

Prevent and combat major crime

The big picture for 2009–10

We focus our crime-fighting efforts on the kinds of criminal activity most likely to do serious harm to the people of Queensland, as identified through our research and intelligence capabilities. We strive to complement rather than duplicate the work of other law enforcement agencies, both state and Commonwealth, with whom we work in strategic and operational partnerships.

To identify current and emerging threats in the criminal environment, we completed and published law enforcement and public versions of the latest of our crime markets assessments. This focused on illicit drug markets in Queensland and was supported by our research into illicit drug use by young users in South-East Queensland.

In fighting organised crime, we continue to identify and focus on the vulnerabilities of criminal syndicates. Recognising that attacking the profitability of organised crime strikes at the heart of criminal enterprises, we maintained focus on our criminal proceeds confiscation function and achieved record results for criminal proceeds restraining orders, assets forfeited and civil confiscation matters finalised. Strategic intelligence generated by our confiscation investigations led to the largest and most complex organised crime investigation so far undertaken by the CMC.

We also passed the significant milestone of \$100 million total value of assets restrained since the civil confiscation legislation commenced in 2003. The resourcing of our proceeds of crime activity will continue to present us with organisational challenges as recognition of its value by our partner agencies continues to grow.

Another significant vulnerability for networked criminals lies in their need to communicate with one another. Establishing an efficient and accountable telecommunications interception capability and integrating this into our methodologies has considerably enhanced our investigative and intelligence capability.

Consistent with the 2009–10 priorities for our 'prevent and combat major crime' objective, we enhanced and upgraded our technical electronic surveillance and forensic computing capability. The technical capabilities of our paedophilia investigators were also substantially enhanced through advanced training in the use of covert investigative software.

We continued to meet the demand for the use of our coercive hearings power in both our own investigations and where our assistance was sought in police investigations. Although we were not able to give effect to our priority to enhance our hearings capacity and at times had to divert part of our capacity to support other important work, we maintained high levels of timeliness and productivity in this significant area.

“ Strategic intelligence generated through our confiscation investigations led to the largest and most complex organised crime investigation so far undertaken by the CMC ”

Reportcard*

Performance in 2009–10

1. We made an effective contribution to Queensland's overall law enforcement effort, as follows:

- We undertook 43 tactical operations, more than doubling our target of 20.
- We completed 14 research, prevention and intelligence projects rather than our target of 15, due to unanticipated staffing difficulties in our research area.
- Ninety-five per cent of our tactical operations resulted in charges, restraints or seizures, meeting our target.

2. Our proceeds of crime capability disrupted organised crime networks, as follows:

- We obtained 97 criminal proceeds restraining orders, exceeding our target of 60 by over 60 per cent.
- We achieved a net value of criminal proceeds restrained of \$19.543m, exceeding our target of \$15m by 30 per cent.
- We finalised 42 civil confiscation matters, more than doubling our target of 20.
- We achieved a net value of assets forfeited of \$5.568m, exceeding our estimate of \$4m by almost 40 per cent.

* Reported against performance indicators identified in the Strategic Plan, measured by SDS performance measures.

Performance over five years

Assessing this year's performance within a five-year timeframe reveals that we achieved record results across many measures, including tactical operations undertaken, proceeds of crime restraining orders obtained, net value of assets forfeited, and civil confiscation matters finalised (Table 1), as well as investigative hearing days and the estimated street value of drugs seized (Table 2, page 15).

Over the five years, the number of criminal proceeds restraining orders and the net value of assets forfeited have shown an overall upward trend, despite some fluctuation.

Since 2006–07 the target/estimate of 20 tactical operations per annum has been consistently exceeded with a growing upward trend. This is due to increases in internet-based paedophilia investigations using new technology and the referral of police organised crime investigations for the conduct of coercive hearings. For this reason the target/estimate for 2010–11 will increase to 25.

During 2010–11 proceeds of crime resources will be redeployed to focus on increasing the rate of civil confiscation matters finalised. The target for net value of forfeitures will increase from \$4 million to \$5 million, with numbers of forfeitures increasing from 20 to 30.

Table 1. Performance 2005–06 to 2009–10, and estimated 2010–11, as per SDS indicators

Key performance measures (SDS)	2005–06	2006–07	2007–08	2008–09	2009–10		2010–11 (estimate)
					(target or estimate)	(actual)	
Tactical operations undertaken	23	25	35	29	20	43	25
Research, prevention and intelligence projects undertaken	5	5	5	13	15	14	15
Percentage of operations resulting in charges, restraints or seizures	94	94	100	100	95	95	95
Criminal proceeds restraining orders obtained	28	50	78	78	60	97	60
Net value of criminal proceeds restrained (\$'000)	10879	11 743	18 561	24 374	15 000	19 543	15 000
Civil confiscation matters finalised	25	26	27	23	20	42	30
Net value of assets forfeited (\$'000)	2000	4 245	4 675	3 304	4 000	5 568	5 000
Expenses to achieve strategic goal 'To prevent and combat crime'	\$11.5m	\$11.3m	\$12.2m	\$14.0m	\$14.2m	\$14.5m	\$16.0m

Organised crime

In 2009–10 we finalised two multidisciplinary, multi-agency investigations. Results included the arrests of more than 75 people on more than 342 charges, including numerous charges of trafficking in dangerous drugs. The investigations were:

- a complex multi-agency operation investigating drug distribution networks across three states, which resulted in the dismantling of several criminal networks (see box)
- a multi-agency interstate operation focusing on cocaine trafficking in the Gold Coast area, which resulted in 12 people being arrested on 51 drug-related charges, including drug trafficking and possession of firearms, and assets including cash, cars and property valued at \$1.494 million being restrained, along with the seizure of 2.79 kilograms of cocaine with a street value in excess of \$1 million.

From all our operations, 101 persons were charged with 455 offences resulting from investigations commencing either in 2009–10 or in previous years. Drugs were seized to a record estimated street value of \$4.5 million. See Table 2.

Organised criminal groups dismantled

Drug distribution networks in Melbourne, Sydney and North Queensland linking to a syndicate of family members in South-East Queensland were identified in the largest and most complex crime investigation undertaken to date by the CMC.

Groups investigated during the operation were found to use couriers to move drugs and cash along the eastern coast of Australia. Drugs trafficked included methamphetamine (ice), MDMA (ecstasy), GHB (fantasy), cannabis, cocaine and steroids.

The protracted covert investigation was commenced by the CMC in April 2009, and quickly supported through joint arrangements with police drug squads in Queensland, Victoria and New South Wales as well as the QPS Hydra Outlaw Motorcycle Gang Unit. The evidence gathered led to the charging of 63 people with more than 291 charges, including 43 charges of trafficking in various dangerous drug types.

To date, assets seized or restrained as a result of the investigation total more than \$7 million Australia wide, including the cash seizure of approximately \$1.123 million. Drugs with a total estimated street value of \$3.354 million were seized or covertly recorded.

The CMC's coercive hearings power also contributed to the success of this operation (see second box on page 17).

How crime matters come to the CMC

Under the Crime and Misconduct Act, major crime encompasses organised crime, criminal paedophilia, serious crime and terrorism.

Most crime matters come to us through referral by the Crime Reference Committee, which includes community representatives as well as the Assistant Commissioner, Crime (the Chair), the CMC Chairperson, the Commissioner of Police, and the Commissioner for Children and Young People and Child Guardian.

As well as referring specific matters, the committee has referred several general areas of major crime, which allows us to investigate particular incidents of suspected criminal activity without a specific committee referral. We may also investigate matters identified through our own target development, provided they fall within the broad areas identified by the committee.

Criminal paedophilia

While the CMC's jurisdiction relates to all child sex offending, the multidisciplinary team within the CMC dedicated to the investigation of criminal paedophilia focuses on internet-based offending and networked, recidivist offending. This ensures that our work complements, rather than duplicates, the work of the Queensland Police Service.

Internet investigations focus on high risk offenders

During 2009–10 CMC investigators received advanced training in the use of covert investigative software to detect offenders accessing the worst kinds of child exploitation material. This software enables the investigators to focus on the specific target group that empirical data suggest poses the highest risk of being networked and/or committing contact offences.

These investigations resulted in the arrests of 15 persons on a total of 98 charges relating to the possession, distribution and production of child exploitation material.

Networked paedophilia

With the assistance of QPS child protection investigation units, CMC officers continued to investigate allegations of systematic sexual abuse of children by a paedophile network in North Queensland over a 10-year period.

Law enforcement partnerships

The CMC team continued to expand its operational capability locally and internationally through its active partnerships with other law enforcement agencies, including the Office of the Commonwealth Director of Public Prosecutions and the Australian Federal Police as well as the QPS.

CMC officers have also commenced Probe Asia, which targets Queensland-based residents travelling overseas for the purpose of offending against children in other countries.

As well as working closely with the QPS in investigations, the team has provided training in investigative practices associated with newly available software to detectives in the North Coast region.

Table 2. Use of CMC powers and results of investigations, 2005–06 to 2009–10

Description	2005–06	2006–07	2007–08	2008–09	2009–10
Use of CMC powers					
Investigative hearing days	104	81	151	157	162
Witnesses attending on summons	92	66	163	174	157
Surveillance warrants	31	28	10	21	10
Results of investigations					
Arrests	52	109	114	120	101
Charges laid	323	433	561	544	455
Drugs seized – estimated street value	\$0.327m	\$0.318m	\$0.284m	\$0.456m	\$4.5m

E-briefs bring multiple benefits to delivering and managing evidence

The 'electronic brief of evidence' (e-brief) has continued to be improved by CMC officers since its value was signalled in 2008 by the Director of Public Prosecutions. Since then, the e-brief has been increasingly accepted by the courts and legal representatives. It is particularly effective in managing the very large amount of data involved in long and complex investigations such as CMC investigations into organised crime.

- Since e-briefs are developed contemporaneously with investigations, they can typically be completed ready for court within a reasonably short time after operations close. To date, five large and complex organised crime e-briefs of evidence have demonstrated their effectiveness in progressing matters through the courts in a timely way.
- The brief of evidence is supplied to both defence and prosecution on an electronic external hard drive, facilitating simple, accurate and timely presentation of evidence and allowing all parties to quickly gain a full understanding of the prosecution case against each defendant.

The CMC will continue to adapt and improve the e-brief system with a view to incorporating an inbuilt case management system.

“ *The number of investigative hearing days held per annum has shown a strong upward trend over the last five years* ”

Externally requested investigations

A significant proportion of our work is undertaken in support of investigations being carried out by the Queensland Police Service where our assistance is sought, usually involving the use of our coercive hearings power. These investigations can relate to any category of major crime, such as organised crime and criminal paedophilia, but our assistance is most often sought during investigations into serious crime such as murder, arson, extortion and rape.

A matter that does not fall within one of the existing general referrals may be referred by our Crime Reference Committee provided that a police investigation has not been, and is not likely to be, effective using powers ordinarily available to police officers, and where it is in the public interest to do so.

The number of investigative hearing days held per annum has shown a strong upward trend over the last five years (Table 2, page 15). This year we conducted investigative hearings over 162 days in Brisbane, Cairns, Townsville, Mackay, Yeppoon, Maroochydore and Proserpine; 157 witnesses were called to give evidence in relation to 39 serious crime investigations including murders, drug trafficking and money laundering, and child sex offending. Examples include:

- the drug-related kidnapping, serious assault and torture of a man by two brothers based on the Gold Coast in 2007
- the drug-related murder of a man and attempted murder of another man at Burleigh Heads in 2009
- the 'road rage' related shooting murder of a man at Burleigh Heads in 2009
- alleged organised fraud engaged in by a Gold Coast business in 2005–06
- suspected systematic child sex offending involving Indigenous children in Townsville
- the disappearance and suspected murder of a man at Caloundra in 2003
- alleged drug trafficking activity and associated violence by a Rockhampton-based syndicate.

Vital testimony secured in hearing

Following a request by Queensland police for assistance with a murder investigation, a CMC hearing was successful in securing vital evidence.

After a homeless man was fatally bashed on a Brisbane street in 2009, a potential suspect was identified as a result of CCTV footage. Although information received suggested that the suspect may have confessed to a friend at his workplace, the friend denied any knowledge of the matter to police.

With the matter referred by the Crime Reference Committee to the CMC for investigation, the suspect's friend was called to a hearing. After being warned of the possible legal consequences of giving false evidence on oath, the friend confirmed that the suspect had admitted his involvement, and provided a detailed account. The suspect was arrested for the murder shortly after.

Hearings throw spotlight on sophisticated drug network

A series of hearings were held in Cairns and Proserpine shortly after the covert phase of our most significant organised crime investigation to date ended with the arrest of numerous offenders and the seizure of substantial quantities of cash and drugs.

The investigation related to the trafficking of a range of illegal drugs by several interrelated networks, which were based on the Gold Coast but operating from Cairns to Melbourne. A number of syndicate members occupying various positions within the hierarchy were called to hearings for questioning about the syndicate's activities. Realising the nature and extent of the earlier covert investigation, most were forthcoming in providing relevant information.

The hearings proved highly successful in consolidating an already strong case and providing a very clear picture of the involvement of key members of the network.

Proceeds of crime

Proceeds of crime recovery deters crime by attacking its profitability and removing funding for further criminal activity. The CMC proceeds of crime team works to ensure that crime does not pay and that illegal gains by criminals can be recouped for the people of Queensland.

Our proceeds of crime staff work closely with the Queensland Police Service in identifying and litigating proceeds of crime matters as well as with officers of the Office of the Director of Public Prosecutions (the Director of Public Prosecutions being the solicitor on the record for the purposes of CMC proceeds of crime litigation) and staff of the Public Trustee of Queensland (who is responsible for the property restrained and held by the state).

Civil confiscation – restraint and forfeiture of property acquired illegally or to satisfy proceeds assessment orders

The CMC administers the non-conviction-based civil confiscation scheme under the *Criminal Proceeds Confiscation Act 2002* (CPCA). Under the Act, property is liable to be restrained if it belongs to, or is under the effective control of, someone who is suspected of having engaged in serious criminal activity in the past six years. Restrained property is liable to be forfeited unless a person proves, on the balance of probabilities, that it was lawfully acquired. It can also be used to satisfy proceeds assessment orders.

The expanded use of the criminal proceeds confiscation function signalled for 2009–10 led to the CMC team exceeding their targets in all indicators (see Table 1, page 13). The team:

- obtained 97 restraining orders over property valued at \$19.543m
- concluded 42 matters, resulting in the forfeiture of property valued at \$5.568m. In addition, 2 proceeds assessment orders were obtained to the value of \$5.221m.

A significant number of litigated matters are still before the court, and resources have been redeployed within the CMC proceeds of crime team to progress these matters.

The CMC team reached a significant milestone on 20 November 2009 with a total of \$100 million in property restrained since the inception of the CPCA on 1 January 2003 under the non-conviction-based provisions.

The government announced during the year a further review of the CPCA – in particular, of amendments made to the CPCA that came into effect on 22 June 2009. The review presents an opportunity to identify legislative reform to make the CPCA even more effective.

The CMC works to ensure that crime does not pay and that illegal gains by criminals can be recouped for the people of Queensland

Figure 1. Estimated net value of criminal proceeds restrained (target compared to actual), 2002–03 to 2009–10

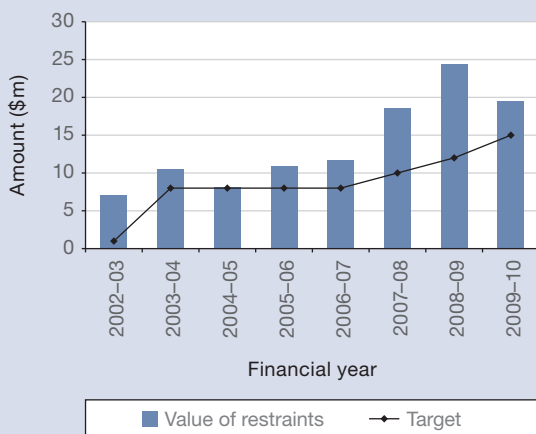
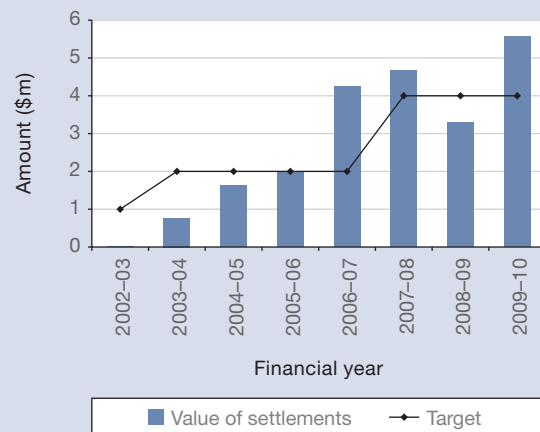


Figure 2. Net value of assets forfeited (target compared to actual), 2002–03 to 2009–10



Intelligence

Strategic intelligence assessments

- We released the final volume of the crime markets assessment *Illicit drug markets in Queensland: a strategic assessment*. This report assessed the various illicit drug markets operating in Queensland and ranked them according to the risk they pose to the community. The report informs other law enforcement agencies, CMC clients and stakeholders when making decisions on a wide range of issues relating to those markets, including operational directions, policy development and legislative reform.
- We released the illicit drug markets assessment in two volumes for law enforcement agencies and the public respectively.
- We also published public versions of strategic assessments focusing on property crime, money laundering and fraud, which were previously released to law enforcement agencies. Public release of these documents gives the Queensland public greater understanding of the risks posed by organised crime and the implications for the community.
- We finalised an intelligence digest for law enforcement agencies detailing the increasing prevalence of the analogue stimulant 4-MMC or mephedrone (colloquially known as meow meow) and highlighting the legislative and potential health issues associated with the commodity.
- We contributed detailed submissions to the Australian Crime Commission for a series of strategic reports presenting a current picture of criminality in Australia.

Target development

Target development involves identifying indicators of potential significant criminal activity or misconduct of an individual or a network, and collecting and analysing data to determine the level and extent of activity. During 2009–10 we integrated a new threat assessment methodology into this process to ensure our resources are focused on the highest priority targets, taking into account the level of harm posed.

Applying this methodology we referred three crime matters to the CMC's organised crime teams for investigation as well as referring a number of matters to the ACC, the QPS and other agencies.

Human source training

We provided specialised training on recruiting and managing confidential human intelligence sources to CMC, QPS and ACC staff.

Intelligence disseminations

We uploaded 122 reports such as information reports, offender profiles and post-operational assessments to the Australian Criminal Intelligence Database, as well as disseminating intelligence and information to other law enforcement and misconduct agencies.

Research and prevention

Illicit drug use

In collaboration with Queensland Health and the Queensland Alcohol and Drug Research and Education Centre of the University of Queensland, CMC research staff undertook a significant study of amphetamine-type stimulant use in early adulthood (18–23 year olds), using a life course perspective.

We studied the role of early drug use opportunities, drug use trajectories, patterns of drug use and drug use disorders, and the psychosocial consequences of drug use. CMC researchers did face-to-face interviews and internet surveys with 352 ecstasy and amphetamine users.

The report will be published in the next reporting period.

Looking forward

We will pursue our objective to prevent and combat major crime using the strategies outlined in our *Strategic Plan 2010–14*. We will give particular emphasis to evaluating and reviewing the effectiveness of our proceeds of crime capacity.