RESEARCH ARTICLE

Pressures, opportunities and costs facing research library acquisitions budgets: An Australian perspective

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In 2012, Harvard University said it could no longer afford the high cost of academic journal subscriptions. The aim of this paper is to discuss the pressures, opportunities and costs facing research library acquisitions budgets in Australia. It seeks to understand how libraries are coping with resource issues and what strategies they are deploying to overcome their fiscal challenges. The findings are presented of a study into the pressures, opportunities, and costs facing research library budgets in Australia. A qualitative research methodology was used to undertake the study. Semi-structured interviews were carried out with representatives involved at the highest level of library resource allocation from their respective universities. The study provides discussion on how libraries are coping with resource issues and what strategies they are deploying to overcome their fiscal challenges.

Implications for Best Practice:

• The findings from this study provide valuable insight into the pressures, opportunities and costs facing research library budgets in Australia. This paper’s findings give necessary background and discussion on important issues facing library resourcing, which is relevant to all librarians working in research and university libraries.

• The results of the study have the potential to inform the collection development policies of libraries as they seek creative strategies to overcome their resourcing challenges.

Introduction

At a time of rising costs due to continuous price increases from commercial publishers, shrinking resource allocations and exchange rate fluctuations, library acquisitions budgets are under pressure in Australia. In 2012, Harvard University said it could no longer afford the high cost of academic journal subscriptions. The university told its faculty members that ‘Many large journal publishers have made the scholarly communication environment fiscally unsustainable and academically restrictive. This situation is exacerbated by efforts of certain publishers…to acquire, bundle, and increase the pricing on journals.’ It noted further that:
Harvard’s annual cost for journals from these [publishers] now approaches $3.75M. In 2010, the comparable amount accounted for more than 20% of all periodical subscription costs and just under 10% of all collection costs for everything the Library acquires. Some journals cost as much as $40,000 per year, others in the tens of thousands. Prices for online content from two providers have increased by about 145% over the past six years (Harvard 2012).

If one of the world's most affluent academic institutions is feeling the pressure, what does this mean for university and research libraries in Australia?

The term ‘acquisitions budget’ gives some insight into the issues at hand. With digital migration from print to electronic, what once used to be considered a budget to acquire materials is now a budget to pay licences to view materials (Sale 2007, original emphasis). In other words, libraries have ‘transformed from owners to renters of increasingly larger and larger proportions of their collections’ (Farb 2006). This has presented strategic challenges for libraries in managing their digital assets, who now pay very large sums of money for annual access to content stored on publishers’ systems (Burrows 2006, 173).

Licensing also challenges the capacity of the library to fulfil its historical role as a ‘formal archive of the scholarly record’ (Davies 2009, 224). In particular, ‘licensing grants a limited right to access and use of resources’, and most worryingly, ‘it does not ensure that materials will be preserved and available for future use’ (Farb 2006). In this way, licensing supports the interests of owners and publishers – not libraries, or indeed, the scholarly community who are the primary producers and consumers of scholarly material (Morrison, 2013). This issue goes right to the heart of one of the core values of libraries, which is stewardship; that is, ‘action taken in trust or on behalf of another…with the aim of ensuring the integrity, authenticity, and the sustainability of resources, and thus their future value and use’ (Farb 2006).

The aim of this paper is to discuss the pressures, opportunities and costs facing research library acquisitions budgets in Australia. As libraries have had to become more creative in the way they acquire materials, this paper seeks to understand how libraries are coping with resource issues and what strategies they are deploying to overcome their fiscal challenges. As there has not yet been much investigation into Australian research library acquisitions budgets, this study will contribute valuable research into an area of the scholarly communications sector in Australia that has not been the focus of recent attention.

**Methodology**

This study discusses and examines the pressures, opportunities and costs facing research library acquisitions budgets in Australia. To protect the identity of interview respondents, *research library* here refers both to university and research libraries. This research adopts a qualitative approach as a framework, which is useful for this type of investigation. As this research has a clear focus, semi-structured interviews have been used. Along with an interview guide, this technique allows for ‘probing of views and opinions where it is desirable for respondents to expand on their answers’ (Gray 2009, 373). The interviews were transcribed and selected parts form the
discussion section in this paper. Due to time constraints and the nature of conducting semi-structured interviews, some questions were not asked of all respondents.

Due to time constraints and the academic requirements of this paper in terms of word length, a small participant sample was chosen from various research libraries in Australia. Interviews were conducted throughout October 2013. The sample comprised representatives from different kinds of libraries from four states and include former technical colleges, members of the Group of 8, a metropolitan university, and a government research institution. All seven participants that were approached agreed to be part of the study, with six requesting that their identities remain anonymous. To remain consistent all respondents are reported anonymously. Participants were chosen for their expertise and role in managing their respective organisation’s library acquisitions budget. All participants held the most senior position in their respective libraries.

The questionnaire was designed following an extensive literature review of local and international sources, which revealed the main areas of concern for this study. The interview questions were based on the findings of this initial research.

Literature review

Scholarly publishing in context

Originally designed to serve the specific needs of disciplinary research in academic and research institutions in a print-based environment, the existing system of scholarly publishing has evolved over many years (Houghton, Steele, and Sheehan 2006, 1). Following a long tradition, Crow (cited in Houghton, Steele, and Sheehan 2006, 11) suggests that the main functions of scholarly communication are ‘registration (establishing intellectual priority); certification (certifying the quality and validity of the research); dissemination/awareness (assuring accessibility of the research to others); and preservation (preserving the research for future use).’ Traditionally, except for archiving, which has been the responsibility of libraries, publishers have performed these functions (Houghton, Steele, and Sheehan 2006, 11). The emergence of web technologies, open access and institutional repositories has disrupted these traditional functions, which has resulted in the emergence of a layered system ‘consisting of a content layer and a services layer’ (Houghton, Steele, and Sheehan 2006, 11). Furthermore, scholarly publishing has taken on non-communicative purposes as it is used in research evaluation, promotion and tenure decisions, and accreditation of institutions (Houghton, Steele, and Sheehan 2006, 11; McGuigan and Russell 2008).

The scholarly communications sector comprises three main participants: academics and other researchers who write and provide editorial services, the publishers who vet, publish and distribute the content, and university and research institutions who purchase the published material, usually through their libraries (McGuigan and Russell 2008). Included within the first group are readers who overlap with the author community, which includes post-graduate and undergraduate students in universities. The degree of overlap between authors and readers varies considerably between disciplines. For example, in a pure science field such as theoretical physics the
overlap may be close to 100%, whereas in a practitioner field such as nursing or medicine the readers will be many more times numerous than the authors (Ware and Mabe 2012, 32).

**The cost of scholarly publishing**

Within the current business model research libraries have two conflicting interests. On the one hand, they are trying to provide users with access to content to support research activities across various fields of expertise; whilst on the other hand, they are being pressured by budget administrators to control collection costs as publisher prices increase, and library budgets decline, remain stagnant, or only increase for inflation (McGuigan and Russell 2008).

Research libraries have historically faced inflation rates from publishers for materials, which have frequently outstripped the CPI (Consumer Price Index) and annual budget increases (Lowry 2013, 2). This has meant that purchasing capacity has not been keeping up with price inflation. The largest inflationary factor comes from subscriptions to academic journals (serials), which are the most expensive purchases a library makes (Strieb and Blixrud 2013, 13). The cost of these items have been increasing significantly over the years: for example, from 1986-2005 serial expenditures for the member libraries of the Association of Research Libraries (ARL) in the United States increased by 302% (Strieb and Blixrud 2013, 13). In some years prices have increased by over 10%; however, it would appear that increases have settled at around 6% per annum, which is expected to continue into 2014 (Bosch and Henderson 2013).

**Australian pricing and library expenditure**

Unfortunately there is little data on the cost of access to academic journals in Australia. Shipp (2006, 38) notes that ‘between 1986 and 1998, the median cost of journals purchased by Australian university libraries rose by 226%’, whilst the CPI rose 57% for the same period – almost four times the rate of inflation. The experience has been similar in the United States where between 1986 and 2001 scholarly journal prices increased by 8.5% per year, while the CPI rose by 3.5% per year, ‘which means that journal prices jumped by 215 percent over the entire period, while the CPI rose by just 64 percent’ (Edwards and Shulenburger 2003, 11).

Figure 1 sets out total materials expenditure (non-serials plus serials subscriptions) by CAUL (Council of Australian Libraries) from 2003 to 2012. Note that CAUL also includes New Zealand institutions.
In 2003, CAUL libraries spent AUD175.8M on total materials (AUD49.6M non-
serials and AUD126.2M serials subscription), compared with AUD267.5M
(AUD79.8M non-serials and AUD187.7M serials subscriptions) in 2012. This
represents an annual increase of 4.8%, with non-serials and serials subs growing at
5.4% and 4.5% respectively. The impact of digital resources across the period can be
seen in the jump in e-resources expenditure, which increased annually at a rate of
14.7% from 2004 to 2012. In this time, libraries spent an average of AUD2.3M on e-
resources in 2004, compared with AUD5.5M in 2012, an annual growth rate of 12%.
For the same period, e-resources expenditure as a proportion of total materials
expenditure grew two-fold – from 37.2% in 2004, to a massive 77.4% in 2012.

A high proportion of materials expenditure for Australian research libraries is in
foreign currency. The value of the Australian dollar has fluctuated significantly
against selected currencies for the last ten years.

According to Burrows (2006, 171), while some of the price increases noted above are
attributable to variations in the value of the Australian dollar against foreign
currencies, ‘the major share undoubtedly comes from publishers’ price rises and their
strategies to maximise their share of library expenditure.’ Therefore, due to the
fluctuating strength of the Australian dollar, currency variation significantly
undermines purchasing power (Cleary 2009, 368).

The ‘big deal’

The primary strategy that publishers have employed in recent years is the ‘big deal’. This
term refers to ‘an aggregation, package, or bundle of online journals, often the
entire collection of a commercial publisher, licensed to libraries for a fixed period of
years, via a contract negotiated at a standardized price’ (Cleary 2009, 364). The
negotiated price is generally higher than a library’s previous individual subscriptions,
with most publishers pricing their bundles on the basis of the ‘prior print’ model. In
other words, the library is offered electronic access to all the titles in the bundle at a
price reflecting the library’s [prior] print subscriptions...plus a top-up fee for
electronic-only access to the non-subscribed titles (Ware and Mabe 2012, 18).

The issue with these ‘big deals’ is that by signing up to these bundles, libraries lose
the freedom to cancel individual titles for the length of the multi-year contract
(generally three years). It also obligates them to an inflationary fixed price model for
the package, which is often 7% for the life of the contract (Edwards and Shulenburger
This places an enormous burden on libraries and ‘creates challenges for budget management, for collection management, and for the marketplace of scholarly journals’ (Hahn 2006, 1). Additionally, because the bundle is priced according to past print purchasing patterns, cancellation restrictions effectively lock down the library’s expenditures for the duration of the contract, which effectively puts limits on funds to acquire new material (Hahn 2006, 1).

Whilst the ‘big deals’ are the most expensive purchases made from a library’s acquisitions budget, the advantages in terms of access to content are quite considerable. As a result, research libraries have been able to dramatically turn around the previous decline in the number of their journal subscriptions (Burrows 2006, 172). In 2004, CAUL libraries had an average of 43,782 current serial titles each, of which 33,143 (or 76%) were part of aggregations; in comparison, in 2012, libraries had an average of 87,810 current serial titles each, of which 62,829 (or 71%) were part of aggregations.

Whilst this would suggest that the ‘big deal’ is declining in terms of the number of aggregations, there has been an increase in the number of ebook subscriptions, from an average of 69,103 titles in 2009 (this is when data first becomes available), to 134,114 titles in 2012. This is a massive increase of 48%, or an annual increase of 25% for the period. Note that ebook subscriptions here also include patron-driven packages.

The problem for libraries is that ‘big deal’ contracts generally also carry non-disclosure clauses, and which inhibits the sharing of information between stakeholders (Strieb and Blixrud 2013). In the digital environment, publishers often include these conditions in their license agreements, which prevents libraries from revealing the prices they pay and the terms of use of the products they acquire from vendors (Farb 2006). This makes it difficult for libraries to negotiate or standardise terms to their own benefit, and more widely, it prevents libraries from obtaining comparable price information (Hahn 2006, 2). Licensing agreements also ‘often prohibit preservation, copying, archiving or perpetual access’ to materials bought through subscriptions and this concern goes back to the issue of stewardship, as licensing ‘does not assure that materials will be preserved and available for future use’ (Farb 2006).

Consortia

In an effort to improve purchasing power and contract conditions the ‘big deals’ have been increasingly negotiated on behalf of libraries by consortia (Phillips 2009, 91). CAUL’s key objective, according to its website, is ‘maximising the information resources available to researchers, and the facilitation of their access’ (http://caulweb01.anu.edu.au/about-caul). The concept of a consortium of libraries is not new, and the term ‘library consortium’ refers to ‘co-operation, co-ordination and collaboration between, and amongst, libraries for the purpose of sharing information resources’ (Nfila and Darko-Ampen 2002, 203). Beginning from the mid-to-late 1980s and expanding into the 1990s, new consortia developed ‘to leverage resources by sharing existing collections or resources through virtual union catalogues; to reduce the cost of member library operations by obtaining a group purchase price for
information products; and to bring pressure to bear on information providers, especially publishers, to reduce the rate of rise in the cost of purchasing information' (Nfila and Darko-Ampen 2002, 206).

Libraries that negotiate with publishers through consortia can leverage greater bargaining power because the contract terms are available to all members (Farb 2006). In doing so, they can take advantage of group purchases and license agreement negotiations (McKiel, Murdoch, and Dooley 2012, 315). Therefore, because consortia are able to negotiate on the behalf of their members, they are crucial in the maintenance of ‘big deals’ (Cleary 2009, 375). A high proportion of research libraries’ bundles, approximately 80%, are now acquired through consortia (Hahn 2006, 2).

Open access

The current business model of the ‘big deal’ is unsustainable in its current form (Van Orsdel and Born 2007). Whilst there is hope that an open access model will break the hegemony of publishers and put an end to predatory pricing practices, so far it has had little impact on the dominance of the large commercial publishers or publishing prices (Cleary 2009, 368). Open access here refers to content (mainly journals) that is ‘digital, online, free of charge, and free of most copyright and licensing restrictions’ (Lewis 2013, 164). Open access began in the early 1990s and has grown at a faster rate than the scholarly literature (Lewis 2013, 164). In December 2013, there were 1.6 million articles available in the Directory of Open Access Journals (DOAJ 2013).

There are different approaches to open access, which can be seen in the three models: gold, hybrid and green. In Gold OA, the final published paper is made available online immediately following publication and uses a business model where publication is paid for through author fees rather than through subscription access (Ware and Mabe 2012, 61). Publishers may also ensure that journals are archived in schemes like LOCKSS and Portico. These are community-supported digital archives that work with libraries, publishers and funders to preserve digital content to ensure material is preserved for future access. Libraries generally pay a fee: for example, Portico asks for an Annual Archive Support payment based on total library materials expenditure (Portico 2013).

Under the hybrid model, the journal offers the author the option to pay a fee to make their article open access in an otherwise subscription access journal (Ware and Mabe 2012, 62). The problem with this model is that publishers are double-dipping – they are receiving revenue from the publication fee, and also from the subscription.

In Green OA, the author’s article is made freely available and is generally deposited into an institutional or subject repository (Lewis 2013, 164). Institutional repositories are online databases ‘for collecting and preserving – in digital form – the intellectual output of an institution, particularly a research institution’ (Ware and Mabe 2012, 65). These have become particularly important due to compulsory mandates from public research organisations, which have made it a condition of funding that researchers deposit a copy of their accepted manuscripts into repositories. For example, in Australia, both the Australian Research Council (ARC) and the National Health and
Medical Research Council (NHMRC) make this a mandatory condition of their funding.

Discussion

Using responses from the interviewed participants, the following section provides a discussion of the main issues regarding the pressures, opportunities and costs facing research library acquisitions budgets in Australia.

**Purchasing power**

When asked ‘How significantly do exchange rate fluctuations in the Australian dollar affect your purchasing power?’, all respondents surveyed indicated that this issue is of high concern and very significant in the hierarchy of issues discussed in the questionnaire. One respondent noted that ‘60-70% of our purchases are in foreign currency’ and another reported that ‘approximately 80% of information resources purchased are published in the United States (60%), United Kingdom (10%) and Europe (10%).’

One respondent suggested, ‘if the exchange rate goes down, then we need to make savings to balance the budget.’ However, it was widely acknowledged that the exchange rates in the last two to three years have been favourable, but if the Australian dollar drops to 94 cents against the US dollar, then ‘we are in trouble, then we have to start making savings.’ (At the time of writing, 22 December 2013, the Australian dollar was 89.0 cents against the USD, 0.65 cents (Euro) and 0.55 cents (GBP) (XE 2013).) Another respondent felt that ‘Australian libraries have done extremely well in the last four years…because the [Australian] dollar has improved so much, we effectively got a 25% boost in expenditure.’ Another respondent said that at the moment the issue wasn’t a significant one, but cautioned that ‘if the dollar drops, it would be a very significant issue. We would lose hundreds of thousands of dollars, if not millions of dollars off our budget, and then we’d have to go into a cancellation process.’

Four of the seven participants reported that they made use of some sort of financial instrument to manage their exposure to currency risk. These included formal hedging instruments and purchasing foreign currency in advance.

**Publisher price inflation, policies and library reactions**

Respondents were asked, ‘Do you find that there are variations in pricing policies across different publishers?’ One respondent replied: ‘Oh yes, there are definitely different variations in pricing policies across different publishers. Some may have an across the board price increase; some may have pricing increases that are determined by usage, which may be in double-digit figures.’ They noted further that ‘one publisher wanted to increase by 30% and we just said no and cancelled the whole thing.’
Another respondent confirmed the difficulty with bundling, which was discussed above in the literature review: ‘The problem is that you can’t always say, I’ll take that bundle and not that bundle, because there are things in them which are really important titles that we can’t afford to do without.’ This respondent also commented on the predatory pricing of publishers, complaining that it is ‘all aimed to keep you and punish you if you reduce the number of titles. Effectively, what they are trying to do is preserve that revenue.’

As outlined in the literature review, publisher price inflation puts considerable pressure on library acquisitions budgets (Lowry 2013, 2). When asked ‘Is your acquisitions budget keeping up with publisher price inflation?’, all five respondents who were asked the question reported that their budgets were not keeping up, and the only thing ‘keeping it up is the exchange rate.’ One respondent noted:

It would be difficult to keep up with inflation. The library here has been historically well funded, but [in] the past couple of years, there has been a general tightening of the belt, so for example, for our materials budget next year we will be level-funded, which will be the first time ever we haven’t had an increase that is at least close to…CPI, but even that doesn’t keep pace with publisher price inflation.

Similarly, another respondent reported that ‘we do get some supplementation that is normally around CPI, which is only 1 or 2%, whereas a lot of publisher price increases have been worse … the worst one I think I saw was 23% or something like that.’

Libraries have been very active in responding to publisher price increases. Where publishers had increased prices, respondents reported that they had undertaken a range of measures, which included cancelling, asking for justifications, or in some cases refusing to pay and sourcing alternative sources where possible. One respondent, however, noted that they’ve ‘just worn it’. Another respondent pointed out the value of the CAUL relationship, noting that ‘We’ve tried through the consortium, and through negotiation strategies to try and reduce some [prices]. Particularly with the last couple of years we’ve made it quite clear and…CAUL have got some guidelines for things like that, we’ll only pay CPI.’

**Licensing and digital preservation challenges**

When asked ‘What are some of the challenges you face regarding licensing for digital collections?’, respondents reported two main issues: multi-site licensing, and digital rights management (DRM) for ebooks. Because the libraries are generally spread across multiple sites, the problem of defining ‘site’ is a factor in determining licensing. One respondent noted that it ‘was a huge issue when we went to electronic journals because publishers were saying that [because] we had print, we had a lot of duplicate subscriptions, and we were consolidating enterprise-wide, and … that was a loss of revenue for them.’
Respondents spoke at length regarding their concerns with DRM, and agreed that the plethora of different models was a challenge for them and confusing to their patrons. One respondent noted:

It’s just the great variation between the publishers … there is no standard. It’s very hard, some of them, particularly with ebooks, you can only have three people downloading at one time … That’s very hard on the quality of service to say ‘that book won’t expire, but that one will’, and [patrons] can’t tell that when [they] decide to use it. You hear horror stories of people who have got halfway through using it working on something or other, and it disappears and [they] can’t retrieve it.

Another respondent pointed out the challenges in managing the various licences:

Some of the licensing challenges are around the digital rights management issue in terms of access. It’s not strictly licensing, but it’s about access to it. I think [it’s] the complexity of the licenses; the fact that they are all different … so the more we go electronic there is more work with respect to managing licenses.

Whilst two respondents reported a small amount was being specifically allocated to digital preservation, most respondents said that they were not yet funding this area; however, it was still an important issue and formed part of their checklist when looking at licensing. Although initially confused by the question, ‘How important is digital preservation for your library?’, once it was explained that this was referring to content being available in perpetuity, respondents were able to discuss their concerns. All respondents mentioned the importance of initiatives such as LOCKSS and Portico.

Keeping up with the ‘big deal’

When respondents were asked to comment on the proportion of their library’s total number of electronic journal subscriptions that are acquired as part of a ‘big deal’, figures ranged from 70 to 95%. All respondents similarly reported that bundles were the most expensive purchases made from their acquisitions budget, and that the impost of these deals erodes their library’s ability to acquire new resources and formats, particularly ebooks and individual journal or database subscriptions. When asked, ‘Is the budget keeping up with average “big deal” expenditure?’, most reported in the negative. One respondent said: 'Previously the budget had been keeping up…but…this year and possibly moving forward in the next couple of years, not so much, so [we] will need to look at unbundling as an option.' Another respondent pointed out the disparity between publisher price inflation and their budget, noting that ‘the budget increase for 2014 is 2.89%, which is below the predicted increase in scholarly publishing of 4.5%.’

With regards to unbundling from the ‘big deals’, feedback from respondents was mixed. Some had attempted, and some hadn’t, and some said it was all too difficult. One of the issues discussed was the extra staff labour required in unbundling: 'If we unbundled, we would need a lot more staff because all the administrative stuff is taken out of the equation by moving to ‘big deals’ and those sorts of things.'
Where a respondent had previously unbundled, they also pointed out the additional workload, but also the effect the decision had on users: 'There was a significant increase in workload on technical services staff here, as well as a big backlash from users who no longer had access to the titles they might have [had] previously.'

The ‘prior print’ model was also of concern. When asked, ‘Are these deals defined by past purchasing patterns?’, one respondent said:

They are very much, because a lot of them are still based on the print [spend], because it’s about preservation of spend…for example, with most of the large multinational publishers, the big deals…[are] exactly based on what we had in print in 1999 and that is the basis for the pricing policies today, which is totally outrageous because it’s a nonsense. Some universities have been penalised because they had multiple copies – they had branch libraries in 1999 – and so if they had two copies of the same journal, now they are paying double.

**Barrier to entry for new journals**

The consequence of libraries having to outlay large sums to maintain their big deals is that it reduces their capacity to acquire new resources and formats. However, most of all it prevents them from being able to support journals from new entrants. This raises a significant barrier to entry for new journals that are not part of a big deal. In this regard, one respondent noted: 'We have multi-year agreements that we are obligated to pay, so the money that is left, you know, isn’t a lot, so being able to purchase new individual titles is quite difficult. We have to have a stronger case [to purchase them].'

For smaller universities that don’t have the same level of funding as the larger institutions, the impost of the big deal presents significant challenges. One respondent reflected:

One of the small universities, I remember them telling me earlier this year that they have had a lot of financial challenges and by the time they had renewed all their subscriptions, the only money they had left to buy was for textbooks. They weren’t able to buy any books because their budget was so challenged with everything else.

**The positives of big deals**

Respondents also acknowledged the positives of the ‘big deals’, which included the massive increase in access to content, with patrons able to view material anytime and anywhere. They also mentioned efficiencies of scale and the ease of dealing with the packages in terms of backend processing and making them accessible.

**The benefits of consortia**
All respondents interviewed were members of CAUL, with a wide range of between 10 to 80% of total budget spending accounted for by deals negotiated through consortia. As already suggested above, consortia membership provides advantages when it comes to dealing with publishers. As well as the benefits in leveraging bargaining power, which has generally had a positive impact on pricing, there are efficiencies in journal purchasing. For example, one respondent commented:

It’s largely the back office [skills] and the access to expertise, because as we said before … the terms of the conditions around access can vary from publisher to publisher … So, to pay our membership fee to the consortium, we believe that we get more [value] – if we had to put on extra staff to do all that for ourselves it would be expensive.

Another respondent expanded on the benefits of back office skills: 'the consortia is able to negotiate with publishers on behalf of members and also provide technical skills in the sense of being able to offer negotiators and people skilled in contracts and that sort of thing.'

**Open access opportunities**

All seven respondents reported that they had an institutional repository in place which meets the mandates set by the ARC and NHMRC. Interestingly, not much data was available in this area, with most respondents unable to talk about growth trends or other figures. This suggests that whilst open access journals are increasing in importance, they are not yet being tracked as a separate collection category. It was also widely accepted that open access was not being pursued as a strategy to manage the budget. This aside, respondents were able to talk about their views on the open access debate. Following are some of the responses to the question ‘Do you think open access will become the dominant mode of dissemination in the next decade?’:

I do, I think it is inevitable … [the preferred model] that’s the million dollar question … we’re actively encouraging a green model …we don’t pay any of the gold fees directly … but in terms of which model will end up predominant it’s … impossible to say right now.

Another respondent was unsure, pointing out the inherent difficulty of the tenure and promotion system, which encourages academics to publish in top-tier peer-reviewed journals:

The big thing working against it is scholarly reward … the whole [issue] that [you] gotta publish in the journal of high standing is what is standing in the way of open access. We will see it grow; we’ll definitely see it grow. Whether we see the green road … grow … or the gold road, or both… that’ll be interesting.

When asked for final comments regarding open access opportunities, one respondent was quite frank, suggesting that libraries need to show leadership in this area:

I feel that [in] the university library sector in Australia, we do have varying views about it, but in my view, open access is here, it’s growing … it’s not
going to go away. The research funding bodies are now funding it. Worldwide, we have open access developments. I think university librarians are going to miss the boat unless they start to show real leadership in this space.

‘Just because university librarians don’t think it’s a go-er [sic], that doesn’t mean to say it’s not a go-er … so, I think, if anything, it’s a bit of a poor reflection on our sector in the lack of engagement and support for it … Why I think that university libraries aren’t on board with open access, is, if you think about it, it presents a massive change for them … their business models are all based on subscriptions. Their whole way of … working … their big budgets and all that sort of stuff is on subscriptions. Turn it on its head and it’s open access, some people are frightened about that – it’s a big change. We have a great opportunity to provide leadership, but some people don’t see it that way.

**Demand-driven acquisition strategies**

Demand-driven acquisition models are increasingly being adopted by libraries as part of their acquisitions strategy. Those who have not yet taken up this opportunity are at least investigating it as an option for patrons. However, this type of strategy has the potential to blow the budget, so it requires close monitoring. One respondent said:

> We’ve done patron-driven acquisition for ebooks … and we’ve done that with EBL … and we’ve recently done a patron-driven acquisition model with the videos from Canopy. I think it’s very good in that we’re only buying what people want, but the challenge with it is that it can really blow your budget … we’ve had to monitor it … we have had to remove from view some of their titles by year, because the more that’s up there, the more that people can choose from, [so] the more we are spending. So, we’ve had to manage demand.

Similarly, another respondent commented:

> We’ve used demand-driven, I think for the past 18 months … initially we found slow take-up, but suddenly [there was] real acceleration, which we had to rein in a little bit. So we now would like to think we have it under control. My guess is that it's driving 50% of our [monograph] acquisitions.

Another respondent noted that they had been using these acquisition models for some time:

> Sure, [my university] has been doing, experimenting with demand-driven for three or four years now and we do allocate a fairly significant amount of money – an increasing amount each year [goes] towards demand-driven and it has been very successful … we’ve tried different models as they’ve become available from vendors, so don’t have one specific strategy moving forward, but we absolutely do adhere to the notion that more of our purchasing in the future should be based on demand.

**Conclusion**
This study sought to understand some of the pressures, opportunities and costs facing research library acquisitions budgets in Australia. A literature review formed the foundation for research and set the context for the questions that were developed into a questionnaire. Through semi-structured interviews, research participants were given the opportunity to discuss the issues facing their acquisitions budgets and the strategies they have employed to overcome their challenges. From the overall discussion, it can be seen that research library acquisitions budgets in Australia are under considerable pressure from continuous publisher price rises, variations in currency, and budgets which are declining, remaining stagnant, or only increasing for inflation.

As the main consumers and producers of scholarly information, research libraries and their host universities are critical to the ongoing success of publishers; however, these publishers have sought to continuously raise prices beyond the capacity of libraries to pay. With the Australian dollar forecast to decline for the near future, a serious challenge lies ahead for libraries as they struggle to balance their budgets, which have recently been protected by the high value of dollar.

As demand for electronic resources continues to increase, some libraries are making the most of the opportunities offered by demand-driven acquisitions models, but this strategy requires close monitoring of patron usage so that acquisition budgets are not accidentally over-extended. Whilst not being used specifically to manage the budget, open access may in the future provide opportunity to redress the imbalance in the system. For now it seems that library acquisitions budgets will remain under pressure for some time in the future. Given the limitations of this research paper, there is opportunity for further research into this topic, which would benefit from a greater sample size.

**Note**

1. This paper has been double-blind peer reviewed to meet the Department of Education’s HERDC requirements. The author thanks respondents for their willingness to participate. A special thanks also goes to Dr Mark Davis, University of Melbourne, for his supervision and guidance.

**References**


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