Value-for-Money Audit: Bereavement Authority of Ontario (2020)

As part of our 2020 Annual Report, we performed a value-for-money audit of the Bereavement Authority of Ontario.

Purchase of funeral, burial or cremation services are essential when a loved one passes away. People making these decisions can be in an emotional and vulnerable state. They may be uncertain about their options and the laws governing the bereavement industry.

The Bereavement Authority operates under the oversight of the Ministry of Government and Consumer Services. Besides consumer protection and education, the Bereavement Authority oversees close to 10,000 funeral homes, cemeteries, crematoriums and other operators across Ontario.

We looked at the Authority’s public education and consumer protection services, and its oversight of operators in the bereavement industry.

We found that the Authority, established in 2016, is not yet fulfilling its mandate to protect consumers at an emotional time in their lives. There is a need to raise consumer understanding, provide greater transparency and improve protection. Unless changes are made, people will continue to incur unreasonable costs and pressures when making arrangements after the passing of a loved one.

We found that only about one-quarter of our sample of 100 licensed funeral homes and other operators had a price list on their websites. Mystery shoppers we sent to investigate received misleading information or were subjected to sales pressures, or both, half of the time. Quotes for services varied widely. For example, a basic cremation varied from a low of $512 in Windsor to a high of $8,000 in Toronto.

As well, we found that as of August 2020, 277 or 12% of the 2,368 cemetery operators in Ontario were operating with their licences expired for between 1 and almost 30 years, and as of June 2020, 166 of the 1,984 cemetery operators had not filed the required reports on their cemetery care and maintenance funds to the Authority from over one to 25 years. These operators collectively hold $2.1 million, mainly contributed by consumers in these funds.

Between 2016/17 and 2019/20, the Authority inspected only 3.4% of all licensed funeral homes, cemeteries, crematoriums and other operators. Inspections were conducted mainly on a complaint basis – the Authority had yet to develop a risk-based framework for inspections or investigations.
The Ministry of Government and Consumer Services hadn’t confirmed that the Bereavement Authority had established meaningful performance measures.

In addition, the Environment Ministry has not been sufficiently monitoring air emissions from crematoriums to confirm that these operations are not negatively impacting public health and the environment.

Our report contains 20 recommendations, consisting of 56 actions, including that:

- The Ministry of Government and Consumer Services work with the Bereavement Authority to increase the transparency of consumer price information, such as providing price lists online, and

That the Bereavement Authority:

- Conduct proactive, unannounced inspections of licensed operators to deter unethical practices such as upselling, or non-compliance with legislation and regulations, and
- Gather up-to-date cemetery operator contact information, and follow-up with those with expired licences.