Sub 13

NDARC Submission to the Parliamentary Joint Committee on the Australian Crime Commission - Inquiry into Amphetamines and Other Synthetic Drugs (AOSD)

Contents

List of Tables

List of Figures

Trends in the production of AOSD in Australia and overseas

Australia

Most of the methamphetamine available in Australia is produced domestically in clandestine chemical laboratories or 'clan labs'. Domestically produced methamphetamine is usually marketed on the street as a powder called 'speed', which is heavily cut with glucose, or as a less adulterated damp/oily powder or paste, which is sold as 'base' methamphetamine.

Australia has seen the introduction of imported crystalline methamphetamine over the past five years. Crystalline methamphetamine is also manufactured in clandestine drug laboratories in Australia, and is a highly purified form of the drug that is recognisable by its translucent crystalline appearance. Crystalline methamphetamine is sold on the street as 'crystal meth' or 'ice'.

Methamphetamine is also pressed into pills. These pills are usually sold as ecstasy, and producers often combine methamphetamine with ketamine in pills to give an ecstasy-like drug effect. Although methamphetamine pills are also common within Southeast and East Asia (e.g., '*ya ba*' in Thailand), there is little evidence that these pills are imported into Australia.

Importation of crystalline methamphetamine

Large shipments of crystalline methamphetamine were first detected at the Australian border in 2000. Most large-scale crystalline methamphetamine detections have originated from China, although some were transhipped through other countries in the Asia Pacific region. These detections were similar to large-scale shipments of heroin detected at the Australian border, in that they were concealed in cargo and were bound for cities on the east coast of Australia.

Crystalline methamphetamine manufacture in Australia

Although it is generally believed that most of the crystalline methamphetamine available in Australia is imported, there have been a couple of clandestine laboratory seizures within Australia that involved crystalline methamphetamine manufacture. Reports from crystalline methamphetamine dealers similarly suggest domestic manufacture of crystalline methamphetamine, although it is not clear to what extent this is occurring.

Methamphetamine production

Methamphetamine manufacturing methods found in Australia include the:

- Hypophosphorous method (using hypophorous acid and iodine)
- Red phosphorus method (using hydriodic acid and red phosphorus)
- 'Nazi' method (using lithium or sodium with anhydrous ammonia)
- P2P or Leuckart method (using P2P, which is also called phenylacetone or benzyl methyl ketone, together with formic acid or aluminium amalgam)

Producing crystalline methamphetamine involves further refining of methamphetamine produced through conventional techniques, such as those noted above.

Pseudoephedrine is the main precursor chemical used to make methamphetamine in Australia, which is usually obtained from over-the-counter cold and flu preparations (e.g., ® Sudafed, ® Codral). Large-scale importations of pseudoephedrine and ephedrine for methamphetamine manufacture have also occurred recently.

Methamphetamine can be produced via various chemical processes, many of which are cited in published literature. Previous attempts to control methamphetamine production by regulating precursor supply have been met with changes in methamphetamine manufacturing methods, and changes in the way pseudoephedrine is sourced by illicit manufacturers. It is also apparent that the several legislations have been evaded by shifting marketing strategies for over-the-counter cold and flu products that contain pseudoephedrine.

The importation of precursors is a lucrative business. Therefore, any attempts to restrict domestic access to precursors needs to be balanced with adequate capacity to detect and monitor precursor importations at the Australian border. There are a number of challenges in the detection and monitoring of precursor imports destined for use in clandestine methamphetamine manufacture (e.g., many have legitimate uses), but improvements are needed in this area.

Criminal groups in methamphetamine supply

The following types of criminal networks are reported to be involved with the supply of methamphetamine in Sydney:

- Criminals affiliated with Outlaw Motor Cycle Gangs (OMCG) are notoriously involved in the production and distribution of methamphetamine.

- Criminal networks involved with heroin importation from Southeast and East Asia play a major role in the importation of crystalline methamphetamine.

- Ethnically based criminal networks in Southwest Sydney are thought to play a role in the high level distribution of crystalline methamphetamine, along with ecstasy and other drugs, particularly to nightclubs and entertainment venues.

- A range of other established and emerging criminal groups, including interstate criminal networks, are also cited as being involved in Sydney's drug supply more generally.

Both reports from law enforcement agencies and methamphetamine suppliers interviewed through NDARC research suggest that various criminal syndicates cooperate in the importation, production and distribution of methamphetamine.

Retail of methamphetamine

- Methamphetamine distribution mainly occurs through social networks of drug users and word-of-mouth (like a pyramid or multi-level marketing scheme).

- Almost all methamphetamine users report that their main dealer is a close friend or acquaintance. The majority of methamphetamine users have more than one dealer.

- Methamphetamine is most often bought from the dealer's home. It is also common for transactions to take place at a pre-arranged location or for the drug to be delivered to the customer's home.

- Methamphetamine is typically purchased with cash. Receiving methamphetamine on credit or in exchange for goods is rare at a retail level.

- Methamphetamine users can get a variety of drugs from their dealer. Many methamphetamine dealers also sell cannabis and ecstasy, and to a lesser extent, cocaine and heroin.

Further information: (An excerpt from the following report has been provided in Annex 1.) McKetin, R., McLaren, J., and Kelly, E. (2005). The Sydney methamphetamine market: Patterns of supply, use, personal harms and social consequences. National Drug Law Enforcement Research Fund Monograph Series No. 13. Australasian Centre for Policing Research, Adelaide.

Overseas

An estimated 78% of global methamphetamine seizures occurred in Southeast and East Asia in 2001, half of which occurred in China (UNODC, 2004a). Production in this region includes crystalline methamphetamine (common in China and the Philippines), small orange/pink methamphetamine pills that are marked with a WY logo (called '*ya ba*' in Thailand) which are believed to be manufactured in Myanmar, and other ATS pills that are more varied in their composition and appearance (usually containing methamphetamine, ketamine &/or MDMA). MDMA (ecstasy) manufacture has also emerged in the region recently, with clandestine laboratories being detected in the Hong Kong Special Administrative Region of China and Indonesia.

The proliferation of so-called 'ecstasy' pills that contain other synthetic drugs, such as methamphetamine and ketamine, presents a significant challenge for identifying and monitoring both ecstasy and other synthetic drug use.

Further information:
Asia Pacific ATS Information Centre (www. apaic.org)

Trends in the consumption of AOSD in Australia

Prevalence

The most common synthetic drugs used in Australia are methamphetamine and ecstasy. The use of other synthetic drugs is far less common. The high prevalence of methamphetamine use is a long-standing trend in Australia, while there has been a

strong increase in the prevalence of ecstasy use, and a concurrent increase in experimentation with other synthetic drugs.

Methamphetamine is sold under the street names 'speed', 'base', 'ice', 'crystal meth' and 'amphetamines'[1]. These drugs have been tried by around 1.8 million Australians (9%), and approximately half-a-million Australians (3.2%) are current users of the drug. According to the National Drug Strategy Household Survey, the prevalence of the use of 'amphetamines' (including methamphetamine, amphetamine and other synonyms for these drugs) may have increased between 1995 and 2001, although this is uncertain because of methodological changes in the survey between these years. The prevalence has remained stable between the 2001 and 2004 surveys.

The prevalence of ecstasy use is on par with methamphetamine, at 9% lifetime prevalence and 3.4% or Australians having taken the drug in the past year. There has been a strong and steady increase in the prevalence of ecstasy use in Australia since 1995, and by 2004 it was as widely used as methamphetamine.

The use of other synthetic drugs (i.e., hallucinogens, ketamine, GHB) is less common, with less than 1% of the general population reporting current use (i.e., past year) in the 2004 National Drug Strategy Household Survey.

Further information:

National Drug Strategy Household Survey:
http://www.aihw.gov.au/publications/phe/ndshsdf04/ndshsdf04-c00.pdf

Problematic or dependent use of synthetic drugs

The vast majority of people who take methamphetamine, ecstasy or other synthetic drugs do so infrequently (e.g., once to several times a year). Problematic or dependent use of synthetic drugs is restricted predominantly to methamphetamine. Ecstasy and other synthetic drugs tend not to be associated with heavy dependent patterns of use in Australia. This is borne out in drug treatment admission data, where methamphetamine accounts for over 90% of all drug treatment admissions for psychostimulant drugs in Australia.

Crude estimates suggest that there are around 73,000 dependent methamphetamine users in Australia – almost double the estimated number of dependent heroin users in the country (McKetin, McLaren, Hickman and Hall, 2005)[2]. Dependent methamphetamine users have a disproportionate impact on the demand for methamphetamine (because of their frequent use), and also have a negative impact on health and law enforcement services because of methamphetamine-related health problems (e.g., psychosis) and criminal involvement (McKetin, McLaren and Kelly, 2005).

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[1] Forensic analysis of drug seizures made in Victoria found that methamphetamine accounts for 98% of all amphetamine or methamphetamine seizures.

[2] It is difficult to accurately estimate the size of 'problematic' or dependent illicit drug using populations from household surveys. This is because household surveys under-sample illicit drug users, and also because it is impossible to verify the parameters of a population who's behaviour is illegal.

Further information:

McKetin, R., McLaren, J., and Kelly, E. (2005). Estimating the number of regular and dependent methamphetamine users in Australia. NDARC Technical Report No. 230. Sydney: National Drug and Alcohol Research Centre.

McKetin, R., McLaren, J., and Kelly, E. (2005). The Sydney methamphetamine market: Patterns of supply, use, personal harms and social consequences. National Drug Law Enforcement Research Fund Monograph Series No. 13. Australasian Centre for Policing Research, Adelaide.

Impact on services – indicator data

Over the past decade there has been a gradual rise in the number of psychostimulant admissions to hospitals in Australia (56% increase between 1999/00 and 2003/04), an increase in amphetamine-type stimulant arrests, and reports of more methamphetamine-related admissions to treatment centres. It is noteworthy that this increase began from the mid-to-late 1990s, peaked during the heroin shortage of 2001, and has continued to increase since this time (McKetin and McLaren, 2005). Although the year-by-year increase is not dramatic, its culmination over the past decade has had a noticeable impact on the criminal justice system, emergency medical services and drug treatment providers.

Further information:

McKetin, R, & McLaren, J. (2004). The methamphetamine situation in Australia: A review of routine data sources. *National Drug and Alcohol Research Centre Technical Report No. 172*. Sydney: National Drug and Alcohol Research Centre.

Trends in use patterns

Aside from the strong increase in the prevalence of ecstasy use, the most notable shift in psychostimulant use patterns in Australia over the past decade is the emergence of crystalline methamphetamine. Crystalline methamphetamine is a highly purified form of methamphetamine – the same drug that is sold in Australia under the street names 'speed' and 'base'[3]. Figure 1 shows the rise in the proportion of injecting drug users and ecstasy users in Sydney who recently used crystalline methamphetamine from 1999 to 2005. This increase has also been observed in other capital cities across Australia (Dunn et al., 2005; Stafford et al., 2005). The availability of crystalline methamphetamine is widespread in Australia, and not limited to the cities where major border detections of the drug have occurred.

Unlike 'speed' and 'base', crystalline methamphetamine (sold as 'crystal meth' or 'ice') is easily smoked. Smoking is a very efficient route of methamphetamine

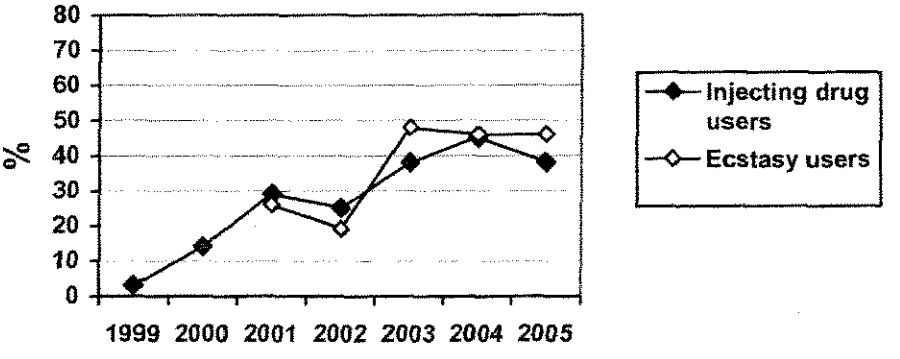
[3] Speed is a powder form of methamphetamine that is heavily adulterated with glucose, and has an average purity of around 10%. Base is a damp powder that has an average purity of around 20%. By contrast, good quality crystalline methamphetamine has an average purity of around 80%. A proportion of 'crystalline' methamphetamine seizures have a lower purity (around 20%) and have a yellowish or brownish hue, suggesting the presence of impurities and/or cutting agents.

administration that has a high dependence liability. Smoking crystalline methamphetamine has become popular among young non-injecting drug users in Australia (esp. ecstasy users), and this has lead to an increase in problematic patterns of methamphetamine use among this group (McKetin, McLaren and Kelly, 2005).

The popularity of crystalline methamphetamine is likely to impact on the synthetic drugs market by:

1) increasing in the potential market for methamphetamine among young non-injecting drug users (particularly ecstasy users); and

2) increasing in the number of people who are likely to become dependent on methamphetamine (e.g., due to smoking crystalline methamphetamine) and consume relatively large quantities of the drug.



(Source: Party Drugs Initiative and Illicit Drug Reporting System)

Figure 1. The proportion of injecting drug users and ecstasy users surveyed in Sydney reporting recent use of crystalline methamphetamine, 1999-2004

Further information:

Stafford, J., Black, E., & Degenhardt, L. (2005). *Drug Trends Bulletin* December 2005. Sydney: National Drug and Alcohol Research Centre.

Dunn, M., Stafford, J., & Degenhardt, L. (2005). *Party Drug Trends Bulletin December 2005.* Sydney: National Drug and Alcohol Research Centre.

McKetin, R., McLaren, J., and Kelly, E. (2005). The Sydney methamphetamine market: Patterns of supply, use, personal harms and social consequences. National Drug Law Enforcement Research Fund Monograph Series No. 13. Australasian Centre for Policing Research, Adelaide.

Trends in the consumption of AOSD overseas

Amphetamine-type stimulant (ATS) use has continued to increase in the East Asia and Pacific region since the late 1990s. Methamphetamine is the dominant form of ATS used, being more common than ecstasy in most countries. Japan and the Philippines have had a long history of methamphetamine use, while methamphetamine use came to dominance over heroin in Thailand during the 1990s. By the late 1990s, the use of methamphetamine and other ATS began to spread, with increases noted in countries where heroin was traditionally the main drug problem. The increase in ATS use was particularly noticeable in several mainland Southeast and East Asian countries, where the use of methamphetamine pills increased from a low baseline.

Methamphetamine use continued to increase in many countries between 2003 and 2004. Cambodia has been particularly affected, with a dramatic increase in seizures and arrests relating to ATS pills. Methamphetamine pill use has also become more common in the Lao PDR capital, Vientiane, although its use here remains second to opium. Increases in methamphetamine use have also been observed in Myanmar and Viet Nam, although the level of use in these countries has remained low relative to heroin and opium. In Thailand, there has been a decrease in the use of *ya ba* (methamphetamine pills) following the 2003 '*war on drugs*' policy. Since this time there has been a shift toward the use of a range of other drugs, including a particularly strong increase in the use of the psychoactive herbal substance, '*Kratom*' (*mitragyna speciosa*), which is now the most common illegal drug used in Thailand.

In contrast to the dominance of methamphetamine pill use in Thailand and neighbouring sub-Mekong countries, crystalline methamphetamine is the dominant form of methamphetamine used Japan and the Philippines, and to a lesser extent in other island and peninsula countries (i.e., Brunei Darussalam, Malaysia, Indonesia, Singapore). Increases in smoking ('*chasing*') crystalline methamphetamine have been observed in both Indonesia and Malaysia, and also in Thailand, where this pattern of methamphetamine use represents a very recent trend. It is noteworthy that crystalline methamphetamine use has also recently emerged in Cambodia, while there have been recent seizures of the drug in Myanmar. Crystalline methamphetamine use has remained reasonably stable in both Japan and the Philippines, where this pattern of drug use has been long established and still represents the primary illicit drug of abuse.

There has been a strong increase in ecstasy use in the Southeast and East Asian region, although in most countries the level of ecstasy use is well below that of methamphetamine. A particularly strong increase in ecstasy use has been noted in Japan over the past few years, with a five-fold increase in ecstasy-related arrests between 1998 and 2002, and a corresponding increase in ecstasy seizures from 11,419 pills seized in 1998 to 393,757 pills seized in 2003. Although ecstasy use remains relatively low in most countries, Indonesia and Viet Nam report levels of ecstasy use that are on par with methamphetamine use.

One of the difficulties in monitoring ecstasy use is verifying the drugs contained in ecstasy pills. Forensic analysis of ATS pills seizures in Australia, China and Thailand suggests that pills marketed as ecstasy may contain methamphetamine and/or other synthetic drugs, particularly ketamine. Therefore, it is difficult to accurately monitor

trends in ecstasy use, because reported increases in ecstasy use may partially reflect increases in the supply and consumption of methamphetamine and/or ketamine.

ATS use within East and Southeast Asia is predominantly via non-injecting routes of administration, such as swallowing pills or smoking either pills or the crystalline form of the drug. However, injection is a common route of methamphetamine administration in Japan, and has also been observed in Cambodia, Indonesia and China. This trend shows that ATS use has the potential to be associated with HIV transmission as well as other infectious diseases through injecting drug use, particularly in countries where there is poor knowledge about the potential for HIV to be transmitted through injecting drug use.

Methamphetamine use remains a significant problem in the United States of America. Methamphetamine is not a widespread problem within Europe, although the Czech Republic has experienced problems with its use, while amphetamine use has been a relatively major drug of abuse in Scandinavian countries. Crystalline methamphetamine has recently become a significant concern in South Africa, with rising drug treatment admissions for methamphetamine in Cape Town.

Further information:

Asia Pacific ATS Information Centre: www. apaic.org

UNODC (2004). Patterns and Trends in *Amphetamine-type Stimulant in East Asia and the Pacific. Findings from the 2004 Regional ATS Questionnaire.* Bangkok: UNODC Office on Drugs and Crime Regional Centre for East Asia and the Pacific.

Trends in the market for AOSD

Trends in the price, purity and availability of illicit drugs are monitored through the Illicit Drug Reporting System and the Party Drugs initiative. The nature of these systems is detailed below, along with relevant findings. The full reports can be downloaded from the NDARC website: www.ndarc.med.unsw.edu.au

The Illicit Drug Reporting System (IDRS)

The Illicit Drug Reporting System (IDRS) is Australia's national illicit drug monitoring system, which is funded by the Australian Government Department of Health and Ageing and the National Drug Law Enforcement Research Fund. The IDRS is conducted each year in every state and territory by participating research institutions throughout the country, and is coordinated by the National Drug and Alcohol Research Centre. The IDRS monitors the price, purity, availability and patterns of use of the main illicit drugs, as well as acting as an early warning system for emerging trends in illicit drug markets, through a triangulation of three data sources:

(1) a quantitative survey of injecting drug users (IDU), who act as a sentinel group for the detection of emerging trends in illicit drug use;

(2) a qualitative survey of key experts (KEs) who work in the field of illicit drugs; and

(3) a synthesis of extant indicator data sources such as Customs data, seizure purity data, arrest data and so on.

Drug trends are cited by jurisdiction, although they primarily represent trends in the drug market areas of each capital city in each jurisdiction, from which new drug trends typically emerge.

The following information relating to the IDRS (including IDU data) was taken from: Stafford et al. (forthcoming) Australian Drug Trends 2005: Findings from the Illicit Drug Reporting System (IDRS). NDARC Monograph. Sydney: National Drug and Alcohol Research Centre, University of New South Wales

The Party Drugs Initiative (PDI)

The Party Drugs Initiative (PDI) is a national study funded by the Australian Government Department of Health and Ageing and coordinated by NDARC to monitor ecstasy and related drugs (ERDs) markets in Australia. ERDs cover a range of drugs including ecstasy, methamphetamine, cocaine, GHB and ketamine.

The EDRS uses a similar methodology to the Illicit Drug Reporting System (IDRS). Regular ecstasy users (REU) are interviewed as they were identified as a group of ERDS users that are able to provide the required information on patterns of ERDs use, the current availability, price and purity of ERDs and perceived drug-related health issues associated with ERDs use. A semi-structured survey of experts in the field of ERDs (e.g. party promoters, treatment providers, law enforcement personnel) is also conducted and indicator data (e.g. purity of drug seizures and overdose rates) is analysed. These data sources are examined together to identify convergent trends in ERDs use and markets.

Drug trends are cited by jurisdiction, although they primarily represent trends in the capital city of each jurisdiction, from which new drug trends typically emerge.

The following information relating to the PDI (including REU) was taken from Stafford et al. (forthcoming) Australian Trends in Ecstasy and Related Drug Markets 2005: Findings from the Party Drugs Initiative (PDI). NDARC Monograph. Sydney: National Drug and Alcohol Research Centre, University of New South Wales

Methamphetamine

Patterns of methamphetamine use among national IDRS IDU sample, 2005

In 2005, 75% of the national IDU sample reported using a form of methamphetamine (speed, base and/or ice) in the six months preceding interview. This is similar to figures reported in previous years (74% in 2004, 75% in 2003, 73% in 2002, and 76% in 2001). The proportion of IDU reporting recent use of methamphetamine varies across jurisdictions, with use most prevalent in Tasmania (95%), followed by all other jurisdictions (approximately 70-80% of the sample) except NSW where 58% reported use. In terms of the form of methamphetamine, nationally, 60% of the sample had

recently used speed, 39% base and 43% ice on at least one occasion in the six months preceding interview. Use of another form, liquid amphetamine, remains uncommon.

There was wide variation in the frequency of methamphetamine use across Australia. The median days on which methamphetamine users reported use ranged from ten days in Victoria (less than fortnightly use) to 48 days in Tasmania (i.e. approximately twice per week).

Patterns of methamphetamine use among national PDI REU sample, 2005

Nationally, 74% of regular ecstasy users reported use of speed on at least one occasion in the six months preceding interview, with smaller proportions reporting use of base (38%) and ice (38%). The days of use in the last six months was monthly or less for all three forms, however there were jurisdictional variations.

Table 1. Reports from Injecting Drug Users (IDU) on the price and availability of methamphetamine

	Availability#* 2005	Median Price ($) gram of powder						Median Price point ($) base and ice*									
		2000	2001	2002	2003 (point)	2004 (point)	2005 (point)	2000	2001	2002		2003		2004		2005	
										Base	Ice	Base	Ice	Base	Ice	Base	Ice
NSW	**Powder & Base:** Easy/very easy, Stable **Ice:** Mixed reports, Stable	90	100	100	50^ (50)	100 (50)	**90 (50)**	50	50	50	50	50	50	50	50	**50**	**50**
ACT	**Powder & Ice:** Easy/very easy, Stable **Base:** Easy, Stable	180	250	300	175^ (50)	200 (50)	**125 (50)**	-	50	50	50	50^	50	50	50	**50**	**50**
VIC	**Powder:** Easy/very easy, Stable **Base^:** Mixed reports, small numbers, Stable **Ice:** Difficult, Stable to more difficult	50	200	200	200 (40)	180 (40)	**200 (40)**	50	50	35^	50	40^	50	35^	50	**45**	**50**
TAS	**Powder & Base:** Easy/very easy, Stable **Ice:** Easy/mixed reports, Stable	80	70	80	215^ (50)	290 (50)	**300 (50)**	50	50	50	50^	50	50	50	50	**50**	**50**
SA	**Powder & Base:** Easy/very easy, Stable **Ice:** Easy, Stable	50	50	50	100 (25)	50 (27.50)	**200 (41.50)**	30	30	25	25	30	50	25	30	**50**	**50**
WA	**Powder & Base:** Easy/very easy, Stable **Ice:** Easy/mixed reports, Stable	200	250	250	260 (50)	260 (50)	**300 (50)**	50	50	50	50	50	50	50	50	**50**	**50**
NT	**Powder,** Easy, Stable **Base** Easy, small numbers, Stable/mixed reports **Ice:** Mixed reports, Stable	80	80	80	100 (50)	200 (50)	**280 (50)**	50	50	50^	80^	50	50^	50	50	**50**	**65**
QLD	**Powder & Base:** Easy/very easy, Stable **Ice:** Easy, Stable to more difficult	80	180	200	200 (50)	200 (50)	**200 (50)**	50	50	30	50	50	35	50	50	**50**	**50**

Source: IDRS IDU interview ^ Small numbers (n≤10) reported and therefore should be interpreted with caution.

Participants were asked 'How easy is it to get at the moment?' & 'Has this changed in the last 6 months?'

* In 2000 and 2001 base and ice were combined under 'potent forms' of methamphetamine. Therefore the price reflects both forms. In 2002 to 2004 they were separated to provide more information on the price and availability of the different forms of methamphetamine.

Table 2. Reports from Regular Ecstasy Users (REU) on the price and availability of methamphetamine

		Median Price ($) gram of powder			Median Price ($) gram of base			Median Price ($) gram of ice		
	Availability*+ 2005	2003 (point)	2004 (point)	2005 (point)	2003 (point)	2004 (point)	2005 (point)	2003 (point)	2004 (point)	2005 (point)
NSW	**Powder:** very easy-easy **Base:** easy/mixed reports **Ice:** mixed reports	55 (30)	60 (30)	**60 (40^)**	- (40)	150 (37.50)	**150^ (30)**	- (50)	200 (40)	**400^ (50)**
ACT	**Powder & Ice:** easy-very easy **Base:** easy/mixed reports	175 (40)	80 (40)	**80 (35)**	- (40)	200 (40)	**200^ (40)**	- (45)	250 (47.5)	**265^ (35)**
VIC	**Powder:** very easy-easy **Base:** easy **Ice:** difficult/mixed reports	*180 (30)*	*180 (30)*	**180 (30)**	- (32.50)	*200 (29)*	**200^ (22.50)**	300 (40)	*290 (40)*	**385 (40)**
TAS	**Powder:** easy-very easy **Base:** difficult/mixed reports **Ice:** difficult	200 (50)	300 (50)	**325 (40)**	300 (50)	300 (50)	**350^ (50)**	400 (50)	350 (50)	**400^ (50^)**
SA	**Powder:** very easy/mixed reports **Base:** very easy-easy **Ice:** easy-very easy	40 (25)	50 (25)	**65 (25)**	200 (25)	200 (25)	**200 (25)**	200 (25)	200 (25)	**200^ (25)**
WA	**Powder:** very easy-easy **Base:** easy/mixed reports **Ice:** easy-very easy	200 (50)	300 (50)	**300 (50)**	- (50)	300 (50)	**325^ (50)**	- (50)	400 (50)	**350 (50)**
NT	**Powder:** very easy-easy **Base:** mixed reports **Ice:** difficult	60 (50)	100 (50)	**200 (50)**	- (50)	300 (50)	**300^ (75)**	- (65)	350 (50)	**300^ (80)**
QLD	**Powder:** easy-very easy **Base:** easy-very easy **Ice:** easy/mixed reports	200 (25)	180 (25)	**180 (25)**	- (25)	*250* (27.50)	**200 (25)**	- (40)	300 (40)	**310^ (50)**

^ Small numbers reported (n<10)

Table 3. IDU perceived purity of methamphetamine*, by form, 2005

	Powder	Base	Ice
NSW	Low-medium- and stable/ decreasing	Medium and stable	High and stable
ACT	Low-medium and decreasing/ stable	Low-high and stable	High and stable
VIC	Medium-low and mixed reports	Mixed reports and stable (small numbers)	High and stable
TAS	Low-medium and mixed reports	Medium-high and stable	High and stable
SA	Mixed reports and fluctuating	High-medium and fluctuating	High and stable
WA	Mixed reports and mixed reports	Medium- high and stable	High-medium and stable
NT	Low-medium and stable	Medium-high and mixed reports	High-medium and stable
QLD	Medium-low and decreasing	Medium-high and stable	Medium-high and stable

* Participants were asked 'How pure would you say it is at the moment?' and 'Has the purity changed in the last six months?'

Table 4. REU perceived purity of methamphetamine*, 2005

	Powder	Base	Ice
NSW	Medium-high	High	High-medium
ACT	Medium-high	High	Medium/high
VIC	High-medium	High	High
TAS	Medium-high	High	High-medium
SA	Mixed reports	High	High
WA	Medium	Medium/high	High/mixed reports
NT	Low-medium	High-medium	High
QLD	Medium-high	High-medium	High

* Participants were asked 'How pure would you say it is at the moment?' and 'Has the purity changed in the last six months?'

Ecstasy

Availability, purity and price

The national PDI regular ecstasy user sample generally considered ecstasy to be 'very easy' or 'easy' to obtain, and that availability had either remained 'stable' or 'easier' to obtain over the preceding six months. Reports on current purity were mixed, with similar proportions of users reporting it to be of 'medium', 'high' and 'fluctuating' purity. One-third reported the purity of ecstasy as 'fluctuating' (36%) and a further 30% reported it as 'stable' in the last six months.

The national median price for an ecstasy table was $35. Prices varied by jurisdiction (see table above). The majority of the REU in all jurisdictions reported that the price of ecstasy had remained 'stable' in the preceding six months. Substantial proportions in all states except the NT reported a recent 'decrease' in price.

Patterns of ecstasy use among national IDRS IDU sample, 2005

Ecstasy use remains relatively infrequent among IDU participants of the IDRS. In 2005, 26% of participants had used it in the six months preceding interview on a median of three days (i.e. bi-monthly use).

Patterns of ecstasy use among national PDI REU sample, 2005

Participants in the national sample had used ecstasy on a median of 15 days in the preceding six months (range 6-120 days). Over two-fifths (44%) of participants had used between monthly and fortnightly, 32% between fortnightly and weekly, and 24% had used ecstasy on more than one day per week.

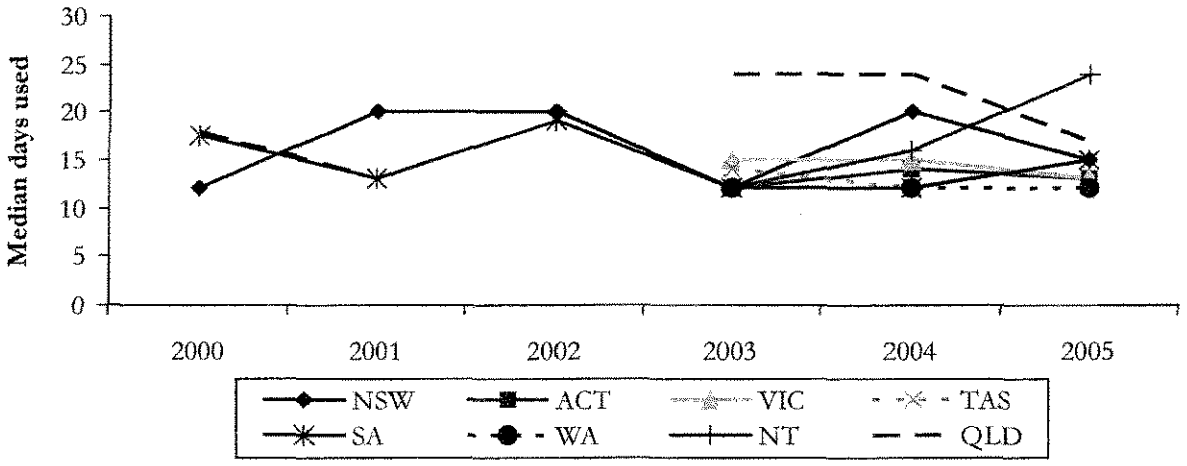
The median number of ecstasy tablets taken in a 'typical' or 'average' use episode in the preceding six months was two tablets (range 0.25-10). Over two-thirds (68%) of the national sample reported that they typically used more than one tablet. During their 'heaviest' use episode in the preceding six months, participants reported a median of three and a half tablets (range 0.5-18), 48% of the sample had taken four or more tablets in a single use episode in the preceding six months.

The median days of use (maximum =180 days, i.e. daily use in the six months preceding interview) have varied over time and by jurisdiction (see Figure).

Table 5. Median price $ per ecstasy tablet by jurisdiction, 2003-2005

Price $ per tablet	NSW	ACT	VIC	TAS	SA	WA	NT	QLD
2003	35	35	30	50	35	40	50	35
2004	35	35	30	40	35	50	50	35
2005	30	35	30	45	30	40	50	30

Source: PDI Regular ecstasy user interviews



Source: PDI interviews 2005Data not collected in QLD in 2002

Figure 2. Median days used ecstasy in the six months preceding interview, 2000 to 2005

Other synthetic drugs

Other synthetic drugs used by regular ecstasy users in the PDI include LSD, MDA, Ketamine, GHB and Amyl Nitrate. Prevalence of use is shown in Table 6. Nationally, frequency of use of the above drugs was low, with the median days of use of all the above drugs reported as two days in the last six months.

Table 6. Use of other synthetic drugs by regular ecstasy users surveyed by the PDI in 2005

	National N=810	NSW n=101	ACT n=126	VIC n=100	TAS n=100	SA n=100	WA n=100	NT n=82	QLD n=101
LSD									
ever used (%)	64	71	48	67	54	82	71	61	58
used last 6 mths (%)	32	33	30	38	31	48	35	15	23
MDA									
ever used (%)	20	32	25	25	8	19	19	12	19
used last 6 mths (%)	9	19	12	8	3	9	11	2	4
Ketamine									
ever used (%)	38	65	38	56	24	44	25	13	37
used last 6 mths (%)	21	39	17	35	11	24	11	7	19
GHB									
ever used (%)	21	32	14	33	7	32	10	15	26
used last 6 mths (%)	9	13	6	16	2	18	3	4	13
Amyl nitrate									
ever used (%)	43	65	29	49	49	31	46	31	47
used last 6 mths (%)	17	37	14	20	16	9	17	6	18

Annex 1

Trends in AOSD production and the extent of organised criminal involvement

An estimated 78% of global methamphetamine seizures occurred in Southeast and East Asia in 2001, half of which occurred in China (UNODC, 2004a). Large quantities of methamphetamine have been seized in China over the past few years (Figure 6), reaching a peak in 2001 with 20.9 tons. The ready availability of precursor chemicals and reagents, including extensive local cultivation of the ephedra plant (*Ephedra sinica*, or *Ma Huang*), and infrastructure to support methamphetamine production, are thought to be key factors facilitating the production of methamphetamine in China. Most methamphetamine seizures within China occur in the Southeastern provinces of Fujian and Guangdong (UNODC, 2004a); drug trafficking from this region being facilitated by its geographic proximity to commercial infrastructure and shipping routes.

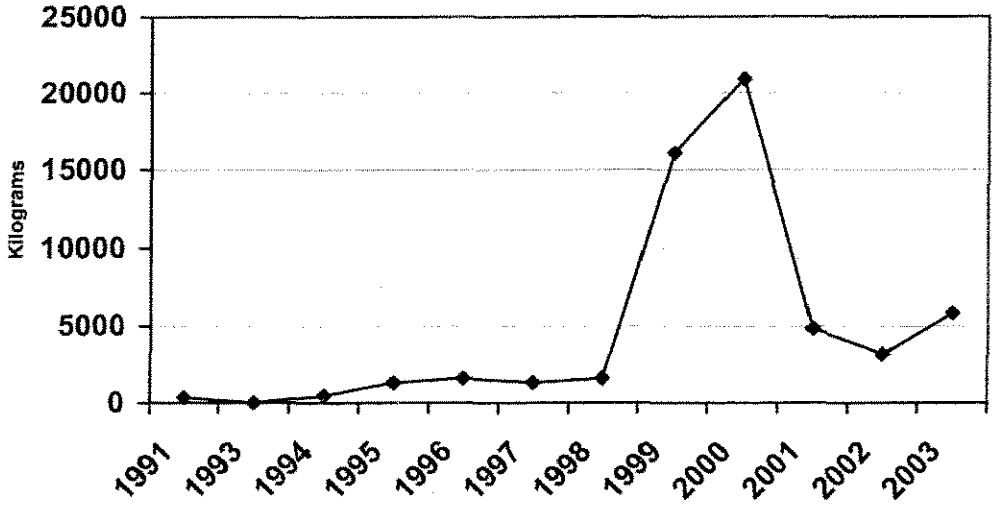


Figure 3. Weight of methamphetamine seizures in China, 1991-03

Large-scale shipments of ice that have been detected at the Australian border are very similar in their characteristics to previously detected large scale heroin importations, and have involved criminal networks traditionally involved in heroin importation. The majority of these shipments have originated from China, although they may have been trans-shipped through intermediary countries within the region, and have been bound for cities or ports along the east coast of Australia. Criminal networks importing methamphetamine appear to work cooperatively with other criminal syndicates in Australia: these cooperative arrangements being related to the specialist capacities of particular criminal entities or individuals within these groups.

While established heroin trafficking routes from China form one known trafficking route for large scale methamphetamine importations, trafficking routes for smaller importations are more widespread. Many smaller-scale seizures of methamphetamine are made in conjunction with passenger entry, courier or post. These seizures are more varied in the form of

methamphetamine being imported, the country of origin and the types of people undertaking the importation. Importations of methamphetamine coming to Australia from other parts of Southeast Asia (e.g., Vietnam, Cambodia and Laos PDR) generally involve these smaller-scale import operations.

Although the majority of large scale shipments of methamphetamine into Australia have involved ice, much of the methamphetamine produced in Southeast Asia is pressed into methamphetamine tablets. Production of methamphetamine tablets, often called *ya ba*, occurs predominantly in Burma, from where they are trafficked into the neighbouring sub-Mekong countries of Thailand, Cambodia, Laos and Vietnam (INCSR, 2002; Sattah et al., 2002; UNODC, 2004b).

Figure 4. Photo of methamphetamine tablets with the United Wa State Army logo

There has only been one significant border seizure of methamphetamine tablets in Australia to-date. The characteristics of this seizure were atypical of other detected large-scale drug importations, and therefore it is believed that it does not reflect a broader underlying trend in methamphetamine tablet importation. Methamphetamine tablets seized in Australia tend to have a different appearance and chemical profile to their Southeast Asian counterparts. Specifically, pills containing methamphetamine in Australia weigh around 200 to 400 milligrams and contain 4% methamphetamine by weight (see *Methamphetamine: physical appearance, purity and terminology*) whereas *ya ba* pills are smaller (90-120 milligrams) and contain 20 to 35% methamphetamine by weight (Personal communication, ONCB Thailand, April 2003). *Ya ba* pills also have a characteristic WY pill press marking and are pinkish-orange or green in colour (Figure 7). Having said this, there are growing reports of pill production in other parts of the region that involve methamphetamine alone or in combination with other drugs, which show more varied purity levels and differ in their physical appearance (UNODC, 2004c; Personal communication, ONCB Thailand, April 2003).

Domestic production of ice

It has generally been assumed that ice available in Australia is imported. This is a reasonable assumption given that (a) ice emerged on the Australian drug market at around the same time that large-scale shipments of ice were first detected at the Australian border, and (b) there have been very few clandestine laboratories seized in Australia that have involved refining methamphetamine into a crystalline product, and those that have been detected have involved only small scale production. The additional time and difficulty involved in manufacturing ice

and the loss of drug product (hence lost profit) are thought to be key reasons why the manufacture of crystalline methamphetamine, or ice, is uncommon in Australia.

Despite the low number of domestic clandestine laboratory detections involving ice production, there was a belief among a proportion of Sydney methamphetamine dealers that the ice they were purchasing was domestically produced. When asked whether dealers believed that the ice they had purchased was locally manufactured or imported, 32% thought that it was domestically manufactured, and a further 9% thought ice was both imported and domestically manufactured (Table 7). Only 24% nominated importation alone, while 35% were not aware of its origin. Anecdotal reports from users also suggested that there may be differences in the appearance and quality of imported versus locally produced ice. Chemical profiling of methamphetamine seizures (specifically comparison of ice seized at the Australian border with that seized domestically) may help to confirm whether there are any systematic differences between imported versus domestically produced ice that could assist in the monitoring of domestic ice production.

Table 7. Source of methamphetamine (imported vs. domestic) purchased by dealers in Sydney

	Powder n =13	Base n =30	Ice n =34
Dealers' supplier (%)[a]			
Other dealer in Australia	100	87	97
Made it themselves	0	0	0
Direct from manufacturer in Australia	0	13	3
Direct import	0	0	3
Originally imported (%)			
Don't know	15	41	35
Imported	8	0	24
Domestic production	77	59	32
Imported and domestic production	0	0	9

[a]Participant could nominate more than one response category

Recent trends in the domestic production of methamphetamine

The majority of methamphetamine available in Australia is domestically produced in clandestine laboratories. There has been a substantial increase in the number of clandestine laboratories seized in Australia from under 100 in 1997/98 to 340 in 2002/2003 (Figure 8, unpublished data provided by the ACC, 2004)[4]. The number of clandestine laboratories detected in NSW more than doubled during this time period; however, the majority of clandestine laboratory detections in Australia occur in Queensland.

A notable trend in detections of clandestine methamphetamine laboratories over this time has been the proliferation of smaller scale laboratories, such as 'boxed labs' or 'boot labs' (ACC, 2003). These small scale laboratories are most evident in Queensland (ACC, 2003), and this may in part account for the large number of clandestine laboratories detected in this State. In NSW there is also some evidence of small scale production, although medium to large scale

[4] Data for 2002/3 includes ecstasy production facilities; however, ecstasy production in Australia is a very recent trend and there have only been several seizures involving clandestine manufacture of ecstasy in Australia to-date.

laboratories remain more common. Seventy three per cent of clandestine methamphetamine laboratories detected in NSW in 2003 were either medium or large in size (i.e., with a reaction vessel of at least one litre, capable of producing a commercial quantity of 250 grams of methamphetamine).

Clandestine laboratory detections in NSW tend to be concentrated along the eastern seaboard north and south of Sydney and also in the outer Western reaches of Sydney (Figure 9). Clandestine laboratories were often detected on small acreage subdivisions in the outer areas of Sydney. The rural environment in these areas makes detection of clandestine laboratories difficult. The proximity of these rural areas to urban centres also facilitates access to precursors, reagents and other necessary production equipment.

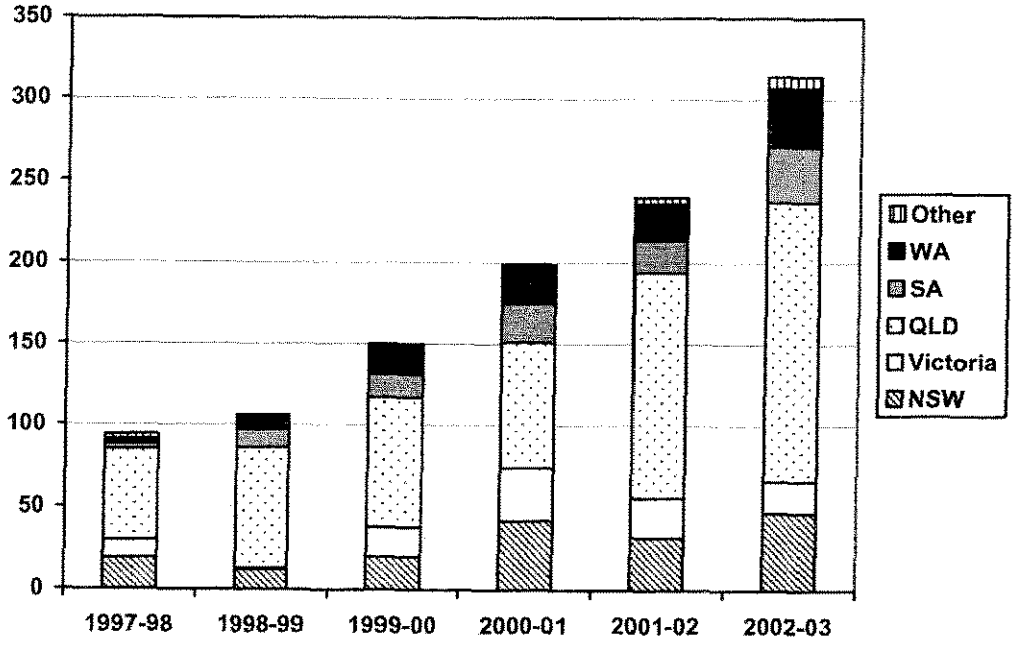


Figure 5. Number of clandestine laboratories detected in Australia by State, 1997/98 to 2002/03 (Source: ACC, 2004)

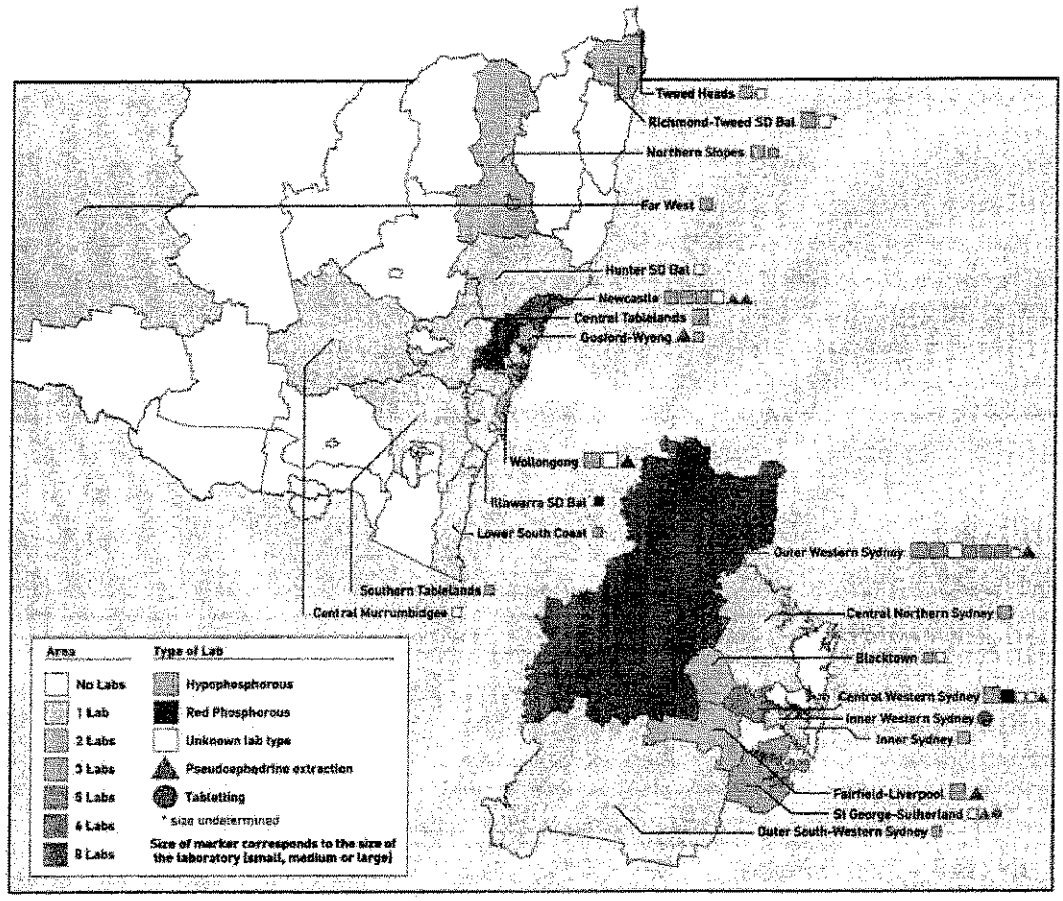


Figure 6. Location, type and size of clandestine laboratories seized in NSW in 2003

Outlaw Motor Cycle Gangs (OMCG) are believed to play a dominant role in the clandestine production of methamphetamine in Australia; however, there has been a trend toward the involvement of other criminal networks in the manufacture and distribution of the drug. Larger criminal syndicates are also reported to 'contract' manufacturers to produce the drug for them, while manufacturers also rely heavily on criminal syndicates for the supply of precursors and chemical glassware, creating a necessary symbiotic relationship between the two entities. There has also been a trend toward increasing involvement of small-scale manufacture, and a 'cottage industry' approach to marketing the drug, which is thought to be in part fuelled by the availability of information on methamphetamine manufacture through the internet. This trend appeared not to be particularly evident within Sydney, where there was a stronger influence of established criminal networks and larger-scale production. However, our research did suggest that criminal networks within Sydney may source methamphetamine from a number of clandestine laboratories within a particular area, and this finding may reflect the dependence of methamphetamine manufacturers on criminal networks who can provide them with the necessary precursors and other chemical reagents used in the manufacture of the drug.

Criminal groups

The involvement of OMCG in the domestic manufacture and supply of methamphetamine in Australia is well recognised (ACC, 2003) and our research has reflected this perception, with members or associates of OMCG frequently being mentioned in relation to methamphetamine supply in Sydney. The involvement of OMCG in methamphetamine supply appeared to be ubiquitous, but focused predominantly on the domestic manufacture of so-called 'base' methamphetamine and its distribution.

Manufacturers of methamphetamine relied on OMCG connections for obtaining precursors, reagents and glassware. The breadth of OMCG networks facilitated access to these chemicals and equipment, and also provided a broad network through which methamphetamine could be distributed once it had been produced. The establishment of OMCG chapters both interstate and internationally facilitated the development of networks of people though which methamphetamine and other drugs could be imported, manufactured, transported and distributed while also effecting a geographically dispersed influence over the methamphetamine supply.

Juxtaposed with the influence of OMCG over domestically produced methamphetamine was the reported dominance of criminal networks associated with heroin trafficking in the importation and distribution of ice. Established heroin trafficking networks were linked to heroin distribution channels within Sydney through which ice was distributed. This pattern of ice distribution was observed following a large scale ice seizure in Sydney, when packets from an imported consignment stored within inner Sydney were dispatched to traditional heroin distribution networks in other parts of Sydney. Distribution of ice through such channels was also evidenced by ice use among injecting heroin users in Sydney during the heroin shortage of 2001 (Darke et al., 2001), while key experts in the current research also reported ice use among heroin users in the inner region of Sydney.

Other established and emerging criminal networks also played a role in drug supply more generally, these networks often being based on ethnic or cultural ties. Ethnically-based criminal networks in Southwest Sydney were dominant in the distribution of ice as well as other forms of methamphetamine and other drugs (e.g., cocaine, cannabis and ecstasy), particularly to nightclubs and other entertainment venues within Sydney. These criminal networks were also involved in other aspects of methamphetamine supply, notably manufacture of amphetamine-type stimulant pills, but their involvement in methamphetamine manufacture was less pronounced than for OMCGs and their involvement with importation appeared not to include methamphetamine.

It appears that there are also interstate influences in the supply of methamphetamine to Sydney. Interstate supply of methamphetamine may reflect a higher demand for methamphetamine in Sydney than can be met by local production/importation or the relative ease of methamphetamine manufacture in geographic locations outside of Sydney (e.g., due to inter-state differences in precursor chemical legislations or the ability to conceal methamphetamine laboratories). Interstate supply of methamphetamine to Sydney could also result from importation of ice destined for Sydney through other ports in Australia.