

Executive summary

Serious and organised crime covers a diverse range of criminal activities and includes such activities as the trafficking of people, identity theft, the importation, manufacture and distribution of illicit drugs, money laundering, bribery, and financial fraud.

A profit motive is at the heart of serious and organised crime. Organised crime groups usually trade in commodities that provide maximum profit while posing the lowest risk of detection and prosecution. In adapting to emerging business opportunities, organised crime groups have established fluid connections to other groups across Australia and transnationally, and to legitimate businesses. Within Australia, outlaw motorcycle gangs continue to dominate serious and organised crime, particularly in the area of illegal drug manufacture and distribution. Externally, transnational crime poses a significant and growing threat to Australia, as organised crime groups are highly professional, sophisticated and able to exploit multiple jurisdictions within and outside Australia to avoid detection, apprehension and prosecution.

Many traditional areas of organised crime have no parallel in the legitimate economy. However, technological developments such as the internet have seen the development of a new range of opportunities and markets that organised crime groups are seeking to exploit. While illicit drugs continue to be the major organised crime activity, the inquiry found that high-tech crime is an area of opportunity for organised crime groups to pursue new types of crime. The evidence provided a sense of the potentially vast scope of high-tech crime, which includes electronic piracy, counterfeiting and forgery, credit card fraud, child pornography, electronic funds transfer fraud, money laundering and denial-of-service attacks. The technological environment in or by which these crimes are conducted makes, and will increasingly make, the task of law enforcement agencies in addressing high-tech crime both complex and costly.

The economic cost of countering current and future organised crime is difficult to quantify. This is due to the fact that organised crime groups pursue a diffuse and shifting range of activities. The committee found that organised crime imposes vast costs on all sectors of Australian society, and that these costs will continue to escalate.

In assessing the adequacy of current legislative arrangements, the committee discovered that Australia has taken some important steps toward establishing national legal regimes that are collectively hostile to, and effective in stemming, the activities of organised crime. These include the creation of statutory bodies such as the Australian Crime Commission (ACC) and crime and corruption bodies, and the recent development of anti money laundering and proceeds of crime legislation. However, the committee identified particular areas of concern in the conduct of contempt proceedings arising from ACC examinations and Queensland's lack of telephone interception powers. The committee also considered international experiences with laws proscribing organised crime groups, and relevant design factors in developing similar laws for the Australian environment. An abiding lesson of the inquiry is that legislative gaps or inconsistencies across Australia advantage organised crime and undercut the efforts of law enforcement. Australia must

develop a harmonised legislative approach across all jurisdictions. This will require the ability to quickly identify legislative weaknesses and respond rapidly with well-designed laws.

The committee also identified a number of administrative and regulatory arrangements to be addressed. In particular, the current requirements for recording SIM card user details are deficient and therefore represent a significant difficulty to authorities needing to accurately track suspect mobile phone users. This is a critical area needing urgent attention. The committee also looked closely at the issue of staffing for police agencies, an area where growing demands on and for police are seeing emerging problems in sourcing and retaining sufficient staff, particularly in state forces. An effort to properly assess and to carefully manage this issue is needed to avoid greater stress on Australia's police in future. As a related issue, the committee examined how police efforts and strategies can and must in the future be established around a targeted, comprehensive and ongoing research effort involving police, government and academia.

One of the most important aspects of the inquiry centred on the adequacy of Australia's information and intelligence databases and case management systems. These systems are central to the ability of police to detect and investigate organised crime. As with legislation, the committee found Australia to have made substantial recent improvements to its information and intelligence systems, particularly with the establishment of CrimTrac and the ACC and specific initiatives to improve the interoperability and national coverage of law enforcement related databases. Nevertheless, substantial areas of potential improvement exist around the addition of new datasets, such as ammonium nitrate licences, to CrimTrac's Minimum Nation-wide Person Profile, and in the priority development of a national automatic number plate recognition system. The committee found police case management systems to be lamentably fragmented in their operation, and the task of developing a single national police case management system is perhaps the most important identified by the inquiry.

The committee has made recommendations that it is hoped will contribute to both understanding and responding effectively to organised crime. The recommendations go to the creation and maintenance of regimes that enable police to anticipate, adapt to and address the activities of organised crime groups.

The committee expresses its gratitude for the assistance of Australia's police and law enforcement agencies, whose professionalism and expertise were critical to the conduct of the inquiry. The evidence of civilian and academic contributors formed an important counterpoint to the evidence received by LEAs. These contributors brought into the frame greater detail on policing practices overseas, and different perspectives on the various issues thrown up by the terms of reference. As organised crime becomes more complex and sophisticated into the future, such opportunities to share knowledge and experience will become increasingly relevant to fighting organised crime and to assessing and shaping the responses of Australian LEAs. This is a national issue that will require greater harmonisation and collaboration between all Australian jurisdictions in the future. In this, the ACC has a critical role to play.