

**NEW SUBSCRIPTION MODEL FOR STATE, TERRITORY AND PUBLIC  
LIBRARIES FROM 2008-09**

**Background**

As part of the ongoing review of Libraries Australia subscription fees, a subscription model based on population was proposed for the **state/territory** and **public library sectors** at the Libraries Australia Advisory Committee (LAAC) meeting on 5<sup>th</sup> September 2007. The concept was approved by the LAAC members, with a request for further development of the model<sup>1</sup>.

The current fee schedule for both sectors was based on an historic usage fee, and needs to be brought up-to-date. In addition, many libraries have expressed their concern that the current subscriptions are not apportioned fairly across all libraries, as usage has fluctuated since the model was established. Although Libraries Australia capped increases to public library subscription fees at 5%, some smaller libraries are in effect still subsidising larger ones, and vice versa.

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

**Issues for the state and territory libraries**

The total fee paid by state and territory libraries to Libraries Australia in 2006-07 was \$488,901. This was based on historical usage figures which do not easily lend themselves to a tiered structure. Using a population-based model, some fees show anomalies: the State Library of NSW pays more than it should, and less populous states are subsidising states experiencing growth.

State/Territory	Population (as at 06/2007)	%Pop	Current fee – for state library
NSW	6,889,100	32.8%	\$153,855
Victoria	5,205,200	24.8%	\$86,773
Queensland	4,182,100	19.9%	\$25,818
WA	2,105,800	10.0%	\$68,000
SA	1,584,500	7.5%	\$43,409
Tasmania	493,300	2.3%	\$45,364
ACT	339,900	1.6%	\$24,227
NT	215,000	1.0%	\$41,455
<b>TOTALS</b>	<b>21,014,900</b>	<b>100%</b>	<b>\$488,901</b>

<sup>1</sup> <[www.nla.gov.au/librariesaustralia/documents/LAAC\\_Papers-Sept\\_2007.pdf](http://www.nla.gov.au/librariesaustralia/documents/LAAC_Papers-Sept_2007.pdf)>, LAAC2007/3/8

The tiered model for the NSLA Consortium which is applied to each of the state and territory libraries based on a tier (small, medium, large), shows that their status may be out-of-date, particularly for the State Library of Queensland, when looking at the population figures and funding available to Queensland public libraries<sup>2</sup>. Therefore NSLA Consortium tiers are not recommended as a basis for the setting of Libraries Australia subscription fees for this sector.

Small: [ACTLIS](#), [NTL](#) and [SLT](#)  
 Medium: [SLQ](#), [SLSA](#) and [SLWA](#)  
 Large: [SLNSW](#) and [SLV](#)

The total fee paid by public libraries to Libraries Australia in 2006-07 was \$759,832. For Tasmania, Northern Territory and the ACT, public library access is covered by state/territory library fees. The table below compares what is currently paid for public libraries against population across each state and territory.

State/Territory	Population (as at 06/2007)	Current fee – for public libraries
NSW	6,889,100	\$387,905
Victoria	5,205,200	\$192,727
Queensland	4,182,100	\$139,050
WA	2,105,800	\$10,000
SA	1,584,500	\$29,700
Tasmania	493,300	-
ACT	339,900	-
NT	215,000	-
<b>TOTALS</b>	<b>21,014,900</b>	<b>\$759,382</b>

### Issues for the public libraries

Payments made to Libraries Australia by public libraries are managed at the state level. The attribution of charges to public libraries within a state is managed by state consortia. In general, the public library sector is making use of Libraries Australia more than is currently reflected in its overall percentage contribution to service subscriptions. We would like to keep this momentum, and do not propose to significantly change its overall contribution.

However, the public library sector in each state deals with some unique circumstances which merit further investigation in relation to a proposed transition to a new subscription model.

<sup>2</sup> Public library statistical snapshot, June 2007, <[www.slq.qld.gov.au/info/publib/statistics/ststbul/snap/](http://www.slq.qld.gov.au/info/publib/statistics/ststbul/snap/)>

### *New South Wales*

The New South Wales public library sector is facing extensive budget cuts, and is assessing the possible introduction of usage fees<sup>3</sup>. The budget shortfall is best illustrated by the recently published Australian Bureau of Statistics table showing the amount of money allocated to each member of the public in each state and territory:

	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Aust.
Per capita	\$11.79	\$18.19	\$27.20	\$18.19	\$21.94	\$49.02	\$60.02	\$59.43	\$19.95

State and Territory Government Cultural Funding, Per person, **Libraries**, 2005-2006<sup>4</sup>

The proposed model does effect a reduction for New South Wales.

Two public library consortia exist: NSW-PL (Metropolitan) and NSW-PL (Country), and each of them has drafted a population-based model for Libraries Australia subscriptions recently. The NSW-PL(C) resets Libraries Australia fees when passing on invoice amounts to individual libraries because of the fairness issue mentioned above. The NSW-PL(M) has decided to implement a similar arrangement in 2008-09.

There are approximately 20 public libraries (or 300,000 people) in New South Wales which do not belong to either consortium. Because the proposed model is based on the whole population of the state, this means that those remaining libraries can subscribe to Libraries Australia without a change in the total fee to be charged. This offers an opportunity for NSW consortia (and Libraries Australia) to market the service to these libraries. The transitional fees to be paid by each consortium are outlined at Attachment A.

### *Victoria*

A single public library consortium, Viclink, has introduced a state-wide model based on population and acquisition budgets, to share Libraries Australia subscriptions more equitably. One public library, the Upper Murray Regional Library with branches in Albury, Corowa and Tumbarumba, recently moved from the NSW-PL(C) to Viclink. This will introduce a modest discrepancy between the two states in the new subscription model, but we do not propose to 'adjust' the population of each state as public libraries close to geographical boundaries may change which consortium they belong to at any time.

### *Queensland*

The Queensland Public Library Association (QPLA) was not previously able to reach agreement on apportioning subscription fees across public libraries. A new structure, based on the redistribution of local government boundaries in Queensland<sup>5</sup>, is to be introduced in March 2008 and this could resolve some of the issue.

<sup>3</sup> *Australian Library News*, November 29, 2007, Issue #304.

<<http://pandora.nla.gov.au/pan/21843/20071129-0000/ALN291107.pdf>>

<sup>4</sup> *Cultural Funding by Government, 2005-2006, #4183.0* <[www.abs.gov.au](http://www.abs.gov.au)>, represents the latest figures available.

<sup>5</sup> *Stronger Councils for a growing Queensland*, <[www.strongercouncils.qld.gov.au/](http://www.strongercouncils.qld.gov.au/)>

The State Library of Queensland subsidises the Country Lending Service, which supports local government areas of less than 20,000 people. The CLS is not a member of Libraries Australia, but would be able to join under the proposed fee structure without additional charge.

### *South Australia*

Public Library Services (PLS) has a four year plan to join up all public libraries in South Australia<sup>6</sup>. Libraries Australia has already been in negotiations with the PLS to accept records via the PLS union catalogue. Note that the PLS receives no funding from the State Library of South Australia for its operations.

### *Western Australia*

All public libraries have their subscriptions managed through the State Library. The state is experiencing significant population growth, and new public libraries are under construction<sup>7</sup>. The structural reform of public library services which will start to take effect in 2008 should create good timing for a fee change.<sup>8</sup>

### *Tasmania*

All public libraries in the state are considered to be branches of the State Library, and as a consequence, they do not receive separate funding for any purpose. In the past, the SLT has paid disproportionate fees, compared to other states, for all Tasmanians.

### *Northern Territory*

The NTLS oversees Libraries Australia membership for most libraries in the territory, including the Charles Darwin University and special libraries such as schools. In the past, the NTLS has paid disproportionate fees compared to other states, for all Territorians, and this will continue for some years unless a special dispensation is made.

### *Australian Capital Territory*

The ACTPLS pays a single Libraries Australia subscription fee for all public libraries in the territory.

## **Proposal**

Using population figures published by the Australian Bureau of Statistics in December 2006 as a baseline, it is proposed that each state/territory library pays 1.5 cents per person, and that each public library pays 4 cents per person. Thus libraries would pay 5.5 cents per person to use Libraries Australia.

The new model allows each state and territory to continue with its own administrative arrangements, as the payments made by public libraries are managed at the state level.

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<sup>6</sup> *Public Library Services* <<http://www.plain.sa.gov.au/>>

<sup>7</sup> "WA boom leading to new libraries", *Australian Library News*, November 22, 2007, Issue #303, p.1. <<http://pandora.nla.gov.au/pan/21843/20071122-0001/ALN221107.pdf>>

<sup>8</sup> *Structural reform of Public Library Services in Western Australia*, p.7 <[http://www.slwa.wa.gov.au/pdf/Structural\\_Reform\\_Executive\\_Summary.pdf](http://www.slwa.wa.gov.au/pdf/Structural_Reform_Executive_Summary.pdf)>

## **Transition**

A transition arrangement to the new population-based model would be implemented to minimise any large increases or decreases in subscriptions. A 5% cap on fee changes could be met within an eight year timeframe, except for Queensland, the Northern Territory, and South Australia. This is illustrated in Attachment A.

Moving from the current schedule to the new schedule will result in an annual loss of approximately \$90,000. However this could be offset by increases in overall population, so the proposed fees should be reviewed at least every three years. This excludes the application of Consumer Price Index adjustments.

## **Recommendation**

The Libraries Australia Advisory Committee to note the report.

Collaborative Services Branch

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## Attachment A

**State fees and public library fees**

State / Territory	Population (as at 06/2007)	%Pop	State Libraries		Public Libraries		Combined - State & Public Library amounts				Population % change from last census*
			Current fee – for state library	Proposed state lib fee: 1.5 cents per person	Current fee – for public libraries	Proposed pub lib fee: 4 cents per person	Current fee	Future fee	variance	% Variance	
NSW	6,889,100	32.8%	\$153,855	\$103,337	\$387,905	\$275,564	\$541,760	\$378,901	-\$162,860	-30%	1.1%
Vic.	5,205,200	24.8%	\$86,773	\$78,078	\$192,727	\$208,208	\$279,500	\$286,286	\$6,786	2%	1.5%
Qld	4,182,100	19.9%	\$25,818	\$62,732	\$139,050	\$167,284	\$164,868	\$230,016	\$65,148	40%	2.2%
WA	2,105,800	10.0%	\$68,000	\$31,587	\$10,000	\$84,232	\$78,000	\$115,819	\$37,819	48%	2.3%
SA	1,584,500	7.5%	\$43,409	\$23,768	\$29,700	\$63,380	\$73,109	\$87,148	\$14,039	19%	1.0%
Tas.	493,300	2.3%	\$45,364	\$7,400	-	\$19,732	\$45,364	\$27,132	-\$18,233	-40%	0.7%
ACT	339,900	1.6%	\$24,227	\$5,099	-	\$13,596	\$24,227	\$18,695	-\$5,533	-23%	1.7%
NT	215,000	1.0%	\$41,455	\$3,225	-	\$8,600	\$41,455	\$11,825	-\$29,630	-71%	2.1%
<b>TOTALS</b>	<b>21,014,900</b>	<b>100%</b>	<b>\$488,901</b>	<b>\$315,224</b>	<b>\$759,382</b>	<b>\$840,596</b>	<b>\$1,248,283</b>	<b>\$1,155,820</b>	<b>-\$92,464</b>	<b>-7%</b>	<b>1.5%</b>

\* population served by public libraries is based on latest ABS census data

Annual Transition: ±5% or \$3,000

Current fee	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Future fee
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**State Libraries**

SL NSW	\$153,855	\$146,000	\$139,000	\$132,000	\$125,000	\$119,000	\$113,000	\$107,000	\$103,337	\$103,337	\$103,337	SL NSW
SL Vic	\$86,773	\$82,000	\$78,078	\$78,078	\$78,078	\$78,078	\$78,078	\$78,078	\$78,078	\$78,078	\$78,078	SL Vic
SL Qld	\$25,818	\$29,000	\$32,000	\$35,000	\$38,000	\$41,000	\$44,000	\$47,000	\$50,000	\$53,000	\$62,732	SL Qld
SL SA	\$43,409	\$40,000	\$37,000	\$34,000	\$31,000	\$28,000	\$25,000	\$23,768	\$23,768	\$23,768	\$23,768	SL SA

**Public Library Consortia**

NSWPL (C)	\$126,669	\$120,000	\$114,000	\$108,000	\$102,513	\$102,513	\$102,513	\$102,513	\$102,513	\$102,513	\$102,513	NSWPL(C)
NSWPL (M)	\$263,236	\$250,000	\$238,000	\$226,000	\$215,000	\$204,000	\$194,000	\$184,000	\$173,051	\$173,051	\$173,051	NSWPL(M)
Vic.	\$192,727	\$202,000	\$208,208	\$208,208	\$208,208	\$208,208	\$208,208	\$208,208	\$208,208	\$208,208	\$208,208	Vic
Qld	\$139,050	\$146,000	\$153,000	\$161,000	\$167,284	\$167,284	\$167,284	\$167,284	\$167,284	\$167,284	\$167,284	Qld
SA	\$29,700	\$32,000	\$35,000	\$38,000	\$41,000	\$44,000	\$47,000	\$50,000	\$53,000	\$56,000	63,380	SA

**Combined State and Public Library Consortia**

WA	\$78,000	\$82,000	\$86,000	\$90,000	\$95,000	\$100,000	\$105,000	\$110,000	\$115,819	\$115,819	\$115,819	West A
Tas.	\$45,364	\$43,000	\$41,000	\$39,000	\$37,000	\$35,000	\$33,000	\$31,000	\$29,000	\$27,132	\$27,132	Tasmania
ACT	\$24,227	\$22,000	\$20,000	\$18,695	\$18,695	\$18,695	\$18,695	\$18,695	\$18,695	\$18,695	\$18,695	ACT
NT	\$41,455	\$38,000	\$35,000	\$32,000	\$29,000	\$26,000	\$23,000	\$20,000	\$17,000	\$14,000	\$11,825	NT