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1. Secretary General Costa, distinguished delegates:
2. I wish to congratulate Thailand on hosting this Congress and I would also like to thank the United Nations, particularly the Office of Drugs and Crime for the work it has done in the lead up to the Congress.
3. Australia welcomes this opportunity for all States to gather at Ministerial level to exchange views and to determine how we can better cooperate to combat transnational crime in particular to engage such challenges as illicit drug trafficking, money laundering, corruption, terrorism and people smuggling and trafficking.
4. Whilst I will deal with these important areas shortly, I also want to touch on an international approach to seizing the Proceeds of Crime. If this is addressed appropriately, we can take the profit out of crime and indeed destroy the resources for terrorism.
5. The Congress agenda reflects our highest policy priorities and I am confident that it will play an important role in crime prevention and fighting crime.

Introduction

6. Since the Vienna Congress five years ago, Australia has increased its fight against transnational crime and it is important that we maintain the momentum that has been achieved internationally.
7. The first thing that we should remember about transnational crime is that transnational crime in one country is local crime in another. Transnational crime is also a threat to all of us because it exploits not only the weakest and poorest, but also undermines the rule of law and impedes economic growth. It also supports terrorism.

Drugs

8. The relationship between transnational crime and local crime is clearly demonstrated by organised drug trafficking. The international supply and trafficking of illegal drugs

ultimately ends up in local communities. This then leads to increases in related criminal activity such as property crime.

9. Recent surveys in Australia demonstrate that 61 percent of those charged with a property offence tested positive to an illicit drug — (excluding cannabis and alcohol).
10. These findings reinforce the point that the drug trade is related to local crime. Apart from the human misery caused by illicit drugs, this is why the trafficking and use of illicit drugs remains a matter of immense concern to the Australian Government.
11. In Australia we fight illicit drugs on three fronts LAW ENFORCEMENT to reduce supply, EDUCATION to reduce demand; and of course HEALTH to rehabilitate those with a drug problem. That is why Australia continues its *Tough on Drugs* policy and reducing the supply of drugs and bringing to justice those criminals who manufacture, import and distribute illicit drugs is a matter of the highest priority.
12. Just over a week ago more than one -tonne of ecstasy comprising five million tablets was intercepted at one of our ports. This is the largest seizure ever in Australia, and one of the largest seizure of street-ready ecstasy in the world. It demonstrates that we are succeeding in disrupting the international illicit drug trade, although there is still much work to be done.
13. Australia's law enforcement and health authorities report that supply of heroin and its use have dropped. In human terms this has meant a significant drop in the number of deaths through heroin overdoses.

Money Laundering

14. Money laundering is the life blood of transnational crime and terrorism. Cracking down on money laundering is important because it makes it harder for criminals to use, hide, disguise and invest their ill-gotten gains. Increasingly we are finding that the money trail is leading us directly to the snake heads and Mr Bigs of crime.

15. Australia is an active and foundation member of the Financial Action Task Force on Money Laundering (the FATF) and has played a major role in drafting the 40 Recommendations, which form the basis of internationally accepted anti-money-laundering standards.
16. Australia was among the first countries to enact comprehensive anti-money-laundering legislation and to put in place a robust regulatory framework. The Australian Government is working on new reforms (in consultation with industry and the public) to strengthen Australia's anti-money laundering regime.
17. This will ensure that Australia's system reflects international best practice, as set out by the revised FATF 40 Recommendations and the Special 9 Recommendations on Terrorist Financing. It is anticipated that new anti-money laundering legislation will be considered by the Australian Parliament during 2005.
18. Australia's anti-money laundering agency is the Australian Transaction Reports and Analysis Centre, AUSTRAC, which was established 15 years ago. As one of the world's first financial intelligence units, AUSTRAC works closely with its overseas counterparts to combat money laundering, terrorist financing and other transnational crimes.
19. Currently AUSTRAC has Memoranda of Understanding with financial intelligence units in 37 countries which allows it to work closely those units and with police agencies to cut off the money that is the life blood of transnational crime and terrorism.

Proceeds of Crime

20. For too long, the heads of major crime syndicates have distanced themselves from the criminal operations but have still taken the major slice of the profits.

In Australia, we have put in place proceeds of crime legislation so that we can seize the assets of any person who – on the balance of probabilities has been involved in or benefited from a criminal offence.

Our proceeds of crime legislation means there is no hiding *away* of assets and there is no benefiting from illegal activities.

21. In 2004 under the new legislation, we have restrained \$97.4M — up from \$11.4M in 2002.

Of course, forfeiture still has to be ordered by the Court, but I am confident that Australia will see substantially more assets forfeited.

22. Importantly, under our legislation, the money realised from forfeiture goes into resourcing more law enforcement, crime prevention and drug treatment programmes.

23. Australia would like to see a renewed focus by the international community in confiscating the proceeds of crime and putting the proceeds to proper use. Just last year Australia and Indonesia cooperated on an investigation that led to hundreds of thousands of dollars of criminal profits being paid to the Indonesian Government. This money will benefit the Indonesian people and it shows the positive outcomes that can be achieved if we work together to track down and repatriate the proceeds of crime.

24. This week the retiring President of the World Bank, James Wolfensohn, confirmed that the Bank did not have the power "to go in, investigate, search and seek for moneys that may have come from trading or dealing in drugs." This demonstrates the necessity, I believe, for work to be done in this crucial area.

Strong Governance — the Fight Against Corruption

25. Australia also recognises corruption as a major impediment to development. Australia is actively involved in international efforts to combat corruption, and has an overseas aid program which is strongly focused on assisting Asia Pacific countries combat corruption.

26. With the help of our regional and international partners we are promoting good governance and stability in a number of practical ways:

- Australia is assisting in capacity building in Indonesia, Cambodia, East Timor, Papua New Guinea, Solomon Islands, Nauru and Philippines in institutions such as the police, Ombudsman, audit offices, judiciary and the prison services.

- Australian officials are working in Pacific administrations. They are sharing their skills and expertise to help build the capacity of local institutions to govern efficiently and

effectively. For example in Papua New Guinea we have specialists working in key areas such as the law, economic and financial management, and military training.

- And Australia is also involved in the implementation of the Regional Assistance Mission to the Solomon Islands (RAMSI). Our role with RAMSI reflects a more robust approach to regional stability and security.

Terrorism and Other Forms of Transnational Crime

27. The Attorney-General mentioned Australia's efforts in counter-terrorism. The link between terrorism and other forms of transnational crime is well recognised. This means that as well as military cooperation, the war against terrorism and other forms of transnational crime also requires broader cooperation on things like law enforcement, the sharing of criminal intelligence and on border security. Australia has worked hard to establish these links – especially in the Asia-Pacific region.

28. One of the key initiatives is the Jakarta Centre for Law Enforcement Co-operation (JCLEC), which will train and educate regional investigators in how to manage complex multi-jurisdictional matters.

29. This will ensure that law enforcement officers from around the region have the best possible training, skills and expertise so that they can fight terrorism and other forms of crime.

People Trafficking and Smuggling

30. People smuggling and trafficking is one of the worst forms of transnational crime. Our data suggest people trafficking into Australia remains at relatively low levels. But we are not complacent. The Australian Government announced a \$20 million package to combat people trafficking in October 2003.

31. As well as this package, Australia already has strict anti-trafficking legislation in place with severe penalties for crimes such as slavery, sexual servitude and deceptive recruiting. As part of Australia's commitment to combating trafficking in persons, the Australian

Government has introduced new offences to comprehensively criminalise all forms of trafficking in persons in accordance with the UN Trafficking Protocol.

32. Australia also supports a number of projects in the South East Asia and the North Asia region that aim to reduce the incidence of trafficking of women and children.
33. Our assistance is targeted at enhancing the capabilities of regional organisations and persons to support trafficking victims, especially women. This includes improved sub-regional and national communication and cooperation, particularly through legal, administrative, policy and advocacy measures.
34. Unfortunately, people smuggling and trafficking continue to pose significant and ongoing threats to regional security. Determined efforts in Australia have contributed to a reduction in maritime people smuggling activities. The threat can best be addressed by a combination of strong domestic measures and effective regional cooperation, including through the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime.

International Law Enforcement Cooperation

35. In terms of international cooperation Australia continues to work closely with countries in our region and with the broader international law enforcement community and will continue to do so. For example we have established the Transnational Crime Coordination Centre within the AFP to coordinate the flow of operational information between Australia and our international partners.
36. This type of cooperation is also facilitated by Memoranda of Understanding (MoUs) the AFP has with other law enforcement agencies. The MoUs have proved to be exceptionally useful in facilitating cooperation and the exchange of information.
37. The AFP is in the process of developing more such agreements. And to further consolidate relationships overseas the AFP now has officers working with local law enforcement agencies in 32 cities in 26 countries around the world.

38. This cooperation was exemplified by the outstanding work undertaken by the Australian and Indonesian police forces in the aftermath of the Bali bombing in October 2002 to hunt down the perpetrators and bring them to justice.

Conclusion

39. In the Vienna Declaration on Crime and Justice, member states called for greater regional and international cooperation in the fight against crime.
40. The Vienna Declaration was of great importance to Australia and we have seized the further opportunity it presented to work in cooperation with other member states, particularly with countries in our region and with UN agencies.
41. If we are serious about fighting transnational crime, this co-operation must extend to the confiscation of the proceeds of crime.

We cannot allow crime to dominate our world. By working together we can enforce justice and we can ensure peace.

42. The initiatives I have outlined today demonstrate Australia's determination to have strong domestic policies in place and to be part of the international effort to defeat transnational crime.