



AUSTRALIAN FUNERAL DIRECTORS ASSOCIATION

24 October 2019

Committee Secretary
Senate Standing Committees on Economics
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee Secretary

Currency (Restrictions on the Use of Cash) Bill 2019

The Australian Funeral Directors Association requests an exemption for consumers and funeral directors in respect of preneed and at need funeral payments on or above \$10,000 including GST.

AFDA is the authoritative voice on professional standards

Formed in 1935, AFDA is the sector's largest association and represents funeral directors in every state and territory. AFDA is a public company, limited by guarantee, which is administered by an elected Board with a National Office and six Divisional Offices. AFDA is widely recognised as the authoritative voice on all funeral industry issues and its key objective is to optimise the funeral experience and ensure quality delivery of service to the wider community by enhancing and promoting professional funeral standards.

AFDA has 157 members with principal head offices with an additional 145 premises/branches totalling 302 funeral premises. AFDA also has 63 Affiliate Members who are suppliers to the industry. AFDA is the largest funeral director representative association in Australia.

AFDA Members are subject to comprehensive minimum standards to become, and retain membership including complying with a Code of Conduct, a Code of Ethics, three yearly audits of funeral infrastructure (premises, equipment and vehicles) and achieving a yearly minimum of continuing professional development for staff.

The Bill

The proscription on payments above \$10,000 will have particular impact on the following members of the community who put money aside to pay for their funeral either when the time arises, or as a preneed funeral:

- elderly Australians who may have avoided the banks when putting money aside to save for a significant event. These people may also have mobility issues.
- elderly Australian migrants in particular who culturally avoided the banks. These people often have mobility and/or language issues and simply avoid the associated difficulties in presenting themselves to a bank to withdraw cash or seek a bank cheque. They also do not use internet or electronic banking.
- elderly people who use banks but wish to avoid the hefty bank fees or a bank cheque.

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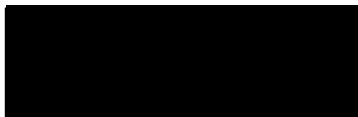
*Promoting
professional
funeral standards*

The Commonwealth Social Security legislation provides incentives for consumers to save for funeral bonds and prepaid funerals by exempting these payments from asset calculations. Prepaid funeral payments are completely exempt and funeral bonds are exempt to \$13,250.

AFDA is of the opinion the proposed laws will operate harshly on the elderly and in AFDA's experience, the elderly migrant community in particular.

Please do not hesitate to contact me if any points require further elucidation. We attach below a request from one of our South Australian members for an exemption to be granted to consumers of at need and preneed funeral expenses.

Yours faithfully

A black rectangular box redacting the signature of Andrew Pinder.

Andrew Pinder
National President
Australian Funeral Directors Association

Hi Andrew,

I commend you on your communiques regarding the ABC report. We agree with the approach and opinions expressed by you and are similarly disappointed that you were not given the opportunity to represent the funeral profession at large.

I seek to bring to your attention a bill before Parliament that may affect a number of your members, particularly those dealing with different cultural groups. The ***Currency (Restrictions on the Use of Cash) Bill 2019*** seeks to limit all cash transactions to a maximum of \$10,000 from January 1 2020.

Due to the fact that many 1st generation European migrants to Australia have saved to pay for their funerals in cash, this bill disadvantages them in a transaction that they have prepared their whole lives for. The bill allows for the exemption private transactions such as the sale of a private car, and should In our opinion also provide exemptions for funeral accounts.

May we suggest that the AFDA prepare a submission that funeral expenses including pre-paid funeral investments are made exempt.

Current status: Referred to Committee (19/09/2019): Senate Economics Legislation Committee;

Report due: 07/02/2020

Submissions close: 15 November 2019

https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bld=r6418#

Kind Regards,

Mark Elberg

 Peter Elberg
Funerals

