



26 April 2022

Hon Josh Frydenberg MP
Treasurer of Australia
Via email: josh.frydenberg.mp@aph.gov.au

Dear Treasurer,

For decades, the private funeral insurance company 'Youpla' (also known as ACBF) has aggressively sold poor value funeral plans to First Nations peoples.

Now this company has collapsed, leaving thousands of people unable to access funeral plans they had paid for to cover the cost of grieving loved ones through Sorry Business.

Funerals and Sorry Business play a special cultural role in First Nations communities. Youpla sought to deliberately exploit communities through loopholes in financial laws and consumer protections. Successive governments and regulators have been on notice of this misconduct and the regulatory gaps that facilitated it for nearly three decades and did nothing to prevent it.

Over ten thousand First Nations People have lost access to a product they have paid for, and we must act.

We call on the Federal Government to urgently support First Nations People who have been affected by the collapse of funeral insurer Youpla, and to ensure this can't happen again.

This is one of the worst financial scandals we've ever seen. The Youpla (ACBF) funeral fund has caused direct harms to First Nations communities by:

- Misleading policyholders into believing they were dealing with an Aboriginal owned or controlled organisation, run for the benefit of First Nations People.
- Aggressively selling expensive and poor value funeral plans (including via door to door sales tactics), and actively selling policies to children and young people.

- Charging unfair premiums, including higher costs for medical conditions that are most common amongst First Nations communities and even refusing to pay claims after suicides.
- Purposefully evolving its business model to avoid regulation.

The Financial Services Royal Commission exposed Youpla (ACBF) for systematic misleading and deceptive conduct. In 2018, the Commission investigated the company — but this wasn't the first time the company has been taken to task. Youpla has been subject to complaints by First Nations People and consumer advocates for decades as well as regulatory action from ASIC including in the courts, but it was not enough to stop the poor practices continuing. The harm created by Youpla is squarely a result of an inadequate regulatory framework. The harm created by Youpla should never have been allowed to continue.

People are hurting now. More than ten thousand First Nations People have lost funeral coverage for their families, many after decades of paying premiums. As the company has gone into liquidation, these payments cannot be recovered.

Community organisations and financial counsellors have been inundated with hundreds of calls a day from people who are deeply distressed, betrayed and humiliated. People have paid for funeral cover to ensure their families can carry out Sorry Business and grieve together — not to be left with the challenges of intergenerational debt and hardship.

Youpla shouldn't have been allowed to sell these funeral policies. Now the worst has happened, we must make this right.

Your Government has the opportunity to right this wrong and stop further harm by stepping up to support the First Nations People affected by this company's appalling failures.

Signed,

Mob Strong Debt Help
Financial Counselling Australia
Broome CIRCLE

Indigenous Consumer Assistance
Consumer Action Law Centre
CHOICE

Aboriginal Legal Service WA
ACT Council of Social Service (ACTCOSS)
Albury Wodonga Aboriginal Health Service
Anglicare Australia
Anglicare Northern Territory
Anglicare Victoria
Australian Council of Social Services
Australian Institute of Superannuation Trustees
Australian Services Union - Victorian and
Tasmanian Authorities and Services Branch
Bara Barang NSW
Ballarat & Grampians Community Legal Service
Bush Money Mob
Cairns Community Legal Centre
Caloundra Community Centre
Care Inc Financial Counselling Service
Care Goondiwindi
Central Australian Women's Legal Service
Centre for Women's Economic Safety
City of Cockburn Financial Counselling Service
Community Legal Centres Australia
Community Legal Centre Tasmania
Consumer Credit Legal Service (WA)
Consumers Federation of Australia
Cooktown District Community Centre
Council to Homeless Persons
Darwin Community Legal Service
Disability Advocacy Victoria
Djarindjin Aboriginal Corporation
EACH
Eastern Community Legal Centre
Elizabeth Morgan House Aboriginal Women's
Service
FamilyCare
Federation of Community Legal Centres Vic Inc
Finance Sector Union
Financial Counselling Network
Financial Counseling Victoria Inc.
Financial Counsellors Association of NSW
Financial Counsellors of Western Australia
Financial Rights Legal Centre
Fitzroy Legal Service
Flat Out
Foothills Information & Referral Service
Foundation for Young australians
Good Shepherd
Gosnells Community Legal Centre

Gurriny Yealamucka Health Service Aboriginal
Corporation
HK Training & Consultancy
Hobart Community Legal Service
Homelessness Australia
Hume Riverina Community Legal Service
Illawarra Legal Centre
Indigenous Peoples' Organisation-Australia
Industry Super Australia
Inner Melbourne Community Legal
JobWatch
Juno
Justice Connect
Katherine Women's Information and Legal
Service
Kempsey Neighbourhood Centre
Kimberley Community Legal Services
Kinchela Boys Home Aboriginal Corporation
Law and Advocacy Centre for Women
Madjulla Incorporated
Martuwarra Fitzroy River Council
Maurice Blackburn Lawyers
Melbourne City Mission
Mental Health Legal Centre
National Seniors Australia
National Legal Aid
Ngunga Group Womens Aboriginal Corporation
Northern Community Legal Centre
Northern Territory Council of Social Services
(NTCOSS)
North Queensland Combined Women's Services
North Queensland Women's Legal Service
NSW Aboriginal Land Council
New South Wales Council of Social Service
(NCOSS)
Peninsula Community Legal Centre
Picabeen Community Association
Port Douglas Community Service Network
Public Interest Advocacy Centre
Queensland Consumers Association
Redfern Legal Centre
Refugee Legal
Regional Alliance West
Renters And Housing Union
Rights Information and Advocacy Center
Rural West
Shelter Housing Action Cairns Association
Shoalcoast Community Legal Centre

South Australian Council of Social Service
South Australian Financial Counsellors
Association
South East Community Links
Southport Community Legal Service
St Vincent de Paul Society National Council
Super Consumers Australia
Tasmanian Council of Social Service (TasCOSS)
Tenants' Union of NSW
Tenants Victoria
Tender Funerals Australia
The Nintirri Centre
Top End Women's Legal Service
Uniting Church in Australia, Synod of Victoria
and Tasmania
Uniting Vic.Tas

Uniting WA
Victorian Aboriginal Community Controlled
Health Organisation
Victorian Aboriginal Legal Service
Victorian Council of Social Service (VCOSS)
Western Australian Council of Social Service
(WACOSS)
West Heidelberg Community Legal
WEstjustice
Women's Legal Services Australia
Women's Legal Service NSW
Women's Legal Service (SA)
Women's Legal Service Victoria
Wuchopperen Health Service Limited
YFS
YouthLaw