Australian PM compels minister to resign over sports grants pork-barrelling

Mike Head 3 February 2020

In a blatant attempt at damage control, Prime Minister Scott Morrison yesterday forced Agriculture Minister Senator Bridget McKenzie, the deputy leader of the National Party, to resign over the "sports rorts" affair that has engulfed the Liberal-National Coalition government for more than two weeks.

Morrison did so on the basis of a narrow technicality—that McKenzie had supposedly breached "ministerial standards" as sports minister. She allegedly failed to report a conflict of interest in allocating a \$36,000 sports grant to a gun club of which she was a member.

But even as he sacked McKenzie, Morrison still defended the handing out of large sums of cash, up to \$500,000, to clubs in "marginal" and "targeted" electorates that the government was desperate to win in the 2019 election.

The prime minister claimed he asked for McKenzie's resignation after receiving the findings of a report that he had requested from his departmental head, Phil Gaetjens, Morrison's trusted former political chief of staff. Yet Morrison refused to release that report, even though it directly contradicts the damning January 15 report issued by the Australian National Audit Office, the official monitor of government spending.

According to Morrison, Gaetjen found there was nothing wrong with the scheme, thus rejecting the auditorgeneral's report, which documented in detail that it involved "distributional bias." The government overturned 73 percent of the recommendations of Sport Australia, the institution meant to allocate the sports grants.

The audit report showed that the government not only funneled money into selected electorates. It ensured that Liberal-National election candidates, often accompanied by ministers, received favourable media coverage handing out the grants, by way of giant novelty cheques.

When the government tried to brush aside the audit, the following week produced a series of damaging leaked documents and emails that revealed further evidence of political vote-buying. Moreover, the leaks showed that it was Morrison's office and the Liberal Party headquarters—not McKenzie—that decided where the money would be channeled.

Morrison's removal of McKenzie will only intensify the turmoil wracking the increasingly discredited government and the entire political establishment. Public trust in the political system had already fallen to record lows, even before the government's arrogant and inadequate response to the bushfire disaster that has devastated large parts of the country since September, followed by the eruption of the sports grants scandal.

Morrison's government has been able to survive, so far, only because of the role of the Labor Party and the Greens. In regard to the sports grants affair, the prime minister has done exactly what they urged him to do—make McKenzie a scapegoat. Far from calling for the bringing down of the government, they advised Morrison to secure her resignation.

Even after Morrison flatly defended the government's sports grants operation at the National Press Club last Wednesday, Labor leader Anthony Albanese tweeted: "The buck stops with you, PM. Bridget McKenzie must resign—or she must be sacked."

Albanese then issued a statement announcing that Labor had gained the support of the Greens and all "crossbench" senators to establish what would be a toothless Senate committee inquiry into the affair. Offering the government a political lifeline, he said it needed to "come clean" on the scandal.

Despite the efforts of Labor and the Greens to divert the public outrage over the pork-barrelling into a parliamentary inquiry, Morrison's government is widely reviled and riven by in-fighting, just nine months after it barely survived last May's election because Labor's vote fell to a century-low.

Over the past week, daily leaks and revelations shed further light on the extent of the pork-barrelling, demolishing Morrison's repeated claims that "no rules were broken" and that he was not directly involved in the grants scheme.

- On Friday evening, Network 10 political editor Peter van Onselen reported he had obtained an email sent by one of McKenzie's advisers to Sport Australia that proved Morrison's office had the list of proposed grants and directly informed McKenzie's office about changes that needed to be made.
- Network 10 and the Australian Broadcasting Corporation (ABC) reported that the prime minister's sports adviser, Chris Daffey, liaised directly with McKenzie's office about the grants.
- The ABC published a list of 50 top-rated clubs that were denied funding, starting with a roller derby upgrade in Gippsland, Victoria, that Sport Australia had rated at 98/100 on the official criteria. That badly-needed project was designated as being located in a "safe" National Party electorate and therefore not worth funding for election purposes.
- By contrast, the government handed funds to clubs that ranked as low as 39/100, far below the cut-off point of 74/100 that Sport Australia determined was adequate to justify funding.
- The ABC showed a leaked spreadsheet of grant applications that was blatantly colour-coded by which party held the seat in which they were located. For example, the Pakenham Football Club, in the Liberal Party-held marginal seat of La Trobe, received a maximum \$500,000 grant despite having an assessment score of just 50/100.
- Rejected clubs, such as the Kyneton District Soccer Club, spoke out publicly, denouncing the government's "under-handed" and "gut-wrenching" decisions not to fund them after spending hundreds of volunteers' hours preparing applications.
- The ABC reported that several projects in key seats that received funding in a last-minute \$42.5 million preelection extension of the scheme had not even applied when applications closed in September 2018.
- Sky News reported that Sport Australia CEO Kate Palmer raised concerns about the sport grants scheme with McKenzie's office before Palmer's contract was discontinued last year.

Other revelations made a mockery of Morrison's claim,

repeated at the National Press Club, that his government's main concern was to stop girls and young sportswomen from having to change their clothes "in cars or out the back of sheds, rather than having their own changing facilities. The government overturned Sport Australia recommendations and rejected at least 12 grants for female change rooms at local sport grounds, including one where women and girls are currently changing in tents. One of the rejected applications—submitted by the Cherry Gardens Ironbank Recreation Ground to build female-friendly change rooms—scored 94 out of 100, one of the highest scores across the country.

These revelations came on top of many others that showed large handouts to clubs and organisations in targeted electorates, many in affluent suburbs, at the expense of poorly-resourced clubs in working class areas. Seats held by key cabinet ministers were particularly successful. For instance, the Hawthorn-Malvern hockey centre in Treasurer Josh Frydenberg's wealthy Melbourne seat of Kooyong was granted \$500,000, with a score of only 62.

Most immediately, McKenzie's removal means a potentially destabilising cabinet reshuffle, just as parliament resumes for the year on Tuesday. This is under conditions in which two of Morrison's equally right-wing rivals—Home Affairs Minister Peter Dutton and ex-National Party leader Barnaby Joyce—publicly defended McKenzie as recently as yesterday morning.

On Sky News, Dutton declared: "I know Bridget as a good minister and somebody who has a lot of passion, frankly, in her current portfolio and when she was sports minister," adding: "For me, I've got confidence in Bridget and I've been very clear about that from day one."

Within the National Party, a ballot must now take place tomorrow to elect a new deputy, raising the possibility that party leader Michael McCormack may also be challenged. Former leader Barnaby Joyce announced to the media this morning that he will stand for the position if a challenge is launched.



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