

Productivity Commission,
Cost Recovery Inquiry,
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Submission to the Inquiry into Cost Recovery Arrangements by
Commonwealth Government Agencies.

**Photocopying - 1. True Cost Recovery or a Profit Centre ?
2. Profit from other owners copyright ?
3. A Service with no Specification or Standard.**

Part 1.0

1.1 Introduction.

I am a private individual and make this submission in support of self funded students, endeavouring to achieve a qualification and 'not for profit' researchers of Australian and family history.

I have spent the past two years researching an element of Australia's commercial past and plan to produce a definitive technical work on a topic that to date has not received the attention it deserves. The subject is substantial and may take a further three years to complete. The major benefits of this effort will pass to museums, libraries, education facilities and historical societies.

Essential to the project is material produced - c 1880 to c1930 and includes -

Photographs - selective and detailed,

- Manufacturers catalogues, drawings and note books,
- Bibliography,
- Text documents,

These resources are held in numerous locations nation wide and include important collections at -

National Library of Australia,	NLA.
Intellectual Property Australia,	IPA.
ScreenSound Australia,	SSA.
National Museum of Australia,	NMA.
The Australian War Memorial,	AWM.
National Archives of Australia.	NAA.

1.2 The need for photocopying.

The resources held by these organisations generally cannot be loaned and taken from the facility in the same way as those at a public library. Access to the collections is free of charge and all agencies provide extensive and outstanding support to any person who wishes to undertake research or extend their knowledge. Some of these free services generate a substantial quantity of printed paper at the request of the user.

The people who benefit from the facilities include professional, commercial and scholarship researchers but the majority appear to be students, 'not for profit' historians and the general public.

The process of finding relevant information may consume many hours of systematic effort but when a 'client' requires a photocopy of a document or image the circumstances of cost change dramatically as 'cost recovery' is activated.

This is a service where there are huge variations in fees, between those charged by the private and public sectors, for an equivalent product.

When a document of value to a research project is found, its content needs to be captured. Options for an item containing plain text are photocopying, transfer into notes or typing into a notebook PC and many researchers use this latter process. If the item is a drawing or an image, a quality transfer will require scanning or photography, both of which are expensive. 'A picture speaks a thousand words' is a fundamental of many projects and for an interim capture, photocopying is the only economic process.

1.3 The cost of DIY, black on white, photocopying.

Current charges, per A4 sheet, 1 side.

1.3.1 - Private sector, public use, DIY photocopying.

Establishments providing latest model, conventional (analogue) machines,
designed for medium capability of 15k pages per month, per machine.

Small service provider, often combined with a photographer	- 5c - 8c.
Specialist business support office, - 'Mail Boxes Etc.' from	- 8c.
Office supplies and equipment retailer, - 'Officeworks'	- 6c - 7c.

Establishments catering for casual, small volume throughput. Newsagent, convenience store, 'coin in the slot' - 20c.

1.3.2 - Education/Library facility, public use, DIY.

State and Regional library,	LaTrobe,	- 15c.
	others,	range - 10c - 20c.
University library,	Uni. Canberra,	from - 7.3c.
	ADFA, Uni NSW,	- 10C
TAFE college,		- 10c - 20c.

1.3.3 - Purchase or lease of a photocopy machine.

Manufacturers, Xerox, Canon, Minolta,
 Latest digital models, quoted average cost for commercial clients,
 (government cheaper), capability 15k copies per month.
 $\text{Cost per page} = \text{depreciation} = 3.1c + \text{service contract, toner etc.} = 1.3c$
 $+ \text{paper} = 1.1c = \text{total cost per page} = 5.5c \text{ per page.}$
 In lieu of depreciation, a lease cost of a digital machine capable of
 15k pages per month and direct connection, as a printer, to a PC is
 approximately \$460 per month.

1.3.4 - Commonwealth Organisation, public use, DIY photocopying.

Machines have similar capacity to models quoted above.
 AWM 30c, all others 20c, -- but NAA first 20 copies free.
 DIY photocopying of microfilm is a service that is also provided. This
 requires special equipment and the charge is 50c per page.

1.3.5 - Conclusion.

DIY/card operated photocopying, at tax payer funded Commonwealth facilities, is charged at 200% above both actual cost and the fee charged by prominent commercial providers. It is also 100% above some Universities and well above several State libraries. Therefore the charge is not cost recovery for a specific service but cost plus that demands an additional fee for a service in circumstances where the user has no alternative competitive source. This additional charge is not equitable and a deterrent to both the productivity of research and the learning process.

1.4 - The cost of photocopying, black on white, by employed staff.

Current charges per A4 sheet, 1 side.

1.4.1 - Private sector.

Usually a business that specialises in plan printing or operates as a professional business support office or 'copy centre'.

From 8c to 20c per copy subject to quantity and circumstances, however as the documents are in the clients possession DIY for small quantities is an option.

1.4.2 - Education/Library facility.

Two different procedures, directed by policy of the facility.

1. Complete request form for copies with payment, copies are made at a remote location, then can be collected or forwarded to the client at a later date. 30c -50c.
2. Verbal request for copies, staff complete the copying insitu. 15c - 30c.

1.4.3 - Commonwealth Government Organisation.

All require completion of an order form and payment, copies are made at a remote location, then can be collected or forwarded to the client, at a later date. 50c. but NLA has a fixed fee of \$13 for up to a maximum of 30 copies.

1.4.4 - Notes.

Copying by agency and library staff is mandatory for preservation and archival material and is also required when copies are requested by mail or telephone. Researchers are therefore not permitted to photocopy these resources even though similar material may be DIY at another facility. An agency may hold the only available record of both government records and other document deposits and all researchers, whether professional or otherwise, are locked into a situation of 50c per page for any copies required. It is fully understood that the majority of these holdings must be handled only by qualified staff but there could be exceptions to this.

Manufacturers of photocopier equipment will certify that the cost of printing 1x A4 photocopy page, on a medium volume machine, is less than 6c, so the labour charge at 50c per page is 44c. Material, not under copyright, in stapled book form, may contain up to 50 pages, incurring a charge of \$25. This is difficult to accept for reasons of both cost and copy quality and must at times exclude material from research. On the basis that 50 pages can be copied, 1 at a time, in 20 minutes (including associated paper work) the labour content is about \$22 or \$66 per hour. A need to dismantle files would constrain throughput but material that can be positioned in a sheet feeder increases volume to above 1000 copies per hour

1.4.5 - Conclusion.

The charge of 50c per copy indicates an hourly labour charge equivalent to the cost of hiring a skilled tradesman (including overheads) and is well above a reasonable cost for labour for basic photocopying. This is not cost recovery but cost plus which begs the question 'is the plus an alternate method of increasing an agency's budget, to pay for items that are not associated with the service for which 'cost' is charged?' If so this is not equitable for those being forced to pay such charges. If the cost of copying material is made so expensive that it will not be used, one must question the value of maintaining it at public expense?

Part 2.0 - Profit from another owners Copyright?

2.1 A question.

Usually attached to DIY photocopying machines is a sign or notice advising 'clients' of copyright regulations. In effect this warns the person doing the copying, that there are specified limits to what may be copied and they must not profit from the original work. This raises the question 'when an agency provides access to a copyright work and for a fee also provides the equipment to copy that work, from which it makes a substantial profit, who is making a profit from the work?'

This matter needs to be referred to The Copyright Agency Ltd.

Part 3.0 - A Service with no Specification or Standard.

3.1 Quality standards of photocopies.

No Australian Standard, defining the quality, clarity, definition, scaling or positioning of a photocopy currently exists, although it is said that AWM are preparing an in house one. Agency photocopy order forms, do not include indicators for these. An up front charge is made for all copying but there is no standard or understanding of the quality of the end product.

3.1.1 - DIY copying.

The majority of Commonwealth agencies that permit DIY photocopying provide access only to flat bed copiers, which makes copying from books difficult or even impossible. The end result can often be a very messy or partly illegible copy and forcing a book onto the bed can lead to damage of the spine of the book. Many of these copiers are old models, compared with those provided by the private sector and often produce awful copies even with the opportunity to adjust the machine. The lack of the latest copying systems may be because agencies are locked into a term lease. Only AWM and NMA provide DIY access to a custom book photocopier but state libraries and universities often have a selection of machines, some of which are floating bed copiers that shoot the original from overhead.

3.1.2 - Employee executed copies.

This is another situation where quite often the end result is very low quality. Copies are often dull or 'dirty' with black patches or blank spots etc. and may be a different size from the original or skewed across the page. These factors indicate a lack of care and an agreed quality standard.

The Inquiry's consideration of this submission, with a result of a more equitable price for copying services, will be appreciated by those students and apprentice researchers who use Commonwealth public facilities.

R F Hadlow.