



Interment Services Levy Information Package

A. Overview

The interment services levy (the levy) is a levy on interment services to fund the cost of Cemeteries and Crematoria NSW, the regulator, to support and regulate the sector appropriately.

The government has set out its strategic directions for the state's cemeteries and crematoria in *Delivering strong consumer and community outcomes for Cemeteries and Crematoria in NSW*. The aim is to ensure every person in NSW has accessible, sustainable, and affordable burial and cremation services into the future.

The strategic statement focuses action on priority areas including:

- Active and strong consumer protection for customers and communities, ensuring quality services by embedding licensing standards and more effective regulation for industry, and conducting research to identify emerging trends and initiatives for continued improvements.
- Supporting sustainable burial practices and identifying more cemetery land to address a shortage of burial space, including more efficient use of existing cemeteries and exploring other interment options.
- Providing certainty for managing Crown cemeteries by finalising a two-operator model with Metropolitan Memorial Parks and a successor to the Catholic Metropolitan Cemeteries Trust, to support industry, staff and consumers and ensure community needs are met.

An effective, properly resourced regulator is essential to achieving these aims. The existing industry levy – in place since 2014 and applying to the 2 Crown operators only – is insufficient resulting in inequity across the sector.

To ensure Cemeteries and Crematoria NSW can be the active and sustainable regulator we need them to be, the government is proposing to implement a recommendation from IPART and the Statutory Review of the Cemeteries and Crematoria Act (the *11th Hour Report*) to expand the former Government's Interment services levy from just Crown cemeteries to all active industry operators, driving equity and levelling the playing field in the sector. The levy represents a less than 1.6 per cent cost of a \$10,000 burial.

B. An expanded levy would deliver better consumer protections and better support for industry

Cemeteries & Crematoria NSW is maturing from a reactive, administratively focused regulator to a proactive regulator that drives sector performance and improves consumer protections. It has taken the first important step of introducing the new Interment Industry Scheme to set the baseline standards expected across the industry.

Achieving this change requires adequate and sustainable funding. Expanding the levy will ensure that Cemeteries and Crematoria NSW delivers benefits to consumers and the industry. Doing so through a levy means that the costs of the regulator are borne by the industry and customers who benefit most and not by all taxpayers.

Consumers and the public will benefit from this change through:

- clearly understanding what they are buying now through simple contract conditions and understand the care and maintenance they can expect into the future;
- transparent pricing that allows informed choices and greater awareness of options to address affordability and competition in the market;
- due respect for culture and faith for individuals and communities; and
- having confidence in the knowledge that safeguards are in place and will be properly monitored over time giving peace of mind to them and their loved ones.

Industry will benefit through:

- fair and consistent standards that are understood and able to be monitored and enforced which will encourage trust and confidence in the sector as a whole;
- education, for operators and staff so they meet the requirements under the Act and their licence;
- data and analysis of customer needs and emerging trends to support operators to meet the needs of customers, innovate where necessary and provide a quality service; and
- ensuring access to burial space into the future through more proactive planning and analysis of demand and supply trends across the industry, including sustainable options for more efficient use of green space.

Additionally, everyone benefits as cemeteries increasingly become sources of sustainable, open, multiple use spaces for the benefit of the whole community.

C. Details of the proposed expanded interment services levy

What is the interment services levy?

The interment services levy is a levy on interment services that funds Cemeteries and Crematoria NSW (CCNSW) to support and regulate the sector, ensuring that everyone in NSW has access to dignified burial and cremation services that are respectful of culture and faith.

What are the details of the proposed levy?

- The levy will be set at \$41 per cremation; \$63 per ash interment and \$156 per burial. This is a relatively small cost for making sure everyone's loved ones are looked after.
- The levy has been set at a level that is based on the cost of regulation of the different services.
- The Levy will not apply to interment of destitute people or children under the age of 12.
- Operators with a Cemetery Operator (Caretaker) Licence (known as Category 4) would be exempt, reflecting that these operators are inactive and no longer conducting regular interments.
- The levy would commence from 1 July 2024. From this date, the levy will be calculated on the number of services the operator performs each financial year. Most operators will pay the levy annually. Their first payment will be made at the end of 2024/25 and will be based on the number of services the operator performs from 1 July 2024 – 30 June 2025.

Will CCNSW consult on this change?

Yes, CCNSW will be consulting on this change in the next two months, commencing with webinars and roadshows throughout the state.

Operators and funeral directors will be invited.

Why can't the CCNSW be funded through general government revenue?

It is accepted as good practice and fair for regulators to seek to recover the costs of their activities from the entities they regulate. Otherwise, every taxpayer in NSW will be funding this industry's regulation.

Victoria has a similar levy on interment services and other regulators in NSW also charge industry for regulation.

How can I find out more about the levy?

Cemetery and crematorium operators, and funeral directors are invited to attend one of our upcoming events in April-May 2024, where you will be able to speak with CCNSW, learn more about some of the important changes underway in the sector (including the levy), and to hear from your industry peers.

Operators and funeral directors will be invited.