

## All Party Writers Group briefing paper – 11 December 2008

### **Public Lending Right: 30 years on... the need to adapt to a changing market**

#### **Summary**

Passed in 1979 the PLR Act gave authors the legal right to receive payment from public funds for the free lending out of their books by the nation's public libraries. The new system's rules of operation were set out in secondary legislation, the PLR Scheme, in 1982.

The Act was only achieved after decades of campaigning by authors and PLR now plays an essential role in supporting the country's creative economy. The PLR office collects loans data from a statistical sample of public libraries across the UK and makes payments to authors in line with how often their books have been borrowed.

In 2008 the PLR office distributed £6.6 million to 24,000 writers, translators, editors and photographers.

*'I'm only too aware how many living authors desperately depend on their PLR earnings.'*  
(Children's writer, Dame Jacqueline Wilson.)

PLR also provides welcome feedback for authors on the popularity of their books with public library users. The annual payment statement that goes out to every author is eagerly anticipated.

*'The arrival of my PLR printout is for me one of the great spurs towards fresh endeavour.'*  
(Children's writer and illustrator, Shirley Hughes, OBE..)

But the last 30 years have seen significant changes in PLR's market place. There are new models for public library services. Library users have changed too: borrowers seek alternative media to access the written word. There has been increased demand for audio books and now e-books are emerging.

In 2009, PLR's thirty-year old legislation is too inflexible and prescriptive to enable the PLR team to improve cost-effectiveness and to remunerate authors fairly in a fast changing market place.

PLR seeks to rebalance and modernise its primary and secondary legislation to enable it to be more flexible and responsive to the rapidly changing ways in which authors' works are accessible in libraries.

*'Public Lending Right is still the best thing to happen to authors since copyright!'*  
(Reply to PLR author questionnaire.)

## PLR then (1979) and now (2009)

***'PLR remains a magnificent concept, just great for morale and a welcome contribution to a writer's income.'***

*(Reply to PLR author survey.)*

### **1979 – the PLR Act**

The Act recognised the right of authors to receive payment from public funds for the free lending of their books from the nation's public libraries. The legislation prescribes that payment can only be made for loans of printed books, and only from public libraries

### **2009: new technology & the written word: from printed books to audio and e-books**

Over the last three decades, there has been an unprecedented explosion of media and forms of communication for the written word including audio books and most recently, with the development and availability of e-readers, e-books.

The legislation needs to be simplified to reflect the alternative media in which the written word is loaned from public libraries, and provide the potential for the scheme to be extended to allow PLR to be paid to writers for the loan of audio books and access to authors' work in e-book format.

### **2009: new models for library services**

The traditional public library model is changing. The old distinctions between different types of libraries are breaking down. Partnerships are being developed by local government authorities that bring together college and school libraries with public libraries to share facilities and buildings thus offering a more cost effective form of service that better reflects community needs.

The 1979 Act prescribes that the Registrar can only collect data from public libraries as defined in the 1964 Public Libraries Act. This needs to change to reflect the current library service models.

### **2009: costly to administer – PLR's secondary legislation**

The Scheme, PLR's secondary legislation, dictates how the Registrar manages PLR. The Registrar and his team have built a fine reputation for their cost-efficient administration. But further progress is hampered by the Scheme's extremely prescriptive rules of operation in areas such as the selection and rotation of PLR's statistical sample of library authorities. Much more flexibility is needed here to support the Registrar's efforts to make the sample more representative of book borrowing nationally, and therefore fairer to authors, while keeping costs down.

***'I have the highest regard for the way PLR is operated. Having first registered in 1985, PLR has become an old friend – something reassuringly constant in today's world.'***

*(Reply to PLR author survey.)*

What is needed?

***Look ahead - What's a "book" - What's a "borrowing" - What's a "Library"? Things (ever more rapidly) change - look to reward all forms of invention - and spread the rewards.***

**2009: PLR's response**

PLR seeks to respond to the changing ways in which literary works are accessed and the new models for library services that are emerging, to further reduce our administrative costs (currently around 10% of government funding) and to ensure that authors' remuneration reflects the actual use of the written word in 21<sup>st</sup> Century.

**2009: PLR proposes**

As a starting point the Act could be restricted to establishing the right to remuneration for use of authors' work regardless of format in libraries, leaving Ministers to define in the secondary legislation the types of authors, works and libraries to be included. Ministers would then be better placed to respond to developments in libraries and publishing by changing secondary rather than primary legislation.

**2009: the benefits of this approach**

This proposed rebalance between the primary and secondary legislation is aimed at:

- ensuring fairer remuneration for authors;
- reflecting best practice in sample size and regional representation;
- enabling the Scheme to be managed more cost-effectively;
- reflecting changes in the use of authors' work in libraries
- taking account of changes in the way the public library service operates
- enabling PLR to be more flexible in meeting the needs of a continually changing environment

Whilst ensuring that Ministerial and parliamentary control is safeguarded.

## **Background Notes on PLR**

### **The PLR Act – 1979**

The PLR Act was passed in 1979. It recognised for the first time the right of authors to receive payment from public funds for the free lending out of their books by public libraries. It was a great achievement after 30 years of campaigning by authors. The PLR Scheme got under way in 1982 and the first payments were made in 1984.

### **PLR – Primary & Secondary Legislation**

PLR's secondary legislation (the 1982 Scheme) dictates its rules of operation; it is prescriptive and burdensome to administer. Over the years different Ministers have agreed some changes to the secondary legislation by Statutory Instrument, but a fuller overhaul is now needed.

But, it is the primary legislation, the 1979 Act that restricts PLR to the loans of printed books from public libraries. This has proved far more difficult to change given the issue of finding parliamentary time for primary legislation. If Ministers can be persuaded of the case for modernisation, it is the Act that would need to change to enable PLR's remit to be extended to take account of the wide range of new formats in which authors' works are accessed and the changing definition of public libraries.

### **PLR funding & administration**

PLR is currently funded by the Department for Culture, Media and Sport. PLR's funding for 2008-09 stands at £7.4 million. The Scheme is run by the Registrar of Public Lending Right and a small dedicated team from offices in Stockton-on-Tees. The Registrar's primary aim is to keep administrative costs as low as possible to ensure the maximum payout to authors each year. He collects computerised loans data from a representative sample of public libraries across the UK. Payments are made annually in February on the basis of a Rate Per Loan. 24,000 authors received payments in 2008 at a Rate of 5.98 pence per loan.

### **PLR – what could be fairer?**

The Scheme has been fine-tuned over the years to make it fairer but the basic legal principle of payment for use has not changed, and rightly so. PLR in the UK remains exclusively the authors' right and payment is based on how often books are lent out.

Compare this with countries whose PLR systems permit publishers to share in the payments, or where payment is not based on book loans but on numbers of copies held by libraries. In the UK, also, we make no judgement on the 'worthiness' of a book for payment. Elsewhere, some categories of book do not qualify for payment, or committees of authors decide which of their fellows should benefit. In the UK if a book is borrowed from a public library it qualifies for payment.

Recent research provides evidence that a typical UK writer earns 30% less than the national average wage. PLR's own research demonstrates that for authors, their PLR payment forms a core part of their income upon which even the most-borrowed authors now rely