

Independent Pricing & Regulatory Tribunal

Subject: Competition costs & pricing in the Funeral Industry

To Whom it may concern

Thank you for the opportunity to comment on the review of the Funeral industry.

I am the director of a family owned funeral service Kenneallys Funerals, located in the south western area of Sydney.

My wife and I established the business 17 years ago without the need to purchase an existing funeral service.

Over the last 17 years there have been many more funeral providers entering the industry and several providers selling to existing funeral operators including the newest operator Propel Funeral Partners.

The largest increase to our industry has been smaller providers some with no office, mortuary facility of their own, vehicles or relevant industry experience.

Our industry seems to be one of the very few industries that does not require operators to be regulated or licenced to operate.

Across the Sydney metropolitan area there are several independent mortuaries who provide support to these providers. Some of the mortuaries are small and have several funeral directors working from the location which can be of concern especially during busy times.

The barrier of entry into the industry is currently non-existent and there are no checks and balances on new providers such as registered office (Council approved), or character background checks.

When I entered the industry 17 years ago I was amazed at how easy it was and there was no licensing authority, what business is allowed to look after vulnerable people and their deceased relatives with out some type of operating licencing system, experience or qualifications.

My previous background was in the NSW Towing industry as an owner operator and was appointed as a deputy member of the Tow Truck Industry council appointed by former NSW Transport minister the Hon Carl Scully.

I had the opportunity to be apart of the licensing system and level of entry into the industry. A similar model could be used in the Funeral industry.

The need for a funeral director is important during the time of death, their role is to guide the family through the funeral process. Its likely that some consumers have never arranged a funeral which can be overwhelming and a journey into the unknown, which makes having a trusted, experienced, and regulated provider important.

Consumers should be given many choices by the funeral director when arranging a funeral, however to many choices can also be overwhelming and in the eyes of some the funeral director is seen to be upselling the service.

Families who have engaged Kenneallys funerals are given options on coffins, flowers, memorial stationary through to the choice of celebrant. We have no issue if a family wishes to arrange, their own coffin (of proper standard), flowers, stationary, celebrant, venue or dressing of their loved one (providing no health risks to the family).

I support the product disclosure statement that funeral directors must provide in the office and website justifying costs.

Funeral packages are of concern, I have tried this practice with an online budget funeral service we ran as a trial to see how the market reacts to budget funerals, where arranging the service can be done online with the choice of three packages.

After twelve months we decided to close the business and go back to the traditional way of arranging funerals, meeting families at our office or in the family home.

During COVID 19 has proved challenging to all our community and presented us with many challenges.

Especially for many families who did have the technology to be online to arrange a funeral, especially when getting hospital authorities signed to transfer loved ones into care at the mortuary. During the period of lockdown was incredibly challenging.

Consumers today have many opportunities to research the costs of funerals and funeral practices and often engage questions prior to the passing of a family member, Some consumers still get quotes while others don't shop around after the death has taken place as its too confronting .

I do have concerns with Invo Care cemeteries who have their funeral side of the organisation on the same site as the cemetery , this places many operators and the consumer at a disadvantage .Cemeteries should be able to provide a list of local providers and also information regarding funerals (Fair Trading) to consumers who attend the cemetery .

Many families go to a cemetery to arrange the funeral thinking that is where we get the funeral director and the grave.

There is enough information I believe for consumers to know their rights regarding funerals and pricing , it is really up to the consumer to play their part as well as the funeral director when it comes to information regarding funerals

The issue of pre-paid funeral, & bonds and funeral finance needs more education to the consumer.

Some consumers are being caught prepaying funerals to funeral directors and not the funeral fund provider.

While funeral finance is an option to pay for the funeral, again the funeral director needs to be opened and transparent with the consumer as we are not credit providers.

BASIC FUNERALS

As a funeral director I do not provide a basic funeral as such, my reasons are that many families have different ideas when it comes to a basic funeral.

We provide a tailored funeral option for the family, in cases where third party organisations become involved in funerals where families have financial constraints these are handled in a confidential manner.

Finally I believe there is a need for some type of licencing system in the funeral industry, at least some type of check and balance for consumers to know that the funeral director has the appropriate facilities and has met a standard that would be deemed necessary to enter the industry .

Mortuaries who provide services to smaller operators need to inform NSW health or local government as to how many providers use their premises.

The review should also be mindful that any heavy financial burden placed on operators could have an impact on the cost of funeral services.

Thank You again for the opportunity to respond.

Sincerely

