

**Submission to the Senate Standing Committee on
Environment, Communications and the Arts
Inquiry and Report on the
Do Not Call Register Legislation Amendment Bill 2009
from
Printing Industries Association of Australia**

January 18, 2010

Background:

The Printing Industries Association of Australia (*Printing Industries*) is the peak advocate and support organisation for companies operating in the paper, print, packaging and visual communication industry in Australia.

The Association is an independent member based organisation, representing large, medium and small businesses.

The Association has a diverse membership representing printers, desktop publishers, graphic designers, prepress houses, publishers, mail houses, software and hardware manufacturers and distributors, paper and paper board manufacturers, paper merchants, ink manufacturers, manufacturers and suppliers of printing equipment and consumables, packaging and flexible packaging, paper converting, binding and finishing, communication and media services.

Interest in the Do Not Call Register Legislation Amendment Bill 2009

Printing Industries is writing to convey its concerns about the Federal Government's plans of extending the **Do Not Call Register Act 2006** (the DNCR Act) to allow all business and government numbers, fax numbers and emergency service numbers to be included on the "Do Not Call Register".

There are grave concerns about the impact that the extension of the "Do Not Call Register" will have on small business. This issue is important to *Printing Industries* since 96 per cent of businesses operating in the printing industry comprise of small businesses.

If the "Do Not Call Register" is extended as planned to incorporate all business and government numbers then the implications for small business will be:

- Preventing phone calls to promote, advertise or propose to supply goods, services, land, business opportunities or investment opportunities to businesses where there is no consent (inferred or express) and the number is on the "Do Not Call Register".

- Have an anti-competitive impact that favours large business and incumbents as the DNCR Act allows businesses with existing business relationships to make calls to other businesses. This exemption would favour larger businesses and incumbents as they have existing relationships with other businesses.
- Impose additional compliance burden and costs on small business who will be required to check if they have a record of express consent or an existing business relationship. If neither exists they then have to check if the number is listed on the “Do Not Call Register”. All these activities require additional work and consume valuable resources. Under the current situation small businesses simply pick up the phone and make a call.
- Expose small businesses to significant costs and other formal regulatory sanctions. Small businesses will have to subscribe to the “Do Not Call Register”; establish procedures to record and manage express consents received; check each number that has no express consent against the “Do Not Call Register” and set up opt-out lists for those businesses that have indicated they do not want to be contacted again.

Proposals for allowing business to business exemption which would allow a business to contact a business where the content of the call is ‘significantly related’ to the ‘core activity’ of the operation of the recipient business is also problematic for the printing industry as the industry is not significantly related to the core activity of its client base.

Potential impacts on the printing industry

The printing industry being a communication based industry is dependent on marketing and advertising. By allowing businesses to opt-in into the “Do Not Call Register” the printing industry will be affected directly and indirectly.

- The direct impact will arise from an inability of printing businesses to market to businesses that are listed on the “Do Not Call Register”.
- The indirect and potentially much larger impact will arise due to the inability of businesses to make the initial contact by phone and then utilise printed matter to follow up the call to a business by mailing/distributing printed material promoting their goods and services.
- One positive outcome for the printing industry of the proposed extension of the “Do Not Call Register” involves businesses increasing their use of printed matter to target other businesses and government agencies that may be listed on the “Do Not Call Register”.
- Any measure to provide business to business **exemption** enabling a business to contact other businesses where the content of the call is significantly related to the core activity of the operation of the recipient business will not be helpful to the printing industry. The reason is that printing businesses are not significantly related to the core activity of their clients. This means printing businesses will not be able to call businesses or potential clients that are on

the “Do Not Call Register” as they will fail to satisfy the “**significantly related**” provision.

- The government sector is an important consumer of printed matter. The proposed extension of the “Do Not Call Register” and the business to business exemption also potentially limits government printing work to existing/incumbent print suppliers.
- The business to business exemption may also provide an opportunity for increased use of personalised communications as businesses wanting to market to other businesses listed on the “Do Not Call Register” need to have an association with their core activities.
- While there may be some flow-on benefits as outlined above from the extension of the “Do Not Call Register” on balance the actual and potential disadvantages probably outweigh any perceived advantages. As a consequence *Printing Industries* supports other stakeholders such as The Australian Direct Marketing Association (ADMA) by urging that the Federal Government not extend the “Do Not Call Register”.

The UK experience

The Federal Government’s plans seem to be mirroring the initiative introduced in the United Kingdom called the Corporate Telephone Preference Service.

According to the Australian Direct Marketing Association who has consulted their counterparts in the UK, the expansion of the “Do No Call Register” in the UK has unnecessarily restricted normal business activities and has had a detrimental effect on the very businesses that it was initially designed to protect – small businesses.

***Printing Industries* recommendation**

The Association does not support the proposed extension of the “Do Not Call Register” as outlined in the Federal Budget last year. Such an extension has the potential to significantly increase business compliance costs and curtail business activity by restricting the use of a relatively cheap and effective medium of communications – the telephone.