

REPORT OF PROCEEDINGS BEFORE

STANDING COMMITTEE ON SOCIAL ISSUES

INQUIRY INTO THE FUNERAL INDUSTRY

At Broken Hill on Tuesday 30 August 2005

The Committee met at 2.00 p.m.

PRESENT

The Hon. J. C. Burnswoods (Chair)

The Hon. Dr A. Chesterfield-Evans

The Hon. K. F. Griffin

The Hon. I. W. West

VISKO PAUL SULICICH, Manager Infrastructure, Broken Hill City Council, and

RAYMOND JOHN HARVEY, Operational Services Officer, Broken Hill City Council, affirmed and examined:

CHAIR: I declare this hearing open and I acknowledge that we are meeting on the traditional lands of the Pakantji people. Are you two up to speed on cemeteries and so on?

Mr HARVEY: Yes.

CHAIR: Do you want to say anything to start with? Have you prepared anything that you would like to say before Committee members go through some of these questions?

Mr SULICICH: Ray has been in charge of the cemetery for more than 16 years. His knowledge is quite extensive of the cemetery and how it operates. I have been in this position about 18 months, and Ray would probably be in a better position to answer the detailed questions about the cemetery, but if there is anything I can help with I will certainly try.

CHAIR: Did you want to say anything to start with, Ray?

Mr HARVEY: No thank you.

CHAIR: How many cemeteries have you got and are all the local cemeteries managed by council?

Mr HARVEY: We have one that is operating at the moment that is being operated by the city council.

CHAIR: Do you have any closed cemeteries that you are responsible for, particularly with a heritage value?

Mr HARVEY: No.

CHAIR: We spoke to the Hastings Council at Port Macquarie last week about this and I think they have something like 11 closed cemeteries. There are considerable issues about upkeep and so on for heritage tombstones. With some of our questions, we are trying to get a bit of a picture with different councils about different situations in different parts of the State. How do the planning approval conditions laid down by the council work? Do you need to give approval in relation to the cemetery for funeral directors and mortuaries? How do you operate?

Mr HARVEY: I am sorry, what you mean by give permission to funeral directors?

CHAIR: For instance, would a new funeral director have to go through a council approval process?

Mr HARVEY: Probably. I would say so. I am not too sure how to answer that one.

CHAIR: There has not been a new one for a while?

Mr HARVEY: A funeral director?

CHAIR: Yes.

Mr HARVEY: No, not for quite a few years now: probably six or seven years, I would say.

CHAIR: The next question is probably much more in your area, and that is the inspection process—whether you inspect and, if so, how often.

Mr HARVEY: In respect of funeral homes?

CHAIR: Yes.

Mr HARVEY: No. We have nothing to do with the funeral homes. They are private businesses, run by private organisations.

CHAIR: You do not inspect the mortuary?

Mr HARVEY: No, not at all. Whether the health department does—

CHAIR: Oh, I see. When I say "you", I mean also the council.

Mr HARVEY: Whether the health department does, I am not absolutely sure I can answer that.

Mr SULICICH: Again, I could not answer that either, but we can certainly find out.

The Hon. KAYEE GRIFFIN: I think that question particularly relates to, in another area of council, whether or not there are yearly inspections in relation to mortuaries. I know there have been some changes over the years in relation to the approvals processes by council for funeral directors and so on, but the issue from the Committee's point of view is whether or not part of council undertakes inspections of any mortuaries that are operating within the Broken Hill City Council local government area. Are there any other inspections that either relate to funeral directors' mortuaries or are there other inspections that, even though the council controls the crematorium and the cemetery, the council might undertake in relation to the crematorium and might be outside your responsibility?

Mr HARVEY: Once again, the crematorium is privately owned, so we do not have anything to do within inspections of crematoriums or funeral homes, which are all privately owned.

The Hon. KAYEE GRIFFIN: So basically council just has control of the cemetery?

Mr HARVEY: That is right.

The Hon. KAYEE GRIFFIN: Perhaps that is a question that needs to be taken on notice—whether or not council does undertake building inspections in relation to the crematorium and also in relation to the funeral directors or the mortuaries.

Mr HARVEY: Yes, we can find out.

CHAIR: Yes, please.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: From health, not the council. You said that the council does not do this.

The Hon. KAYEE GRIFFIN: Yes, it does. It is the environmental services part of council that has the responsibility.

[Interruption]

CHAIR: I am sorry, but our procedures do not allow us to accept answers from the floor. What we can do though is get someone to take the oath or affirmation and get some answers, if we have time. Because of all the rules about parliamentary procedure and privilege and so on, we have a transcript and we swear people in. We will see if we can do that later because I think it would make things a bit easier. What sort of land is the cemetery and crematorium on? Is it reserve land, council land or freehold land? What is the status of the land, do you know?

Mr HARVEY: I am not absolutely sure about that, but I can find that out as well.

CHAIR: We are asking that because in some areas there are issues in relation to the Department of Lands and the setting up of trusts and various other things that can create problems. Obviously that varies very much from place to place.

Mr HARVEY: Yes.

CHAIR: What sort of numbers for burials and cremations are we looking at?

Mr HARVEY: I can only talk for ones that actually happened out at the Broken Hill cemetery. For the funeral homes themselves, I cannot give you the numbers for those, but we have on average 122 full interments per year and on average of 60 interments of ashes per year.

CHAIR: And does that 60 interments of ashes mean that there are others when people take the ashes away, or they are scattered?

Mr HARVEY: Yes, that is correct.

CHAIR: So the number of cremations would be quite a bit higher than 60?

Mr HARVEY: They would be, yes. I can only give you the numbers that actually happened out at the Broken Hill cemetery.

CHAIR: We have already asked the next question—about whether cemeteries are no longer used and if council has any responsibility to fund or look after them.

The Hon. KAYEE GRIFFIN: How many funeral directors would operate within the Broken Hill area?

Mr HARVEY: Two.

The Hon. KAYEE GRIFFIN: So you do not have other funeral directors coming in?

Mr HARVEY: Every now and then we might have one come from Sydney or Adelaide, but usually only one or two per year—very few and far between—but the actual operators within the Broken Hill area is two funeral directors.

The Hon. KAYEE GRIFFIN: Apart from the interments and the cremations that happen at the cemetery for which the council has responsibility, are you aware of numbers or what might happen in terms of other cremations, other burials or other services when the burials do not take place in Broken Hill?

Mr HARVEY: No, we do not have any record of that. You would have to ask the funeral directors that question.

CHAIR: So can you tell us the costs at the moment for a standard burial and interment of ashes and so on?

Mr HARVEY: What the council charges, or what funeral directors charge?

CHAIR: No, what the council charges.

Mr HARVEY: Yes, I can answer that for you. For the interment of the body on a weekday, we charge \$595. If it is a Saturday, we charge \$910. We have different situations as far as ashes are concerned depending on whether people want to request that they go into the rose garden, in the cremation wall, the native garden or in an existing grave. The native garden, the rose garden and the cremation wall all incur the same cost, which is \$585. If they want to be interred into an existing grave, they are \$165.

CHAIR: Given the price difference between burials and cremations, you would think that there might be more cremations.

Mr HARVEY: I think it has only been going on in Broken Hill for what I would say is a few years, but not a lot of years. I think as time goes on you will find that that will be the case.

CHAIR: When did the crematorium open, roughly?

Mr HARVEY: Probably five or six years ago, give or take a year. I am not absolutely sure of the year, but I can find that out for you though.¹

CHAIR: So in relation to funerals, burials and cremations, I guess people are fairly traditional about it. It takes a while for them to get used to things.

Mr HARVEY: It seems to be that way in Broken Hill, yes.

CHAIR: As I said, doing the comparison with Hastings Council, the figures are roughly reversed there in terms of there being a greater number of cremations than burials. I think that is probably the case in Sydney, if only because of the price of land.

Mr HARVEY: We do not have a problem with land here, as you can probably see, but I am sure that if you come back in another five or six years, you would find that those figures for cremations would most probably have gone up.

CHAIR: Are there any other fees that the council charges?

Mr HARVEY: Yes, there are.

CHAIR: Can you give us a rough idea of those? If it is okay, we might get you to give us the notes that you have been working from. It might be easier.

Mr HARVEY: The notes that I am working from show the schedule of fees and charges for Broken Hill City Council for the year 2005-06. We have an excavation of oversize graves which on top of the \$595 or the \$910, depending on whether it is a weekday or a weekend, we add another \$90 for an oversize grave. Excavate graves and/or interment outside normal hours we add \$165 onto those two figures again. Burial of infants in the children's section is \$200. Land or grave held under exclusive rights—if someone wants to obtain an exclusive right to have a second interment, or to put a monument or headstone on that grave—is \$410.

We have preselected or nominated spare plots and niches, so that is an extra \$65 on top of that \$410. The reception of corpse from other cemeteries interred into this one is \$410. Removal of corpse from any part of the cemetery to another one, or an exhumation, is \$295 per hour, plus a burial fee. Reopen a grave and a slab and remove the slab is an extra \$150. Reopen and closing of vault is \$170 and search of cemetery records is \$85 per hour. We now have a CD of the alphabetical listings of all interments at Broken Hill cemetery. If anyone wishes to acquire that, it is \$100 for the CD. Those are our fees and charges for Broken Hill cemetery.

The Hon. KAYEE GRIFFIN: Do you have council staff permanently assigned to the cemetery? Is that part of their job and they do other things as well, as happens in a lot of other councils?

Mr HARVEY: It is my job. I do that and other jobs. As you can see I am a travelling inspector as well.

The Hon. KAYEE GRIFFIN: So for everyone for involved in the cemetery that would be part of their position in council but they would have other duties as well?

Mr HARVEY: I am the only one.

¹ Information provided by Mr Ray Harvey states that the first cremation took place on 17 January 1998.

CHAIR: So you are the gravedigger as well?

Mr HARVEY: No, we have a contract gravedigger who is employed on a contractual basis. I thought you asked about people employed by Broken Hill City Council as permanent employees.

The Hon. KAYEE GRIFFIN: I assumed you might have had other people who did the grave digging who were employed by council as well.

Mr HARVEY: Contracted by council; not employed by council.

The Hon. KAYEE GRIFFIN: You have given us the breakdown of costs and you said that you were reading off the fees and charges that councils update every year. How has council determined those costs? Is it just an increase on the fees and charges for the previous year, or have there been other increases that need to be included in the cost of burials and cremations?

Mr HARVEY: Most of the costs are at a standard rate every year. Every now and again the situation may have to be looked at, for example, the burial of ashes in a rose garden. We have found over the last three or four years that we have lost quite a bit of money with the upkeep of existing rose gardens, native gardens, et cetera. So over the next three or four years we will be looking at that a little more seriously and probably taking those fees and charges up, more so than the other fees and charges.

The Hon. KAYEE GRIFFIN: Places like Port Macquarie and Hastings shire operate as a business unit—the section of the council that looks after cemeteries and so on—but Broken Hill does not do that?

Mr HARVEY: Not to my knowledge, no.

The Hon. KAYEE GRIFFIN: Do people come to you or to council to ask about the cost of a burial or cremation, or does that information go to them through a funeral director?

Mr HARVEY: On the majority of occasions it is through the funeral directors. On occasions they do come to us and ask.

The Hon. KAYEE GRIFFIN: That would be more rare than the costings going through the funeral director?

Mr HARVEY: It would be more rare, yes.

The Hon. KAYEE GRIFFIN: I refer to your fees and charges. To your knowledge has anyone ever made a submission to council in relation to the changes in charges for the cemetery, cremations and burials?

Mr HARVEY: I do not know. Maybe councillors could answer that question a little better than I can.

The Hon. KAYEE GRIFFIN: You said earlier that council would probably need to look at costs in the next couple of years because of work that needs to be done on the rose garden and the native garden?

Mr HARVEY: Yes.

The Hon. KAYEE GRIFFIN: How do you propose to advertise that—just as part of the management plan during the year?

Mr SULICICH: Yes, we would do that. The management plan would then obviously go out for public scrutiny for a three-week or four-week period before it was approved. Those fees and charges would be part of that.

The Hon. KAYEE GRIFFIN: How much would the fees and charges have gone up, say, in the last financial year?

Mr HARVEY: The majority of fees and charges have gone up by 5 per cent in the last financial year. I explained to you earlier that the rose garden went up roughly by 20 per cent. We are looking at that going up roughly by 20 per cent each year for the next three or four years. As I said, we are losing money in that area. We need at least to cover our costs.

The Hon. KAYEE GRIFFIN: That partially answers the question, although prices have probably increased by 5 per cent on fees and charges each year, except for the rose garden, which has had an increase of 20 per cent. Council anticipates that if you change those fees, apart from the fees for the rose garden, in the next couple of years, you would be back on track in the work that you have to do in the cemetery?

Mr HARVEY: Yes, that is correct.

The Hon. KAYEE GRIFFIN: Do you anticipate then that you would not need to do any more work for some time and there would just be the standard change in fees and charges?

Mr HARVEY: The standard change in fees and charges after that every time, yes.

The Hon. KAYEE GRIFFIN: Does that work have to be done because the rose garden and the native garden have been there for a while and they need upgrading, or has there been an increase in the use of the cemetery and so on?

Mr HARVEY: As I explained before, we have not had a crematorium here for all that long. The rose garden is a new concept at Broken Hill cemetery. It is a lawn rose garden so you can imagine the upkeep—having to do the lawns, watering, et cetera, each year. They get fertilised and so on, so you have employees going out there two or three times a week to check that area. As I said before, we found that the fees and charges from two or three years ago just did not cover those costs. Over those few years we worked out that we really needed at least to cover the costs and take up those fees and charges for the rose gardens, et cetera.

The Hon. KAYEE GRIFFIN: Who runs the crematorium?

Mr HARVEY: It is run by F. J. Potter and Son, a private funeral director in town.

The Hon. KAYEE GRIFFIN: In running or owning that part of the funeral industry business they do not have any responsibility for the rose garden?

Mr HARVEY: No, very little.

The Hon. KAYEE GRIFFIN: They do not really have any upkeep?

Mr HARVEY: No, none at all.

CHAIR: Who owns the crematorium?

Mr HARVEY: F. J. Potter and Son.

CHAIR: So really the council provides the land on which the ashes are interred but it does not have anything to do with its running. So it is not a contractual situation?

Mr HARVEY: No, that is correct.

The Hon. KAYEE GRIFFIN: So the crematorium is on part of the land that is the cemetery?

Mr HARVEY: No.

The Hon. KAYEE GRIFFIN: It is totally separate?

Mr HARVEY: It is, yes.

CHAIR: Our next couple of questions are probably not relevant. We gather that you do not have a land shortage, so you do not have to worry about issues such as vertical burials on grounds in order to save space.

Mr HARVEY: Once we start getting close to Adelaide we will start looking at those sorts of issues but we have plenty of land at the moment.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I refer to the increase in prices over the past 10 years. You said that prices for the rose gardens have risen fairly dramatically because of their maintenance costs?

Mr HARVEY: Upkeep and maintenance, yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Presumably you use a fair bit of land in the lawn cemetery, so burial costs have to keep that amount of land going virtually forever, do they not?

Mr HARVEY: They do, yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: We are interested in the increase in the cost of funerals, which is why we are conducting this inquiry. As you have been here for 16 years could you give us a longer-term picture of the percentage increase each year? Would you give us figures for, say, the last 10 years, or even longer if you can?

Mr HARVEY: It is between 3 and 5 per cent each year.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So it has not gone up much more than the consumer price index?

Mr HARVEY: No, not at all. We are very cheap.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Are you covering your costs at this price?

Mr HARVEY: I do not think I am in a position to answer that question. I am not too sure.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So your burial business, as it were, is not a standalone business of council in the sense that you get your receipts, you have your outgoings and you look at the two as though you were a standalone business?

Mr HARVEY: I am not too sure how to answer that. You would probably be better off talking to our financial department.

Mr SULICICH: We do not look at it that way. It has never been looked upon as a stand-alone business. We are probably making a loss but I can give you a more detailed analysis, if you like, in writing, if you prefer.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: We would be interested, because we have had two groups of people talking to us. The first are councils like yourself who say they want the function of cemeteries or crematoria to break even and when we did that we put our prices up quite quickly or we have not put our prices up as quickly as we would like to but we are catching up with inflation, and then we have private burial grounds, particularly city ones owned by corporates, saying that we are not going any faster than the publicly owned ones which from our point of view may be in a catch-up phase. So, when you talk about percentage increases when one started from an abnormally low base, you are not answering our question, if you see what I am saying. Obviously any good,

longitudinal data you can give us would be valuable, particularly on covering costs or to what extent you are covering the costs.

Mr SULICICH: Yes, we can do that.

The Hon. IAN WEST: Where do you normally get your money from? Is it from the funeral director as part of the expenses of the funeral or from the family?

Mr HARVEY: It is normally through the funeral directors. We invoice them each month for the grave digging at the cemetery, application for exclusive rights and work permits, and occasionally we get people off the street who require those services as well.

The Hon. IAN WEST: So the costs incurred by the work you provide for the funeral, what rough percentage would you see that would be as part of the total cost of the funeral?

Mr HARVEY: A breakdown of what we get from the funeral director and what we get from the public?

The Hon. IAN WEST: From your vast experience of the industry, what would be your rough assessment as to the percentage of the costs that the services as provided by the council would be as percentage of the total funeral costs?

Mr HARVEY: I do not know because we do not know what the funeral directors charge.

CHAIR: You have just said that sometimes people deal directly with you.

Mr HARVEY: Yes.

CHAIR: We have a couple of questions that we prepared about what happens if people do not wish to use a funeral director. So, the people you are talking about would be people who have do-it-yourself funerals?

Mr HARVEY: Absolutely not. Anything to do with interments of the bodies or embalming all go through the funeral directors. What I say people come off the street and pay money directly to council, it is usually for exclusive rights, work permits or spare plots they wish to obtain and use at a later date.

CHAIR: So, if someone came to council and asked for council to help arrange a service because they did not want to use a funeral director, you would say no?

Mr HARVEY: I have never had had anyone ask me that question so I am not too sure. I probably would say no, yes.

CHAIR: The next question may not apply here. We have learned there are sometimes situations where people have a specific religious or cultural need that they do not think the funeral director can meet. Given your answer to the previous question, you have not had any call for that?

Mr HARVEY: Not up to this stage, no.

CHAIR: This may be more a question for you, Visko. Have you had any dealings or specifically any problems with the mix of government agencies that one way or another deal with the funeral industry? The Committee has spoken to five: Lands, local government, fair trading, health and WorkCover for occupational health and safety. Has council had any reason, because someone who has made a complaint or because council has had an issue to have any dealings—good, bad or indifferent—with any of those government agencies?

Mr SULICICH: No, we have not. I cannot remember in my 18 months here having any problems with anyone like that.

CHAIR: What about you, Ray?

Mr HARVEY: No. Like I said, I have been looking after it for roughly 16 years and I have not come across that at all yet.

CHAIR: Would you have an opinion on whether it would help the funeral industry if only one government agency had dealings, had responsibility, or if only one government agency was identified as the lead agency? Would you not have a particular problem, because you have not had any problems?

Mr HARVEY: Probably not, because it is working pretty well now so why touch something that is not broke.

Mr SULICICH: I agree with that. We have not had any issues like that. It runs pretty smoothly, so to change it in some way we would not see any benefit. But again, we are looking at it from our eyes only.

CHAIR: Do you think it is appropriate that local government is the tier of government running the cemetery, et cetera?

Mr HARVEY: From my point of view, having the job doing that, yes.

CHAIR: Because you are here, because you are close to people and it is easy enough for you to organise?

Mr HARVEY: That is what I have found over the years. I think it is appropriate and I hope it stays that way.

Mr SULICICH: I think we provide a reasonable service. It is a compassionate service that Ray does very well. I think our relationship with the general public is pretty good. We would get numerous inquiries on a weekly basis about the cemetery that our people handle and handle very well. The system works. I would be reluctant to change it based on what I have seen.

CHAIR: In the past did you provide services like grave digging by council employees? Is the contracting out of those things recent or longstanding?

Mr HARVEY: It has been a longstanding thing. Council did take it over for an interim period when we could not get a gravedigger. As soon as we could get that contract gravedigger going we used contract grave digging for the majority of the time.

CHAIR: So, it is basically one person?

Mr HARVEY: Yes.

CHAIR: How long ago was it taken over?

Mr HARVEY: It was only for a period of nine months roughly seven years ago, and I did that myself.

CHAIR: Given the nature of the soil here, does it require a major mechanical operation?

Mr HARVEY: No, not a major one. We sometimes strike a little bit of rock but with a bit of assistance we seem to get that out okay.

CHAIR: Is there anything we have missed that you want to say? We have Mr Kelly coming at three o'clock but it would probably be sensible to have one or both of the councillors who came along and who volunteered to make a comment on some of the questions that you did not. We have the time so we can swear them in. Nevertheless, the Committee staff will be able to let you know the things that it would be useful for us to get in writing.

Mr SULICICH: Just on that, will you provide us with the questions we need to answer?

CHAIR: Yes. It is a great help for us. We will have a transcript so we can clarify exactly what it was we were after. But the staff will be able to ring you or write to you.

Mr SULICICH: Again we apologise for anything we have not been able to answer. If we had the questions beforehand we could have done a bit more research. We were not really sure what we were going to be asked.

CHAIR: Whereas we thought you had seen the questions, but we have done very well. Some of the things are not relevant here and that is exactly what we want to know. We want to get a picture of the issues that are common for all local government areas and the others that vary enormously from place to place within rural and regional areas as well as between Sydney and regional areas.

(The witnesses withdrew)

(Short adjournment)

MARK STEPHEN KELLY, Funeral Director, Kelly's Far West Funeral Services, 430 Blende Street, Broken Hill, sworn and examined:

CHAIR: Did you receive some questions from us?

Mr KELLY: Yes but I have not actually filled in any answers.

CHAIR: That is fine. It just gives you an idea of the kinds of things we wanted to ask you. We are going with you to your premises at 3.30 p.m. It may well be that we can wait until then for the answers to some of our questions. We just want to get through the basic factual material while we are here with Hansard so that we have a transcript. How long has Kelly's Far West Funerals been operating?

Mr KELLY: The firm probably started back in 1887. I took over back in January 2000. So the firm has had a few name changes along the way.

CHAIR: Is it a family company?

Mr KELLY: At the moment most of my family and I operate it yes.

CHAIR: It is not part of a bigger company?

Mr KELLY: No.

CHAIR: It is your own company?

Mr KELLY: I have family and relations in South Australia and Victoria who own funeral homes.

CHAIR: But they are operated separately?

Mr KELLY: Yes.

CHAIR: How big an area do you cover?

Mr KELLY: It depends on how big Australia is I guess. We do a lot of out-of-town work. We have done funerals in Lismore, Sydney, Bathurst, Orange and Gul Gul, Adelaide, Ballarat, Wilcannia and Menindee.

CHAIR: Is that a very big percentage of the number of funerals that you do a year?

Mr KELLY: I do a lot of travelling, yes. I would say it is probably about one-third.

CHAIR: Why is it so high?

Mr KELLY: There are plenty of funerals in Broken Hill—usually 100 funerals per 8,000 people. With the population in Broken Hill there is ample room for three funeral directors. But for some reason there are not. I know some of those reasons but whether or not I should state them here I am not really sure. I have the backing of my family. My grandfather was a director of the local hospital and he was on the board. His brother was as well. They came from a family of nine brothers, so there are Kelly families throughout the region. On my grandmother's side, she was one of 23 and was married four times. Her grandmother was married four times. So there are couple of hundred family members. I was always going to the opposition funeral director when I was going to my family's funerals. So I decided to take up the baton and we now do a lot of our own family funerals.

CHAIR: So the majority of funerals you do are scattered around New South Wales and in other areas?

Mr KELLY: We do not do them locally. Would you like me to tell you the reasons why I do not get local funerals?

CHAIR: Yes, tell us. We would like to know. Are there two local funeral directors or three?

Mr KELLY: There are three local funeral directors. Council may not be aware of the other one, but it is operating out of 182 Carbon Street. They mainly do the Kooris in Wilcannia and Menindee. They do a lot of those funerals. We help them out as much as we can because they help us out no end. I know that Potters helps them out. They do not own mortuaries or anything like that; they operate out of the hospitals. They are a service unto themselves. I am a little bit bemused as to why the locals did not know the third funeral director was here.

CHAIR: We have questions about two. We were of the impression that there were two. Perhaps it is because of not having a mortuary?

Mr KELLY: Contact Maari Ma and also the land council. The land council actually bought a hearse. Maari Ma is the main figure for them.

CHAIR: We are talking to them tomorrow. When you said they operate out of hospitals is that is how they manage without a mortuary? But they really collect bodies from the hospitals?

Mr KELLY: The opposition funeral director uses our mortuaries. They buy their coffins from us and they operate like that.

CHAIR: You do not have any problem with that arrangement?

Mr KELLY: No. As I said, there is ample work in this town for three funeral directors. They are only a small part of it, but there is ample work for three fully blown funeral directors.

CHAIR: Can you give us any idea of the breakdown? How many funerals do you do a year and how many does Potters do?

Mr KELLY: I was astounded to see the figures. I do not do cremations in town purely and simply because of the costs. I find it is a lot easier and cheaper to go to Adelaide. For a start the opposition funeral director could always throw the big stick at you because he owns the cremator. He was giving me the cremations at the same price as what he was giving them to the general public, plus GST. So I am actually out of pocket. I am not out pocket but I have to charge the families an extra \$60 or so compared to what he would charge them, purely and simply because of the GST. When he put up the price he sent me a letter and said, "It is \$70 because of the price of fuel." I said, "That is a bit strange." I know how much it costs to cremate.

CHAIR: This is for gas is it?

Mr KELLY: It is for gas. To cremate a person, depending on the size of that person, would cost between \$17 and \$22 in gas. Why he should say it was the cost of the fuel and put the price up by \$70 is beyond me.

CHAIR: What is the charge to you of a cremation? Can you tell us?

Mr KELLY: Once I have put on fuel and everything else, his is nearly \$600 but I can get it for \$350 in Adelaide, plus my expenses and things. I can actually save people \$173.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Do the relatives have to go to Adelaide? Presumably you do the burial here. You take the body there and bring back the ashes. I presume that the whole family does not go to Adelaide for the cremation?

Mr KELLY: They go to a cremation here. There is always a private cremation here. On a couple of occasions I was using the local cremator here. You will see when you go out to where it is. They might have beautified it because you were coming; I have no idea. I have not been out there for quite some time. I was totally embarrassed when I had to do a couple of services. I did not realise that

the families were following me out to the crematorium. When I got out there the people showed up and I was really embarrassed when they said, "Is this it?" I said, "This is it." After that they would travel for 4½ hours down the road to Gawler.

CHAIR: So, what do you do? Do you have a service at your own establishment?

Mr KELLY: Yes, a service.

CHAIR: That is where the family leaves it and then you take the body to Gawler?

Mr KELLY: It is exactly the same for the other funeral director. He has a service at His premises and then he goes out to his own crematorium and puts in a private cremation.

CHAIR: So, the crematorium is not set up for the public? There is no chapel or anything of that nature?

Mr KELLY: No, not on site, no.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So, it is an industrial type furnace, in a sense? It is not set up for the body to slip through a curtain on a roller?

Mr KELLY: Exactly. You can have them like that. The council could have one. The Brisbane council has nine of them and they have never even been used. They are up for \$29,000 each. I did not have those dollars to go and buy one. They could set it up, instead of losing money to cremations. It is like owning a home and getting \$500 for each cremation. The council could have that windfall and help themselves out with a rose garden.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So, \$29,000 at \$500 each, you would not have to do too much to make a buck, would you? Am I missing something here?

Mr KELLY: To get them fully established in a building and all that sort of thing it would probably cost you \$100,000. But more fumes come off a cigarette. There are no emissions. I could have one sitting alongside of me, if you see the new cremators they have these days. You do not need any special buildings or anything.

CHAIR: So, when you take a body to Gawler and it is cremated there, do you then normally bring the ashes back to Broken Hill?

Mr KELLY: Yes, they do it and I could wait four hours and I can turn around and come straight back, or I stay overnight and bring them back the next day. If the family does not wish to have the ashes straight back, I can wait until the next trip down to Adelaide to bring them back with me then.

CHAIR: Would most of those ashes then be interred at the cemetery that the council runs?

Mr KELLY: No.

CHAIR: We were struck before by their figures. They said 60 a year.

Mr KELLY: I would say half of them, maybe.

CHAIR: What, the others are scattered privately, or kept in an urn?

Mr KELLY: Well, we sell urns. People have them in their homes. They scatter them along highways or in their own gardens. They put them in their own backyards. We have containers that you can put in your own backyards. Some have little shrines and that sort of thing in their own yards.

CHAIR: So, you said approximately half of this cremation—

Mr KELLY: Would go out to the local cemetery. The price of the local cemetery is very cheap. I have been to all those different places, and for a burial at Orange you are looking at \$1,800, and also the price of just plaques and that.

CHAIR: So, the \$595 here for a burial on a weekday stands up pretty well by comparison?

Mr KELLY: Because it is council and it is going back to the community. Where I get into difficulty, if I had a prepaid with somebody, it might be in June and suddenly in July the fees go up. I have given them the old price. The people survive for a while, which you want them to do anyway, so the funds do build up and then it pays for the increases. I have no qualms with them increasing their fees. It is when it happens and they die six weeks later and you are up for a 20 per cent increase or something like that in a certain section and you have already promised the people that that is what you will do. You just have to wear those costs.

CHAIR: So when you organise for someone a prepaid funeral, do they normally pay it off over quite a period or do they pay it in one sum?

Mr KELLY: It is a mixture. Some people pay it straight out. Others pay a deposit and then pay it off. It all goes into the trust funds in Melbourne.

CHAIR: That is something you organise yourself?

Mr KELLY: Yes. We used to have funeral bonds and people used to misconstrue that. They put \$500 towards a funeral bond, which means it is just going towards your funeral, and the family say this is a prepaid funeral. It is totally different. They say, "Haven't you got all the arrangements there?" They can come and do all the arrangements, preplan everything, because they just take out a bond instead of a prepaid funeral. There is a big difference, and the family get upset. They come in and say we thought it was all fully paid for.

CHAIR: We have a few factual questions here that it would be good for us to get straight. How many funerals would you do in a month or a year in Broken Hill?

Mr KELLY: I know my yearly total tally is only 35.

CHAIR: Most of those in and around Broken Hill?

Mr KELLY: No, about two-thirds of those are in Broken Hill. I would say I am likely to do half a dozen or something outside of town.

CHAIR: Can you tell us the average costs, how it breaks down?

Mr KELLY: This is a bugbear of all funeral directors. People ring up and say can you give us the basic funeral costs. I do not know where the people on the other end of the phone are at, whether they are down and out or whether they are Kerry Packer. I have had people say I just want a basic funeral, a burial at the cemetery, and they have rung up \$9,500 worth after they have added all the trimmings they want. On other occasions a basic funeral, just a graveside service, you might end up just over a couple of thousand dollars. It is just like ringing up and asking a car yard can you give me the price of a basic car. It is pretty hard. He does not know where you are at either.

CHAIR: What about some specifics? What does your cheapest coffin cost?

Mr KELLY: My cheapest coffin is \$250.

CHAIR: That is pretty cheap.

Mr KELLY: It is pretty cheap.

CHAIR: Do many people go for that one?

Mr KELLY: Amazingly enough, we have a cover that goes over the top and for cremations—it is a \$2,000 cover that goes over it—people do not know what is underneath.

CHAIR: Is that your most frequently used one?

Mr KELLY: No. People generally go for more elaborate. The most expensive one I have ever sold is probably \$6,600 but you can pay up to \$40,000. The Chinese will not come under about \$20,000 for their coffins. They have to have the Ritz.

CHAIR: So there is quite a cultural difference as well as an individual difference?

Mr KELLY: In Broken Hill?

CHAIR: Yes.

Mr KELLY: There is a very big cultural difference. I have two children myself who are Brazilian and they mix with all nationalities and because they are mixing with all nationalities the spread just goes around.

CHAIR: Do those different groups have different preferences when it comes to funerals?

Mr KELLY: In what respect?

CHAIR: You mentioned the Chinese, for instance?

Mr KELLY: The Chinese do not get buried in Broken Hill. They have their sites in Sydney. They might use us for transport but they have the big guys in Sydney.

CHAIR: Does the Koori community have particular preferences for coffins or for other parts of the service?

Mr KELLY: I take my hat off to the Koori community. If I go to Wilcannia and do a funeral the whole town shows up. They are all dressed up in three-piece suits and the works and they really turn it on.

CHAIR: Would the funerals cost more? Does the community involvement and the number of people who turn up also flow over into the cost of the coffin or the costs of the flowers?

Mr KELLY: With Koori funerals the land council issues \$1,000 towards the cost of the funeral for starters. The family comes up with the coffin. The council charges on a par with Broken Hill unless it is Tibooburra.

CHAIR: Unincorporated?

Mr KELLY: Unincorporated, and there are no charges up there for cemetery fees. The prices for their funerals—I have had expensive funerals up there. They pay just as much for their monuments as they do for their funerals if they are elders. If they are not elders they still have decent funerals but the cost is not usually up there.

CHAIR: So there is variation as with everyone else?

Mr KELLY: Yes.

CHAIR: So you have answered some of our questions about the different cultural and religious ceremonies. Are there any calls on you for services that are quite different, that require a completely different way of doing things?

Mr KELLY: I am amazed at some of the different communities in town who want to come in and do the whole thing themselves. You just let them into your premises. They generally have to come through a funeral parlour. You do all the behind-the-scenes stuff and they will come in and do

their own service, holus-bolus. You are in the office and they just tap on the door and say they are finished now and off they go.

CHAIR: And you are quite happy with that?

Mr KELLY: Yes, we just accommodate whatever people want.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is that common in the industry?

Mr KELLY: No.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: That is pretty unusual, is it not?

Mr KELLY: Pretty unusual. We have probably had two in five years. That is just something that is different.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Would you feel responsible for any manual handling problems or do you just subcontract out to them?

Mr KELLY: No. In those situations they do not take the deceased away. We still do that.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So you have the body, presumably, in a coffin?

Mr KELLY: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: And they come into the premises—

Mr KELLY: And do their little ceremony.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: All you are doing is subletting the room for a little while, in a sense?

Mr KELLY: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You are carrying out the process of handling and the paperwork as well?

Mr KELLY: Yes, or the cremation or whatever.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: But from the hospital to the bed, to your premises, to the mortuary, to the disposal of the body and the paperwork as well?

Mr KELLY: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So all they are doing is their own ceremony?

Mr KELLY: Yes, that is right. It is very rare. I was only green and I have contacts in Adelaide that I ring and I refer and I ask questions, and with the associations you are involved and you ask them any questions. If you have to send someone overseas—a lot of people come and visit Broken Hill and they may die here on their holidays or have an accident and you are sending them on aircraft or whatever.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It is quite a learning curve, then?

Mr KELLY: Yes, I think so. It is a good challenge.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Do you have many relatives wanting to bury their own body as well?

Mr KELLY: I have not come across that one, no.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You have not found a do-it-yourself funeral from hospital to interment, as it were?

Mr KELLY: The only situation I came across was someone died in South Australia, Port Broughton. The family had him cremated without a service, came here without a service and had the local priest ask the council for interment rights to the ashes and they interred the ashes. There was no real service so they got out of it. If that word got around I would say everybody would be doing that, because the cost was basically the cost of transport from Port Broughton to Adelaide, cremation costs and I do not know what sort of coffin they might have put him in.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So they brought him in the back of the ute, as it were, from where he died and cremated him? He was cremated in Adelaide, you said?

Mr KELLY: He died in Port Broughton, was cremated in Adelaide and then brought here.

The Hon. IAN WEST: So those mechanical costs would be roughly the same for a funeral?

Mr KELLY: It is strange, because the coroners from South Australia give you a price of so much a kilometre. In New South Wales you tender a price. Although you tender a price it is only when we went across to get the freight from the coroners court and all the coroners were there and they work out what you had to do and all that sort of thing in regard to police contracts and removal of deceased. They will not give you a costing; you have to give them a costing. It is a Government contract to do the removals from homes—nursing homes, car accidents out on the road, or whatever.

CHAIR: The Coroner's work.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So it is all done by tender? I suppose that you cannot be tendering for every body.

Mr KELLY: It is supposedly done by tender, okay?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Yes.

Mr KELLY: This is where it gets a little bit tough, I suppose. I know that I am under oath and so you can trust all the words that I am going to say. It is up to whoever is in the police station at the time and who his mates are as to who they are going to call because the contract is split down, supposedly, one for one, or taken in turns.

CHAIR: Is this New South Wales or South Australia?

Mr KELLY: No, this is just in New South Wales, and in that area we cover from up to the border fence, from Queensland right down to Euston across nearly as far as Cobar if you travel by road. I think you travelled by air.

CHAIR: Yes, we did.

Mr KELLY: It is a big area. I do not actually charge anything because I have asked different funeral directors who have had different contracts. I have never put in a claim against any of the removals because I do it as a community service. It does not matter if I have to travel 700 kilometres; I do it as a community service.

CHAIR: Do you have any call to take a body from a place where somebody had died, which may be a hospital or not, for an autopsy? Is that included in the ones you are talking about, with the funeral arrangements being a separate thing later on, perhaps?

Mr KELLY: Most autopsies are done in the local hospital here. If we pick them up, maybe 600 kilometres away or 300 kilometres away or whatever, we bring them here from the local autopsy. If they want to investigate further, they will take them to Sydney.

CHAIR: And then if the family wants to take the body and arrange a funeral, will you for instance take the body back to wherever the family is arranging this service, or is that then up to them?

Mr KELLY: Once they have had an autopsy? Even if we go into people's homes, we have to go in a more or less like as if we are hooded and that. We are not allowed to speak to the occupants of that house. We just go in there as a police contract and we just go in and do the removal and disappear.

CHAIR: So the same sort of thing applies?

Mr KELLY: They will even barricade the people away from us, they will.

CHAIR: I am more interested in the financial side of it.

Mr KELLY: Okay.

CHAIR: I am very conscious that we are going to visit your premises, and we will have to move very quickly if we are going to fit it all in.

Mr KELLY: Just another thing on that contract. Even if you were charging them, you get locked into a three-year contract, and that price that you give the Government—the per kilometre price they want—it does not stack up when the price of fuel actually rises through the roof.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So you are saying that you put in a contract for the next three years on a per kilometre basis—like a taxi, more or less?

Mr KELLY: Exactly, plus other costs, plus wages, and hours.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is that added on to the per kilometre rate?

Mr KELLY: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So there are two rates.

Mr KELLY: There is the price of body bags and there is the price for whether it is vermin infested and how long they have actually been there. When you pick them up with maggots all over them and whatever, it depends on what the situation is. There are different prices.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Have you known any funny business to go on with contracts for picking up bodies?

Mr KELLY: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So it is a bit like tow trucks, do you think?

Mr KELLY: Funny you should mention that. That is what I was accused of when I went down and banged on the counter at the police station. I was accused of that and they said—at the time, the police officer behind the counter said, "I don't care if a bus load of kids gets killed on the Mildura road. You won't get any of them."

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: So there is the playing of favourites, is there?

Mr KELLY: There is the playing of favourites. The person that I wanted—I did not want, but my daughter wanted her father-in-law actually removed. That is how close it came before I got up enough gumption to go down and bang on the counter. My own daughter's father-in-law was not allowed to be removed—had to be removed by Potter's. She demanded that I was to do it. I had the contract.

CHAIR: We can probably investigate some of those issues with the Coroner and their system there. We have had a little bit of evidence in Sydney about that side of the industry.

Mr KELLY: I am under oath and it is what I am saying. In 5½ years, I have had three jobs from palliative care.

CHAIR: Who runs the palliative care?

Mr KELLY: They operate out of the nursing homes as well as the Greater Western Area Health Service, and the only three that I had was one person who actually demanded that they used us. The other two were actually prepaids and they were obliged to actually use us anyway.

CHAIR: They had already got the arrangement with you?

Mr KELLY: And each time I have got there, they have had to ask me for my slips. All they had was Potter's slips on them to say to remove to Potter's.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Do you think there are strange things happening with the bodies within the funeral industry in other areas, apart from the police?

Mr KELLY: From the different groups that come through and talk to me, it is happening Australiawide.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Certain people are favoured by institutions, perhaps for reasons other than the cost effectiveness or the desire of the relatives of that person? You are not getting a fair whack at the market, in a sense?

Mr KELLY: Righto, put it this way. I charge a removal from Adelaide at \$440 and the opposition charges \$660, yet I have never got a phone call from the local hospital to do a removal from Adelaide. I have always got the phone call from the families to do the removal.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Have you ever marketed to the people in Adelaide, though? I mean, are the people in Adelaide aware of your service?

Mr KELLY: This is also to do with the contract.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The police contract, or the Government contract?

Mr KELLY: What happens is that if people fly down from the local hospital with the Flying Doctor, they are bound by the Flying Doctor to be actually brought back. They do not bring them back by air. They bring them back by road.

CHAIR: I think will need to move on. Some of these issues are straying a bit outside the terms of reference.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I do not think they are outside the terms of reference. I disagree with that.

CHAIR: That may be. Just before we go, you have a mortuary, as you told us before. It is inspected by the council's environmental health officers?

Mr KELLY: It is inspected by the council. It is inspected by the hospital. It is inspected by different associations that I am in.

CHAIR: What, the Australian Funeral Directors Association?

Mr KELLY: The Australian Funeral Directors Association and the Funeral Directors Association New South Wales.

CHAIR: How often it is inspected?

Mr KELLY: Actually, they come through when they first give you your accreditation and then they do check-ups. The local council here, they do it.

CHAIR: Annually?

Mr KELLY: It seemed like it was annually when I first started, but once they realised that everything is—I think we might have had one last year, and that was it. It might have been almost annually, yes.

CHAIR: Because you had been going for five years. There was one last year but as far as you remember there has not been one this year?

Mr KELLY: Yes, there has been. It is usually around October or something like that.

CHAIR: Who else did you say—the Health Department or the Far West Area Health Service?

Mr KELLY: Yes, the Greater Western Area Health Service.

CHAIR: Was that when you first started?

Mr KELLY: No. That was only last year.

CHAIR: Have you had any other contact with the New South Wales Government's agencies or the council in relation to your business, or is it pretty much the setting up and the inspection type of stuff and that is about it? Have you had any dealings in relation to complaints, for instance?

Mr KELLY: I have never had any complaints. I can show you letters. I have a brag book down there with letters of appreciation from people who are really thankful for the business that I do.

CHAIR: So you have had no reason to have dealings with the different government agencies that have a hand in a funeral industry? It was Health earlier on, but you have not had any visits from WorkCover or had any problems that went to the Department of Fair Trading or anything like that?

Mr KELLY: No.

CHAIR: It is basically then the health side of things.

Mr KELLY: Everything is fine.

CHAIR: I think we should finish there. We are running a bit late and we have two visits to do this afternoon. I will close the formal part of the hearing. Thank you very much for your evidence.

Mr KELLY: I appreciate your coming to town.

(The witness withdrew)

The Committee adjourned at 4.10 p.m.
