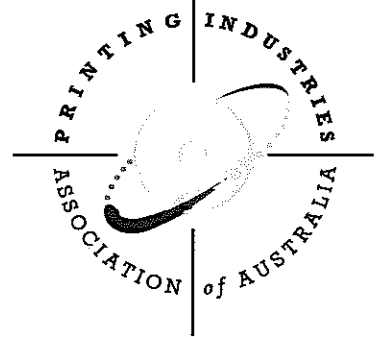


Submission 7



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Submission

to

**Joint Publications Committee
Parliament of Australia**

by

Printing Industries Association of Australia

**Submitted by
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Dated 31 May 2007

Background to Printing Industries Association of Australia

The Printing Industries Association of Australia (*Printing industries*) is the advocate and support organisation for businesses in the Print, Packaging and Visual Communication industry in Australia. It is registered under the Workplace Relations Act 1996 and various State industrial legislation.

The membership of *Printing Industries*, comprising more than 2000 companies, includes printers, desktop publishers, graphic designers, prepress houses, publishers, 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.

The industry is one of the largest sectors of manufacturing and employs more than 115,000 people.

Small businesses tend to dominate the industry, with 85.3 per cent of establishments employing less than 20 employees; 94.4 per cent less than 50 employees and 97.5 per cent less than 100 employees.

The industry workforce is composed of approximately one-third trades people, one-third production workers and one-third administration staff utilising a wide range of skills including creative design, computer skills,

Typical industry activities include:

- Digital file, workflow, database and knowledge management; multimedia, prepress and desktop publishing; mailing and distribution.
- Commercial and job printing, including packaging (paper, cardboard, plastic, metal and other substrates).
- Publishing and printing newspapers, books, magazines and periodicals, greeting cards, calendars and diaries, posters, labels, signs and displays, advertising material (catalogues, brochures and leaflets), business forms,
- T-shirts and other fabrics, stamps, cheques and other security products;
- Manufacture and publishing of audio, CDs, video and data media; and the manufacture of paper stationery items.

Annual turnover is more than \$20 billion, including more than \$10.7 billion in industry value added.

New capital expenditure totaled \$800 million in the most recent financial year.

It is an industry in transition, facing challenges from new technology and increasing competition, from both domestic and overseas sources. While the majority of the industry's output continued to be sold in the domestic

market, the industry is responding to the emerging challenges by exploring ways to become more export focussed and less dependent on the domestic market.

Response to Inquiry into printing standards for documents presented to Parliament

Background

We understand that on 1 March the Joint Publications Committee resolved to inquire into the printing standards for documents presented to Parliament.

The terms of reference for the inquiry were as follows –

- The necessity of the use of colour and illustrations within documents
- The cost of producing documents and whether value for money is being obtained
- Investigating the feasibility of sanctions against organisations that do not follow the printing standards

Position of Printing Industries Association of Australia in relation to the terms of reference.

The necessity of the use of colour and illustrations within documents

In the last three to five years there have been significant advances in the printing technology used by Canberra and other printers around Australia. Not only has the industry installed state of the art printing presses (usually 5 to 10 colour presses) and newer digital technology that provide the highest of quality outcomes and cost savings for clients.

Some of the time and cost savings from technology are:

- Direct to plate application for offset printing – no preparation of expensive film
- Digital proofing
- Wash up and set up times on presses is now much faster
- PDF files direct to digital print – no plates
- Multi coloured presses enabling 4 colour process work at similar pricing to two (2) and three (3) colours (spot colours).

This new technology has closed the gap between the cost of two colour and four (full) colour production to the point that the difference in print cost is marginal in the range of only 10-15% depending on the number in the print run.

This position supports the basis of the Commonwealth Procurement Guidelines – that agencies are expected to obtain value for money in procuring services to publish and print documents

Printing Industries therefore believes that the committee should not be concerned about the cost of two colour and four colour production of documents presented to Parliament

We are not in a position to comment with any veracity in relation to the cost of graphic design of two colour and four colour publications however in our experience we believe the cost difference would be minimal, taking account of the new technology available in that sector. The cost of preparing pictures and graphics is the same for two colour or four colour production.

The cost of producing documents and whether value for money is being obtained

Printing Industries is of the view that value for money is being obtained in the production of documents to Parliament as a direct result of –

- The competitive tendering and quoting process used by agencies to obtain “value for money” from the printing community in relation to the procurement process.
- The highly competitive nature of the Industry in Canberra and its commitment to providing service and production outcomes of the highest order
- The most up to date technology that has been installed by the Canberra printers

Printing Industries believes that the committee should ensure the maintenance of the International standard B5 size (250mmx 176mm) for all publications presented to Parliament. This will ensure the standard is consistent and sizes that are not compliant with the above size must not be accepted.

Printing Industries is concerned that the Graphic design studios are to some extent controlling the print procurement for agencies by offering to manage the procurement process and obtaining quotes from printers. We believe this process adds to the cost.

Printing Industries acknowledges that many officers in agencies do not have a great deal of experience in managing this process and accordingly the Association would like to offer a series of information workshops conducted several times a year to inform and educate officers.

It should also be noted that Canberra Print companies include business relationship managers on their staff who can provide expert advice to agencies.

In relation to the use of various standards of paper including recycled paper we can make the following observations –

- *the use of recycled paper is not always the most environmentally friendly option when taking account of the production process and energy use. It is also in limited supply.*
- *Most recycled paper can not continue to be recycled and therefore much may still end up in landfill.*
- *All locally produced paper pulp is harvested from sustainable plantation forests.*

Investigating the feasibility of sanctions against organisations that do not follow the printing standards.

Printing Industries believes that it is not its role to comment on the feasibility of sanctions against organisations that do not follow the printing standards however we are of the view that the Joint Publications Committee should write to Department Secretaries and Agencies heads to inform them of non compliance particularly as it relates to B5 size for documents.

Summary

Printing Industries and its members are committed to ensuring that the production of print for not only Parliament but all consumers is of the highest quality and standard, and accordingly would welcome the opportunity to discuss our submission at the roundtable discussion with stakeholders on 18 June.

Canberra printers have some of the most advanced technology currently available in the market place and produce high quality, on time, cost effective product.