

iContact[®]

White Paper

icontact Environmental Benefits

**How you can reduce your carbon footprint, save money and
improve your communications now**

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Paper - still with us

Australians are increasingly “connected”. Recent research by the [Australian Communications and Media Authority](#)¹ indicates that 90% of all Australians have both mobile and fixed line phones and 80% have Internet access, mostly broadband. Nearly 50% of rural and regional survey respondents had a broadband connection and a further 26% had dial-up connection. All of the people aged between 18 and 34 and 63% of over-60s in the study had a personal mobile phone.

Despite all this “connectedness” and expectation of its disappearance, letter post is still with us.

- In its 2006/07 [Annual Report](#)², Australia Post reported 4 successive years of growth against expectation. Figures in the [accompanying press release](#)³ indicated an underlying letter volume of around 5.51 billion items per annum.
- A 2006 [study](#)⁴ of the impact of communication channels on customer behaviour found that many people still prefer to receive transactional mail (bills, statements etc) for domestic / personal purposes on paper, although they are more willing to accept email for business.
- [Mailpix](#)⁵, an independent monitor of direct mail activity in Australia, reported that more than 478 million items of direct mail were sent out in about 34,000 campaigns in 2006.
- [Centrelink](#)⁶ generated 86.4 million letters to customers in 2005/06. A [2006 Centrelink report](#)⁷ found that, on average, each Centrelink employee used around 5,000 sheets of paper in 2006, equivalent to 240,000 reams of A4 paper across the agency.
- The [Australian Taxation Office](#)⁸ provided more than 700,000 written responses to general correspondence and nearly 12,000 written private binding advice responses in 2006/07. For a compliance program for the cash economy, around 36,000 letters were sent to identified tax payers. More than 300,000 letters were sent to individual taxpayers in relation to work-related expenses and rental property. This was only a sample of ATO correspondence.
- [Medicare Australia](#)⁹ sent out more than 20 million letters in 2005/06. In [2006/07](#)¹⁰, Medicare Australia used 33 million sheets equivalent to 174 tonnes of internal copy paper.

Paper will not disappear as a communication medium in the foreseeable future.

¹ Australian Communications and Media Authority *Telecommunications Today Consumer attitudes to take-up and use* September 2007 http://www.acma.gov.au/WEB/STANDARD/pc=PC_9058

² <http://www.auspost.com.au/annualreport2007/letters/index.html>

³ <http://www.auspost.com.au/BCP/0,1467,CH4532%257EMO19,00.html>

⁴ Presentation to Major Mail Users *Lifting the lid on communication channels in the Digital Age: the real story* by Professor Peter Danaher, based on study undertaken for Australia Post http://www.majormailusers.com.au/upload/Professor_Peter_Danaher_Sydney26Jul06.ppt

⁵ <http://www.mailpix.com.au/MailPix/Newsletters/LastIssue.pdf>

⁶ Centrelink Annual Report 2005-06 Table 1 [http://www.centrelink.gov.au/internet/internet.nsf/filestores/ar0506pdf/\\$file/chapter_2.pdf](http://www.centrelink.gov.au/internet/internet.nsf/filestores/ar0506pdf/$file/chapter_2.pdf)

⁷ [http://www.centrelink.gov.au/internet/internet.nsf/filestores/co311_0605/\\$file/co311_0605en.rtf](http://www.centrelink.gov.au/internet/internet.nsf/filestores/co311_0605/$file/co311_0605en.rtf)

⁸ <http://www.ato.gov.au/content/downloads/MCL00108378Part02.pdf>

⁹ <http://www.medicare.gov.au/about/governance/reports/05-06/files/ma-0506-annual-report-chapter-1.pdf>

¹⁰ <http://www.medicare.gov.au/about/governance/reports/06-07/files/2006-07-annual-report-section03.rtf>

Paper use is environmentally damaging and expensive

The [Federal Department of the Environment, Water, Heritage and the Arts](#)¹¹ says that the manufacture and disposal of paper products has extensive environmental impacts through:

- use of energy, water and fibre resources;
- manufacturing emissions, particularly during pulping and paper-making; and
- landfill, where it contributes to leachates and methane generation.

Both the resource inputs and environmental impacts of paper usage are costly.

[Australian Plantation Products and Paper Industry Council](#)¹² industry statistics show that Australians used 1.6 million tonnes of printing and writing paper in 2004/05 (latest available). Each tonne produced required 26,700 litres of water and generated 96 kg of waste to landfill and 1.36 tonnes of carbon dioxide (CO₂, excludes methane).

The [Department of the Environment, Water, Heritage and the Arts](#)¹³ says that **production of 1 tonne of paper from virgin stock results in 8 tonnes of greenhouse gas emissions**. The production of [26 sheets of A4 paper](#)¹⁴ produces about the same amount of greenhouse gas as driving a car for 1 km.

These environmental impacts are not always fully factored into the cost of paper. [Access Economics](#)¹⁵ says that if all environmental costs were taken into account, the price of paper would go up between 4 and 39 cents per ream.

The [Access Economics report](#)¹⁶ also indicated that more than half the world's paper is sourced from natural forest, with 17% taken from forests which were simply left to re-generate by themselves without any human management and 1% from tropical rainforests. Less than a third of the world's paper was sourced from managed tree plantations.

As well as the direct environmental costs of the paper, there are also environmental costs associated with the printing. The [NSW Department of Environment and Conservation](#)¹⁷ estimates that 1.5 million toner cartridges are used in Australia each year, generating about 1,500 tonnes of plastic waste.

¹¹ <http://www.environment.gov.au/settlements/publications/government/purchasing/paper.html>

¹² <http://www.a3p.asn.au/admin/assets/pdf/Stats/Statistics%20-%202004-05%20-%20Paper%20Production.pdf>

¹³ <http://www.environment.gov.au/settlements/publications/government/purchasing/green-office-guide/pubs/green-office-guide.pdf>

¹⁴ <http://www.sita.com.au/media/20861/n&v%20-%20dec07%20-%20final.pdf>

¹⁵ Interview with Access Economics Director Steve Brown ABC Radio 26 May 2007

<http://www.abc.net.au/am/content/2007/s1934061.htm>

¹⁶ http://www.banksiafdn.com/page_assets/content_doublea_05_Jun_07.pdf

¹⁷ <http://www.wrapp.nsw.gov.au/material/equip.shtml>

Green benefits in switching to electronic communications

Electronic communications are a key strategy in reducing usage of printing and writing paper.

The [Department of the Environment, Water, Heritage and the Arts](#)¹⁸ urges adoption of email, ebilling and other electronic communication approaches to reduce paper use. So does the [Wilderness Society](#)¹⁹. The environmental benefits can be substantial.

Many large corporates have adopted electronic communication initiatives to reduce their carbon footprints and emphasise their "green" credentials.

- [Bell Canada](#)²⁰, with 12 million customers, claims to have eliminated 16.6 million pieces of paper equivalent to 468 tonnes of greenhouse gas emissions in 2006 through ebilling.
- [Lloyd's Bank](#)²¹ in the UK used to mail around 15 million sheets of paper each month to its 17 million retail customers, estimated annually to be equivalent to 9,351 tons of tree biomass, 306 million litres of water, 4 million kilograms of solid waste and nearly 11 million kilograms of greenhouse gases.
- As part of a "green" campaign, [iBurst](#)²², a wireless broadband provider in South Africa, introduced e-billing in January 2008. iBurst says that is already saving 70,000 paper pages per month from the 14,000 subscribers who have opted in.
- US telecommunications provider [Perlico](#)²³ launched its ebilling service in 2007 explicitly as a "Go-Green" campaign, urging customers to take up ebilling as "environmentally friendly" and offering to share savings in postage and paper with customers.
- Australian ebilling supplier [CommSecure](#)²⁴ says that replacing the 120 million paper bills printed and posted in Australia every month would save around 1.2 million trees every year.
- To encourage members to view statements online, Australian superannuation fund [Hesta](#)²⁵ explicitly promotes the reduction in paper usage and environmental benefits which would result, saying "Imagine the trees which could be saved.....Save time and do something good for the environment". Hesta expects a reduction of 440,000 communication items per year if 20% of members sign up for electronic statements.

How much greenhouse gas emission could you be saving by switching to electronic communications, particularly email, as your channel of choice? While still meeting the needs of clients who don't have email?

¹⁸ <http://www.environment.gov.au/settlements/publications/government/purchasing/green-office-guide/pubs/green-office-guide.pdf>

¹⁹ <http://www.wilderness.org.au/pdf/paper-brochure-email.pdf>

²⁰ <http://www.bell.ca/web/enterprise/newsRoom/en/pdf/Benefits-of-ICT-White-Paper-EN.pdf>

²¹ Veronica Haupt of ebilling specialist Striata, quoted in *My Digital Life* 6 July 2007
http://www.mydigitallife.co.za/index.php?option=com_content&task=view&id=3051&Itemid=37

²² http://www.mydigitallife.co.za/index.php?option=com_content&task=view&id=10408&Itemid=36

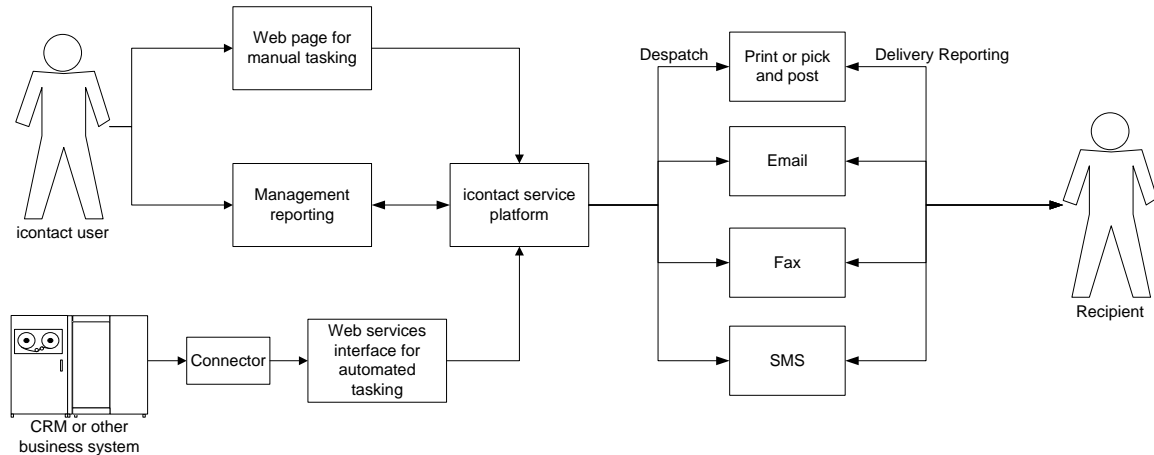
²³ <http://www.perlico.com/News.aspx?id=36>

²⁴ <http://www.computerworld.com.au/index.php/id;399629534>

²⁵ <http://www.hesta.com.au/Join-HESTA/Products-and-Services/online-statement.html>

The icontact solution

icontact is a fully hosted, integrated multichannel communication delivery service which delivers any kind of document via the lowest cost channel available of email, letter post, fax, and/or SMS. *icontact* takes the communication output from your business systems (including document production / management systems) and provides the next step of physical delivery. *icontact* packages, despatches, delivers and monitors delivery of your outbound communications.



icontact's least cost routing sends the item via email in the first instance, if the client has an email address. If not, *icontact* automatically directs the item to fax, if a fax number is available, and then to print-and-post, as the last and most expensive option. Posted materials are aggregated to get the best possible postage rates from Australia Post. Alternatively, you may choose a single channel for the communication.

SMS may be used as a delivery channel for short messages (size limitations), or as a supplementary channel to the primary communication, such as a reminder or alert.

If delivery via electronic channels fails for any reason, *icontact* automatically re-directs the item to the next available channel, usually print-and-post. This "failover" re-routing means that you can be confident that the item was successfully delivered, within timeframes you decide.

icontact is an Internet service. You only need a PC with a contemporary web browser and an Internet connection for seamless access and use. There are no setup costs, no investment in equipment or software, and no system administration required on your part – we do it all.

Interested in reducing your carbon footprint – and saving money?

We'd love to show you how easy *icontact* is to use and just how much you can save – in money, time and dead trees - by switching over.

Give us a call on 02 6271 0111 or email at salesenquiry@icontact.com.au