

AV-CC

Australian Vice-Chancellors' Committee

the council of Australia's university presidents

(A.C.N. 008 502 930)

31 May 2001

Mr Gary Banks
Chairman
Productivity Commission
Level 28, 35 Collins Street
Melbourne Victoria 3000

Dear Mr Banks

Review of Cost Recovery by Commonwealth Agencies

The Australian Vice-Chancellor's Committee (AVCC) wishes to comment on the draft report of the public inquiry into the Review of Cost Recovery by Commonwealth Agencies, released by the Productivity Commission on 12 April 2001.

The AVCC and its members universities are major users of Government information and statistical data from organisations such as the Department of Education, Training and Youth Affairs and the Australian Bureau of Statistics (ABS). The report provides confirmation of the marked increase in the scale and scope of cost recovery by Commonwealth agencies over the last five years.

The AVCC notes draft recommendation 4.1 that the Commonwealth Government should adopt a formal cost recovery policy for regulatory and information agencies. The AVCC supports the basic approach currently taken by information agencies and supported in the Commission's draft report based on the delineation between core activities (which are funded from the agencies' budget) and non-core activities where it is more appropriate for costs to be recovered from users.

The report reveals that information agencies such as the ABS tend to have a fairly low level of income from cost recovery in relation to total expenses. This is a natural and sensible result of the need to provide free public access to information of public interest. Therefore, in relation to the report's draft recommendation 6.5 which calls for information agencies to carefully define the boundaries between their core and non-core activities, it needs to be ensured that the range of information currently available free of charge to users is not reduced and that information categorised as non-core is available to users at reasonable cost.

Yours sincerely



John Mullarvey
Chief Executive Officer