



The paper and printing industries are continually lambasted as being environmental outcasts through misinformed actions such as corporations sending out statements electronically to 'save the environment'. The paper and printing industries have made phenomenal environmental improvements over the past 20 years and should be applauded for the progress achieved. Bernard Cassell (pictured), CEO of the CPI Group and Chairman of APIA, speaks about his passion to protect and promote the paper and printing industries.

IndustryEdge: Demand for all grades of paper is weaker than in boom times. Is this being caused by the economic cycle downturn or a structural change in the market towards the electronic media, or a combination of both?

BC: There is no doubt that the current significant decline is, in the main, caused by the economic downturn. I believe some element is also caused by a more fundamental shift in behavioural patterns.

This shift has the potential to accelerate significantly as a result of the many campaigns and actions based on false environmental claims by leading corporation and lobby groups. The danger today is that with these environmental 'excuses', major corporations will, in fact cease advertising and publicising using paper and print. Instead this will force people to move to the internet, much like the major banks closed bank branches and forced the population to adopt automated tellers.

IndustryEdge: The paper industry attracts more than its share of criticism for a range of environmental issues, however, the industry has undertaken significant steps in using certifiable timber resources, improving manufacturing processes and increasing recycling. What sort of questions are paper buyers asking these days and how are merchants addressing the issues?

BC: Printers today are under enormous pressure on all fronts. Their customers want them to be seen to be green,

but often the issues are complex and hard for them to comprehend. As a consequence paper buyers are looking for a classification by which they can satisfy their customers that the product they are using is environmentally friendly and acceptable.

More paper buyers are asking for some form of certification, whether that be Programme for the Endorsement of Forest Certification Schemes (PEFC) or Forest Stewardship Council Forest Stewardship Council (FSC), or some other similar classification. We are not yet seeing a real requirement for an in-depth understanding of the details, but certainly there is a perceived need to have these terms increasingly attached to what is being printed.

Of course, on the other side of the equation there is the inevitable argument in relation to cost, and, as one might imagine, whilst certifications are required at the end of the day, very few consumers are prepared to pay an additional cost for that. As a consequence we continue to see non-certified product, which does not necessarily mean that it is not environmentally friendly, still being purchased because it is cheaper.

Merchants are fully able to supply the necessary certifications for paper buyers, and will also offer significant education on these matters if required. However, in return for this effort, little is offered by way of an increased margin to cope with the costs involved.

IndustryEdge: *Many of the issues discussed above are very complex. How can the average consumer of paper understand a balanced argument?*

BC: It is very hard for the average consumer of paper to understand a balanced argument when there is so much misinformation promulgated throughout the community. The industry itself has been very slow to adopt a broader campaign aimed at informing the public so that they may understand the environmental aspects of a printed piece.

To research such matters would be extremely time consuming and very difficult for most members of the public. The onus is, therefore, on the industry to inform and educate consumers.

To do this there is a significant requirement for funding, and Australian Paper Industry Association (APIA) is seeking to address this now by persuading as many companies as possible to join the campaign APIA has commenced. Without such a broad information campaign on behalf of the industry, it is very hard to see the consumer ever receiving a balanced argument. Far too often Green campaigns contain so much misleading information that it is impossible for the reader to understand what the true story is.

IndustryEdge: *Are you able to provide some examples of work undertaken by paper manufacturers, merchants or printing press suppliers which provides good information for consumers to understand that the paper industry is not the villain some people would like to perceive it to be?*

BC: APIA has been collating a vast number of facts concerning the excellent work being undertaken by paper manufacturers and the rest of the industry in improving its environmental footprint over the last 20 years. Clear examples from the manufacturers perspective are the complete elimination of elemental chlorine from the products, a 60% reduction in water usage, a similar reduction in power requirements and a further reduction in the fibre content of coated paper.

In his thesis to be published later this year, Phillip Lawrence analyses the printing industry sector and how it has

both intentionally and unintentionally responded to the environmental concerns of society. He concludes that from 1990 (Kyoto base year), the printing industry has reduced its environmental footprint by almost 97%. Changes have been driven by technology and intense competition; presses are more efficient, no water is used in plate processing and the number, volume and toxicity of chemicals has reduced. Graphic art film has almost been eliminated, inks are mostly vegetable based and wastepaper volumes have reduced dramatically. Lawrence states no other sector can report such significant improvements.

IndustryEdge: *Do our politicians do enough to support the domestic paper-manufacturing sector and the large number of people employed in the merchanting, printing, graphics, distribution and catalogue industries? What should they be doing differently?*

BC: Politicians in Australia have long treated our industry with contempt. They have not paid any attention to it, nor sought to protect it in any way, shape or form. In many respects this is not surprising given that the industry itself has been its own worst enemy when it comes to liaising with government. In the words of Senator Carr when he spoke to leaders lunch in NSW last year, the industry was “bloody hopeless” at communicating its cause.

It is incumbent on the industry to ensure that there is a very strong lobby group in Canberra, and that the government fully understands what is required of them by this very large employing sector.



Our industry of course is perfectly positioned to pressure government, given that it has members in every single electorate. From that perspective we should be able to make our voice heard both centrally in Canberra, and throughout the country with local MP's. At the very least the government should be moving to create a level playing field. By this I am not advocating a cessation of international trade, far from it. I think all participants in this industry would happily accept free trade agreements, provided that they remain free and fair trade. The government must ensure

that where there are subsidies, then a duty, whether it be countervailing duties, dumping duties or the like, is imposed to make it into a level playing field.

The government should also recognise the very significant advances made by the graphic arts industry in improving its environmental footprint, and its efficiencies. Other industries have received significant assistance from government for doing much less than we have already achieved. It also seems vital to me that the industry should be given carbon credits under any ETS for the work it does in planting trees and increasing the carbon store in Australia.

IndustryEdge: *Paper with >50% recycled content is not practical for many applications, and yet there are tender documents for paper supply stating unrealistic recycled content, when often the final purchasing decision is taken on price. Taking an international perspective, do you believe there is a future for the recycled proportion in paper to continue to increase?*

BC: The requirement for recycled content stems from the basic misconception that all recycling is good. In part this is understandable given the stance that the Green lobby has adopted now for many years, but I have often considered that the Green lobby is more concerned with symbolism than with fact.

If they were concerned with fact, it's hard to imagine that any green group would seriously want to contemplate the de-inking of post consumer waste fibre for use in white paper. The benefits of recycling paper fibres are mainly achieved when these fibres are put to use in the production of boards or coloured papers. Where the process needs to be taken further into a chemical de-inking process, it is likely that the benefits achieved through the re use of fibre are lost due to the negatives in that final stage.

IndustryEdge: *There are many companies claiming to be cutting down on paper use and sending out annual reports and statements, etc, electronically to save the environment, but if they told the truth it is really a cost saving exercise since little of the money saved*

is invested in the environment. Why do you think the regulators such as the ACCC ignore these false claims by national corporations?

BC: The main reason that the ACCC hasn't taken action against these false claims is because the ACCC does not understand the argument. There have been no substantive complaints given to the ACCC that would provide ammunition to enable the ACCC to challenge these false and misleading claims.



APIA is in the process of preparing such a claim as we speak, and we intend to ensure that this complaint will be properly documented and cross-referenced to the many research papers supporting our view. It is unfortunate that the ACCC only seems to act upon complaints and does not take it upon itself to do the policing, particularly when large industry is presently involved in a truly massive cost shift to the Australian public.

It should have been considered vital that these facts be verified prior to the claims being made, however, as we know, all too frequently this is not the case. To the ACCC it seems logical that it is environmentally friendly to go electronic. In fact amongst government there is a perception that going electronic is completely sustainable and has a zero environmental footprint. Clearly, the industry has a great deal of work to do to convince both business and government of the true facts surrounding this issue.

IndustryEdge: *Obviously there needs to be considerable cooperation across the pulp and paper industries, and all down stream industries associated with it, to promote and defend the use of paper, and to provide (educate) consumers with balanced and unbiased information. Do you believe all sectors in the industry should focus on their specific stakeholders, or do you see a much higher level of cooperation?*

BC: APIA is a very strong believer in industry wide cooperation. Indeed, we have led the formation of the Sustainable Print Alliance, which is a cooperation between the major industry bodies. We are further coordinating with

three other main bodies to investigate exactly how we may cooperate together further.

The issues confronting the industry are so broad that no one part of the industry, I believe, could adequately satisfy the questions by themselves. For that reason we are working assiduously to try and bring together the major players in this industry.

APIA has been actively seeking to recruit as associate members, leaders in the industry and we are delighted that outside the paper industry companies such as Blue Star Print Group, Stream Solutions, MAN Ferrostaal, AGFA and Flint Ink have all so far agreed to join APIA. Our aim is to recruit 100 associate members which will give APIA an annual budget in excess of AUD500,000. The point we are making to all associate members is that APIA has one strategic goal in its constitution which is to defend and promote print and paper. All our income is spent in pursuing this goal.

IndustryEdge: *It is well known you are undertaking a considerable personal burden to focus the whole industry on fighting back the green-washing and anti-paper sentiments by some consumers and lobbyists. What is your goal for five years time for the paper manufacturing, merchanting, printing and graphics industries?*

BC: Defending and promoting the industry that I have been a part of now for over twenty five years is something that I am absolutely passionate about. I am determined to achieve a much wider recognition of the fabulous environmental story our industry has to tell. My goals for the next five years are really twofold.

The first is to see both the Green movements and the government use our industry as an example that, for over twenty years, it has squarely faced its environmental challenges, met them head on and surpassed the goals set for it.

I am constantly astonished that we continue to be under such direct attack by Green groups all over the world, while in fact we have created the greatest reduction in our environmental footprint over the last twenty years of any major industry worldwide.

We should be lauded by Green groups and used as an example, not pilloried for the sake of the simplistic symbolism of saving a tree. Trees are farmed in the same way as the majority of crops are farmed, and yet Green groups seem to say little about the land clearing, etc, that goes on for those purposes. It is a well-known fact recognised by Kyoto and Stern, as well as the founder of Greenpeace, that the constant replanting of trees, and with the carbon sequestering in the paper making process itself, gives our product a unique positive carbon character. It should be recognised for that.

The second goal is to see our industry united under a single front which constantly promotes and reinforces the strongest message of all, which is that we are the only completely sustainable and renewable communication medium.

IndustryEdge: *In five to ten years time how do you believe these industries will have changed?*

BC: This is a very difficult question to address. The only thing I'm sure of is that nothing will stay the same. It's truly hard to see the march of digital being slowed to a stop and as a consequence I guess one would have to say the influence of offset will diminish over time, but I cannot foresee a time when paper will not be used in our society.

However, without recognition that an electronic medium has an environmental footprint attached to it, I can see a continuing decline in the use of paper in favour of the electronic media.

If the industry does not work together to create a positive alternate voice, correct the misleading arguments and reinforce the environmental improvements we have achieved, then the slide against our industry will continue.

