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Submission to Parliamentary Inquiry into criminal activity and law enforcement during the COVID-19 pandemic, Parliamentary Joint Committee on Law Enforcement, Parliament of Australia

The Department of Security Studies and Criminology at Macquarie University, Sydney, conducts applied research and teaching programmes in five disciplinary areas: strategic and defence studies; criminology; cyber security; intelligence studies; and counter-terrorism. This submission seeks to provide input into the parliamentary inquiry through highlighting emerging trends of criminal activity during the current COVID-19 pandemic, assessing the impact on Australia and providing policy recommendation to assist the work of the committee. Specifically, we focus on three main issues:

1. Nature and operations of transnational, serious and organised crime

- Australia's attraction as a target for international drug syndicates and traffickers is likely to increase due to the high profit margins of selling drugs in the domestic market. COVID-19 has disrupted traditional international trafficking methods – specifically through air – and increased focus on maritime trafficking. However, trafficking has not stopped and will likely recover quickly after the initial COVID shock and disruptions of certain transport routes.
- The domestic economic crisis triggered by COVID is likely to lead to an increase in drug consumption, in turn increasing demand for illicit substances and adding pressure on already stretched law enforcement organisations and budgets. At present, a large amount of law enforcement resources is spent on arresting and prosecuting drug consumers (92% of Cannabis arrests in Australia are of consumers) as opposed to targeting traffickers.

Recommendations

- Increased investment in maritime security and related border controls, including container surveillance at Australian and critical overseas ports.
- Increased partnerships with law enforcement agencies in drug producing countries (such as Mexico, Colombia and Bolivia), including through the creation of more secure channels of communication.
- Increased diversion of resources towards prosecuting drug traffickers.
- Increased funding for health-focused and harm-reducing responses to domestic drug abuse, which in turn may reduce the required use of resources by law enforcement.

2. Increase in fraud and cybercrime

- Fraud and cybercrime activities tend to spike in times of economic crises such as the current environment brought about by COVID. The costs of these crimes, often

perpetrated by organised criminal organisations, can inflict significant costs to the Australian economy and impact all sectors of society. For instance, the government's COVID relief measures, particularly *JobKeeper* and early release of superannuation, have been targeted by fraudsters or otherwise misused. There has also been a significant increase in cybercrime activities, such as phishing emails and malware.

- Law enforcement agencies are already strained to deal with fraud and cybercrime caseloads, and COVID-10 can be expected to exacerbate this problem. While law enforcement focuses its efforts on responding to these crimes, more could be done in prevention and early detection.
- Fraud is often motivated by gambling addictions. Online gambling has increased during COVID, likely due to the closure of pubs and clubs during lockdown periods. Evidence suggests that funds from *JobKeeper* and early release of superannuation have been used for gambling. The increase in harmful online gambling is likely to stay even after physical gambling venues return to normal operations. This is likely to lead to more fraud and harm to people with gambling addictions.

Recommendations

- Review the adequacy and effectiveness of law enforcement resources that focus on fraud and cybercrime and increase funding for specialised resources dedicated to these crimes.
- Develop education programs to raise awareness of fraud and cybercrime threats among individuals, as this will assist in prevention and early detection of these crimes.
- Review gambling activities before, during and after COVID to better understand trends and develop measures to address any harmful trends.

3. Increase in alternative models of drug distribution and their regulation

- Criminal organisations/individuals appear to have diversified their domestic delivery of illicit drugs because of COVID-19. Specifically, they have sought to exploit the largely unregulated market of take-away food home delivery services for the purpose of distributing drugs. This industry faces little or no regulation around the 'certification' of the person delivering the food or its contents, providing opportunity for criminal activity. Unlike other delivery services few measures are in place to track and identify delivery content and courier. This gap makes this delivery method attractive for criminal organisations and very challenging for law enforcement agencies to address.

Recommendations

- Potential regulation of this industry through introduction of measures designed to enable a clear chain of possession in the movement of a product by a courier to the receiver. This could include industry guidelines on relevant protocols similar to a large courier companies; front and back end delivery of QR code based on a business/industry phone application; the secure storage of delivery data for a specific period of time; unique identification requirements for couriers; safety checks and awareness training for couriers.

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