

Submission
No 58

INQUIRY INTO FUNERAL INDUSTRY

Organisation:

Name: Suppressed

Telephone:

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Theme:

Summary

Partially Confidential

From:
To: <socialissues@parliament.nsw.gov.au>
Date: Sun, Sep 11, 2005 7:52 pm
Subject: Funeral Industry Inquiry

Hi,

I was very interested to read the transcripts on the funeral inquiry and realise on your website that my submission is too late however I must draw your attention to something of major importance that may have been overlooked.

I strongly urge you to consult the internet web site www.funeraldepot.com.

It is an American funeral site where customers can buy coffins directly from the manufacturers at up to 70% off. They are delivered directly to the funeral directors and paid for online.

As you can see on the website is it AGAINST THE LAW FOR FUNERAL DIRECTORS TO REFUSE THE FAMILY THE RIGHT TO COMPARISON SHOP WHEN PURCHASING A COFFIN. Using statistics widely available on the internet this site has traffic of 500 000 people each week.

I have written to the ACCC about this issue and they agree that it is unfair that families cannot source cheaper alternatives on the internet and in Australia they can be refused.

I found it interesting in the Transcript for Monday 8th August on page 63 where Hon Dr Arthur Chesterfield-Evans asked if coffin designs were available to the public?
Mr Chapman replied that the public could get it from the manufacturer.

Have you ever enquired to a coffin manufacturer if he would sell a coffin to a member of the public?
If you care to undertake this experiment - you will be told no they don't.

And why don't they?
Because if they did sell to the public the funeral directors who purchase their stock would not continue their business.
Many manufacturers are played off against each other for low prices because they have no other customers - therefore the funeral directors can control the prices.
Manufacturers are over a barrel they are damned if they do and damned if they don't.

I challenge you to interview a manufacturer and ask the price of a basic white painted coffin and then ask the funeral director the price of the coffin. The manufacturer will charge around \$350 and the funeral director will charge \$1900. They don't have to explain the mark up in the box however you may have to explain large fees just to transport, store and lodge documents for the deceased.

I realise that they purchase the shell however, it is only plastic lined with a shredded paper base using a staple gun and then drapery purchased from a manufacturer around \$200. Handles around \$40 a set.

There is no problem with the coffins being of the correct standard as they are from original manufacturers.

Funeral directors have limited space in their showroom therefore only show the coffins they choose, so new products may not be seen. Also, increasing choice in the ranges will increase the time the family spend at the funeral home and funeral directors don't want families to take all day.

Who is important here? - deregulating the industry to give better prices to the consumer or protecting the profits of the funeral directors?

Research undertaken by the funeral industry itself shows that people want choice - how can they have choice if they are limited. Instead of new coffins being made available to the public at a reasonable price, the developers have to take into account the double or even triple markups on coffins as the only access the public has to them is controlled by a funeral director.

Thanks for your time.