



NSW GOVERNMENT FUNERAL INDUSTRY ROUNDTABLE
Summary

Wednesday, 2 December 2020

8.30am – 10.30am

Teleconference

1. OVERVIEW

The funeral industry provides a vital service for the citizens of NSW, and one uniquely multifaceted in its intersections with Government. It is a health service, a community service, and a customer service that every individual will come into contact with at some point in their life. The industry is complex, with diverse business models and responsibilities that present particular challenges for industry participants.

On 2 December 2020, the NSW Government convened a roundtable with key stakeholders to discuss and collect evidence of the current challenges facing the industry, and to identify possible options to address these challenges.

The roundtable also provided the opportunity for industry to hear an update and ask questions about:

- NSW Fair Trading's information standard for funeral goods and services
- The statutory review of the *Cemeteries and Crematoria Act 2013* by the Department of Planning, Industry and the Environment (**DPIE**), and
- The **IPART** review into competition, costs and pricing in the funeral industry.

2. SCOPE

The roundtable discussion was concentrated on workshopping ideas and options to improve the consumer experience of the funeral industry. It also focused on providing an update on current challenges and issues. Specifically, the discussions were focused around the following topics:

- I. What opportunities are available to improve regulation of the funeral industry, including new models of business?
- II. Exploration of mechanisms for strengthening consumer protection
- III. How could awareness of the funeral industry regulation be raised within the community?

3. ISSUES RAISED

3.1 The regulation of the industry is too dispersed, leading to miscommunication and uneven enforcement

- Some participants indicated a need for better coordination and communication between the government departments that oversee the various aspects of the funeral industry. The Cemeteries and Crematoria Association of NSW (**CCA**) suggested the need for a single regulator to oversee the whole industry.
- It was noted that no current regulator 'covers the field on all relevant issues, and establishing a single regulator would present some challenges in having authority over all issues – e.g. health, lands, coronial, competition and pricing, consumer protection etc.
- The NSW Funeral Directors Association (**FDA**) noted how breakdowns in communications between government departments can affect the processing of the

deceased and the public perception of the industry. Delays in processing are often blamed on the funeral director in the eyes of the consumer.

- Participants indicated a need for greater consultation between Government and industry. The Australian Funeral Directors Association (**AFDA**) suggested this may be easier if the industry were to come together, for example, through one industry body.
- Participants raised issues with the lack of a register of businesses. This has created challenges with identifying who is in the industry. Participants also raised concerns that there is no clear minimum standard that all industry operators are required to follow.
- Participants noted that these factors, amongst others, have resulted in “briefcase” operators not being identified and not being held to the same standard as other established businesses. This has meant that these operators could function without for example, owning a facility for processing the deceased. The AFDA added that these operators may fly under the radar of regulators as a result.
- Participants emphasised the need to ensure a level playing field where targeted education and enforcement applies evenly to all members of the industry.

3.2 The Funeral Information Standard is price centric, taking the focus away from other factors involved in a traditional funeral

- Some participants were concerned about the Funeral Information Standard (the **Standard**) being too price centric. They noted that the quality of services provided by funeral directors, and different types of options, can be overlooked by consumers focused only on price.
- FDA stated it was difficult to set a basic price without talking to the grieving family, as different families have different needs.
- FDA further said that there should be more understanding by Government that the value of the funeral is not only in value-for-money but in aiding the grieving process. Funeral directors provide frontline support to families and there is little recognition of that support/service.
- The National Funeral Directors Association (**NFDA**) explained that in regional areas the pricing will need to consider extra costs, for example, for transportation of the body from the morgue and the need for casual or full time labour because of the nature of demand for funeral services in regional areas.
- NFDA commented that while the Standard requires prices to be on the website, not all service providers have them on their websites yet.
- The AFDA identified that when the updated Standard commenced it was implemented quickly which was challenging; however, they appreciated the fact that areas impacted by bushfire were given additional time.
- The NSW Government noted that while the revised Standard sought to achieve greater price transparency it also requires disclosure of non-price related elements of a funeral, such as transportation arrangements and ownership of facilities. The previous Standard focused primarily on the supply of a basic funeral and was found to be outdated and not very useful. The revised Standard aimed to balance the needs of stakeholders, including consumers and industry. NSW Government

confirmed that the requirements apply to all service providers. Outreach efforts to educate providers had progressed significantly but are still underway.

- IPART noted that there are diverse costs drivers for industry including the need for travel, type of labour and demand for services. They explained that an evaluation of competition would consider factors such as services offered and quality of service, in addition to price.

3.3 Funeral services were not classified as an essential service during the COVID-19 pandemic

- NFDA highlighted the different standards adopted across borders on how bodies are treated in different jurisdictions. There is a need for better guidance and procedures to be in place in preparation for a potential second or third COVID wave.
- NFDA also noted that the funeral industry is not classified as an essential service which meant they did not get access to PPE.
- InvoCare echoed the NFDA concerns and added that COVID had impacted not only the industry but client-family services through restrictions on grieving families.

3.4 Other Issues

- There was a general view that most consumers perceived that the industry is ethical. The FDA noted there is a public misperception that the funeral industry is already licenced and that regulatory reviews are a response to problems in the industry.
- NFDA explained about delays in getting bodies after post-mortems conducted in Newcastle. They said that the waiting periods are long as the paperwork following the procedure takes time and families are often misinformed about the process.
- Participants briefly discussed 'pre-paid' funeral packages. Some thought these products could provide consumers with a reasonable option while others were concerned that the sale of cheap pre-paid funerals is unsustainable and may have consequences further on.
- It was noted the NSW Government is committed to making evidence-based decisions when seeking to introduce new policies or amend legislation or regulation which impacts communities, businesses and consumers.
- Roundtable participants generally supported an evidence-based approach to address the identified issues.

3.5 Possible options to move forward

- Participants suggested that the industry could come together and coordinate better, for example, through a funeral industry council or other similar advisory body.
- Participants were interested in establishing more regular communication between Government and industry through consultative forums. It was noted there are consultative committees established under CC NSW which could provide a forum for this objective.
- There was support for establishing a single government regulator for the industry. It was proposed that Cemeteries and Crematoria NSW (**CC NSW**) could serve as a

central regulator. This is based on their current statutory powers and existing knowledge of the industry.

- Participants supported establishing a minimum standard for industry. There was support for an industry code of conduct or ethics that would apply evenly across all participants. This could be modelled off the AFDA Code of Conduct and the approach taken by the ADFA for enforcing it, for example, through conducting checks to ensure compliance.
- Participants noted that a method of setting minimum standards could be to require membership with an industry association, as some associations have codes of conduct or ethics that must be adhered to as part of membership requirements.
- Participants suggested establishing a register of businesses in the industry for enforcement and education purposes. It was noted that there are already some registers administered by CC NSW.
- There was some support for licensing as a regulatory option that could address the issues identified.
- Some stakeholders considered that industry would support a levy to recover the costs of regulation by industry or government.
- It was suggested the Government could make a statement in support of the industry, acknowledging its work. This would improve public perception and potential misinterpretation of the reasons behind the ongoing inquiries (for example, that they are because of complaints against the industry when in fact they are statutory requirements).
- It was suggested allowing access to local hospital facilities for post-mortems. This may reduce the time needed for the post-mortem as well as transport costs for funerals conducted in regional areas.

4. Next Steps

The NSW Government to circulate roundtable discussion summary to attendees for any written feedback or clarification. Participants are encouraged to provide further information and evidence of the issues that were identified during discussions, including the problems posed by “briefcase” operators.

The NSW Government would like to thank all roundtable participants for taking the time to attend and for providing meaningful contributions to the discussion.

Annexure 1 - List of Participants

Organisation	Title	Name
NSW Govt	Minister for Better Regulation and Innovation	The Hon Kevin Anderson MP
NSW Govt	Minister Anderson's Office	Henry Tilly
NSW Govt	Member for Cootamundra	Steph Cooke MP
CCA	President	Pamela Green
CCA	CEO of Southern Metropolitan Cemeteries NSW	Isabelle Meyer
CCA	Consultant	Russ Allison
NFDA	Board Member	Kelly Lees
NFDA	Representative	Danny Woods
FDA	President	Andrew France
FDA	Executive Officer	John Kaus
FDA	Senior Vice President	Michael Mackay
InvoCare	General Manager, Commercial - Funerals	Aaron Rezek
InvoCare	General Manager NSW/ACT Funerals & CCC	Michael Hamilton
InvoCare	Program Director	Fergus Kelly
AFDA	Maurer Family Funerals	Nick Maurer
AFDA	Grace Family Funerals	Asha Dooley
NSW Govt	IPART	Jennifer Vincent
NSW Govt	IPART	Jessica Hanna
NSW Govt	Cemeteries & Crematoria NSW	Fiona Lansdown
NSW Govt	Cemeteries & Crematoria NSW	Andrea Fernandes
NSW Govt	DPIE, Cemeteries Review, Housing & Property	Karin Bishop, Director
NSW Govt	Department of Customer Service, Life Journeys	Karen Ko, A/Director
NSW Govt	Department of Customer Service, Better Regulation Division	John Tansey, Executive Director (as roundtable facilitator)
NSW Govt	Department of Customer Service, Better Regulation Division	Maggie Phang, Director
NSW Govt	Department of Customer Service, Better Regulation Division	Adam Heydon, Manager