



AUSTRALIAN
**CRIMINAL
INTELLIGENCE
COMMISSION**

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Our reference: [trim:\[17/44617\]](#)

23 March 2017

Mr Paul Whiley

By email: foi+request-3109-38e36de7@righttoknow.org.au

Dear Mr Whiley

Freedom of Information Request ACIC 17-05

I refer to your request for access to documents relating to stolen firearms under the *Freedom of Information Act 1982* (FOI Act).

I, Suzannah Ward, FOI Delegate, am an officer authorised under section 23(1) of the FOI Act to make decisions in relation to FOI requests.

I am writing to tell you that I believe that the work involved in processing your request in its current form would substantially and unreasonably divert the resources of this agency from its other operations due to its size and broad scope. This is called a 'practical refusal reason' (section 24AA).

On this basis, I intend to refuse access to the documents you requested. However, before I make a final decision to do this, you have an opportunity to revise your request. This is called a 'request consultation process' as set out under section 24AB of the FOI Act. You have 14 days to respond to this notice in one of the ways set out below.

Why I intend to refuse your request

In your request you sought

The records of all stolen firearms nationally for the last 5 years. And how and where they were stolen from.

I have decided that a practical refusal reason exists because further searches of the Australian Criminal Intelligence Commission's information holdings have returned a large number of documents within scope of your request, most of which comprise information provided by State and Territory police agencies, which would consequently need to be consulted in relation to the request.

The Australian Criminal Intelligence Commission (ACIC) has multiple electronic document and information management systems. Each system needs to be searched individually. Searches undertaken on one of the ACIC's largest databases, being its Electronic Document Records Management System, have returned approximately 400 documents which would need to be reviewed to determine whether they are within scope of your request.

As the information the ACIC holds in relation to stolen firearms is primarily sourced from States and Territories, I anticipate that many documents within scope of the request would likely have been authored by police agencies in other jurisdictions and/or contain information sourced from police agencies in other jurisdictions.

The nature of your request in its current form, and the documents within its scope, are therefore such that I anticipate processing the request would require consultation with all State and Territory jurisdictions on a large number of documents, and substantial agency resources would have to be used for:

- identifying, locating or collating the documents within ACIC's information holdings;
- deciding whether to grant, refuse or defer access to a document to which the request relates, or to grant access to an edited copy of such a document (including resources that would have to be used for examining the document and consulting with State and Territory police agencies in relation to the request);
- making a copy or an edited copy, of the document; and
- notifying any interim or final decision on the request.

On this basis, I consider processing your request in its current form would substantially and unreasonably divert the resources of this agency from its other operations.

Some information relevant to stolen firearms is publicly available on the ACIC website at <https://www.acic.gov.au/publications/intelligence-products/illicit-firearms-australia-report>. The Illicit Firearms in Australia report may be of particular interest to you. I have **attached** a copy of that report to this correspondence.

Request consultation process

You now have an opportunity to revise your request to enable it to proceed.

Revising your request can mean narrowing the scope of the request to make it more manageable or explaining in more detail the documents you wish to access. For example, by providing more specific information about exactly what documents you are interested in, our agency will be able to pinpoint the documents more quickly and avoid using excessive resources to process documents you are not interested in.

Before the end of the consultation period, you must do one of the following, in writing:

- withdraw your request
- make a revised request
- tell us that you do not wish to revise your request.

The consultation period runs for 14 days and starts on the day after you receive this notice.

During this period, you are welcome to seek assistance from the contact person I have listed below to revise your request. If you revise your request in a way that adequately addresses the practical refusal grounds outlined above, we will recommence processing it. Please note that the time taken to consult you regarding the scope of your request is not taken into account for the purposes of the 30 day time limit for processing your request.

If you do not do one of the three things listed above during the consultation period or you do not consult the contact person during this period, your request will be taken to have been withdrawn.

Contact officer

If you would like to revise your request or have any questions, the contact officer for your request is:

Suzannah Ward
FOI Delegate
Phone: 02 6268 7230
Email: suzannah.ward@acic.gov.au

Yours sincerely,



Suzannah Ward
FOI Delegate

ILLICIT FIREARMS IN AUSTRALIA



AUSTRALIAN
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CONTENTS

CEO FOREWORD	4
ILLICIT FIREARMS OVERVIEW	6
DOMESTIC ILLICIT FIREARMS MARKET.....	7
FIREARM DIVERSION.....	8
FIREARM-RELATED DEATHS	12
FIREARM-RELATED OFFENCES.....	13
INTERNATIONAL ILLICIT FIREARMS MARKET.....	14
EMERGING TRENDS.....	18
OUTLOOK	20
APPENDIX A.....	22
APPENDIX B.....	26

CEO FOREWORD

Mr Chris Dawson APM



The use and movement of illicit firearms by criminals is a serious national problem. It impacts every Australian jurisdiction and affects the safety of our community.

Criminals continue to acquire and use firearms to enable their criminal business, whether it is to protect their interests, intimidate or to commit acts of violence. Technological advancements have seen individuals and organised crime increasingly able to purchase illegal firearms and components anonymously facilitated through the use of darknets, encrypted communications and digital currencies. Illegal virtual marketplaces have made firearms more widely available and increasingly allow anonymous procurement of firearms by criminal entities.

The Australian Criminal Intelligence Commission continues to conservatively estimate that there are more than 260,000 firearms in the illicit firearms market. This estimate is based on intelligence and information from several sources. Contemporary methods of diversion include theft, illicit assembly and manufacture, and illegal importation.

Firearms enable organised crime groups to be more lethal in their activities. It only takes one firearm in the hands of a person with malicious intent to be of great concern to the community. Illicit firearms put us all at risk. Any efforts, including both local and national firearm amnesties that reduce the number of and access to illegal or unregistered firearms in the community are a positive step forward.

Through close engagement and a national focus on illegal firearms in the Australian community, the Australian Criminal Intelligence Commission and our law enforcement partners continue to target and reduce criminal access to and use of firearms in the community. Continuing to collect national intelligence on illicit firearms will assist all law enforcement agencies to better understand the nature and extent of the market, as well as identify key gaps and vulnerabilities to assist in directing response options.

I would like to thank our law enforcement partners and all Commonwealth, State and Territory departments who have contributed to this report. Without input from contributing agencies, it would not be possible to understand the complex firearm environment.

A handwritten signature in black ink, appearing to read 'Chris Dawson', with a long horizontal line extending to the right.

Chris Dawson APM
Chief Executive Officer
Australian Criminal Intelligence Commission

ILLICIT FIREARMS OVERVIEW

The illicit movement, trafficking and use of firearms is a serious national threat and a significant safety concern for the Australian community.

The demand for and supply of illicit firearms in Australia is driven by a range of entities, from organised crime groups to low-level individual criminals, who continue to seek, procure and use firearms to protect their interests and commit violent acts.

Since 2010, intelligence has indicated that not only are serious and organised crime groups seeking access to firearms for criminal purposes, but an increasing number of groups are trafficking firearms. The illicit firearms market is driven in part by outlaw motorcycle gangs, Middle Eastern organised crime groups, and other groups engaged in trafficking illicit commodities such as drugs.

These groups are known to have direct links to the use of illicit firearms but criminal involvement in the illicit firearm market is not limited to serious and organised crime groups, gangs or particular criminal acts.

A wide range of criminals acquire and use firearms to conduct their criminal business, protect their interests, intimidate others and commit acts of violence. No single organised crime group dominates the sale and supply of firearms in the Australian illicit market.

Firearms enter the illicit market in Australia through a number of historical and contemporary diversion methods, depending on the firearm type.

Organised crime is exploiting the rapid development of technology and its increasing availability to users worldwide. Criminals are likely to exploit new and emerging trends to acquire and traffic illicit firearms.

Organised crime and firearms are inextricably linked, and law enforcement response strategies must address both illicit firearms supply routes and the criminal activities that drive firearms use.

DOMESTIC ILLICIT FIREARMS MARKET

Based on available data, the ACIC conservatively estimates there are 260,000 firearms (250,000 longarms and 10,000 handguns) in the domestic illicit market. This estimate is based on a range of intelligence sources, including firearm importation figures and seizure trends over time.

The exact extent of the Australian illicit firearms market cannot be determined as no historical data is available on its size prior to the implementation of the National Firearms Agreement (NFA) of 1996. The United Nations Office on Drugs and Crime (UNODC) estimates the global illicit market contains the equivalent of approximately 10 to 20 per cent of the number of firearms in the licit market.¹ If this ratio is applied to Australia's illicit firearm market, it would contain somewhere between 300,000 and 600,000 firearms.

¹ United Nations Office on Drugs and Crime 2011, *The Globalisation of Crime*, UNODC, viewed 18 May 2015, <https://www.unodc.org/documents/data-and-analysis/tocta/TOCTA_Report_2010_low_res.pdf>

FIREARM DIVERSION

The ACIC's National Firearm Trace Program (FTP) was developed to ascertain the history and diversion methods of seized firearms. The FTP data collected to date reveals that firearm enthusiasts with no previous criminal involvement can also influence demand, by sourcing rare or specialised items from the illicit market that are not available through licit avenues.²

Firearms are diverted to the illicit market in various ways and these diversion methods can generally be categorised as either historical or contemporary (see Figure 1). While it should be possible to associate all illicit firearms with one of these diversion methods, a substantial number of firearms are untraceable and cannot be determined with any confidence to have entered the market by either means.

HISTORICAL DIVERSION METHODS

Diversion methods used in the past are referred to as historical diversion methods. Due to changes in practice and regulation, the number of firearms diverted by these methods should not increase; but firearms already diverted through historical methods may remain in the illicit market for the life of the firearm. Identified historical methods of diversion include:

- the grey market³
- technical loopholes in legislation and regulation
- the reactivation of previously unaccountable deactivated firearms.

THE GREY MARKET

Most grey-market firearms are unlikely to be held for the purpose of committing violent offences; however, these firearms are unlikely to be reported as stolen if theft occurs by criminals. Motivated criminals are more likely to be interested in using unregistered firearms, as they are unlikely to be traceable by law enforcement agencies.

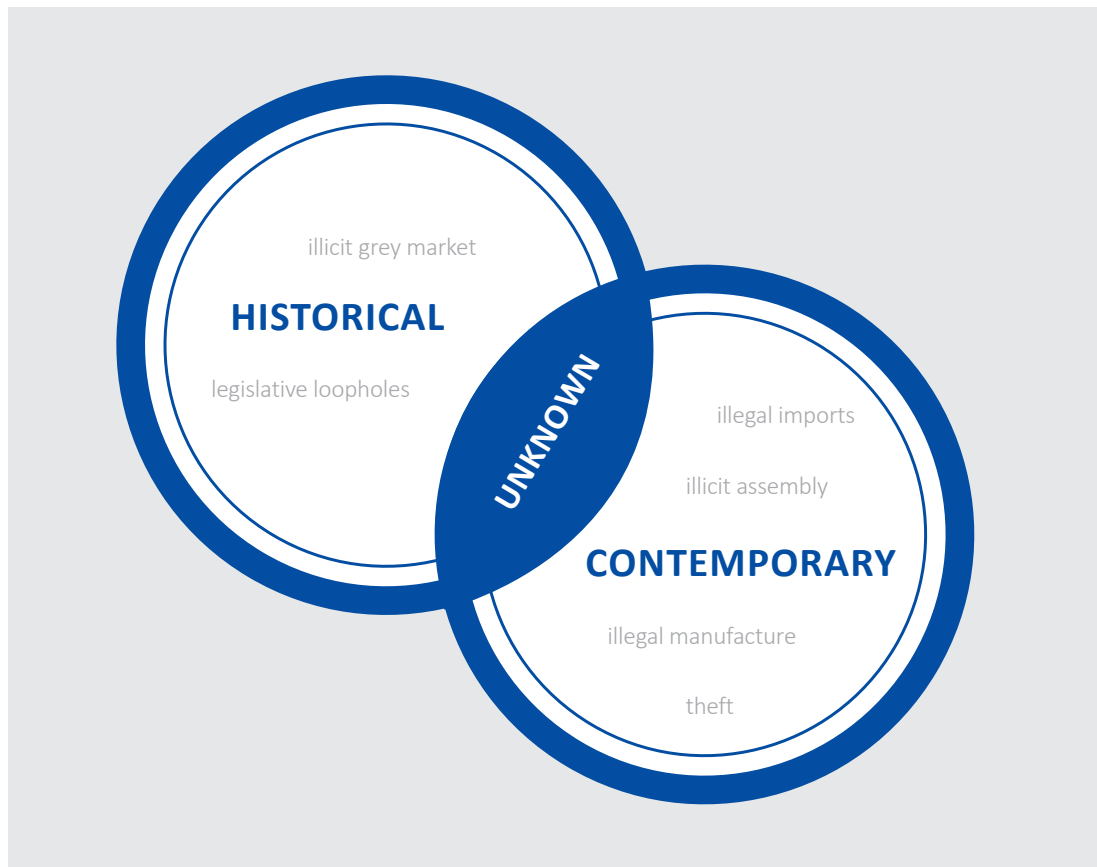
Many members of the community still possess grey-market firearms because they did not surrender these during the 1996–97 gun buyback. Many firearm owners chose at that time to maintain possession (albeit illegally) during the implementation of the National Firearms Agreement.

The ACIC has received reports of thefts where both registered and unregistered firearms were stolen; to avoid adverse police attention, the victim reported only the theft of the registered firearms. It was during the recovery of the registered firearms that police discovered the existence of the unregistered and unreported stolen firearms.

² More information on the Firearms Trace Program is at *Appendix A*.

³ The grey market consists of illegally held longarms which should have been registered or surrendered under the 1996 National Firearms Agreement but were not. There are also a small number of black powder handguns in the grey market, which at one time were not required to be registered in some jurisdictions.

FIGURE 1: DIVERSION METHODS: HOW FIREARMS ENTER THE ILLICIT MARKET



LEGISLATIVE LOOPHOLES

A substantial number of handguns entered the illicit firearms pool through regulatory loopholes in the legislation around deactivated firearms, some of which still exist⁴. It is estimated more than 5,000 handguns have entered the illicit market in this way.

Issues around deactivation are not limited to a single jurisdiction. The ACIC's FTP has identified a number of previously deactivated firearms that have been reactivated. The most significant loophole relating to deactivation was in Queensland's firearms legislation, which was subsequently changed in 2000.

⁴ Legislation in South Australia and Western Australia contained some potential loopholes relating to accountability for deactivated or inoperable firearms. Legislation addressing the South Australian loophole is currently before the South Australian Parliament. The Law Reform Commission of Western Australia will consider potential loopholes in that state's firearms legislation. Firearms allegedly deactivated while loopholes existed in some jurisdictions have been identified in several ACIC firearm traces.

CONTEMPORARY DIVERSION METHODS

Contemporary diversion methods are current practices for moving firearms or firearm components to the domestic illicit firearm market. They include:

- theft from licensed individuals and firearm dealers, including suspected staged theft
- the domestic manufacture and assembly of firearms
- the illegal importation of undeclared firearms and firearm parts, and
- failure to record or reconcile the interstate movement of firearms.

THEFT

The ACIC's FTP has found that theft is the primary contemporary diversion method. Theft accounts for the diversion of 8.5 per cent of firearms traced in 2015–16. While it is likely some of these stolen firearms come into the possession of organised crime groups, the total number is unknown.

Many jurisdictions reported an increase in the percentage of firearms stolen from premises in regional or isolated locations. Offenders target vulnerable homes in these locations because theft from such properties may yield multiple firearms.

ILLICIT MANUFACTURE

Firearms such as single-shot pen guns, key ring guns and submachine guns are still believed to be illicitly manufactured in Australia. Only 1.7 per cent of the illicit firearms traced by the FTP in 2015–16 were of this type.

The ACIC and other law enforcement agencies have assessed the current threat of 3D printing of firearms as low. Currently, the technology does not commercially enable the mass production of printed components that match the reliability and cost-effectiveness of factory-produced firearms. Since instructions to produce a 3D printed firearm were published online, the ACIC has identified only three attempts to manufacture such firearms in Australia. Of those identified, none were functioning when detected by police. During the same period, the ACIC traced almost 1,000 factory-manufactured handguns, demonstrating that these firearms are more readily available at this time.

As technology improves and 3D printing becomes more affordable, the threat of this manufacturing method is likely to increase.

ILLEGAL IMPORTATION

According to Australian border detection figures and the FTP, illegal importation accounts for a comparatively small percentage of illicit firearms in the Australia market. Of all firearms traced by the FTP in 2015–16, only 1 per cent were identified as illegally imported. It is likely that some illicit firearms imported remain undetected at the border.

FAILURE TO RECONCILE TRANSFERS

Each Australian jurisdiction maintains a separate firearm registry, and dealers and individual licence holders are required to advise the appropriate registry when they dispose of or receive a firearm from interstate. The accuracy of jurisdictional and, therefore, national records is adversely affected if the record of a firearm transfer may not be promptly reconciled by the receiving jurisdiction. It is possible that a small number of firearms may continue to be diverted through a failure to reconcile firearm transfers. This observation is supported by the FTP results, which found this method of diversion accounted for only 1 per cent of all firearms traced in 2015–16. This figure is likely to incorporate firearms that had been diverted in this manner outside of the reporting period.

FIREARM-RELATED OFFENCES

Crime associated with firearms is reported in a number of ways. The usefulness of these statistical datasets as a measure of firearm-related crime is limited; differences in collection methods and definitions, and organisational differences between law enforcement agencies providing the data, restrict comparison and analysis. Statistics gathered by the ABS reference weapons and explosives offences which incorporate both firearm and firearm-related offences as per the Australian and New Zealand Standard Offence Classification.⁵

An average of 4.3 per cent of all offences (9,406 events) recorded between 2008–09 and 2013–14 were related to the primary use of a prohibited or regulated weapon.⁶

A percentage of other offences that involved firearms as a secondary offence are not included in these figures. It is therefore likely that crime reporting in relation to firearms is underestimated.

Between 2009–10 and 2013–14, an average of 1.7 per cent of completed Australian court cases related principally to a regulated or prohibited weapons or explosives offence.⁷ In 2013–14, only 1.3 per cent of convictions involving these offences resulted in custodial sentences of five to 10 years. In 32 per cent of these cases, the sentence imposed was three months or less.

Persons incarcerated for regulated or prohibited weapons or explosives offences were most likely to be Australian (79.2 per cent), male (96.6 per cent), and aged 20–34 years (63.2 per cent), with a custodial sentence of between one and 10 years (79.1 per cent). The available statistics do not indicate the number or nature of offences that involved the use of a firearm where that use was not the principal offence reported.⁸

5 Australian Bureau of Statistics 2011, *Division 11 of the ANZSOC 2011*, viewed 12 August 2016, <<http://www.abs.gov.au/AUSSTATS/abs@.nsf/Latestproducts/8BDAA300B501E67CCA2578A200140D63?opendocument>>

6 Australian Bureau of Statistics 2015, *Recorded crime: Offenders 2013–14*, cat. no. 4519.0, viewed 17 February, 2016, <<http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4519.02013-14?OpenDocument>>

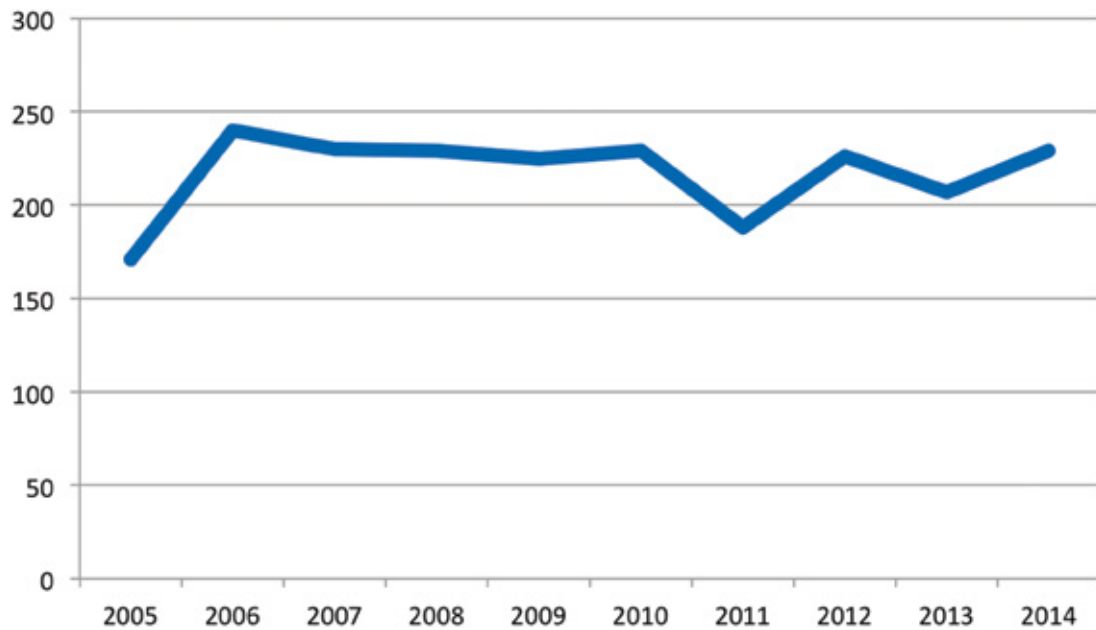
7 Australian Bureau of Statistics 2015, *Criminal Courts, Australia 2013–14*, cat. no. 4513.0, viewed 17 February 2016, <<http://www.abs.gov.au/ausstats/abs@.nsf/mf/4513.0>>

8 Australian Bureau of Statistics, 2015 *Prisoners in Australia 2015*, cat. no. 4517.0, viewed 17 February 2016, <<http://www.abs.gov.au/ausstats/abs@.nsf/mf/4517.0>>

FIREARM-RELATED DEATHS

Australian Bureau of Statistics (ABS) information⁹ indicates 0.15 per cent (n=229) of all deaths registered in Australia during 2014 (n=153,580) were attributed to the use of firearms; the majority of which were attributed to self-harm using a firearm (n=178).¹⁰ This represents a small proportion of registered deaths overall, with the long-term average remaining at that level since 2006 (See Figure 2).

FIGURE 2: FIREARM-RELATED DEATHS, 2005–2014



Australia continues to rank low in international comparisons of per capita deaths by firearms. In 2012, the reported firearm-related death rate in Canada was 2.08 deaths per 100,000 people¹¹, while in Australia it was 1.02 per 100,000 people.¹² Australia's relatively low rate of deaths involving firearms is in part due to its regulated firearms market. More information relating to Australia's legal firearms market can be found in *Appendix B*.

9 Australian Bureau of Statistics 2015, *Causes of Death, Australia 2014*, ABS, viewed 12 August 2016, <<http://www.abs.gov.au/AUSSTATS/abs@.nsf/mf/3303.0>>

10 For this assessment, use of a firearm includes those deaths registered as occurring through assault using a firearm, accidental death caused by a firearm and intentional self-harm using a firearm.

11 Statistics Canada 2015, *Deaths and mortality rate, by selected grouped causes, age group and sex 2012*, viewed 12 August 2016, <<http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=1020551&pattern=&csid=>>>

12 GunPolicy.org 2016, *Calculated Rates: Australia (Total Gun Deaths)*, viewed 15 August 2016, <<http://www.gunpolicy.org/firearms/citation/quotes/6472>>

INTERNATIONAL ILLICIT FIREARMS MARKET

Law enforcement agencies are well aware that organised crime groups are capable of exploiting supply-chain vulnerabilities and targeting known stockpiles of firearms.

In 2015, Europol reported that firearms originating from conflicts in Syria, Libya and Mali were entering the European black market. These countries were expected to become the main source of illicit firearms in Europe.¹³ Criminal entities may seek to import these illicit firearms into Australia, but it is highly unlikely the number of firearms entering Australia from these sources will reach the levels observed in Europe.

During 2014, law enforcement agencies in the United States (US) intercepted large caches of weapons and related items being smuggled to China, Russia, Mexico, the Philippines, Somalia, Turkmenistan and Yemen.¹⁴ Closer to Australia, the Philippines has a large legitimate firearm industry¹⁵. The Philippines is also known to produce large quantities of illicit firearms and, in some instances, corrupt police have been found to be involved in the trade of seized firearms on the black market.¹⁶

Australian border agencies have not identified significant numbers of firearms entering Australia from conflict countries or the Philippines at this time.

INTERNATIONAL VULNERABILITIES

Loopholes in both local and international firearms legislation—particularly in relation to ownership of and trade in firearms parts—continue to allow the movement of assembled firearms into the black market. Firearm parts and accessories are sourced from countries where they are legally available and shipped to individuals and groups for assembly in countries where these parts and firearm types are prohibited.¹⁷

Throughout Europe, loopholes in deactivation regulations have resulted in illegal firearm traders reactivating firearms for diversion to the illicit market. Parts from multiple firearms of different origin are combined to produce a single, fully functioning firearm.¹⁸

Limited oversight of private firearm sales in the US enables individuals to procure firearms for illegal overseas export into countries such as Australia with relative anonymity, especially where transactions are made using emerging technologies and business practices, such as the Darknet and freight-forwarding services.

13 Europol 2015, *Exploring Tomorrow's Organised Crime 2015*, Europol, viewed 18 May 2015, <<https://www.europol.europa.eu/content/exploring-tomorrow%E2%80%99s-organised-crime>>

14 National Security Council, *Transnational Organised Crime: A Growing Threat to National and International Security*, the White House, viewed 21 May 2015, <<https://www.whitehouse.gov/administration/eop/nsc/transnational-crime/threat>>

15 Aquino, N 2014, 'Farmers copying guns make Philippines deadlier than US', Bloomberg, viewed 15 July 2015, <<http://www.bloomberg.com/news/articles/2014-11-13/farmers-copying-guns-at-home-make-philippines-deadlier-than-u-s>>

16 SBS 2015, 'Philippines police crack down on gun use after children die', available at: <<http://www.sbs.com.au/news/article/2014/08/19/philippines-police-crack-down-gun-use-after-children-die>>

17 Europol 2014, 'Scan threat: Notice on Internet-based trade in firearms (parts and conversion kits)', Threat Notice 014-2014, 2 February 2014

18 Europol 2012, 'SCAN Early Warning Brief: The Kalashnikov: its illegal sourcing, trade and use in Europe', Notice 101-2012, 24 August 2012

ILLICIT FIREARMS AT THE AUSTRALIAN BORDER

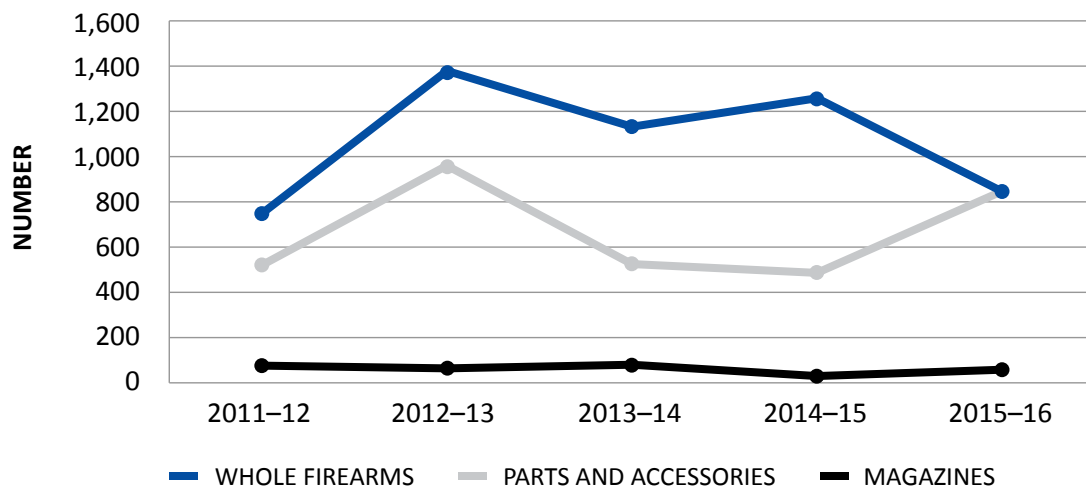
The majority of undeclared firearm imports detected at the Australian border are attributed to opportunistic individual importers not previously linked to organised criminal activity. The desire for handguns of advanced design may drive an increase in illegal imports of such handguns in the future.

UNDECLARED FIREARM-RELATED IMPORTS

An imported firearm is considered an undeclared detection¹⁹ if it is identified by the Department of Immigration and Border Protection (DIBP) as prohibited or restricted and it has not been declared in accordance with legal import requirements. Not all undeclared detections are seized; seizure only occurs when firearms detained by DIBP fail to meet import requirements. Many firearms are released after the importer has been given the opportunity to meet import requirements, such as obtaining the relevant permits.

In 2015–16, DIBP detected 1,751 conventional firearms, firearm parts and accessories and magazines. While the overall totals have remained consistent over the last three years, there was an increase in detections of firearm parts and accessories and a reduction in detections of magazines during the 2015–16 period.

FIGURE 3: UNDECLARED DETECTIONS OF CONVENTIONAL FIREARMS, FIREARM PARTS, ACCESSORIES AND MAGAZINES BY TYPE, 2011–12 TO 2015–16



¹⁹ For the purpose of this report an undeclared firearm includes undeclared parts, accessories or components where the importation of the same is controlled by legislation or regulations.

Law enforcement has no way of accurately assessing the extent to which firearms and firearm parts are illegally imported into Australia.²⁰ Despite attempts by the ACIC to collect information regarding illegal firearm-related imports over the assessment period, no significant illicit firearms imports were identified at the border. However, in August 2016, a multi-agency operation resulted in two men being charged with firearm offences and a cache of firearms and firearm parts being seized in Australia and the US.²¹ The majority of firearms and firearm parts seized (six fully automatic assault rifles and 96 semiautomatic handgun frames) were intercepted in the US while being prepared for export to Australia.

FIGURE 4: FIREARMS AND PARTS SEIZED IN AUGUST 2016 DURING JOINT INTERNATIONAL OPERATION TARGETING ILLEGAL FIREARMS

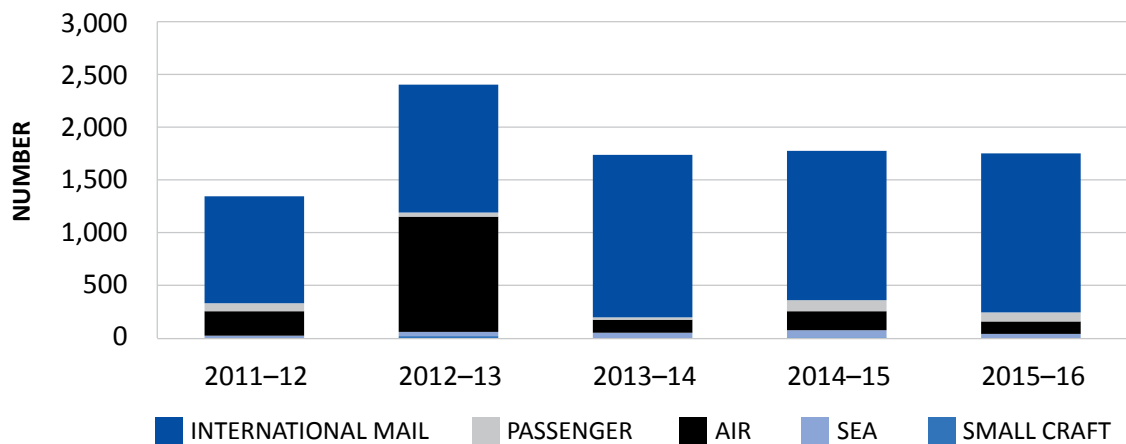


20 Evidence provided to the Senate inquiry in the ability of law enforcement to combat gun-related violence in the community by NSW Government Justice Cluster (including NSW Police Force) indicated that illegal firearms were a driving factor in gun crime in NSW. Victoria Police evidence to the same Senate committee indicated they did not believe illegally imported firearms were a significant factor.

21 AFP 2016, 'Media Release: Joint international operation sees two men charged with firearm offences', available at: <<https://www.afp.gov.au/news-media/media-releases/media-release-joint-international-operation-sees-two-men-charged-firearm>>

While undeclared firearms and parts may not necessarily be imported for illicit use, criminals find importation by mail attractive because it offers fast delivery, tracking and a reduced risk of scrutiny due to the high volume of mail entering Australia. Australia Post’s recently introduced parcel lockers also offer a level of anonymity for postal imports. The majority of firearms, firearm parts and accessories and magazines detected by DIBP in the past five years were found in international mail.

FIGURE 5: UNDECLARED CONVENTIONAL FIREARMS, FIREARM PARTS, ACCESSORIES AND MAGAZINES DETECTED AT THE AUSTRALIAN BORDER BY METHOD OF IMPORTATION, 2011–12 TO 2015–16



The importation of firearms by individuals and collectors via the international postal system is likely to continue for opportunistic reasons. Technological advances in procurement methods may lead to an increase in illegal firearm importation, especially where the desired firearm or part cannot be sourced from the domestic market.

EMERGING TRENDS

The combination of globalisation and technological development is having a profound effect on the business models of organised crime in Australia. New trends in methods of acquiring and moving illicit firearms continue to evolve.

The rapid development of technology and its increasing availability worldwide is significantly increasing the reach of organised crime. The internet provides criminals with a global virtual marketplace where illicit goods can be procured anonymously.

ADDITIVE MANUFACTURING: 3D PRINTING

3D printing (also known as additive manufacturing) involves depositing layers of material to build an object. 3D printing was developed in the early 1980s and by the end of that decade had been adopted by a number of manufacturing industries.²²

3D printing became a concern for law enforcement when instructions for assembling a firearm from 3D plastic components were published online in May 2013. One police agency in Australia has created and tested a 3D single-shot pistol and, while it was found to effectively shoot a single round, it was also found to be unreliable and potentially dangerous to the user.

3D printing technology is improving rapidly, with new materials in use and commercially available. However, at this time the capabilities of 3D-printed firearms are limited and, in the short term, this production method is unlikely to be a significant source of illicit firearms.

ONLINE MARKETPLACES

Encrypted websites are used as virtual marketplaces to trade in various illicit commodities, including firearms. Such sites are concealed within hidden networks collectively known as the Darknet. Encryption and routing technologies, and the use of virtual currencies on the Darknet, allow users to obscure their identity and their location.

Globally, law enforcement agencies have succeeded in dismantling a number of Darknet sites including Silk Road and the Armory, which specialised in the trade of firearms, firearm components and other illicit commodities. However, because the Darknet is difficult to monitor, it is not known how deeply embedded organised crime is in this market.

Many illicit commodity shipments are detected at the Australian border as a direct result of intelligence-led interventions across a number of law enforcement agencies. Increased international cooperation has resulted in enhanced intelligence collection, sharing and detection (see case study).

²² Hickey, S 2014 'Chuck Hull: the father of 3D printing who shaped technology', *The Guardian*, 22 June 2014, viewed 16 January 2015, <http://_www.theguardian.com/business/2014/jun/22/chuck-hull-father-3d-printing-shaped-technology>

CASE STUDY

FOUR CHARGED DURING OPERATION TARGETING ONLINE FIREARM SALESⁱ

A six-month joint operation by United States (US) Homeland Security Investigations (HSI), the Australian Federal Police and the Department of Immigration and Border Protection led to the execution of 15 search warrants in February and March 2015. Working with Australian authorities, HSI identified a number of Australians who were attempting to purchase firearms. Four firearms, as well as ammunition, illicit drugs and computer equipment, were seized in the execution of the warrants, and two clandestine laboratories were also uncovered. Internationally, the operation seized more firearms, illicit drugs and virtual currency, and led to the arrest of the US-based supplier.



ⁱ Australian Federal Police 2015, 'Four Australians charged in international illegal firearm sting', media release, 14 May 2015, viewed 20 May 2015, <<http://www.afp.gov.au/media-centre/news/afp/2015/may/four-australians-charged-in-international-illegal-firearm-sting>>

OUTLOOK

DOMESTIC MARKET

The full nature and extent of the illicit firearm market in Australia is complex and difficult to assess. Firearms are an enduring commodity, and a well-maintained firearm can be used for more than 100 years. Firearms already in the illicit market, and those that enter the market through contemporary diversion methods, will remain a threat unless continuous, coordinated and targeted efforts are made by law enforcement to locate them.

The grey market will continue to be a significant source of firearms for criminals. While most jurisdictions support the removal of these firearms from the community through amnesties, some members of the community still believe surrendering their illicit firearms to police may have adverse personal consequences. Grey-market firearms are targeted by criminals because they are difficult for law enforcement to trace to the last known legal owner. A national program encouraging the registration and/or surrender of unregistered firearms could significantly reduce the number of firearms available to the illicit market.

FIREARMS TRAFFICKING

International illicit firearms trafficking is a challenge to Australian and international law enforcement, border control and regulatory authorities. Inconsistencies in the legislation relating to the ownership, possession and sale of firearms and their components make it difficult to detect and, subsequently, prosecute those who trade in illicit firearms.

The illegal movement of firearms internationally is compounded by the high degree of anonymity the online environment offers firearm vendors and purchasers. Proliferation of Darknet marketplaces is expected to drive the continued export of firearms from jurisdictions where domestic firearm controls are weaker.

As law enforcement agencies detect methods of trafficking firearms, criminals rapidly adapt and modify their practices. Law enforcement agencies must continue to identify ways to disrupt these practices in order to prevent these illegal firearms entering the community.

DATA INTEGRITY

The overall management of firearm registrations and licencing regimes is the responsibility of states and territories in Australia. The holding of firearm-related data in disparate jurisdictional information systems is a significant barrier to developing a national picture of the licit and illicit firearm markets and the individuals and crime groups associated with them.

Details of firearm offences and those involved in them are often contained within individual incident reports in jurisdictional databases or reported to state and territory crime hotlines. While these are addressed in a variety of ways, the information is not collected in a consistent manner and the ability to interrogate this data to produce a national view is limited. Inconsistencies in the classification of firearms offences have hindered the standardisation of firearm incidents reported across jurisdictions. These inconsistencies have also prevented the cross-referencing of firearm registration and licensing records with firearm incident and offence data.

To obtain an accurate picture of the number of firearms in the Australian illicit firearms market, Australian law enforcement must:

- **ensure the data and records captured are accurate, accessible and consistent.** The development and implementation of the Australian Firearms Information Network (AFIN) will allow agencies to track firearms over their lifetime, from import or manufacture, registration and transfer to destruction or legal export. This capacity is critical to understanding both the licit and illicit firearm markets. The implementation of the AFIN may provide an opportunity to enhance the sharing of information and intelligence nationally.

Underpinning the AFIN is the National Firearm Identification Database (NFID), an online tool that enables law enforcement agencies to standardise terminology and descriptor sets for firearms registered within Australia. The NFID will strengthen law enforcement's ability to minimise the diversion of firearms through using the disparate identification methods used by state and territory firearm registries. NFID uses internationally accepted methods of firearm identification and will greatly enhance the quality of firearm data within Australia over time.

- **consistently record and report data.** The illicit market is, by its very nature, concealed and consequently extremely difficult to accurately measure. Inconsistent and limited data collection has so far prevented an evidence-based assessment of the market.

The ACIC was formed on 1 July 2016 through a merger of the former Australian Crime Commission and CrimTrac. The ACIC has an enhanced ability to understand and respond to the evolving nature of crime affecting Australia by better connecting a diverse range of criminal data systems at the Commonwealth, state and territory levels.

APPENDIX A: FIREARMS TRACING AND BALLISTIC IDENTIFICATION

FIREARMS TRACE PROGRAM

The ACIC's National FTP was established in 2004 to assist Australian law enforcement agencies ascertain the history of seized firearms and, where possible, determine how they were diverted to the illicit market. The ongoing collection by the ACIC of firearm importation data with historical and contemporary firearms dealer records, underpins the FTP's capacity to identify the point at which a firearm moved to the illicit market.

The ACIC's firearms trace data provides a high-quality sample of the illicit firearm market and is currently the only source of information available from which to develop a national picture of trends in the diversion of firearms from the licit to the illicit market. Referral of seized firearms to the ACIC for tracing is voluntary; some jurisdictions regularly forward firearms trace requests to the ACIC, while others submit requests on an ad hoc basis and only in relation to specific firearm types or incidents.

ANALYSIS OF FIREARMS TRACE DATA

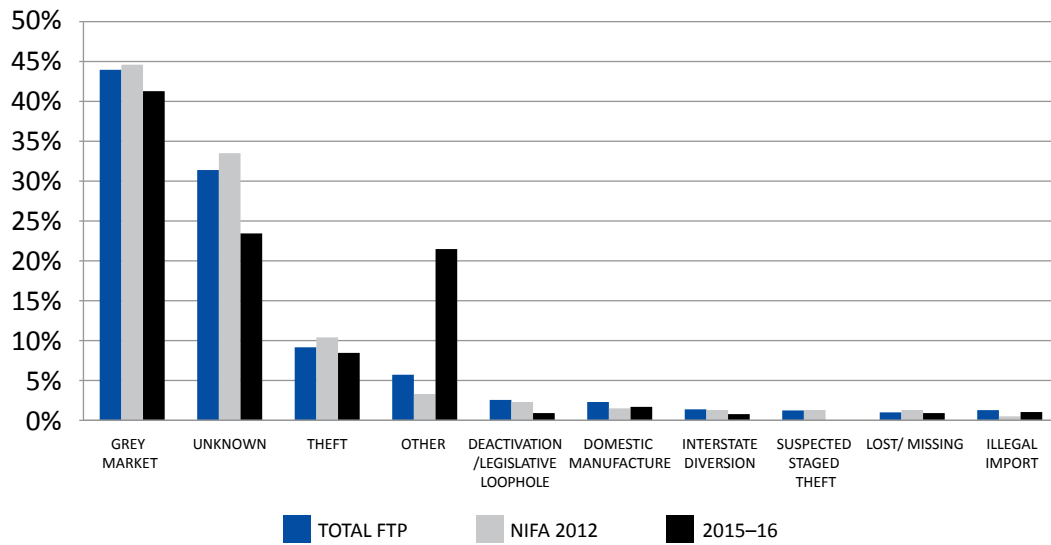
Between 2004 and 30 June 2016 the ACIC received 6,874 requests for domestic firearms traces. The most significant diversion methods identified during this period were the grey market (3,022 firearms or 44 per cent); unknown methods of diverting untraceable firearms (2,158 or 31.4 per cent); and theft (630 firearms or 9.2 per cent).

Of the total number of trace requests received by the ACIC, 4,308 (62.7 per cent) were for longarms²² and 2,519 (36.7 per cent) for handguns. The remaining requests related to 47 firearms that could not be categorised using the information provided.

With the exception of the 'other' category, analysis of the most common methods of diversion in 2015–16 did not identify any significant changes from the 2012 assessment and the FTP overall. The increase in the 'other' category from 3.3 per cent in 2012 to 21.5 per cent in 2015–16 can be attributed to firearms seized from a dealer who was operating without a licence.

²² Longarms includes all category A, B, C and D firearms as defined under the National Firearms Agreement.

FIGURE 6: COMPARISON OF DIVERSION METHODS OF FIREARMS TRACED BY THE ACIC, 2004 TO JUNE 2016



Since the implementation of the FTP, an average of 31.4 per cent of firearms²³ referred to the ACIC for tracing were unable to be traced due to factors such as defaced serial numbers or the firearm not being registered either within Australia or overseas. A proportion of this percentage relates to firearms where trace analysis is not yet finalised, pending further information from industry or overseas agencies.

Where traces were finalised, the primary method of diversion varied depending on whether the firearm was a longarm (category A, B, C or D) or a handgun (category H).

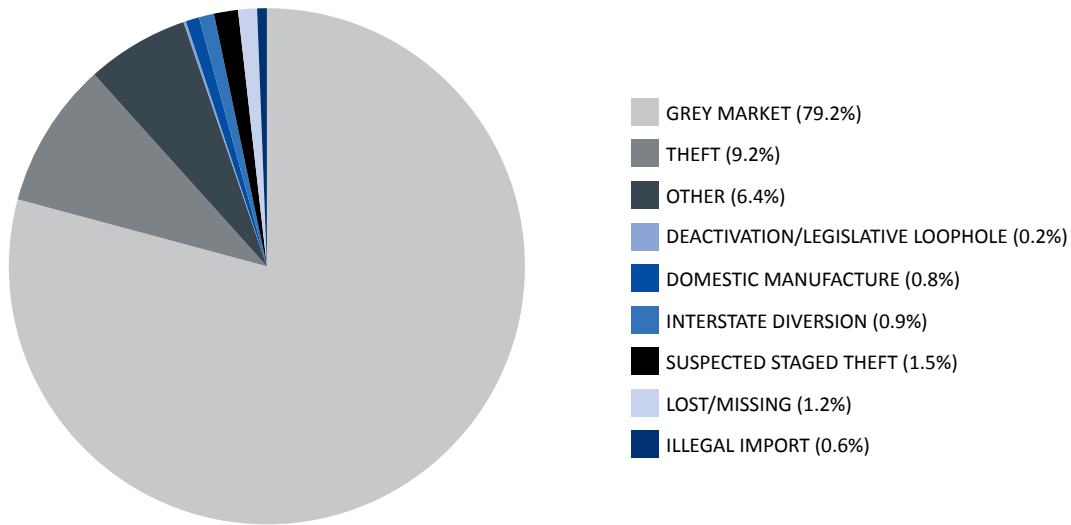
LONGARMS

Where a diversion method could be identified, between 2004 and 30 June 2016 most longarms were diverted through:

- the grey market (79.2 per cent)
- theft (9.2 per cent)
- other (6.4 per cent; see Figure 7).

²³ The percentage of untraceable firearms was most significant in respect of handguns (63.6 per cent untraceable), and less so for longarms (11.8 per cent).

FIGURE 7: METHOD OF DIVERSION OF LONGARMS WHERE TRACE WAS COMPLETED, 2004 TO 30 JUNE 2016

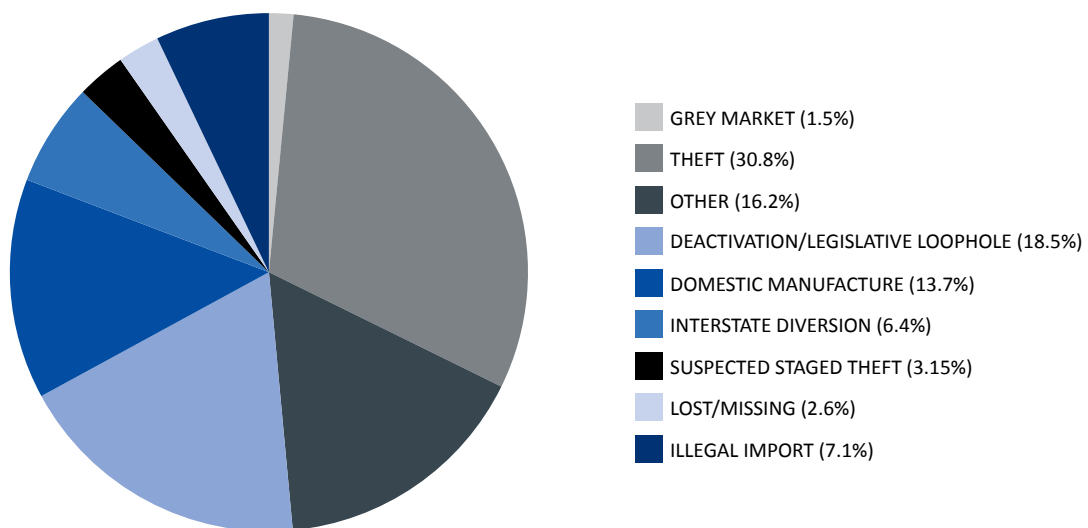


HANDGUNS

Where a diversion method could be identified, between 2004 and 30 June 2016 most handguns were diverted through:

- theft (30.9 per cent)
- deactivation/legislative loopholes (18.5 per cent)
- other (16.2 per cent; see Figure 8).

FIGURE 8: METHOD OF DIVERSION OF HANDGUNS WHERE TRACE WAS COMPLETED, 2004 TO 30 JUNE 2016



2004–2016 FTP TRACE REQUESTS: CRIMINAL ASSOCIATIONS AND OFFENCES

Not all trace requests received by the ACIC included information on the offender or the offences that led to the firearm's seizure. However, analysis of trace requests received between 2004 and 2016 indicates that 36.8 per cent of the firearms referred for tracing were linked to or seized from individuals associated with high-risk criminal groups.²⁴

Handguns are readily concealed, provide a perceived level of status and are the preferred type of firearms for protecting criminal interests and committing acts of violence. Members of organised crime groups are likely to obscure a handgun's identifying marks and ballistic signature to prevent it being traced and thereby linking them to previously committed serious offences such as homicide.

THE AUSTRALIAN BALLISTICS INFORMATION NETWORK (ABIN)

On 21 May 2014 the Australian Government launched the Australian Ballistics Information Network (ABIN), a national system for digitally matching fired projectiles and cartridge cases. The ABIN allows the digital signature of police images of projectiles to be matched with those of other images, both nationally and internationally.

Firearms can leave unique microscopic markings on the surface of fired projectiles. Ballistics experts examine and compare these markings, thus linking ballistic evidence to crime scenes and components of recovered firearms. This information is a source of intelligence that may assist in linking firearms with suspects and crimes.

The ABIN is supported by the ACIC and commenced operation in July 2014. The New South Wales Police Force has been using a similar system since 1999.

With all jurisdictions across Australia contributing, the number of ballistic matches continues to increase. During 2015–16, there were 89 confirmed matches of various ballistic data, comprising five national incidents between New South Wales, Queensland and South Australia's borders, and 84 local incidents within New South Wales, Victoria, Northern Territory, Queensland, South Australia and Tasmania.²⁵

²⁴ In this dataset, a high-risk criminal group identifier was applied based on whether associated individuals were involved with groups engaged in high-risk crime activities (such as firearms or drug trafficking).

²⁵ ACIC statistical data provided 5 September 2016.

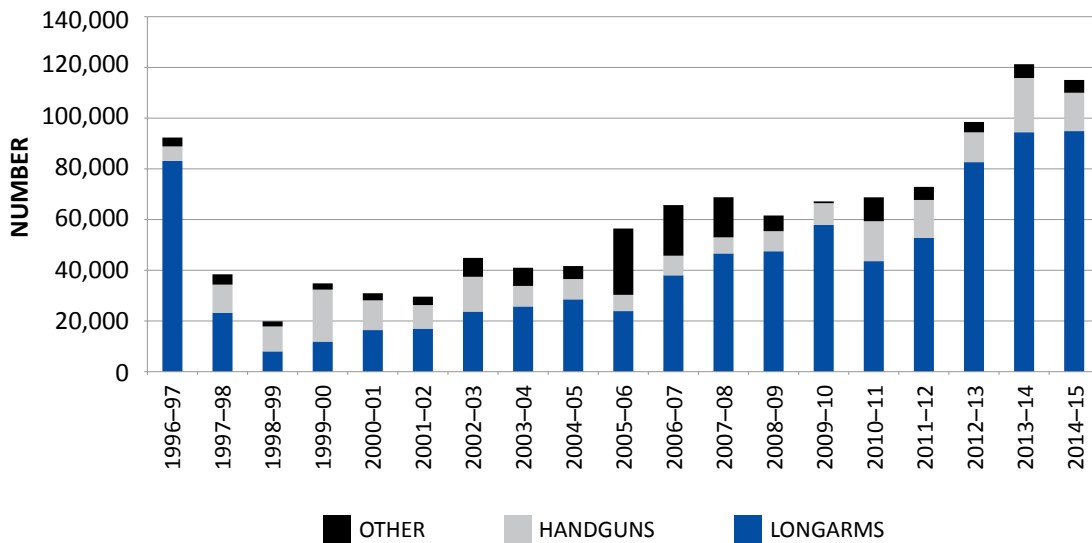
APPENDIX B: THE LEGAL FIREARM MARKET IN AUSTRALIA

Australia’s firearms policy environment is multifaceted and tiered, and is structured around state, territory and Commonwealth authorities. Firearms must be registered and individuals licensed to use them. Broadly, the Commonwealth Government regulates the import and export of firearms, ammunition and firearm parts, while state and territory governments regulate their ownership, possession and sale.

LEGAL IMPORTATION OF FIREARMS

Over 640,000 firearms were surrendered and removed from the community during the 1996 gun buyback. According to Australian Bureau of Statistics (ABS) data, more than 1.16 million firearms have been imported since the buyback commenced (see Figure 9). Many licenced firearm owners used compensation obtained during the 1996 buyback to purchase new legal replacement firearms and this would account for the high number of imports during this period. The totals do not include over 1.05 million spring-, air- or gas-operated firearms that were also imported in this period.

FIGURE 9: TOTAL LICIT FIREARM IMPORTS INTO AUSTRALIA BY FIREARM TYPE, 1996–2015



Source: ABS

A significant number of the items surrendered during the 1996–97 gun buyback were centre-fire semiautomatic firearms. While the number of longarms imported since 1996 exceeds the number of firearms surrendered during the buyback, these legally imported longarms now form part of the legal market. They are not the same kind of semiautomatic firearms legislated against in the 1996 National Firearm Agreement.

The number of longarms legally imported in 2013–14 was the highest on record since the 1996 buyback. Imports decreased in 2014–15, but were still the second highest reported since the 1996 buyback. The increase in legal firearm imports is likely to continue.

Demand for legally imported firearms will also be influenced by increasing numbers of new licenced participants in shooting sports. This new generation of sports shooters generally has limited or no family history of participation in the sport and limited access to family-owned or second-hand firearms. This consequently leads to increased demand for new imported firearms.

Sports shooting in Australia has been a generational activity within the family environment; as new members take up the sport, it can be expected that the culture of firearm ownership will continue to grow.

FIREARM REGISTRATION AND LICENSING

The Commonwealth Senate inquiry report into the ability of Australian law enforcement authorities to eliminate gun-related violence in the community was released in 2015.²⁶ It identified vulnerabilities and inconsistencies in both firearms registration and licensing across the country which affect the development of a national understanding of the legal firearms market in Australia. More recently, the joint Commonwealth–New South Wales review of the Martin Place siege highlighted the longevity of firearms and the difficulty of identifying and regulating grey-market firearms in Australia.²⁷

The ACIC, in collaboration with other Commonwealth, state and territory regulatory agencies, has found there are more than 2.89 million legally registered firearms in Australia. This is an increase of approximately 9.3 per cent since December 2011, when the number of registered firearms in Australia was approximately 2.75 million—a ratio of approximately 123 registered firearms per 1,000 people in 2011. In 2016 this ratio rose slightly to 125 registered firearms per 1,000 people.

Licensing data provided by state and territory regulatory agencies also indicate the number of firearm licences (which may not be representative of the number of individual licensees) increased from approximately 734,000 in 2011 to approximately 816,000 in 2016, an increase of 11.2 per cent. Using ABS population data, this equates to 34 licences per 1,000 people in 2016, a marginal increase from 33 licences per 1,000 people in 2011.

26 Parliament of Australia 2015, 'Ability of Australian law enforcement authorities to eliminate gun-related violence in the community', <http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/Illicit_firearms/Report>, 9 April 2015

27 Department of Prime Minister and Cabinet 2015, 'Martin Place Siege – Joint Commonwealth New South Wales Review', <https://www.dpmc.gov.au/sites/default/files/publications/170215_Martin_Place_Siege_Review_1.pdf>, 27 February 2015



WHERE TO GO FOR MORE INFORMATION

Everyone can play a role in responding to organised criminal activity in Australia by reporting suspicious activity to your local police or calling Crime Stoppers on 1800 333 000.

For more information visit www.acic.gov.au

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