

**TRANSCRIPT
OF PROCEEDINGS**

OFFICE OF POLICE INTEGRITY

**TAPE-RECORDED INTERVIEW BETWEEN PETER VASEL and
STEPHEN SMITH**

MELBOURNE

2 PM, MONDAY, 2 JULY 2007

**PROCEEDINGS RECORDED BY THE OFFICE OF POLICE
INTEGRITY VICTORIA**

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MR VASEL: This is a - a tape-recorded conversation between Peter Vasel, senior investigator with OPI and DI Stephen Smith. It's DI, isn't it, it's not DDI, is it?

MR SMITH: Well, detective inspector.

MR VASEL: Detective inspector, yeah.

MR SMITH: Yep.

MR VASEL: Head Drug Task Force, held today 2 July 2007 at the St Kilda Road Police Complex. Steve, the time is now just after 2 o'clock and we'd probably like to thank you, first of all, for allowing me to interview you. If you just want to start off with just a bit of a run-down of your VicPol service history just to put (indistinct)

MR SMITH: Okay.

MR VASEL: It can be as brief as you like and, you know, just concentrating maybe in the areas of informer management, maybe.

MR SMITH: Okay. As you said, Peter, currently detective inspector in charge of Drug Task Force. I've had 30-odd years with VicPol in total. Probably about nine - eight or nine years with the Crime Department in total. Probably five or six years in the drug enforcement area in total. At Drug Squad, MDID and now Drug Task Force at rank of sergeant, senior sergeant and inspector.

MR VASEL: MDID, sorry?

MR SMITH: Major Drug Investigation Division.

MR VASEL: Okay, yeah.

MR SMITH: Same office, three different names.

MR VASEL: Yep.

MR SMITH: It's gone through the - those metamorphoses and - - -

MR VASEL: Structural changes?

MR SMITH: Structural changes. Obviously the MDID evolved out of the Drug Squad at the time of the corruption issues and the - and the pertinent

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review. I've had divisional CI experience, RRU experience and also I spent two and a half years about - at the corruption division at ESD and I mention that because all those areas that I have specifically mentioned there have some investigation, drug enforcement and informer-related experiences to them.

MR VASEL: Okay, and that's - that's good, gives us a bit of a run-down. Yeah, in relation to your current responsibilities, what are they?

MR SMITH: I - manager of the Drug Task Force. It's a - it's a workgroup within Crime Department of 50 - approximately 50 detectives which has responsibility of conducting all major drug investigations statewide, which we refer to as category 1 drug crimes. In other words all drug-related investigations into large commercial quantity drug trafficking that has links to organised crime, recidivism, transnational crime and corruption. If it doesn't meet that criteria we generally pass the - the operations to regions and to clarify it as 20 - as category 2 jobs.

MR VASEL: Are they the - the categories, so that category 1 and category 2 crimes, they're the two areas?

MR SMITH: Yes. There's specifically category 1, 2 and 3.

MR VASEL: Okay.

MR SMITH: Under the major crime management model. We - category 1 crime is the responsibility of Crime.

MR VASEL: Yep.

MR SMITH: Whether it be drug or homicide or what. It's specific to a particular workgroup, particular drug type. Category 2 goes to the region for investigation with Crime Department oversight and category 3 is regional investigation. Obviously category 1 is the only jobs that we take on.

MR VASEL: Okay. In relation to category 1 type crimes who makes the decision of taking - taking those on? How is the structure - how do they actually come from the regions?

MR SMITH: Essentially the way that the major crime management model is implemented is through a allocation and resource model, or an ARM model, which is categorised as to crimes into 1, 2 and 3, which is effectively implemented by a tasking coordination that sits over the top of us. We have a tasking coordination group that will receive specific information and categorise it into those particular categories before allocation to a workgroup for action in

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an investigation. And it's no different to us. We - we receive information and in - we will act together with our crime desks, which is an analytical intelligence and strategic support. And the - the information and intelligence will be packaged to an extent where the category can be identified and an investigation should be complete. It goes to tasking coordination and they allocate adequate resources to it. So if they require us to investigate it they will allocate the job to us with adequate resources and - and then we go ahead and utilise what - what resources I have and assets I have to conduct the investigation.

MR VASEL: So the work can come basically from anywhere?

MR SMITH: Pretty much.

MR VASEL: Yeah.

MR SMITH: The - nothing's changed in relation to the, I suppose, origins of the - - -

MR VASEL: Yep.

MR SMITH: - - - of drug-related intelligence way - way back since, you know, year dot, really. We get information from human sources, Crime Stoppers, other agencies, intel holdings, members of the public, you know - you know, your standard - you know, intel that comes from - you know, derived from other jobs that you're aware of, you know, targets. But we - we try to target to a high level as we possibly can organised crime figures, recidivists, drug offenders.

MR VASEL: Obviously - it would obviously involved interaction with other law - law bodies as well?

MR SMITH: Yeah, it does. We - my view about what we should be doing is such that it would be rare for us to do a - conduct an investigation without some other agency input. We've got one job at the moment where we're - which is a - an Australian Crime Commission, Australian Federal Police and Customs operation. And we've done many jobs with them and they're generally conducted under a joint - joint agency agreement.

MR VASEL: Just a minor question. Who do you actually directly report to?

MR SMITH: I directly report to a superintended, crime superintendent, operations or - superintendent operations, is the title, or operations superintendent of crime; of which they are two.

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give to an offender that you send them to meet, they'll be able to maintain that script and control them. That's one of the risks. But also one of the other risks in my view is the - the ability to [REDACTED] - [REDACTED] and [REDACTED] informers where appropriate. Effectively, [REDACTED] they are a potential informer, and it takes a fair bit of expertise and experience to be able to do that properly, and it is something that we don't do very well here at the moment.

MR VASEL: Okay. Yeah, well, we'll come to that in a little while. The nature of the person - well, the nature of the person that is an informer. What can - briefly, what can you say about that?

MR SMITH: Who - your stereotypical informer?

MR VASEL: Yeah.

MR SMITH: Clearly, suspects, drug offenders, people that have a - have a need to inform. They need a letter of comfort at court. They're in a predicament where they've been - they've been apprehended and they need to mitigate their circumstances so they give information. Clearly that's the most common one. The other - other ones that we do come across, albeit probably less frequently than that first category, is the - is those that want to give up their associates from a revenge point of view. They've been, you know, duded or ripped off or stitched up or something by their associates, so they choose to give them up to the police. And the other category I suppose, albeit the less frequent one, is the civic-minded crooks that come in from the cold, or suspects or associates of crooks that come in from the cold and say, "Enough's enough, he's been doing this for too long, I'm going to dob him in."

MR VASEL: That would be the - that would be the lesser situation.

MR SMITH: That would be the lesser situation, similar to the Walter Mitty types that like to give information because they enjoy the notoriety and that sort of focus and attention that they do get when they're - when they're informing, because they do notice that the police tend to sort of want to hear what they say and gravitate towards them, and they enjoy that sort of spotlight. So they're a - they - the stereotypical informer would be not your normal citizen.

MR VASEL: The motivations are really what drives them, in a sense, isn't it?

MR SMITH: Pretty much. They're - they - generally speaking they're in two categories. Either [REDACTED] of those that [REDACTED] or [REDACTED] or a [REDACTED] of those [REDACTED] Now, in the second category

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case studies within the course, strict compliance with the policy, and a combination of all of the above, really. You know, you can only hope that once you've laid the cards on the table and understand the parameters of dealing with it, their own integrity and their own common sense will kick in and which will assist as well. You know, if a member has got no brains, well, then you're up against it.

MR VASEL: What about the importance of supervision, Stephen? What are your - - -

MR SMITH: It's crucial, really. It's crucial because members might make - you've got to, I suppose, understand that there may be innocent mistakes and there might be inadvertent errors in handling informers as well, and then the experienced supervisors must ensure that if a member has made an inadvertent error that he learns from - that that's picked up, rectified, addressed, and he learns from it, and it doesn't happen again. So you've got the deliberate misuse of the policy, or the relationship - - -

MR VASEL: Which is an illegality.

MR SMITH: Which could be an illegality, yeah, and you've got the inadvertent ones through inexperience or slackness, I suppose, and that sort of thing. So you've got to understand the two and then - and be able to recognise indicators that perhaps the association or the relationship is inappropriate, whether it be inadvertent or deliberate and deal with that. So you've really got to be mindful of signs, indicators, and make sure as a supervisor you stay on top of that and guide the members, "Hang on, I don't think you should be doing that because he's probably like - he's probably getting you to do that because of this, this and this," and the member will say, "Oh shit, I didn't realise that," you know.

MR VASEL: A number of the case studies have actually involved exactly involved exactly what you're talking about. We won't go into the details of that. But what happens if supervisors themselves are inexperienced? What happens there?

MR SMITH: Well, I can only comment on this office, and if they don't have the requisite abilities to - in that regard, well, they will not be registered as either a handler or a controller, and that's it. They don't have anything to do with the informers. So that's the bottom line, and then they will - we'll take steps to make sure that that is rectified, either by further training or becoming a co-handler where they attend to, you know, meetings and learn from those meetings in a hands-off way. But having said that, I would like to think that they shouldn't be here in the first place if they don't have those abilities, and as