

PREPAID FUNERAL INDUSTRY

Statement by Minister for Seniors and Ageing

MR M.P. MURRAY (Collie–Preston — Minister for Seniors and Ageing) [9.03 am]: I rise to inform the house of the McGowan government's intention to formally regulate the prepaid funeral industry in Western Australia. I thank the Minister for Commerce and Industrial Relations for the opportunity to work with him in this area to better protect Western Australians who invest in prepaid funerals. As it stands, the prepaid funeral industry, which is a \$140 million industry, is not regulated by any specific legislation in Western Australia. The McGowan government is developing a mandatory code of practice to give seniors and, indeed, all Western Australians who choose to invest in prepaid funeral plans, greater protection and confidence in the sector, whilst also bringing WA into line with other states. The industry is currently governed by a voluntary standard set out by the Australian Funeral Directors Association. Although self-regulation provides certain protections for consumers, it does not protect against potential mismanagement or misappropriation of funds paid in advance, nor does it protect against non-delivery of service. The mandatory code of practice under the Fair Trading Act will cover all sellers of prepaid funeral packages to better protect Western Australian seniors. Formal regulation of the industry is essential and well and truly overdue. To not act exposes Western Australians to continued financial and consumer risks. The mandatory code of conduct will provide all Western Australians with peace of mind that their investment is better protected.