



Secretary  
Productivity Commission Inquiry Into Cost Recovery  
Locked Bag 2  
Collins Street East Post Office  
MELBOURNE VIC 8003

**SUBMISSION TO INQUIRY FROM AUSTRALIAN BUREAU OF STATISTICS**

I enclose a submission to the Cost Recovery Inquiry from the Australian Bureau of Statistics.

The ABS contact officer is Mr Dick Crockett, Assistant Statistician, Client Services Branch. He is contactable on (02) 6252 7157, fax (02) 6252 8008, or e-mail [dick.crockett@abs.gov.au](mailto:dick.crockett@abs.gov.au).

An electronic copy of this submission has been sent to [costrecovery@pc.gov.au](mailto:costrecovery@pc.gov.au).

Yours sincerely

I R King  
A/g First Assistant Statistician  
Information Management Division  
17 November 2000

**PRODUCTIVITY COMMISSION INQUIRY INTO COST  
RECOVERY BY COMMONWEALTH AGENCIES**

**SUBMISSION BY THE AUSTRALIAN BUREAU OF STATISTICS**

**CONTENTS**

- 1. Introduction**
- 2. Background to Charging in the ABS**
- 3. ABS Pricing Policy**
- 4. Cost Recovery as an Element of ABS Budget**
- 5. Future Directions for ABS Dissemination and Cost Recovery**
- 6. Concluding Remarks**

**Attachment 1 - ABS Dissemination and Pricing Policy**

## 1. INTRODUCTION

The Australian Bureau of Statistics (ABS) is Australia's official statistical agency. It provides statistics on a wide range of economic and social matters, covering government, business and the population in general. It also has an important coordination function with respect to the statistical activities of other official bodies.

2 The functions of the ABS are defined in Section 6 of the Australian Bureau of Statistics Act 1975 as follows:

(a) to constitute the central statistical authority for the Australian Government and, by arrangements with the Governments of the States, provide statistical services for those Governments;

(b) to collect, compile, analyse and disseminate statistics and related information;

(c) to ensure co-ordination of the operations of official bodies in the collection, compilation and dissemination of statistics and related information, with particular regard to -

(i) the avoidance of duplication in the collection by official bodies of information for statistical purposes;

(ii) the attainment of compatibility between, and the integration of, statistics compiled by official bodies; and

(iii) the maximum possible utilisation, for statistical purposes, of information, and means of collection of information, available to official bodies;

(d) to formulate, and ensure compliance with, standards for the carrying out by official bodies of operations for statistical purposes;

(e) to provide advice and assistance to official bodies in relation to statistics; and

(f) to provide liaison between Australia, on the one hand, and other countries and international organisations, on the other hand, in relation to statistical matters.

3 The ABS is a large publisher and data disseminator and is committed to providing high quality and relevant statistical information to its clients. The ABS provides information services to clients in a variety of forms viz:

- a publications
- b electronic services such as the ABS Website
- c database services such as AusStats and ABS@
- d information and statistical consultancy services
- e the outposting of ABS officers to other government agencies

- f user funded surveys
- g operation of jointly funded national statistical centres

4 Indicators of the extent and breadth of ABS dissemination services (a-d of the above) over the last 4 years are summarised in Table 1 below.

**Table 1 - ABS Dissemination Services**

	<b>1996- 97</b>	<b>1997- 98</b>	<b>1998- 99</b>	<b>1999- 00</b>
Publications (subscribers) (a)	11,244	11,015	11,658	11,101
Publication Titles	326	349	288	247
Number of ABS Releases	1,272	1,067	944	877
Internet Site (accesses in millions)	1.8	4.3	8.9	14.8 (b)
International Trade (subscribers) (a)	1,104	1,289	1,204	1,014
Telephone Inquiry Service (calls completed)	209,047	189,020	193,208	170,000
Internet Inquiry Service	2,376	5,124	5,654	6,114
Dial - a - Statistic - 0055/1900 (calls)	45,560	42,004	32,081	23,300
CPI Info line (c)	-	-	2,149	13,300
Library Extension Program (libraries)	529	528	515	519

(a) As at to 30 June.

(b) Includes AusStats usage from April, 2000.

(c) Service commenced on 1 October 1998. (previously covered by the Dial-a-statistic service)

5 In 1999-2000 ABS distributed over 362,000 copies of publications.

## 2. BACKGROUND TO CHARGING IN THE ABS

6 Prior to 1988, the ABS charged for larger publications, for special tabulations in respect of overseas trade, for maps, microfiche, newly developing electronic products and services, and intensive data recompilations. The revenue was in the order of \$1 million per year.

7 In 1987, in line with Commonwealth Government policy, the ABS proposed the introduction of charging, including interdepartmental charging, for all its statistical publications. It also raised the level of charges for all its existing priced services. To ensure that ABS had a legal ability to charge, an additional subsection was added in 1988 to the Census and Statistics Act 1905 :

Section 12(3): "The Statistician may make charges for results and abstracts published and disseminated under this section."

8 In introducing user charges from 1 January 1988, the ABS proposal was to introduce market-based pricing for all its products and services. The argument in support of the proposal was that the charges would provide a rationing mechanism for demands on ABS goods and services and to recover more of the cost of disseminating statistics. Consistent with its functions in being the central statistical authority and for disseminating statistics and related information, the ABS continued to provide free access to statistics via such mechanisms as libraries and the media. The arrangements were in line with guidelines applicable to pricing issued by the then Department of Finance (DOF) in May 1988.

9 In developing the initial charging policy the ABS identified three key objectives:

- (a) to enable the demand for ABS products and services to be used as a more reliable indicator of how ABS resources should be prioritised;
- (b) to encourage users to address their real needs for ABS products and services; and
- (c) to relieve the general taxpayer of those elements of the cost of the statistical service which have a specific and identifiable value to particular users.

10 Initially, pricing in the ABS was based on 'market' prices and set without reference to actual costs because the ABS did not have in place mechanisms to determine the relevant costs. The interpretation of what was meant by 'market' prices was variable and difficult to assess given that ABS was in many cases a monopoly provider. As a result 'market' prices were often based on ABS' perception of the clients' willingness to pay. ABS's dissemination performance was largely measured in terms of gross revenue from the various forms of outputs. There was limited review of prices; the main ABS response was to eliminate publications with a small subscriber base and to disseminate the results in more cost-effective ways. Assistance from outside consultants was obtained early on in identifying key issues relating to pricing and in offering practical solutions that became part of ABS pricing policy.

11 In 1994, a major internal review of ABS pricing policy was undertaken with the objectives of ensuring that the ABS had clearly articulated objectives for its pricing policy and appropriate guidelines and management information for its implementation. The review strongly endorsed the initial objectives of the ABS charging policy and identified a number of additional objectives, namely:

- (a) ABS prices should be publicly defensible;
- (b) ABS prices should be consistent;
- (c) ABS prices should be set consistent with the ABS Mission of encouraging informed decision making and research and;
- (d) ABS prices for commercial products and services should generate some net return to the ABS to cover the investment in their production (that is, provide a return on capital).

12 In respect of the last of the above objectives, the ABS has only ever had one commercial product, CDATE. This product provides detailed census information at a fine level of geographic disaggregation in conjunction with a sophisticated mapping and data manipulation facility. The ABS and a commercial business partner developed the product to meet user needs and has made a small return on the product. Subsequently commercial competitor products to CDATE have become available. The user demand for the ABS product has kept ABS in the market.

13 The conduct of the review and adoption of these objectives moved pricing policy from the broadly defined 'market price' concept to one of cost recovery, and established procedures for regular review. From 1994, actual costs have been tabulated annually and prices are reviewed accordingly to match the costs incurred. Changes in government policy, such as the introduction of the GST, have led to other price changes.

14 The introduction of cost recovery in the ABS has inevitably resulted in some challenges for the ABS. These include:

- a a need to shift the culture of the ABS from one where output was provided free to one where clients were charged for all but simple enquiries;
- b the development of policy and procedures to support charging, and ongoing adaptation of these policies and procedures to meet the requirements of new and different products;
- c technical infrastructure had to be developed and maintained to support invoicing and management information requirements;
- d the identification of the costs to be recovered and provision of systems and processes to monitor them; and

- e actually achieving cost recovery. The ABS struggled to recover its costs in the early years but has moved closer to demonstrated cost recovery with costs being recovered in 1997-98 (the peak Census dissemination year) and in 1999-2000.

15 While the 1994 ABS review of pricing policies addressed these issues, the cost recovery policies have inevitably evolved. However, its overall success in achieving its stated objectives for the ABS, as outlined in para 9, has resulted in cost recovery becoming a firmly established and accepted component of ABS operations.

### 3. ABS PRICING POLICY

16 The Commonwealth Government has not set specific guidelines on ABS for community service obligations associated with its provision of products and services. Consistent with its functions, the ABS recognises that statistics must be accessible and used by the community, business and governments. To this end, all published statistics are provided free to national, state, university and many public libraries across the nation via the ABS's Library Extension Program (LEP). In a corresponding way, a free national telephone inquiry service responds to brief information requests, while the ABS website provides free access to key statistics, the main summaries of most publications, explanatory and conceptual material on ABS statistics, and a growing number of information directories. These programs aim to provide core statistics to ensure access and equity for all Australians.

17 Additional programs are aimed at tertiary institutions and schools, the media and Parliaments, to ensure widespread access to ABS statistics by the general population through these specialist intermediaries. The media are a critical element in making statistics, and their availability, known through all sectors. The ABS fosters this through providing free publications at the 11.30am release time each day at the Parliament House Press Gallery, arranging for the press in capital cities to have access to free publications, provision of press releases for many of the topical publications, updated advices on publications to be issued each day, and facilitating access to ABS experts for interviews and background research. ABS believes that access opportunities are many and varied and provide ample opportunity for the Australian community to access summary data at no cost.

18 Outside of its community service role, ABS products and services are charged for. A summary of the current ABS dissemination and pricing policy is at Attachment 1. Pricing arrangements for individual product and service categories are developed within this broad framework and applied nationally.

19 ABS pricing policy follows clearly defined cost recovery principles and practices, the key elements of which are set out below. It should be noted that the ABS's CSOs are largely met through providing services free through certain channels rather than through a pricing policy.

- (a) no charge for products and services considered to be community service obligations;

- (b) partially cost recovery for products and services, where there is an element of CSO contained in the product or service, although significant private benefit also exists;
- (c) full cost recovery products and services, where no CSO is perceived to exist; and
- (d) a very few prices which include an allowance for 'risk' as well as cost recovery, where the product is seen as 'commercial' .

20 In terms of implementation, the main elements of the pricing policy are summarised in Table 2 below:

**Table 2 - Summary of ABS Pricing Policy for Products**

ABS PRODUCT	BROAD PRICING POLICY
Publications	The cost of producing the CSO copies of publications (ie to LEP, media etc) is funded from the budget appropriation of the ABS. Copies of ABS publications obtained for private use are priced to collectively recover their cost of production, distribution and marketing beyond the cost of production of the copies distributed to meet public good obligations i.e. the run-on costs for the 'for sale' publications. The cost of the collection, compilation and analysis of the data is not recovered.
Other standard products	Prices are based on cost recovery for a product or group of similar products. In a very few instances, an allowance for 'risk' is included in the price.
Information consultancy	Full cost recovery consisting of 3 components :  a) Labour - hourly charge calculated for the total time taken to undertake the consultancy. The labour charges aim to recover the costs of the labour involved including overheads. Overheads include average superannuation, workers compensation, leave and similar salary on costs, and an allowance for accommodation, training, computing, marketing and sales and similar corporate and business overheads;  b) Infrastructure - this component of the ABS charging policy aims to recover the various system and database costs associated with providing non core or 'unpublished' statistical information to clients.  c) Direct costs - any costs incurred in undertaking a consultancy which are directly attributable to the consultancy such as courier charges, lamination etc
Statistical consultancy	Full cost recovery consisting of components (a) and (c) above:
User funded surveys, Statistical Units, Outposted Officers and International consultancies	Marginal cost recovery consisting of 2 components :  (a) Nominal salary costs plus average superannuation, workers compensation, leave and similar salary on costs and an allowance for accommodation, training, computing and similar overheads. Overheads for corporate and business support are not included.  (b) Direct costs - any costs incurred in undertaking the work which are directly attributable such as travel, form printing, collection and processing costs, etc.



## Users View of Pricing of ABS Products

21 The ABS has conducted several market research studies into client satisfaction with the ABS's delivery of products and services, including prices and cost recovery. The research indicates greater acceptance of cost recovery over time. Early data (1991) shows that price was often the most important issue for clients, and a major concern, particularly for government sector clients, where supplementation was not provided. By 1994, pricing remained a concern among a small number of (usually government) clients but price sensitivity appeared to have decreased since the initial stages of the user pays regime.

22 Subsequently, client focus has more frequently been on value for money i.e. concern with whether the product was as they thought it would be, whether it met their needs, its timeliness, the assistance given by the ABS in understanding their needs and the applicability of the ABS datasets to assist that need. The ABS continues to work on all these issues, though sometimes ABS does not have statistics available to meet specific client needs. Market research also indicates that the cost recovery objective of ensuring clients address their real needs has been achieved. In later research, clients reported reassessing their statistical needs in the light of ABS prices and product.

23 The academic community had been a strong critic of the pricing policy. While university libraries are provided with free publications via the LEP and academics have access to publications from that source, more direct access to statistical data was required. In 1995, an agreement was reached with the Council of Australian University Librarians to provide on-line access in many university libraries to the ABS time series service. Subsequently, an agreement was reached with the Australian Vice Chancellors Committee (AVCC) to enable most universities to have access, with some controls, to confidentialised unit record files (that is, files where identifiers had been deleted and classifications collapsed to ensure that no units could be identified) for further tabulation, analysis and modelling studies. The current agreement with the AVCC provides universities with access via the web to the ABS AusStats service of time series spreadsheets, electronic publications and some aggregated data files. While the universities pay, in aggregate, for these services, academics and students have direct 24 hours a day, 7 days a week, to all released statistics.

## Pricing Policies of Overseas Statistical Agencies

24 Most statistical agencies in countries at a similar level of development to Australia, have introduced user pays to some extent. Like the ABS, agencies continually review their client service and dissemination directions and, at this time, are reassessing the nature of their dissemination activities in the new electronic environment.

25 Arrangements in overseas statistical agencies vary from the delivery of quite extensive data in electronic form for free to providing summary data for free on the web and through libraries, the media and inquiry services with more detailed information available on a fee for service basis.

26 The single most common trend overseas at this stage appears to be the move to have an increasing range of summary data available on the web for free or at a low nominal cost and to continue to charge for the more resource intensive

consultancy and special data services and the provision of data in forms other than through the web. It is clear from ABS discussions with these agencies that they are also facing substantial challenges in coping with the revenue implications of such a transition.

#### **4. COST RECOVERY AS AN ELEMENT OF ABS BUDGET**

27 The introduction of charging in January 1988 was on the basis that \$3.0m of revenue in 1987-88 would be retained in consolidated revenue and 50% of any revenue above that threshold would be appropriated to the ABS to offset the additional costs of operating the cost recovery regime, and potentially to provide an incentive for expanding the statistical work that could be funded via cost recovery. The threshold was increased to \$5.02m in 1988-89. Further revisions to the arrangements, accompanied by increases in the threshold, were made in subsequent years to incorporate the types of products and services ABS was developing.

28 To simplify the process, these arrangements were revised for 1994-95 when it was agreed that the base ABS appropriation would be reduced by \$7.049m and all revenues would be returned to ABS as 'annotated' appropriations. With the replacement of the Audit Act 1901 by the Financial Management and Accountability Act 1997, these arrangements are now formalised under Section 31 of the new Act.

29 These arrangements have resulted, over the past several years, in revenue from cost recovered services accounting for approximately 10% of the ABS's budget. As shown in Table 3, total revenue from sales of statistical products and services increased from \$0.9m in 1986-87 ie. before introduction of a broad based pricing policy to \$22.1 million in 1993-94, where it has remained reasonably constant apart from revenue from specialised census products.

30 A large part of the revenue has been to extend the ABS's statistical work program. For example, the ABS currently has a number of user funded statistical units : indigenous communities; criminal courts, crime, and correctional services; education and training; culture and leisure. Over the years there have also been a number of user funded surveys, the most significant producing data in areas such as: health; nutrition; training; crime; superannuation; agriculture; community housing and infrastructure needs of indigenous communities and freight transportation. Data from these user funded activities add significantly to the range of statistical data available to the Australian community for informed decision making. More generally, the budget supplementation through cost recovery activity has enabled the ABS to extend its statistical program without specific taxpayer funding.

31 Prior to the introduction of user charges, any arrangements for funding additional work were a cumbersome process in the Commonwealth budget arrangements, which inhibited flexibility and responsiveness. These processes are no longer an impediment to additional user funded statistical collections.

**Table 3 - ABS Revenue**

Year	Revenue \$m						Revenue as a % of total expenditure
	Publications	Other standard products incl electronic	Information and statistical consultancy	User funded surveys	Other revenue	Total revenue	
1986-87	0.5	0.4			0.1	0.9	0.6
1987-88	2.3	0.9			0.2	3.5	2.6
1988-89	3.3	1.0	0.6		0.4	5.4	3.7
1988-90	4.5	1.0	2.2		0.5	8.2	4.5
1990-91	5.4	0.8	3.5		0.6	10.4	5.4
1991-92	5.6	1.0	3.2	2.8	1.3	13.9	5.5
1992-93	5.6	1.6	4.0	5.6	1.3	18.0	8.4
1993-94	4.4	5.6	5.0	6.3	0.8	22.1	9.1
1994-95	4.1	3.4	5.4	6.2	2.7	21.8	9.5
1995-96	3.9	3.1	4.8	9.3	4.0	25.1	9.8
1996-97	3.7	2.8	5.3	8.8	2.6	23.1	7.1
1997-98	3.8	9.0	7.6	6.4	4.3	31.0	12.9
1998-99	3.4	4.2	6.4	5.5	3.2	22.7	10.0
1999-00	3.0	3.8	5.6	5.3	3.9	21.5	8.4

**Notes:**

- a) "Other revenue" includes statistical units; outposted officers; training and seminars; licence fees and royalties
- b) Revenue from 5-yearly Population Census impacts significantly on revenue from electronic products and information consultancy in relevant years.
- c) Figures for earlier years are not available strictly according to the classification used in this table. Dissections have been estimated in some cases.

## 5. FUTURE DIRECTIONS FOR ABS DISSEMINATION AND COST RECOVERY

32 In terms of assessing the future directions of dissemination and cost recovery, a number of factors have been considered, all of which will impact on how ABS will approach its dissemination developments and cost recovery arrangements in the future:

- (a) revenue from publications is trending down at around 5% per year and, increasingly, dissemination of information is by electronic means rather than being paper based;
- (b) information consultancy revenue is being affected by our Internet based self-help developments, an outcome we are encouraging (because of cost effectiveness) and expect to see continue in the case of the more straight-forward consultancy requests;
- (c) the ongoing growth of the information market will continue to impact on ABS. Greater competition in some of our traditional markets can be expected, as well as more innovation in information products and services;

- (d) the penetration in Australia over recent years of PCs connected to the Internet in both businesses and in households has seen a rapid growth in the ability to access information on-line, with usually an expectation that it will be provided free. There are initiatives at all levels of government in Australia to move many of their services on-line which will impact on charging policies and practices within and across governments; and
- (e) emerging practices of some other major countries of providing access to a wide range of statistical information for free on the internet.

33 ABS has regularly reviewed its client servicing and dissemination strategies in order to maintain pace with technology developments and changing client expectations. The ABS has recently confirmed its broad client service and dissemination directions as:

- (a) meeting ABS Community Service Obligations through delivery of "public good" information services;
- (b) increasing the use of official statistics by promoting better client understanding of total ABS capability (particularly in key client and subscriber organisations);
- (c) meeting changing customer needs by developing new dissemination methods and products which will exploit technological advances including warehousing facilities;
- (d) improving service delivery efficiency and effectiveness through the development of self-help facilities and partnerships with information intermediaries; and
- (e) producing accurate and flexible paper or electronic products which conform to ABS standards.

34 An important issue for ABS is that the increasing shift to and demand for electronic dissemination will result in an appreciable cost to the ABS in the development and maintenance of infrastructure to support electronic services. The ability for widespread distribution of data must be balanced against the costs involved and the private benefit derived by clients, the need for a rationing mechanism where necessary, and ongoing market signals based on price to assist in making the best use of ABS resources. ABS will need to continue to develop pricing arrangements within this new electronic environment which will enable it to service its CSO and achieve a reasonable return on other services.

## 6. CONCLUDING REMARKS

35 The experience of the ABS with cost recovery has been positive. The general policy initiative over the last 13 years to ensure that the APS was more cost efficient and client focussed in delivering outcomes has been beneficial to the ABS. It has certainly achieved the ABS objectives established for cost recovery when first introduced in 1988 and reaffirmed in the major review of 1994 ie :

- (a) to enable the demand for ABS products and services to be used as a more reliable indicator of how ABS resources should be used;

- (b) to encourage users to address their real needs for ABS products, both statistics and services; and
- (c) to relieve the general taxpayer of those elements of the cost of the statistical service which have a specific and identifiable value.

36 The ABS considers that the reasons for introducing cost recovery are still valid, and cost recovery has been very useful to the ABS in developing its dissemination strategy. The ABS has been forced to assess its products and services. Clients can or will only pay for a product or service if they see it as value for money. If the price that clients are willing to pay is not sufficient to recover the dissemination costs involved, then ABS has to re-evaluate whether the product is really needed.

37 There will always be a need for some rationing mechanism in relation to the use of government services. The introduction of cost recovery has been effective in this role and has seen a considerable rationalisation of demand for ABS products, with users carefully evaluating their need for data over and above that available through the ABS CSO function. Cost recovery for some ABS outputs has been a useful means of determining the value individual users put on those outputs.

38 Cost recovery arrangements in respect of delivery of statistical services have worked very well for the ABS, clients generally and the taxpayer in enabling ABS to:

- a continue to provide a statistical service that is timely, relevant, responsive, and respected for its integrity and quality;
- b maintaining informed and increased use of statistics; and
- c creating strong recognition and support for the ABS amongst decision makers and the community.

39 The ABS continues to be a strong supporter of the principle of cost recovery/user charging, recognising at the same time that ABS dissemination strategies need to be responsive to new dissemination options such as the Internet.

40 Furthermore, any move away from cost recovery would reduce the funding available to the ABS for its work program, and some reductions in program would be required.

## **Attachment 1 - ABS Dissemination and Pricing Policy**

Open access to official statistics on the economic and social condition of a country and its population is essential. The ABS attaches considerable importance to easy and widespread access by all levels of governments, and the community generally, to the basic official statistics.

Basic statistics are widely distributed to the community through the media and libraries and from the marketing of ABS products and services. Market signals through the price mechanism are used by the ABS to assist with the efficient supply and distribution of its statistical information to anyone wanting to have their own copies of publications, and access to other unpublished statistics or to other ABS products.

### **Objectives**

The ABS policy of charging is intended to serve three main purposes:

- to enable the demand for ABS products and services to be used as a more reliable indicator of how ABS resources should be used;
- to encourage users to address their real needs for ABS products, both statistics and services; and
- to relieve the general taxpayer of those elements of the cost of the statistical service which have a specific and identifiable value to particular users.

Additional objectives focussing on pricing were articulated in 1994 and they are :

- ABS prices should be publicly defensible;
- ABS prices should be consistent;
- ABS prices should be set consistent with the ABS Mission of encouraging informed decision making and research: and
- ABS prices for commercial products and services should generate some net return to the ABS to cover the investment in their production (that is, provide a return on capital).

The balancing of public good obligations and user pays underpins the ABS pricing policy.

### **Public Good Obligations**

To meet its public good obligations, the main findings of statistical collections and statistical reports on matters of public interest are made available free of charge to the community via the media and by access to copies of publications and other selected special releases provided to libraries located throughout Australia and through access to selected statistics available free on the Internet. ABS publications are also made available on a complimentary basis to parliamentarians. Simple enquiries for data from the public to the ABS are handled free of charge. The cost of producing the public good copies of publications is funded from the budget appropriation made to the ABS and is not reflected in the prices of publications sold.

### **User Pays**

Copies of ABS publications obtained for private use are sold via subscription, mail order and bookshop services. Such copies are priced to collectively recover their cost of production, distribution and marketing beyond the cost of production of the copies distributed as public goods.

Other standard products containing the more detailed statistics of widespread interest are priced to recover their cost of production and distribution beyond the creation of the basic statistics from which they are produced.

Users wanting information more detailed than that published in standard products are required to pay for all costs (including overheads) incurred beyond the costs of collection and production of

clean unit record files from which the information is produced.

The extensive range of information collected from providers and the resulting findings can be used to produce value added products and services sold commercially to satisfy identified needs within the market for statistical information. To satisfy these needs the ABS needs to invest resources in the development, production and delivery of such products and services, and the price of such products and services are set at market prices where quantifiable, but at least to recover the full costs involved.

Where an organisation seeks to on-sell ABS statistics and statistical products, the ABS seeks licensing arrangements whereby in effect a contribution is obtained from each sale towards the cost of collecting and producing the data provided.

The charging policy represents a government decision to shift some of the costs from the general taxpayer to the user of statistics. The charges are not designed to cover the substantial costs associated with data collection and processing to the clean data stage, nor for the cost of preparing manuscripts for publications which are produced to meet public good obligations. These costs are funded by appropriation.

In addition, the ABS conducts surveys funded in full or part by users to produce official statistics for public benefit. It also provides other services which are cost-recovered such as statistical consultancy, outposts of skilled ABS staff, training courses, seminars and the funding of statistical units responsible for producing statistics on specific fields of statistics which cut across the ABS collection base. Such services are generally for government agencies and are charged on a cost recovery basis in accordance with Department of Finance and Administration guidelines.

**Australian Bureau of Statistics**  
**November, 2000**