

ALIA's submission to the Senate Select Committee on a New Tax System

ACT

• **3/2 ACT Library Technicians** meeting at 5.30 in CIT D block (Room D132 - 1st floor). Ursula Macdermott will talk about her trip to China and visits to libraries there. Contact: Ursula Macdermott, ph 6271 5668, ursula.macdermott@dpmc.gov.au

• **4/2 ACT Special Libraries section.** Library Libations. Start the new year in style, at 5.30 pm at the Hyatt Hotel. Contact Julie Philips, ph 6208 5112, j.philips@nma.gov.au

• **9/2 ACT Special Libraries section.** Visit the new premises of the National Archives of Australia and their magnificent reading room, in the refurbished East Block, Queen Victoria Terrace, Parkes (behind Old Parliament House). **RSVP by 8/2** to Eileen Tannachion, ph 6212 3683, eileent@naa.gov.au

1-3/3 Train the Internet Trainer. Nationally recognised short course from the Internet Training Institute. Canberra. Contact: Else Paeglis, ph 1800 039 098 info@iti.com.au <http://www.iti.com.au/TTT/>

• **15/5 ACT Library Technicians.** Celebrating 20 years, 1979-1999. Celebration dinner during Library Week for all who have participated in the course. Venue: the Hellenic Club of Canberra, cost \$26.00. Further information from Ursula Macdermott, ph 6271 5668, ursula.macdermott@dpmc.gov.au

NSW

• **13/2 NSW Library Technicians** section. Committee meeting (everybody welcome), 1pm. Moore Theological College, 1 King Street, Newtown. For further information, please contact Stephen Coppins, ph 02 9514 3036, Stephen.Coppins@uts.edu.au

23-25/2 Train the Internet Trainer. Nationally recognised short course from the Internet Training Institute. Sydney. Course repeated 9/4, 15/4, 16/4 Contact: Else Paeglis, ph 1800 039 098 info@iti.com.au <http://www.iti.com.au/TTT/>

• **10/3 NSW Library Technicians section.** General meeting, 5pm. Liverpool City Library, 170 George St, Liverpool. Contact Stephen Coppins, ph 02 9514 3036, Stephen.Coppins@uts.edu.au

• **17/4 NSW Library Technicians** section. General meeting, 1pm. Venue. TBA, Bathurst. Dinner afterwards and overnight accommodation, (return to Sydney 18th April). Please RSVP for numbers. Contact Stephen Coppins, ph 02 9514 3036, Stephen.Coppins@uts.edu.au

• **8/5 NSW Library Technicians section.** Committee meeting (everybody welcome), 1pm. University of Technology, Sydney — City Campus Library, Video Conference Room, Level 2, Cnr Quay St & Ultimo Rd, Broadway. Contact Stephen Coppins, ph 02 9514 3036, Stephen.Coppins@uts.edu.au

QLD

• **9/2 Qld Library Technician** section meeting. State Library of Queensland, Metway Theatre, 5 for 5.30pm, all welcome. Contacts: Yvonne Brock, 1999 president, ph 07 3896 2229, yvonne.brock@acsq.qld.edu.au or Mary Harlow, correspondence secretary, ph 07 3237 1702, mary.harlow@publicworks.qld.gov.au

Freedom of access to information is a basic democratic right and the library infrastructure in Australia reflects a commitment to this principle. Rapid change in information and communications technologies and fluctuating currency values are placing great demands on library resources. Libraries have also been encouraged by government policy to augment diminished budgets by charging cost-recovery or below cost-recovery fees for services such as photocopying, interlibrary loans and internet access and it is not clear from either the legislation or other documentation that cost-recovery or below cost-recovery service charges will be treated differently from commercial or profit-based charges. Additional imposts arising from the introduction of the proposed new tax system could seriously undermine the capacity of our libraries to deliver an adequate standard of services to the community.

1. Tax exempt status of libraries

Local government, education, and other government libraries

In its pre-election document, *Tax reform: not a new tax a new tax system*, the Government implied, in its broad exemptions for local government and education services, that libraries in those sectors would be GST exempt, at least for any non-commercial activities. This scenario is not, however, reflected in the language of the proposed legislation, nor is the tax status of non-profit and cost-recovery charges differentiated from commercial (ie. for profit) operations.

Libraries are service organisations. Public libraries, school, college and academic libraries and the great institutional libraries of the nation and the states provide services to the community and, to do that effectively, they provide services to each other — interlibrary loans and co-operative cataloguing, shared training and facilities, for example. Since their public role has already been recognised in their present exemption from wholesales sales tax, libraries will not significantly benefit from the loss of the nine taxes replaced by a GST. Instead they face taxes on goods and a wide range of services previously untaxed. Library budgets are already

strained by the unpredictable currency fluctuations which affect their overseas purchases. If libraries are not protected from the cost disadvantage of the proposed tax system, their capacity to maintain, let alone improve, their services to the community will be seriously impaired, at a time when Australia needs to develop and promote itself in the knowledge economy.

(i) Libraries in the local government sector

Public libraries are information resource centres which deliver to all Australians the opportunities for knowledge and lifelong learning. They aid in redressing some of the disadvantages of poverty, distance and lack of formal educational opportunities, at the same time supporting the needs of students, small business, local historians, people coming to terms with the demands of new information technology and other special interest groups. This Government and the Opposition have recognised the importance of the public library system as the logical, cost-effective conduit for delivering internet access and skills to the community.

Responding to the Government's pre-election *Tax reform* document, ALIA commissioned a report from Arthur Andersen on the effect of the proposed tax on a Victorian local government public library system. The report, attached to this submission, shows that the increased costs to a local government library with an annual turnover of \$6 million would be over \$41 000 annually. *This increase does not take into account the added costs of administration of the new tax.*

Recommendation

If a GST is introduced, ALIA recommends:

- that the legislation give clear expression to the tax exempt status of local government libraries
- that a mechanism be provided to compensate libraries for the additional costs in acquiring materials and delivering services
- that a mechanism be provided to compensate libraries for the administrative/compliance costs of the new tax system.

(ii) Libraries in the education sector

The role of school, TAFE and university and non-profit research libraries (for example, those attached to public hospitals and re-

search institutions) is fundamental to the knowledge base of this nation, the educational standards of our citizens, to scholarship and to our ability to participate fully in the global information society.

Recommendation

If a GST is introduced, ALIA recommends:

- that the legislation identify the tax exempt status of libraries in the education and research sector in order to express clearly the Government's firmly stated intention to exempt education and health services.
- that libraries in these sectors receive compensation for additional costs incurred by the introduction and operation of the tax reform system.

(iii) Government libraries

Parliamentary and government departmental libraries support our democratic institutions and the administration of national policy and should also be exempted.

The National and State Libraries in Australia provide access to their collections and services to the whole Australian community at large, not only, as in many European countries, to scholars. They play an active role in encouraging the best use of the library collections of the country through various co-operative arrangements and they provide leadership in ensuring the development of quality in collections and in services. They are the firm base of the public and educational libraries infrastructure and they have been committed to ensuring the delivery of library services to the remotest areas of the States and Territories.

Recommendation

If a GST is introduced, ALIA recommends:

- that, because of their important public interest role, government and parliamentary libraries be clearly identified in the proposed legislation as tax exempt
- that these libraries be compensated for any additional costs incurred by the introduction and operation of the new tax system.

2. Books and serials

ALIA supports the Australian Society of Authors, the Australian Booksellers' Association and other organisations in calling for an ex-

emption from the GST for books and for serials. Books and journals are fundamental to the delivery of education services and library services and a tax applied to them is a tax on education, research and knowledge, which could have serious consequences for Australian academic publishing and research and mean a significant cost increase to students and families as well as to libraries and educational institutions.

A clear statement of support for tax exemption for books and serials and for libraries will demonstrate that the Australian Parliament wishes to encourage creativity and learning and to support our national cultural heritage, as other countries have demonstrated in exempting or imposing a lower indirect tax rate on books.

Recommendation

If a GST is introduced, ALIA recommends the exemption of books and serials.

3. Tax exempt status for non-profit community service organisations

ALIA is a non-profit organisation providing services to the library and information community and representing the interest of the wider community in having equitable access to the broadest spectrum of information resources. ALIA is also committed to supporting the conservation and preservation of the nation's information resources. These services are both cultural and educational and include promotion of modern, quality library services to everyone in our community, including remote area access to information technology skills, and ensuring that the library profession is trained to the highest international standards.

ALIA's community service role is recognised by its current tax-exempt status under subparagraph 23(g)(v) of the *Income Tax Assessment Act 1936* (Cth). The imposition of a goods and service tax will seriously disadvantage our ability to continue to provide our services.

Recommendation

If a GST is introduced, ALIA recommends a GST exemption for non-profit community, cultural and educational organisations.

15-17/2 Train the Internet Trainer. Nationally recognised short course from the Internet Training Institute. Brisbane. Course repeated 16/4, 23/4, 30/4. Contact: Else Paeglis, ph 1800 039 098 info@iti.com.au http://www.iti.com.au/TTT/

• **31/3 Qld Library Promotion Council.** Joan Gamble-Peter Pal Library Suppliers Grant. \$1000 grant for programs for people with a disability, the elderly, people from non-English speaking background or adult literacy. Contact: Nicci Page, ph 07 3255 9160, http://www.slq.gov.au/cwpp/qlpc/

• **31/3 Qld Library Promotion Council.** James Bennett Library Promotion Grant. \$1500 grant for awareness campaign or promotional activity that promotes the library service to its clients. Contact: Nicci Page, ph 07 3255 9160, http://www.slq.gov.au/cwpp/qlpc/

• **17/4 Qld Library Promotion Council.** Queensland Library Suppliers Library Achiever of the Year Award. Recognition of a person working in the Queensland library industry. \$400 individual award, \$600 worth of goods for nominating body. Contact: Nicci Page, ph 07 3255 9160, http://www.slq.gov.au/cwpp/qlpc/

SA

• **26-27/2/99 SA Library Technician section.** 4th weekend workshop to be held at Clare, SA. Further details TBA. Contact: Kathy Sharrad, ph 08 8207 8652, fx 08 8207 8434, kathysha@tafe.sa.edu.au

3-5/3 Train the Internet Trainer. Nationally recognised short course from the Internet Training Institute. Adelaide. Contact: Else Paeglis, ph 1800 039 098 info@iti.com.au http://www.iti.com.au/TTT/

24/3 Copyright Seminars. Three seminars presented by Copyright Council lawyers: Introduction, Print and Resources, Internet. Lecture and workshop components. Venue: Ngapartji MultiMedia Centre. Cost: \$40 per seminar. Information/booking forms: ph 02 9318 1788, info@copyright.org.au, http://www.copyright.org.au

VIC

• **Feb 1999 VIC LIS Forum.** CPD brainstorming and planning session. Please prepare suggestions for events that you would like to attend in 1999. [date to be announced].

• **8/2-6/12 Home Library Services SIG meeting.** 10am, Eltham Library, Panther Place (off Main Road), Eltham. Meetings dates: 8/2, 12/4, 7/6, 2/8, 4/10, 6/12. Contact: Marie McMahon, ph 03 9401 0725.

22-25/2/1999 Australian Society of Indexers. Back of the book indexing. ACER Conference Room, 19 Prospect Hill Road, Camberwell. Cost: \$250 (\$225 for ASI members). Contact: Max McMaster, ph/fx 03 9571 6341, mindexer@interconnect.com.au

• **26-27/2 SA Library Technician section.** 4th weekend workshop: Towards new horizons. Program: presentation techniques; public speaking techniques; teamwork; panel discussion on library issues. Clare Country Club. Registration fee: \$160 ALIA members,