

Of no consequence? Misconduct and maladministration in Australia in 2020

Briefing note

April 2021

Significant findings and allegations of misconduct and maladministration have been made against both federal and State politicians over the past 15 months. The Centre for Public Integrity has summarised 9 major scandals over the period January 2020 – March 2021, covering allegations of corruption, misconduct and maladministration in state and federal politics.

The consequences which flow from such findings and allegations include those of a political nature – which might see a member of parliament resign from the Ministry, and even their party – and those of an institutional nature, which can include parliamentary inquiries; investigations by integrity agencies such as anti-corruption commissions, ombudsmen, and auditors general; and referrals to police.

The compilation contained at Figure 1 reveals that in spite of findings having already been made in some cases, there has frequently been no meaningful consequence of either a political or institutional nature.

In respect of political consequences, we note that failure by party leaders to impose meaningful consequences for wrongdoing, or to properly investigate allegations when they arise, risks conveying the message that such conduct is acceptable – not only to the individuals involved, but also to the wider community; this has the effect of further eroding public trust, which pre-pandemic was already at an unprecedented low.¹

In respect of institutional consequences, we note that the continuing absence of a National Integrity Commission means that such consequences are limited at a federal level. The importance of key accountability institutions such as the State anti-corruption commissions and Australian National Audit Office is manifest from the below compilation (both in respect of the institutional response,

¹ Australian National University, "Trust in government hits all time low" 9 December 2019 <https://www.anu.edu.au/news/all-news/trust-in-government-hits-all-time-low> accessed 15 March 2021.

and the way in which the allegations or findings were brought into the public domain); this reinforces the case for protecting both their independence and their resourcing.

We note that none of these cases to date has to date led to systemic reform, even though such reform would assist in reducing the probability of similar cases arising in future. This is a missed opportunity to improve the functioning of democracy in Australia and its States and Territories, and thereby restore public trust.

A National Integrity Commission is urgently needed to investigate allegations of corruption and misconduct. Only a National Integrity Commission has the necessary powers and independence to do so, Public trust will continue to fall while allegations are not properly investigated or met with real consequence.

Figure 1: Key allegations and findings of misconduct and maladministration by federal and State politicians – 2020 and 2021

	Investigating agency	Summary	Political responses	Institutional response	Reform
Sports roorts	Australian National Audit Office	<p>In January 2020, the Australian National Audit Office released its report <i>“Award of Funding under the Community Sport Infrastructure Program”</i>.</p> <p>This report concluded that the award of funding under the program “was not informed by an appropriate assessment process and sound advice” and the applicants which were successful “were not those that had been assessed as the most meritorious in terms of the published program guidelines”.</p>	<p>The relevant Minister, Senator Bridget McKenzie, resigned from the Ministry and as Deputy Leader of the Nationals.</p> <p>She remains Leader of the Nationals in the Senate</p>	<p>The Secretary of the Department of Premier and Cabinet Phil Gaetjens conducted an investigation into Senator McKenzie's conduct. The report was never made public.</p> <p>The Senate Select Committee on Administration of Sports Grants recommended reviewing ministerial powers in the approval of grants, increasing ANAO funding, and establishing a National Integrity Commission.</p> <p>The Government has not responded to these recommendations.</p>	None to date

<p>Leppington Triangle</p>	<p>Australian National Audit Office</p>	<p>In September 2020 the Australian National Audit Office released its report <i>"Purchase of the 'Leppington Triangle' Lane for the Future Development of Western Sydney Airport"</i>.</p> <p>This report concluded that – amongst other things – the Department of Infrastructure "did not exercise appropriate due diligence in its acquisition of the Leppington Triangle"; aspects of the Department's operations "fell short of ethical standards"; and the incomplete advice provided to decision-makers in respect of the purchase, and the Department's response to questions from the ANAO, was "inconsistent with effective and ethical stewardship of public resources".</p>	<p>None: Former Minister for Cities, Urban Infrastructure and Population Paul Fletcher – as well as his successor, Alan Tudge – deny that they were involved in the transaction.</p>	<p>Department Secretary Simon Atkinson has announced an investigation into the culture of the team responsible for the purchase. Whether this has been initiated is unknown.</p> <p>He is also reported to have stood down two bureaucrats, and initiated two code of conduct investigations and an external audit of the transaction.</p> <p>The Senate Finance and Public Administration References Committee is undertaking an inquiry into Western Sydney Airport generally, and this covers the Leppington transaction.</p>	<p>None to date</p>
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Robodebt	Victims' lawyers	<p>In December 2020, the Federal Government brokered a \$1.2 billion settlement deal with victims of Centrelink's compliance ('Robodebt') program.</p> <p>The aim of this program was to increase recovery of "over-payments" made since 2010, via an automated system with no human scrutiny.</p> <p>The scheme resulted in false accusations of debt being made against some 370,000 people.</p>	<p>Various Ministers for Social Services over a period of years were responsible for the Robodebt scheme. These include Christian Porter (who was Minister when the scheme was first implemented), Alan Tudge and Stuart Robert.</p> <p>None of the Ministers involved has faced formal consequences.</p>	<p>The Senate Community Affairs References Committee is undertaking an inquiry into the program. Its final report is due in November 2021.</p> <p>The Ombudsman has also produced two reports on the matter.</p>	None to date
Safer Communities Fund	ABC 7.30	In February 2021 the ABC's 7.30 program broadcast allegations of irregularities in the awarding of grants by the Home Affairs Minister Peter Dutton under the Safer Communities Fund.	None: Peter Dutton, denies the allegations.	In response to Labor Senator Kristina Keneally's request that the Australian National Audit Office (ANAO) investigate the allegations, the agency has noted that it will consider	None to date

		According to the ABC, more than 90 per cent of all Safer Communities Fund round three grants approved ahead of the 2019 election were in Coalition or marginal Labor and independent seats.		including the Fund in its 2021-22 work program.	
Sukkar branch stacking	Channel Nine	Channel Nine reported in August 2020 that Assistant Treasurer Michael Sukkar and former Victorian minister Kevin Andrews had misused Commonwealth funds for branch stacking.	None: both Michael Sukkar and Kevin Andrews deny the allegations	The Department of Finance found that there was not "a sufficient basis to form a view that there was serious misuses of Commonwealth resources". The allegations against Assistant Treasurer Sukkar were not referred to the Independent Parliamentary Expenses Authority.	None to date
Somyurek branch stacking	The Age and 60 Minutes	In June 2020, a joint investigation by The Age and 60 Minutes revealed that Adem Somyurek, then-Victorian Minister for Small Business and Local Government, had been involved in a substantial branch stacking operation.	Somyurek was sacked from the Victorian Ministry; he resigned from the Victorian Labor Party after Victorian Premier Daniel Anders and federal Labour leader	IBAC and the Ombudsman are undertaking a joint inquiry into the allegations. The matter was also referred to Victoria Police.	None to date

		<p>The allegations also implicated then-Assistant Treasurer and Minister for Veteran Affairs Robin Scott, and Minister for Suburban Development, Marlene Kairouz.</p>	<p>Anthony Albanese moved to expel him.</p> <p>Marlene Kairouz and Robin Scott resigned from the Ministry, but remain Labor MPs.</p> <p>All have denied wrongdoing.</p>	<p>The Victorian Labor Party has charged Marlene Kairouz with branch stacking offences (as well as a second person, who has not been publicly identified).</p>	
Operation Sandon	<p>Independent Broad-based Anti-Corruption Commission (IBAC)</p>	<p>IBAC's Operation Sandon is investigating allegations of corrupt conduct relating to planning and property management decisions at Casey Council.</p> <p>Evidence tendered to the inquiry has also implicated State Labor politicians, with it being suggested that donations by developer John Woodward to Labor created a sense of obligation towards him.</p>	<p>None to date</p>	<p>IBAC has yet to report on its findings.</p>	<p>None to date</p>
Operation Keppel	<p>Independent Commission Against Corruption (ICAC)</p>	<p>As part of ICAC's Operation Keppel (regarding allegations against former MP Daryl Maguire concerning breach of public trust to improperly gain a benefit), in October 2020</p>	<p>None to date</p>	<p>ICAC has yet to report on its findings.</p>	<p>None to date</p>

		NSW Premier Gladys Berejikian gave evidence to ICAC that she was in "a close personal relationship" for several years with Daryl Maguire, and that the relationship continued after she sought his resignation.			
Berejikian	Parliamentary committee inquiry (Integrity, efficacy and value for money of NSW Government grant programs)	Staffers in Premier Berejikian's office shredded documents relating to the award of money under the Stronger Communities Fund. The grants, which were made in the lead-up to the 2019 NSW election, were made almost exclusively to applicants in Coalition seats.	None to date	The State Archives and Records Authority concluded that the shredding was illegal. Whether this will be pursued is unknown. The Information and Privacy Commission found no wrongdoing it could pursue, and has provided its report to ICAC.	None to date

About The Centre for Public Integrity

The Centre for Public Integrity is an independent think tank dedicated to preventing corruption, protecting the integrity of our accountability institutions, and eliminating undue influence of money in politics in Australia. Board members of the Centre are the Hon Tony Fitzgerald AC QC, the Hon Stephen Charles AO QC, the Hon Anthony Whealy QC, Professor George Williams AO, Professor Joo Cheong Tham and Geoffrey Watson SC. More information at www.publicintegrity.org.au.