couple of former professionals of your profession, who are making a real contribution to the committee, plus a couple of old lawyers from way back.

Supt Carew—I will lead off by reading from our submissions and then I will be more than happy to answer questions. My district, the Brisbane Central district, comprises two divisions: the city and the Fortitude Valley area. Geographically and residentially it is probably one of the smallest districts in the state; however, it is politically sensitive and probably one of the largest, other than the Gold Coast, in terms of numbers. Although we have a very limited number of residences in high-rise buildings, people are coming here to work, to be educated, for tourism, for entertainment or for other reasons. We are a very mobile and non-stop district—24/7.

Our district is unique in that we have 455 licensed premises within a very, very small area. If you consider the CBD of Brisbane, the entertainment precinct of the valley, which is only two kilometres from where we are here, and then a small area up around the Suncorp stadium, you can see that there are a lot of licensed premises in a very tight area. They are hotels, clubs, restaurants and nightclubs. We have over 90-odd that trade after 1 am and 63 that trade after 3 am and close at 5 am.

One of the emerging trends within the nightclub area is the use of illicit drugs, and to combat this emerging problem we have in the Brisbane Central District created a specialist drug team which is supported by two tactical crime units, which have 14 officers in each. Overall, I have probably around 30-odd police working in the area of drugs and property, but predominately drugs. Along with our other general duties police and CI branch units, all these units are conducting covert and overt operations on a continual basis, which are supported by our state crime operations command and also recently the Crime and Misconduct Commission.

Intelligence shows us that there is a far stronger use of drugs in the Fortitude Valley precinct than there is in the city, and that has come out of our operations to date. Many of the operations that we host—because we are only a small district—may run in the valley entertainment precinct around the nightclubs, but out of that will come quite a number of other operations where people reside outside our district. So a lot of our work is not necessarily within our own area.

The operations that we conduct are varied. We target street level users and traffickers. We utilise trained drug detection dogs. We have done this only once in our district because they are only fairly new. That was very successful and we have some further operations planned. We target prostitution offences, because we find that prostitutes are very heavily involved in the drug industry and from an intelligence point of view we gain a lot of intelligence in those operations. We gather intelligence in whatever we do and our intelligence capacity is enormous. We are targeting specific nightclub owners because we know that some nightclub owners are predominately selling drugs more than they are selling alcohol. Actually, I cannot say they are selling drugs, but their premises are engaged in the sale of drugs. I cannot say that the licensees are necessary involved but certainly they are not selling alcohol. A recent operation we had targeted assets and we obtained \$1.5 million worth of vehicles and property as a result of the operation. That was with the assistance of the CMC.

The drugs commonly found are ecstasy and fantasy. A new drug, 14B, has hit the market which we are terribly worried about at the moment. Ice and marijuana have gone off the radar really in the nightclubs. The ecstasy tablets have taken over. We have had an insurgence or a pooling of Asian and eastern European patrons in some nightclubs and we have been working very heavily with the licensees in order to gain some intelligence and make some arrests there. The intelligence operation we ran prior to when we hit the place identified a number of Sydney and Melbourne Asian people who had been heavily involved in drugs in those states and who were actually in the nightclubs here in Brisbane.

I talked before about the problem we have with licensed premises not selling alcohol, and selling water. We are seeing that more and more often. We are finding that licensed premises that have a door charge—a cover charge to get in—are predominantly selling less and less alcohol and that is obviously because of the dehydration. The drugs are warming the people up and they need to drink plenty of water. We are finding that they might buy one bottle of water, which has about a 690 per cent mark up, and then they fill the bottles out of the toilets for the rest of the night. As you can see, the licensees are not making a lot of money in terms of selling alcohol.

The other thing we are seeing increase is chupa chup lollies. No matter where you go in the places where we see lots of drugs being used, they have chupa chup vending machines because they are sucking on lollies to stop the chewing and the grinding of the teeth, which is one of the effects of amphetamine use. Those are the things we are doing from an operational perspective.

From a strategic perspective, we are working with liquor-licensing divisions at the moment and with licensees and security providers, trying to get them to help us address this drug problem. There are a number of licensees in Brisbane who are happily working with us and who know as well as we do what some of the licensees are doing.

In closing I can say that we put a lot of resources into our drug operations in the city. There is a problem with violence. There is a state of euphoria that happens with these people when they take some of these drugs, but if they mix them with alcohol and combine that with the music and all the rest of it, the violence that emanates from the city is a really difficult thing we have to tackle. We would be unique in Brisbane Central District, although the Gold Coast and Surfers Paradise would have a similar problem. We do whatever we can as a body of police, and in any forum we are openly stating what our thoughts are on drugs and we are hoping to make a difference.

Det. Insp. Hartwell—I would like to paint a bit of a picture about the Gold Coast and give you an idea of the issues we face. It is a unique area that ranges from rural hinterland areas to the density of high living in the Surfers Paradise division with multiple high-rises—the Q1, for example, houses 2,500 people in the one building. More buildings along that line are being constructed on the Gold Coast. The Gold Coast has the usual well-known tourist attractions but there are also 181 major events held there every year—Indy, the schoolies end of year celebration and the Big Day Out are examples of some of them.

In 2003-04 financial year there were 9.8 million visitors to the Gold Coast. That equates roughly to about 80,000 extra people per day. About 3.5 million domestic visitors, 6.3 million daytrippers, roughly 750,000 international tourists and about 100,000 backpackers visit the Gold Coast every year. On average the Gold Coast motels maintain a 70 per cent occupancy rate, which is extremely high. It is an increase of 3.5 per cent over the past year.

The Gold Coast is seen as the fastest growing municipality in Australia. From 1998 to 2003, 74,000 new residents moved to the Gold Coast. By 2021 the current population of 450,000 is expected to rise to 700,000. There is currently \$23 billion worth of construction or development under way on the Gold Coast. The Gold Coast City Council is required to create 6,400 new residential lots per annum to keep up with the population growth. We are also getting a new shipping terminal to assist with our tourism.

CHAIR—'Perhaps', I understand.

Senator LUDWIG—'Where' might be the better question.

Det. Insp. Hartwell—According to the local papers, it is on its way. Also, the Coolangatta airport experienced growth from 2.4 million to 2.8 million passenger movements in the last 12 months. The draft south-east Queensland regional plan is looking at a rail corridor linking the Gold Coast with northern New South Wales. It gives you an idea of the volume of people who are coming to and going from the Gold Coast each day and each year.

Similar to the Brisbane district, we have a high number of licensed premises on the Gold Coast. In a 500-metre by 500-metre square there are 22 nightclubs, as well as about 918 licensed premises on the Gold Coast catering to the tourist market. Basically, what these statistics mean is that the transient population we experience is a lucrative market for the drug dealers. They see it as the high end. People come to the Gold Coast in a party mode—looking to party—so they provide what they need to encourage them to party. The 2005 CMC report into clandestine laboratories indicated that there were 212 clan labs located in Queensland; 49 of those were located in the south-eastern region. So we see that area in and around the Gold Coast as a bit of a hub for not only the supply but also the production of amphetamines.

The portability of the box lab makes detection even harder. 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. Last year we had two. There was one only last week where a woman sustained reasonably serious burns as a result of attempting to produce amphetamines in a motel room. 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.

Mr KERR—Do they move in and move out in 24 hours?

Det. Insp. Hartwell—Basically, yes. 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. One explosion extensively damaged a unit as well as blowing out the windows in the units either side. There was quite a large explosion. That was the one we had last year. It is a high risk.

The ACC Australian illicit drug report also notes an increased trend in the smoking of ice or crystal methamphetamine. We are also finding that on the Gold Coast. We are getting a high detection rate of not only the ice but the glass pipes they use to smoke it. The drug users are seeing it as a party drug as against injecting amphetamines, which is the normal process. They think that if they are only smoking it they are not really drug users. They are just partying along with it.

We have a consistent seizure of ecstasy on the Gold Coast. In 2004-05, one shipment of 91,000 tablets was intercepted on the way to the Gold Coast from interstate. The synthetic drugs—fantasy, ecstasy, GHB—are all seen as party drugs. It is portrayed that you need these drugs to party. Part of that blame goes to the media. These drugs have been portrayed as party drugs for a long time, instead of what they really are, which is a dangerous drug. They need to be more demonised than characterised as party drugs.

An issue we have on the Gold Coast is that we have six outlaw motorcycle gangs established in the Gold Coast area. There is an additional Hell's Angels at Logan, which is about halfway between the Gold Coast and Brisbane. The OMCGs are becoming involved in apparently legitimate businesses, including the security industry. They are employed as security on licensed premises and therefore they control who comes in and who goes out and what drugs go in and what drugs do not go in. Therefore, they have control over the supply of drugs in the licensed premises. We are working with liquor licensing and fair trading to try to put a bit of a stop to that. We have had some success but, unfortunately, it is not just members of the OMCGs who are doing it; it is their associates. So it is very hard to say who is and who is not in it.

A high percentage of drugs seized on the Gold Coast are cannabis, amphetamine and ecstasy. Other drugs seized are heroin, more of the synthetic drugs and small amounts of cocaine. The 2004 DUMA report showed that, of the persons tested at the Southport watch-house, 39 per cent of all property offenders and 22 per cent of all persons charged with violent crimes tested positive for amphetamines.

We are well supported on the Gold Coast by the Brisbane State Crime Operations Command, the Australian Crime Commission, the Federal Police, Customs and the CMC in our joint operations. We have had some success through those joint operations in targeting the manufacture and distribution of illicit drugs. This level of cooperation is a positive aspect of, I suppose, our war on drugs on the Gold Coast. Thank you.

CHAIR—Thank you very much.

Mr KERR—You mentioned the outlaw motorcycle gangs as a concern. Notwithstanding law enforcement attention to outlaw motorcycle gangs, there does seem to have been an increase in

the strength, durability and activities of those organisations as a phenomenon in Australian crime. Is that your impression?

Det. Insp. Hartwell—The last 12 months have seen a recruiting drive by most gangs. We had the instance referred to as the ‘bikie shoot-out’ on the Gold Coast recently, where two gangs, the Finks and the Hell’s Angels, exchanged shots in the fighting arena. That seems to be part of their trying to expand their territories. We are finding that some of the gangs are linking with each other and sharing territories for the distribution of drugs. Drugs seem to be their main source of income and how they finance their other activities. They are buying into properties, into legitimate real estate, to launder their money. They do have legitimate businesses and, as I said, they are getting into the security industry. But there does seem to be an upsurge in bikie memberships, particularly in Queensland, and interstate—from our dealings with the interstate gang squads since the shooting.

Mr KERR—And that is largely financed through the sale of amphetamines?

Det. Insp. Hartwell—Well, they have no other legitimate income, and it would appear that the drugs are their main source of income. They guard their territories fairly well, because they see them as their income and they do not like other gangs encroaching into their drug territories.

Mr KERR—They were not engaged previously in the heroin industry?

Det. Insp. Hartwell—No, they seem to have left heroin alone, but amphetamine and ecstasy seem to be their big push.

Mr KERR—The other question, which I suppose is a more systemic one, relates to law enforcement and drugs, which has had impacts in all state jurisdictions and on the National Crime Authority before and the ACC, and no doubt will in the future. I am just wondering how you are dealing with the balance between having experienced law enforcement capacity with a detailed understanding of the environment and the fact that there has been a history of, I suppose, cops going bad where there has been insufficient turnover and where relationships between those in the underworld and the police have intersected. Queensland has had a background before where that issue was very public, but you are not unique in that. We have just had Victoria having those difficulties, and Western Australia I think had similar allegations, if not proven events, recently. I am just wondering how you deal with these things, because it must be a difficult tension all the time between making certain that you have the capacity to have experienced officers understanding the environment and, at the same time, realising that if you do not have turnover you have a capacity to find people moving out of the effective control of your force.

Det. Insp. Hartwell—I will comment on two areas in that regard. On the Gold Coast, we have an anticorruption risk management plan where we look at issues of where corruption may or may not eventuate. As part of management, we monitor that on a day-to-day, week-by-week basis. We do not have a specific drug squad on the Gold Coast; we are supported by the state drug squad from Brisbane, so we do not have a target-specific group of police on the Gold Coast looking at drugs. So, with respect to the drug industry, we do not have that problem down there.

I was with the state drug squad in Brisbane for nine months. A turnover of the staff of that squad occurs there generally every three years. That results from, in part, not only the multiskilling of the officers involved but also anticorruption issues. Because the work of that squad is state wide, its members are not specific to one environment, such as the Gold Coast or the Brisbane district, and they tend to move around more. The risk of corruption in that sort of environment is somewhat reduced.

Mr WOOD—One thing that greatly concerns me is the difficulty that police have in getting into rave parties and clubs where there is a younger market trafficking in or using these drugs. Is there a system up here of not specific operations but maybe random undercover police of a younger age hitting various clubs and rave parties?

Supt Carew—We do that quite regularly in Brisbane. We are lucky that, here in Brisbane, we are a training ground with a lot of young police coming through. As they come through, we identify those who we think would be able to work in that environment and then send them in on operations.

Mr WOOD—Is that fairly ongoing? Would you expect that to occur every Thursday, Friday and Saturday night? From my previous role at the Melbourne East police station, which was probably the second biggest police station in Victoria, our resources only occasionally allowed us to do that. The only reason we found out there was such a drug epidemic was because the new trainees, as they graduated, said, ‘We went to a nightclub last night and this stuff is everywhere and you guys are doing nothing about it.’

Supt Carew—I guess from my perspective, our nightclub industry is so compact that we are pretty much on top of the clientele and there are some places that we know are using more drugs than others. Our staff turnover is very high, so we can put people through very regularly. Every couple of months we have a new batch of trainees come through. We are very lucky in that regard. I guess once every six weeks we would do that type of operation where we are doing some controlled activities and having people inside hotels, motels and clubs.

Mr WOOD—The only other question I have is taken from the previous submission. You probably heard my closing comments on the testing of pills. Is the testing of pills done up here at all in nightclubs?

Det. Insp. Hartwell—On site or following the detection?

Mr WOOD—On site—not on whether it is safe or otherwise but just to let the person know what is in the drug.

Supt Carew—No, we do not do that.

Mr WOOD—What are your thoughts on that? Can you answer that question?

Supt Carew—I am not sure how resource intensive that would be or what training would be necessary.

Mr WOOD—This is not the police doing it; this is a voluntary organisation.

Supt Carew—We do drug testing with vehicles and we have an organisation that will work with us in doing some sampling of people for drugs, but that is not testing the drug; that is testing people for drugs in their blood.

Det. Insp. Hartwell—I suppose the risk there is that you are allowing people to test drugs which are illegal and tell someone it is okay to take it, and if they take it and have an adverse reaction to it you have the vicarious liability issues that come with that.

Supt Carew—Not only that but it is an exhibit, so you would be tampering with an exhibit.

Mr WOOD—I notice the reaction from the back. Their purpose is not to say whether it is safe but more just to give information back to a potential user. Obviously I have concerns about that, but you guys are on the street. What is the feedback? Is it something that would work?

Det. Insp. Hartwell—To me, by setting a process in place are you saying, ‘Yes, it is okay to take ecstasy, providing it is ecstasy.’ A lot of the compressed pills that come out on the street are nothing more than methylamphetamine, which is compressed into pills and sold as ecstasy. Ecstasy pills can sell for \$30 to \$35 each, whereas compressed amphetamine can sell for \$10 to \$15. So by saying it is ecstasy they are making more money out of it, where in actual fact it is only methylamphetamine. Again, personally—and this is not the police stance—I would be loath to have anyone indicating that something was safe or not safe to take in a nightclub if it is an illegal substance. While it is illegal I think it is a dangerous precedent.

CHAIR—They are not indicating whether it is safe or unsafe. They are telling people what is in it. As an experienced policeman and policewoman, if you busted some of these volunteers who are in there testing the pills for the kids, what chance do you think you would have of getting a jury to convict them?

Det. Insp. Hartwell—I do not know. It is a legal issue and something that is a bit difficult, but by handing the drug back to the person they are committing a technical supply. In law it is still a supply. Our definition of supply in Queensland is fairly broad. By doing that, it is the same as passing a joint from one person to the next.

CHAIR—I appreciate that. But my question was: knowing juries—

Det. Insp. Hartwell—I do not know. You can get juries whose kids are in that teenage era and who would hate to think that their kids were being—

CHAIR—In this instance, the argument would be that their kids are being helped because the kid has come in with the pill. All these people are doing is saying, ‘Well, this contains this, this and the other, and those things can do you harm.’ I appreciate it is an unfair question. You would never try to predict a jury.

Det. Insp. Hartwell—I would look at it as a father and hate to think that anyone was even indicating to my child that it was okay to take any substance other than—

CHAIR—But say you are a father of a child who already has bought the drug, is going in and, if these people are not there, is going to take it. If it is tested, it may save your kid’s life.

Supt Carew—I would prefer them to take the drug off them and pocket it.

CHAIR—The kids would not go near them if they thought that would happen.

Det. Insp. Hartwell—And I think it is part of demonising the drug rather than it continually being portrayed as a party drug.

CHAIR—I think we all agree with that.

Det. Insp. Hartwell—A lot of people do not realise what is contained in methylamphetamine—it is made from hydrochloric acid and hypophosphorous.

CHAIR—But my point is that the kids have bought it and they are going to take it. What if someone else tests it and says, ‘Look, this will kill you’—not because it is a drug but because it is a badly made drug? Anyhow, that is a matter for debate later on, I am quite sure.

Senator FERRIS—My question in a way follows on from some of those earlier questions. You talk in your submission about these clandestine laboratories and you describe them as cottage industries. I am interested to know how those people who work in those industries make the tablets. What chemistry training would they have, for example? How would they get their knowledge of the ingredients—or is this really part of the danger of this, in the sense that it is a hit and miss operation?

Supt Carew—I think John would probably be able to answer that a little more technically than I can. We have not had a lot of clandestine labs in my district, but I do know that you can access things off the net telling you how to make these drugs. The people with whom I have had dealings in the past have usually been people involved in outlaw motorcycle gangs or people with substantial criminal histories. I do not think they worry about any degree in terms of making these drugs. I think they just cook them up and take the chance.

Senator FERRIS—Because they do not take them themselves.

Supt Carew—I think sometimes they do and sometimes they do not. I do not think there is any evidence to suggest one way or the other that they are not users.

Senator FERRIS—But certainly they do not necessarily follow a set of criteria in making them.

Supt Carew—And that is probably the biggest problem, because we are saying that half the time these kids would not know what they are putting in their mouths. You do not know where the pills have been made. There is no quality assurance. There is nothing.

Det. Insp. Hartwell—Most of the ecstasy that we find comes from overseas. Very little of it is made within Australia. What we find here is methylamphetamine or a derivative of methylamphetamine. We find commercially available pill presses, or even homemade pill presses, are obtained, so a lot of the pills that are made within Australia are merely speed or amphetamine made up to look like ecstasy and sold at a higher price. It is a way of turning a bag

of powder which they get X amount of dollars for into a bag of pills which they will make five times the amount on. It comes down to greed.

Supt Carew—I will comment on this new drug that we are starting to look at now—this 14B. It is a drug that—and I have some notes here—up until recently it was legal to possess. It only went on our schedule in April this year. It is possible to purchase this chemical by faxing a completed order form to chemical companies located by a simple Google search on the internet. You can purchase as much as you like. Offenders have been admitting to purchasing up to 15 litres of the chemical over the net and having it posted to them. One such purchase was 15 litres for \$480, postage included. When sold on the street, it has a value of approximately \$6 per ml. That has a potential street value of \$90,000.

From the facts sheets that come off the net, it is not an angry drug like crystal meth but more puts the users into a state of intoxication. It is a chemical formula. It is used for industrial cleaners, it is used in polyurethane to make car bumpers, it is used to make spandex and it is also an abused recreational drug. It comes in liquid form—a ml in a dropper. Put it in a dropper of water, and when it is ingested it turns into fantasy. So it is legal. Queensland is the only state so far that I believe has it on its schedule. That is a very new one.

Senator FERRIS—And the scariest part of that is that you can buy it on the net from some other state in Australia, which leads me to the question about consistency of legislation. This morning I was asking a question in relation to, for example, Tweed Heads and Coolangatta. Do you have difficulties just across the river that restrict your operation, or perhaps in Albury-Wodonga or some of the twin towns on borders where the legislation changes from one side of the river to the other? Does that happen to you?

Det. Insp. Hartwell—No.

Senator FERRIS—I suppose 14B is one of them.

Det. Insp. Hartwell—Today is the first I have heard of 14B, I must admit. I do not know whether it is still legal in New South Wales, but generally on the cross-border towns the police on both sides of the border are special constables in each other's state, and that happens in all the Australian states, so they can operate on both sides of the border.

Senator FERRIS—But what about for legislation?

Det. Insp. Hartwell—Again, we work within the legislation of that particular state if we cross over the border. With drugs, possession is possession, supply is supply and trafficking is trafficking. So if a case comes up and someone is detected over the border, they are generally handed on to that state police to continue with the prosecution. I know in some states it is legal to grow X number of plants for personal use, whereas in Queensland you cannot grow any. Again, it is not a matter that comes over the border. In relation to the decriminalisation of certain drugs and possession for personal use, again, once they step over the border, they commit the offence here; across the border they do not. So it is not really an issue for us in that type of situation.

Senator FERRIS—I have another question I want to ask but I am not sure which of you would find it easiest to answer. Maybe the Gold Coast will provide the answer. I was quite impressed by the program that you have just started which targets the pharmaceutical industry, motels and hotels, the Real Estate Institute, and chemical and glassware industries. Can you tell us a little more about that?

Det. Insp. Hartwell—Is this Project STOP?

Senator FERRIS—Yes, I think that is what it is called.

Det. Insp. Hartwell—That is being run out of the state-Commonwealth operations command in Brisbane. It is an initiative of that command. It started with the pharmaceutical industry about two or three years ago and it has built up a bit of impetus. A lot of it is through self-regulation and self-monitoring, particularly within the chemical companies that supply the base chemicals for the manufacture of the drugs. I think there is some legislative requirement on some to report, but on others there is not. There is no requirement to report the sale of glassware, but the manufacturers and suppliers do voluntarily report to police suspicious persons who are buying the type of material you need to produce drugs.

Project STOP has, with the pharmaceutical industry, identified people who are out there pseudoephedrine shopping. They are going from chemist to chemist to chemist over large areas using the same ID. The laboratory that exploded on the Gold Coast last week uncovered a side issue of that, in that they are using stolen Medicare cards or falsely manufactured drivers licences to legitimately purchase the drugs under false names to avoid detection. A concern is that we may see a rise in burglaries of pharmaceutical companies or chemist shops to obtain the drugs. A point of concern is also the illegal importation of pure ephedrine itself to assist the market.

Since the introduction of Project STOP, remarks we are getting from the drug users themselves is that it is harder to get the ephedrine to manufacture the drugs because the chemists are challenging more often and are asking for identification. If people are asking for more than one box, chemists are refusing to supply it. So it makes it more difficult to obtain it. The actual manufacturers of the drugs themselves have voluntarily reduced the boxes from 90 to 60 to 30, and I think they are down to 15. The volume of what can be sold over-the-counter is becoming smaller and smaller. To get more than one box you need a script from a doctor. So it has definitely had its pluses.

Senator FERRIS—What about the Real Estate Institute? How does that work?

Det. Insp. Hartwell—They are reporting on rented premises which are used for the manufacture of drugs, because they do their rental inspections. We had one on the Gold Coast where the tenant said they wanted two days notice before an inspection. They wanted to be able to clean the place up, of course, before any inspection. And we are finding a lot of the real estate agents are reporting to police on suspicious persons who are renting—who are, say, looking for a house with an external shed, for some reason or other, and making extraordinary demands for notification of inspections. It is uncovering a number of potential speed cooks that way.

Senator FERRIS—That seems quite a commendable program to me. Is it only being done here, or is this something that each of the police commissioners are working on in each state?

Det. Insp. Hartwell—I understand that Project STOP is going interstate. It has been picked up by the other states. I was just talking to our friend from the CMC, Mr Keen, earlier on and he was indicating that it appears to be going across the Australian states.

CHAIR—The Western Australians told us that they started it and exported it to you. In evidence, there is a very good pamphlet put out by the real estate people. As the owner of a Gold Coast unit myself, I am interested in your comments on that. Do you get a lot of help from the building unit managers in the high-rises?

Det. Insp. Hartwell—We find that most of them are very supportive of the police and of getting that criminal element out of the units because it detracts from the units. They do not want the units to have the reputation of being used for illegal purposes, whether prostitution or drugs. So we find that we do get a lot of contact. There is a property managers group, which the police have an involvement with. We attend the meetings. We have a fax-out process from our intelligence unit on the Gold Coast. We fax out intelligence bulletins to the unit managers on people that we may be looking for—suspect persons, wanted persons—and they are very helpful. They brief their staff and they provide information back, so it is quite good.

Supt Carew—Could I just add to that? We do it a little bit differently up here, in that we have the Crimlink network. It is an email address that we set up with groups. No matter where you work or what jurisdiction you are in, the greater the network you have—whether retailers, pharmacists, moteliers or hoteliers—and the greater the expansion of that network electronically, the greater the opportunities you have of getting information back in. So we set it up electronically. It makes it a lot easier to get information out to a vast group of people in a very short period of time.

Senator LUDWIG—I note that in your submission you indicated that there is an interdepartmental working group which recommends changes to the legislation in this area. Is there any work being done currently on precursors?

Supt Carew—I cannot answer that question.

Det. Insp. Hartwell—That is handled through the state drug squad in Brisbane. If the committee requires that information we can make inquiries and get back to you.

Senator LUDWIG—There is some evidence that there has been significant work in the federal arena, particularly in the latest amendment to the Criminal Code which deals with the serious drugs offences and other measures, with a range of trafficking offences and also precursors and the like. But there are indications—at least some of the evidence suggests—that the states are not keeping pace with that change. So, having a state before us, I was curious as to what your response to that would be.

Supt Carew—We could get something back to you on that, but I could not answer that question.

Det. Insp. Hartwell—I know there is some legislation to be before parliament in Queensland shortly which would make it that if you have this glassware with this chemical then that is evidence, prima facie, that you are in the manufacture of amphetamines, which would make it an easier standard of proof.

Senator LUDWIG—I felt it was one of those areas where, having had the evidence raised, it was necessary to give you an opportunity to respond to that in some way. In terms of criminal databases more generally, do you use the ACC databases ACID and ALEIN?

Supt Carew—Yes.

Det. Insp. Hartwell—Yes.

Senator LUDWIG—Do you have your own database dealing with criminal intelligence or are they all interlinked?

Det. Insp. Hartwell—Queensland had a stand-alone intel database years ago, but now it has become the national database. Each state contributes and uses ALEIN and ACID as the main sources of intel, so it is shared across Australia. Specific operational issues are separated.

Senator LUDWIG—How are they separated?

Det. Insp. Hartwell—With password entry—that type of thing. They would be on the database but would not be accessible unless you were given authority to access the particular information. That would pertain to operational issues. With general intelligence there is a big issue, and I think Mr Keen from the intelligence unit at the CMC will be capable of answering that one more fully.

Senator LUDWIG—I will wait for Mr Keen and re-ask that question.

Mr RICHARDSON—It is in your submission that the Queensland service keeps a statistical analysis of the clandestine labs. Can you share with the committee whether, say, in 2004 there were a certain number and in 2005 there were double that again?

Det. Insp. Hartwell—From memory, in 2004 we had 212 labs located in Queensland and in 2005 it was 188, so we actually saw a slight reduction. Queensland leads Australia in the number of detections of clandestine laboratories, but most of the labs located up here are small box labs, so it does not mean that we produce the most. Some of the labs located interstate are large commercial ventures, as against the small box lab, which could be described, I suppose, as the cottage industry side of things.

Mr RICHARDSON—I am looking for some answers—as we all are—in relation to the level of amphetamine use, particularly by the 20 to 29 age group. I am also looking for some answers about the underage group, the juvenile sector. Can you describe your method of diversion for juveniles now and if there is a better way, in your opinion, that it could be addressed, either by legislation or by the court process?

Supt Carew—We have our drug diversion courts. However, they are not generally for amphetamine use but for cannabis use. Juveniles are cautioned through the juvenile courts. Specific programs are run through a lot of our major hospitals for children who have quite specific drug problems.

Det. Insp. Hartwell—The Department of Child Safety gets involved. The juveniles detected with a narcotic type of drug are dealt with through the cautioning process by the police or through the juvenile courts. But, as I said, the Department of Child Safety becomes involved and looks at the ongoing counselling of the child following their detection, whether it is through the police or through the courts. In relation to diversion, as Tonya has indicated, the only drug diversion currently offered in Queensland is for marijuana. For the harder drugs, heroin and amphetamines, it is not currently offered. I understand there is some view to looking at offering that diversion.

Mr RICHARDSON—In your opinion, therefore, should that occur for amphetamines and harder drugs, with both juvenile and adult offenders? Is the lack of resources the issue?

Det. Insp. Hartwell—I do not think it is something we can really comment on. It is something well above where we sit, both in the organisation and in the state. I think it is something that needs to be asked at a higher level, either to the government or at commissioner level.

CHAIR—Have you been involved with the Australian Crime Commission in work against drugs? I assume you have. How useful do you find the coercive powers of the ACC when it comes to drug investigations?

Det. Insp. Hartwell—Extremely useful. Operation Soho is mentioned in the QPS submission. At the time that was on I was the acting superintendent in charge of the drug squad in Brisbane and I had a close involvement with that and worked with the ACC leading up to the arrest of the offenders. The ongoing coercive hearings enabled the seizure of almost \$7 million in assets as a result of that ongoing investigation, and the extraction of further information regarding the importation of the precursor chemicals. The coercive powers—and we use them with the CMC as well at the state level—have definite investigative positives for trying to elicit that extra information which you would not normally gather.

CHAIR—Is there anything else that governments around the country could give you that would help in the fight against drugs?

Det. Insp. Hartwell—Is that excluding three wishes and a magic wand?

CHAIR—Use your own magic wand and give me the answer.

Supt Carew—I think that we could really look at some better provisions with licensed premises in terms of licensees and managers. I have been looking at what has been happening in London recently. They have what they call ‘responsible management orders’ in licensed premises. If any licensees seem to be doing any activity which is harmful to a member of the public, or if there is engagement in drugs or non-responsible service of alcohol, then these management orders can be used on them to bring them into line. They have had a massive

reduction, even just in assaults, by about 22 per cent since they have brought this in. Those sorts of things, where you have a little bit more power with licensees, can help, because if they are not working with you it is very difficult.

The other emerging factor is what they call 'recovery clubs'. They are not licensed, so they do not come under the provisions of the liquor act. We have no powers to go in there unless they open the door. We have got to enter by way of warrant. Those clubs are just a place where people can go after a heavy night at a nightclub, and we know they are in there taking drugs. So there are a number of issues that need looking at as emerging trends for drug use in licensed premises—which is predominantly what I see in my district.

CHAIR—I am not sure that it would be your role, but do you know if anyone has spoken to the AHA about that sort of action?

Supt Carew—The Queensland police are having a summit in two weeks, hosted by our deputy, addressing all of these issues. Out of that I would hope that we would get some good recommendations.

CHAIR—Is that going to involve the AHA?

Supt Carew—No, it is just an internal summit. You are talking about the hoteliers association?

CHAIR—Yes, the Australian Hotels Association. It would be interesting to hear what their policy view of that is at the top level. They may well agree with you.

Supt Carew—We are actually having a review of the Liquor Act in Queensland at this point in time; it is being rewritten. There is consultation right across the state with hoteliers and anyone involved in the industry—like security providers—about how we could better manage our problem in licensed premises.

Det. Insp. Hartwell—In relation to the licence industry, on the Gold Coast we have the Liquor Industry Action Group, LIAG, which consists of representatives of the different licensed groups—hoteliers, restaurateurs, nightclub owners. They have elected representatives which come together in the LIAG. It is chaired by one of their own members and it involves the police and the liquor licensing department itself. They look at issues and, if there are concerns raised at this forum, the elected representatives then go back to their respective organisations and discuss it at that level, and then they bring responses back to LIAG. We find that very useful on the Gold Coast, in looking at some of the issues that are there. Unfortunately, not all the licensees come—and those that do not are generally the ones we have the problems with. There was some suggestion that, as a condition of their licence, they must belong to the Liquor Industry Action Group to force them into that situation and to encourage compliance with what everyone else was doing in the industry. We are talking closely with the liquor licensing department with respect to those issues.

CHAIR—The final question from me is: are the problems that you—as regular, on-the-beat policemen—have with licensed premises mainly a result of drugs as opposed to alcohol? I

assume that, years ago, your biggest problem with hotels would have been people who were under the influence of alcohol. Has that markedly changed to drug related problems?

Supt Carew—As I said previously, in our city area it is mostly alcohol related. In the Fortitude Valley area, we are finding that it is more drug related. The majority of our intelligence is coming out of the Fortitude Valley area. So it is pretty much situational, I think.

Mr KERR—Did you do any evaluation after the raids that you did with the police dogs? Some of the criticism was that it actually increased the risk of harm to people, because they consumed the drugs they had on them. They were consuming in larger amounts. I am just wondering whether there was an evaluation of that.

Supt Carew—At this stage, it is too soon to tell, because ours was only three or four weeks ago. Anecdotally we are hearing from licensees and people who have business houses in the valley who have put the fear of God through most people. The following weekend, no-one could get on anywhere, because nobody wanted to bring in their drugs. We have had some really positive feedback from what we did. So I think it is too early yet, from an assessment point of view. We are now starting to see more activity around car parks, where they may not be bringing in the drugs in quantities. So we are now targeting the car parks, which is one of our next operations coming up. It is kind of like this transitional thing that you have just got to keep following the pattern and keep up the pressure.

Mr RICHARDSON—I have one final question, Chair. Detective Inspector, it may be your sort of regime, because schoolies week—he closes his eyes; he was waiting for this one, I think—is poorly painted in the media. I am interested in knowing what you are doing now as opposed to, say, five years ago, with respect to some tactics. Probably seven days later you are glad that it is all over.

Det. Insp. Hartwell—Unfortunately for us on the Gold Coast, schoolies runs for a month, not a week. What is happening now is that it is much more organised. There is a group that manages the schoolies week. There is more ownership of what actually happens through the week. This year they are trying to extend the entertainment from the first 10 days to the first 15 days, so that the young people have something to do. They have got beach entertainment, beach theatre and other organised activities to try to discourage the kids from binge drinking and taking drugs.

In the two schoolies I have been on the Gold Coast for, it was nothing like it was before. I hear anecdotal information from other police who have been there for a number of years that the schoolies is better managed, better run and better policed. We have young people coming up to the police—particularly last year; I have witnessed this—and saying, ‘Thanks for being here. We feel safe.’ They are more concerned about the predators that come with schoolies than what they are doing themselves. I have daughters who have been through schoolies, and it is always a concern for any parent. It is managed now. There is ownership of the event by a joint organisation. It was originally set up by the Queensland government and I think it has now been passed on. The Surfers Paradise business association ran it last year, and it looks like they will run it again this year. It is a major event. When you think that, in the first week, something like 32,000 kids descend on Surfers Paradise, it is a policing nightmare.

Mr RICHARDSON—I would imagine that there would be several organisations that provide harm minimisation through that process as well.

Det. Insp. Hartwell—We have volunteer counsellors, and there is a volunteer army—almost as many as the police working the streets—providing support for kids who are intoxicated or who may have taken drugs. They have first aid tents set up along the beachfront, St John Ambulance, the state emergency service, and all the first aid people are there as well as volunteer counsellors. There is also peer support. Kids who were at schoolies two or three years ago are now coming back and acting as role models, to try to encourage the kids away from the alcohol and drugs and do the more legitimate exercises that are available.

CHAIR—Superintendent and Detective Inspector, thank you very much for your time and for the information you have given us. We very much appreciate it.

[3.36 pm]

KEEN, Mr Chris, Director Intelligence, Queensland Crime and Misconduct Commission

CHAIR—Thank you very much, Mr Keen, for coming along. As you would appreciate, you are not required to answer any question relating to policy matters; if you need and wish it, you have the opportunity of referring matters to others. We very much appreciate you being with us today; we are very keen to hear what CMC might have to say about amphetamines and other synthetic drugs. As with all of our witnesses, we very much appreciate the time and effort you put into coming here today—you have a busy schedule, I know. We also thank you for the submission you have put in. I invite you to make a short introductory statement, and we will then move to general discussion.

Mr Keen—As you say, we have put in a submission, so I will just go through it and hit on a couple of the highlights. As far as the trends in amphetamine use go, the Queensland Crime Commission, back in 1999, identified amphetamine as the No. 1 risk from illicit drugs within Queensland. That was confirmed in 2003 in another report and then in 2004 by our crime markets assessment. So, for some time the CMC has viewed this as the No. 1 risk to Queensland.

We have always had a significant number of laboratories within Queensland. We think the cottage industry might be on the cusp of a bit of a change to do with some of our other initiatives; I will discuss that as we go along. Like our Queensland police colleagues, we are starting to observe a greater use of ice throughout Queensland, not just in the south-east corner. We have also noted several cases where tablets have been sold as ecstasy when in fact they are more likely to be amphetamine; they seem to have a better cachet or value if they are packaged as ecstasy. A lot of the ecstasy and methamphetamine is associated with the nightclub scene and therefore that is one of the areas that we focus our prevention strategies on.

As far as strategies to reduce the impact of amphetamine go, I would like to highly commend the Queensland police and the Pharmacy Guild for Project STOP. The role that they have played in managing to reduce—if not actually eliminate—a lot of the precursor chemicals shows it is an excellent initiative. We are starting to see the impact of that throughout Queensland. As was touched on before, that program is now going to be rolled out across Australia. The states are at varying points, but a couple have already commenced it. I think that by June this year it will be Australia wide, so it has been an excellent initiative.

That strategy is, I think, going to have an impact on the cottage industry. Where previously there was a fair chance of doing pseudoephedrine runs or finding reasonably ready ways of obtaining the precursor chemicals, it is now going to become harder and harder. Therefore I think it is going to move to a more sophisticated and organised enterprise; that is what we will be seeing from here on forward.

I do not think the fact that we are already noticing a drop in the number of laboratories detected is an adverse reflection on law enforcement. I think the nature of those laboratories has changed when looking at moving to larger enterprises. It also probably means that there is going to be a greater role for importations, both of precursors and of finished product. So you are

probably looking at a change occurring. I think Senator Kerr mentioned the displacement. That is exactly what I think we will probably see over time. There will be some change in the nature of that.

One of the other strategies that I wanted to touch on, which the others have mentioned, is the use of the internet to identify not only the precursors but also the pill presses, glassware and such. That has been a very effective means of trying to disrupt the influx. I think the ACC did some very good work in talking with a number of suppliers of those sorts of utensils.

I think a very effective strategy is through the proceeds of crime legislation. It was touched on before. I suspect that our Queensland police colleagues were talking about the same operation. Once we had a successful investigation and the arrest of a number of individuals involved in the production and distribution, it was followed up by a proceeds of crime action, where it was starting to have a significant impact upon a person's long-term financial wealth. Going forward that is an area that, over time, I think should continue to be enhanced and applied more widely. Queensland introduced its proceeds of crime legislation about 18 months ago. We are still going through some teething issues, but we believe it is going to be a very effective tool.

With regard to the extent and the nature of organised crime involvement in this, we have seen substantial involvement of outlaw motorcycle gangs. But it is not exclusively used by them. One of the points we would make in relation to OMCGs is that in some cases they can be quite narrow in the use of their own members, but in many cases they are quite fluid. They are quite willing to use people who are either other OMCG members or from other areas. They basically see themselves as businesspeople taking advantage of whomever they need to. So the fact of having a very strict and controlled grouping is really less the case than, say, 10 or 15 years ago. The groups are really quite fluid, and they are willing to have relationships that come and go to suit their needs. So we are not seeing them staying completely rigid in their groupings.

We have also noticed that in some areas there is a compartmentalisation of the production process. We have a couple of publications here: one that we produced on amphetamines as the No. 1 threat and also one on laboratories. We had one individual who was making \$40,000 a month just by providing precursors. From that individual's point of view, they obviously did a very good risk assessment and decided that, should they be caught, the penalties would be nowhere near as great. I think \$40,000 is relatively lucrative for most individuals. So we found that aspect is becoming involved, where they will do their own component and then pass it on to the next person who is willing to take either a greater or lesser risk. To a certain extent some of the changes to legislation in relation to precursor chemicals should hopefully make that a less attractive option.

We have had a large number of recidivists. Senator Ferris, you asked about where they get recipes from. In some instances they do get them from the internet. There was an instance some time ago—I cannot remember the exact cost—where you could go to an amphetamine cooking school. They were able to provide you with the training and the wherewithal. I am not sure what they had as far as follow-up. I am not too sure what qualifications they came out with, either. The situation was that it was available for people to go to. You have some people who are, after a period of time, particularly talented at doing that.

Last year the Crime and Misconduct Commission wrote a law enforcement only in-confidence document, *Clandestine methamphetamine laboratories in Queensland*. We outlined some of the production methods that they go through, where people could find out the recipes and also some of the indicators that you could look for, such as glassware, pill presses and the chemical waste from the production process.

Senator FERRIS—Could we have that document on an in-confidence basis?

Mr Keen—Yes.

Senator FERRIS—That would be fantastically useful. Thanks.

Mr Keen—That document was sent to all the law enforcement agencies, but because it actually goes into recipes—only very briefly, mind you—that needs to be very much a law enforcement only document. It has some pictures in there as well which show you just how primitive some of the set-ups can be.

I will go to the recidivist cooks, which I touched on. One of our problems is that at one stage we had a couple of cooks who were basically going out on bail and then—they are not the brightest people in some cases—going back to the same premises, being rearrested and then getting bail again. It was somewhat frustrating for my QPS colleagues. They got to be on a first-name basis with some of these people, almost. The role of the recidivists has been reported in the media as well.

As far as legislation goes, there are some very useful changes being made to the Queensland Drugs Misuse Act, particularly in relation to precursors. You would probably be aware that Queensland currently does not have telecommunications interception. That remains an issue for us because there are some circumstances unique to Queensland that cannot necessarily involve Commonwealth agencies. That would certainly be one of the strategies that we would like to have made available to us. I believe that is being discussed at the present time between the Commonwealth and the state.

Another of the initiatives that I think deserves mention and that should be commended is the national chemical diversion conference that we have pretty well every year. One of my colleagues gets to go all over the country to relatively good conference facilities. But that has all the law enforcement agencies and it is an excellent way of sharing the knowledge. It has given us some very good insights into investigative strategies and hearings powers that we can use from time to time to help discover producers and distributors of amphetamine.

One of the points I was going to make was that, with this trend to move away from the cottage industry, the greater reliance upon importation either of precursors or of finished product is going to end up meaning there will be an increased requirement for joint task forces and joint agency work. We see that the Australian Crime Commission, the Australian Federal Police and the Australian Customs Service are often going to need to be brought in for some of our co-development and then eventual operations that we need to mount. So we suspect that this change will give greater priority for those joint activities.

I will just mention a couple of other publications. There was mention of the demographics of the amphetamine users. In 2003 the research area of our Crime and Misconduct Commission wrote a report called *Patterns of amphetamine use*, which has some demographics. They had 665 respondents who were all amphetamine users, and they give a fair breakdown. This is an unclassified document which you are more than welcome to have.

CHAIR—Who is that published by?

Mr Keen—That was done by the research and prevention area of the Crime and Misconduct Commission. They outsourced a reasonably extensive survey where volunteers spoke to amphetamine users. We are looking at doing a follow-up survey if possible, to get some longitudinal material. The volunteers gathered information on users' demographics, gender, employment and health issues, but they also looked into when they first used. I must admit I have not gone through all the information, but there may be some material that could be of value to you, if you wish to receive it.

CHAIR—Very good, thank you.

Mr Keen—There are three other documents here. One is *Amphetamine: still Queensland's No. 1 drug threat*. That was produced in June 2003, as I mentioned. There was a follow-up, where we did a whole organised crime markets assessment, including on amphetamines, in September 2004. Then there is a slightly more dated document on the ecstasy market in Queensland, which goes back to 2001.

Mr KERR—Can you tell us anything about the availability of ice, which has been said to be a new and perhaps more heightened danger for users? Has any research focused on that been undertaken?

Mr Keen—We do not have any research. We have intelligence—which by its nature generally tends to be anecdotal—suggesting that there is an increase in ice. We are still looking into it, but we have not received any information to indicate ice is being produced here in Queensland; it is basically coming up from Sydney or from overseas, though we do not really have any hard data yet to say that with certainty. Having said that, the Queensland Crime Commission's assessment in 1999 was based principally on intelligence material. They saw that trend and made that call then. It was another 18 months before there was hard data to be able to substantiate that—which is not an unusual situation.

Mr KERR—I have a question around the issue of displacement. If the removal of precursors from chemist shops and things of that kind is successful in taking out the amateurs, on one level you can claim it a success. On another level, if it simply means that you remove a whole level of nuisance competitors to the more effective, larger distribution systems, you have actually done a rather good service for serious and organised crime. I wonder how you would address this problem. If, in a sense, what you are doing is removing competitors by increasing market entry—so that syndicates have to be larger, more sophisticated and capable of international importation—on one level it is a great advance but on another level you may not actually change the availability of drugs on the street, just the means by which they are supplied.

Mr Keen—I guess there is a bit of market economics in there to start with, so it does tend to be going that way. I am not too sure that the cottage industry was ever going to be a really long-term entity that could survive that. I think the market was always going to sort that out at some point. On a more positive note, the existence of more substantial production and distribution networks allows us a better focus to disrupt those. Operation Mexico, which was conducted in January last year, was one of our first major disruption exercises, as it uncovered a long-term amphetamine production and distribution network that was based in Fortitude Valley.

So, in some ways, it is going to give us a greater chance to focus on significant disruption when we identify networks. Time will tell, to a certain extent, but the number of laboratories that were discovered just seemed to keep mushrooming all over the place. If we have significant disruption, I think now it will be longer lasting, because it will take a lot longer for those networks or syndicates to reproduce their original capability. At this stage it is certainly a win that there are fewer box labs. Also, it will be a longer term win for law enforcement and for the community when we are able to focus on those major production units. Once we disrupt them, it is going to be far harder for them to recover.

Senator LUDWIG—I note that you talk about change to the legislation, but it is dealing with adding precursors to your current drug legislation. It takes a different tack from what the federal government has now implemented. Have you had an opportunity to assess whether or not there is a better potential to harmonise the legislation between the various states and the federal government to ensure that there are no gaps?

Mr Keen—I need to apologise; I am not that familiar with the Commonwealth legislation. I can get back to you if you wish.

Senator LUDWIG—From a government's perspective, it would be helpful to understand where the states are with the serious offences, particularly in this area, and that your legislation is coping. Given that it is not disputed that there is a rise in use of ecstasy and amphetamines, although law enforcement agencies, both federal and state, seem to be indicating success in attacking this, there is still a rise, so either you are just reducing the increase—

Mr KERR—It is not increasing at the rate it would have.

Senator LUDWIG—Yes, but it is still increasing. I am open for you to comment on it, but it does not seem that you could successfully say that you have been tackling it to such an extent that it is reducing.

Mr Keen—Unfortunately, you are right, to a significant extent. The situation here is that we have to look at the supply and demand areas of it. In some ways we are starting to have an impact on the supply of amphetamines. Ecstasy is coming in more as an imported product, so at least that might explain some of our balance of payments problems! But you have a real issue in that, at the moment, we are disrupting the local production and distribution but now we are getting an imported product which is still being distributed, particularly in the ecstasy market. So, yes, we still have issues and we really need to make it a priority for ourselves to disrupt the overseas importations.

Senator LUDWIG—In terms of disrupting the overseas importations, do you work with Customs—

Mr Keen—Yes.

Senator LUDWIG—in joint operations, in sharing intelligence and in trying to at least find the level of the market that is coming in?

Mr Keen—You are probably aware that there is a national criminal intelligence operations forum that the Australian Crime Commission hosts with all law enforcement agencies from around Australia. Here in Queensland—I will be hosting it here on Thursday—there will be representatives from the Australian Federal Police, the Australian Crime Commission, the Australian Customs Service, Queensland Police Service and the CMC. We generally have two individuals from each agency—one from the intelligence side and one from the operations side. It is for exactly that purpose that we have those meetings. We are aware of what each other is doing and, in some cases, are able to assist each other with intelligence collection—for example, at the moment we are doing a major paper on cocaine in Queensland—or operational initiatives. A number of the operations with which we have had success in the recent past would have had two, three or four of those members involved at any point, so we liaise quite closely. There is always room for improvement, but basically I think there is a lot of goodwill and a good effort.

Senator LUDWIG—Do you work with Customs on an operational level as well?

Mr Keen—On occasions. More often than not it has probably been on a lot of the federal ones, but we have certainly worked with Customs in the past, yes.

CHAIR—On that point, you mentioned earlier in your comments that there were some things that were Queensland only and which could not involve the ACC. Could you elaborate on that.

Mr Keen—There are some instances—this is in relation to telecommunications and reception—where you really need to make sure that there is a cross-border or Australian Federal Police aspect to it. There may be some instances where it will not necessarily match the priorities that the ACC have, and that is no criticism; each agency has its own unique areas it has to give priority to. To a certain extent, we will ask, ‘Is it a reasonable fit for the Australian Crime Commission and the Australian Federal Police?’ because without some of those extra powers it is very hard to get the intelligence and the investigation leads that we need. That is one of the considerations the state government is presently looking at.

Mr RICHARDSON—I noticed that you mentioned in your submission the extensive number of small, clandestine labs in Queensland. Could you provide us with a profile of the cooks—crooks—in these clandestine labs, the penalties they are currently getting and whether they are reoffending?

Mr Keen—Because there are so many of them the profile is quite diverse. There are outlaw motorcycle gangs, there are almost mum and pop operations on remote farms in, say, the back of Gympie, and there are people who are quite good at chemistry and are linked into other organised crime groups. It has been reasonably diverse. It has gone from being a mum and pop type situation in some cases to being very highly organised, skilled and well resourced, and I

think we are moving more and more to that end. I do not think we are going to have people who are a bit short of cash saying, 'I've got a really good idea: let's see if we can make some speed.'

Mr RICHARDSON—And the penalties?

Mr Keen—I would have to check. One of the problems we have had is that, when they get arrested, they go out on bail and have to pay various debts, probably including lawyers, so they go back to what they do best and get arrested again. They get into a bit of a vicious cycle.

Mr KERR—It's always the lawyers' fault!

Mr Keen—I am sorry my QPS colleagues are not here to hear that!

Mr RICHARDSON—In your opinion, what is the distribution method for the product of the clandestine labs within Queensland?

Mr Keen—It has really come down to a lot of the nightclubs. Also, the OMCGs themselves have good distribution networks. Then I suppose it is simply the word-of-mouth supplies.

Mr KERR—I want to ask another question about displacement. If the scenario you have advanced is true—if the small mum and pop labs go out of existence and we essentially take out domestic production and substitute overseas importation—then law enforcement displacement will occur. The point at which drugs enter Australia is a Customs responsibility and an AFP responsibility—albeit with assistance, no doubt, from the state police—whereas the small labs are essentially a state responsibility. So there is a shift. Your prediction in this environment would be that there will be much larger seizures through Customs. That might confirm Customs' effectiveness but, with the drugs being produced offshore and then being brought in, it is merely displacement. I am wondering whether there is a strategic framework for this. Queensland has passed this legislation—you say that no other state has, but that they will. Is that not what you said about—

Mr Keen—Project STOP?

Mr KERR—Yes.

Mr Keen—It is being rolled out as we speak.

Mr KERR—But has there been a systematic roll-out of the law enforcement responses that will be needed to deal with the new market for this product which is obviously in demand and will now start to come in from overseas?

Mr Keen—Whilst I think there will be a displacement, it is not going to be 100 per cent by any stretch. We are still going to have precursors coming in as they have done for some years. That will continue to be a very lucrative area for those producers who have that level of sophistication.

Mr KERR—Big cook-ups here?

Mr Keen—They will tend to be on a larger scale than they were, say, five and 10 years ago, when you could simply go on your pseudoephedrine run and see what you found. As for the other displacements, we are going to be looking at the potential for other precursor chemicals to be identified. Superintendent Carew mentioned B8, which I must admit I only heard about an hour and a half ago from John. One of the worries is always that somehow or another, necessity being the mother of invention, people are going to try to find some other precursor chemicals that will be able to produce some type of illicit drug, so we have to be very wary of where the next market may be. It is about constant vigilance. It is not a situation where you can say, ‘I’ve got that one licked and I can cross off illicit drugs.’ We are going to need to have eternal vigilance.

But there is a positive in that it is far harder for a wide number of groups to produce amphetamine. I think it also has some good positives for law enforcement. If it does come to it—and it is a hypothesis rather than a proven fact at this stage—we are going to move towards having larger scale manufacture and distribution. From that point of view, we are going to need to aim at that higher level—disruption exercises.

CHAIR—You are director of intelligence. You have heard some of the harm minimisation discussions that we have been having. Is that something that you would have an official view on, in either your crime or misconduct role?

Mr Keen—What exactly do you mean by harm minimisation?

CHAIR—I am not sure when you came in, but we have had some discussion at all of our hearings about testing of pills at rave parties and outings. There are obviously very different views on whether that should or should not be done, whether it sends the wrong message or whether it might actually save lives. Is that something the CMC would be involved in at all?

Mr Keen—I would be reluctant to give any official response on that one, I must admit. I take Inspector Hartwell’s point that once you have a drug in your possession and pass it on to another you have committed an offence. Having said that, I think it is interesting that they actually went and spoke to users of amphetamine and gained some very good information out of that about the patterns of amphetamine use and, from that, they are looking at ways of putting in greater prevention methods further down the track. But I am afraid I am not able to endorse or oppose that at this point. I think it is quite fraught to use a rave party as a venue for that type of activity, but at some point you are going to need to get to the people who are most impacted by this, in surveys or in some other way, to be able to get the data you need to take the prevention measures.

CHAIR—The argument is that it is not so much the data you need as to try to save the lives of kids who have the pills, to at least be saying, ‘You shouldn’t be having the pills but, if you’ve got them, that one’s good and that one’s no good.’ They do not actually say, ‘That one’s good,’ but they will tell you what is in it.

Mr Keen—That gets back to my colleagues who were here before saying, ‘Once you’ve done that, you’re really on the thin edge of the wedge.’

CHAIR—Really, my question was: it is not something that the CMC is actively looking at in either—

Mr Keen—No, we are certainly not actively looking at—not that I am aware of.

CHAIR—There are no further questions, so thank you very much. As with all the people who have given evidence today, that was very useful. Thanks very much for your publications. They look fascinating as well as interesting and useful.

Committee adjourned at 4.10 pm