

CANNABIS



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- Price continues to be influenced by the method of cultivation, with price differences existing between hydroponic and bush cannabis.
- The most commonly detected method of cannabis cultivation is hydroponics.

KEY POINTS

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MAIN FORMS

Cannabis plants fall into two categories: hemp and marijuana. Hemp is fibrous and low in psychoactive components. Its roots, stalks and stems are primarily used to produce clothing, paper and skin care products. In contrast, marijuana is a plant high in psychoactive components and its leaves, resin and oil are commonly used as a drug.

The psychoactive chemical components of cannabis are called cannabinoids. Of the 61 cannabinoids present in the cannabis plant, the most powerful (containing hallucinogenic properties) is delta-9-tetrahydrocannabinol, more commonly known as THC. This cannabinoid is concentrated in the flowering heads of the plant, with lower levels found in the leaves. The main forms of cannabis are shown at Table 8.

Table 8: Main forms of cannabis [ACC]

Form	Description	Properties	Method of administration
Herbal cannabis	The leaves and flowering heads	Low levels of THC	Smoked as a rolled cigarette or inhaled through a water pipe or 'bong'
Cannabis resin (hashish)	Made from the resinous material of the cannabis plant, dried and compressed into balls, blocks or sheets. Colour ranges from light brown to black	Medium levels of THC	Crumbled and smoked in a pipe or bong, rolled into a cigarette with cannabis leaf or tobacco, or cooked with food and eaten, most notably as 'hash cookies'
Cannabis oil	Viscous oil extracted using a solvent such as acetone or methanol. Colour ranges from amber to dark brown	High levels of THC	Small amounts applied to cannabis or tobacco cigarettes; can also be heated and the vapour inhaled

INTERNATIONAL TRENDS

Cannabis herb and resin remain the most extensively trafficked drugs worldwide (UNODC, 2005). The 2005 World Drug Report estimates there are 161 million cannabis users worldwide, up approximately 10 percent since the previous report, with cannabis use most prevalent in the Oceania region. Cannabis production is a global problem with cultivation occurring in many countries. The majority of cannabis is produced in the Americas, followed by Africa (UNODC, 2005).

DOMESTIC TRENDS

Australian Border Situation

Domestic cultivation of cannabis generally makes the trafficking of cannabis products to Australia unprofitable or unnecessary—with an exception of cannabis resin, cannabis oil and cannabis seeds. The other factor inhibiting imports is the difficulty of concealing significant quantities of cannabis products from detection; they are bulky and vulnerable to detection by drug dogs due to their distinctive and strong odour. The majority of detections of cannabis at the Australian border are personal use quantities found on air passengers or sent to Australia by mail. A discernible



subcategory of detections are attempted postal imports of small numbers of high quality cannabis seeds ordered online from specialised dealers in the Netherlands, with a view to domestic cultivation of high THC content strains of the plant.

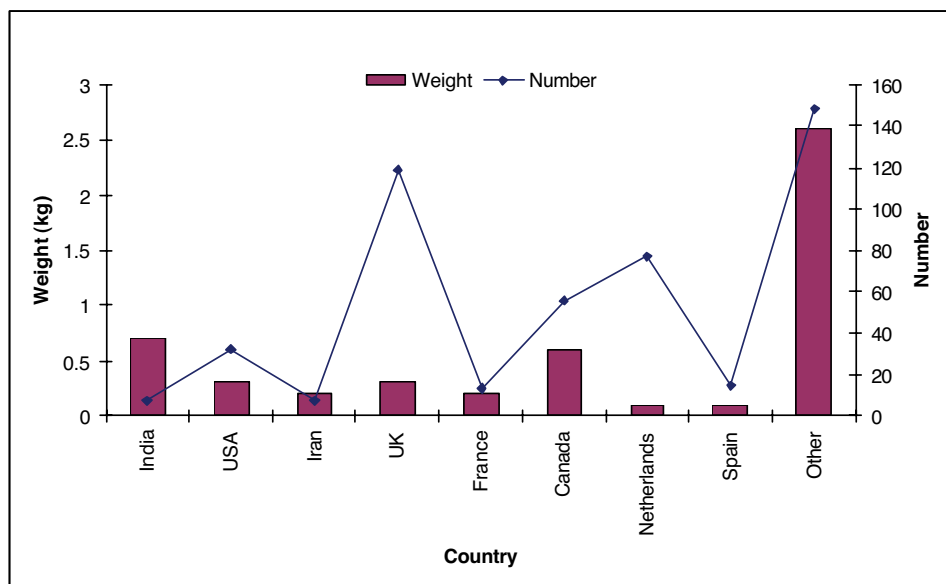
Significant Seizures

Customs detections of cannabis products at the Australian border in 2004–05 totaled less than five kilograms, down from the 2003–04 weight of approximately 15 kilograms.¹ This is a decrease of more than two-thirds in the weight of detected imports. Among 469 detections of cannabis products, only eight involved quantities larger than 100 grams, rendering analysis of the diverse origins of these imports irrelevant (see Figure 12). The largest detected imports were 800 grams of cannabis resin and one kilogram of cannabis seeds. However, the one kilogram import of seeds was made without criminal intent as it was destined for use as an Asian traditional medicine ingredient.

Importation Methods

Cannabis was detected in postal articles, air cargo parcels, luggage of air passengers, or concealed on the body and in the clothing of air passengers.

Figure 12: Country of embarkation for cannabis importations of more than 100 grams detected by Customs 2004–05



Source: Australian Customs Service

DOMESTIC MARKET INDICATORS

Cannabis is a drug with greater widespread community acceptance than other illicit drugs. It is also commonly used to manage the moods and 'come down' associated with use of other illicit drugs. For example, it is the illicit drug most commonly used in combination with MDMA for this purpose (Breen et al., 2004).

The cannabis market is not as sophisticated as other illicit drug markets due to the relative ease of production and potential high profits. The majority of cannabis consumed in Australia is domestically produced, with outdoor and hydroponic cultivation prolific in all states and territories. While large outdoor bush plots ranging in size from one to tens of thousands of plants remain common, the most commonly detected method of cultivating cannabis is through the use of hydroponics (or other enhanced indoor cultivation methods), usually detected within residential premises. While the volume of plants is typically lower for hydroponic cultivation, growing cannabis hydroponically means it can be grown all year round and produces a higher yield of 'head' or 'buds' in a shorter period of time. These factors, and a user perception of greater potency, make hydroponic cannabis more attractive and prices can be double that of bush cannabis. Findings from the Illicit Drug Reporting System (IDRS) project revealed that whilst gram prices for hydroponic and bush cannabis were similar, distinctions in prices were observed in larger quantities, with hydroponic cannabis costing more than bush cannabis (Stafford et al, 2005).

While organised crime groups are involved in the cultivation and distribution of cannabis, no single criminal group dominates supply. It should be noted however in recent years that there has been an observed increase in the involvement of Vietnamese crime groups in hydroponic cannabis production. Vietnamese crime groups are one of the leading criminal groups dominating cannabis production in Canada (NDIC, 2005) and there are indications to suggest that some Vietnamese Australians have travelled to Canada to learn how to maximise production levels, utilising various plants, techniques and available technology.

Availability

Cannabis remained widely available throughout Australia in 2004–05. A survey of injecting drug users in Australia described the availability of cannabis as stable and considered cannabis as 'very easy' or 'easy' to obtain in all jurisdictions, with hydroponic cannabis dominating the market (Stafford et al., 2005). However, results from the 2004 National Drug Strategy Household Survey show a significant decrease in recent use of cannabis by both males and females aged 14 years and over since the 2001 Survey (AIHW, 2005).

Price

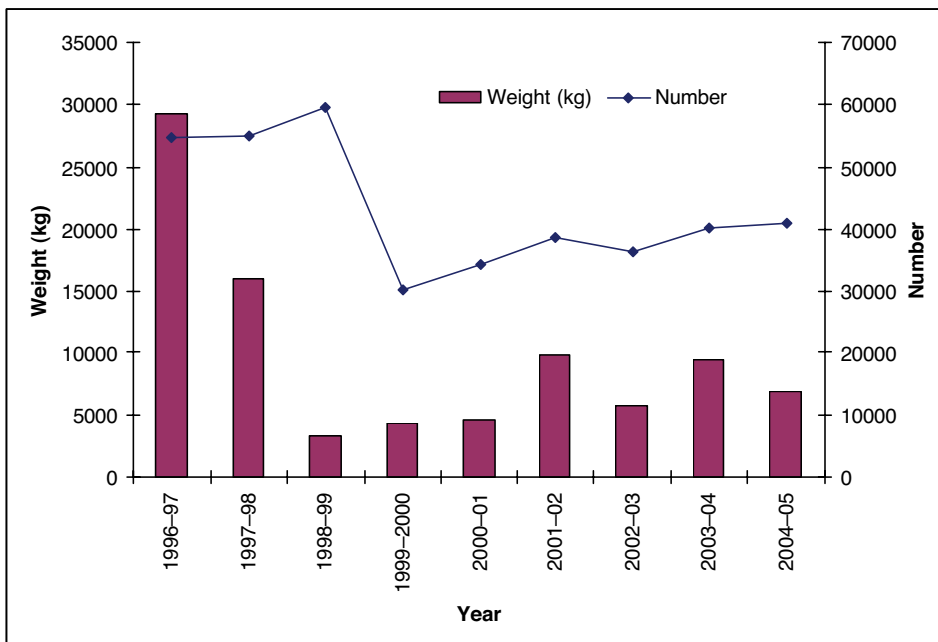
Quality and type remain the major determinants in the price of cannabis. Availability is rarely an issue; however, prices generally do vary between urban and regional areas. Whilst prices for cannabis were not available in all jurisdictions, the price of an ounce (approximately 28 grams) of bush-grown cannabis ranged from \$150 in New South Wales to \$250–300 in Queensland. Aside from the fluctuations in price between jurisdictions, there are also variations within jurisdictions and across time. For example, the cost of a pound of cannabis head in the Northern Territory increased from \$3000–3500 in 2003–04, to \$3500–4500 in 2004–05.



Seizures and Arrests

The number of cannabis seizures in Australia has increased and the weight of cannabis seizures has decreased since 2003–04 (see Figure 13). However, the weight of seizures is still higher than that recorded in 2002–03.

Figure 13: Domestic cannabis seizures by weight and number, 1996–97 to 2004–05



Note: This chart differs from those previously published due to the discovery of a historical rounding error.

The Northern Territory had the greatest percent increase in arrests for cannabis-related offences for 2004–05, whilst New South Wales had the greatest decrease (see Table 9). Nationally there was a slight decrease in the number of cannabis arrests; however, the number of arrests has been relatively stable since 1998–99 (see Table 10).

Table 9: Cannabis comparisons of number of arrests, 2003–04 to 2004–05

State/Territory ^a	Arrests		% change
	2003–04	2004–05	
New South Wales	11,054	6583	-40.4
Victoria	7620	7221	-5.2
Queensland	22,065	23,355	5.8
South Australia	1919	1512	-21.2
South Australia (CENs) ^b	5382	4784	-11.1
Western Australia	6108	5173	-15.3
Western Australia (CINs) ^c	na ^d	3782	–
Tasmania	1638	1353	-17.4
Northern Territory	315	429	36.2
Northern Territory (DINs) ^e	300	434	44.7
Australian Capital Territory	267	228	-14.6
Australian Capital Territory (SCONs) ^f	79	82	3.8
Total	56,747	54,936	-3.2

- a. The arrest data for each state and territory includes AFP data.
- b. Cannabis Expiation Notices.
- c. Cannabis Infringement Notices.
- d. Introduced in April 2004, data prior to 2004–05 unavailable.
- e. Drug Infringement Notices.
- f. Simple Cannabis Offence Notices.

Table 10: Cannabis arrests^a by state and territory, 1997–98 to 2004–05

State/Territory	1997–98	1998–99	1999–2000	2000–01	2001–02	2002–03	2003–04	2004–05
New South Wales	15,460	15,738	14,121	13,736	12,121	12,368	11,054	6583
Victoria	9034	9286	7419	6524	6692	7022	7620	7221
Queensland	13,021	13,386	13,654	13,178	17,068	19,879	22,065	23,355
South Australia	2700	2569	3138	2249	2377	2028	1919	1512
South Australia (CENs) ^b	10,752	9399	8651	8705	7435	5849	5382	4784
Western Australia	11,487	6087	6798	7371	7156	6028	6108	5173
Western Australia (DINs) ^c	na ^d	na ^d	na ^d	na ^d	na ^d	na ^d	na ^d	3782
Tasmania	1196	736	799	1050	1540	1830	1638	1353
Northern Territory	418	350	121	441	397	257	315	429
Northern Territory (DINs) ^e	419	357	406	456	425	148	300	434
Australian Capital Territory	139	85	na ^f	150	178	196	267	228
Australian Capital Territory (SCONs) ^g	235	152	161	184	105	84	79	82
Total	64,861	58,145	55,268	54,044	55,494	55,689	56,747	54,936

- a. The arrest data for each state and territory includes AFP data.
- b. Cannabis Expiation Notices.
- c. Cannabis Infringement Notices.
- d. Introduced in April 2004, data prior to 2004–05 unavailable.
- e. Drug Infringement Notices.
- f. Australian Capital Territory data for 1999–2000 not available by drug type.
- g. Simple Cannabis Offence Notices.



NATIONAL IMPACT

Despite a decrease in the number of arrests, cannabis-related activities continue to draw significant police resources, with almost 55,000 arrests for cannabis in 2004–05. Cannabis remains the most commonly used illicit drug in Australia with the majority produced domestically. Hydroponically cultivated cannabis continues to be prevalent and the most sought after form of cannabis, the demand for which is likely to increase in the short term.

NOTE

¹ The 2003–04 figure quoted does not include two large cannabis detections of 644 kilograms and 50 kilograms, one of which was a large abandoned shipment of cannabis found in Australia, but intended for another country, and one genuinely mistaken importation of a large consignment of cannabis seed, undertaken without criminal intent.

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