

Funeral funds scrutinised for targeting Indigenous Australians

Indigenous Australians have been paying for four or five funeral insurance policies for their families, consumer groups say

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Banking Royal Commission will move to Darwin to focus on how financial issues, including the selling of funeral insurance plans, affects Aboriginal and Torres Strait Islander people.
Photograph: Joel Carrett/AAP

The targeting of Indigenous Australians, including children, for funeral insurance plans will be investigated by the [banking royal commission](#). The inquiry moves to Darwin this week to focus on how financial issues affect Aboriginal and Torres Strait Islander people.

Some [Indigenous Australians](#) have been paying for four or five funeral insurance policies for their families, consumer groups say. Even children have been signed up for plans.

Consumer advocates say some insurers have exploited the importance of funeral ceremonies in Aboriginal culture to sell unsuitable funeral insurance plans.

The Department of Human Services has stopped funeral insurance providers from using its Centrepay bill paying service for people receiving Centrelink payments.

Banking inquiry hears Rural Bank underpaid interest and overcharged fees

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The royal commission will spend most of this week focusing on Indigenous issues.

But first it will wrap up its investigation into farming finance after last week's hearing in Brisbane.

Monday's hearing will begin with an examination of loans made by Bendigo and Adelaide Bank subsidiary Rural Bank to Queensland cattle farmers.

Rural Bank has admitted it failed to make appropriate inquiries and verifications before approving loans for a number of customers in the Queensland cattle industry, which became non-performing loans.

In her opening statement last week, senior counsel assisting the commission Rowena Orr QC said Rural Bank staff did not appropriately establish loan serviceability, over-relied on security values and did not adequately manage the loans.