

Public Lending Right: Situation in New Zealand and Australia

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NEW ZEALAND AND AUSTRALIA are the only countries in the South Pacific region to have introduced public lending right (PLR) in 1973 and 1974, respectively. Other countries in the region, including the ASEAN nations (Malaysia, Singapore, Indonesia, Thailand, and the Philippines), have no plans to implement PLR for a variety of reasons: the very small number of authors, lack of pressure from organized writers' associations, and the existence of other forms of supporting literature, e.g., grants and tax exemptions on royalties.¹

New Zealand and Australia are geographically relatively close, and PLR was introduced about the same time in the two countries, but in fact there was no cooperation between interested parties. The Australian Society of Authors (ASA) archive contains correspondence between the United Kingdom Society of Authors and ASA but not between the New Zealand Centre of PEN and ASA, even though ASA has a number of New Zealand writers as members. Both countries introduced PLR independently of each other and, as the two systems are dissimilar, the countries will be treated separately.

New Zealand

The 3.1 million inhabitants of New Zealand (which saw the first group of immigrants under a definite scheme of colonialization only in 1840), live on two main islands approximately the size of the United

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Kingdom and 1600 kilometers east of Australia. The largest section of the population (2.7 million) are of European origin; 330,000 are either Maoris or Pacific Island Polynesians; and only 33,000 of Asian or Indian origin. About 2.6 million live in urban areas, thus giving a high population density in these areas—a figure accentuated by a noticeable rural-urban drift.² The latest figures available in the *Official Yearbook 1979* show that New Zealand (in 1974) had 191 public library systems covering 268 libraries, with a bookstock of 4.6 million, and 21.8 million circulations to 1.03 million borrowers.³

PLR

The first New Zealander to mention the principle of PLR appears to be John Alexander Lee, who in 1938 wrote: "The books [i.e., in the libraries] are cheap or free at the writer's expense, not at the community's."⁴ With direct reference to New Zealand he said: "One of these days private and municipal libraries will be compelled to credit the scribbler with a few modest pence every time his book circulates....The pimp is compelled to yield a proportion even to the prostitute."⁵

Between 1938 and 1966, as far as is ascertainable, the literature does not reveal any agitation for the introduction of PLR in New Zealand. In 1966, the author John Pascoe described the PLR system in Denmark and urged that a petition should be presented asking for the adoption in New Zealand of a similar system.⁶ The news about the PLR discussions in the United Kingdom were the basis for a paper by the city librarian of Wellington, Stuart Perry, who in 1968 described PLR in detail, thus being the first New Zealand librarian to deal seriously with the issue. He stated: "Whatever is done ought to be the subject of discussions among the New Zealand Library Association, the PEN (New Zealand Centre), and representatives of book trade interests."⁷

At the New Zealand Library Association (NZLA) conference in 1968, Perry gave the librarian's view on PLR, and John Pascoe put forward the writer's point of view. Perry moved that the NZLA council discuss PLR and other matters of mutual concern with writers', booksellers' and publishers' organizations. The motion was carried only after an amendment to the effect that the NZLA council *might* participate in such discussions under certain conditions.⁸ A discussion was held in 1970 between NZLA and PEN during which NZLA was asked to conduct a survey in order to establish holdings of New Zealand authors. NZLA declined but supplied PEN with names of representative libraries "without prejudice to its position on this matter."⁹

PEN commissioned the McNair Survey Pty. Ltd. in 1971 to carry out a survey of established New Zealand authors' earnings. It showed

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that the average gross earnings from royalties for a medium group of authors was NZ\$1.92* per week.¹⁰ A policy statement from the NZLA council agreed that authors were poorly paid but asserted that support for New Zealand writers "from public funds should be determined by value to the community, not by popularity, and that it can only be met by the central government, not by local authorities."¹¹ The Association, supported by PEN, objected to attempts to let public libraries collect the relevant fees or to let library authorities pay any fees.

A feasibility study carried out by PEN in cooperation with NZLA sought to ascertain whether it would be possible (using established survey methods) to make a reliable calculation of authors' stocks in metropolitan, leading provincial, country, school, and university libraries. Ian Cross, chairman of PEN's PLR Committee, stated in a submission of March 23, 1972, to the minister of Internal Affairs that "the exercise indicated clearly that an annual sample of authors' library stocks could be calculated with surprising ease, and that the findings of the sample would be reliable."¹² NZLA and PEN jointly asked for a committee to inquire into improving the financial position of New Zealand authors, and an interdepartmental committee was set up to report to the government on the desirability and practicality of introducing a PLR system.¹³ The participating authorities were the departments of Internal Affairs, Education (including a representative of the National Library), Treasury, and Justice.¹⁴ The minister of Internal Affairs, D.A. Highet, opposed any involvement of government funds, whereas the leader of the opposition, Norman Kirk, in April 1972 pledged Labour Party support for a government-funded PLR.¹⁵ The election in November 1972 resulted in a change of government and a subsequent change in the mandate of the interdepartmental PLR Committee, which now was to "consider practicable ways of implementing the government's announced intention of giving assistance to authors."¹⁶ Though sympathetic to the PLR idea, the government nevertheless did not want to introduce a scheme as a *right*. The New Zealand scheme, therefore, "is not a 'right' in the full sense but is a fund for N.Z. writers, the payments from which are calculated on the basis of such a right, i.e., compensation for loss or royalties from books held in libraries."¹⁷ There are no links with library or copyright legislation, and the fund provides only for authors who are citizens or residents of New Zealand.

The first census of library stocks was carried out in a sample consisting of the seven university libraries, all public libraries with

*The New Zealand dollar exchanged for approximately US\$0.94 in March 1981.

more than 100,000 books, the Country Library Service and the School Library Service, two training college libraries, four of the twenty-three public libraries with between 20,000 and 100,000 books, and four of the twenty-seven with between 10,000 and 20,000 books.¹⁸ The Department of Internal Affairs has administered the scheme since its inception in 1973. It is kept under constant review by an advisory committee which also acts as an appeal tribunal in case of disputes. The committee has an independent chairman, two nominees of PEN, a nominee each from the Literary Fund Advisory Committee and NZLA, a representative of the Department of Internal Affairs and another from the National Library.

The rules relating to qualified authors and qualified works are few, and apart from minor changes are still the same as in 1973.¹⁹ The New Zealand Authors' Fund calls for applications for payment each year, and those applying for the PLR payment for the first time pay an initial fee of NZ\$5. Authors must reapply every year. In order to qualify for PLR payment, an author has to be either: (1) a New Zealand citizen residing in New Zealand at the date of application or, if not resident, having lived outside New Zealand for not more than three years immediately before that date; or (2) a noncitizen residing in New Zealand continuously for at least two years before the date of application. No payment is made where more than two authors are responsible for the intellectual and/or artistic content of a work.

The major conditions for qualified works are that they must: (1) be at least forty-eight pages of prose, ninety-six pages of photographs and/or art reproductions, or twenty-four pages of verse or drama; (2) have been listed in the *New Zealand National Bibliography*; and (3) be a work of which at least fifty copies are held in the scheduled libraries according to calculations based on sampling procedures. Children's storybooks containing a combination of text and illustrations and with at least twenty-four pages may be eligible for a percentage payment at the discretion of the Advisory Committee (usually 15 percent for author and 15 percent for illustrator). This last regulation was introduced in 1975. Translators qualify for payment if their translations are made with the consent of the owners of the copyright in the works or their authorized agents. The major exemptions are textbooks used in, or designed for, use in primary and secondary schools, anthologies, serials, collections of maps, etc., and works with Crown copyright.²⁰ Unlike the Australian scheme, the New Zealand scheme does not include any payments to publishers.

The first payment in 1973 was NZ\$1.30 per copy from the total PLR allocation of NZ\$140,000. In 1979 the amount paid per copy had fallen

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to NZ\$1.13 despite an increase in the allocation to NZ\$200,000, the reason being that the number of authors receiving PLR payment had risen from 354 in 1973²¹ to 699 in 1979.²²

A test check was carried out in 1975 to determine the accuracy of the 1973 survey and of the random sampling procedures being used. Both showed a high degree of reliability and in 1979 a new holdings survey was planned for August/September 1980.²³

The calculations of payments to authors is very simple: the costs of the census and the expenses of the committee are deducted from the annual grants and the remainder is divided by the number of qualifying copies. The result is a flat rate of payment per copy.

An important aspect of the introduction of PLR in New Zealand was the close cooperation of PEN and NZLA, in contrast to the situations in the United Kingdom and in Australia. The past president of NZLA was able to report that: "The discussions which led to the establishment of the Authors' Fund were conducted in an unusual spirit of amity and fairmindedness.... Librarians were anxious to avoid the stance of non co-operation which had been evident in Australia and Great Britain. The biggest contribution came from authors, Ian Cross in particular."²⁴ Cross, president of PEN, in his turn is reported to have said to the PEN annual general meeting on June 15, 1973, that: "A significant difference here in New Zealand which has given us what we wanted has been the attitude of the Library Association. It has been enlightened, helpful and unselfish. Where librarians differed with us, they did so directly. But points of disagreement were always explored with the object of finding common ground."²⁵

Very little has been written about the possible effects of PLR in New Zealand. Aileen Claridge of the National Library of New Zealand has stated in a letter to the author that "the PLR scheme is having no discernible effect on New Zealand libraries."²⁶

Australia

Australia has an area of 7.7 million square kilometers and a population of 14.1 million, including 160,000 Aborigines (1977 estimate); 70 percent live in towns with more than 100,000 inhabitants.²⁷ Of these, 80 percent are Australian born, 10 percent were born in other English-speaking countries and 10 percent in non-English speaking countries.²⁸

There is no federal funding of public libraries in Australia, apart from the Canberra Public Library system, and no federal legislation; the different states have different ways of funding their library services, and

the published statistics differ in scope from state to state. Figures gathered during the inquiry into Public Libraries show that, in 1975, 2.9 million registered borrowers borrowed 60.3 million volumes from a total bookstock of 13.88 million volumes in 771 library systems maintained by local government authorities.²⁹

PLR

The first record of an interest in PLR in Australia is 1957, when the chairman of the Commonwealth Literary Fund, A. Grenfell Price, recommended the introduction of the Swedish PLR scheme to the prime minister. His proposal was rejected, and the idea appears to have lapsed for a number of years.³⁰ It was revived in 1966, when the author John Kiddell suggested an amendment to the Copyright Act to permit the payment of lending royalties to authors, publishers and libraries.³¹ The proposed payment was to come from fees paid by the users. Kiddell's suggestion was rejected by the Management Committee of ASA.

The travel writer Colin Simpson in 1967 became the ASA spokesman on PLR and he became the driving force behind the ASA's efforts to introduce PLR into Australia. In November 1967, ASA sought the opinion of H.H. Glass of the Queen's Council on the possible incorporation of PLR into the Copyright Act, and asked for a suggested amendment to the act should this be possible.³² The opinion given by Glass on November 30, 1967, was positive³³ and ASA, together with the Australian Book Publishers' Association (ABPA), which met half the legal costs involved, drew up a submission for PLR. The main points in this first submission were: (1) that in recognizing the public importance and value of libraries, ASA would not ask for any scheme of compensation that would hinder libraries' operations; (2) that the PLR should be acknowledged as an author's right; (3) that there was a very considerable, though hardly measurable, loss of sales through library lending; (4) that publishers too should have compensation; (5) that the system of free libraries existed at the expense of authors and publishers; and (6) that PLR should be legally recognized in copyright legislation.³⁴

To forestall the resistance from libraries and library organizations which had been encountered in England, Colin Simpson wrote a lengthy article in the *Australian Library Journal* setting out the points mentioned in the submission to the attorney general and stressing the ASA's opinion that borrowers should not pay anything. Simpson concluded by stating:

We do not want to subtract one cent for ourselves from the moneys governments are prepared to grant for library-establishment subsidy

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and book purchase. It will be in our interest as well as yours that libraries get more funds, much more—once we are recompensed. Then, if governments and local authorities have to be hammered and shamed into granting you what should be granted, we shall do our part in hammering and shaming them.³⁵

A meeting was held between the attorney general and ASA and its legal advisers on March 15, 1968. The attorney general suggested that a small committee of inquiry be set up. In a subsequent letter to him dated March 18, 1968, ASA made a proposal as to whom the members should be.

The attorney general apparently then changed his mind and formulated a scheme which was sent to the federal cabinet, but rejected. ASA could not obtain any information about the content of the scheme, and the rejection seemed to be a disappointment to the attorney general.³⁶ In another letter to ASA the attorney general refused to offer an opinion on the possible inclusion of PLR in the copyright legislation. He expressed concern about possible implications if PLR was included and suggested that ASA put forward the scheme in another form.³⁷

In order to appraise the financial situation of authors, in 1969 ASA asked the McNair Company to conduct a survey of the earnings of writers and authors in Australia. The survey concluded that the average remuneration from writing for a full-time author was about one dollar per hour.³⁸ After the federal election in 1969, ASA approached the new attorney general, T.E.F. Hughes, in November and appealed to him to establish PLR within the Copyright Act of 1968, or, if this proved impracticable, to advise the ASA on what the government would be prepared to do. In this new approach ASA recommended the Danish scheme, based on bookstocks. ASA received some unexpected support in a letter from the Fisher Library Officers' Association (University of Sydney), which approved of PLR as it operated in the Scandinavian countries and called upon the Library Association of Australia (LAA) to make a statement in support of the authors.³⁹

In January 1970, Colin Simpson, on behalf of the Management Committee of ASA, wrote to the prime minister, J.G. Gorton, asking for a committee to "examine the economically-underprivileged position of Australian authors, and to consider whether, and at what cost to Commonwealth Funds, this situation can be remedied."⁴⁰ Simpson's letter also contained the ASA proposal, which was later discussed by the Committee and Advisory Board of the Commonwealth Literary Fund.⁴¹ The Advisory Board asked for a new submission on "which to base a recommendation to the Prime Minister for the implementation of Public Lending Right."⁴² ASA's submission stated that recompense for loss

of sales and for community use of authors' creative works should be paid to Australian publishers and authors based on stock counts in selected public lending libraries, and that the amount be not less than twenty-five cents per copy. ASA suggested the establishment of a committee to recommend fees, the division of the fees between authors and publishers, and the method of fund distribution; the committee was supposed to have representatives from the federal government, Commonwealth Literary Fund, ASA, ABPA and LAA.⁴³

It appears that a report by the Commonwealth Literary Fund finished in August 1970 was given to a parliamentary committee consisting of Snedden, Whitlam and Lucock, and later to an interdepartmental committee which was to make a recommendation to the government.⁴⁴ In October 1970, the Management Committee of ASA discussed how public attention could be drawn to the PLR case, and at a general meeting on October 26, 1970, ASA passed the following resolution: "That we write to the ABPA asking it to consider, in conjunction with its authors, withholding such books as authors asked to be withheld from sale to libraries until such time as PLR is granted."⁴⁵ In accordance with this resolution, Angus & Robertson, in a letter of April 30, 1971, to all booksellers and library organizations, stated that they, in cooperation with Colin Simpson, would withhold his new book *The New Australia* from the library suppliers.⁴⁶

It was suggested to the Management Committee that authors and their families, as library members, should borrow their books from public lending libraries and retain and renew them for as long as possible. An advertisement was made ready for insertion in the July 17, 1971, *Australian* (and a draft indicates that the costs would be met by Angus & Robertson). The advertisement had to await an answer from Prime Minister McMahon to a letter dated June 21, 1971, from ASA. Very forcefully, Colin Simpson again set out the case for PLR, clearly showing his frustration and asking for an answer by July 15 to the plea that authors should have economic justice.⁴⁷ The withdrawing of books was averted when a letter of July 13, 1971, from McMahon suggested a further meeting with the attorney general, to which ASA agreed.⁴⁸

When Whitlam received a copy of an ASA letter of November 3, 1970, to the prime minister concerning the delays in establishing PLR, he placed the following question on the notice paper for the attorney general when Parliament resumed on February 16, 1971: "Has he given consideration to appointing a committee to advise on legislation with respect to public lending rights as a former attorney-general did with respect to copyrights?"⁴⁹ No answer was received, and when a new

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attorney general was appointed, the question was answered thus: "Because of the more limited nature of the subject I do not propose to appoint a committee as in the case of the copyright law. The matter is being given attention by my Department and other interested Departments."⁵⁰

A new submission by ASA and ABPA in August 1971 was entitled "The Case for the PLR with Proposals as to its Implementation." The principles in this submission were "that authors and publishers have a right to be recompensed when their books are publicly used by being lent from libraries" and that "a situation of injustice exists and should be corrected."⁵¹ The submission defined "Australian authors" and "Australian publishers," compared PLR with "performing right," and described the Danish and Swedish systems and the suggested British system of 1968. ASA and ABPA still considered incorporation of PLR in the copyright legislation as "the most desirable form of recognition of this right."⁵²

ASA asked in the submission for a system based on the Danish scheme, with certain changes. Translators should qualify, though only for one-half of the normal entitlement, and public libraries were taken to include libraries in colleges and universities. The society again stressed that libraries should not "bear the cost, directly or indirectly through any scheme that charges the cost of authors' and publishers' PLR recompense on library purchases."⁵³

PLR is, of course, of interest to librarians and their associations, and in 1971 LAA started participating in the discussions. The role of LAA is difficult to ascertain from primary material. The PLR file in the LAA office in April 1978 contained only the Australia Council's 1977 pamphlet on PLR. It was not possible to retrieve any of the correspondence, the existence of which is revealed through notes and articles in the *Australian Library Journal* and through an interview with Colin Simpson.⁵⁴

An LAA committee on PLR reported to the General Council on August 22, 1971, its findings and recommendations based on Colin Simpson's articles on PLR in *Australian Library Journal* and *Australian Author*. The majority agreed in principle with "the right of Australian authors to be compensated for the use of their books in libraries through financial encouragement from the Government but doubts that a 'PLR' would achieve the objectives propounded by the ASA and would prefer a thorough investigation of the roles of the Commonwealth Literary Fund and the Arts Council of Australia in this field."⁵⁵ The subcommittee recommended:

1) that the Sub-Committee be authorized to have discussions with the ASA to clarify their claims, it being clearly understood that the LAA has no opinion on the matter at this stage, and 2) that the Sub-Committee be authorized to seek interviews with the Attorney-General and the Minister for Environment, Aborigines and the Arts to determine present Government policies on this matter and to outline some of the complicating factors in the claims expressed by the ASA.⁵⁶

As far as can be determined from the printed sources and the files in ASA, the meeting authorized in the first recommendation took place only on April 21, 1972.⁵⁷ In the period between July 22 and August 22, 1971 (the date of the General Council meeting in Sydney), LAA, however, reached an opinion on PLR, as published in the October 1971 *Australian Library Journal*, where the president of LAA, R.C. Sherman, in a presidential address, quoted a resolution which had been carried at the General Council of the LAA concerning the relation between the authors' claim for PLR and the role of the Commonwealth Literary Fund: "This Association strongly urges that the Commonwealth Government should increase substantially the funds available to the Commonwealth Literary Fund as the best means of assisting authors to write books needed by the readers of Australia."⁵⁸

It should be noted that the presidential address does not mention the most important resolution concerning PLR carried on the same day. Resolution no. 84/71 stated in section 1 "that the LAA rejects the claim that a right, either moral or legal, exists whereby an author should be paid in respect of the loan of one of his books by a person or body which has purchased it."⁵⁹ This resolution was published in the same issue of *Australian Library Journal*.⁶⁰

ASA and ABPA had a meeting with the attorney general, Ivor Greenwood, who expressed a willingness to put a PLR scheme before the cabinet, provided a reasonable method could be devised. In order to estimate the costs, ABPA asked its members to supply lists of books which, by the publishers' judgment, would qualify (i.e., fifty copies held in lending libraries). A list comprising about 3000 titles was sent to the attorney general's department in April 1972. The department had arranged for the Commonwealth Bureau of Census and Statistics to conduct a library sampling using the ABPA list. This sampling, however, was never finished owing to the change of government.

The first responsible commitment to introducing PLR was made by the then leader of the Opposition, Gough Whitlam, at a function for the Australian Writers' Guild on June 14, 1972. Whitlam stated that the Australian Labor Party committed itself as a matter of policy to introduce PLR. If Labor was elected, Whitlam would set up a committee to

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make recommendations within six months on how to implement a federally funded PLR scheme.⁶¹ After Labor's assumption of office in 1972, ASA submitted a brief recapitulation of the society's earlier proposals covering: recognition of the PLR, compensation to Australian authors and publishers, application of the Danish scheme, annual payment from government funds, and establishment of an "Australian Authors' and Publishers' Recompense Fund." The submission again stressed that: "This Society has the highest regard for library services, fully recognizes their value to the community, and is concerned that these be not diminished in any way....We hope the LAA will show itself as co-operative as its New Zealand counterpart promises to be."⁶²

The prime minister, Gough Whitlam, directed the Australian Council for the Arts to report on means of implementing a scheme for PLR, and at its meeting on March 1-2, 1973, the literature board appointed a committee of inquiry to report on the matter. The first members were all members of the literature board. The next meeting of the literature board resolved that the PLR committee include representatives of LAA, ABPA and ASA. The attorney general's department and the Bureau of Census and Statistics were asked to send observers to the meetings of the committee, now named the Public Lending Right Committee.

However, before the first meeting of the full PLR Committee on May 1, 1973, LAA sent a letter to all municipalities with public libraries. The letter was signed by the general secretary of LAA, Allan Horton, and not, as perhaps might have been expected, by the president. The basic statement in the letter was that "there appears to me to be a danger that libraries will be faced with a large increase in book prices to finance payments to authors."⁶³

The letter was accompanied by an LAA document of December 15, 1972, also signed by Horton, setting out the views of the LAA. The letter and the enclosed document were obviously designed to create an anti-PLR movement, and the general secretary asked to be sent copies of any letters that anti-PLR lobbyists might send to their members of Parliament. It is difficult to understand why LAA took this step, since it was evident that libraries would not have to pay for PLR, either directly or indirectly. The warning that local authorities might face increased book prices was based on facts valid only for Britain, where such a scheme *had* been proposed. The letter seems to be from Horton—"there appears to *me*" (my italics)--rather than from LAA; this assumption is perhaps supported by the fact that LAA does not have a copy of the letter or the document in their files.⁶⁴ The circulation of the LAA letter had no

influence on the introduction of PLR, and the minutes of the PLR Committee reveal no discussion of the LAA initiative. A number of issues were debated during the PLR Committee meetings, such as definitions of Australian publishers and authors, time span for PLR payments, selection of libraries and samples, and number of pages necessary in a volume in order to qualify for PLR payment.⁶⁵

A librarian was employed to identify public lending libraries which would constitute a reasonable sample from which extrapolation could be made in order to establish the number of eligible books held in public lending libraries. On April 18, 1974, the PLR Committee reported to the literature board, and presented a draft of their final report on PLR. An extraordinary addition was made by the board, which recommended that poetry be paid at A\$1* per volume, i.e., double the amount recommended for the scheme. The literature board approved the report, which was sent to the Australian Council for the Arts with the recommendation that a payment of fifty cents per volume be made to authors and twelve and one-half cents per volume to publishers.⁶⁶ The ASA was concerned about the decision of the literature board to compensate poets at a different rate, and wrote to the chairman, Geoffrey Blainey, asking him to preserve the principle of PLR as a straight commercial compensation for the presence of books on library shelves.⁶⁷

The prime minister, Gough Whitlam, announced the introduction of PLR on May 13, 1974. The PLR scheme would not need legislation and would apply retroactively to April 1, 1974, with writers paid fifty cents and publishers twelve and one-half cents for each copy of their books in Australian lending libraries.⁶⁸ Since a new federal election was scheduled for May 18, 1974, ASA sought and obtained assurance from the Opposition spokesman for the arts, Condor Laucke, that "our coalition government will continue the public lending right payments and continue the present literary fellowship scheme."⁶⁹ At a meeting on the same day, the literature board advocated that poetry be paid a higher rate than other books.⁷⁰ Discussions with the executive officer of the Public Library Division, Library Council of Victoria, Barrett Reid, revealed that this suggestion was not carried through,⁷¹ and no official decision can be found in the sources available to me.

The PLR fund was to be administered by the Australian Authors' Fund Committee, whose members, appointed by the prime minister, were to be responsible to the prime minister's department. The chairman was independent, and the other members were: a nominee of the

*The Australian dollar exchanged for approximately US\$1.19 in March 1981.

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literature board, a representative of the interests of authors, a representative of the interest of publishers, a representative of the interests of libraries, an officer of the department of the attorney general, and an officer of the Treasury.

This committee was established after the federal election when Whitlam again was prime minister and, in order to keep the promise that payments were to be retroactive to April 1, 1974, the Australian Authors' Fund Committee decided to use the lists compiled by the ABPA and the writers' organizations. Since these lists were samples only, some omissions, anomalies and errors were found, but the organizations involved accepted these as a reasonable compromise in order to get the scheme into operation. By November 1974, about 2000 authors had received PLR payments amounting to A\$390,000 and about 75 publishers received payments amounting to A\$97,000. For the fiscal year 1975/76, payments were to be made on the basis of applications from all claimants. The sample of libraries were widened on the advice of the Bureau of Statistics and the National Library, which was now represented on the Australian Authors' Fund Committee. It must be noted that libraries were fully paid for all the costs involved and that library cooperation was entirely voluntary. In order to maintain maximum cooperation from public libraries, and in order to keep the administrative costs of the scheme as low as possible, it was decided that a full range of titles would be counted in 1975 only, with surveys in the following years being restricted to one-third of the main file alone plus new titles for which claims were lodged for the first time. Titles first published in the preceding year would be counted for two consecutive years and would then be transferred to the triennial cycle. In September 1975, Whitlam promised to introduce a bill for a PLR act into Parliament in order to secure the future of the scheme. Officers of the attorney general's department had advised that "there could be difficulties for the administering authority in the absence of legislation and that, even if the scheme was not covered by legislation initially, it would be desirable to introduce legislation at an early date."⁷² The bill was drafted and tabled for November 11, 1975; but on that day Whitlam was dismissed by the governor general. The new coalition government set up an Administrative Review Committee which was to deal with different aspects of the Australia Council. This committee accepted a recommendation from its chairman, Sir Henry Bland, that PLR become a responsibility of the Australia Council. ASA was gravely concerned about the government's attitude and tried to keep the Australian Authors' Fund Committee as it was, but on December 10, 1976, the Australia Council resolved to

appoint a committee under section 17A of the Australia Council Act 1975 as amended by Act. no. 113 of 1976. The PLR Committee, as it was named, was chaired by an officer of the Australia Council staff, the other members being the members of the defunct Australian Authors' Fund Committee.⁷³ The PLR Committee had the responsibility of advising the Australia Council on the administration of the PLR scheme generally⁷⁴ and to prepare a gazette notice outlining the principles on which PLR would be organized. This notice was almost identical with the Charter, Definitions and Procedures of the Australian Authors' Fund Committee as published in the January 1975 *Australian Author*.⁷⁵ Discussions and decisions in the PLR Committee had influenced the gazette notice, which was forwarded to the Australia Council for approval on September 27, 1978. It is expected that the minister of state for home affairs, R.J. Ellicott, will gazette the notice in the near future, thus establishing PLR on a legal basis.⁷⁶

PLR Machinery in Australia

The machinery by which PLR operates in Australia is set out in the PLR Charter and Definitions, which are designed to establish how eligibility for PLR is converted into monetary entitlement.⁷⁷ A number of definitions are given for books, authors, editors, illustrators, translators, and publishers, and for claimants for deceased authors' PLR. A number of cases are mentioned which do not yield PLR, such as books with more than three creators (authors, coauthors, illustrators, editors, and translators), or where the authorship is by an association, an institution or another corporate body; publications where copyright is vested in the Crown; encyclopedias and dictionaries with a number of authors; and magazines and serials. Eligible books are created by eligible authors; each book must contain at least forty-eight printed pages, except children's books and works of poetry or drama, where only twenty-four printed pages are required. Books published in more than one volume yield PLR for each volume.

The Australian scheme provides PLR for Australian citizens and for non-Australians as long as they are residing in Australia. PLR payments are made until the death of the author or until a period of fifty years after the first publication has expired, whichever date is the later. Editors are eligible to share in PLR if they are named on the title page of the book or in the *Australian National Bibliography* and if they have chosen the text from one or more authors' writings.

Normally up to three creators can share PLR funds equally. Illustrators can obtain funds only where they have been party to contracts

and have not received an outright payment for the illustrations provided for the book. When an author dies, the following categories of persons will be eligible for PLR: surviving spouse, all first-generation children, and (eventually) a companion. *Spouse* is defined as: "widow or widower, or any person who lived with the deceased author as husband or wife on a permanent basis although not legally married to the author and who was so living immediately before that author's death." If a spouse has applied and been ruled eligible for PLR funds, the children cannot be eligible.

Publishers are eligible with regard to books by Australian authors if, *in the opinion of the PLR Committee*, they regularly carry on publishing in Australia. In order to make this decision, the PLR Committee will examine a number of functions such as the place "1) Where the contracts for books have been made, 2) Where the editing of the books has taken place, 3) Where books were designed, 4) Where production and printing were supervised, 5) Where marketing of the book and general publishing administration took place."⁷⁸

For each title, claims for PLR money must be lodged by creators, publishers, and claimants for deceased authors. The claims are checked against the Australian MARC records, and if the title is eligible, it is given a control number which, together with the name and address of the claimant, is fed into the master computer claimant file. Each eligible book is allocated a control number—where possible, the ISBN—and this number is added to the master computer book file. The two master files contain cross references between books and claims. A checklist of eligible books is produced with authors' surnames and titles of edited works in alphabetical order. The following information is given for each title: author, title, subtitle, coauthor(s), editor(s), illustrator(s), translator, publisher, place and year of publication, and control number. The checklist is sent to the libraries which participate in the stock-taking for the year.

The Australian method of stock-taking employs a refined statistical sampling of public libraries, with certain exemptions. The collections in Western Australia, South Australia, Australian Capital Territory, and Tasmania are all recorded in central shelflists and, together with the Australian collection in Mosman, New South Wales, and the collections in a small number of other libraries, are counted every year. For Victoria, Queensland and New South Wales, a number of libraries are selected at random from twenty-two different strata, such as metropolitan libraries with bookstocks in the ranges of 0-100,000 and 100,000+; and extra metropolitan libraries with bookstocks in the ranges of 0-

10,000, 10,000+; 0-20,000, 20,000+; and 0-40,000, 40,000+.⁷⁹ The frequency with which the libraries occur in the annual sampling varies with some libraries being asked to participate every year, and others only four times in thirty-five years. However, since it is a random sampling, a library in the latter group could, in theory, be asked to participate in four consecutive years. The probability of being asked to participate in two consecutive years is remote, though.

When the libraries have recorded the number of copies held, the lists are returned, the number of copies are keypunched into the master computer book file, and an estimate of the total number of copies of each title held in all Australian libraries is extrapolated. The accuracy of the completed estimates varies but is usually better than ± 9.5 percent. Thus, an author paid for 3000 volumes might well have between 2715 and 3285 volumes.

If the number for a title is fifty or more, a claimant advice is produced stating the number of copies, percentage of entitlement (two coauthors will receive 50 percent each), value of each title, and total amount payable. If a title is not eligible for payment (i.e., fewer than fifty copies held), it is nevertheless kept on the file, and will be considered for PLR entitlement until three years after the year of publication. If a claimant wants to reclaim after this period, he can do so for a fee of five dollars per title. The PLR payment has not been changed since the introduction of the scheme in 1974. The author receives fifty cents per copy and the publisher twelve and one-half cents. All payments are taxable, and as stated in an editorial: "The tremendous gain in achieving PLR...is slowly being whittled away by inflation: PLR payments remain stuck in their 1974 groove."⁸⁰

Colin Simpson tried to raise the rate for 1977, but the Treasury blocked the move.⁸¹ A new attempt in February 1978 was made in vain, though Minister for Home Affairs R.J. Ellicot promised to discuss with the prime minister and the minister for finance "an increase in rates for the 78-79 financial year."⁸² A "Draft Report on the Publishing Industry" published in November 1978 by the Industries Assistance Commission included a recommendation directly related to PLR: that PLR payments to publishers should be abolished.⁸³

ASA urged that this finding be reversed: "The Commissioners should accept that the development and expansion of public borrowing libraries by successive State and Federal governments is a continuing response to community needs and that the same governments see PLR for publishers as a simple compensation for the perceived reduction in their market for books."⁸⁴ In February 1980, ASA again appealed for an

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increase in respect of payments of 50 percent based on an increase in the Consumer Price Index of almost 100 percent⁸⁵ since 1974, and stated that "authors, whether in Australia, New Zealand or any other country, need to establish their right to periodic renegotiations whenever payments are based on fixed amounts."⁸⁶

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