

Media Release

23 October 2020

Funeral industry under review

The Independent Pricing and Regulatory Tribunal (IPART) has launched a review into costs, pricing and competition within the NSW funeral industry.

Organising and paying for a funeral is unlike most consumer decisions as it involves an infrequent purchase made at a stressful and emotional time and under time pressure.

Tribunal member Deborah Cope said “We have already heard concerns that consumers may be ‘upsold’ into more expensive funeral packages when a standard option would have met their needs.

“There is also anecdotal evidence that consumers don’t find out about alternatives to a ‘traditional’ funeral that would enable them to reduce costs until it is too late.”

There are wide variations in price to navigate with funerals ranging from around \$3,000 to \$9,000 and more in NSW for a basic package (not including burial).

The IPART review follows investigations on the funeral industry by the ABC Four Corners program and Choice and builds on work undertaken by NSW Fair Trading and the University of Sydney’s School of Business.

The ACCC has also announced that the funeral industry is one of its compliance and enforcement priorities for 2020.

IPART’s funeral investigation will look at affordability and choice for funeral services in rural and regional NSW, as well as across Sydney.

Ms Cope said the key issues to be explored include:

- Whether the choice of funeral providers and services available are meeting people’s needs and are affordable
- Whether the prices being paid reflect the underlying costs of providing funeral services
- The relative costs and benefits of different ways of paying for a funeral, including pre-payment, funeral insurance and funeral bonds.

IPART is seeking feedback on the issues to be explored through the review until **20 November 2020**. The Issues Paper is available at www.ipart.nsw.gov.au.

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