



AUSTRALIAN GOVERNMENTS SPEND \$3.2 BILLION PER YEAR ON ILLICIT DRUG PROBLEM

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In an Australian first, researchers have estimated the amount of money spent on the illicit drug problem in this country, with a staggering \$3.2 billion spent in 2002/2003 by federal and state governments.

Just under half of that figure (\$1.3 billion) was spent on direct or proactive expenditure, i.e. things that governments do directly to improve the drug situation, the lives of the drug users, etc.

The rest of the expenditure was on the consequences of the drug use to the Australian community, such as property crime and hospitalisations.

Most of the direct spending is on law enforcement (56% of the direct expenditure), 23% was outlaid on prevention strategies and only 17% on treatment. Harm reduction (3%) and expenditure not elsewhere included (1%) were negligible components.

These figures will be presented at a research seminar on Monday which will launch the Drug Policy Modelling Program (DPMP). This program focuses on understanding the best mix of policy options (law enforcement, prevention, treatment and harm reduction) and the ways in which these different policy options dynamically interact.

DPMP started in 2004 and the results of these first two years work will be presented at a Research Seminar on Monday 14th August, 2006 at the Scientia Galleries, University of New South Wales.

DPMP is led by a consortium comprising the National Drug and Alcohol Research Centre (NDARC), the Australian National University, Griffith University and Turning Point Alcohol and Drug Centre.

Chief Investigator of the program, Associate Professor Alison Ritter from NDARC, says that now we know how much is being spent, we can begin to study how that investment mix can be improved.

“Up to this time we had almost no research that could inform governments about the best investment mix, i.e. how much should be spent on law enforcement, treatment, prevention and harm reduction?” said Professor Ritter. “This exciting 5-year program of work will enable us to answer some of those questions, hopefully leading to governments getting better value for money from their policy decisions.”

Illicit drug-related expenditures were identified separately for federal and state/territory governments. State and territory governments accounted for the majority of the spending (82% or \$2.644.3 million) while the Federal Government accounted for 18% (\$567 million).

Border control was the main category of expenditure at the federal level (46%), while state and territory governments spent approximately half of the drug budget on law enforcement (i.e. day-to-day policing).

The Federal Government spent 3% (\$11.1 million) of their budget on harm reduction, while the state and territory governments spent a slightly higher proportion (4% or \$33.7 million) on similar initiatives. Treatment accounted for 17% of spending for both federal and state and territory governments, while the Federal Government spent a great deal less proportionately on prevention than their state counterparts (15% or \$574 million compared to 26% or \$246.5 million).

“We really have no idea what return governments are currently receiving on their investment in the illicit drug area,” said Professor Ritter. “This is amazing when you consider the huge amount of money that is currently being spent. The Australian public has the right to know the impact of this expenditure and whether we are getting the mix right.”

“It would appear that there are a number of reasons why we are currently ‘running blind’. Firstly, there is a lack of evidence upon which to base policies. Secondly, the evidence that does exist is not analysed and used in return on investment approaches. Thirdly, we do not have adequate approaches or models to help policy makers make good decisions about dealing with illicit drug problems. Finally, and possibly most importantly, illicit drug policy is a highly complicated and politicised arena.”

“Illicit drugs are a significant problem for the Australian community. Examining how we can make more effective policy decisions, and get better value for money is of the utmost importance.”

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Contact Details: Paul Dillon, tel. (02) 9385 0226 or 0419 402 099, email p.dillon@unsw.edu.au *Date Issued: August 10 2006*

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