



COST RECOVERY IMPACT STATEMENT (CRIS)

SUBMISSION

TO THE

DEPARTMENT OF FINANCE AND ADMINISTRATION

December 2006

Summary

In December, 2002, the Australian Government adopted a formal cost recovery policy to improve the consistency, transparency and accountability of Australian cost recovery activities and to promote the efficient allocation of resources. The policy is contained in *Australian Cost Recovery Guidelines for Information and Regulatory Agencies* (Guidelines), re-issued in a revised format by the Department of Finance and Administration in July 2005.

2 This Cost Recovery Impact Statement (CRIS) results from the ABS' review of its activities against these Guidelines and has been prepared in accordance with the cost recovery review schedule 2006-07. The ABS review determined those activities which should be funded by appropriation and those which should be charged for, including what to charge, and who to charge.

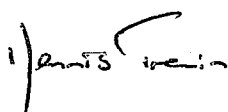
3 The review included:

- a policy review of ABS activities, including both appropriation funded and cost recovered activities;
- assessment of design and implementation issues to ensure that appropriate costs are recovered in the most effective and efficient manner, from users who benefit directly from such ABS activities;
- calculation of the full costs of ABS activities to ensure that ABS prices recover the costs, as determined by the Guidelines, incurred in the provision of priced products and services; and
- review of ABS prices to ensure that they accurately reflect the correct costs.

4 In developing its cost recovery policy, ABS consulted with major stakeholders, including the Australian Statistical Advisory Council (ASAC), key clients and the general public.

5 The ABS is committed to on-going monitoring and review of its costs and prices. It reviews both annually and is committed to a major review of pricing policy every five years. It will involve stakeholders in the major review.

6 Since December 2002, the ABS has greatly increased the content of its free Basic Information Set (BIS) through the budget process. The entire content of the ABS web site is now accessible free-of-charge via the Internet. When receipts from inter- and intra-government agencies, including universities, and from commercial activities are removed, the total revenue in scope of the test of significance (\$5m) in the Guidelines is estimated to be \$1.7m in 2006-07. The ABS will therefore no longer be needed to document compliance with the cost-recovery policy. However, the ABS will continue to apply the Government policy to guide its future cost recovery policies and practices.



Dennis Trewin
Australian Statistician

20 December 2006

Table of contents

1. Background

2. Policy review

- 2.1. Which of the agency's objectives are relevant to the activities or products being considered for cost recovery?
 - 2.1.1 Role of the ABS
 - 2.1.2 Dissemination objectives of the ABS
 - 2.1.3 ABS pricing principles
- 2.2. Should cost recovery be introduced?
- 2.3. Changes in ABS prices
- 2.4. What mechanisms, including consultation, should be used for ongoing monitoring of the efficiency and effectiveness of cost recovery arrangements?
- 2.5. How long (not more than five years) before the cost recovery arrangements should be reviewed again?

3. Design and implementation

- 3.1. Who should pay cost recovery charges?
- 3.2. Should cost recovery charges be imposed using fees or levies?
- 3.3. What are the legal requirements for the imposition of charges and which issues should any legislation address?
- 3.4. Which costs should the charges include?
 - 3.4.1 Marginally costed products and services
 - 3.4.2 Incrementally costed products and services
- 3.5. How should charges be structured?
- 3.6. How should costs be calculated and allocated?
 - 3.6.1 Calculating capital costs
 - 3.6.2 Efficient costs
 - 3.6.3 Transparent costs
 - 3.6.4 ABS contribution to costs (partial cost recovery)

4. Other matters

- 4.1 Consultation during the development of this CRIS
 - 4.1.1 Australian Statistical Advisory Council (ASAC)
 - 4.1.2 ABS clients
 - 4.1.3 ABS Audit Committee

5. Certification

6. Attachments

- Attachment 1 - ABS Actual and Projected Revenue 2004-05 to 2009-10
- Attachment 2 - ABS Pricing Principles
- Attachment 3 - Assessment for Inclusion in the BIS
- Attachment 4 - Determining the content of the AIS and CIS
- Attachment 5 - Products and services in the BIS and SIS
- Attachment 6 - Overhead Categories
- Attachment 7 - Partially Cost Recovered Activities

1. Background

On 4th December, 2002, the Minister for Finance and Administration announced the introduction of an Australian cost recovery policy to "heighten the transparency, consistency and accountability of cost recovery by government agencies". Developed in response to a review by the Productivity Commission into cost recovery by Australian government agencies, the policy requires that fees and charges set by government agencies reflect the costs of providing the product or service. The policy guidelines are included in the publication: *Australian Government Cost Recovery Guidelines, July 2005* (Guidelines).

2 The Guidelines require that information agencies define (and continuously update) a "basic" set of information products which will be provided free to the community. The Guidelines provide a series of "guides" which assist agencies to reach an "on balance" decision on whether to include various products in the "basic set" or whether to charge for them. If the decision is made to charge, then there are another series of "guides" which decide what costs to include in those charges. In addition, some products and services are excluded from the Guidelines altogether.

3 The Guidelines set out the rationale for cost recovery by Australian Government agencies. They state (pp. 11-12):

"Used appropriately, cost recovery can provide an important means of improving the efficiency with which Australian Government products are produced and consumed. Charges for goods and services can give an important message to users or their customers about the cost of resources involved. It may also improve equity by ensuring that those who use Australian Government products and services or who create the need for regulation bear the costs."

However, cost recovery may not be warranted where:

- *it is not cost effective; or*
- *it would be inconsistent with government policy objectives; or,*
- *it would unduly stifle competition and industry innovation."*

4 In addition to complying with the Guidelines, agencies with "significant" cost recovery arrangements must complete a Cost Recovery Impact Statement (CRIS). Agencies whose total cost recovery receipts equal \$5 million or more per annum are considered, prima facie, to be significant, regardless of the revenue generated by individual product streams. The ABS is currently deemed a "significant" agency in this context and has been listed as an agency with existing cost recovery arrangements. It is scheduled for a review in 2006-07.

5 Since this listing took place, the ABS has greatly increased the content of its free Basic Information Set (BIS) through the 2005-06 budget process, in which the Government gave policy approval and appropriation to make all publications on the ABS web site free of charge, and its revenue has reduced accordingly. On the ABS' 100th birthday, 8 December 2005, the Treasurer announced that free statistics on the web site would be implemented on

12 December, as the ABS' gift to the nation. The entire content of the ABS web site is now accessible free-of-charge via the Internet.

6 The ABS applies cost recovery principles to all clients regardless of whether they are government or non-government clients. When receipts from arrangements that are not cost-recovered for the purposes of this policy are excluded, revenue will fall well below what is considered to be significant cost recovery arrangements. Whilst ABS would no longer be required in the future to complete a CRIS to document compliance with the cost recovery policy, ABS will continue to apply the Government policy to guide its future cost recovery policies and practices. Attachment 1 for ABS provides actual and projected revenue for 2004-05 to 2009-10.

7 The ABS has reviewed its products and services against the Guidelines and within the context of the increased content of the BIS, consulted with its clients on the outcome of that review, and the results are reflected in this CRIS.

2. Policy review

2.1. Which of the agency's objectives are relevant to the activities or products being considered for cost recovery?

2.1.1 Role of the ABS

8 The ABS is an information agency in terms of the Guidelines. The ABS is the central statistical authority for the Australian Government and the largest provider of statistical information in Australia. Its statistics are used to inform research, discussion and decision making within governments and the community. It also has a responsibility to provide information on how Australia is changing. Provision of such statistics is a key element of the democratic process. To fulfil this role, the ABS produces and disseminates a wide range of statistical products and services, with the objective of informed and increased use of statistics.

2.1.2 Dissemination objectives of the ABS

9 ABS dissemination objectives are to obtain widespread dissemination of free information, while recovering the efficient costs involved in providing products and services obtained for private benefit. The balancing of community service obligations and cost recovery principles underpin ABS dissemination and pricing policy. These objectives are consistent with the rationale for cost recovery set out in the Guidelines and quoted in para 3 of this CRIS.

2.1.3 ABS pricing principles

10 In reviewing its cost recovery arrangements, ABS has developed a set of pricing principles. These are set out in Attachment 2.

2.2. Should cost recovery be introduced?

11 ABS introduced full cost recovery in 1989 in line with Australian Government policy at that time and the review confirmed that ABS pricing has reflected government policy since then. ABS has re-assessed its information activities against the criteria set out in the Guidelines to determine:

- which products and services should be taxpayer funded; and
- the approach to cost recovery for other products and services.

12 The general premise set out in the Guidelines for the distinction between free and charged products and services (p. 29) is that:

- general information products produced for the Australian community should be taxpayer funded; and
- information products produced at the request of specific groups or individuals should be cost recovered.

13 Using this general distinction as a guideline, and the more detailed criteria from the Guidelines (pp. 31 & 35; also set out in Attachments 3 & 4 of this CRIS), ABS has classified its information products and services into four main streams for cost recovery purposes:

- the product or service is free because it meets the criteria for inclusion in the Basic Information Set (BIS);
- pricing based on marginal costs for the further dissemination of products and services in the BIS;
- pricing based on incremental costs for products and services beyond the BIS, e.g. where data are not available from the ABS web site or where professional services are required; and
- commercial pricing, based on competitive neutrality principles, for products and services which could compete with similar products and services provided by competitors.

14 Priced products and services form the ABS' Additional Information Set (AIS), which includes marginally and incrementally costed products and services in the Supplementary Information Set (SIS) and commercially costed products and services in the Commercial Information Set (CIS). Attachment 5 sets out ABS products and services in the BIS and the SIS.

15 Many ABS activities are not products and services but form part of the Basic Information Set. ABS surveys and collections are conducted using government appropriation. The BIS activity includes processing of the survey data to the final unit record file stage. The review concluded that they are in BIS. A number of products and services are created from these final unit record files. Some meet the guides to be considered part of the BIS. Products and services contained in the BIS are listed at Attachment 5.

16 Other products and services are considered to be outside the BIS, mainly because they have been created for use by a narrow group of clients, or because they further disseminate data already available as part of the BIS. These products and services form the SIS, and are also listed at Attachment 5.

17 The ABS, in reviewing its cost recovery activities, notes that some information activities are undertaken in relation to policy development and meeting Parliamentary requirements and therefore should not be included as cost recovery activities. Examples of activities that are not directly related to the provision of information products and services include:

- advising Parliament on issues where the ABS has expertise;
- answering Parliamentary questions directed to the ABS about the ABS;
- briefing Ministers and responding to their correspondence;
- undertaking financial reporting; and,
- complying with international treaties.

18 The costs of these activities are funded from appropriation.

2.3 Changes in ABS prices

19 ABS prices have varied as a result of the inclusion of all data available on the ABS web site in the BIS. A number of products and services formerly costed at the marginal or incremental rate are now free.

20 It should be noted here that the Guidelines (p.10) explicitly exclude coverage of commercial charging arrangements in competitive or potentially competitive markets that comply with competitive neutrality principles and also exclude any form of inter or intra-government charging. The ABS does have some very minor revenue from commercial products and services. Charging arrangements for these comply with competitive neutrality principles. However, the ABS has significant revenue from inter- and intra-government charging. In general, it is ABS policy to use the Guidelines when assessing intra-agency or inter-governmental charging since the proper allocation of costs brings efficiency and accountability benefits. There is no cost shifting nor cross subsidisation between ABS inter- and intra-government clients and non government clients.

21 In re-assessing ABS cost recovery policy and practice; the review determined that existing ABS Pricing Policy was largely consistent with the Guidelines. Most changes to ABS prices in 2006-07 will result from the increased content of the BIS, rather than any significant correction of ABS Pricing Policy to reflect the Guidelines.

2.4 What mechanisms, including consultation, should be used for ongoing monitoring of the efficiency and effectiveness of cost recovery arrangements?

22 The Guidelines state (p. 37) that "the CRIS should examine and recommend mechanisms for ongoing monitoring that are appropriate for the individual circumstances of the agency." The ABS Audit Committee (through the audit program) will be the principal body to monitor the efficiency and effectiveness of cost recovery arrangements and the Australian Statistics Advisory Council (ASAC) will have a role in providing a user perspective.

23 In addition, ABS provides its Pricing Policy on the ABS web site and invites ongoing comment from clients on its content.

24 Where major changes to pricing are contemplated, ABS intends to consult widely with the user community via the ABS web site before implementation.

2.5 How long (not more than five years) before the cost recovery arrangements should be reviewed again?

25 ABS costs and prices are reviewed annually to ensure that revenue recovers appropriate costs. However, the Guidelines require a wider periodic review of existing cost recovery arrangements which address the appropriateness of cost recovery, the design of cost recovery charges and the adequacy of monitoring arrangements. Such a review must occur no later than five years from the last review. Five years is the most appropriate for the ABS given that the Census cycle is also five years. Therefore, a regular review of existing cost recovery arrangements will be undertaken every five years from 2006. In addition to these five yearly reviews, a CRIS will be prepared as required for any new or materially amended cost recovery arrangements.

3. Design and implementation of cost recovery

3.1 Who should pay cost recovery charges?

26 End users of costed ABS products and services are easily identifiable. ABS prices are set to recover the costs of a particular product or service across the end users of that product or service. The end users may be represented by an intermediary, for example, a university may purchase an ABS product which it then on provides to staff and students. Prices are set to avoid cross subsidisation of one client group by another.

3.2 Should cost recovery charges be imposed using fees or levies?

27 While costs can be recovered via fees or levies, levies need to be established using a tax Act, and are not applicable to the ABS. Fees are the more usual method of cost recovery for information agencies. This is the approach adopted by the ABS.

3.3 What are the legal requirements for the imposition of charges and which issues should any legislation address?

28 Section 12, Subsection 3 of the *Census and Statistics Act, 1905* provides the authority for cost recovery charges for the ABS. It states "The Statistician may make charges for results and abstracts published and disseminated under this section."

3.4 Which costs should the charges include?

29 These costs are outlined in Sections 3.4.1 and 3.4.2.

3.4.1 Marginally costed products and services

30 ABS charges for marginally costed products, i.e. the costs incurred in the further dissemination of the products and services in the BIS only include direct costs such as labour and materials. Note that these costs include labour on-costs. Capital and overhead costs are not included. However, the direct costs of systems, built to support only marginally costed products and services, are included as direct costs.

3.4.2 Incrementally costed products and services

31 Incremental costs include the same costs as those included in marginally costed products and services plus capital and overhead costs that arise as a result of providing the incremental product, i.e. these costs would not have been incurred if the incremental product were not provided.

Table 1 - Costs included in marginally or incrementally costs products and services.

Cost items	Marginal Costs	Incremental Costs
Direct cost of salaries creating and delivering the product or service.	✓	✓
Costs associated with the payment of salaries such as superannuation, long service leave, workers compensation, desktop technology, etc, allocated on a pro rata basis.	✓	✓
Direct dollar costs such as travel costs, payments to consultants, and printing costs incurred in the production and delivery of the product or service.	✓	✓
System depreciation costs related to the individual product or service (if product is not in the BIS).	✓	✓
Shared system depreciation costs, allocated according to usage (i.e. where a system is used for the production of more than one product or service, then only the costs associated with that product or service's share of the system are included).	X	✓
Costs for shared centralised resources such as central financial and personnel services; library services; facilities management etc.	X	✓
GST	✓	✓

Note: ✓ = included

X = not included

3.5 How should charges be structured?

32 ABS prices are structured to collect the relevant marginal or incremental costs of products and services, whilst taking account of issues such as:

- the case for charging when additional dissemination costs are low; and
- future demand, i.e. what will the market be for the product or service?

33 In setting the charges, the ABS has applied the guiding principle in the Guidelines (p. 45) which is to maximise the community's use of information while minimising their calls on taxpayer funding for products outside the BIS agreed by Government.

3.6 How should costs be calculated and allocated?

34 ABS has reviewed the costs of all its cost-recovered products and services against the Guidelines, including direct, indirect and capital costs. ABS has used the Fully Distributed Costing model for many years to allocate its costs and it works well in the ABS context. Under Fully Distributed Costing, overhead costs are allocated on a pro rata basis across the salaries of the staff involved in the creation and distribution of the product. It should be noted that by far the most significant cost item in the production and delivery of ABS products and services are staff salaries and salary on-costs. Attachment 6 provides a list of overhead categories used in the overhead calculation.

35 In addition, ABS allocates IT costs using the Activity Based Costing method and shared system costs are distributed according to usage.

36 Cost recovery charges are applied to a range of dissemination activities. Table 2 summarises the costs included in these cost recovered products and services.

Table 2 Cost recovered products and services

Product/Service	Costs incurred	Charging regime	How Costs are Recovered
Printed Publications	Printing and postage	Marginally charged	Ad hoc sales
Information and Statistical Consultancy Services	Labour costs which comprises salaries and associated on-costs and corporate overheads, infrastructure costs which comprise system cost, and any direct costs	Incrementally charged	Ad hoc services
Training	All salary and information technology costs and direct costs associated with preparation and presentation	Incrementally charged (a)	Courses provided on demand
User Funded Surveys	All salary, information technology and direct costs	Marginally charged (b)	User funding
Microdata Access	Labour charges to cover administrative processes and information technology charges where appropriate	Marginally charged	Ad hoc sales

Note: (a) free for training related to products and services in the BIS.

(b) commercial pricing applies if the surveys are won through a competitive tendering process

3.6.1 Calculating capital costs

37 Depreciation has been included in the costs as shown in Table 1. However, the other component of capital costs - user cost of capital - has not been included in the setting of ABS prices. According to the Guidelines (p. 46), "the user cost of capital represents the opportunity cost of funds tied up in the capital used to deliver products. It is the rate of return that must be earned to justify retaining the assets in the medium to long term." The Department of Finance and Administration (DoFA) advised the ABS that the discount rate annually published for assessing business cases (10%) would be the best proxy for the opportunity cost of capital to the Commonwealth. However, this cost is zero for cost recovery activities that are funded from revenue, as is the case with ABS products and services.

3.6.2 Efficient costs

38 The Guidelines require that cost estimates should be based on "efficient costs". Cost recovery arrangements should deliver prices that are based on the minimum cost necessary to deliver the products and still maintain quality over time. If a system is poorly designed and inefficient and expensive to run, then prices should reflect only what costs are deemed to be "efficient" in relation to the system.

39 "Efficient costs" may be established by comparison with the market where similar systems exist for example by benchmarking. ABS assesses itself on an ongoing basis against external benchmarks. The following examples are provided by way of illustration:

- Efficient labour costs - for example:
 - Use of Gartner Service for benchmarking IT costs;
 - ABS staff members' professional and technical qualifications;
 - As evidence of cost efficiency in the delivery of information consultancy services;
 - i. hours are monitored;
 - ii. quotes are authorised and monitored by senior staff;
 - iii. allowance is made for new starters as against experienced staff;
 - iv. inter-office benchmarking is undertaken; and
 - v. international benchmarking is undertaken.
- Efficient materials costs - for example:
 - outsourcing by tender.

40 In arriving at final costs, the ABS ensures that only the minimum costs necessary to deliver the final product or service are included.

3.6.3 Transparent costs

41 The ABS has developed costing models which allow for the detailing of actual costs and how those costs relate to prices in sufficient detail to allow stakeholders to analyse ABS production costs. These models include details on how capital and overhead costs are allocated amongst products. All costing and pricing information is contained in a corporate pricing database. This database uses internally designed templates to capture as accurately

as possible the costs - marginal or incremental - of providing the product or service. A pricing plan template is also included. Costing and pricing policy are contained in a corporate client service manual.

3.6.4 ABS contribution to costs (partial cost recovery)

42 During its review of cost recovery, the ABS identified a number of ongoing partial cost recovery arrangements. These partially cost recovered products and services have historically been provided in small numbers and to clearly identified groups of clients for a substantial period of time. As they are funded by existing government appropriation, there is no risk that they are being cross-subsidised by cost recovery amongst other client groups.

43 The cost of these ABS products and services are partially cost-recovered to different client groups to meet various Australian Government and/or ABS policy requirements. As the Australian Government Cost Recovery Guidelines do not provide for partial cost recovery activities, the ABS seeks the Government's agreement for ABS to continue with these activities.

44 These products and services meet many of the tests of inclusion in the basic information set including being non-rivalrous, non-excludable and having substantial spillover effects. Their provision to narrow, identifiable groups prevents their being included in the basic information set.

45 The Guidelines suggest that these products and services should be marginally costed, however, this model does not take account of their specific purpose in meeting Government policy objectives or furthering international obligations. In some cases, marginal costing is not appropriate as charging is not cost effective.

46 On the other hand, provision of these products and services for free may create an unnatural increase in demand, thereby driving up production costs for some of these products and services. Rationing use by way of charging a portion of the retail price ensures that these services are not over-utilised or abused, while still maximising access to ABS data to these specialised groups of users.

47 Attachment 7 outlines those groups for which partial cost recovery is currently provided in the ABS, the nature of the partially cost recovered service, and the rationale in each case. These partial cost recovery arrangements are guided by Government Cost Recovery guidelines to the greatest extent possible.

4. Other matters

4.1 Consultation during the development of this CRIS

4.1.1 Australian Statistical Advisory Council (ASAC)

48 ASAC considered a discussion paper outlining the outcome of the ABS review against the Guidelines in October 2005. ASAC's recommendations have been included in the final policy and in this CRIS.

4.1.2 ABS clients

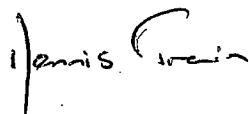
49 The outcomes from the review of ABS pricing policy were released on the ABS web site on 8 February 2006, in the Discussion Paper *ABS Pricing Policy Review Outcomes - Public Consultation* (cat. no. 1399.0). The paper provided ABS clients with the opportunity to comment on the proposed application of Government Guidelines to the ABS pricing policy.

50 In addition to the invitation to respond in the Discussion Paper on the web site, ABS Regional Offices were asked to contact members of their State Statistical Coordination Committees for feedback and ABS Outposted Officers were asked to promote the Paper to their agencies.

51 Eight responses were received, mainly from other government agencies. The responses, overall, accepted the changes to pricing policy.

5. Certification

I, Dennis Trewin, Australian Statistician, certify that this Cost Recovery Impact Statement properly identifies the objectives and functions of the Australian Bureau of Statistics and that, in its preparation, Australian Government Cost Recovery Guidelines for Information Agencies have been adequately applied.

A handwritten signature in black ink, appearing to read 'Dennis Trewin', with a stylized flourish at the end.

Dennis Trewin
Australian Statistician
20 December 2006

6. Attachments

Attachment 1 - ABS Actual and Projected Revenue 2004-05 to 2009-10

Attachment 2 - ABS Pricing Principles

Attachment 3 - Assessment for Inclusion in the BIS

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Attachment 5 - Products and Services in the BIS and SIS

Attachment 6 - Overhead Categories

Attachment 7 - Partially Cost-Recovered Activities

Attachment 1

ABS Actual and Projected Revenue 2004-05 to 2009-10

Australia (\$'000s)

	2004-05 Actual	2005-06 Actual	2006-07 Projected	2007-08 Projected	2008-09 Projected	2009-10 Projected
FULL COST RECOVERED	11423	6876	5830	6805	5705	5555
Web Services	2806	682	100	25	25	25
AusStats	1389	208	0	0	0	0
ABS@	1072	378	75	0	0	0
Ecommerce	346	96	25	25	25	25
Information Consultancies	4814	3783	4510	5560	4460	4310
Population Census Information Consultancies	942	683	1050	2100	850	1000
International Trade Information Consultancies	438	373	400	400	400	400
International Trade Subscriptions	522	543	560	560	560	560
Other Information Consultancies	2913	2183	2500	2500	2500	2500
Other Full Cost Recovery	3802	2412	1220	1220	1220	1220
Training & Seminars	64	117	70	70	70	70
Publications	776	310	200	200	200	200
CDATA	419	101	0	0	0	0
Licence Fees & Royalties	406	361	100	100	100	100
Confidentialised Unit Record Files	422	505	350	350	350	350
Statistical Consultancies	1540	957	500	500	500	500
Full Cost Recovery Not Elsewhere Classified	176	61	0	0	0	0
PARTIAL COST RECOVERED	7624	12818	11610	16815	12001	11863
Outposted Officers	1329	1046	794	779	790	740
International Consultancies	343	383	450	450	450	450
Statistical Units Funding	2243	2264	2254	2154	2154	1809
User Funded Surveys	3709	9125	8112	13432	8607	8864
NOT ELSEWHERE CLASSIFIED	46	2	0	0	0	0
TOTAL SALE OF GOODS & SERVICES	19093	19696	17440	23620	17706	17418

Note: Licence Fees & Royalties are excluded from cost recovery policy

ABS Pricing Principles

Principle 1

ABS is committed to open access to official statistics by all levels of governments, and the community generally.

Principle 2

ABS will provide free access channels to the Basic Information Set funded by appropriation.

Principle 3

The ABS will recover the costs of accessing the Basic Information Set via non-free access channels (e.g. print on demand) on a marginal cost basis.

Principle 4

Where cost effective to do so, the ABS will recover the costs of producing and providing information products and services that are additional to the Basic Information Set, including salaries, operating and capital costs, and associated overheads, from users.

Principle 5

The ABS will recover the costs of products and services provided in addition to the Basic Information Set, on an incremental cost basis for those which only the ABS can provide (e.g. due to confidentiality considerations), and on a commercial cost basis, for those which may compete with products and services provided by other suppliers.

Principle 6

The ABS will set its pricing policy, in conformity with Government guidelines on Cost Recovery and Competitive Cost Neutrality, with a view to:

- relieving the general taxpayer of those elements of the cost of the statistical service which have a specific and identifiable value to particular users;
- enabling the demand for ABS products and services to be used as one indicator of how ABS resources should be used; and
- encouraging users to address their real needs for ABS statistical products.

Principle 7

The ABS strongly encourages secondary provision of ABS data. However, the ABS may recover the cost of dissemination and product creation from on providers of ABS information. It may also recover from them the costs of compliance with licensing conditions.

Principle 8

The ABS provides technical assistance to international agencies and other countries. Wherever possible it will use the applicable AusAID pricing schedule, which approximates charging on a marginal cost basis. Exceptions apply in the following situations:

- where the work is tendered in a competitive situation, the ABS will quote on a commercial cost basis;
- where international agencies have their own standard rates, the ABS may choose to apply those rates; and,
- consistent with our international policy, ABS may partially recover, or waive, its costs for statistical work associated with international engagement if it is a strategically important initiative that the ABS has decided to support, and/or there are important staff development opportunities.

Principle 9

The Australian Statistician or his delegate may, where public interest issues are involved, decide to charge products and services on other bases.

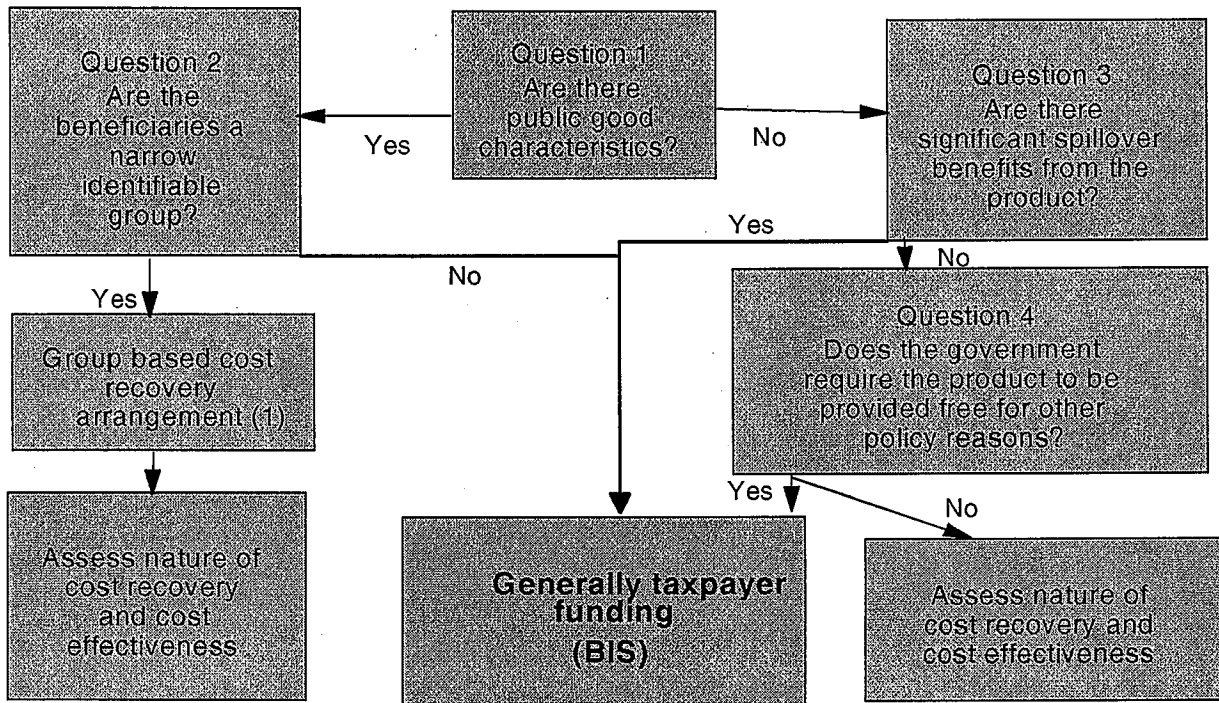
Principle 10

In all cases where costs are recovered, the ABS will charge "efficient costs" i.e. the minimum costs necessary to deliver products and services that are fit for purpose.

Principle 11

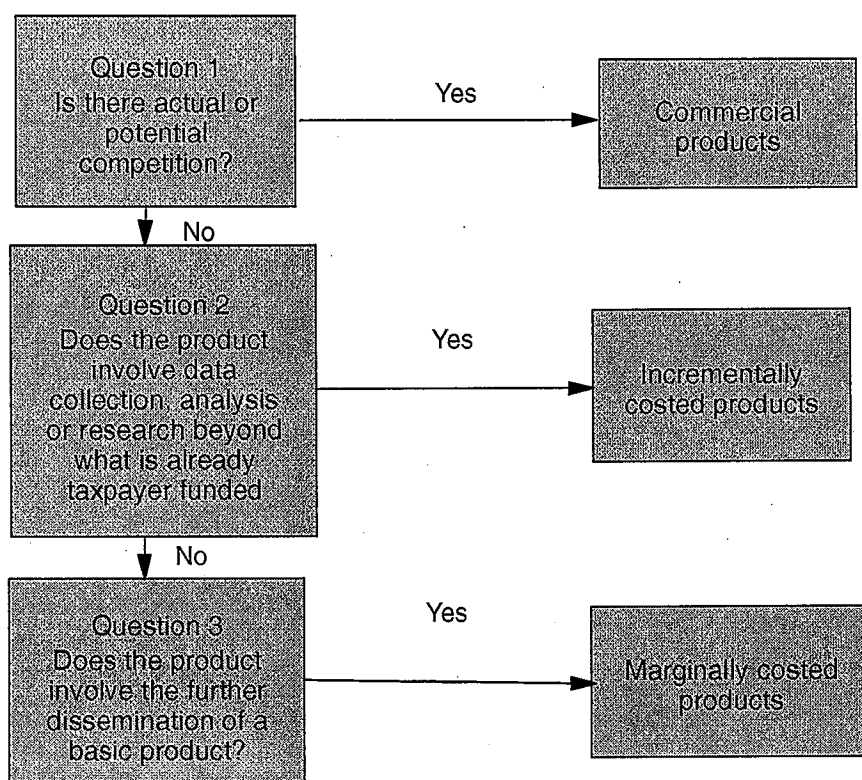
ABS will use simple and cost effective pricing schedules and administrative systems.

Assessing Information Products for Cost Recovery
(refer p. 31 of Guidelines)



Attachment 4

**Determining the Content of the Additional Information Set and the Commercial
Information Set
(refer p. 35 of Guidelines)**



Products and Services in the BIS and SIS

Content of the Basic Information Set (BIS)

- Collection activities, statistical analysis and processing of surveys to final unit record file, including confidentialised unit record files (CURFs)
- Contents of the ABS web site
- Library Extension Program (LEP) support services
- National Information Referral Service (NIRS)
- Email notification service (web based)
- Limited consultancy service to media and Parliamentarians
- Media lock up services
- Access to statistics by members of the ABS' Australian Statistical Advisory Council
- Access to statistics by clients with disabilities
- Access to statistics by survey respondents compiled from surveys they participated in
- Training on products and services in the BIS

Content of the Supplementary Information Set (SIS) (excluding commercial products and services)

- Content of the ABS web site delivered other than via self help on the site (e.g. printed publications, CD-ROMs)
- Access to confidentialised unit record files (CURFs) via CD-ROM, the Remote Access Data Laboratory or the ABS Site Data Laboratory
- Information and Statistical consultancies: extraction and analysis from unit record files
- Extensions to collection activities under the *Census and Statistics Act 1905* funded from the private sector
- Training on products and services outside the BIS

Overhead Categories**Salary on-costs**

- Superannuation
- Productivity Superannuation Benefit
- Workers & Other Compensation
- Comcover
- Long Service Leave
- Training
- Office Services
- Property Operating Costs
- Computing Costs

Share of corporate overheads

Attachment 7

Partially Cost Recovered Activities

Client Group	Nature of Partial Cost Recovery	Rationale
Schools	<ul style="list-style-type: none"> Some ABS products, particularly flagship publications, are available at a 30% discount to primary and secondary schools. 	<ul style="list-style-type: none"> The price reduction represents the economies of scale achieved in bulk purchases are passed on to schools as price reductions. Charging the majority of the retail price ensures a self-rationing mechanism to limit demand to those who really want the product. Discounting the products ensures that they are accessible to students and teachers through their schools Provision of statistical products to schools ensures a critical mass of Australians is statistically literate and able to interpret statistical information effectively. Ensuring the development of high quality statistical graduates is an investment in Australia's future. Provision of ABS statistics to schools is non-rivalrous and helps to improve statistical literacy.
International organisations	<ul style="list-style-type: none"> International organisations receive, on request: <ul style="list-style-type: none"> free international trade data completion of statistical questionnaires a two hour customised consultancy service to provide advice 	<ul style="list-style-type: none"> The ABS provides statistics on Australia to these international agencies to help contribute to the ABS' corporate goal of assistance in the international community. Eligible international organisations include: <ul style="list-style-type: none"> United Nations International Labour Organisation Food and Agricultural Organisation UNESCO Economic and Social Council for Asia and the Pacific UNECE OECD IMF World Bank World Trade Organisation World Tourism Organisation Pacific Islands Forum Secretariat Secretariat of the Pacific Community Provision of ABS statistics to international organisations is non-rivalrous and is consistent with the Government's policy to meet international obligations.

Client Group	Nature of Partial Cost Recovery	Rationale
Overseas statistical agencies	<ul style="list-style-type: none"> Overseas statistical agencies receive free completion of statistical questionnaires, on request. 	<ul style="list-style-type: none"> The ABS provides statistics on Australia to these overseas statistical agencies to help contribute to the ABS' corporate goal of assistance in the international community. These statistics are often shared in an exchange arrangement. Provision of ABS statistics to overseas statistical agencies is non-rivalrous and has substantial spillover benefits. Provision of statistics to overseas statistical agencies is consistent with the Government's policy of international cooperation.
International statistical assistance or aid	<ul style="list-style-type: none"> Requests for international statistical assistance or aid may be partially cost-recovered 	<ul style="list-style-type: none"> Partial cost recovery may apply where the international statistical assistance/aid is consistent with the Government policy on international aid and where the assistance/aid is: <ul style="list-style-type: none"> sponsored by an international agency; provided in countries within the aid policy setting of the government; or associated with international engagement. Partially cost recovered prices are set using the AusAID pricing schedule.