



— City of —  
**Melville**

Chief Executive Officer

**PUBLIC**

13 October 2003



The Chairman  
Public Administration and Finance Committee  
(Legislative Council)  
Parliament House  
PERTH WA 6000

Dear Mr Chairman

**Inquiry into the Transfer of Management of the Fremantle Cemetery to the Metropolitan Cemeteries Board**

The following is a Submission from the City of Melville in relation to the Fremantle Cemeteries Inquiry.

*"Considering the financial success of the Fremantle Cemetery, the question remains why the Minister, Tom Stephens, thinks that amalgamation with Metropolitan Cemeteries Board is of economic benefit. If it is of economic benefit, the question is, for whom?"*

*The Machinery of Government Taskforce reviewed Statutory Authorities in 2001-2002 and proposed amalgamation at that time. The Fremantle Cemetery Board won its case for autonomy and the attached document, "Submission by the Fremantle Cemetery Board, January 2002", Submission - Fremantle Cemetery Board - OCM - June 2003.doc clearly refutes the assertion by the Minister that money will be saved by removing duplication and increasing efficiencies with all cemeteries being managed under the one Board. (Press Release 27.05.02).*

*Within the time of its autonomy from Fremantle Council in 1989, Fremantle Cemetery has never received government funding. It is totally self-funded and has always made a profit of between approximately one hundred and eighty thousand (\$180,000) to two hundred and fifty thousand (\$250,000) per annum, all of which has been used for improving and developing the facilities.*

*The efficiencies and profitability of Fremantle Cemetery compare favourably to the Metropolitan Cemetery Board (MCB) administration. For instance, the MCB performs approximately five thousand five hundred (5,500) funerals per annum and has a staff of around seventy-three (73). Fremantle Cemetery performs approximately two thousand seven hundred (2,700) funerals per annum with a staff of twenty-six (26).*

*Since 1997/98, the Fremantle Cemetery has charged less for interments than the Metropolitan Cemeteries Board. In 2001/2002 the difference in costs were stunning - Fremantle Cemetery charges eight hundred and seventy (\$870) per interment, whilst the MCB charged one thousand two hundred and eighty dollars (\$1,280). In a time of decline in market share for other cemeteries, Fremantle Cemetery has increased its market share from two thousand one hundred and sixty-five (2,165) in 1997/98 to two thousand seven hundred and seventy-three (2,773) in 2001/2002.*

*The Minister made the announcement that the MCB will remove its fee of eight-five (\$85) for ashes collection. The Fremantle Cemetery does not charge for the collection of ashes. It seems that the merger will enable the MCB to drop its prices - but at whose expense?*

*It is interesting to note that the Fremantle Cemetery has never increased its fees beyond the CPI, but the Minister is now promising in his latest press release (27/05/03) that he can only hold to that for at least the next two years.*

*The supposed saving of six hundred thousand dollars (\$600,000) per annum is questionable and requires scrutiny. The cost of the salary for the Chief Executive Officer and the Executive Secretary, and the Board Members' fees, barely add up to two hundred thousand dollars (\$200,000). The cost of restructuring and a new board with increased membership must be taken into the equation.*

*The Fremantle Cemetery has 104 years of local input. It works closely with community organisations and has highlighted its history with the development of the Heritage Trail. It employs people who live locally.*

*With 90% of its purchases made locally, its economic support of the Fremantle region amounts to approximately \$1.5 per annum. It is difficult to believe that this would continue if the management and administration were carried out north of the River.*

*With all the efficiency and good management of Fremantle Cemetery, how can the Minister possibly claim that the amalgamation will save money? It is obvious that charges will rise at Fremantle well above the annual CPI and that the grieving families will be the ultimate losers.*

*This amalgamation is a blatant cash grab and the elimination of competition in the market place. The many people who have been drawn to choosing Fremantle Cemetery for family, cultural, sentimental and financial reasons will be the big losers in this cynical bureaucratic exercise.*

Please feel free to contact me should any further information be required.

Yours sincerely



**JOHN McNALLY**  
**CHIEF EXECUTIVE OFFICER**