



Case study

Operation Wilson

Operation Wilson investigated an Australian Border Force (ABF) officer and his connection to the importation of illicit tobacco.

Operation Wilson was a joint investigation by the former Australian Commission for Law Enforcement Integrity (ACLEI), the Department of Home Affairs (Home Affairs), the Australian Federal Police and Victoria Police, which was finalised after 1 July 2023 by the National Anti-Corruption Commission.

With the exception of Mr Jonah Hsu (Mr Hsu), names of companies and individuals in this case study are pseudonyms.

Corruption at the Australian border and insider threats

Corruption risks at the Australian border are often linked with insider threats.

Insiders may use their authorised access to information, systems or secure areas to assist criminal networks to move illicit goods including drugs, tobacco or weapons.

In this case, an ABF employee used his official position to access information for the purpose of assisting an associate who was being investigated for illicit tobacco imports. His conduct was an [abuse of office](#).

Referral

In 2021, an ABF investigation identified that an Australian registered company (StockGrains) imported more than 14 million illicit cigarettes concealed in fertiliser consignments. StockGrains did not have a permit to import tobacco.

Mr Hsu was an ABF employee. He became a person of interest to the ABF after he introduced an employee of the company that managed the import clearance process for consignments (Logistics Pty Ltd), to a man (Mr Blue) who was being investigated for illicit tobacco imports.

In May 2021, Home Affairs made a formal notification to ACLEI under the *Law Enforcement Integrity Commissioner Act 2006* (no longer in force).

Under the *National Anti-Corruption Commission Act 2022 (NACC Act)*, this type of notification is now known as a [mandatory referral](#).

What happened

Operation Wilson examined Mr Hsu's connection to StockGrains, and the consignments identified in the ABF investigation.

Mr Hsu joined the ABF in 2019. He had known Mr Blue since 2013. Mr Blue was the Managing Director of a Singapore-registered company (Skyfields) and the Director of StockGrains. Mr Hsu invested money in Skyfields, had been employed by the company since 2018 as a Compliance Officer and acted as 'Market Manager China'. He continued working at Skyfields throughout his employment at the ABF.

Between 2019 and 2021, while working at ABF, Mr Hsu received payments totalling more than \$200,000 from Skyfields or Mr Blue.

Mr Hsu did not disclose his relationship with Mr Blue or his involvement with Skyfields during his ABF recruitment process or security clearance checks. He later concealed these associations and employment from the ABF when applying for secondary employment with Skyfields (which was rejected), and again in further employment suitability documentation and interviews.

In March 2021, on 2 occasions and at Mr Blue's request, Mr Hsu accessed restricted information in the ABF's Integrated Cargo System (ICS) relating to StockGrains containers, including containers holding illicit cigarettes.

In April 2021, on 2 further occasions, Mr Hsu accessed intelligence reports in the ABF's National Intelligence System (NIS) relating to 6 seized shipments linked to StockGrains. He also accessed intelligence relating to Mr Blue and StockGrains.

Although Mr Hsu had legitimate access to ABF's ICS and NIS as part of his role, he did not have a lawful or work-related reason to access information relating to Mr Blue or StockGrains.

Outcome

The Commissioner found that Mr Hsu had engaged in corrupt conduct, by abusing his office by accessing official information for purposes unrelated to official duties.

On 17 June 2021, Mr Hsu was arrested and charged by Victoria Police with 2 offences under the Criminal Code (Cth):

- abuse of public office, pursuant to subsection 142.2(1) and
- unauthorised access of restricted data, pursuant to subsection 487.1(1).

On 21 June 2021, Victoria Police referred the prosecution of Mr Hsu to the Commonwealth Director of Public Prosecution.

On 21 November 2022, Mr Hsu appeared in the Melbourne Magistrates' Court and pleaded guilty to 2 charges of unauthorised access to restricted data. He was convicted and fined \$4,000.

On 19 June 2023, the County Court of Victoria affirmed the sentence on appeal.

ACLEI also notified the Australian Government Security Vetting Agency about Mr Hsu's actions, ensuring that this was on record for all future applications for Commonwealth employment.

Corruption prevention takeaways

Operation Wilson highlights the risks associated with insider threats and access to official information.

Insider threats remain an ongoing corruption risk for the ABF and other Commonwealth agencies.

In this case, Mr Hsu acted as an intentional insider (see Further information).

Mr Hsu completed all required employment suitability and clearance processes, declarations and forms, but failed to disclose key associations and secondary employment.

Proactive detection programs and system access audits can help agencies identify and respond to unauthorised access or misuse of official information.

The Commission encourages agencies to regularly review their controls relating to insider threats (see Further information). These include:

- employment suitability and vetting processes
- secondary employment declarations and approval processes
- annual and ongoing declarations of interests, associations and conflicts of interest.

Further information

- See [Operation Wilson Investigation Report](#).
- The [Commonwealth Integrity Maturity Framework](#) provides information to support the design, implementation and review of integrity frameworks.
- For information on insider threats, see the Attorney-General's Department, [Countering the Insider Threat: A guide for Australian Government](#).
- To report a corruption issue, see [report corrupt conduct](#).