



HEROIN: AN ASSESSMENT

CURRENT SITUATION, TRENDS, AND POTENTIAL RISKS FOR

AUSTRALIA AND NSW

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1. WORLD HEROIN AND OPIUM PRODUCTION AND SUPPLY

1.1 Overview

The Executive Director of the United Nations Office for Drug Control and Crime Prevention recently reported that international opiate markets continue to be in a state of flux, a result of the drastic reduction in Afghanistan's illicit opium production in 2001, and the resumption of production in Afghanistan this year.

In understanding the risks Australia and NSW face, and in planning drug policies and programs, both at a State and Federal level, Governments need to be aware of the world wide developments in drug supply and production. Governments need also to be aware of potential threats from drug traffickers, and the impact international developments may have on local supply, and how Governments, agencies and the community should respond in the areas of enforcement, prevention and treatment.

1.2 World Poppy Cultivation and Opium Production

United Nations reports indicate that world poppy cultivation is again increasing.

Poppy cultivation declined 35 percent in 2001. Actual world wide opium production declined 65 percent from 4700 tonnes in 2000 to 1600 tonnes in 2001. This followed banning of poppy production by the Taliban in Afghanistan in July 2000.

Similarly, the anticipated world cultivation and production increase in 2002 derives almost entirely from an anticipated increase in cultivation and production in Afghanistan.

The recently released Afghanistan Opium Survey 2002, prepared by the United Nations Office for Drug Control and Crime Prevention, suggests world production of opium could again increase significantly, increasing by nearly 200 percent from 1600 tonnes to 4600 tonnes.

World poppy cultivation could now be in the vicinity of 170,000 – 180,000 hectares, up from 145,000 hectares in 2001, still down from 222,000 in 2000 and levels of over 250,000 hectares in the years 1990 -1997.

United Nations reports indicate that the increase in cultivation in Afghanistan produces a much higher yield than crops in Myanmar, the world's second largest opium producer, so any expansion in Afghanistan cultivation results in a

proportionately greater supply than would occur if cultivation expanded in Myanmar.

At a projected 4,600 tonnes, world production is now only marginally less than the 4700 tonnes produced in 2000, and 4800 tonnes produced in 1998. The 5700 tonnes produced in 1999 seems to have been a high point in production, and production levels now seem to have returned to the general levels of the 1990s.

1.3 The Afghanistan situation and potential impact

Afghanistan poppy cultivation expanded under the Taliban after 1996 reaching a high point of 90,000 hectares and opium production of 4500 tonnes in 1999. This represented about 79 percent of global opium production.

In mid 2000 the Taliban decided to ban cultivation, and in 2001 cultivation and production fell dramatically by 90 percent to 7,600 hectares and 185 tonnes. The early 2002 surveys by the United Nations Office of Drug Control and Crime Prevention (UNODCCP) indicated that cultivation has turned around rapidly with 45,000 – 65,000 hectares under cultivation and production likely to be around 1900 tonnes to 2700 tonnes, representing about 70 percent of world opium production.

The latest October survey revises these figures significantly upwards suggesting 69,000 – 79,000 hectares of poppy cultivation, possible opium production of 3400 tonnes which will again make Afghanistan the world's largest opium supplier in 2002.

Seventy percent of this production comes from just two of the 32 Afghanistan provinces – Hellmand, and Nangarhar. These two provinces reportedly produce 2300 tonnes of opium or about 50 percent of the entire world production. Three other provinces produce a further 20 percent – which means five of Afghanistan's provinces produce 90 percent of its production.

To date, Afghanistan production has traditionally not been exported to Australia and South East Asia, but has been directed to the European market - 70 to 90 percent of the heroin found in European markets is sourced from Afghanistan.

United Nations reports indicate that during the recent production decline, there was no evidence of a heroin shortage in Europe, in part because stock piles of morphine and heroin provided an important role in keeping the market supply continuing.

Two potential risks arise for Australia and NSW.

First, if stocks were depleted and Afghanistan production did not meet the European heroin market, would traffickers turn to other markets like Myanmar

and Laos? And if they did would that increase prices and stimulate extension of poppy cultivation in those countries?

The UNODCCP suggests this is a possibility, but suggests a more likely option is that traffickers would attempt to promote poppy production in countries close to Afghanistan, like Pakistan and other countries in Central Asia. In any event, the depletion of stocks now appears to be an unlikely scenario.

A second key risk could arise as a result of the heroin shortage in Australia, and the possibility that traffickers in Afghanistan opium production may see the Australian market as a new opportunity.

The flexibility of traffickers has been noted in the case of the USA and should not be ruled out. Over the past 30 years, United Nations reports note that the US market has been supplied, in succession, by all main international opium producing areas as a result of drug control interventions, or other factors like climate or war.

Australia should therefore be vigilant in preventing the establishment of any Afghanistan opium imports into the country, and alert to this potential risk, even though there is no immediate threat. This highlights the importance of effective border control and of providing effective resources for border patrol and intelligence based interdiction.

The Federal Government should also actively campaign for international forces and the international community in Afghanistan to suppress poppy cultivation in Afghanistan and promote the eradication of the new poppy cultivation in Afghanistan, especially in the main two production provinces.

1.4 The Myanmar (Burma) situation and its potential impact.

Myanmar has traditionally been the primary source of opium and heroin product entering Australia.

Myanmar has traditionally been the world's second largest opium producer after Afghanistan. Between 1990 - 1997 Myanmar production did not fall below about 1600 tonnes. It was temporarily the world's largest producer in 2001 following the decline in Afghanistan production in 2001. At that time Myanmar had 105,000 hectares of poppy under cultivation, and nearly 1100 tonnes of opium were produced.

It should be noted that the current level of production is about 50 percent of levels prior to 1997. While this is in part due to reportedly adverse weather conditions, it may also be connected to political developments in Myanmar.

In 2002, early indications are that poppy cultivation will be down by about 20 percent, and opium production will also fall from about 20 - 25 percent - down to

about 830 tonnes. If confirmed, this is good news for Australia, and a similar foreshadowed fall in Laos, a smaller, but still significant producer, is also good news.

The potential risk to Australia would be if Myanmar were to return to the opium production levels of the early and mid 1990s. This could then again flood the Australian heroin market.

1.5 Policy Implications for Australia and NSW

The immediate threats to Australia from international drug traffickers are contained for the moment. But given the huge volume of Afghanistan product, the relatively small Australian consumption could be easily met if traffickers in Afghanistan product were to establish effective supply and distribution linkages in Australia. A change in Burmese production levels or trafficking arrangements could also have an immediate adverse impact on supply and availability of heroin in Australia.

This is especially important as international comparisons suggest that the problems of dependent heroin use have tended to accompany heroin supply. In many areas overseas, such as Pakistan, Central Asia, southern China, Turkey, Iran or Southeast Asia, availability has preceded rises in use – often to levels of prevalence several times above Australia’s prevalence of use.

Estimates of Australian heroin consumption vary. Some estimates suggest it could be as high as 5-10 tonnes of heroin, which is equivalent to 50-100 tonnes of opium. However, the National Drug and Alcohol Research Centre (NDARC), UNSW, estimated in a study in 2000, that actual heroin consumption was in the vicinity of 2.3 tonnes per annum. The actual import level is probably higher but losses are incurred through police interdiction.

In the current context, it is therefore an opportune time to further strengthen:

- border control systems which will limit the availability of heroin;
- drug control interventions – both supply side and demand side;
- support for the work of the United Nations in promoting alternative development in opium producing countries and crop eradication programs; and
- investment in treatment programs in order to move people immediately from heroin use and into programs while the shortage continues. Investment in treatment programs and case management should also limit the extent to which people shift from heroin to other types of drug use; and should reduce the likelihood of people returning to heroin use should there be a substantial change in the availability of heroin.

The flexibility and internationalisation of criminal groups also presents new drug trafficking threats to Australia and NSW. The Commissioner of the Australian

Federal Police highlighted these threats in a recent presentation to the Ministerial Council on Drug Strategy in mid 2002, noting that the most effective criminal groups are:

- Small loose formations, well informed through intelligence;
- Capable of forming global strategic alliances and highly international in their operations;
- Capable of using new technologies effectively;
- Often hiding their illicit activities in licit ones;
- Capable of shifting rapidly between commodities in search of profit and to avoid risk.

The importance of national and international police partnerships, effective technical support, and intelligence based policing in this area is highlighted by these potential threats.

2. CONSUMPTION OF HEROIN AND OPIUM

2.1 The World Market

According to United Nations reports there are approximately 13 million opiate users and about 9 million heroin users throughout the world. Of these, about 6 million are found in countries around Afghanistan and Myanmar, about 4 million in Europe, and about 1.2 million in North America.

The recent United Nations Global Trends Report 2002 indicates the following heroin and opium abuse trends:

- Australia and South East Asia: declining;
- West Europe: stabilising or declining demand – France, Spain declining, UK stable;
- North America: US stable, some increase in Canada;
- East Europe: increasing especially along trafficking routes – large increases in Russia, Ukraine, Latvia;
- Central Asia: significant increases in Kazakhstan, Tajikistan and Uzbekistan;
- East Asia: China: increase tenfold over the last decade – in 2001, 900,000 registered drug users.

The impact of new market growth in East Europe, Central Asia, and China is likely to make those larger markets more attractive to traffickers than in the past, partly because of their size, and partly because their drug control interventions are likely to be significantly less than those adopted by Australia and NSW.

The implication of this is that Australia, NSW and the other States and Territories are less attractive to traffickers than in the past, and that this reinforces the need

for continued drug control interventions which will continue to make Australia a comparatively unfavourable place in which to traffick in illicit drugs.

2.2 Heroin Use in Australia and NSW

All heroin consumed in Australia and NSW is imported.

During the 1980s and 1990s research suggested the numbers of heroin dependent users in Australia rose from around 34,000 in the mid 1980s to about 74,000 estimated in 1997, when the last major study was conducted. At that time, the research suggested there may have been up to 35,000 dependent users in NSW. NDARC has described a dependent heroin user as one who uses 2-3 times per day. Dependent users consume about 85 percent of heroin imported.

In addition, NDARC estimates that there are as many as 2-3 times the number of dependent users who use occasionally, perhaps once per week.

There are now substantive indicators which suggest heroin use and the numbers of heroin users in NSW and Australia generally, may have significantly declined over the past three years.

There are suggestions from some experts that the recent significant State and national drug program investments, the heroin shortage, the expanded treatment and enforcement programs, improved community information and education, and a decreased attractiveness of the drug to young people have significantly reduced the numbers of dependent heroin users in Australia, and particularly NSW.

A decrease in heroin use has also been reported in a number of Western European countries, such as France, Portugal, Austria and Spain, while other Western European countries show stabilisation. The UN Global Illicit Drugs report 2002 suggests this is perhaps due to heroin losing much of its appeal among younger age groups, and perhaps slightly less aggressive marketing of Afghanistan opium in anticipation of shortages.

On the other hand there were large increases in heroin use in some Eastern European countries, and particularly in drug transit countries along drug trafficking routes.

The recently released 2001 National Drug Strategy Household Survey prepared by the Australian Institute of Health and Welfare certainly identified some key trends about heroin use, suggesting a decline in the prevalence of heroin use and heroin dependence. In particular, the survey found that:

- Heroin use nationally had fallen from 0.8 percent in 1998 to 0.2 percent in 2001.

- Heroin use in NSW had fallen from 0.6 percent of the population aged over 14 years in 1998 to 0.2 percent in 2001.
- Only 18,000 people had used heroin in the past 12 months
- 50 percent of the population still consider heroin to be the main drug problem

The National Drug Strategy Household Survey results are not conclusive but they are indicative of possibly important changes in heroin use.

The findings are reinforced by the 2001 National Illicit Drug Reporting System (IDRS) which showed a rapid drop in the numbers of injecting drug users who were using heroin as the drug of their choice, who had used heroin in the preceding six months, and who were daily users of heroin.

Other important indicators also point to a significant drop in the numbers of heroin dependent users including, a rapid decline in overdose deaths, ambulance callouts to overdose incidents, and emergency department presentations, all of which remain at less than 50 percent today, when compared to the rates being recorded in 1999.

2.3 Policy Implications for Australia and NSW

In the light of this important trend data the NSW Government will be asking the National Drug and Alcohol Research Centre to undertake a further national study of heroin prevalence in cooperation with all jurisdictions.

3. KEY TRENDS IN NSW: MONITORING USE AND IMPACT OF HEROIN

3.1 Overdose Deaths

Heroin deaths in NSW have fallen dramatically since 1999, in both 2000 and 2001, and appear to have stabilised at around this level in 2002.

Published Australian Bureau of Statistics (ABS) data shows overdose deaths in the 15 – 44 years range down from 401 in 1999, to 249 in 2000 – a 38 percent decrease. The 2000 decrease preceded the heroin shortage. 2001 ABS data has not yet been released, but it is expected to show a further fall in heroin deaths for 2001 when released in November 2002.

Preliminary total drug related death data collected by NSW Health Division of Analytical Laboratories (DAL), shows significant and similar falls in drug related deaths. DAL data includes all licit and non licit drug death data, and includes “suspect” drug deaths not confirmed by coronial findings.

This broader preliminary data shows all drug related deaths declined from 533 in 1999, to 422 in 2000, to 233 in 2001, a decline of 56 percent. If heroin deaths were to decline at the rate of decline of preliminary DAL data, then projected heroin

overdose deaths in 2001 could be about 140 deaths (down by around 45 percent over 2000), but this remains speculative until final ABS data is available.

In key hot spots, the DAL drug related death data (not just heroin) showed significant reduction in drug related deaths in 2000 and 2001 at Redfern, Fairfield, Cabramatta, Kings Cross, and Surry Hills.

There may be some small upturn in drug overdose deaths in 2002, but this is based on preliminary data, and again, this will not be confirmed until ABS statistics are made available in late 2003.

NSW Health advises preliminary DAL data indicates that the number of drug related deaths (not just heroin) in the 9 months to September 2002, increased by about 5 percent over the same period in 2001. This suggests heroin and drug related deaths in 2002 appear to have stabilised at around 2001 levels, or slightly higher.

Based on this preliminary DAL data, drug related deaths, which would include heroin related deaths in 2002, would appear to be stable at less than 50 percent of 1999 levels.

The preliminary data also suggests some small increase in DAL reported drug related deaths in 2002 at Kings Cross, Cabramatta and Redfern. As this is preliminary data, and includes all drug related deaths, it is too preliminary to consider it other than as indicative trend data.

Assuming there is some small increase in heroin related deaths in these areas, it may be due to a small increase in middle level supply, and in part, due to sporadic availability of high purity rock heroin which can lead to accidental overdose.

But the final picture in relation to heroin deaths for 2001 and 2002 will not be available until ABS data is released – for 2001 in the next few weeks, and for 2002, in late 2003.

3.2 Ambulance Call Outs to Overdose Incidents

Ambulance call outs to suspected heroin overdose fell rapidly in 2000 and 2001. There are some indications of a small increase in ambulance attendance at overdoses in 2002, but overall the data suggests levels remaining around the 2001 level.

In 1999 there were an estimated 4400 ambulance call outs. This fell to approximately 3700 in 2000, and to approximately 1800 in 2001, that is, a decline of about 60 percent of the level two years earlier.

To July 2002, there had been about 1100 call outs. This represents an increase of 6 percent in the first seven months of 2002 compared to the same period in 2001, or an annualised rate of 1900 call outs.

While the overall State position remains relatively constant, in a few localised areas, ambulance call outs increased in the first half of 2002 over the previous year, around Kings Cross/Surry Hills and to a lesser degree in Cabramatta, but only marginally in Redfern.

In Kings Cross/Surry Hills ambulance call out rates in the first seven months of 2002 numbered 225, up from 169 in the same period in 2001. This is still much less than in 2000 when callouts for the year totalled 705 altogether. The establishment of the Medically Supervised Injecting Centre would also have had a substantial impact in reducing callouts – the Centre handled 346 drug overdose related incidents in the first 15 months of its operation.

In Cabramatta there were 68 callouts for the first seven months of 2002 compared to 82 for all of 2001. The total Cabramatta callout figure was 629 for the whole of 2000 - in this context the callout level remains very low in the first half of 2002, albeit at a slightly higher rate.

In Redfern the rate of ambulance call outs increased marginally in the first seven months of 2002, but because the fall in 2001 had been less than in other areas, ambulance call out rates in Redfern were at around 2000 call out levels. (Callouts numbered 69 in the first seven months of 2002, 109 in 2001, and 126 in 2002).

The significance of this data is that it may indicate new short term increases in availability of heroin in limited localised markets, but no general increase outside those areas.

It may also reflect an increased willingness on the part of users, or their friends and families, to call an ambulance than in the past. The importance of calling an ambulance promptly and without fear has been a key component of the National and NSW Heroin Overdose Strategies, and in guidelines issued to police on how to manage overdose situations.

Notably, the increase in ambulance call outs in these key local areas has not translated into any similar levels of increase in drug related deaths in Kings Cross, Surry Hills, Fairfield or Cabramatta. In Redfern the preliminary data suggests an increase in drug related deaths, but this is yet to be confirmed.

3.3 Drug Overdose Presentations to Emergency Departments in Public Hospitals

Drug overdose presentations to emergency departments in public hospitals reflect the general trends in numbers of overdose deaths and ambulance callouts to overdose incidents.

Opiate overdose presentations to emergency departments fell rapidly between 1999-2001, and have marginally increased in the first nine months of 2002. Overall they appear to have stabilised at just above the 2001 rate.

In 1999, there were 1461 presentations, falling to 1275 in 2000, and then 726 in 2001, a decline of about 50 percent over two years. In the first five months of 2002 presentations increased by 14 percent compared to the first five months of 2001 (up from 350 - 401), still significantly lower than 1999 and 2000.

In Kings Cross, Emergency Department presentations at St Vincent's Hospital fell in the first seven months of 2002 over 2001, from 97 cases to 94 cases.

3.4 Needle and Syringe Distribution Program: Public Health Program to prevent the spread of HIV and other infectious diseases

In the mid 1980s, NSW introduced and managed one of the first needle and syringe programs in the world as a means of preventing the spread of HIV among at risk groups, and from those groups to the wider community. Needles and syringes are distributed through the public sector needle and syringe program and through pharmacies.

The program has been adopted Australia wide and has been benchmarked as one of the most significantly successful programs in the world. In Australia, the level of HIV infection among people who inject drugs has remained below 3 percent. NSW Health has provided advice of HIV infection rates of over 40 percent for drug users where there are no needle and syringe programs or insufficient programs in some overseas countries.

The Australian National Council on Drugs, in recently launching a new Commonwealth Government funded report, estimated that in the years 1990 - 2000 the \$150 million invested in needle and syringe programs across Australia had resulted in:

- an estimated 25,000 cases of HIV being avoided;
- an estimated 21,000 cases of Hepatitis C being avoided;
- an estimated saving of over 5000 lives by 2010; and
- an estimated return on investment of between \$2.4 billion, and \$7.7 billion.

Changes in the demand for needles and syringes can provide early signs of trends in drug use across the State, and in specific areas.

The demand for distribution of needles in the NSW public sector needle and syringe program and pharmacy distribution program fell by more than two million needles in 2001/2002 over the previous year, down from 12.5 million to 10.3 million. This was the first decline since 1987. The public sector program fell by more than one million in 2001/2002 over the previous year, down from 8.23

million, to 7.06 million, a 14 percent decline. In the Pharmacy sector, distribution fell by 23 percent from 4.27 million to 3.25 million.

NSW Health advise this was the first decline since the program first commenced in 1987. As such, it is an important indicator of a possibly substantial change in heroin consumption in NSW.

Given the fifty percent decline in heroin overdose, ambulance call outs, and emergency presentations over the past two years, the decline might have been expected to be greater. The reasons for this less significant decline in the level of needle and syringe distribution is complex: some users have switched to other injecting drugs, some injectors were not using heroin as their principal drug (up to 30 percent), some injectors may have continued to inject as frequently as before, but with heroin that was less pure; in some areas, the gap between demand and supply of needles may have been closed; and in some cases the data is simply being better captured than before.

The decline was not uniform, but was experienced in more than half the NSW Area Health services in 2001/2002 over the previous year.

Importantly, NSW Health has advised that in the three “hotspots” of Cabramatta, Redfern and Kings Cross, the level of needle and syringe distribution from the public sector program appears to have declined significantly over the past two years.

In Cabramatta, the distribution of needles fell from nearly 630,000 in 2000, to 272,000 in 2001, and 67,000 in the first half of 2002, a decline of about 80 percent over two years. Distribution in other parts of the South West Area Health Service increased by 28 percent, possibly suggesting some displacement of drug activity.

In Kings Cross, distribution has fallen more slowly, from 1.3 million in 2001, to 1.1 million in 2002, and 0.4 million in the first half of this year, a decline of about 40 percent over two years.

In Redfern, distribution has fallen from 1.09 million in 2000, to 1.05 million in 2001, and 0.4 million in the first half of 2002, a decline of about 26 percent.

3.5 Medically Supervised Injecting Centre - Trends in Heroin Use and Overdose Incidents

Heroin is the most commonly injected drug at the Centre. During the first 15 months 55 percent of injections were for heroin, and 37 percent were for cocaine.

In the second half of 2001 and early 2002, cocaine was the most frequent drug injected, or injected at very similar levels to heroin. This was in part due to the heroin shortage and also partly due to the more frequent and historical use of cocaine by Kings Cross sex workers.

However, there has been a steady increase in the injection of heroin at the Medically Supervised Injecting Centre as a proportion of injected drugs, rising from 41 percent in December 2001 to 53 percent in February 2002 to 75 percent in July 2002. The upward trend in proportion of heroin injections is also reflected in the upward trend in heroin overdose incidents at the Centre.

There was a corresponding decrease in the proportion of visits where cocaine was used from 51 percent in December 2001 to 15 percent in July 2002, confirming the substitutability between heroin and cocaine users in Kings Cross.

In the fifteen months of operation of the Centre, to 31 July 2002, there had been 346 overdose related incidents. None of these resulted in death.

Over the fifteen months, 75 percent of these incidents (263) were heroin related, and 17 percent (59) were cocaine related. In the first six months, 57 percent were heroin related, and 32 percent were cocaine related. In the last quarterly reporting period to 31 July 2002, the percentage of heroin related overdose related incidents had increased to 82 percent, and the proportion of cocaine related incidents had fallen to 9 percent.

Importantly, while the numbers of visits to the Centre appears to have been relatively stable, there was an increase in the number of visits to the Centre in the fifth quarter of about 20 percent. This reflected the increase in the number of registered clients, so it may not necessarily reflect an increase in heroin availability, but rather an increase in the number and proportion of drug users who are using the Centre rather than the streets, illegal rooms, or other facilities. This is a matter which the independent Evaluation Committee will be reporting on next year.

3.6 Policy Implications for Australia and NSW

The increased use of heroin suggests a greater availability of the drug in 2002 in localised areas, but not across the State. Overall availability would appear to remain at the low 2001 levels or just above those levels. The trends also suggest a decline in the availability of cocaine.

The health trend data reinforce the need for sustained programs in the three key areas targeted by the Government – Cabramatta, Kings Cross and Redfern. Renewed and sustained Police overt and covert operations to target street dealing, drug premises, and middle level opportunistic traffickers are essential. Continued vigilant targeting of the supply issues in these three areas is likely to significantly contain the supply threat downstream into other areas around the State.

4. LAW ENFORCEMENT: TARGETING AND PREVENTING DRUG SUPPLY

4.1 Preventing heroin imports: Border Controls and Border detection

All heroin consumed in Australia is imported – border controls and border detection strategies are, therefore, a critical part of any strategy to reduce the drug supply problem in Australia and NSW.

The 2001 Drug Trends Report produced by the National Drug and Alcohol Research Centre (NDARC) noted that heroin seizures at or near the Australian Customs border fell from 39 seizures (269 kilograms) in 1999/2000 to 28 seizures (216 kilograms) in 2000/2001.

Offshore investigations by the Australian Federal Police with other international authorities also seized 357 kilograms in Fiji. This offshore seizure highlights the importance of effective border controls, and the need for early warning, and intelligence based heroin interdiction strategies.

The NDARC report and the Australian Illicit Drugs Report 2000/2001 noted that NSW ports remain the centre of heroin imports before being brokered for distribution in other Australian States and Territories. The reports note that the average weight per detection is greater in NSW than any other State.

In this context it is important that the Commonwealth has recently committed funds to major infrastructure at four ports, Sydney, Melbourne, Perth and Brisbane which will significantly enhance the capacity to search cargo containers arriving by sea.

In Sydney, a new \$15 million special container X-ray facility is being built at Matraville, Port Botany on land made available by the Sydney Ports Corporation. It will commence operations by March next year. The \$5 million X-ray machine is now on its way from China. The new facility will enable container examinations to be raised from about 4 per day or 1500 a year, to up to 100 per day and approximately 26,000 per annum.

Effectively, this will mean that the rate of container examination will increase from less than one percent, to more than five percent of all containers entering the port of Sydney. (This container security initiative will also assist in tackling potential terrorist threats and firearms trafficking.)

4.2 Tackling heroin supply in NSW: Detection and Arrests

NSW Police advise that the heroin shortage was sustained throughout 2000 and to mid 2001 when it appears to have been at its lowest point.

During that period, across Australia, Police heroin arrest statistics showed a downward trend. According to the Australian Illicit Drug Report 2000-2001,

heroin arrests across the country fell by 34 percent that year – from 11,200 to 7,400. Heroin arrests in NSW fell by 40 percent compared to Victoria and Queensland where arrests fell by about 30 percent. This reflects the greater impact of the heroin shortage on illicit consumption and supply in NSW and outcomes of earlier Commonwealth and State law enforcement agency activity, interdiction, and drug supplier arrests.

NSW Police arrests for heroin for 2001/2002 have not been published. However trends in the two previous years are indicative.

In 2000/2001 NSW Police arrested about 21,400 people on drugs charges (23,500 in 1999/2000). Of these, 17,800 people were arrested for consuming drugs, and about 3600 were arrested on supply charges (20,000 and 3,500 respectively in 1999/2000).

Heroin and other Opioid arrests: of the total drug arrests in 2000/2001, approximately 2260 related to heroin and other opioids (3,800 in 1999/2000, and 4660 in 1998/99). Approximately 1720 people were arrested for consuming heroin and other opioids, and approximately 540 were arrested for supplying heroin in 2000/2001 (3,120 and 660 respectively in 1999/2000, and 3,600 and 1100 respectively in 1998/1999).

Police advise there are some law enforcement indicators of an increase in heroin detections in 2002. Initial Police analysis suggests availability will probably increase in NSW during 2002, though levels are likely to remain below 2001 for some time. At this time, NSW Police advise that there is likely to be an increase in heroin supply over the remainder of 2002 and into 2003, but that quantities of heroin are likely to remain below 2001 levels for some time.

Detections are primarily an indicator of police activity rather than availability. Nevertheless the levels of detection tend to confirm the trends in other related health data. Insofar as they may be a preliminary indicator of availability, heroin detection incidents in the first half of 2002 remain well below the levels of 1999 and 2000, and only marginally higher than for the same period in 2001, despite sustained Police activity.

In the key areas of Cabramatta, Kings Cross, and Redfern, heroin detection incidents all declined in 2001/2002 over the previous year. Police reports suggest some increase in heroin incidents in 2002 by quarter in Kings Cross, but a relatively constant level at Redfern. Cabramatta continued to have the highest levels of detection of any local Police Command in 2001/2002.

The 2001 Australian Drug Trends Report noted that surveys indicated that the proportion purchasing from a street dealer had increased from 27 percent to 38 percent. The supply implications of this are not clear, but it does highlight the need for continued Police targeting of street dealing. NSW Police also advise that

there may be an increasing variety of methods of supply being used, such as post and body packing, and continued small and large scale shipments.

4.3 Heroin Seizure levels

In 2000-2001 Australian law enforcement agencies made approximately 2700 seizures of heroin weighing some 480 kg. NSW made the greatest number of seizures – 1200 seizures, weighing 223 kg.

The Australian Illicit Drug Report 2000/2001 noted the reduction in numbers and amount of heroin seized during 2000/2001 could be a reflection of the heroin shortage.

4.4 Heroin Purity Levels in Supply

The Australian Drug Trends Report 2001 suggested levels of purity had fallen from around 62 percent in 2000 to 51 percent in 2001. The Australian Illicit Drug Report of 2000/2001 indicated that average heroin purity in NSW remained higher than other States and Territories, but appeared to markedly decline in the first half of 2001.

NSW Police advise that heroin purity in 2001/2002 appears to be highly variable, varying between 14 percent to 71 percent. This suggests that high purity heroin is not readily available, but is available sporadically.

4.5 Heroin Price Levels

In 2001, the National Illicit Drug Reporting System (IDRS) reported a price increase in heroin for the first time since 1996. The Australian Drug Trends Report 2001 reported price had risen to \$320 a gram in 2001, compared to \$220 a gram in 2000.

The 2001 Drug Trends report notes the price per cap doubled between 2000 and 2001 in NSW from about \$25 in NSW in 2000. NSW Police advise that heroin prices have remained high during 2001/2002 increasing to an average \$56 per cap compared to \$50 in 2000/2001.

4.6 Policy Implications

All of the above underscores the need for:

- flexibility in policing approaches to drug law enforcement;
- intelligence based responses to problems of drug supply;
- proactive policing and arrest of street level dealers;
- early detection and arrest of mid level opportunistic drug suppliers;
- sustained activity by Local Police Commanders in targeting the suppliers of heroin while the market is small or in decline.

5. IMPROVED MONITORING OF THE DRUG PROBLEM

5.1 Strategic Oversight

The NSW Government continues to carefully monitor the drug problem through the mechanisms of the Cabinet Committee on Drugs, the Expert Advisory Group on Drugs, and the Office of Drug Policy which were all set up following the 1999 Drug Summit.

Following the 1999 Drug Summit, improved systems of monitoring have also been instituted by Police, Health, and the Bureau of Crime Statistics and Research.

The Government has also established a new Illicit Drug Monitoring Group which will monitor intelligence and data across Government, in conjunction with the National Drug and Alcohol Research Centre (NDARC). The Group will comprise the Office of Drug Policy, NSW Police, NSW Health, the Bureau of Crime Statistics and Research, and NDARC, and will provide strategic intelligence assessments on Illicit Drug Trends each quarter for the Government.

Underpinning the work of this group are formal agreements between NSW Health and NSW Police for the exchange of information relating to licit and illicit drugs. This will ensure that Police and Health can effectively consolidate health and law enforcement data to strategically monitor the impact and effectiveness of the agencies in addressing the problem of drugs, at a State level and locally.

5.2 Improved Police Intelligence

NSW Police are in the process of implementing a new system of Drug Law Enforcement Performance Indicators which were released in April 2002. The first annual report on these indicators will be available in the second half of next year. The indicators will encourage better systems and monitoring of drugs and crime in local Police Commands across the State.

The Police State Crime Command is also reviewing its own intelligence systems concerning drugs and crime and will be further enhancing its capacities in this area over the next 12 months.

In particular, the State Crime Command is sending specialist teams to assess intelligence and advice on drug law enforcement strategies in key drug "hotspots" as part of an improved targeted approach to helping local Police Commanders tackle the more complex problems of drug law enforcement. In particular the Police State Crime Command is helping targeted Local Area Commands to develop early warning systems and response plans should there be any indication of, or return to previous levels of supply.

5.3 Improved Health Intelligence

Over the past four years, NSW Health has introduced improved systems for monitoring drug related data including ambulance call outs, drug related deaths, and emergency department presentations associated with illicit drugs.

In particular, NSW Health is now collecting a range of important client based data on drug treatment, services provided and treatment outcomes. This is part of a national set of health related drug data which will assist in monitoring the extent of the problem, changes in drug use, and improve over time the quality of treatment, both in NSW and nationally. The potential benefits of the new information and data will be to allow more effective and more timely responses to the drug problem to be developed in the future.

5.4 Improved Drug Research and Trend Assessments:

5.4.1 Bureau of Crime Statistics and Research (BOCSAR): Monitoring and reporting on Heroin and other Illicit Drugs

Since the Drug Summit, the Bureau has been provided with additional funding to expand its strategic role in reporting on the drug related issues of crime and justice. Following the Drug Summit, the Bureau undertook and produced a major report on *Drug Crime Prevention and Mitigation: A literature review and research agenda*. That report identified key areas warranting further research including the relationship between crime and drugs, deterrence, market disruption, coerced treatment and primary prevention.

The Bureau has also provided major reports such as *The Australian Heroin Drought and its Implications for Drug Policy* in 2001. It is currently examining the interaction between crime and the methadone program, a complex study which will involve longitudinal comparative data, and which is expected to be of major importance in the future quality regulation and management of pharmacotherapy programs in NSW.

The Bureau is expected to commence further major heroin and other drug studies next year, following through on the research agenda identified in its 2000 report.

5.4.2 Drug Use Monitoring in Australia (DUMA)

This program, administered by the Australian Institute of Criminology, in cooperation with the NSW Bureau of Crime Statistics and Research, tests recent use of drugs by those persons apprehended and detained by Police. Using urinalysis the program ensures the most accurate data on recent drug use is obtained. It provides unique data on drug use, local drug markets, criminal activity and treatment. It also allows local police to monitor the impact of illicit drugs on their streets with high quality data.

In 2001 the DUMA study recorded significant decreases in the percent testing positive to opiates in the Sydney sites of Bankstown and Parramatta.

The third quarter 2002 of the study is expected to be released shortly. Figures are expected to show that in Bankstown, the number of police detainees testing positive to heroin in the third quarter 1999 was 44 percent, in the third quarter 2001 it was 15.7 percent, and in the third quarter 2002 it was 14.3 percent. In Parramatta in the third quarter 1999 the percentage of police detainees testing positive was 37 percent, in the third quarter of 2001 it was 15.2 percent and in the third quarter of 2002 it was up slightly to 21 percent.

In both these areas there appeared to have been a brief increase in detainees testing positive to cocaine during 2001, but the levels of cocaine use recorded in the second and third quarters of 2002 have now fallen back to the earlier low pre heroin shortage levels of 1999.

5.4.3 Law Enforcement Research: Heroin Interdiction

The NSW Department of Corrective Services has recently reached agreement with the Australian Customs Service on a study into the mechanics of cross border trafficking of heroin which will draw on the experiences of incarcerated high level drug traffickers. The study is being funded by the National Drug Law Enforcement Research Fund (NDLERF), and is expected to be of value to all law enforcement agencies developing effective heroin interdiction strategies.

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