ACKNOWLEDGEMENTS

We would like to thank all the professional bodies, authors, illustrators, editors, librarians and publishers who participated in the consultation to inform the development of this issues paper. We would also like to thank the National Library of New Zealand, the Ministry of Business, Innovation and Employment, the Ministry of Culture and Heritage, and Creative New Zealand Toi Aotearoa for their comments on draft versions of this paper.

Allen + Clarke has been independently certified as compliant with ISO9001:2015 Quality Management Systems
EXECUTIVE SUMMARY

This paper presents the results of a targeted consultation with key stakeholders about issues associated with New Zealand's Public Lending Right (PLR) scheme, its policy intent, regulations, design, and administration. The paper also provides some initial signals towards developing future options for the PLR scheme's enhancement.

A broad range of stakeholders were invited to participate in the consultation including individual authors, illustrators, editors, librarians and publishers as well as professional peak bodies, advocacy and copyright organisations.

With only a few exceptions, the majority of participants ranked the most important outcome of the PLR scheme as being to compensate New Zealand authors for their works being made available to readers free of charge. They also emphasised the need for the PLR scheme's funding pool to be increased after remaining static for twelve years.

Numerous commentaries were provided on problems that stakeholders have encountered in their interaction with the PLR scheme’s regulations, in particular with the registration process and the way eligible titles are surveyed in New Zealand libraries. The rise of e-books in particular is shown to have implications for the survey methodology currently used for determining eligible library holdings, given that these formats are not included in the survey's scope nor 'held' in the conventional sense (i.e. in a similar way to print-media). E-books are one of a range of technological changes that have occurred in the PLR scheme’s operating environment since it was established in 2008. These include sophisticated digital library and collection management systems, copyright licensing, and e-publishing. Stakeholders emphasised the urgent need to modernise the PLR scheme's regulations and administration to keep up with these developments and expressed a view that existing collection management software in New Zealand could accurately process holding (and lending) data and automatically calculate PLR scheme payments. An automated system would also reduce administration costs in the long-term.

Stakeholders observed in this context that copyright exceptions under the Marrakesh Treaty relate for the most part to the creation of accessible format copies of a given title that are, for the most part, also digital products. A need was identified to consider the distinction between arrangements that relate to the licensing of digital formats, and the inclusion of digital formats (e.g. digital accessible format copies) of eligible titles in the PLR scheme.

As a first step towards improving the PLR scheme, it has been suggested that New Zealand libraries, their collections and IT managers, copyright licensing organisations, statisticians, and other leading stakeholder organisations combine forces and share their expertise to modernise and streamline how the PLR scheme can achieve desired policy outcomes and best serve New Zealand authors. A revision of the PLR's governing legislation and regulations may be necessary to deliver to the PLR’s policy intent and keep up with the digital technologies which now define the PLR scheme's operating environment.
1. INTRODUCTION

1.1. Purpose

The purpose of this paper is to present the results of a consultation with stakeholders and summarise issues and challenges found to be associated with the PLR scheme. The paper also signals possible avenues and options for future improvements.

1.1.1. Context

Allen + Clarke is undertaking a first-principles review of the intent, scope and administration of the Public Lending Right (PLR) scheme on behalf of the Department of Internal Affairs (DIA) and National Library of New Zealand. The review will provide possible options for creating a fit-for-purpose scheme that balances the policy intent of the PLR with the interests of New Zealand libraries and their members. The Terms of Reference for this review are provided at Appendix One.

2. CONSULTATION METHODOLOGY

During March and April 2020, a targeted range of stakeholders were consulted with via online questionnaires and informal structured interviews to obtain a clear picture on the issues affecting the PLR scheme from their perspectives. The consultation process has offered these stakeholders an opportunity to provide a basis on which to consider options for improving the PLR scheme in the future.

2.1. Online questionnaires

Two versions of an online questionnaire were used to engage with the sector:

- a questionnaire comprised of open questions, multi-choice, and Likert scale questions for professional bodies and organisations that represent the collective interests of stakeholder groups linked to the PLR scheme; and

- a questionnaire comprised of closed, multi-choice, and Likert scale questions for individuals associated with the PLR scheme, for example individual recipients of payments through the scheme (for example, authors, illustrators, and editors), librarians, and publishers.

Copies of both questionnaires are provided at Appendices Two and Three.

Both questionnaires were hosted using Survey Monkey and shared via a web link using the National Library’s Campaign Monitor software and distributed through various relevant channels, including through the communications networks and newsletters of sector bodies and organisations such as LIANZA and Creative New Zealand. Both questionnaires opened on 19 March 2020 and closed on 27 April 2020.

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1 Section 8(a) of the Public Lending Right for New Zealand Authors Act 2008 defines a New Zealand library as “a library in New Zealand that makes its books available for use in New Zealand”.

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The **professional bodies and organisations’ questionnaire** consisted of open questions with textboxes, so respondent organisations could provide qualitative written feedback on behalf of their members. Professional bodies and organisations were asked about the following topics relating to the PLR scheme:

- the primary outcome of the scheme, and if additional outcomes should be considered;
- the annual registration process;
- the current criteria for eligibility, including New Zealand residency, book length, and the maximum number of authors for a given work;
- payment criteria, such as minimum or maximum payments, or payment scales;
- whether the survey should be based on library holdings, lending or a mixture of both;
- e-books and audiobooks;
- school libraries;
- making challenges to the PLR;
- the Copyright (Marrakesh Treaty Implementation) Amendment Act 2020; and
- private libraries.

The **questionnaire for individual authors, illustrators, editors, librarians and publishers** primarily consisted of closed, multi-choice and Likert scale questions. The closed questionnaire was chosen to obtain the greatest engagement possible from key stakeholders and allow for a swift analysis of the results within the time-constraints of the review. Multi-choice and Likert scale questions provide us with degrees of opinion about specific aspects of the PLR scheme.

The individual respondent questionnaire used skip logic to identify the respondent’s relationship to the PLR scheme and tailor relevant areas of interest. Participants who identified with more than one group (for example, an author and a publisher) were able to take the survey more than once using a separate Internet browser.  

Authors, illustrators and editors were grouped together for the survey because they are all eligible to receive a payment through the PLR scheme (subject to conditions). Firstly, the Public Lending Right for New Zealand Authors Act 2008 (the ‘Act’) states that an author is a person who creates the text and/or illustrations. The Regulations add that an editor who has written at least 48 pages of the publication in question is also eligible for PLR funding. Furthermore, the cluster allowed individuals who identify with more than one of the categories (i.e. an author and an illustrator) to take the survey more easily. Table 1 below summarises the topics that the three respondent groups were asked about.

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2 In designing the questionnaires, it was decided that those who identified with more than one group (for example, author and publisher) were required to take the survey in a different Internet browser. This ensured that all other stakeholders could not access the survey more than once and thereby potentially skew the results.

3 They are also grouped together for the purposes of this issues paper.

4 Public Lending Right for New Zealand Authors Act 2008, section 5

5 Public Lending Right for New Zealand Regulations 2008, section 8
Table 1: Closed questionnaire consultation content

<table>
<thead>
<tr>
<th>Individual authors, illustrators and editors</th>
<th>Librarians</th>
<th>Publishers</th>
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</thead>
<tbody>
<tr>
<td>• primary outcome of the scheme</td>
<td>• primary outcome of the scheme</td>
<td>• primary outcome of the scheme</td>
</tr>
<tr>
<td>• annual registration process</td>
<td>• eligibility criteria including minimum number of book copies, number of authors, and length of book</td>
<td>• e-books and audiobooks</td>
</tr>
<tr>
<td>• eligibility criteria including minimum number of book copies, New Zealand residency, number of authors, and length of the book</td>
<td>• holdings, lending or a mixed model</td>
<td>• school libraries</td>
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<tr>
<td>• holdings, lending or a mixed model</td>
<td>• e-books and audiobooks</td>
<td>• private libraries</td>
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<td>• e-books and audiobooks</td>
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<td>• private libraries</td>
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As mentioned above, links to both questionnaires were distributed through appropriate communications channels.

A number of submissions were sent directly to the National Library’s email account for the review (plrreview@dia.govt.nz). Most of these emails were individuals reaffirming their responses or providing additional detail that could not be conveyed in the closed questionnaire.

2.2. Informal interviews

During March and April 2020, we met informally with key stakeholders to discuss the PLR scheme. We held face-to-face and online discussions (due to the Level 4 COVID-19 lockdown). We spoke with representatives from the New Zealand Society of Authors, Copyright Licensing New Zealand, Ministry of Business, Innovation and Employment (in relation to the current review of the Copyright Act 1994), and LIANZA. These key stakeholders hold considerable technical expertise in relation to library and collections management systems, digital technologies for managing copyright licences, copyright law and the Government’s current review of the Copyright Act 1994.

We also met with the PLR Advisory Group on 8 April to present and discussed the preliminary findings part way through the consultation period.

The following sections present a summary of responses to the online questionnaires and insights from the interviews, highlighting identified areas for improvement in relation to the PLR scheme as well as signalling possible solutions that may potentially form the basis for the development of future options for enhancing the PLR scheme’s design and management.

2.3. Profile of consultation participants

Table 2 lists the ten professional bodies and organisations that completed the open-question questionnaire.
Table 2: Professional bodies and organisations that completed the online questionnaire

<table>
<thead>
<tr>
<th>Professional body and organisation respondents</th>
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<tbody>
<tr>
<td>• Blind Low Vision New Zealand (BLVNZ)</td>
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<tr>
<td>• Copyright Licensing New Zealand (CLNZ)</td>
</tr>
<tr>
<td>• Library and Information Association of New Zealand Aotearoa (submission received via email) (LIANZA)</td>
</tr>
<tr>
<td>• New Zealand Society of Authors (NZSA)</td>
</tr>
<tr>
<td>• Professional Learning Development Providers (PLD) and Te Komiti Māori⁶</td>
</tr>
<tr>
<td>• Professional Historians of New Zealand Aotearoa (submission received via email)</td>
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<tr>
<td>• Publishers Association of New Zealand (PANZ)</td>
</tr>
<tr>
<td>• Read New Zealand Te Pou Muramura (formerly NZ Book Council) (Read NZ)</td>
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<tr>
<td>• Sandra Morris Illustration Agency (Sandra Morris)</td>
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<tr>
<td>• Waikato District Libraries</td>
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</table>

Ethnicity data were not collected for those participating in the surveys on behalf of a professional body or organisation.

548 completed responses to the closed-question questionnaire were received.⁷ The profile of these 548 submitters can be described as follows:

- 508 (93%) identified as authors, illustrators or editors;
- 32 (6%) identified as librarians; and
- 8 (1%) identified as publishers.

499 of all respondents (91%) provided their ethnic affiliation. 92% of them identified themselves as New Zealand European or Pākehā, 4% as Māori, 1% as Pacific Peoples, and 1% as Asian.

2.3.1. Authors, illustrators, and editors

Overall these respondents write, illustrate, and edit a wide range of genres, including fiction (for children, young adults, and adults), non-fiction, poetry, picture books, academic books (textbooks and educational books), cookbooks, biographies, memoirs, anthologies, plays, travelogues, graphic novels, comics, and subject-specific books.

More than 75% of the authors, illustrators and editors have received funding from the PLR scheme in the past, compared to 22% who have not and 3% who were unsure.

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⁶ This respondent answered the survey on behalf of both organisations. Te Komiti Māori is an advisory body set up to deliver independent advice and experience to the National Librarian and Chief Librarian of the Turnbull Library on matters pertaining to Māori.

⁷ 5% of closed survey responses were blank.
2.3.2. Librarians

The participating librarians work in a range of types of libraries, as shown in Figure 1. In keeping with the intent of the closed questionnaire for individual stakeholders, the librarians who completed this questionnaire did so as individual professional librarians. The viewpoints of those librarians who indicated that they work at the National Library are their own and not those of the National Library.

Figure 1: What kind of library do you work in?

More than 75% of the respondents have been librarians for more than 16 years, compared to 12.5% who have been librarians for 6-15 years. The remaining librarians have worked in libraries for 0-5 years.

Librarians’ familiarity of the PLR varied greatly between extremely familiar and not familiar at all. More than 40% of librarians were ‘somewhat familiar’ with the PLR. Figure 2 shows how familiar the librarians are with the PLR.

Figure 2: Librarians’ familiarity with the PLR

2.3.3. Publishers

The publishers who participated in the survey work as self-publishers or work for independent or small publishers. More than 67% of publishers have worked in the industry for more than 16 years. The remaining respondents have worked in publishing for 0-10 years. The publishers who took the survey all recorded a reasonable level of familiarity with the PLR as shown in Figure 3. This is interesting considering that publishers are currently excluded from the scheme.
How familiar are publishers with the PLR?

- Extremely familiar: 17%
- Very familiar: 33%
- Somewhat familiar: 50%
- Not so familiar: 
- Not at all familiar:

Figure 3: Publishers' familiarity with the PLR

2.4. Limitations

It is acknowledged that the majority of respondents to the closed question questionnaire identified as authors, illustrators or editors (93%). Furthermore, the 92% of all respondents identified as New Zealander European or Pākehā. The results of the survey have not been statistically weighted, as it is currently not possible to reliably estimate the population sizes of different respondent types (e.g. the total number of librarians working in New Zealand libraries alongside total number of New Zealand authors). It is important, however, to note that the responses from professional organisations (see Table 2 above on page 5) represent a large (though unidentified) number of key stakeholders whose views and perspectives we were seeking. The low participation levels for librarians and publishers in the closed question questionnaire may be attributable to a range of factors including the potential impact of COVID 19 (the consultation period took place during the COVID-19 national lockdown). The engagement was open at a time when the education sector and public libraries were operating remotely, which may have reduced librarians’ ability to participate. Alternatively, the low participation levels may in themselves be an indicator of a general lack of familiarity with the PLR scheme and that it is generally relatively unnoticed.
3. **KEY ISSUES**

The following sections depict and summarise the results of the online consultation across individuals and stakeholder groups and include insights shared in our informal interviews with stakeholders.

3.1. **The scheme’s outcomes**

All respondents – both individuals and peak bodies – were asked to rank each of the following primary outcomes of the PLR from most important to least important. These outcomes had been tested and agreed in advance by the PLR Advisory Group:

1. Supplementing the revenue of contemporary New Zealand authors
2. Providing public recognition of New Zealand authors whose works are held in New Zealand libraries
3. Compensating New Zealand authors for their works being made available to readers free of charge
4. Encouraging emerging New Zealand authors in their literary careers.

Table 3 shows the results from the individuals’ and professional bodies’ surveys for the outcomes of the PLR ranked from ‘most important’ to ‘least important’. These results use the ranked results of each of the four outcomes to determine their overall popularity. All four groups believe the most important outcome for the PLR scheme is to compensate New Zealand authors for their works being made available to readers free of charge.

Table 3: Ranked outcomes of the PLR from most important to least important

<table>
<thead>
<tr>
<th>Professional bodies and organisations</th>
<th>Authors, illustrators and editors</th>
<th>Librarians</th>
<th>Publishers</th>
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<tbody>
<tr>
<td>1. Compensating New Zealand authors for their works being made available to readers free of charge</td>
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<td>1. Compensating New Zealand authors for their works being made available to readers free of charge</td>
</tr>
<tr>
<td>2. Supplementing the revenue of contemporary New Zealand authors</td>
<td>2. Supplementing the revenue of contemporary New Zealand authors</td>
<td>2. Providing recognition for New Zealand authors whose works are held in New Zealand libraries AND Encouraging emerging New Zealand authors in their literary careers</td>
<td>2. Supplementing the revenue of contemporary New Zealand authors</td>
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<tr>
<td>3. Providing recognition for New Zealand authors whose works are held in New Zealand libraries</td>
<td>3. Providing recognition for New Zealand authors whose works are held in New Zealand libraries</td>
<td>3. Supplemeting the revenue of</td>
<td>3. Providing public recognition for New Zealand authors whose works are held in New Zealand libraries AND</td>
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Refer to Review’s Terms of Reference at Appendix 1
The professional bodies and organisations have ranked the four outcomes in the same order as authors, illustrators and editors. Interestingly, authors, illustrators, editors and publishers all believe the second most important outcome of the PLR is to supplement the revenue of contemporary authors, whereas librarians considered this to be the least important outcome.

The results show that librarians and publishers both consider that the outcomes ‘providing recognition for New Zealand authors whose works are held in New Zealand libraries’ and ‘encouraging emerging New Zealand authors in their literary careers’ are equally as important. However, these two outcomes ranked second most important for librarians, and least important for publishers.

Read NZ indicates that the four objectives were equally important because the

“PLR does play a very important role in the financial resilience of our authors – the amounts for some authors may be modest but the existence of the income stream, and its potential for growth is vital. In addition to this, the existence of the PLR is very important to authors’ overall sense of wellbeing – its existence is an acknowledgement that we value our authors’ work.”

The professional bodies and organisations were also asked if the PLR should consider alternate policy objectives. Both BLVNZ (that operates the Blind Low Vision New Zealand library) and CLNZ mentioned section 69 of the Copyright Act 1994 that permits authorised entities to make an accessible format copy of material.

BLVNZ comments that the scope of the PLR scheme should be extended to support “authors and publishers in the creation of Born Accessible formats i.e. an accessible digital copy so that their work doesn’t need to be reproduced in different formats after creation under s69 Copyright Act and they can receive renumeration for the accessible digital copy.”

CLNZ believe that the PLR scheme and its associated Act and Regulations “constrain potential outcomes that are different or more broad than library lending. There are other public benefits that authors’ work provide, in particular through copyright exceptions [i.e. accessible format copies].” Considering that the most accessible format copies are, for the most part, digital versions of published works, this issue is revisited below in section 3.4.1 in relation to e-books and section 3.4.4 on accessible format copies. In this context, it would be important to investigate how some digital licences are designed. For example, under a certain type of copyright licensing arrangement, a copyright holder may receive some kind of payment each time the digital version of the copyright material is actually downloaded from an aggregate platform. If this aggregate platform can be accessed through a library, and the copyright material downloaded (for free), to what extent would this have implications for eligibility under the PLR scheme?

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<tr>
<th>Professional bodies and organisations</th>
<th>Authors, illustrators and editors</th>
<th>Librarians</th>
<th>Publishers</th>
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<tr>
<td>4. Encouraging emerging New Zealand authors in their literary careers</td>
<td>4. Encouraging emerging New Zealand authors in their literary careers</td>
<td>contemporary New Zealand authors</td>
<td>Encouraging emerging New Zealand authors in their literary careers</td>
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Section 69 of the Copyright Act 1994 permits authorised entities to make an accessible format copy of material.
3.2. The scheme’s funding pool

The PLR scheme consists of a funding pool of $2 million from which payments are calculated for registered New Zealand authors. The National Library manages this fund within DIA. The DIA noted in 2015 that, when the Act was introduced in 2008, “it was considered inappropriate to introduce funding elements such as inflation adjustments, or the establishment of a specific book rate.”\(^{10}\) Authors had campaigned unsuccessfully for the fund to be linked to inflation in 2008.\(^ {17}\) Instead, the book rate data for previous years would be used as a basis for future potential funding increases within a four year cycle.\(^ {11}\) However, PLR scheme funding has not been reviewed by Cabinet since 2008\(^ {12}\) and the fund has received no additional money. As a result, annual payments to authors have been eroded by the 20% increase in the cost of living since 2008.\(^ {13}\)

It is important to consider the static funding pool in relation to authors’ average yearly earnings. Research conducted in 2018 found that on average, authors earn $49,800 per year, $15,200 of which comes from their writing: the remainder comes from other employment or reliance on partners or family.\(^ {14}\) The PLR scheme provides the second highest source of authors’ earnings after their royalties; in 2018, 59% of surveyed authors received income from book royalties, compared to 41% of authors who received funding from the PLR scheme.\(^ {15}\) The National Library’s average PLR payment to authors in 2018 was $1,445, equating to approximately 9.5% of authors’ average income from writing.\(^ {16}\)

In addition, all administration and operational costs of the PLR are excluded from the $2 million fund. Consequently, DIA and the National Library have been required to use “cost-avoiding operational solutions that have created inefficient methods of working both for authors and the National Library as administrators.”\(^ {17}\)

The NZSA believe the PLR fund should receive both a lump sum to increase its value to reflect inflation over the last twelve years and then be linked to the annual consumer price index (CPI) so future devaluation does not occur. This was echoed by Read NZ, who notes “the annual budget available for PLR should at least be tied to increase at the rate of inflation each year.”

The static funding is a source of frustration for authors. We were told that “The $2 million annual funding, which has remained the same for 12 years, should be increased incrementally based on the CPI index rather than rely on political whim.” Similarly, one author states that

> “the total value of the fund remains unchanged from year-to-year. This essentially offers authors diminishing returns even if they are publishing new books in an economy where costs move with CPI, at a minimum. I would like to suggest that the total value of the fund

\(^{10}\) Department of Internal Affairs (2015) *Critical analysis of the Public Lending Right for New Zealand Authors* (unpublished).

\(^{11}\) Ibid.

\(^{12}\) Department of Internal Affairs *Copyright and the Public Lending Right for New Zealand Authors* (October 2018).

\(^{13}\) Department of Internal Affairs *Improving the Public Lending Right Next Steps* (September 2019).


\(^{15}\) Ibid.

\(^{16}\) Department of Internal Affairs *Improving the Public Lending Right Next Steps* (September 2019).

\(^{17}\) Department of Internal Affairs *Review of Public Lending Right Regulations* (July 2019).
moves with CPI. The buying power of $1 in the year 2000 now only has the buying power of approximately 70 cents today, a reduction of 30%.”

PLR International (PLRI) also contends that “PLR systems must be adequately funded” and notes that in several jurisdictions “PLR systems are required in their own national legislation to provide for ‘equitable remuneration’.” Equitable remuneration should take into account a number of variables such as GDP, the size of library and publishing sectors, government funding of libraries, etc.18 However, PLR funding should not be drawn from library budgets that are primarily used for new acquisitions and e-books as well as associated copyright licensing schemes.

3.3. The scheme’s regulations

The following section details respondents’ experience of, and attitudes towards, the regulations connected with the PLR scheme and its administration, including the annual registration process, eligibility criteria, basis for calculating payments to authors, and holdings.

3.3.1. Annual registration process

Under the Act and Regulations, authors, illustrators and editors are required to register with PLR scheme between 1 January and 1 March each year. Registration is required annually regardless of whether the author has had any new books published.

Both the NZSA and Sandra Morris Illustration Agency believe that the registration process for authors could be improved. The window for registration is seen as too narrow and the deadline needs to be more obvious so that authors do not miss out on funding. One member of the PLR Advisory Group discussed that half of the registration period takes place in January when many New Zealanders put work aside and enjoy time off over the summer period, and the registration should be adjusted to compensate for this.

The Professional Historians of New Zealand Aotearoa “question the logic” for the short registration period. However, they believe it is easy to add and confirm new titles each year.

Figure 4 shows that more than 78% of the authors, illustrators and editors surveyed report being very satisfied or satisfied with the registration timeline between 1 January and 1 March.

Figure 4: Authors’ satisfaction with the annual registration period

![Figure 4: Authors' satisfaction with the annual registration period](image)

The Act’s requirement for authors to re-register annually, even if they have no new books to add, is cumbersome. Suggestions received from the NZSA and the Sandra Morris Illustration Agency to improve the registration process include increasing the registration period, rolling over authors’

18 Public Lending Right International Steering Committee (n.d.) *Towards a charter of best PLR practice.* See [www.plrinternational.com](www.plrinternational.com)
data each year so they are only required to update their personal details and new titles, and removing the need to re-register each year. CLNZ note that, as part of commercial licensing arrangements, they require authors to register with their agency once and that they hold the record, along with any updates provided by the author, permanently.

While not directly related to the registration process, NZSA also suggests using updated software that allows for the automation of calculating holdings and payments.

Authors were given an open text comment box to share how the annual registration period could be improved. Table 4 summarises some of the suggested improvements, which are centred around communication with authors, the registration period and method, and potential registration errors.

Table 4: Suggested improvements to the annual registration process

<table>
<thead>
<tr>
<th>Suggested improvements</th>
<th>Authors’ suggestions</th>
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| Better communication with authors about the registration period | “A non-payment issue arises if the recipient’s email address changes and he/she is left out of the circulation of notices. PLR staff follow-up by phone or mail needs to be undertaken.”  
“Publishers could take responsibility for notifying their new authors.”  
“Perhaps contact [those] who have viable books from the previous year if they have not re-registered? A few authors seem to miss out due to not checking their emails.” |
| Extending the registration period               | “Longer registration period.”  
“Make it open all year round. It’s a very small window and it’s very easy to overlook doing.”  
“Applications should be made at the time of publication.” |
| Changing the registration method               | “It would be great if it could all be done online. At the moment having to fill in the form to register a new title is a bit of a pain.”  
“Once [a] book is in the library I would have thought it unnecessary to keep registering unless there is a change to be made to bank or communication details.”  
“It’s easy to forget to register each year in this short window. It should just be automatic and/or an email you review with your details/book titles which you confirm annually, with a form to complete if you have added any further titles.” |
| Reducing the risk of errors in the registration process | “The process is unclear and subject to errors. If an error is made, then the author must wait an entire year to receive a payment.”  
“More clarity around the need to register different editions of the same title e.g. hardback or translated versions.” |

From an administrative perspective it is important to note that the annual schedule and registration requirements prescribed by the regulations also limit flexibility: the annual schedule is misaligned with the June to June financial year as well as with Treasury’s budget cycle which complicates any adjustment of the scheme’s funding within any payment year. While more could be done to promote the scheme and impending deadlines, this is currently inhibited
by the fact that the National Library’s administration of the scheme is not funded and any such efforts would compete with core funded activities of the library.

3.3.2. Eligibility criteria

To be eligible to receive PLR funding under current legislation, authors must fulfil the following criteria:

- The author is a New Zealand resident;¹⁹
- There are at least 50 copies of the book in New Zealand libraries sampled under section 9 of the Regulations;²⁰
- The book must have no more than 3 authors;²¹
- The book must be published prior to 1 January in the year the author registers for the scheme (self-published books are eligible);²² and
- The author is entitled to receive a royalty payment or income from the sale of the book.²³

Translated books must fulfil the requirements of section 4 of the Regulations to qualify. The sections below provide a summary of stakeholders’ opinions on the above PLR eligibility criteria.

Figure 5 shows the percentage of authors, illustrators and editors who report being ‘dissatisfied’ or ‘very dissatisfied’ with the PLR scheme’s eligibility criteria to hold New Zealand residency, have a maximum of three authors per book, and a minimum number of pages per book. Figure 5 shows that authors who have not received PLR funding are more likely to be dissatisfied with the eligibility criteria. More than three times as many authors who have not received PLR funding report dissatisfaction with the maximum number of authors compared to authors who have received funding.

Figure 5: Authors’ self-reported dissatisfaction with PLR eligibility criteria

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¹⁹ Public Lending Right for New Zealand Authors Act 2008, section 7.
²⁰ Public Lending Right for New Zealand Authors Regulations 2008, section 8(2)(a).
²¹ Ibid, section 8(2)(b).
²³ Ibid, section 8(3)(a).
New Zealand residency

The PLR Act defines a New Zealand author as someone who is a New Zealand resident as defined in section YD 1 of the Income Tax Act 2007. Residency must be proven each year under the IRD rules. Both the Waikato District Libraries and PANZ believe the New Zealand residency requirement is an appropriate criterion for PLR eligibility. The NZSA and Read NZ believe the PLR should be extended to all New Zealand citizens to include authors, illustrators and editors living overseas (the PLR Act is silent on citizenship, which does not require the same burden of proof annually as residency). The NZSA states “there are many authors who live in Australia for example, and should not be disadvantaged as their work is still accessed and read in New Zealand.”

As shown in Figure 6, 89% of the authors, illustrators and editors who responded to the survey are very satisfied or satisfied that recipients of the PLR must be a New Zealand resident. As a contrast, just over 4% of respondents were dissatisfied or very dissatisfied with this criterion.

Figure 6: Authors’, illustrators’ and editors’ satisfaction with the New Zealand residency criterion

Number of copies to qualify

One of the three most common complaints the National Library receives about the PLR relates to the minimum of 50 copies of a book to qualify for PLR funding.24

The professional bodies held mixed opinions about the threshold of book copies required for PLR eligibility. PLD Providers, Komiti Māori, Waikato District Libraries and Read NZ believe the 50-copy threshold was appropriate. However, the NZSA and the PANZ agree that the current threshold should be lowered to 30 copies. The Professional Historians of New Zealand Aotearoa believe the threshold should be lowered to 30 or 40 copies, as “print-on-demand and the lower volume runs possible with digital printing also suggest that smaller is the new norm.” BLVNZ also agrees that the threshold of copies should be lowered but did not specify by how much. The NZSA advocates for a lower threshold because “some significant books have lower numbers but are important to New Zealand culture as a whole.”25 A lower threshold could make a greater range of locally relevant content more available and also encourage emerging authors.

25 We interpret ‘significant’ books to mean published works that the NZSA considers to be significant to New Zealand literature, the study of New Zealand history, or some other area of activity specific to New Zealand and New Zealand's culture and heritage.
Sandra Morris Illustration Agency New Zealand believe that all books should be included in the PLR, regardless of how many copies are held in libraries (which essentially places the book copy requirement as 1).

Figure 7 shows that more than three-quarters of authors, illustrators and editors believe that the number of book copies to qualify for PLR funding should be between 1 and 49. 17% of respondents believe that there should be no minimum number of copies. As a contrast, 20% of respondents think that the book copies should remain at 50 or more copies. The implications of changing the number of copies should be explored, because the fund would then be divided amongst more authors, effectively decreasing the book rate. Interestingly, Figure 8 shows that only one librarian is in favour of the book copies remaining at 50 or more. More than 45% of librarians believe the number of book copies should be reduced to between 25 and 49, whereas one-third report that there should be no minimum number of copies.

Figure 7: Suggested number of book copies to be eligible for PLR funding according to authors, illustrators and editors

Figure 8: Suggested number of book copies to be eligible for PLR funding according to librarians

In addition, the criterion to hold 50 copies of one book excludes an author who may have up to 49 copies each of their 20 books (a total of up to 980 copies) but would include an author with 50 copies of one book. It is suggested that authors’ book copies should be based on the total of all of their works held in New Zealand libraries as opposed to arbitrary number of copies of each individual book. One author states that the aggregation of holdings of separate titles should be considered for “fairness” to those authors publishing more books.

Furthermore, the payments authors receive are all determined by the books that libraries choose to purchase. One author believes that libraries

“are now contracted to go through set distributors who offer discounted prices from the publishers. Most New Zealand authors at the beginning of their career self publish and are sole distributors of their book and therefore can’t sell to the libraries which is a big and important outlet and greatly disrupts their right to the PLR scheme.”

**Number of authors to qualify**

Sandra Morris Illustration Agency, PLD Providers, Komiti Māori, Waikato District Libraries and the Publishers Association of New Zealand all agree the maximum of three authors was appropriate. As a contrast, Read NZ support increasing the maximum number of authors if there are “too many” authors being excluded from the PLR based on this criterion. However, Read NZ did not specify further what may constitute “too many.” Similarly, the NZSA note that all picture
books have at least two ‘authors’, as they will have an author, illustrator, and a translator (if it is a bilingual title).

BLVNZ believe this criterion should be removed, as it would exclude specific genres such as scientific books with several authors.

Almost two-thirds of authors, illustrators and editors report being very satisfied or satisfied with the maximum number of three authors to receive PLR funding. As Figure 9 details, only 8% of respondents state a high level of dissatisfaction with this requirement, which suggests that it is a minor issue for those who took part in the consultation, or authors consider themselves as unaffected even though more authors could reduce the book rate.

Figure 9: Maximum number of three authors per book (authors)

Figure 10 shows that librarians share a similar overall view, with nearly 60% of the respondents were satisfied with the regarding the number of authors per book. No librarians were very dissatisfied with this criterion, but more librarians reported dissatisfaction with this requirement compared to authors.

Figure 10: Maximum number of three authors per book (librarians)

**Number of pages to qualify**

Section 4 of the Regulations also define the following types of print books as eligible for the scheme:

- Adult books that are at least 48 pages of text;
- Children’s books that are at least 24 pages of text or text and illustrations;
- Drama or poetry books that are at least 24 pages; and
- Illustration books that are at least 96 pages.

PANZ, Sandra Morris Illustration Agency, NZSA, PLD Providers and Komiti Māori, and Waikato District Libraries agree that the minimum number of pages for a book to be included in the PLR is
adequate. As a contrast, BLVNZ believe the minimum number of pages should be removed; “if it is a brilliant book... but shorter in length, why should these authors miss out?” Figure 11 shows that while 60% of authors, illustrators and editors are happy with the minimum number of pages for a book to qualify for funding, 14% are dissatisfied or very dissatisfied. One author states that the minimum length of a book “is not an unfair proxy for the amount of work that has gone into it. Only books that require a significant amount of work, say 180 pp or more should be eligible. Currently the length requirement is too low.” The impact of this suggestion is likely to exclude a large proportion of books from the PLR and may be biased towards specific genres, for example, novels may be more likely to be included than children’s books.

In contrast, Figure 12 highlights that one in four librarians are dissatisfied with the minimum number of pages required to receive PLR funding. 39% of librarians had a positive opinion of the minimum number of pages, compared to 35% who had a neutral opinion of this requirement. This suggests that librarians consider this requirement to be more problematic than authors.

3.3.3. Basis for calculating payments to authors

Survey of books held in libraries

To calculate the distribution of PLR funding and individual payments to recipients, the National Library conducts a Public Lending Right biennial survey of at least 40 libraries to create a representative sample of all titles held. Every alternate year’s survey only counts new titles or titles where an author requests a recount.

As explained in the survey specifications (published by Statistics New Zealand in 2012), the survey’s design is based on two fundamental principles of:

a) applying a robust methodology “to cater for the dynamic population”; and

b) maintaining an unbiased approach “to satisfy the needs of a key stakeholder, The New Zealand Society of Authors (PEN NZ Inc.).”

The specifications describe the survey's target population as being comprised all New Zealand libraries excluding school libraries and private libraries. The target population is divided into the following four strata:

1. (Large) public libraries with holdings >200,000;
2. Remaining (small) public libraries;
3. University libraries; and
4. Polytechnic libraries.

The survey specifications outline three different approaches set out in summary in Table 5 below. Since its inception, the PLR scheme has applied the second biennial option:

Table 5: Statistics New Zealand sampling methodologies

<table>
<thead>
<tr>
<th>Option 1: Rotating panel design</th>
<th>Option 2: Alternating two year cycle design</th>
<th>Option 3: One year cycle design</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large public libraries and university libraries will be made full coverage annually. The remaining two strata (small public libraries and polytechnic libraries) will have a rotating panel sample that is updated each year and changed in for two years.</td>
<td>Large public libraries and university libraries will be made full coverage. The remaining two strata (small public libraries and polytechnic libraries) will be a sample that is updated annually and changed every second year.</td>
<td>Both large public libraries and university libraries will be made full coverage. The remaining two strata (small public libraries and polytechnic libraries) will be a sample that is changed every year.</td>
</tr>
<tr>
<td>Sample size:</td>
<td>Sample size:</td>
<td>Sample size:</td>
</tr>
<tr>
<td>Small libraries = 10</td>
<td>Small libraries = 9</td>
<td>Small libraries = 5</td>
</tr>
<tr>
<td>Polytech libraries = 6</td>
<td>Polytech libraries = 5</td>
<td>Polytech libraries = 3</td>
</tr>
</tbody>
</table>

The National Library determines the selection of sample libraries and operates the collection process. Sample sizes correspond to predetermined statistical weighting values to estimate the number of copies of each book in libraries across New Zealand.

Authors can find that the number of their copies change year on year as different libraries are included in the survey sample, or libraries purchase more or dispose of copies. Payments for the alternate year’s survey of new titles are based on the biennial survey results. There is a sense of frustration among authors about the survey:

“The biennial count perpetuates any count error caused by random count. I experienced this with my book [...] which showed at 20-odd copies for a two-year period, thereafter reverting to over 50 copies held. Your records will verify this loss of two years’ revenue.”

“As I understand it, being paid requires having fifty copies of the involved book in the sampled libraries within a particular time frame, which is not clearly stipulated to authors. Transparency and correct, complete data collection of books held by all libraries, not a random selection should be the norm here. The minimum fifty copies in a particular time frame... Those authors just getting started, particularly independent authors, may not necessarily have fifty books in the sampled libraries within the current maximum timeframe. Please survey all libraries and remove the time limitation. (i.e. I have over fifty copies of one of my books in NZ libraries, but not in the sampled libraries, and it has taken
too long to build up those numbers, so now that book will be ineligible forever.) This is not right.”

Respondents noted that, given the modern digital library and collection management systems used in most libraries, it should be straightforward to survey all books automatically and also create automated payments:

“In this day of computerisation a full annual book count is achievable and, in fairness to authors, is arguably the only responsible and accurate way to administer a well-intentioned scheme.”

“Until we have cloud software that can accurately account for copies held, this [book survey] will always be a problem. My understanding is that every year is an actual count, but even that is done from surveying. In this age there are packages that can not only deliver actual numbers but also pay authors automatically. Copyright Licensing NZ has invested in leading edge software that does this for work used courses and classroom teaching.”

**Funding formula**

Payments for the alternate year's survey of new titles are based on the biennial survey results and the following formula:

$$\text{number of copies} \times \text{book rate}$$

The number of copies is defined as the number of copies of a book by a New Zealand author as determined by the annual survey. The book rate is calculated using the following formula:

$$\frac{\text{funding available}}{\text{total number of copies}}$$

Payments are distributed to authors who have entered their books on the register. The amount each author receives depends on the total number of copies of registered titles. Authors who have an estimated total of 50 copies or more of their titles in New Zealand libraries receive a percentage of the fund. Authors need to register each year so that their titles become active for that year. If they do not register, their titles will not be included in any survey or payment that year. If they register and then die before payment is made, their estate receive payment in that year and would not be eligible to register in future years (as they are deceased).

NZSA expressed their dissatisfaction with the lack of adequate digital technology for ensuring a swift and accurate process and results:

“The National Library should invest in collection management software so that we have accurate payments and accounts rather than ‘samplings’. This would enable inclusion of holdings from school libraries and would vastly facilitate on-line payments. The current system is largely manual and takes all year to organise.”

The professional bodies were asked if the PLR should consider minimum, maximum or scaled payments corresponding to book rates. Waikato District Libraries and NZSA are against such methods. The NZSA believes such methods could disadvantage less popular or indie authors, but suggest that a maximum payment per title (a ceiling limit) for bestselling authors could be implemented, as it would free up funding for emerging authors who are more likely to need financial support. This approach would give effect to a policy objective of supporting emergent practitioners.

Sandra Morris Illustration Agency supports exploring a model to pay funds proportionate to the number of copies held in a library, as “that's more sales missed out on.” BLVNZ also supports this idea, stating -
 [...] if you have a popular book that is flying out the door with lots of copies then there should be a higher payment as this means these readers aren’t purchasing the authors book themselves which is loss of revenue to the author.

Read NZ states that they are “more interested in looking more closely at improving how the survey of eligible titles is conducted and making sure that is as robust and transparent as possible.”

3.3.4. Lending and holdings

Although the Act and Regulations are titled ‘Public Lending Right’, the actual ‘lending’ of library books does not feature prominently in the scheme’s design. Arguably the lending of books can be seen to better reflect the public ‘use’ of a book (as specified in Section 11 of the Act27), given that lending data show how frequently titles are actually borrowed from libraries and read (‘used’) by library members (off-site). One stakeholder commented that “authors should receive payment for every time the book is loaned, not only when the library has 50+ copies. Given the rate of library purchase in NZ this number should also be much lower.” However, a loans-based PLR scheme – as opposed to the current holdings-based model – would place some genres of literature at a distinct advantage over others, for example children’s books and adult fiction over poetry, drama, and scholarly works.

Stakeholders were asked whether the PLR should be based on holdings, lending or a hybrid mixture of both. Read NZ believe that the holdings model should remain, “unless the information about lending rates is able to be gathered in a robust and transparent manner.”

Figures 13 and 14 present a comparison of the responses of authors and librarians regarding how PLR payments should be calculated (holding versus lending). Authors were almost equally split between the current system of holdings (38%) or a mixture of holding and lending (44%). Only 5% of the authors were in favour of basing PLR payments on lending rates. Similarly, librarians were split equally between a holdings system (46%) and a hybrid system (46%), with only a small proportion of stakeholders in favour of a lending model (4%).

Figure 13: PLR payments based on holding, lending or a hybrid model (authors)  
Figure 14: PLR payments based on holding, lending or a hybrid model (librarians)

One specific example of a hybrid PLR system was proposed by two different interviewees. In this variant, the payments budget would be divided into separate components for print books and e-books and audiobooks (once e-books and audiobooks are admitted to the PLR scheme). Print

27 “The purpose of the scheme is to provide for New Zealand authors to receive payments in recognition of the fact that their books are available for use in New Zealand libraries.”
books would continue to be funded on the holdings model as they are now, but e-books would be funded on a loans model. The rationale for different treatment of print books and e-books was explained as follows: libraries frequently purchase, or license, e-books as part of a bundled database collection, which does not engage the librarians’ curatorial judgment in making individual acquisitions to the same extent as in print acquisitions. Therefore, a PLR payment for an e-book’s simple presence in a sampled collection is less justifiable, as libraries are often restricted by the aggregate platforms that they use to host e-books, which influences what is held in the catalogue. In addition, e-books do not occupy physical space on a library shelf and so are less likely to be culled than print books. E-books can be removed from catalogues frequently, but this information should be easy for libraries to monitor. Interviewees believed that tracking the lending of e-books should be technically feasible and that this could serve as a basis for calculating PLR scheme payments.

3.3.5. Challenging the PLR

Authors must challenge a decision about the scheme’s administration or the number of copies of a book held in New Zealand libraries for that calendar year by 30 November each year. Complaints received about the PLR scheme relate to:

- the minimum of 50 copies of a book to qualify for funding;
- the small window for the registration period between 1 January and 1 March each year; and
- the survey methodology to determine the number of books.

Professional bodies and organisations were asked if the process to challenge PLR decisions was effective. There was support for this process, as CLNZ states, “anyone who is having a decision made about them has the right to access the information used in that decision and that they also have a right to give feedback on the accuracy of that information.”

The NZSA did state that “some authors have issue with the count”, but this is related to the survey methodology used by the National Library.

Sandra Morris Illustration Agency said that they were uncertain how authors, illustrators and editors could check up on the book count results, but the National Library’s website says that any challenges should be made by contacting them in writing.

One author argues that the timeline to challenge PLR decisions is too short because results are impacted greatly by the biennial survey:

“only in a book’s first year would an author have firm ground for challenging numbers. After that, proof of error would generally take another two years to come to light, by which time the challenge date is long past. At the very least, the count should be random annually with a two-year challenge date.”

3.4. Impact of digital technologies

The PLR scheme is currently designed as if libraries still operate within the analogue world of printed media. This is reflected in the scheme’s Regulations as well as in Statistics New Zealand’s

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28 Public Lending Right for New Zealand Authors Act 2008, section 12.
30 Refer to Section 4 of the Public Lending Right for New Zealand Authors Regulations 2008.
survey methodology: both are premised on print media, traditional catalogues and bibliographic records systems. However, since the PLR scheme was established in 2008, digital technologies and the internet have advanced to a point where they are integral parts of how modern societies function in the developed world. Reading, publishing, and library systems are no exceptions to these developments. Stakeholders have highlighted the need for the PLR scheme to be urgently modernised to harness digital technologies.

3.4.1. E-books and audiobooks

E-books are made available to New Zealand libraries using aggregate platforms, such as Wheelers\(^{31}\) and Overdrive.\(^{32}\) Libraries also offer self-published e-books and publisher models such as Bridget Williams Books.\(^{33}\) Such aggregate platforms provide an avenue for access to, and use of, published works and libraries pay for an ongoing licence from the publisher, or from the aggregate platform, to offer e-books to library members. As a result, e-books are loaned with several conditions.\(^{34}\) Libraries may also be required to pay the aggregate platforms for individual titles.\(^{35}\) Examples of typical e-book licence terms are listed below:

- **One copy / one user licences**: one borrower may read the e-book at a time.
- **Limited use licences**: e-book titles must be repurchased after 26 loans as they are ‘worn out’ (this is based on the life cycle of a printed book).
- **Metered access licenses**: titles are available for borrowing for a specified number of loans and/or duration of time, and expire when either limit is reached.
- **Exploding licences**: titles are deleted from library collections after a certain time period.
- **Per loan licences**: libraries pay each time the e-book is loaned (the payment often decreased after a certain number of loans).
- **Simultaneous licences**: more than one borrower may read the e-book at a time (opposite of the one copy, / one user license).

These library licences do not currently allow for authors to be compensated specifically for the loan of their works in digital formats such as e-books or audiobooks (which may not necessarily be available in a digital format). Since the PLR scheme was established in 2008 e-lending in libraries has increased in popularity and authors feel that their IP is being made available for use in this way without being adequately recognised. E-books and audiobooks are currently excluded from the PLR scheme and authors do not receive any “compensation for [their] books loaned through libraries in these formats.” CLNZ argues that “the PLR should remunerate free uses of an author’s work, regardless of the format.” In addition, the PANZ believe this addition would “ensure that authors were fairly compensated for their work.”

In terms of how this could work in practice, Read NZ comments that PLR scheme payments for digital books should be based on lending data, which would require sophisticated collection

\(^{31}\) [https://www.wheelers.co.nz/info/ebooks](https://www.wheelers.co.nz/info/ebooks)
\(^{32}\) For example, at the Auckland Public Library: [https://auckland.overdrive.com/](https://auckland.overdrive.com/)
\(^{33}\) [https://www.bwb.co.nz/](https://www.bwb.co.nz/)
management systems. Similarly, LIANZA believe that while it is fair to compensate authors for digital books, "changing the model to include digital lending could have an impact on resourcing for public libraries" and would “increase the cost of administering the scheme and potentially add compliance costs for New Zealand libraries.” LIANZA also argue that an “audit process to verify the results of lending data” would be necessary to validate the payments to authors.

Difficulties associated with digital lending data can also be linked to confidentiality clauses that librarians can be required to sign when providing e-books and audiobooks to library members. Furthermore, "inconsistent data formats across platforms make it difficult for all market players - publishers, aggregators and libraries alike - to understand which books are being made available for e-lending, to whom, and the terms of that access.”

Komiti Māori and PLD Providers believe that e-books and audiobooks should not be included yet, but this could be reviewed in three to five more years. No reason was given for this reasoning. Despite this, Komiti Māori and PLD Providers highlight greater access for sight and sound impaired members of society if digital books were included in the PLR.

Most respondents agree that digital formats – e-books and audiobooks – should be included in the scheme (noting that not all audio books are e-books). Figures 15 and 16 show that more than 71% of authors, illustrators and editors agree that e-books and audiobooks should be included in the PLR. The NZSA believe this would have a positive affect for those who chose to only publish in digital formats. While the proportion of authors uncertain about including e-books and audiobooks in the PLR is the same (17%), a slightly larger number of authors do not wish to include e-books.

Equally, more than 79% of librarians are in favour of including e-books and audiobooks to the PLR. This is shown in Figures 17 and 18. It is likely that librarians are more supportive of this inclusion because they would not be adversely affected by an increase in eligible titles and the subsequent decrease in the book rate (if additional money is not added to the PLR), whereas authors would be. However, it is interesting to note that more than twice as many librarians do not support adding e-books to the PLR (17%) compared to audiobooks (8%). In contrast, authors are more than 4 times likely to be uncertain about including new technologies in the PLR (17%) compared to librarians (4%).

Figure 15: Including e-books in the PLR (authors)

Figure 16: Including audiobooks in the PLR (authors)

Equally, more than 79% of librarians are in favour of including e-books and audiobooks to the PLR. This is shown in Figures 17 and 18. It is likely that librarians are more supportive of this inclusion because they would not be adversely affected by an increase in eligible titles and the subsequent decrease in the book rate (if additional money is not added to the PLR), whereas authors would be. However, it is interesting to note that more than twice as many librarians do not support adding e-books to the PLR (17%) compared to audiobooks (8%). In contrast, authors are more than 4 times likely to be uncertain about including new technologies in the PLR (17%) compared to librarians (4%).

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Publishers were the only stakeholder group that were more supportive of including e-books than audiobooks. The results found that 100% of publishers support including e-books in the PLR, whereas 83% support including audiobooks (see Figure 19). While the same proportion of publishers and authors (both 17%) were uncertain about including audiobooks in the PLR, publishers were far more supportive of including e-books.

3.4.2. School libraries

While the Act defines libraries as “a library that makes its books available for use in New Zealand”, the Regulations exclude school libraries. The responses indicated that there is strong support for school libraries to be included in the annual PLR survey. Figures 20 and 21 show that 72% of authors and 62% of librarians support including all school libraries in the PLR. 100% of publishers surveyed support including school libraries in the PLR.

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37 Public Lending Right for New Zealand Authors Act 2008, section 7.
38 Public Lending Right for New Zealand Authors Regulations 2008, section 5.
Read NZ “support including all publicly funded libraries in the PLR” despite original advice from Statistics New Zealand that the survey should exclude school and private libraries. Sandra Morris Illustration Agency states that this inclusion would provide compensation to authors whose books are purchased by school libraries “and consequently missed further sales.”

However, incorporating school libraries into the PLR scheme, or even establishing a parallel Education Lending Right (ELR) scheme, would require a considerable administrative effort considering the sheer number of schools, their individual approaches to acquisitions and their differing cataloguing systems and lending conventions. For these reasons, the inclusion of school libraries in the PLR scheme may be regarded as impractical and prohibitive. LIANZA states that “The catalogues for school libraries are not generally available online so there would have be consideration given to how to include the data from these libraries in the scheme. School libraries are often not well resourced so LIANZA would not endorse any changes to the scheme that would place an administrative burden on school libraries.”

It is worth noting, however, that all schools in New Zealand do purchase copyright licences from CLNZ for the educational use of copyright material that they hold, including in their libraries. School copyright licences are issued through the New Zealand Trustees Association (NZSTA) and their cost is based on a school’s roll, i.e. the number of EFTS (Equivalent Full Time Students). In 2019 the rates for the annual copyright licensing fee were $1.68 per primary student and $3.36 per secondary student. Although the main purpose of primary and secondary school licences is to cover the photocopying of content from books, journals, newspapers or magazines for educational purposes, there may be a question worth exploring about how the ‘use’ of books by New Zealand authors in school libraries could be monitored or recorded on the basis of copyright licensing technologies.

“Copyright Licensing New Zealand has over 25 years’ experience in surveying usage of published materials, processing the associated data, and paying copyright owners. Our own experience with technology informs our response here. The technology used in schools and libraries to manage collections, can easily be used to inform a distribution of PLR funds. Even where the technology used in schools and libraries differs, an output of bibliography should be readily available and be required to be provided through a mechanism in the [Copyright] legislation.”

CLNZ argue that if school libraries are included in the PLR, the annual funding pool would need to be increased to accommodate the “additional lending that takes place in school libraries. The administration of the scheme would also need additional funding to allow for the work-effort required to secure and process lending data from school libraries.”

3.4.3. Private libraries

As with school libraries, private libraries are also excluded from the PLR scheme under the current Regulations. Private libraries are not defined in further detail in the statute. By implication they can be characterised in general terms as representing the opposite of public libraries, that is, as libraries that do not receive any public financial support and are owned by an individual or a group of contributing subscribers or members for their own use. Professional peak bodies and organisations have mixed views as to whether private libraries should be included in the PLR scheme. Waikato District Libraries, LIANZ and Read NZ believe that private libraries should not be included in the PLR scheme.

On the other hand, the NZSA, PANZ, Sandra Morris Illustration Agency and CLNZ agree that private libraries should be included. It is clear from their submissions that they are predominantly thinking of BLVNZ’s library. CLNZ emphasises that the Blind Low Vision library should be included in the PLR scheme:

“It [the Blind Low Vision Library] is not only available to the organisation’s visually impaired members. A membership category has been added that, for a fee, provides access to the library’s services for people with a print disability. This extends the customer base for the audiobooks in the library, well beyond the small percentage of the population that is visually impaired. As above, this level of free access to authors’ work should not come at expense to the author as it currently does. Libraries wishing to avail themselves and their members of the benefits of access to published materials, should be required to provide a dataset of the lending that takes place in their library.”

For some organisations, including private libraries in the PLR scheme is based on the principle of fairness. The PANZ believe that “for the sake of fairness,” they should be included in the PLR. The NZSA state that they must be included “so writers get fair compensation.”

However, LIANZA believe that including private libraries in the PLR would be difficult to manage, as “they don’t have publicly available catalogues that could be searched for copies of titles.”

In general, however, Figures 22-24 below highlight that authors, publishers and librarians seem less likely to favour the inclusion of private libraries in the PLR than school libraries. Between 46% and 55% of authors, illustrators, editors, librarians and authors support the inclusion of private libraries in the PLR. Authors and librarians are less certain of whether to include private libraries (31% and 37%, respectively) than publishers (17%), but more publishers are opposed to this option.

40 Public Lending Right for New Zealand Authors Regulations 2008, section 5.
Respondents were given an open text comment box to share why private libraries should or should not be included in the PLR scheme. Comments from authors and librarians in favour of including private libraries in the PLR scheme focused on compensation and the principle of fairness. In contrast, a smaller proportion of respondents did not support including private libraries in the PLR based on simplification of collection management and ensuring accessibility.

A table of quotes for and against including private libraries, including those providing accessible copies, is provided below.

**Table 6: Reasons to include and exclude private libraries in the PLR**

<table>
<thead>
<tr>
<th>Reasons to include private libraries</th>
<th>Reasons to exclude private libraries</th>
</tr>
</thead>
<tbody>
<tr>
<td>“If a book is being loaned to an individual from a library, then they must be included in the PLR” – author, illustrator or editor</td>
<td>“Insufficient documentation and management and unnecessary additional research for such small numbers [of books]” – author, illustrator or editor</td>
</tr>
<tr>
<td>“I feel authors should be compensated for their mahi” – author, illustrator or editor</td>
<td>“To limit to public libraries is simple, and reaches the greatest number” – author, illustrator or editor</td>
</tr>
<tr>
<td>“I believe the primary purpose of the PLR should be to compensate authors for their work being made available free of charge, thereby denying authors the right to remuneration for their work, which is fundamental human right. The provision of copies to print-disabled members falls within this scope” – author, illustrator or editor</td>
<td>“I’m just going with my gut feeling on this one. Accessibility is important and I don’t want to put any barriers in its way. The media has an unfortunate tendency to frame this as Disabled People Vs Authors, but in my experience a large amount of people in writing and publishing are also disabled… I don’t want there to be any impediment to people...” – author, illustrator or editor</td>
</tr>
</tbody>
</table>
### 3.4.4. Accessible Format Copies

The Copyright (Marrakesh Treaty Implementation) Amendment Act was introduced in 2020 to help people who are blind, visually impaired or otherwise print disabled to have access to books and literary works in accessible formats. Under the Amendment Act an Authorised Entity may copy works to create an accessible format of a copyright work for the use of someone who has a print disability. In New Zealand copyright law, a ‘print disability’, in relation to a person, is defined as –

- **a)** “an impairment that prevents the person from enjoying a printed copyright work to the same degree as a person who does not have that impairment”, but
- **b)** “excludes an impairment of visual function that can be improved, by the use of corrective lenses, to a level that is normally acceptable for reading without a special level or kind of light.”

In practice there are currently no conventions or standard procedures that Authorised Entities follow to monitor or record that they are providing accessible format copies only to people with a print disability as defined in, and intended by, the Copyright Act. Exceptions to copyright under the Marrakesh Treaty have been debated as part of the Government’s ongoing review of the Copyright Act 1994 and recent changes to copyright law to implement the Marrakesh Treaty aim to increase the number of accessible format copies being made available. However, the NZSA notes the absence of any provision for compensation to authors under this legislation:

“The Marrakesh Treaty Amendment Bill increase access to free books to anyone registering with a disability – 24% of the population in the last census. Previously the access under Marrakesh was 5%. NZSA have huge concern that this increased access has been given with no instructions about copyright or file security, and there is no need under the new act to advise the author or publisher. This is likely to have an effect on the overall copies of NZ books sold and must be compensated as this covers all disabilities, and the Commercial Availability Test has been removed from the Act. All the librarians and learning support staff and teachers are paid for their role in shepherding works to the end user and paid to produce other formats. Writers receive nothing which is unfair […] Include Private libraries

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41 Copyright Act 1994, Section 2
42 Nor are accessible format copies subject by law to the commercial availability test, i.e. an Authorised Entity does not need to demonstrate that is has made any reasonable efforts to establish that the work is not commercially available in the format required for the needs of the individual before an accessible format copy is created or distributed.
For the purposes of the PLR scheme, it is worth noting that accessible format copies are, for the most part, digital products and, as such, they pose a similar challenge to the PLR scheme as e-books and audiobooks.\textsuperscript{43} While they are held in some public and university libraries\textsuperscript{44}, they are also held in a private libraries (e.g. Blind Low Vision library). One suggested approach to countering the NZSA’s issues with the Marrakesh exceptions could be to monitor the production and lending of accessible format copies more closely and use this information for calculating payments to copyright holders by including accessible copies in the PLR scheme. This idea is echoed in the submitted responses of BLVNZ who provide a significant proportion of books as accessible format copies for their library members:

“It should work with publishers and authors to enable them to create born accessible copies of their books (currently the most accessible format is EPUB3). Then these could be provided to libraries and authors/publishers would receive revenue from their work in all formats, encouraging them to keep writing... if all books are created in a digital accessible copy by the author and the author is compensated for this by PLR then it would encourage them to create an accessible copy that can be used by all New Zealanders including print disabled New Zealanders.”

CLNZ highlights that they

“can think of no other area of law where individuals and businesses can have their products requisitioned by the government for free, as this legislation [Act and Regulations] has. The majority of works being created to provide access to the print disabled community are digital and are, therefore, readily able to be tracked for the purpose of providing data to inform a PLR payment for the digital lending that takes place. The New Zealand government should be rewarding the public benefit value provided by authors, through the PLR.”

Similarly, LIANZA agrees that the issue of authors not receiving payment for the broadened Marrakesh exception could be resolved through any successful solution that is found for incorporating e-books and audiobooks into the PLR scheme: “addressing the issue of inclusion in the scheme for e-books and audio books would largely resolve this impact [of the Marrakesh Treaty] in LIANZA’s view.”

\textsuperscript{43} Print-based accessible formats held in libraries are included in PLR scheme currently (unless held in a private library)

\textsuperscript{44} It should be noted that university libraries may be making copies of specific books for particular students, making accessible format copies available for wider lending, or both. A full list of authorised entities can be found here: https://www.mbie.govt.nz/business-and-employment/business/intellectual-property/copyright/the-marrakesh-treaty/notifications-under-section-692-of-the-copyright-act-1994/
4. EXPLORING FUTURE POLICY OPTIONS

This section introduces future policy and administrative options to improve and futureproof the PLR scheme. The development of options will be conducted separately.

4.1. Legislative amendments

The first step in identifying options for the PLR Scheme is to establish the purpose of the Public Lending Right for New Zealand Authors Act 2008 and the accompanying Public Lending Right for New Zealand Authors Regulations 2008 Act. Considering that this legislation was largely designed for a now largely outdated world of analogue media, its regulations would need to be amended and updated to take into account digital technologies involved in the publishing and distributing of New Zealand works and the availability of digital copies and e-formats of these works in New Zealand libraries.

4.2. Making the PLR scheme fit-for-purpose

Subject to the PLR scheme’s agreed policy intent, the consultation has highlighted a range of issues relating to its regulations and administration, many of which could be resolved by streamlining administrative processes, redesigning data collection methods, and using up-to-date technologies. The use of automated digital processes would also reduce the administrative burden currently associated with the running of the PLR scheme. However, the resource and cost implications of this have yet to be estimated and determined.

4.2.1. Increased funding

The PLR scheme must be funded to an appropriate level, with consideration given to the size of the economy, the size of the library and publishing sectors, and government funding of library, education, creative and publishing sectors. Determining an appropriate funding level could also include an examination of ratios between payments received through the PLR scheme and royalties as well as the establishment of a nominal book rate that would only change with inflation.

If e-books are to be included in the PLR scheme, the funding pool could also be increased to take into account the greater proliferation of digital formats on the book market and the extension of PLR scheme into a new area of support. Such an increase could also reflect the percentage of the total New Zealand book market represented by e-books.

4.2.2. E-lending

The consultation showed that there is interest in exploring how the PLR scheme could be broadened include different technologies that express the same work (i.e. regardless of its format – analogue or digital). However, incorporating e-books and audio books into the PLR scheme would necessitate not only changes to current regulations, but also a careful examination of how e-lending currently occurs in New Zealand libraries, and how data relating to the use of e-books can best be collected and integrated into the PLR scheme. The challenge will be to find an approach that could accommodate both ‘restricted’ e-lending (e.g. a single user model that mimics print-

book lending) and ‘friction-free’ e-lending that makes use of all functionalities provided by digital technology (e.g. lending a single e-book to an unlimited number of users simultaneously). Considering that libraries purchase or license e-books as part of a bundled database collection, or aggregate platform, and do not acquire them individually as part of their physical holding of titles (as with print-books), there may be some merit in considering the extent to which e-books could be incorporated into the PLR scheme on the basis of lending data. This would require thorough understanding of how digital licences function and also how lending data are collected. As noted earlier, it is important in this context to balance (any) revenue that authors receive through digital licences, and the distribution payments for the use of their (digitised) work in libraries.

The inclusion of digital formats also links to the National Library’s prediction that resources will be increasingly digital by 2030.46

4.2.3. Opportunities for establishing collaborative partnerships

When the PLR scheme was established in 2008, Parliament excluded digital formats. However, as noted by CLNZ, considerable technological advances during the intervening years in publishing and management systems underscore the need for the PLR scheme to be managed through “an automated data collection and payment system.” CLNZ expects “that, in 2020, manual surveys of holdings should be a thing of the past, and technology should be able to make the process of securing holding and/or lending information, seamless.” By the same token, LIANZA expressed its concern that

“any change in process that shifts the responsibility for reporting to a much wider group will invariably increase the resourcing required to administer the scheme as it will require significant communication, education and follow up to ensure the correct information is reported. We note that it would also be likely to need to introduce some kind of audit process to verify the results if individual libraries are being required to report on digital lending for example. Again, this will increase the cost of administering the scheme and potentially add compliance costs for New Zealand Libraries.”

During the course of the consultation potential was identified for organisations associated with the PLR scheme and its funding recipients to work together in the PLR scheme’s design. For example, the know-how and connections of the National Library and LIANZA with libraries all around the country could be combined with the technological resources and expertise of Copyright Licensing New Zealand and Statistics New Zealand to streamline aspects of the PLR scheme’s administration – in particular the survey of eligible titles, the collection of e-lending data, and the calculation and distribution of payments. Respondents recommended that the National Library consider utilising existing technologies, rather than trying to reinvent the wheel. Such collaborative partnerships, although they may incur costs to begin with, would bring about greater cost efficiency in the long-term. Furthermore, collaborations between libraries and cultural institutions will uphold the National Library’s strategic aspirations for 2030.

Given the size of New Zealand it would be eminently sensible to create efficiencies by making optimal use of existing collection and library management technologies available to all New Zealand libraries and copyright licensing organisations to automate accurate data collection and payment processes.

4.2.4. Adapting for future changes

Prescribing the operations of the PLR in a statutory instrument (such as the Act and the Regulations) is a rigid process and has meant that any changes to the scheme must follow legislative processes. For example, the Regulation’s current definition of a book excludes e-books. While legislative changes could be made to the Act or Regulations in the near future to accommodate changes within the sector, there is a risk that the PLR will once again fall out of step with how books are written, published and consumed. The National Library and DIA may wish to consider whether the PLR could be more adaptive and flexible if the operations were provided in guidelines, rather than legislation. For example, the Canada Council for the Arts oversees their PLR scheme, but the PLR Commission determines the policies and criteria to receive PLR payments. The Canadian PLR Commission is comprised of elected writers, translators, librarians and publishers, and includes representatives from the relevant government bodies.

4.2.5. Inclusion of publishers

The National Library may wish to discuss the possibility of including publishers in the PLR scheme, as they play a significant role with the literary arts sector. Read NZ favours extending the PLR eligibility criteria to include publishers because it would provide them with an additional revenue stream. The Australian Lending Right Schemes make PLR payments to publishers whose creator (author, illustrator, editor, translator and complier) is eligible for PLR payments. Eligible publishers must fulfil the below criteria:

- “Business consists wholly or substantially of the publication of books and who regularly publish in Australia;
- Non-profit organisations that publish to further their aims or objectives; and
- Self-publishing creators.”

The inclusion of publishers in the PLR would require additional funding otherwise it would lower the book rate and reduce the annual payments received by those eligible.

4.2.6. Encouraging the use of Te Reo Māori in the PLR scheme

Te Reo Māori is one of three official languages and the demand for Te Reo Māori and Te Ao Māori books is high. DIA and the National Library may wish to consider how the PLR scheme could be used to encourage more Te Reo Māori publications and support the revitalisation of the language. One option could include a sectioned portion of the annual fund to be allocated to compensate books published in Te Reo Māori. This option could contribute to the National Library’s current strategic direction and the aim that “Te reo Māori will be revitalised and used throughout New Zealand.” This would also support the Government’s Maihi Karauna and Maihi Māori strategies.

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48 Based on the consultation results, it appears that some authors incorrectly believe that publishers are already included in the PLR and can receive annual payments.
49 Australia has an Educational Lending Right and a Public Lending Right.
APPENDIX 1: TERMS OF REFERENCE FOR THE REVIEW OF THE PUBLIC LENDING RIGHT

Purpose

The Department of Internal Affairs (the Department) wishes to undertake a first-principles review of the intent, scope and operations of the Public Lending Right scheme (PLR). The review will provide options for creating a fit-for-purpose scheme that balances the recognition of New Zealand authors’ creative work with the interests of New Zealand libraries\(^{53}\) and their users.

Context

The PLR provides New Zealand authors with annual payments in recognition of the fact that their books are available for use in New Zealand libraries. The PLR fund is $2 million per annum. Annual payments are made to authors based on the number of works held in New Zealand libraries.

The PLR is governed by the Public Lending Right for New Zealand Authors Act 2008 (the Act) and the Public Lending Right for New Zealand Authors Regulations 2008 (the Regulations). The PLR has been administered by the National Library of New Zealand since 2009 under delegation from the Chief Executive of the Department.

The Department has received advice from the Public Lending Right Advisory Group (the Advisory Group) and feedback from New Zealand authors on a number of issues associated with the PLR including:

- The primary policy intent of the PLR is unclear, making it difficult to reconcile decisions made under the Regulations with potentially competing outcomes and interests such as:
  - compensating New Zealand authors for their works being made available to readers free of charge;
  - conferring recognition on New Zealand authors whose works are held in New Zealand libraries;
  - supplementing the revenue of living contemporary New Zealand authors; and
  - encouraging emerging New Zealand writers in their literary careers.

- The total funding level for the PLR has not been reviewed by Cabinet since its inception in 2008. The legislation does not provide for regular CPI adjusted increases.

- Difficulties associated with the prescriptiveness of the regulations, such as:
  - the complexity of the registration requirements;
  - the number of copies of books (by a New Zealand author) that must be held in New Zealand libraries to qualify for payment;
  - the methodology used to ascertain the number of copies held by libraries; and
  - the difficulty interpreting the definition of a book for the purposes of counting the number of copies held by libraries.

\(^{53}\) For the purposes of the Public Lending Right for New Zealand Authors Act 2008, a New Zealand library means “a library in New Zealand that makes its books available for use in New Zealand” (Section 8(a)).
• The PLR applies only to printed bound books despite the presence of e-books and audiobooks increasing in New Zealand libraries.54
• School libraries are currently excluded from the PLR.

The results of the review will provide the Department with a basis for seeking a decision from the Minister of Internal Affairs about options for amending the PLR. These could include changes to the PLR Regulations and corresponding amendments to the Act.

Scope of work

The review will involve analysing and creating a snapshot of the PLR as it is currently administered, identifying issues and developing options for its improvement. Targeted consultation with key stakeholders will inform the analysis. The substantive policy and operational topics, and areas of inquiry, that lie within the scope of the review can be summarised as follows:

• What are the main contextual changes since 2008 within the PLR’s current operating environment?
• To what extent is the purpose of the Act and its associated Regulations clear and fit-for-purpose given changes in relevant operating environments? What should the PLR’s purpose be?
• What do key stakeholders consider to be the PLR’s main existing issues?
• To what extent are the intended outcomes of the PLR clear and in what ways could the current eligibility criteria and funding formula be modified in order to better support these outcomes?

Exclusions from review scope

The following matters lie outside of the scope of the review:

• A comparative desktop review examining PLR in other jurisdictions (this will be undertaken by the Department);
• An extensive public consultation about possible legislative amendments;
• Options for implementing an Educational Lending Right; and
• Matters within the scope of the Ministry of Business, Innovation and Employment’s current review of the Copyright Act 1994.

APPENDIX 2: QUESTIONNAIRE FOR PROFESSIONAL BODIES AND ORGANISATIONS

The Public Lending Right for New Zealand Authors scheme (PLR) was established in 2008, replacing the New Zealand Authors’ Fund established in 1973. The PLR provides payment for New Zealand authors, in recognition that their books are available for use in New Zealand libraries. A recent analysis identified multiple improvement areas for the Public Lending Right scheme. The findings of this analysis have been endorsed by the PLR Advisory Group.

The Department of Internal Affairs and National Library of New Zealand have engaged independent consultants to conduct a review of the PLR. The terms of reference of the review can be viewed here.

As part of this review, we wish to hear from the New Zealand Society of Authors, New Zealand libraries and other key stakeholders across the sector. This targeted consultation will help us better understand how the PLR operates in practice, the key issues with the scheme and identify opportunities for change.

Please take this survey if you are answering on behalf of your professional body or organisation. We will not ask any personal questions and all responses will be anonymous.

If you want to answer the survey on behalf of yourself, you are also welcome to take this survey.

NEW PAGE

1. What professional body/organisation are you answering on behalf of?

[text box]

2. Is your professional body/organisation local, regional, national or international?

[text box]

3. Please rank each of the following primary outcomes of the PLR from most important to least important.

☐ Supplementing the revenue of contemporary New Zealand authors (least important – unimportant – neutral – important – most important)

☐ Providing public recognition for New Zealand authors whose works are held in New Zealand libraries (least important – unimportant – neutral – important – most important)

☐ Compensating New Zealand authors for their works being made available to readers free of charge (least important – unimportant – neutral – important – most important)

☐ Encouraging emerging New Zealand authors in their literary careers (least important – unimportant – neutral – important – most important)

4. Are there any other outcomes that the PLR should support?
5. Authors are required to register with the PLR every year. What works well with
the current registration process? How could the registration process be improved?

6. The following criteria must be fulfilled for an author to be eligible to receive PLR
funding:
   a. At least 50 copies of the book are in New Zealand libraries
   b. The book has no more than 3 authors
Are these criteria appropriate? If not, what would you add or modify?

7. Authors must be a New Zealand resident to be eligible to receive PLR funding. This
means that they must prove that they spend at least half the year in New Zealand
or have a permanent residence in the country. Is this appropriate? If not, how
could it be modified?

8. The PLR regulations require a certain length of book to qualify to be in the scheme.
Is this appropriate? If not, why not?

9. The PLR regulations also state that a book must not have more than 3 authors. Is
this appropriate? If not, how should it be changed?

10. The PLR in New Zealand has never had a minimum or maximum payment for
authors. Similarly, there are no scales of payments corresponding to the number
of book copies in the library. Do you think these options should be explored? If yes,
please explain why.

11. The PLR is currently based on holding of print books. Should the PLR be based on
print holding, print lending, digital lending, or a mixture? How might a shift to one
of these new models impact your professional body/organisation?
12. When the PLR Act was introduced, e-books and audiobooks were deliberately excluded from the scheme. Should e-books and audiobooks lending now be included in the PLR? If so, why?

13. What would be the positive and negative impacts of including e-books and audiobooks in the PLR, and how might these be measured or understood?

14. School libraries are currently excluded from the PLR. Would you support including school libraries in the PLR?
   - Yes, I support including all school libraries in the PLR
   - Yes, I support including only a sample of school libraries in the PLR
   - No
   - Unsure

15. How might the PLR be impacted by including school libraries?

16. Authors can challenge decisions made about the PLR’s administration or the number of copies held in a library. In your opinion, does this process work well? Please explain why or why not.

17. The Copyright (Marrakesh Treaty Implementation) Amendment Act was introduced in 2019. It aims to help people who are blind, visually impaired or otherwise print disabled to have access to books and literary works in accessible formats. What role, if any, should the PLR have in addressing any impacts of this Amendment?

   (Please note that copyright is out of scope of the PLR review).

18. Should private libraries, such as the Blind Low Vision Library, providing accessible format copies to their print-disabled members (as permitted by the Marrakesh exemption) be included in the PLR? If so, why?
19. Of all of the issues raised above, which is the most important one to be resolved for your professional body/organisation?

[text box]

20. Are there any other issues that have not been addressed in this survey that you would like to raise?

[text box]

21. Please add any final comments in the box below.

[text box]

ENDS

Thanks for sharing your experiences of the PLR scheme on behalf of your organisation.

What happens next?

Once the review is completed, the Department of Internal Affairs expects to report back to the Minister of Internal Affairs in mid-2020 on the findings of the review and any proposed steps.

If the review proposed significant changes to the PLR, the Act or the Regulations there will be public consultation before any changes are made.

For further updates on the review, please see the National Library’s website. Any questions about the review of the PLR can be sent to plrreview@dia.govt.nz.
APPENDIX 3: QUESTIONNAIRE FOR INDIVIDUAL AUTHORs, ILLUSTRATORS, EDITORS, LIBRARIANS AND PUBLISHERS

The Public Lending Right for New Zealand Authors scheme (PLR) was established in 2008, replacing the New Zealand Authors’ Fund established in 1973. The PLR provides payment for New Zealand authors, in recognition that their books are available for use in New Zealand libraries. A recent analysis identified multiple improvement areas for the Public Lending Right scheme. The findings of this analysis have been endorsed by the PLR Advisory Group.

The Department of Internal Affairs and National Library of New Zealand have engaged independent consultants to conduct a review of the PLR. The terms of reference of the review can be viewed here.

As part of this review, we wish to hear from key stakeholders across the sector, such as authors, illustrators, editors, publishers and librarians. We want to better understand how the PLR operates in practice, the key issues with the scheme and identify opportunities for change.

Please take this survey if you are answering on behalf of yourself. All survey responses will be anonymous.

1. Which group do you identify with? If you identify with more than one group, please select one option and complete the survey more than once.
   A. Individual author, illustrator or editor
   B. Librarian
   C. Publisher

Page logic for A) individual author, illustrator or editor

2. What type of books do you write, illustrate and/or edit?
   [Textbox]

3. Have you ever received funding from the PLR?
   ☐ Yes
   ☐ No
   ☐ Unsure

4. Please rank each of the following primary outcomes of the PLR depending on their importance to you.
   ☐ Supplementing the revenue of contemporary New Zealand authors (least important – unimportant – neutral – important – most important)
   ☐ Providing public recognition for New Zealand authors whose works are held in New Zealand libraries (least important – unimportant – neutral – important – most important)
Compensating New Zealand authors for their works being made available to readers free of charge (least important – unimportant – neutral – important – most important)

Encouraging emerging New Zealand authors in their literary careers (least important – unimportant – neutral – important – most important)

5. Authors are required to register with the PLR between 1 January and 1 March each year. How satisfied are you with the annual registration process?

- Very satisfied
- Satisfied
- Neutral
- Unsatisfied
- Very unsatisfied

6. Do you have any suggestions for improving the registration process to make it easier to receive payments?

[100-character text box]

7. Authors must have at least 50 copies of their books in New Zealand libraries to be eligible for the PLR. What do you think the minimum number of book copies should be?

- 1-9 copies
- 10-24
- 25-49
- 50 or more
- No minimum number of copies required
- Unsure

8. Authors must be a New Zealand resident to be eligible to receive PLR funding. This means that they must prove that they spend at least half the year in New Zealand or have a permanent residence in the country. How satisfied are you with this requirement?

- Very satisfied
- Satisfied
- Neutral
- Unsatisfied
9. Books must have no more than 3 authors to be eligible for PLR funding. How satisfied are you with the above criteria?

- Very satisfied
- Satisfied
- Neutral
- Unsatisfied
- Very unsatisfied

10. The PLR regulations require a certain length of book to qualify to be in the scheme. How satisfied are you with this requirement?

- Very satisfied
- Satisfied
- Neutral
- Unsatisfied
- Very unsatisfied

11. Lending rates of print books are not currently part of the PLR scheme. Do you think the PLR should be based on holding (copies of print books), lending, or a mixture of both? Pick one option.

- Holding
- Lending
- A mixture of holding and lending
- Unsure

12. E-books are currently excluded from the PLR. Should e-book lending be included in the PLR?

- Yes
- No
- Uncertain

13. Audiobooks are currently excluded from the PLR. Should audiobook lending be included in the PLR?

- Yes
14. School libraries are currently excluded from the PLR. Should school libraries be included in the PLR?

- Yes, all school libraries
- Yes, but only a sample of school libraries
- No
- Unsure

15. Should private libraries, such as the Blind Low Vision Library, providing accessible format copies to their print-disabled members (as permitted by the Marrakesh exemption) be included in the PLR?

- Yes
- No
- Unsure

16. Please specify why or why not private libraries providing accessible copies to their print-disabled members) should be included in the PLR?

[Textbox]

17. Of the areas related to the PLR raised above, which is the most important to you, as an individual? Pick one option.

- The primary purpose of the PLR
- The registration process
- The threshold of 50 books to be eligible for funding
- Authors must be New Zealand tax residents to be eligible for funding
- The maximum of 3 authors for a book to be eligible for funding
- Books have a minimum number of pages to be eligible for funding
- Lending rates are excluded from the PLR
- E-books are excluded from the PLR
- Audiobooks are excluded from the PLR
- School libraries are excluded from the PLR
- Private libraries providing accessible books are excluded from the PLR

New page
Thanks for sharing your individual experiences of the PLR scheme. We would like to collect some information about you. This information will be anonymous.

18. **Which ethnic group(s) do you identify with?** *Multi-choice available.*
- New Zealand European or Pākehā
- Māori
- Pacific Peoples
- Asian
- Middle Eastern/Latin American/African
- Other (please specify)
- Prefer not to say

[Text box]

19. **What is your postcode?**

[Textbox]

**ENDS**

**What happens next?**

Once the review is completed, the Department of Internal Affairs expects to report back to the Minister of Internal Affairs in mid-2020 on the findings of the review and any proposed steps. If the review proposed significant changes to the PLR, the Act or the Regulations there will be public consultation before any changes are made.

For further updates on the review, please see the National Library’s website. Any questions about the review of the PLR can be sent to plrreview@dia.govt.nz.

**Page logic for B) librarians**

4. **What kind of library do you work in?** *[multiple options available]*
- Local government public library
- Central government public library
- National library
- Subject specific library
- University and polytechnic library
5. How long have you been a librarian for?
- 0-5 years
- 6-10 years
- 11-15 years
- 16+ years

6. How familiar are you with the PLR?
Not at all familiar – Slightly unfamiliar – Somewhat familiar – Familiar – Very familiar

7. Please rank each of the following primary outcomes of the PLR depending on their importance to you.
- Supplementing the revenue of contemporary New Zealand authors (least important – unimportant – neutral – important – most important)
- Providing public recognition for New Zealand authors whose works are held in New Zealand libraries (least important – unimportant – neutral – important – most important)
- Compensating New Zealand authors for their works being made available to readers free of charge (least important – unimportant – neutral – important – most important)
- Encouraging emerging New Zealand authors in their literary careers (least important – unimportant – neutral – important – most important)

8. Authors must have at least 50 copies of their books in New Zealand libraries to be eligible for the PLR. What do you think the minimum number of book copies should be?
- 1-9 copies
- 10-24
- 25-49
- 50 or more
- No minimum number of copies required
9. Books must have no more than 3 authors to be eligible for PLR funding. How satisfied are you with the above criteria?

- Very satisfied
- Satisfied
- Neutral
- Unsatisfied
- Very unsatisfied

10. The PLR regulations require a certain length of book to qualify to be in the scheme. How satisfied are you with this requirement?

- Very satisfied
- Satisfied
- Neutral
- Unsatisfied
- Very unsatisfied

11. Lending rates of print books are not currently part of the PLR scheme. Do you think the PLR should be based on holding (copies of print books), lending, or a mixture of both? Pick one option.

- Holding
- Lending
- A mixture of holding and lending

12. E-books are currently excluded from the PLR. Should e-book lending be included in the PLR?

- Yes
- No
- Uncertain

13. Audiobooks are currently excluded from the PLR. Should audiobook lending be included in the PLR?

- Yes
- No
14. School libraries are currently excluded from the PLR. Should school libraries be included in the PLR?
- Yes, all school libraries
- Yes, but only a sample of school libraries
- No
- Unsure

15. Should private libraries, such as the Blind Low Vision Library, providing accessible format copies to their print-disabled members (as permitted by the Marrakesh exemption) be included in the PLR? If so, why?
- Yes
- No
- Unsure

16. Please specify why or why not private libraries providing accessible copies to their print-disabled members should be included in the PLR?
[textbox]

17. Of the areas related to the PLR raised above, which is the most important to you, as an individual? Pick one option.
- The primary purpose of the PLR is unclear
- The threshold of 50 books to be eligible for funding
- The maximum of 3 authors for a book to be eligible for funding
- Books have a minimum number of pages to be eligible for funding
- Lending rates are excluded from the PLR
- E-books are excluded from the PLR
- Audiobooks are excluded from the PLR
- School libraries are excluded from the PLR
- Private libraries providing accessible books are excluded from the PLR

New page
Thanks for sharing your individual experiences of the PLR scheme. We would like to collect some information about you. This information will be anonymous.

18. Which ethnic group(s) do you identify with? *Multi-choice available.*

- New Zealand European or Pākehā
- Māori
- Pacific Peoples
- Asian
- Middle Eastern/Latin American/African
- Other (please specify)
- Prefer not to say

[Text box]

19. What is your postcode?

[Textbox]

ENDS

Thanks for sharing your individual experiences of the PLR scheme.

**What happens next?**

Once the review is completed, the Department of Internal Affairs expects to report back to the Minister of Internal Affairs in mid-2020 on the findings of the review and any proposed steps.

If the review proposed significant changes to the PLR, the Act or the Regulations there will be public consultation before any changes are made.

For further updates on the review, please see the National Library’s website. Any questions about the review of the PLR can be sent to plrreview@dia.govt.nz.

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4. What kind of publisher do you work for?

[Text box]

5. How long have you worked in publishing?

- 0-5 years
- 6-10 years
6. **How familiar are you with the PLR?**
Not at all familiar – Slightly unfamiliar – Somewhat familiar – Familiar – Very familiar

7. **Please rank each the following primary outcomes of the PLR depending on their importance to you.**
- Supplementing the revenue of contemporary New Zealand authors (least important – unimportant – neutral – important – most important)
- Providing public recognition for New Zealand authors whose works are held in New Zealand libraries (least important – unimportant – neutral – important – most important)
- Compensating New Zealand authors for their works being made available to readers free of charge (least important – unimportant – neutral – important – most important)
- Encouraging emerging New Zealand authors in their literary careers (least important – unimportant – neutral – important – most important)

8. **E-books are currently excluded from the PLR. Should e-book lending be included in the PLR?**
- Yes
- No
- Uncertain

9. **Audiobooks are currently excluded from the PLR. Should audiobook lending be included in the PLR?**
- Yes
- No
- Uncertain

10. **School libraries are currently excluded from the PLR. Should school libraries be included in the PLR?**
- Yes, all school libraries
- Yes, but only a sample of school libraries
- No
- Unsure
11. Should private libraries, such as the Blind Low Vision Library, providing accessible format copies to their print-disabled members (as permitted by the Marrakesh exemption) be included in the PLR?

☐ Yes
☐ No
☐ Unsure

12. Please specify why or why not private libraries providing accessible copies to their print-disabled members) should be included in the PLR?

[textbox]

13. Of the areas related to the PLR raised above, which is the most important to you, as an individual? Pick one option.

☐ The primary purpose of the PLR
☐ E-books are excluded from the PLR
☐ Audiobooks are excluded from the PLR
☐ School libraries are excluded from the PLR
☐ Private libraries providing accessible books are excluded from the PLR

New page

Thanks for sharing your individual experiences of the PLR scheme. We would like to collect some information about you. This information will be anonymous.

14. Which ethnic group(s) do you identify with? Multi-choice available.

☐ New Zealand European or Pākehā
☐ Māori
☐ Pacific Peoples
☐ Asian
☐ Middle Eastern/Latin American/African
☐ Other (please specify)
☐ Prefer not to say

[text box]

15. What is your postcode?
Thanks for sharing your individual experiences of the PLR scheme.

**What happens next?**

Once the review is completed, the Department of Internal Affairs expects to report back to the Minister of Internal Affairs in mid-2020 on the findings of the review and any proposed steps.

If the review proposed significant changes to the PLR, the Act or the Regulations there will be public consultation before any changes are made.

For further updates on the review, please see the National Library’s website. Any questions about the review of the PLR can be sent to plrreview@dia.govt.nz.