



AUSTRALIAN CRIME COMMISSION

Organised Crime in Australia



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REPORT ORGANISED CRIME

Organised crime can have a significant impact on the Australian community.

If you have information which could help the Australian Crime Commission (ACC) and our law enforcement partners in our work against organised crime, please contact:

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This occasional publication aims to provide the community with an overview of organised crime in Australia to enable the community to better understand its extent and impact. It is an abbreviated version of the ACC's *Picture of Criminality in Australia* (PoCA). Commissioned by the ACC Board, the *Picture of Criminality in Australia* is an important strategic criminal threat assessment that looks at all crime types in general and a number of criminal issues in greater detail. The PoCA is used to inform key decision makers in law enforcement and government. The content of this publication is restricted to non-classified information and will be updated when circumstances change and more information would assist the community's understanding of organised crime in Australia.

Contents

| | |
|---|----|
| Organised Crime in Australia | 2 |
| Key issues and trends | 7 |
| Expansion into new industries | 7 |
| The growing influence of transnational organised crime | 7 |
| The overlap between criminality and terrorism | 8 |
| The increasing use of professional facilitators and service providers | 9 |
| Identity crime | 9 |
| High-tech/cyber crime | 10 |
| Money laundering | 11 |
| The way forward | 12 |
| Understanding changes in crime | 12 |
| Collaboration | 12 |
| Increased public and industry awareness of key organised crime issues | 13 |
| Specialised law enforcement strategies | 13 |
| The ACC response to combating organised crime | 13 |
| Offices of the ACC | 15 |

Organised Crime in Australia



The fundamental characteristics of organised crime are that it involves substantial planning, organisation, the use of sophisticated methods and techniques, and is primarily motivated by financial gain. The nature of the criminal activity undertaken by organised crime groups is fluid, responding to a range of influences including market dynamics, law enforcement focus and emerging opportunities.

The cost of organised crime to Australian society is difficult to quantify. However, the ACC estimates organised crime costs Australia in excess of \$10 billion¹ every year. Organised crime groups have some involvement in drug trafficking, however are not limited to this crime type alone. Their involvement extends to activities including corruption, violence, fraud, money laundering and other financial sector crimes.

Organised crime affects a broad range of sectors and industries in Australia. Often the harm from criminal activity is indirect. The consequences of organised criminal activity may include increased costs of services or damage to the reputation of an industry or institution. More visible effects include those from the sale of illicit drugs, theft of property or violence.

Organised crime is diverse and flexible. It pervades all parts of society and the economy, easily adapting to changing threats and new opportunities. People involved in organised crime can vary markedly between regions and countries and over time. An organised crime group may be a hierarchical and highly controlled group, or an informal collaboration between 'white collar' criminals. In each case, the criminal activity is likely to present significant challenges for law enforcement.

Members of organised crime groups are drawn from across the community. Some groups are made up of criminal associates with similar skills or interests. Others are made up of members from a single ethnic or family group.

In the past, organised criminal activity has been strongly associated with ethnicity. For example, South-East Asian organised crime groups have an association with the importation of heroin and amphetamines; Romanian and South American crime groups have been involved in the importation of cocaine and Nigerian crime groups have been associated with fraud.

¹ ACC estimate based on extrapolation of current international estimates of the cost of organised crime applied to the Australian environment.



Organised crime groups have also tended to be highly structured and hierarchical but this has started to change recently as they adopt more flexible structures, operating in networks to progress joint 'business ventures'. These networks bring together groups and individuals who play complementary roles and may involve criminals of different ethnicities, skills and criminal interests. Some networks are formed for short periods while others may last for years.

Most organised crime groups are well resourced and influential. These groups are able to expand and contract their operations quickly, may operate in single or multiple industries and be involved in single or multiple activities. Some crime groups plan for their future by sending members to university or other training courses to acquire the specialist skills needed to support their criminal activity.

Organised crime groups operate in every Australian state and territory, and tend to be focused in areas of large populations with access to industry, resources and services. Most crime groups operate within a single Australian state or territory but may have links or associates in other states. The crime groups that are the greatest threat carry out their activities in more than one state or territory and have links to overseas organised crime groups. This is particularly common where the group is importing illicit commodities such as drugs or sending criminal profits overseas to be laundered.

While the Australian based groups dominate organised crime in Australia, international groups taking advantage of improved communication technology and more globalised trade are becoming increasingly influential.

Organised crime groups tend to use similar methods and strategies, targeting weakness, whether in an individual, organisation or industry. When involved in 'white collar' crimes, the groups will often use some form of corruption, intimidation, extortion and/or implied or actual violence. Organised crime groups will also collect

intelligence about the people they seek to influence including business partners, public administrators and law enforcement officers. Crime groups may blend their criminal activities with legitimate business structures or processes and will look for new technology that will give them an advantage. Invariably, organised crime will seek to protect itself by disguising its identity and using money laundering to make the proceeds of crime appear legitimate.

Organised crime: 'Two or more offenders carrying out serious criminal activity involving substantial planning, organisation, sophisticated methods or techniques'



The most successful organised crime groups operating in Australia are flexible, entrepreneurial and capable of resisting law enforcement. These groups are innovative in their search for criminal profit. They may cooperate with other crime groups to access the products, services, people and skills needed to succeed.

Organised crime groups in Australia are also involved in a wide range of other crime, from the theft of valuable natural resources to sophisticated frauds and illicit drug manufacture and distribution. Some organised crime activities not only cause harm, but are critical to carrying out other criminal activities. These 'enabling' activities include exploitation of logistics and communication technology, identity crime and money laundering.

Organised crime is increasingly found in industries where there is traditionally little awareness of, or exposure to, their activities, where gaps in regulations can be exploited and/or where the penalties for crime are not sufficient to deter criminal behaviour. Some natural resources, financial sectors, transport industries, new technologies and export industries present opportunities for exploitation by organised crime.

Organised crime often occurs within and alongside legitimate business, targeting areas where it is possible to generate high profits. Once involved in an industry, a crime group may then use this position, experience and skills to move into other areas.