

14 February 2020

Mr Grant Hehir
Auditor-General
Australian National Audit Office
GPO Box 70
Canberra ACT 2601
Via email: grant.hehir@anao.gov.au

Dear Mr Hehir

Re: Community Development Grants

We refer to recent media reports in relation to the Community Development Grants. ("More regional grants splashed on Coalition targeted seats", The Age, 13 February 2020, Attachment A).

The articles reports that, according to analysis by Nine News, 84 of the 99 grants approved between December 2018 and the election in May went to seats the Coalition either held or was aiming to win from Labor or independents. These included:

- Eight grants in Braddon (TAS)
- Three grants in Corangamite (VIC)
- Three grants in Corangamite Flinders (VIC)
- Two grants in Mayo (SA)

These numbers indicate that allocations may have been made on a political rather than merit basis. There are indications that the Government may have moved applications between grant programs at their own discretion, rather than complying with published guidelines, including redirecting projects from the Community Development Grant programme to the Community Sport Infrastructure grant programme (Attachment B).

We are concerned that the Minister may have acted outside the scope of his Ministerial powers if he took into account irrelevant considerations (such as how marginal a seat was), or acted for an improper purpose (such as seeking to secure electoral gains), or in a biased manner by favouring projects based on Coalition electoral priorities.

We ask that you please investigate the decision-making process under this program, and the conduct of any relevant parties in relation to this matter.

Level 2, 251 Given Terrace, Brisbane • Suite 1.49, Parliament House, Canberra
Ph: 07 3367 0566 • Locked Bag 3004, Paddington Qld 4064 • senator.waters@aph.gov.au

*We acknowledge the traditional owners of the land on which we work: the Turrubul, Jagera and Quandamooka peoples.
We pay respect to their elders past, present and emerging, and acknowledge that their sovereignty was never ceded.*

We note that there are concerns about the legality of this conduct under *Criminal Code Act 1995 142.2 (1)(b)(i) Abuse of public office*. Under that provision, a Minister commits an offence if they “engage in any conduct in the exercise of the official’s duties as a [Minister] dishonestly obtaining a benefit for himself or herself or for another person”.

The conduct could also contravene *Commonwealth Electoral Act 1918 326(2)(a) – Bribery*, “A person shall not, with the intention of influencing or affecting any vote of another person give or confer, or promise or offer to give or confer, any property or benefit of any kind to that other person or to a third person”.

In addition to reviewing probity issues relating to the grant process, we would welcome your views on the legality of the Minister’s conduct and ask that you refer any criminal behaviour you identify during your investigation to the appropriate authorities.

Yours sincerely,



Larissa Waters
Greens Senate Leader
Spokesperson for Democracy



Janet Rice
Greens spokesperson for Sport, Agriculture &
Rural Affairs, and Infrastructure

Attachment A: “More regional grants splashed on Coalition targeted seats”, *The Age*, 13 February 2020



AUTHOR: Jonathan Kearsley SECTION: GENERAL NEWS ARTICLE TYPE: NEWS ITEM AUDIENCE : 69,863
PAGE: 4 PRINTED SIZE: 192.00cm² REGION: VIC MARKET: Australia ASR: AUD 11,815 WORDS: 0
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14 FEB, 2020

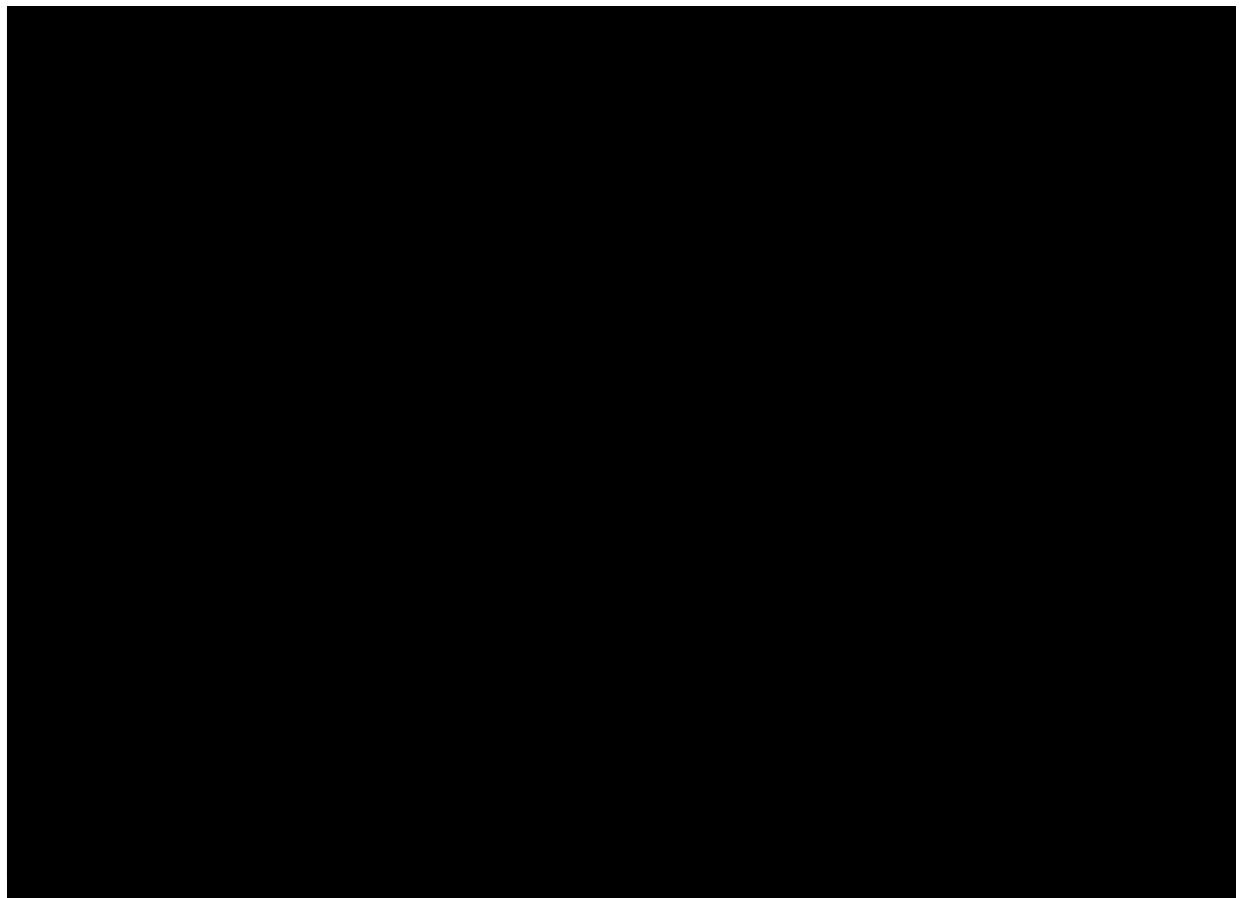
Call for probe on regional grants program

Age, Melbourne

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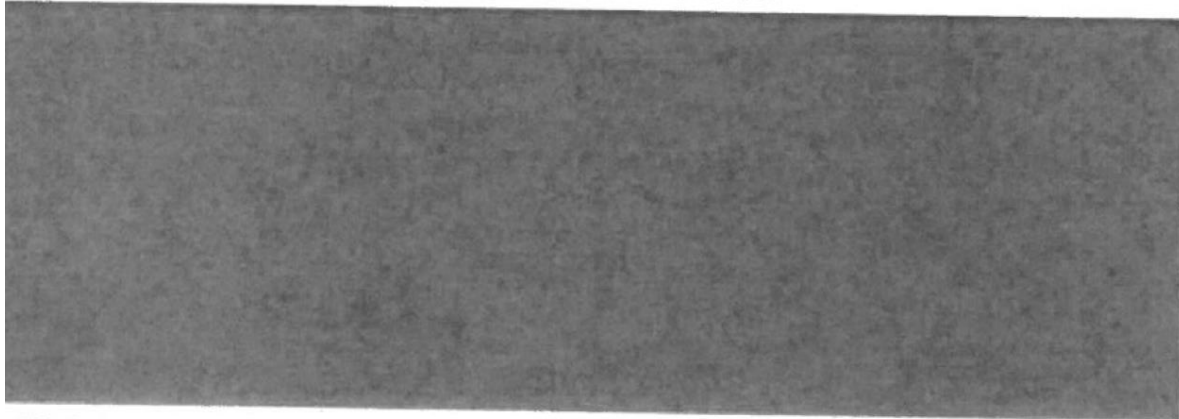
Attachment B - Senate orders for production of documents—Sport—Community Sport Infrastructure Program—Communication between offices—Order of 5 February 2020—Letter to the President of the Senate from the Minister for Youth and Sport (Senator Colbeck), dated 13 February 2020, responding to the order and raising a public interest immunity claim, and attachments. Page 58, [available here](#).

From: [REDACTED]
Sent: Friday, 23 August 2019 5:58 PM
To: [REDACTED]
Subject: RE: [REDACTED] REQUEST FOR [REDACTED] for upgrade to LED Competition Level lights
[SEC=UNOFFICIAL]

I've got some good news and some not as good news,

Remember how I said a few projects were on another list going to Sport? Well, there was another decision to move a number of other projects out of CDG over to Sport/Health.

On that list which is scheduled to move from the Latrobe electorate are:



This decision is very recent and what it will mean is that I will work with [REDACTED] as they set up everything on their end with their department.

We'll have some communications material shortly on what to tell proponents and what to expect moving forward.

So, long story short, these ones will just need to hold tight for a little longer. I predict this will actually speed things up once it's going.

Cheers

[REDACTED]