**Scandal tainting Brittany Higgins compensation highlights Labor’s betrayal of Sterling First victims**

The questions now being asked about Labor Finance Minister Katy Gallagher’s speedy compensation payment to Brittany Higgins, within months of taking office, highlight Labor’s betrayal of the elderly victims of the Sterling First rent-for-life scandal, who remain uncompensated and facing eviction and homelessness.

The Australian Citizens Party (ACP) is calling on the Albanese government to act on Labor’s pre-election rhetoric and compensate the Sterling First victims for the Australian Securities and Investments Commission’s (ASIC) failure to police the Sterling Income Trust Ponzi scheme.

**Timeline**

In **2015** serial Ponzi scheme offenders launched the Sterling First rent-for-life scheme targeting retirees looking to downsize, but ASIC ignored the directors’ connections to past financial failures.

In **2015-2017** ASIC ignored multiple complaints about Sterling First, marking them NFA—No Further Action—despite knowing the scheme was falsely advertised and targeted vulnerable elderly consumers.

In **2017** ASIC ignored a complaint about Sterling First from a Western Australian government department for six months, before finally launching an investigation.

In **2019** Sterling First collapsed, ruining around 130 elderly victims who had paid their rent in advance for the rest of their lives. Renowned consumer advocate, Denise Brailey, began working with the Sterling First victims to achieve an inquiry and compensation.

In **2021** the ACP got involved in the campaign for justice for the Sterling First victims, and in **August 2021** mobilised people all over Australia to call and email Senators to request an inquiry into the Sterling First scandal and ASIC’s failures.

In **October 2021**, Labor Party Senators Louise Pratt and Deb O’Neil took the lead in establishing a Senate inquiry, which held powerful hearings that confirmed ASIC received multiple warnings on Sterling First, but failed to act.

In **February 2022** the Senate inquiry released its final report, which slated ASIC’s performance, “including its under-assessment of the gravity of the risks, the timeliness of its response, and its failure to act proactively”. One Nation Senator Malcolm Roberts included in the report the following clear recommendation for compensation:

“All factors considered, including ASIC’s regulatory negligence, and the advanced age and vulnerability of the Sterling and Silverlink tenant victims who are being evicted, the Commonwealth Government, which is responsible for ASIC and its regulatory philosophy, should immediately compensate the 130 victims for the full $18.554 million they lost, plus interest and expenses.”

In **April 2022**, Labor’s Shadow Financial Services Minister (now Minister) Stephen Jones met with the Sterling First victims in Mandurah, WA during the election campaign, promising that they would be included in the Compensation Scheme of Last Resort (CSLR) if Labor won the election. However, Jones rejected their calls for immediate compensation under the Finance Minister’s powers, claiming no party could commit to that.

In **September 2022**, following Labor’s election, Jones broke his promise to the Sterling First victims, leaving them out of his CSLR legislation.

In **December 2022**, Labor Finance Minister Katy Gallagher’s department paid up to $3 million in compensation to Brittany Higgins, whose partner David Sharaz is close to Gallagher.

ACP Research Director Robert Barwick said today: “The Labor Party was all over the Sterling First tenants before the election, but since taking office they have turned their backs on them.

“They were just using the victims to win the election; victims complain Labor Senators aren’t even responding to their communications anymore.

“Stephen Jones broke his promise to include them in the CSLR, and he lied that they couldn’t be compensated under the powers of the Finance Minister—Katy Gallagher’s compensation of Brittany Higgin proves they could be.

“The elderly Sterling victims are being evicted and dying—they deserve compensation now!”