

UNCLASSIFIED

Inquiry into the future impact of serious and organised crime on Australian Society

Background

Serious and organised crime¹ encompasses a wide range of criminal activities, from the importation, manufacture and distribution of illicit drugs through to sophisticated frauds. Organised crime may also blend criminal activity with legitimate business structures and processes, or operate through the corruption of public and private officials.

Many of the so called 'traditional' areas in which organised criminal groups engage, such as the importation of illicit drugs, have no parallel in the legitimate economy. Other markets have emerged, however, as these groups identify and exploit vulnerabilities in sections of the legitimate economy to create new criminal niches.

Serious and organised crime is a significant and ongoing global concern. It is pervasive, multi-faceted and accompanied by massive social and economic costs to society. These costs are not only monetary, but include loss of profit or commercial viability of legitimate businesses, damage to the health and well-being of the community, increased costs of goods or services, reduced supply or availability of critical services, and an actual or perceived reduction in community safety.

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

¹ The definition of serious and organised crime for the purposes of the *Australian Crime Commission Act 2002* is at sub-section 4(1) of the Act.