

Research briefing



The Socio-Economic Impact of Amphetamine Type Stimulants (ATS) in New Zealand: Part II – The Black Market for ATS and Use of ATS by Arrestees

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Introduction

This research briefing summarises the findings concerning the black market for Amphetamine Type Stimulants (ATS), and use of ATS by arrestees, from recent research into the socio-economic impact of ATS in New Zealand (Wilkins et al., 2004). ATS are a group of synthetic illicit drug types which include methamphetamine, ecstasy and crystal methamphetamine (known as 'ice'). The research was completed over twelve months in 2003/4 by researchers at SHORE, Massey University and was funded by the New Zealand Police.

Two other research briefings have been produced based on the research completed for this project. The first reports the results related to the population level use, and harms, of ATS (Part I); and the second, the findings concerning future trends in the use and supply of ATS (Part III). The full report of the project, and other information on drug use, can be downloaded from the websites of the New Zealand Police (www.police.govt.nz), National Drug Policy site (www.ndp.govt.nz) and SHORE, Massey University (www.shore.ac.nz).

Aims and objectives

The overall aim of the project was to assess the socio-economic impact of ATS in New Zealand. The objectives included:

- quantify the size of the ATS market,
- measure the level of ATS use among arrestees,
- provide information on the impact of ATS on crime,
- describe the black market for ATS.

Methods used

A range of research methods were used to achieve these objectives. These were:

- secondary analysis of ATS use from the most recently available National Drug Survey, conducted in 2001

Key Points

The dollar value of the ATS market is equal to that of the cannabis market

Arrestees reported high levels of methamphetamine use

Arrestees reported methamphetamine was the drug most likely to make them feel angry

The methamphetamine market was more secretive and insular than the cannabis market

Law enforcement is beginning to impact on methamphetamine use and supply

- in-depth interviews with frequent methamphetamine users, conducted in 2004
- a survey of arrestees processed at Papakura police station, conducted in mid 2004
- key informant surveys of drug treatment workers, drug enforcement officers and frequent methamphetamine users, conducted in 2003/4

Findings

Size of the ATS black market

Estimates of the total dollar value of the ATS market and levels of individual expenditure on ATS drugs were calculated using drug consumption and price data from the 2001 National Drug Survey. The combined illicit trade in amphetamine and ecstasy in New Zealand was estimated to be worth \$168 million a year (Table 1). Those using amphetamine spent an average of \$1,000 per year on the drug.

Table 1: Dollar value of the ATS market, 2001

	Amphetamine	Ecstasy	Cannabis
Annual individual expenditure	\$1,000	\$600	\$450
Annual total market value	\$123 M	\$46 M	\$169 M

Comparison of the size of the ATS market with a previous estimate of the size of the cannabis market suggests the emergence of ATS drug types may have effectively doubled the illicit drug trade in New Zealand. As the ATS market in New Zealand has emerged only since the mid 1990s, this expansion has occurred in less than ten years. In the case of the locally manufactured amphetamine, the proceeds of the trade are likely to be concentrated within a small number of gangs who were instrumental in introducing the manufacture of this drug from overseas. There may be a need to challenge the new economic power of these groups in order to effectively control organised crime. For example, stronger asset confiscation laws around drug manufacture and drug dealing may be considered.

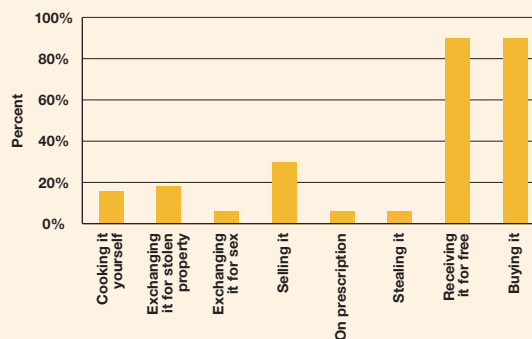
Frequent ATS users and the black market

In-depth face-to-face interviews were conducted with at least monthly methamphetamine users in the Auckland area in 2004.

These frequent users were recruited using community advertising and through referrals from those interviewed.

When the frequent methamphetamine users from the community were questioned about the ways they obtained methamphetamine they were often found to be involved in the wider drug economy. One third of the frequent methamphetamine users interviewed had sold methamphetamine and about one in five had manufactured it or exchanged it for stolen property (Figure 1). However, purchasing methamphetamine or receiving it for 'free' were by far the most common ways of obtaining the drug. These findings indicate that measures which impact upon frequent, as opposed to occasional, methamphetamine users (for example, by either incarceration or referral into drug treatment) are likely to have a disproportionately greater impact on drug use, drug harm and drug trafficking.

Figure 1: Ways used to obtain methamphetamine



ATS use by arrestees

Over a period of three weeks in mid 2004, arrestees processed at the Papakura police station were interviewed about their drug use, and the role it played in the activities for which they were subsequently arrested. The arrestees interviewed were many times more likely to use methamphetamine and crystal methamphetamine than the general population (Table 2). Forty-one percent of arrestees had used amphetamine in the last year compared to only 5% of the general population. Eleven percent of arrestees had used ice compared to 0.9% of the population.

Table 2: Last year use of amphetamine by arrestees compared to the general population

Drug type	% Arrestees	% General population (aged 15-45)
Alcohol	92	85
Cannabis	63	20
Cocaine	7	0.6
Amphetamine/ Methamphetamine	41	5
Ice (Crystal methamphetamine)	11	0.9
Ecstasy (MDMA)	7	3
Hallucinogens (LSD)	11	3

Impact of drug use on criminal offending

Arrestees reported that the use of amphetamine was a factor in their criminal offending and increased their likelihood of becoming angry. A quarter of the arrestees who recently used amphetamines considered their use of these drugs to have played a major part in the activities for which they were subsequently arrested. Amphetamines, along with alcohol, were the drugs most likely to make arrestees feel angry. Arrestees carried out some of their driving while under the influence of ATS drugs. However, cannabis followed by alcohol was the drug most often combined with driving.

The high level of drug use among arrestees and the potential for their drug affected actions to impact on others through crime, violence and impaired driving, make them an appropriate target group for drug counselling and drug treatment services. Every effort should be made to provide such advice and ensure access to drug treatment institutions for those arrestees who are willing to undertake programmes. Contact with drug counselling could be arranged while the arrestee is in the criminal justice system, but this service should ideally be provided independently of the Police.

Purchasing and selling ATS

Arrestees were asked about the locations at which they purchased drugs and how they contacted their drug dealer (Table 3). About half of amphetamine buyers contacted their drug dealers by mobile phone or texting, while nearly two thirds of cannabis buyers visited a house or flat. About half of the arrestees purchasing cannabis, compared to only 5% of those purchasing amphetamine, purchased their respective drugs

from a 'tinny' house. 'Tinny' houses are residential properties converted for the 'supermarket' sale of drugs to anyone who visits the premise with cash. 'Tinny' houses are of particular concern as the indiscriminate sale of drugs from these venues increases the availability and visibility of drug use in a community.

Table 3: Characteristics of most recent drug purchases

	% Cannabis	% Amphetamine/ Methamphetamine
Drug purchasing location		
Private house/flat	39	49
'Tinny' house	51	5
Public building	0	0
Pub	3	0
Street/outdoor area	2	46
Delivered in person	4	0
Method used to contact the seller		
Call/text on mobile	6	46
Call on landline	4	0
Visit house or flat	65	17
Page on a beeper	0	0
Approach in public	20	0
Through third party	0	37
Already with seller	4	0

Those arrestees who sold drugs were asked about the relationship they had to the people who purchased drugs from them. All the amphetamine sellers reported selling only to 'close friends and family members', whereas cannabis sellers sold at least 'some' of their cannabis to 'casual acquaintances' and 'complete strangers'.

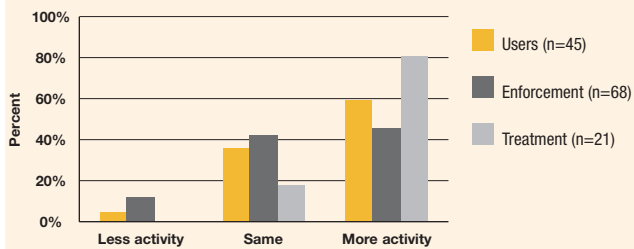
These findings suggest the rise of ATS drug use may be transforming the nature of the sale of illicit drugs in New Zealand. The amphetamine market was more secretive and insulated than the traditional cannabis market. Drug enforcement tactics may need to be adapted to effectively impact on these more clandestine markets.

Law enforcement response to ATS

Key informants from drug treatment, drug enforcement and frequent methamphetamine users were interviewed in 2003/4 about how the methamphetamine situation had changed in the previous six months. Sixty percent of the user key informants reported more law enforcement activity against methamphetamine in the last six months (Figure 2). One third of users reported more of their friends being arrested for methamphetamine

offences in the last six months. Eight percent of users thought that increased police activity had made it more difficult to get methamphetamine in the last six months.

Figure 2: Change in level of law enforcement activity against methamphetamine in the last six months



Conclusions

This research briefing summarises the findings concerning the black market for ATS and the role these drug types are playing in criminal offending from the recent study of the socio-economic impact of ATS. The findings indicate that the emergence of ATS drugs represents a substantial new source of illegal income for criminal groups involved in the sale of illicit drug types in New Zealand. They also suggest that methamphetamine in particular is playing a role in criminal offending, violence and drug driving. Buyers and sellers of ATS drugs appear to be utilising recent advances in personal telecommunication technology to attempt to insulate themselves from detection by law enforcement.

There was some evidence that law enforcement is increasingly impacting on these drug markets. Over half of the users spoken to had noticed a greater police focus on methamphetamine, and one-third of users indicated that more of the users they know had been arrested in the last six months. Continued law enforcement pressure is required to suppress the local methamphetamine trade and to separate the sale of methamphetamine from the traditional cannabis market.

References

- Wilkins, C., Reilly, J., Rose, E., Roy, D., Pledger, M. and Lee, A. (2004) The Socio-Economic Impact of Amphetamine Type Stimulants in New Zealand: Final Report. Centre for Social and Health Outcomes Research and Evaluation, Massey University, Auckland