

16 April 2014

CHARLES PARSONS  
Technical Est. 1915

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**Re: The Proposed amendment to Flags Act 1953**

THE POSITION IN BRIEF:

There are two components to the summary of the amendment and whilst, fully supportive of the stance that "All Australian Flags flown, used or supplied by the Commonwealth are to be manufactured in Australia" I would question both the validity and viability of the second component "from materials manufactured in Australia". The majority of products used in the manufacture of these flags are no longer being commercially produced in Australia.

DISCLOSURE:

Charles Parsons Pty Ltd are an Australian owned textile wholesaler and supplier to the flag industry.

STRUCTURE OF THE INDUSTRY:

Both the textile manufacturing and the flag manufacturing industries in Australia have diminished significantly over the last 20 years. There have been three major contributing factors

1. A lack of competitiveness on a global scale.
2. Quality improvements in foreign produced product.
3. Technological advancements in production methods.

The lack of competitiveness on a global scale, mainly due to rising costs, has directly seen Australian businesses venture overseas in search of competitively priced product. This shift in business direction was purely aimed at ensuring Australian companies can remain within a manageable distance to wholly foreign produced entities in relation to price. Dramatic improvements in the quality of products manufactured overseas and when measured in combination with the significant price advantages they were / are able to offer, added further pressure on the local manufacturing industry. Technological advancements made in the production equipment and overall manner with which flags / textiles / threads / accessories are manufactured (all driven by overseas companies) meant that the substrates were being produced far more economically. These advancements combined with the aforementioned points put insurmountable pressure on an already struggling industry and as such led to the decommissioning of local manufacture on the majority of components required to manufacture flags.

IN SUMMARY:

Regardless of whether flags for the Australian Government and its various departments are printed or fully sewn, and both applications have their place, a passing of both components of this amendment will see costs treble at a minimum. This will only be prevalent if there is a textile based entity prepared to recommission or reinvest in the machinery to produce the required items. As the government contracts would be the only avenue for the produced items, this level of investment seems unlikely. The actual manufacture of the finished flags being kept in Australia is a great initiative designed to support the limited number of companies and their staff producing flags in Australia, however has the potential to be undone by the requirement that all the consumables, textiles, threads, tapes etc also be manufactured here.

Yours Sincerely,

Gary Di Losa

National Sales Manager - Technical