

**28 April 2022**

## **Time for meaningful action to address the cost of dying for low income families**

The Funeral Directors Association of New Zealand is calling on Government to increase the Work and Income (WINZ) Funeral Grant in the 2022 Budget so that eligible low income families are able to farewell loved ones with dignity and respect.

New Chief Executive, Gillian Boyes, says the current maximum of \$2,280.72 grant is woefully inadequate. This amount covers just 37% of the cost of a simple funeral cremation and only 29% of a funeral and burial, well short of the essential funeral costs that the grant was designed to cover.

“Everybody’s talking about the cost of living, but what about the cost of dying,” says Ms Boyes.

“Apart from CPI adjustments, the Funeral Grant was last increased nearly 20 years ago so changes are long overdue. With the average cost of a burial plot alone being \$3,523 it’s clear that the grant is removing all choice for low income families to farewell their loved ones in a meaningful way.”

Ms Boyes says families are being driven to make difficult decisions.

“Our members often see families choose a cremation when a burial might be more appropriate for cultural or religious reasons.

“We also know some families can only afford to choose direct cremation options with no funeral at all. It’s frankly outrageous that these families have to make this choice when they are meant to have access to something called a ‘funeral’ grant.”

The Funeral Directors Association of New Zealand proposes immediately increasing the maximum amount payable under the grant to \$6,300. This would cover 80% of the cost of a simple funeral with a burial, and brings it into line with ACC’s funeral provision for those who die by accident.

Given this is an asset and income-tested grant, the estimated fiscal impact would be limited to a maximum of an additional \$14 million based on the numbers of claimants who meet the current eligibility criteria.

“Compared to the other asks and investments that will be made during this year’s Budget, we don’t think this is asking for much for some of society’s most vulnerable. There are also downstream savings – we know not being able to farewell someone can contribute to poorer mental health outcomes, which might later be a cost to Government.”

Ms Boyes says that the Association also wants the Ministry of Social Development to provide clear guidance on what is classed as essential under the grant to ensure consistency and equity of access to the full entitlement for those who are eligible for this grant.

“Looking ahead to other ways this support could be improved, we would love to see a simpler process for applying so that vulnerable New Zealanders at what may be an extremely difficult time do not face unnecessary barriers to accessing this grant if they are eligible,” says Ms Boyes.

Currently, claimants must complete a 12-page form setting out huge detail of their incomes and assets, with supporting documentation.

The Association is also calling for the Ministry for Social Development to commit to reviewing the allowable income and assets of claimants before next year’s Budget, to ensure the asset tests are reasonable, especially in the context of the cost of living outstripping increases in wages and benefits over time.

Ms Boyes says that the Funeral Directors Association of New Zealand is advocating for these changes because its members are on the front-line and too often see the devastating impact on vulnerable families if they are not able to farewell their loved ones with appropriate dignity and respect.

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The Funeral Directors Association of New Zealand represents funeral directing companies that undertake the majority of funerals in New Zealand. They are a group of caring professionals who are committed to ensuring that the families they serve receive high-quality funeral service. For more information, visit our website: [www.funeraldirectors.co.nz](http://www.funeraldirectors.co.nz)