

Submission to Parliamentary Inquiry into the Funeral Industry

This submission addresses the following Terms of Reference:

- a) *Changes in the funeral industry over the past decade including the cost of funerals, degree of competition, vertical integration and ownership.*
- b) *Adequacy of existing regulation of the funeral industry to protect consumers, public health and employees.*
- c) *Any other relevant matter.*

In making this submission, I respectfully request confidentiality, as I am the owner of a funeral business needing to protect its commercial viability.

In establishing my own funeral business, many people have commented to me about their particular concerns with the funeral industry. Of course, lately there has been media coverage of several issues prompting additional comment when I move in social circles. In these circumstances I note that the general public already have a perception of how we operate, fuelled by cases shown in the media or stories they have heard.

I have noted many commercial practices that I believe to be misleading to the public and display dishonest business practice. My concerns surround advertising, business premises, and failure to deliver on client expectations and agreements.

Additionally, I note that the current Guidelines for the Funeral Industry, published by NSW Health (Sept 2004), whilst successful in providing clear definitions on Public Health issues within the funeral industry, fails to deliver adequate standards to ensure the professionalism of potential funeral business owners. I have addressed these below:

1. Page 4; Section 1.5 (vehicles) states that *'a funeral director must provide at least one hearse and one body collection vehicle for use in the funeral director's business.'* It continues. *'acceptable for the funeral director to use a mortuary transport service. ...rather than, or in addition to, their own body collection vehicle'*. If a person is truly sincere about operating a legitimate funeral business, then they should plan for expenditure on such necessities as a hearse and body collection vehicle, rather than lease them on a funeral-to-funeral basis. I believe that changing the standard to read *'... own at least one hearse and one body collection vehicle... registered in the business' name.'* would go further to eliminate the unscrupulous operators from the industry. Having said that, I believe it acceptable to hire a secondary vehicle if required. I.e.: different colour, heavy workload etc.

2. Sharing and sub-leasing of mortuaries should be acceptable only when the lessee is undergoing the process of acquiring and developing their own facility. Eg: The potential funeral business operator may have lodged a DA with their local council and are awaiting its approval. By leasing mortuary and vehicles infinitely, these operators never intend to expend on premises or vehicles, thus minimising their overheads, allowing them to discount heavily, yet not offer full service. This is indicative of someone who is profit focussed rather than client focussed. It would be a problem if non-regulation in the funeral industry were to allow more of these types of operators, because they tend to be the businesses that act in a way that diminishes the public's perception of our profession as a whole. Sharing mortuary facilities by a number of 'start-up' or 'home-based' businesses also increases the risk of identification errors.

3. Each funeral business or 'name' should only be permitted to advertise a phone number where they have actual premises. For examples of where this is currently being exploited, one only needs to look in the Sydney Yellow Pages directory. This is a problem because the advertising of phantom phone lines deceives the public into believing that the funeral business has offices in their area or suburb when clearly that is not the case. It is simply false advertising. I believe that there is no reason to misrepresent yourself as having premises in every area of the city. If you have a good reputation with recommendations, your clients will come to you, no matter where you are based. If someone is looking for a funeral director in their local area, they shouldn't be deceived into thinking there is one close by.

4. In order to operate a legitimate funeral business, there needs to be minimum requirements other than those relating to Public Health. These minimum requirements relate to commercial practice and include my first three points above in addition to maintaining business, vehicle and public liability insurances. In addition to audits by the Environmental Health Officer or the Public Health Unit, audits of the commercial practices of the business should be carried out at least every 2 years. An audit tool similar to that printed on pages 43-46 in the booklet Guidelines For The Funeral Industry could be a good starting point. In order for independent operators and multi-nationals to be audited and licensed fairly, the overseeing watchdog needs to have safeguards in place that prevent them from having anyone on the committee who is employed within or the owner or operator of a funeral business. This 'watchdog' needs to possess the powers to audit both the Public Health standards and the commercial standards of the business and be protected from any outside influences or persuasions.

I believe that operating a funeral business is event management and personal care for the bereaved. We are entrusted to take care of the funeral (event), and the remains (personal care) on their behalf. Promises and agreements made, need to be kept. The onus is on the funeral operator to ensure that all details relating to the care of the deceased, the funeral arrangements and the execution of those arrangements occur according to plan. The funeral business operators must possess legitimacy built in behind ethics. The first three examples and concerns I have eluded to all display an operator who is without ethics. Without ethics one cannot care for one's bereaved families in the way in which they need to be cared for. A person without ethics who is operating a funeral business is not only insincere but also harmful to both his clients and the industry as a whole.

Within the industry there are many business owners who are professional, act with integrity and operate their business primarily with the client's needs as their central focus. Those of us who fall into this category realise that we are dealing with clients on a highly-charged emotional level at a most distressing time in their lives and that our businesses will grow naturally when we serve these clients fully and with their needs in mind, rather than concentrating on the profit margin.

My experience in establishing a funeral business proved to me that all that was required to operate such a business would have been a phone number, access to a mortuary, transfer service and hired hearse. This anomaly highlights one of the reasons why, having spent a number of years in the funeral industry, I decided to establish my own business. It was then, and remains the most important driver of my business that it be operated with complete integrity and honesty. I would like to think that all other funeral operators are in the same mind set, however, recent media attention tells me this is not so.

In order for the public to have their faith in our professional abilities restored, the Public Health Standards and Guidelines need to be audited and policed, in addition to establishing, auditing and policing Commercial Standards and Guidelines. The acquisition of key competencies derived from these guidelines would then provide a licence to trade. Those operators who do not comply with these standards should not be allowed to continue to trade.

Yours faithfully,