




Speech By  
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**CRIMINAL PROCEEDS CONFISCATION (UNEXPLAINED WEALTH AND  
SERIOUS DRUG OFFENDER CONFISCATION ORDER) AMENDMENT BILL**

 **Mr WATTS** (Toowoomba North—LNP) (5.15 pm): I rise to add my contribution to the debate on the Criminal Proceeds Confiscation (Unexplained Wealth and Serious Drug Offender Confiscation Order) Amendment Bill 2012. Firstly, might I thank the Attorney-General for bringing this bill forward. What exactly does this bill do? Principally, it will mean that people who have gained wealth in an unexplained manner will have that wealth taken off them by the state. In practical terms it will amend the Criminal Proceeds Confiscation Act 2002 to introduce a scheme for recovering unexplained wealth. It will amend the Criminal Proceeds Confiscation Act 2002 to provide innocent dependants or persons against whom proceeds assessments are made with the ability to apply to the Supreme Court for relief from hardship. It will amend the Criminal Proceeds Confiscation Act 2002 and the Penalties and Sentences Act 1992 to introduce serious drug offender confiscation orders. Further, it will amend the Crime and Misconduct Act 2001 and the Police Powers and Responsibilities Act 2000 to facilitate the investigation of evidence related to matters concerning the Criminal Proceeds Confiscation Act 2002 and it will amend the Criminal Proceeds Confiscation Act 2002 to increase the general effectiveness of the criminal confiscation regime in Queensland. It is part of our election commitment and it certainly proves that the Liberal National Party and the Newman government are interested in getting tough on crime.

What exactly are we talking about here? We are talking about serious crime. Why do people engage in serious crime? It is very simple. They engage in serious crime because it is profitable. People are involved in this insidious industry that preys on our youth throughout Queensland for profit—nothing more, just profit. Like any business one has to analyse the business model that these people are willing to use. First of all, what are the barriers to entry for a drug dealer? Ultimately, there are no barriers to entry apart from being able to access the drugs and then distribute them freely. The barriers to entry that people use in this industry are violence and intimidation. Organised motorcycle gangs and other drug dealing institutions form so that they can intimidate other people from coming onto their patch. As someone who has been involved in the hospitality industry for many years, I can assure members that pubs, nightclubs and lots of places where our youth go to have a good time and enjoy themselves become the playground of these violent and dangerous people who are involved in trafficking and dealing in drugs. What is the methodology they use when they form their business? Ultimately, it is a pyramid scheme business. The people at the very low level, often poor, find themselves in a situation where they are looking for some money and someone suggests to them, 'Why don't you just go and try to sell a few of these on my behalf.' They meet a dealer, often a small-time dealer who will give them a few pills, a few grams, a few bags, whatever it might be, and they will go off and sell that after they have paid a dealer's price for it. They will then go and make their profit from it. The person who sold it to them did exactly the same thing with someone further up the chain and, eventually, wealth is accumulated at the top of the pyramid. The principle behind this bill attacks the top of the pyramid. People will only engage in this business if wealth is involved. In my opinion, if

they cannot accumulate wealth they will not engage in the business. That goes for everybody throughout the drug distribution chain.

Let us look at the sort of wealth that is accumulated and what people will do to hide it. They might buy nice cars or take overseas holidays. They might be doing lots of things that many of us would like to do. However, hardworking people in Queensland who are trying to bring up their families in a safe environment have to pay tax, they have to meet various regulations and, if they are running their own business, they have to make sure that the business is conducted according to the law of the land. The people who this bill is aimed at do not do any of those things. They are not interested in the law of the land. They are not interested in following procedures. They are not interested in legitimate business. They are looking for a quick buck at the expense of innocent people who find themselves addicted and captured by the distributors of drugs and, as I said, the money moves up the supply chain.

I would ask members to stop and think about exactly what we are talking about. We are talking about a very free and open market that exists with very few barriers to entry. It requires a very low level of investment and it gives a very high rate of return. That is awfully tempting for many people. Unfortunately, because it is tempting for many people, it has pervaded throughout the Western World. If you want to stop it, first you can create criminal offences and jail people. However, when you attack the business model at its very heart, when you take away the reason for going into that industry, all of a sudden people will consider whether the risk of getting put in jail is worth the reward that exists; whether the risk of having everything they own and everything they have lived for taken away from them is something that they want to pursue.

For me, this bill strikes at the heart of the business model and that needs to be considered as we debate this legislation. Obviously, I support the passing of the legislation. As we debate the legislation, I ask people to think about the motivations that exist in the community. Many people in this chamber have a moral and ethical compass and most good Queenslanders have a moral and ethical compass, which becomes the biggest barrier to entry into this industry. Unfortunately, there are those who do not have a good moral or ethical compass and they will enter this industry for one reason and one reason only, that is, profit. This bill attacks that. I commend the Attorney-General for attacking that business model.

As I said, I have worked in hospitality. I have worked every job there is in a bar, from security through to owner. For over 25 years, I have dealt with people who want to come onto legitimate premises where you are trying to conduct your business. You are paying all your registration and compliance fees. You are trying to run a legitimate business. They just want to come in and make a quick profit at the expense of individuals wanting to enjoy themselves in a safe environment. On a small scale, in Toowoomba there are several people who are widely known as drug dealers. I know people who have never had a full-time job in their lives, but they have managed to accumulate six or seven houses. When you ask them about that, they just laugh and say that they are a carpenter. If you ask them how many jobs they have ever done, you find they have done none. However, you will find them on a Wednesday, Thursday, Friday and Saturday, wandering the streets with lots of friends who have short conversations with them and then they come back later in the evening.

I have worked hard to try to stop those people as they have gone about their business. I know many other good hospitality business owners in Toowoomba have had to deal with this issue. I have been working on the door when a motorcycle gang has turned up and informed me that I would be their first victim if I did not let them in. I do not have time for such people coming on to my premises. After I found out that the person who was threatening to do harm to me and my family had spent 25 years in jail prior to making that threat to me and had been out for only a month, I had to give some serious consideration to the position he had put me in and the things that he was suggesting would happen if I did not let him onto the premises. Certainly, I did not let him onto my premises. I would encourage anybody to understand that the only reason that they wanted access to the premises that I was operating was to set up an illegal business to make an illegal profit through dealing with the youth of Toowoomba. I for one was not going to let them do that. This bill would strike at anybody who purports to set up such a business.

I support the bill. It contains good protections to ensure that the legislation is not abused. We are dealing with people who have become more and more sophisticated in how they conduct their business, because the profits have become extraordinary. There was a time when someone who wanted to deal heavily in drugs had to import. Now, through technology, lots of drugs can be manufactured relatively simply from items that are easily found. We have already debated legislation that deals with some of those precursors. Again, I commend the Attorney-General for making it more and more difficult for those people to conduct their business, because the only way they will stop doing it is if there is no profit in it. Anything else we do will not stop them. They are not afraid of

criminal prosecution, but certainly they will not engage in the business if they cannot see any way to make a profit. Therefore, I strongly commend this bill to everybody in the House.

I wish to talk about how we should use wealth confiscated from people who have engaged in this industry. I have seen the downside of drugs on a community. On a very personal level, some friends, work colleagues and members have fallen prey to some of the people who we are talking about. There are organisations that can help and Teen Challenge is one, but there are many others. In Toowoomba, with the help of the health department, a group of people have established a facility called Sunrise Way. Unfortunately, that facility has never operated. The community put millions of dollars into it and people have given their time freely to develop it. It is a community rehabilitation and health facility. Unfortunately, there is no recurrent funding available for it, so Sunrise Way has been unable to operate and provide a service that is definitely needed in Queensland. If this bill provides an opportunity for confiscating the wealth that has been accumulated by these greedy people whilst they are preying on others, destroying lives, families and our communities, I can only encourage the Attorney-General to invest some of it back into some of the people who have paid such a high price through their addiction. I encourage the support of rehabilitation facilities with some of the money that is confiscated.

I will not go into the legal details of the bill. I thank the members and secretariat of the Legal Affairs and Community Safety Committee, who have worked hard on this matter. I know that the civil libertarians are concerned about some elements of this bill. I would ask them to contact me. I could take them for a walk on a Saturday night on a regular basis. I could introduce them to some of the people who are paying a really high and heavy price for the crime that is going on in this area. I would like the opportunity to explain to them that the only way to stop this is by attacking the business model. By putting up a very serious barrier to entry on this business model, the criminals will make no money out of it. If they do make money, we will come after that money and take it off them, no matter how long ago they made that profit. That is the kind of barrier to entry that will make people seriously think about this. I commend the bill to the House and I thank the Attorney-General for it.