

Intelligence and Drug Operations Branch

Adelaide becomes an entry point for drugs

A recent arrest has shown that Adelaide can now be considered a direct entry point for drug trafficking.

On Saturday 12 June 1993, Customs officers detected a man with heroin strapped to both arms and legs, and concealed in his underwear and both shoes.

Central Region's Airport Intelligence Section arrested a drug courier and identified and arrested an accomplice waiting in the general public arrival area. The heroin weighed 2.945kg and is the biggest seizure of heroin in South Australia and the second largest 'body pack' importation into Australia discovered to date.

Detective Sergeant John Schulte of Central Region's Intelligence and Drug Operations Branch said that until this incident, the drug situation in South Australia had differed to other states with the majority of illicit drugs available in South Australia being trans-shipped from either Sydney or Melbourne. He said the main drug importers usually target the eastern seaboard.

International air passenger and cargo movements to South Australia, while growing in number, are fewer than to other states and most ships have docked elsewhere in Australia before they reach South Australian waters.

He said: "As a general rule most direct narcotics imports to South Australia are destined for another area and South Australia is reserved from that area. That's not to say that South Australia's drug problem is any less than the drug problem in the other states."

The detection of narcotics in South Australia often has ramifications for the eastern states as tracing the origins of a trans-shipment can expose distributors and importers who otherwise escape detection in the states in which they operate.



D/Sgt. Mike Schulte (bearded) with drug investigators at Central Region Headquarters.

"We do a lot more street work here than would be done in other regions, and part of the work done here compliments, to a great extent, the interstate work as well.

"A lot of the information we get here will assist or commence an investigation in the east," Detective Sergeant Schulte said.

Central Region drug investigators work well with the South Australia Police. Any information obtained on the local production and distribution of amphetamines and cannabis are referred to South Australia Police while any drug reasonably suspected of originating overseas remains the concern of the AFP.

"We work in conjunction with the state police, but cultivate and control our own informants. If the information we gain is relevant to other agencies we pass it on," he said.

This has also involved the introduction of more positive liaison with the Customs Service in recent times which has resulted in an improved working relationship and two significant seizures of

narcotics at the Customs barrier.

Intelligence Targeting

Central Region's Intelligence unit is emerging from an era of where its function was one of operational support to one where it now provides the targets for investigation.

Detective Sergeant Mike Schultz, 12 years with the AFP, said that having split the Intelligence role distinctly into targeting and response means that since the beginning of this year the Targeting Unit has been able to devote its time to identifying targets for investigation.

"Working on one major target at a time takes us out of the picture with regard to general routine inquiries," he said.

Targeting is a mixture of operational roles. When fully implemented a regional target selection committee will choose a target to be worked on by the Targeting Unit. The unit will research and collect background material and conduct preliminary surveillance, prepare affidavits and develop a package to a stage where it can be presented to the Drug Unit.



Settling into the role of Intelligence Targeting are (l to r) D/Const. John Tuca, D/Sgt Mike Schultz, Megan Gaynor, D/Const Trevor Barre and ACS officer, Geoff Edwards.

"Once that job is finalised from our point of view, we then go on to our next job. It's all hands on deck to do one job at a time. To identify targets it is proposed that there will be a target selection committee. A brief resume of potential targets is presented to the committee. The committee then prioritises the targets.

"So our objective is to work up the detail on one case at a time to a point where we can say that there is something in it or not. Then we can start work on the next target," he said.

Detective Sergeant Schulz said that with a drug investigation background he would often rather make the effort to go out and find that extra bit of information than sit in the office – he finds the administrative aspects of the job less interesting.

"But we aim to create targeting teams that have a mixture of talent and experience," he said.

All information reports are monitored closely because they can affect the priority listing of a target. A low priority target can become high priority quickly. For instance, the knowledge that a known user has left the country may be listed as low priority but confirmed information of the user's imminent return can move the target quickly up the list.

A Customs officer is attached to

the targeting team and this has also proved beneficial.

"Through this officer, access to appropriate Customs intelligence make us more responsive to events as they develop.

"The arrangement has also aided in developing a closer working relationship between the two organisations and has been to our mutual advantage," Detective Sergeant Schulz said.

Intelligence Response

South Australia has communities that have connections to some of the

world's trouble spots, and civil and political unrest in other parts of the world does have its effect in Australia, according to Detective Constable Mike Velickovic of the Intelligence Response Unit.

Detective Constable Velickovic said: "Our job has been to monitor and liaise with community heads to encourage restraint. South Australia has a significant Yugoslavian community including those born here and those who came to Australia from Serbian or Croatian communities. Many still have links with those communities. In South Australia I think that we've helped to avert any unrest."

The rise in civil dissent in Europe is also a concern to the unit. As in the other states, there is a rising interest by some members of the South Australian community in joining dissident groups. Detective Constable Velickovic said that membership of these groups has been identified in South Australia.

"We co-operate with the state police in co-ordinating our activities, but AFP interest in dissident groups can have international connections which are not of concern to the state police," Detective Constable Velickovic said.

The Intelligence Response unit is staffed by three constables and headed by a sergeant and the bulk of the work lies in identity and background checks. Routine checks are done from the official channels



Handling Intelligence Response matters are (l to r) D/Sgt Roger Rathjen, D/Const. Bill Allen and D/Const. Mike Velickovic.

and where necessary through face-to-face interviews.

"Today a lot of people are concerned about protecting privacy. The usual initial reaction to questioning is defensive, but generally people are happy to help," Detective Constable Velickovic said.

There is a skill in successful face-to-face interviewing.

"You can study interviewing skills but it is something that comes down to individual talent," he said.

"Plus there is an identity problem to overcome. Generally I find that people are not aware of the AFP. I have to explain the organisation's function because we are not as visible to members of the community as the state police.

"This ignorance extends to the media as well with many Central Region busts being attributed to the state police," Detective Constable Velickovic said.

The Response unit also evaluates threats made against sections of the community and against visiting VIPs for whom the unit provides escort and accommodation security.

Criminal Assets Investigation Unit
Concentrating on investigating matters relating to the Proceeds of Crime Act and the Financial Transactions Act, Central Region's Assets Investigation Unit consists of a sergeant and five constables.

Unit OIC, Detective Sergeant Peter Barrett, said the unit had gone through a period of transition and learning and now was beginning to get its teeth into some involved and lengthy inquiries.

He said the normal frustrations involved in investigating financial matters have occurred. However, these problems have been overcome to some extent by the excellent rapport between the unit and financial institutions, client departments and other enforcement agencies.

Investigations have included the seizure of proceeds from the sale of drugs to the value of \$105,000. A matter was referred to the South Australia Police involving the movement of cannabis throughout Australia in parcels, and the receipt of money that was placed

through the offenders wife's bank account.

Other matters have involved the investigation of a travel agent in relation to possible breaches of the Financial Transactions Reports Act and the restraining of the superannuation of an Australia Post employee after he was charged and convicted of stealing money from the Commonwealth.

A current matter before the Court involves a minor money laundering charge, where it is alleged that a drug dealer's niece was involved in the laundering of drug money to help her to get a house and vehicle.

There are two major fraud matters and a current drug importation that should see the unit take action against offenders in the near future.

Detective Sergeant Barrett said the section was committed to working alongside investigation areas to achieve co-ordination and bring about the best results possible.

Airport Intelligence Section

Adelaide International airport opened in 1982 and currently has 23 international flights each week. It is serviced by Qantas, Singapore Airlines, British Granada, Air New Zealand, Malaysia Airlines, Garuda Indonesia and Cathay Pacific while

interest continues from other international carriers to gain access to the airport.

Detective Sergeant Dave Allen of the Airport Intelligence Section said that as an international entry point, Adelaide's airport is of interest to drug importers. He said that the routine work involves looking for potential narcotic importations.

"We provide support to state police, Australian Taxation Office and the National Crime Authority by actioning their PASS alerts and we are responsible for enforcing the Financial Transactions Report Act which requires amounts of currency equivalent to A\$5000 and above to be declared.

"Recently, in a four-day period, we detected 20 people with currency totalling \$151,000 which was not declared. Eight of these people were on one flight. The same people also had gold valued at \$45,000, however, gold is not subject to declaration requirements. We monitor gold movements, however, as it has money laundering potential.

"In Adelaide airport we have an excellent working relationship with the Australian Customs Service. We provide operational support for them in the performance of their barrier enforcement role," Detective Sergeant Allen said.



Central Region's headquarters building is located on the edge of downtown Adelaide on Greenhill Road, Unley.

Fraud and General Crime Branch

Getting to court is just half the battle

WITH over 22 years plain clothes experience, Acting Superintendent Doug Lalic, current OIC of Central Region's Fraud and General Crime Branch, said that investigating complex frauds can cost tens of thousands of dollars and the brief can take years to finalise.

Obtaining evidence can require the co-ordinated efforts of many investigators, often in various locations around the country. And then, once documents and other evidence have been collected, it may take months to wade through the material to build a case for the Director of Public Prosecutions (DPP).

He said collecting evidence is only the start of the process. "When you are investigating companies and executives you will invariably find that they have the best legal representation and generally they make life as difficult as possible," he said.

It is not unusual for lengthy challenges to be made to the legality of warrants used to obtain evidence. This can tie up the progress of an investigation for months.

Getting a major fraud to court

can be just half the battle. "It's an entirely different battle once it gets into the courtroom," he said.

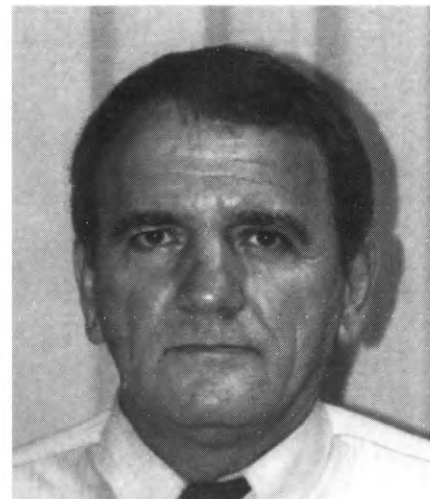
"We've come a long way in presenting evidence—learning by experience.

"Up until about five years ago we had few complex frauds, but since then, especially with tax frauds, it has been necessary to call on the expertise of accountants from the Australian Tax Office and to liaise closely with the DPP from the start of an inquiry so as to not waste our time.

"We usually hold regular meetings to discuss cases and to ensure that we are on the right track and that our efforts will lead to the laying of charges.

"As a result, we've learned to present evidence in a fairly logical and simple manner, making best use of the AFP's computer technology.

"This enables us to sort the wheat from the chaff and to present the evidence in the best possible format, so it is not clouded by documents or issues which are not relevant to the aim of laying



Acting Superintendent Doug Lalic

charges and gaining a conviction," he said.

The branch consists of a superintendent and seven teams, each headed by a sergeant. Three of the teams investigate complex long-term fraud, the remainder concentrate on frauds which require an instant response and don't take long to complete. In addition to the seven investigating teams, four staff members assist in the administrative duties that are necessary for the branch to function.

Currently the three teams engaged in the complex frauds are all carrying out inquiries involving fraud in excess of \$500,000. These jobs are in various stages of completion and generally the teams carry one or two smaller jobs to fill in the gaps when they are unable to proceed with the larger investigations. Minor fraud is usually related to recipients of Commonwealth benefits to which they are not entitled.

Acting Superintendent Lalic said that the investigation procedure on minor frauds and complex frauds can be the same. The offence still has to be proved through the execution of search warrants to



Members of Fraud Team Six: (l to r). D/Const. Marty Rosenberg, D/Const. Julie Dillon, D/Const. Steve Jackson and D/Sgt Peter Solomon.