

Sports grants pork-barrelling adds to political disaffection in Australia

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21 January 2020

Australia's government, already widely reviled and discredited by its contemptuous response to the country's bushfire catastrophe, has been thrown into even deeper crisis by defending the flagrant rorting of a \$100 million sports grants program in the lead up to last May's federal election.

Last week, the Australian National Audit Office (ANAO) published a 76-page report documenting how deputy National Party leader Senator Bridget McKenzie handed out cash to local sporting organisations in an effort to shore up the Liberal-National Coalition's vote in selected "marginal" and "targeted" electorates.

Yet Prime Minister Scott Morrison and other key ministers, notably National Party leader Michael McCormack and Home Affairs Minister Peter Dutton, have dug in behind McKenzie, dismissing calls for her sacking. McKenzie further inflamed public opinion by defending her decisions as "highly successful."

As is the case with the bushfire crisis, the Labor Party has effectively closed ranks behind the government. Labor is proposing to effectively bury the scandal in a future Senate committee inquiry, a plan supported by the Greens and Senator Pauline Hanson's anti-immigrant One Nation.

For Morrison to dump McKenzie could endanger the faction-riddled Coalition, which barely survived last May's election and holds a slim two-seat majority in parliament. Corporate media editorials, however, have warned that the government's defence of McKenzie has further eroded public trust in the political system as a whole, which had fallen to historic lows already, well before the bushfire disaster.

For decades, every government, whether Coalition or Labor, has engaged in similar pork-barrelling, but this affair breaks new ground, underscoring both the government's lawlessness and utter political desperation.

From the standpoint of the political and media

establishment, it is difficult to imagine a more damning report issued by the ANAO, which is meant to be an institutional safeguard within the parliamentary order against government corruption and misuse of funds.

The auditor general, Grant Hehir, said McKenzie, as sports minister, overturned the assessments undertaken by Sport Australia, the official body administering the program. In a clear case of "distributional bias," more than half the projects funded were "not those that had been assessed as the most meritorious in terms of the published program guidelines."

The program awarded a total of \$100 million to 684 local sports infrastructure projects in the months before the May 18 election, out of 2,056 proposals seeking nearly \$400 million. Badly-needed projects in some of the most deprived working class areas, regarded as "safe" Labor Party electorates, were rejected in order to dole out grants of up to \$500,000 to already well-resourced clubs in some of the wealthiest seats that the Coalition feared losing.

The ANAO found that the "bias" worsened during the three rounds of funding, as the election drew closer. In the first round, 91 of the successful projects (41 percent) were not endorsed by the Sport Australia board. In the second round, that figure was 162 (70 percent), and in the final round 167 (73 percent). McKenzie defied warnings from Sport Australia about the potential "risk" of her actions and overturned its recommendations without any rules or criteria, let alone "legal authority."

In addition, McKenzie's office quickly notified Liberal-National candidates of successful grants in their electorates. It supplied them with draft press releases and sporting club contact details so they could claim credit for the grants, while deliberately leaving sitting Labor or independent members of parliament in the dark.

The abuse of the Community Sports Infrastructure Program was known or authorised at the highest levels of

the government. Morrison and his most senior ministers featured in media photo opportunities promoting the award of grants. Morrison yesterday admitted that his office passed on to McKenzie funding requests from Coalition members of parliament.

The rorting only came to light initially when the Liberal Party candidate for the South Australian seat of Mayo, Georgina Downer—the daughter of former Liberal leader and foreign minister Alexander Downer—was photographed handing out a giant novelty-sized cheque for \$127,373 to the Yankalilla Bowling Club last February.

With glasses of champagne in hand, she and club officials posed for the cameras, with a cheque emblazoned with the Liberal Party logo and featuring a large portrait of Downer. The local Adelaide Hills Council also got just under \$500,000 to upgrade the change rooms at an oval. However, the pork-barrelling failed to wrest the seat from Centre Alliance MP Rebekha Sharkie.

There was a similar story in the affluent northern Sydney seat of Warringah, where the Mosman Rowing Club received \$500,000 as the government unsuccessfully tried to save former Prime Minister Tony Abbott from defeat.

Many such grants were made just before the election as the government tried to hold on to affluent “blue-ribbon” seats where the Liberals were locked in battle with Labor, the Greens and independents. In Treasurer Josh Frydenberg’s Melbourne seat of Kooyong, the Hawthorn Malvern Hockey Club received \$500,000 to upgrade its pavilion, including new change rooms and a gymnasium.

By contrast, the rejected applications included many like that of the Coledale Waves Soccer Club in a working-class coal mining region south of Sydney. Club member Lisa Miller told the Australian Broadcasting Corporation that 10 volunteers from the club spent 200 hours preparing the application that would have helped overcome serious safety problems at the club’s oval. “Because the ground is so uneven and so hard, compacted and so poorly irrigated we have 30 major injuries a week at this oval in the soccer season,” she said.

Altogether, McKenzie approved 417 applications that Sport Australia deemed sub-standard, while hundreds of badly needed proposals were rejected, without any reasons being given. Nine of the 10 electorates that were approved to receive the greatest amount of funding were either designated “marginal” or “targeted” by McKenzie’s office.

Writing in the *Australian Financial Review*,

constitutional law expert Professor Anne Twomey said the scheme seem to break the law in four ways: (1) grants were made on the basis of bias or improper political purposes, (2) McKenzie had no legislative authority to make grants, (3) the federal government had no constitutional power to hand out money for sports, and (4) the funding amounted to the criminal offence of electoral bribery.

This is not the only rorting that the ANAO has condemned. Last November, it reported that ministers in charge of a \$220 million Regional Jobs and Investment Program had knocked back almost 30 percent of recommended projects and supported 17 percent of those not recommended. The government then refused to release the relevant documents on the revealing ground that the material would disclose secret cabinet discussions.

The ANAO is set to probe another \$450 million program overseen by McKenzie that funded 195 projects, supposedly to support natural resource management and sustainable agriculture.

The “sports rorts” affair case has drawn media parallels to that of former Labor minister Ros Kelly, who was forced to resign as a scapegoat almost 26 years ago after being unable to explain the Keating government’s distribution of \$30 million of sports grants to marginal electorates. But such slush funds have become standard practice since then.

The Keating Labor government’s Community, Cultural, Recreational and Sporting Facilities Program was followed by the Howard Coalition government’s Regional Partnership Program and the Rudd and Gillard Labor governments’ Regional Development Australia Fund.

If the Morrison government survives this scandal, it will be a green light for even more corrupt operations to shore up governments and the political order, further fuelling political discontent.



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