

**NEW SUBSCRIPTION MODEL FOR SPECIAL LIBRARIES –
PROGRESS REPORT**

Background

As part of the ongoing review of Libraries Australia subscription fees, a subscription model for special and TAFE libraries was requested by the Libraries Australia Advisory Committee (LAAC) for review at its meeting on 19th March 2008¹.

The sector classified as ‘special libraries’ has no single defining characteristic apart from the fact that the libraries do not easily sit with any other sector. Their services may be delivered to federal, state and local government departments; the education sector, health service providers, the legal community or to the corporate sector, just to name a few.

The diversity of the special library sector is such that finding a single parameter or modest set of parameters to base it on is difficult. In addition, a few types of libraries such as the TAFE sector and the schools sector have requested individual treatment under a new model.

This paper outlines the issues taken into consideration while arriving at the model, the fee estimates, and possible transitional arrangements.

Issues for special libraries

The group of special libraries which subscribe to Libraries Australia has the following defining characteristics:

- membership is by no means comprehensive across Australia;
- it is subject to fluctuations annually, usually via cancellations, particularly for smaller libraries such as those at schools (refer LAAC paper 2008/1/2);
- it represents a modest proportion of the overall Libraries Australia budget even though it contains the largest number of subscribing libraries;
- as a group, it comprises 532 subscribing libraries (54% of subscribing libraries) which paid \$654,385 revenue in 2007/08 (16.1%). It should be noted that the group ‘contributes’ \$30,000 from libraries whose usage of the service is minimal.

Issues for TAFE libraries

- the education sector excluding universities comprised 105 libraries and contributed \$139,034 in 2007-08. It encompasses school libraries and

¹ <www.nla.gov.au/librariesaustralia/documents/LAAC_Papers-Sept_2007.pdf>, LAAC2007/3/8

Institutes, but is predominantly represented by 61 TAFE libraries which contributed \$102,167.

- TAFE subscriptions currently range from \$250 per annum to \$26,800 for a state-based consortium, and they are clustered into several fee groups, so it would be relatively straightforward to switch them to a tiered subscription model.

Issues for school libraries

- there are 14 school libraries which subscribe to Libraries Australia. Of these, some use the service extensively for searching. The total fee contributed in 2007/08 by this group was \$5,315.
- while it would be possible to market the free Libraries Australia Search service to school libraries, some may continue to seek access to international databases and other Libraries Australia services. Most school libraries are already paying the minimum subscription, so this will continue.

Factors considered

Several parameters on which to create payment tiers were explored, including population served and acquisition budgets. For government departments, population served was interpreted as the number of people on staff, but this information is not uniformly published in Annual Reports and is time-consuming to collect or confirm. Similarly, health agencies tend to summarise the number of 'health workers' in the industry, rather than attributing staff to individual jurisdictions where a library might reside.² The population numbers also do not reflect ability to pay.

The size of acquisition budgets has been proposed by individual libraries struggling to pay the existing fee schedule which was based on usage, but in general this is shrinking and its use would not allow a new schedule to be budget neutral to Libraries Australia revenue.

Earlier work prepared by the Libraries Australia staff (and LAAC member Sherrey Quinn) in 2005 explored a combination of parameters – the number of library staff, non-salary budget, acquisitions budget, and contribution motivation but this has become complex to administer. It does, however, provide useful baseline information for a transition to a new model.

The new model, proposes the use of the **total library budget** of the agency registering to use Libraries Australia. This information was sought via email over a

² By way of example, see <http://www.hnehealth.nsw.gov.au/about_us/facts_and_figures>.

ten-day timeframe in February, in conjunction with an FTE parameter to be used as a cross-check against the data offered³. Of all libraries contacted, only 34% responded.

The libraries which did respond showed an enormous range of fees paid (reflecting search history prior to 2005). For example:

Special Library			Current Model		Proposed Model	
Budget	FTE	Average searches: 2006 & 2007	Subscription	Pay per Search	New Subscription	Pay per search
800,000	4	3,592	\$1,659	\$0.46	\$1,750	\$0.49
800,000	9	1,920	\$836	\$0.44	\$1,750	\$0.91
800,000	7	944	\$727	\$0.77	\$1,750	\$1.85
800,000	9	4,674	\$586	\$0.13	\$1,750	\$0.37
800,000	7	90	\$313	\$3.50	\$1,750	\$19.55
600,000	5	17,527	\$3,427	\$0.20	\$1,750	\$0.10
600,000	6.8	2,908	\$1,659	\$0.57	\$1,750	\$0.60
600,000	5	7,962	\$1,659	\$0.21	\$1,750	\$0.22
600,000	4.8	3,014	\$1,659	\$0.55	\$1,750	\$0.58
600,000	5.5	1,101	\$836	\$0.76	\$1,750	\$1.59
600,000	4	823	\$727	\$0.88	\$1,750	\$2.13
600,000	2	1,257	\$727	\$0.58	\$1,750	\$1.39
400,000	2.6	6,415	\$4,954	\$0.77	\$1,500	\$0.23
400,000	3.1	6,889	\$3,090	\$0.45	\$1,500	\$0.22
400,000	5	4,953	\$2,477	\$0.50	\$1,500	\$0.30
400,000	2.5	4,003	\$2,477	\$0.62	\$1,500	\$0.37
400,000	4	3,386	\$2,477	\$0.73	\$1,500	\$0.44
400,000	2.6	2,255	\$1,659	\$0.74	\$1,500	\$0.67
400,000	2.6	2,995	\$836	\$0.28	\$1,500	\$0.50
400,000	5	1,682	\$836	\$0.50	\$1,500	\$0.89
400,000	4	3,103	\$836	\$0.27	\$1,500	\$0.48
400,000	3.5	4,305	\$836	\$0.19	\$1,500	\$0.35
400,000	33.6	6,900	\$836	\$0.12	\$1,500	\$0.22
400,000	4.1	5,504	\$836	\$0.15	\$1,500	\$0.27
400,000	3	1,509	\$727	\$0.48	\$1,500	\$0.99
400,000	4.6	292	\$377	\$1.29	\$1,500	\$5.14
400,000	5	163	\$377	\$2.31	\$1,500	\$9.20
400,000	4	1,049	\$377	\$0.36	\$1,500	\$1.43
400,000	1	254	\$313	\$1.23	\$1,500	\$5.92
400,000	2	115	\$313	\$2.72	\$1,500	\$13.04
400,000	3	1,111	\$250	\$0.23	\$1,500	\$1.35

³ The email requested the provision of: “total estimated library budget to the nearest \$100,000 (this includes staff, acquisition, subscription, and operational expenses, but excludes rental and office overheads); and total number of full time equivalent staff employed within your library.”

While the current subscription model makes a distinction between contribution and non-contribution of records to the ANBD, this recognition will not continue under the new model, to reflect the fact that many different types of contribution now occur and all are recognised with a fairer model.

Proposal for special libraries

Given the quantity of special libraries subscribing to Libraries Australia, maintenance of the subscription fees for this group needs to be streamlined to become more proportional with actual Libraries Australia revenue. This observation lends itself to a tiered model. Several tiered models based on total budget were tested, including:

- a three-tiered model

Budget	Possible Fee
< 300,000	\$500
300,001 – 2.49m	\$2,000
\$2.5m - \$15m	\$30,000

- a seven-tiered model (applied as shown above)

Budget	Proposed Fee
<\$100,000	\$250
\$100,001 – \$300,000	\$750
\$300,001 – \$500,000	\$1,500
\$500,001 – \$1m	\$1,750
\$1,000,001 – \$2m	\$2,500
\$2m - \$5m	\$8,000
\$5m+	\$20,000

An alternative model, consisting of a base rate of \$250 plus an additional searching charge of \$1.00 per search, was also considered for low volume libraries because it may better suit the small size of their individual constituencies. This option is less attractive from an administrative view point.

Proposal for TAFEs and school libraries

The final model for TAFE libraries is still to be determined. A separate poll to collect FTE student figures for TAFE communities will be conducted, to devise a closed population-based model. The results will be matched against the proposed tiers shown in the seven-tiered model above.

All school libraries will have the option to subscribe to Libraries Australia at the new base rate of \$250 per annum.

Transition

A transition arrangement to the new total budget-based model would be implemented to minimise any large increases or decreases in subscriptions. The budget information is self-nominating, but Libraries Australia staff could conduct sample checking of published figures periodically. The proposed fee tiers should be reviewed at least every three years.

In addition to a transition, it is proposed that the preferred model not be introduced until the 2009/2010 financial year, to reduce the impact on Libraries Australia revenue overall.

Because of the significant lack of response to the request for total budget information, it is recommended that a follow-up poll be conducted to allow more time for response. Libraries which do not respond to the subsequent request to provide this information could be moved to the alternative model consisting of a base rate of \$250 plus \$1.00 per search. This should encourage those libraries to advise Libraries Australia administration of their budget details. Requests to move to the new model may also be received when the agreed new tiers are published.

Recommendation

The Libraries Australia Advisory Committee to note the report.

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