



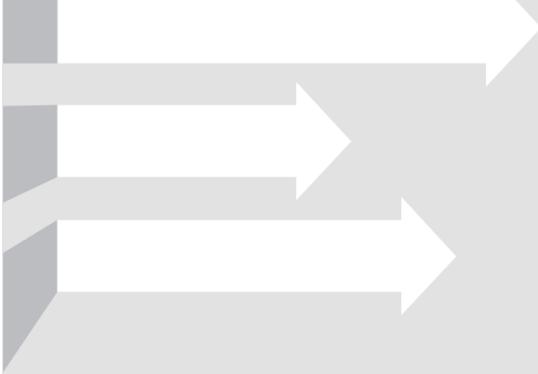
**Australian Government**  
**Australian Commission for  
Law Enforcement Integrity**

# **INVESTIGATION REPORT**

**Operation Swan—  
An investigation into allegations of corrupt  
conduct by a biosecurity officer**

A report to the Attorney-General prepared under s 54 of the  
*Law Enforcement Integrity Commissioner Act 2006 (Cth)*

**Report 09/2020**



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Investigation Reports published by the Integrity Commissioner  
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## About ACLEI Reports

### The Law Enforcement Integrity Commissioner Act

1. The *Law Enforcement Integrity Commissioner Act 2006* (Cth) (LEIC Act) establishes the office of Integrity Commissioner, supported by a statutory agency, the Australian Commission for Law Enforcement Integrity (ACLEI).

### The role of the Integrity Commissioner and ACLEI

2. The role of the Integrity Commissioner and ACLEI is to detect and prevent corrupt conduct and deal with corruption issues in designated agencies—presently the:
  - Australian Criminal Intelligence Commission (including the former Australian Crime Commission, the former National Crime Authority and the former CrimTrac Agency);
  - Australian Federal Police (including ACT Policing);
  - Australian Transaction Reports and Analysis Centre (AUSTRAC);
  - Department of Home Affairs (including the Australian Border Force); and
  - prescribed aspects of the Department of Agriculture, Water and the Environment.<sup>1</sup>
3. Other Australian Government agencies with law enforcement functions may be prescribed by regulation as being within the jurisdiction of the Integrity Commissioner.

### Corrupt conduct

4. A staff member of a law enforcement agency 'engages in corrupt conduct' if the staff member:
  - abuses his or her office
  - perverts the course of justice, or

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<sup>1</sup> *Law Enforcement Integrity Commissioner Act 2006* (Cth) s 5(1) (definition of 'law enforcement agency') (LEIC Act); *Law Enforcement Integrity Commissioner Regulations* (Cth) s 7.

- having regard to his or her duties and powers, engages in corrupt conduct of any other kind.<sup>2</sup>
5. The Integrity Commissioner is to give priority to dealing with serious and systemic corruption.

## Dealing with corruption issues

6. A corruption investigation can commence in different ways:
- the Minister may refer to the Integrity Commissioner an allegation or information that raises a corruption issue.
  - the head of a law enforcement agency within ACLEI's jurisdiction must notify the Integrity Commissioner of any allegation or information that raises a corruption issue which relates to that agency.
  - any person or government agency can refer to the Integrity Commissioner an allegation or information that raises a corruption issue. A referral may be anonymous, or on behalf of another person.
  - the Integrity Commissioner can commence an investigation on his or her own initiative.<sup>3</sup>
7. The Integrity Commissioner may decide to deal with the corruption issue in a number of ways:
- have ACLEI investigate the corruption issue either alone or jointly with another government agency or an integrity agency for a State or Territory.
  - refer the corruption issue to the law enforcement agency to conduct its own investigation.
  - decide that an investigation is not warranted.
8. The Integrity Commissioner can decide to manage or oversee any investigation that has been referred to a law enforcement agency. If the law enforcement agency were not the Australian Federal Police (AFP), the Integrity Commissioner can also refer the issue to the AFP for investigation and may manage or oversee that investigation.<sup>4</sup>

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<sup>2</sup> Ibid s 6(1).

<sup>3</sup> Ibid ss 18–24 and 38.

<sup>4</sup> Ibid ss 26–30.

## Reports

9. After completing a corruption investigation, the Integrity Commissioner must prepare a report setting out:
  - (a) the Integrity Commissioner's findings on the corruption issue; and
  - (b) the evidence and other material on which those findings are based; and
  - (c) any action that the Integrity Commissioner has taken, or proposes to take, under Part 10 in relation to the investigation; and
  - (d) any recommendations that the Integrity Commissioner thinks fit to make and, if recommendations are made, the reasons for those recommendations.<sup>5</sup>
10. The Integrity Commissioner must give the report on the investigation to the Minister who administers the LEIC Act and a copy to the head of the law enforcement agency to which the corruption issue relates.<sup>6</sup>

## Standard of proof

11. The Integrity Commissioner makes findings about whether a person has engaged in corrupt conduct, based on the balance of probabilities. Those findings may not be the same as those that would be made by a court deciding on criminal guilt beyond a reasonable doubt.
12. Before making a finding, the Integrity Commissioner is required to be 'reasonably satisfied', based on relevant facts, that the corrupt conduct occurred and that the corrupt conduct was within the meaning of the LEIC Act.
13. In considering whether or not the Integrity Commissioner is 'reasonably satisfied' of relevant facts, the Integrity Commissioner applies the reasoning set out in *Briginshaw v Briginshaw*,<sup>7</sup> *Rejtek v McElroy*,<sup>8</sup> and *Re Day*.<sup>9</sup>

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<sup>5</sup> Ibid ss 54(1)–(2).

<sup>6</sup> Ibid s 55.

<sup>7</sup> (1938) 60 CLR 336, 361–62 (Dixon J).

<sup>8</sup> (1965) 112 CLR 517, 521.

<sup>9</sup> (2017) 91 ALJR 262, 268 [14]–[18].

## Preface to the public version of Investigation Report 09/2020

14. Investigation Report 09/2020 is a report on Operation Swan, a corruption investigation relating to a staff member of the Department of Agriculture, Water and the Environment (Agriculture).<sup>10</sup>
15. Operation Swan commenced in 2014 with the substantive investigative activities continuing until 2016. Operation Swan concluded in 2020 with the finalisation of confiscation proceedings against two former Agriculture staff members.
16. Following this, I prepared my report on Operation Swan pursuant to s 54 of the LEIC Act. Before finalising my report, I undertook a procedural fairness process with affected persons as required by s 51.
17. On 14 December 2020, I gave the Attorney-General and Agriculture Secretary my finalised report on Operation Swan in accordance with s 55 of the LEIC Act.
18. I then considered whether it was in the public interest to publish Investigation Report 09/2020 under s 209 of the LEIC Act.
19. On 21 January 2021, I notified the Agriculture Secretary and a former staff member of Agriculture that I was considering publishing Investigation Report 09/2020. As I was satisfied that the report contained opinions or findings that could be considered to be expressly or impliedly critical of Agriculture and the former staff member, I gave them an opportunity to provide submissions on the proposed publication in accordance with s 210 of the LEIC Act. This process concluded on 18 February 2021 with both the Agriculture Secretary and the former staff member providing submissions.

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<sup>10</sup> At the start of Operation Swan, the Department was known as the Department of Agriculture. From 21 September 2015 to the conclusion of Operation Swan, it was known as the Department of Agriculture and Water Resources. The Department will be referred to as 'Agriculture' throughout.

20. Following consideration of the submissions, I have made some minor changes to the s 54 report for publication taking into account the requirements in s 209 for disclosing sensitive information. I am satisfied that it is in the public interest to disclose this edited version of Investigation Report 09/2020 to the public in accordance with s 209 of the LEIC Act.



Jaala Hinchcliffe  
Integrity Commissioner

22 February 2021

## Summary of the Investigation

### Referral

21. On 26 June 2014, Victoria Police (VicPol) referred information under s 23(1) of the LEIC Act suggesting that an Agriculture employee performing quarantine inspection duties may have engaged in corrupt conduct.
22. Specifically, the information included allegations the employee had accepted payments to clear imported goods without inspection and had other Agriculture staff members on the their 'payroll' to engage in the same conduct.
23. The information additionally included allegations that the employee was involved in the supply of illegal drugs and had ongoing associations with criminal entities.

### Jurisdiction

24. On 9 September 2014, the then Acting Integrity Commissioner, Robert Cornall AO, decided to investigate jointly with Agriculture. The corruption investigation was named 'Operation Swan'. The then Acting Integrity Commissioner was satisfied:
  - (a) The allegations were within ACLEI's jurisdiction because the employee (referred hereafter as 'the staff member') was a 'staff member of the Agriculture Department'<sup>11</sup> and therefore a 'staff member of a law enforcement agency'; and

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<sup>11</sup> Staff members of Agriculture for the purposes of the LEIC Act were at that time prescribed by s 10(2E) of the LEIC Act and reg 8 of the *Law Enforcement Integrity Commissioner Regulations 2006* (Cth) (LEIC Regulations). The employee was a member of staff of the Agriculture Department whose duties included the clearance of cargo imported into Australia and was therefore a staff member of Agriculture by operation of both s 10(2E)(b) of the LEIC Act and reg 8(1)(b) of the LEIC Regulations as in force throughout Operation Swan.

- (b) The information raised a 'corruption issue' as defined by s 7 of the LEIC Act as it suggested that the staff member may have abused their office by clearing imports without proper inspection in exchange for payment. Additionally, the possibility that the staff member was involved in drug trafficking and had ongoing associations with criminal entities raised the possibility of other corrupt activities. The then Acting Integrity Commissioner was satisfied the information indicated that a staff member of a law enforcement agency may have 'engaged in corrupt conduct' pursuant to s 6 of the LEIC Act.<sup>12</sup>

## Investigation

- 25. ACLEI investigators initially reviewed information obtained from various sources, including:
  - (a) law enforcement and other government holdings, including information provided by Agriculture;
  - (b) open sources;
  - (c) documents and information produced in response to notices issued by the Integrity Commissioner under s 75 of the LEIC Act; and
  - (d) information obtained under the Telecommunications (Interception and Access) Act 1979 (Cth).
- 26. Analysis of this information confirmed the staff member had ongoing associations with persons known, or suspected, to be involved in criminal activities, including drug trafficking. That is, the information indicated that the staff member was associating with persons who had criminal histories or who were recorded in law enforcement holdings as being suspected of engaging in criminal conduct. That information alone did not establish the extent of the staff member's knowledge of the criminal activities of those associates.
- 27. A review of financial documents suggested that the staff member had savings and expenses in excess of declared income, though did not identify that this was linked to any unlawful or corrupt activities.

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<sup>12</sup> Ibid ss 6(1)(a) and (c), as at 9 September 2014.

28. On 8 September 2015, the then Integrity Commissioner (Michael Griffin AM) reconsidered how the corruption issue should be dealt with. On that reconsideration, the then Integrity Commissioner decided the investigation should be continued jointly with Agriculture, VicPol, the AFP, and Australian Border Force (ABF) through the Trident Task Force.<sup>13</sup>
29. The investigation then commenced using additional techniques such as physical surveillance and surveillance devices.
30. This stage of the investigation obtained evidence of the staff member's involvement in drug trafficking activities:
  - (a) The staff member was observed regularly meeting and communicating with a particular person. Those meetings involved the exchange of goods. The communications concerned transactions and the exchange of money. While those communications never made reference to illegal drugs, it appeared that coded language was used in an attempt to disguise the nature of the transactions.
  - (b) The staff member was observed communicating with another individual in relation to unidentified transactions. The context of these communications and the language used suggested that they concerned the staff member supplying illegal drugs to the other individual.
31. Improper conduct in relation to the staff member's workplace was also observed, though not as described in the referral. The staff member made communications suggesting they were taking office supplies—specifically 'Pine O Clean' brand disinfectant wipes and 'Dettol' brand hand sanitiser. The staff member sent pictures of these activities, including one of a luggage bag full of packets of disinfectant wipes (approximately 26) and hand sanitiser bottles (approximately 24). The communication accompanying the photo implied that the staff member would be providing these items to an associate.

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<sup>13</sup> The Trident Task Force was established in 2012 as a joint-agency task force with the aims of detecting, deterring, and disrupting serious and organised crime on Victoria's waterfront. The Integrity Commissioner formally decided to investigate jointly with the then Department of Immigration and Border Protection. The ABF is the operational arm of the department and a participant in the Trident Task Force.

32. In early 2016, it was decided to proceed to resolution of the investigation.
33. In April and May 2016, several search warrants under the LEIC Act and state legislation were executed, resulting in the seizure of evidence including drugs and suspected proceeds of crime.
34. Statements were taken from a number of witnesses who were interviewed.
35. In August and September 2016, the then Integrity Commissioner held a number of hearings under the LEIC Act.
36. The material obtained through these resolution activities provided further evidence that the staff member was involved in drug trafficking—illegal drugs were seized during searches and witnesses made statements corroborating the earlier suspicion that the staff member was engaged in drug supply transactions. Cash and luxury goods seized were suspected of being proceeds of these criminal activities.
37. The evidence indicated that while the staff member was engaged in drug trafficking activities while employed as a staff member of Agriculture, these activities were unrelated to their office as a staff member of Agriculture.
38. No evidence was obtained to indicate that the staff member had engaged in corrupt conduct in the manner suggested in the referral. While witnesses provided statements that were critical of the staff member’s work ethic and indicated knowledge or suspicion that the staff member had dealings with illegal drugs, no co-workers interviewed stated that they were aware of, or believed that, the staff member had been engaging in corrupt conduct as described in the referral.
39. However, further evidence was obtained concerning the staff member’s improper workplace-related activities. In a search of the staff member’s residence, the following goods were seized, suspected of having been taken from the workplace:
  - (a) 70 packets of ‘Pine O Clean’ brand disinfectant wipes;
  - (b) 17 boxes of ‘Kleenex’ brand tissues;
  - (c) 56 bottles of ‘Dettol’ brand hand sanitiser; and
  - (d) A quantity of batteries of various sizes and brands.
40. These items aligned with supplies used in the Agriculture office where the staff member worked. The quantum found suggested that these goods were connected to the staff member regularly taking these items from the workplace, as opposed to these items being purchased legitimately.

41. Additionally, multiple Agriculture colleagues provided statements that they were aware that the staff member was regularly taking these items from the workplace.

## Findings

42. The investigation did not substantiate the allegations that the staff member had been taking payments in exchange for clearing imported goods without inspection or was in some way coordinating colleagues to do the same.
43. The staff member's drug-related conduct, while serious, did not relate to their employment as a staff member of Agriculture.
44. The staff member's associations with known and suspected criminal figures, while an integrity concern, did not by itself constitute corrupt conduct.
45. However, I am satisfied that evidence obtained in the course of Operation Swan permits me to make a finding that the staff member engaged in corrupt conduct, namely abuse of office.
46. 'Abuse of office' is not defined in the LEIC Act. It is a concept primarily used in the context of criminal law. It generally involves using one's office to dishonestly benefit oneself or another, or to dishonestly cause detriment to another.<sup>14</sup>
47. While my findings concern corruption, not criminality, I consider these general elements expounded in the criminal law useful in considering whether a staff member of a law enforcement agency has engaged in conduct involving an abuse of their office.
48. The investigation identified through evidence of communications and witness statements that the staff member had regularly been taking office supplies. The number of goods taken was not trivial. The goods were Commonwealth property obtained with public funds for public purposes associated with the proper functioning of the staff member's workplace.
49. The staff member had access to these goods by virtue of their office as a staff member of Agriculture. The staff member was permitted to use these goods in association with that office. The staff member was not permitted to appropriate those goods for their own private purposes.

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<sup>14</sup> See eg *Criminal Code* (Cth) s 142.2(1).

50. The evidence indicates that the staff member took these goods deliberately, without permission, and in a manner to avoid being caught. Communications involving the staff member and statements from witnesses highlight that the staff member had deliberately and consciously engaged in this conduct. For example, the staff member was concealing the goods when taking them and modifying the amount they took to avoid suspicion. This supports a conclusion that the staff member knew what they was doing was wrong and that they was acting dishonestly.
51. The evidence indicates that the staff member was retaining the goods for personal use or distributing them to associates. A large amount of goods seized from the staff member's residence were of a kind used in their workplace. Communications made by the staff member and statements from witnesses indicate that the staff member had been retaining some of the goods for personal use and distributing the rest to associates. In doing so, the staff member derived a material benefit for themselves and any person to whom they subsequently gave those goods. The staff member simultaneously caused a detriment to the Commonwealth.
52. If there were any doubt that systematic theft in the workplace constitutes 'abuse of office', I refer to the comments made by the NSW Court of Appeal in *Director of Public Prosecutions v Harney*.<sup>15</sup> That case considered whether an Australia Post employee convicted of stealing postal articles<sup>16</sup> from his workplace had thereby committed a 'corruption offence' on the basis that the offence involved 'an abuse by the person of his or her office as an employee'.<sup>17</sup> The court determined it did and made the following remarks:<sup>18</sup>

The question ... is whether on the facts in the present case there was abuse by the opponent of his office as an employee of Australia Post.

It was submitted that there was not, in that there had to be some making use of his office as an employee to achieve a dishonest objective. A distinction between abuse *in* office and abuse *of* office was posed, and it was submitted that it was not enough that the opponent may have taken advantage of the opportunity which his office offered. It was said that it was necessary that he did more, and misused the power which his office offered.

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<sup>15</sup> (2003) 59 NSWLR 9 (*DPP v Harney*).

<sup>16</sup> The offence was provided for by s 85K(1)(c) of the *Crimes Act 1914* (Cth) which has since been repealed. Over a period of about one year, the employee had stolen various postal articles which were being processed at his workplace, including coins, merchandise, CDs, cassettes, watches, books, computer software, and a set of golf clubs: *DPP v Harney* (n 14) 10.

<sup>17</sup> The case concerned an application for a superannuation order under the *Crimes (Superannuation Benefits) Act 1989* (Cth). An application and order may only be made if the person has been convicted of a 'corruption offence'. That term is defined in s 2 of the Act. Relevantly, it formed the basis of, and therefore largely aligns with, the definition of 'engages in corrupt conduct' in s 6(1) of the LEIC Act.

<sup>18</sup> *DPP v Harney* (n 14) 12 (Giles JA).

With due respect to the submissions put to us, I do not think that in the present case there can be any real doubt. ... [T]he opponent was able to steal the articles in the course of post because of his employment by Australia Post in the parcel centre, and did so contrary to the duty which as a person in that employment he owed to his employer and in disregard of his responsibility as such an employee to the members of the public who committed articles to the postal system. In my opinion, that is clearly and aptly described as an abuse of his office as an employee.

53. These comments apply to the staff member's conduct. The staff member was able to take the public goods because of their employment as a staff member of Agriculture. That employment granted the staff member access to the workplace and the goods, which were obtained with public funds for public purposes. The staff member took the goods for their private use contrary to duties owed to their employer and to the public with respect to the use of public resources. The staff member directly contravened the Australian Public Service (APS) Code of Conduct, which requires APS employees such as the staff member to 'behave honestly and with integrity in connection with APS employment' and use Commonwealth resources in a proper manner and for a proper purpose.<sup>19</sup>
54. The fact that the goods in this instance were office supplies does not mean that the conduct did not involve an abuse of office. The LEIC Act does not in this instance require the abuse to have occurred in relation to particular law enforcement functions. This situation is comparable to others in which facilities provided to support work activities are misused in such a way that constitutes abuse of office or corruption—for example, deliberate misuse of a corporate credit card<sup>20</sup> or similar financial facilities.<sup>21</sup> The issue is not the nature or overall value of the goods but that fact that a public officer has misappropriated public goods for private purposes.
55. It is important to note that taking office supplies does not by itself constitute abuse of office or corruption. For example, they may be taken by accident or in trivial amounts. The staff member's conduct was neither accidental nor trivial—it involved deliberately and regularly taking goods from Agriculture, taking advantage of the opportunity to do so afforded by virtue of being a staff member.

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<sup>19</sup> *Public Service Act 1999* (Cth) ss 13(1) and (8).

<sup>20</sup> See eg Investigation Report 03/2020: Operation Balaton—An investigation into the misuse of an official credit card by an AFP appointee (available at <https://www.aclei.gov.au/reports/investigation-reports>).

<sup>21</sup> See eg *Director of Public Prosecutions (Cth) v Pirone* (1997) 68 SASR 106, in which the Supreme Court of South Australia determined that an AFP member who had improperly reimbursed themselves \$2,260 via the petty cash system over the course of 18 months had thereby committed an abuse of their office.

56. I am therefore satisfied that former Agriculture staff member engaged in corrupt conduct as defined in s 6 of the LEIC Act.

## Action under Part 10 of the LEIC Act

57. Information concerning criminal conduct and misconduct was made available to partner agencies involved in the joint investigation, consistent with ss 142 and 146 of the LEIC Act. Evidence of offences that would be admissible in criminal proceedings were made available through the joint investigation to VicPol. Evidence of breach of duty or misconduct were made available through the joint investigation to Agriculture.

## Criminal prosecutions

58. VicPol commenced criminal prosecutions against three persons involved, including the staff member.

### The staff member

59. The staff member pled guilty to the following offences:
- (a) Dealing with proceeds of crime contrary to s 194(1) of the *Crimes Act 1958* (Vic);
  - (b) Dealing with property suspected of being proceeds of crime contrary to s 195 of the *Crimes Act 1958* (Vic);
  - (c) Trafficking a drug of dependence (methylamphetamine) contrary to s 71AC of the *Drugs, Poisons and Controlled Substances Act 1981* (Vic); and
  - (d) Possessing a drug of dependence (steroids) contrary to s 73(1) of the *Drugs, Poisons and Controlled Substances Act 1981* (Vic).
60. On 8 May 2017, the staff member received a Community Correction Order for 24 months that included a requirement to complete 350 hours of unpaid community work, an aggregate fine of \$10,000, and an order to forfeit seized drugs and property.

### **Agriculture colleague**

61. An Agriculture colleague of the staff member (referred hereafter as 'the colleague') was charged with dealing with proceeds of crime offences on the basis of having received items from the staff member derived from illicit activities.
62. On 3 July 2017, the colleague was discharged without any finding of guilt having successfully completed a diversion program.

### **Civilian associate**

63. A civilian associate of the staff member pled guilty to the following offences:
  - (a) Dealing with proceeds of crime (\$50,100 in cash) contrary to s 194(1) of the *Crimes Act 1958* (Vic);
  - (b) Possessing a Schedule 4 poison contrary to s 36B(2) of the *Drugs, Poisons and Controlled Substances Act 1981* (Vic);
  - (c) Trafficking a drug of dependence (cocaine) contrary to s 71AC of the *Drugs, Poisons and Controlled Substances Act 1981* (Vic);
  - (d) Possessing a drug of dependence (methylamphetamine) contrary to s 73(1) of the *Drugs, Poisons and Controlled Substances Act 1981* (Vic); and
  - (e) Possessing a drug of dependence (steroids) contrary to s 73(1) of the *Drugs, Poisons and Controlled Substances Act 1981* (Vic).
64. On 1 August 2017, the civilian associate was fined \$5,000 and ordered to forfeit the proceeds of crime. The sentencing magistrate indicated that they would have imposed a Community Correction Order had the accused not pled guilty.

### **Confiscation proceedings**

65. On 21 June 2016, the County Court of Victoria made an unexplained wealth restraining order under the *Confiscation Act 1997* (Vic) with respect to the following property seized from the staff member and the Agriculture colleague that was suspected of being unlawfully acquired:
  - (a) Real property;
  - (b) Mortgage account;
  - (c) Savings account linked to the mortgage account;

- (d) \$15,950 in cash
  - (e) Yellow metal Cartier ring; and
  - (f) Rolex Date Just II White Gold Rhodium Diamond watch (valued at \$12,700).
66. On 26 May 2020, the Court made a forfeiture order by consent of the parties, ordering the forfeiture of \$50,000, the savings account (\$142,743.25), the \$15,950 in cash, the ring, and the watch.

## Employment at Agriculture

67. On 19 May 2016, the staff member and the colleague were suspended without pay.
68. On 15 May 2017, the staff member resigned from the department.
69. On 15 November 2017, Agriculture terminated the colleague's employment with the department.

## Corruption Prevention Observation

70. The investigation obtained evidence of workplace misconduct constituting corrupt conduct and criminality away from the workplace. This raises concerns, given the responsibilities of a biosecurity officer to enforce the law and the public trust placed in them to carry out their duties lawfully.
71. Since the events in Operation Swan, the Agriculture Secretary has considered a range of options to strengthen its integrity measures and resistance to corruption. I note that on 8 October 2018, Agriculture's Drug and Alcohol Policy came into effect. Under this policy, Agriculture employees may be directed to undergo testing for the presence of drugs in certain circumstances. This measure sends a clear message about the standards expected of staff members.
72. The investigation highlights the issues of undeclared associations with criminal entities and personal involvement in illicit activities. ACLEI has observed the potential for departmental systems, practices, and people to be compromised by criminal interests in a number of corruption investigations—casual associations can later be exploited by criminal entities and involvement in illicit activities demonstrates a lack of integrity. These factors, while not corrupt by themselves, are indicative of a significant corruption risk.

73. One of the characteristics of a healthy integrity culture is an understanding of integrity-related issues and the reporting of them. A concerning aspect of the investigation was inaction from colleagues and supervisors. Colleagues of the staff member described a range of concerns when interviewed—poor work performance, creating fraudulent parking permits, taking office supplies for personal use, and use of illicit drugs outside of the workplace. This behaviour was observed over a number of years but was not formally reported as integrity concerns. Reporting these matters may have allowed the misconduct issues to be dealt with and removed the corruption risk.

## Recommendations

74. On 20 May 2020, I disseminated a vulnerabilities brief to the Agriculture Secretary outlining observations derived from corruption issues involving staff members of Agriculture, including this investigation. That brief contains a number of recommendations, including several pertinent to Operation Swan.
75. The relevant recommendations are that Agriculture considers:
- (a) adopting measures to enhance internal reporting culture;
  - (b) developing early intervention strategies to ensure that problematic behaviours are identified and addressed at the earliest possible point; and
  - (c) enacting a mandatory declarable association policy.
76. On 15 September 2020, I provided the Agriculture Secretary, Andrew Metcalfe AO, with a draft of this report in order to provide the opportunity to comment on the report in accordance with s 51 of the LEIC Act.
77. On 15 October 2020, the Secretary provided the following comments in response to the draft report:
- The department agrees with the corruption prevention observations and recommendations in the draft Investigation Report and ... can confirm that they are broadly consistent with a program of work already underway within the department. We have made a sustained effort over the last three years to embed a pro-integrity culture in the department and remain keenly committed to this outcome. To this end I have provided an overview ... of the range of initiatives the department has delivered to support corruption prevention.
- The department welcomes ACLEI's offer of continuing support to strengthen our fraud and corruption framework and strategies.
78. The initiatives identified by the Secretary are listed in the appendix.

79. ACLEI will continue to work with Agriculture to strengthen their integrity framework to deal with the issues raised by Operation Swan and other corruption investigations.



Jaala Hinchcliffe  
Integrity Commissioner  
11 December 2020

## Appendix

### Corruption prevention initiatives identified by the Agriculture Secretary

- The formation of a dedicated Integrity Branch focussed on the management of integrity, fraud and corruption, behaviour, conduct and personnel security risks.
- The introduction of an Integrity Hotline providing a 'one-front-door' approach to the assessment, triage and referral of all allegations of wrongdoing.
- Analysis of trends in reporting data derived from the Integrity Hotline to identify 'hot-spots' relating to integrity concerns and enable early intervention.
- The delivery of face-to-face Integrity Awareness Training to over 2000 staff Australia-wide with a particular focus on staff in ACLEI jurisdiction.
- Continued to provide and update mandatory online learning packages to raise staff awareness of fraud and corruption.
- The introduction of a Workplace Drug and Alcohol Policy that enables testing on suspicion of impairment, and recent or regular use of prohibited drugs by [staff in ACLEI jurisdiction]. The department is currently reviewing the policy following Machinery of Government changes to ensure alignment with the broader [Department of Agriculture, Water and the Environment] operating environment.
- Implementing of an overarching Integrity Framework featuring strengthened policy positions for key integrity policies including Conflicts of Interest, Outside Employment and Gifts and Benefits.
- Conducting open source pre-employment Conflict of Interest checks of [individuals] in high risk roles.
- Ongoing strengthening of personnel security practices including a comprehensive review of the department's Designated Security Position (DSAP) Register. Personnel security has also been embedded into the Integrity function to provide increased visibility of personnel risk.
- Strengthening governance arrangements through the introduction of a Case Assessment Meeting forum where critical stakeholders are informed of and make decisions regarding the resolution of allegations of wrongdoing.
- The provision of monthly briefings to the Chief Security Officer and relevant Senior Managers on Integrity and Staffing, and Security (including personnel security).
- The delivery of an awareness campaign for Security Week 2019 which emphasised personnel security (for example obligations of security clearance holders and good personnel security practices).

- The conduct of a Management Initiated Review to consider departmental access to the Integrated Cargo System and confirm appropriate controls were in place.
- Implementation of the *One Identity* scheme which introduced a new username standard for network access across the department strengthening access control.
- Strengthening of off boarding procedures by having separating employees acknowledge that they understand that all official information, including sensitive and classified information, acquired in the course of their duties remains the property of the Australian Government via an Official Secrets Declaration.
- The department is a member agency of the Australian Federal Police's Fraud and Anti-Corruption Centre (FACC), now known as Operation Ashiba. Since joining the FACC in 2018, the department has placed two [...] secondees in the FACC.
- The delivery of a Security Uplift Project to enhance the department's posture as it related to protecting the organisation, its assets and people from integrity risks in the new [Department of Agriculture, Water and the Environment] operating environment.