



PLR
International

**PUBLIC LENDING RIGHT (PLR):
AN INTRODUCTORY GUIDE**

INTRODUCTION

This guide has been prepared by the Co-ordinator of PLR International as an introduction to Public Lending Right (PLR). PLR International exists to encourage the exchange of information and best practice between PLR systems across the world, and to provide impartial help, advice and encouragement to countries seeking to establish their own PLR systems.

The guide is aimed at individuals, organisations and governments who are coming to PLR for the first time. It provides information on how PLR operates, how it benefits authors and other rightsholders, how it has been established across the world and how it can be achieved. The guide is in three parts.

Part One describes the main types of PLR system that exist internationally and their legal basis.

Part Two explains why authors are so important to cultural life and education, and how PLR provides the vital support that they need to sustain their writing. It also provides some pointers to how PLR can be achieved on the basis of the experience of campaigners in countries where PLR has already been established. And it responds to some of the common arguments used across the world to oppose the establishment of PLR systems.

Part Three provides links to more detailed information and guidance.

A list of the countries that have established PLR systems can be found in Annex 1.

The guide is also available in different languages and you can access electronic copies on the PLR International website: plrinternational.com

Dr Jim Parker
PLR International Co-ordinator



Maureen Duffy, author, UK PLR campaigner and President of Honour of Authors' Licensing and Collecting Society (ALCS)

PART ONE

WHAT IS PUBLIC LENDING RIGHT (PLR)?

PLR is the legal right that authors have to receive payment from governments to compensate them for the free lending out of their books by public and other libraries.

“First and foremost PLR upholds the principle of ‘no use without payment’. This is the basis for the concept of ‘fair remuneration’, which then carries over into photocopying and digital uses. It is based on the Universal Declaration of Human Rights, by which we are entitled to receive income from any exploitation of our work. If it is claimed that this interferes with another universal right, to access to knowledge and culture, our answer is that it supports the creation of new work and we do not ask teachers to work for nothing.”

Maureen Duffy, author, UK PLR campaigner and President of Honour of ALCS.

HOW WIDESPREAD IS IT?

Currently 35 countries across the world have PLR systems. (See Annex 1 for details.)

The first country to establish a PLR system was Denmark in 1946, followed by Norway in 1947 and Sweden in 1954. Even in 1946 PLR was not a new idea. A resolution passed at the Nordic Authors' Association meeting in 1919 called on governments to compensate authors for library lending of their books.

PLR has been recognised in European law since 1992 and 30 of the 35 countries with PLR systems are in the European area.

Outside Europe the first PLR system to be established was in New Zealand in 1973. Several other countries recognise the legal right of authors to license the lending out of their works but have not yet set up systems to enable authors to receive PLR remuneration. This can be where there is no collective management organisation (CMO) in place to administer a PLR system, or where authors have not actively pressed governments to provide them with PLR payments.

The most recent PLR system to be established is in Greece, where legislation was passed in 2017 and arrangements for the new system were implemented in 2018.

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HOW DOES PLR OPERATE?

Each country has a different approach, but generally PLR payments are directly funded by government and do not come from library budgets.

Most commonly, PLR is distributed to authors in the form of payments related to how often their works have been lent out by libraries. This 'payment per loan' approach can be found in the UK, Germany, the Netherlands and Sweden. In Sweden PLR payments are also made to authors of reference works which are used for on-the-spot reference in libraries and are not available for loan.

Alternatively, payment can be made to authors in line with how many copies of their books are held by libraries – the 'stock or title count' method, as operated in Canada, Denmark and Australia.

Other approaches include relating payments to book purchases. This is the approach in France, where part of the overall PLR fund comes from a small payment made by booksellers every time they sell a book to a library. The remaining part of the PLR fund is covered by the state budget according to how many users are registered in the libraries (the users do not have to pay any fees).

PLR funds are used in some countries to provide authors with pensions (Germany and France), and in others to pay for travel grants and scholarships (Norway, Italy and Cyprus).

And many countries have PLR systems based on a combination of approaches – for example, in Slovenia, where PLR payments are made to authors for loans of their books but PLR funding is also used to provide study grants and scholarships.

In addition to writers, other contributors to books, such as illustrators, translators, editors and photographers, commonly qualify for PLR payments; and in several countries the publishers share the PLR payments with the authors.

PLR currently applies in many countries to both printed books and a range of audiovisual material (including 'talking books') lent out by libraries. In these countries a wider range of creators will therefore be eligible for payment, including composers, producers and narrators of audiobooks.

Ebook lending is a rapidly growing feature of public library activity across the world, and three countries – Canada, Denmark and the UK – have introduced payments for ebook loans. In the European Union (EU) PLR is subject to the Rental and Lending Right Directive (see Part Two) which was implemented before the advent of ebooks. Following a ruling by the Court of Justice of the European Union in 2016, ebook lending is deemed to be covered by the Lending Right Directive.

In short, no two PLR systems are the same. Many combine several aspects of the different approaches available to provide systems that best suit their national needs.

WHAT IS THE INVOLVEMENT OF LIBRARIES IN MAKING PLR SYSTEMS WORK?

Most countries, as we have seen, base payments on either the number of copies of an author's book held by public libraries or how often the book has been borrowed. Data collection for both approaches is now highly automated, and the required details of books held by public libraries or the number of loans is easily acquired electronically from library computer systems. In return, PLR offices can provide libraries with fascinating data on the most borrowed authors and books, and on trends in book borrowing.

In most countries PLR funding is provided by regional or central government and is not paid directly by the libraries. In the few cases where libraries provide for PLR from their own budgets (for example, in the Netherlands, where public libraries operate as independent units), PLR is seen by the library community as an entirely legitimate charge, as it gives authors fair compensation for the use of their works free of charge by the public.



"PLR is important both to rightsholders and libraries. In the Netherlands, libraries pay faithfully for PLR because they have an interest in writers: the same writers who are able to reach their readers through the libraries. For this reason, we have fair compensation for writers covered by our Authors' Law, just like the duty of libraries to freely reveal information."

Erna Winters, Director, Library of the City of Alkmaar, the Netherlands.

WHAT IS THE LEGAL BASIS FOR PLR?

Under the 1992 Directive on Rental and Lending Right, EU Member States are required by law to provide authors with an exclusive right to lend out their works **or** at least provide them with remuneration for the lending out of their works.

The Directive (first passed in 1992 and reconstituted in 2006) gives authors and other rightsholders an exclusive right to license or prohibit the lending of their works by libraries. However, Member States may derogate from an exclusive right provided that they remunerate rightsholders for the loan of their works. Member States must include public libraries in their PLR schemes but are permitted to exclude from the right the lending of authors' works from other categories of library. They may also give priority to their national cultural objectives in establishing PLR schemes.

But, elsewhere, lending right is not a requirement under international copyright law and there is no obligation on governments to set up PLR systems. As a result, the spread of PLR has been patchy and there are no PLR systems yet in Africa, Latin America or Asia. The only countries outside Europe currently operating PLR systems are Australia, Canada, Israel and New Zealand. However, interest in PLR is growing internationally and in 2018, steps were being taken to introduce PLR in Malawi and Hong Kong.

Where PLR operates outside copyright, it can function as part of a country's support structure for its own culture and language. So in several European countries (for example, in Denmark, Sweden and Norway), PLR is only payable to authors writing in the national language(s) of that country. Outside Europe, the PLR systems in Australia and Canada exist to support authors who are nationals of those countries.

HOW IS PLR ADMINISTERED?

In a number of countries PLR is administered by a CMO alongside other authors' rights subject to licensing such as photocopying. This is the case in Germany, the Netherlands, Spain, the Slovak Republic and Lithuania. Where PLR is a right to remuneration with its own legislation, the PLR system tends to be managed by a government department (for example, in Australia, where the Department of Communications and the Arts has responsibility) or by an arm's length government body (for example, in the UK, where PLR is managed by the British Library). In some countries, (for example, in Israel and Canada) PLR systems have been set up by government without any founding legislation, and in these cases the systems are government-run.

PART 2

WHY ARE AUTHORS SO IMPORTANT TO SOCIETY AND CULTURAL LIFE?

The contribution of authors to society begins when a child first attempts to learn to read, with the work of skilled children's authors tailored to encourage developing skills to progress to the next level. This process continues with ever-increasing facility throughout formal education. Without the basic skill of literacy in today's world, the individual will find only the lowest paid employment and face increasing frustration in our text-based society.

Yet the creators of this vital good for society are often the lowest in the publishing value chain, as recent research has shown. Increasingly, and contrary to the Universal Convention on Human Rights, authors subsidise their work with other sources of income and self-publication, while society expects them to give their skills and work for free. PLR is part of the essential financing that ensures the continuing creation and flow of professional literary content.

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WHY IS PLR SO IMPORTANT FOR AUTHORS?

PLR payments make a real difference to authors' lives.

In the UK around 22,000 writers, illustrators and translators from all walks of life and literary backgrounds receive payments of up to £6,600 each year. For many, particularly writers who are not among the bestsellers, this is their biggest source of income at a time when authors' incomes from publishing are falling everywhere.

In some of the smaller EU Member States like Malta, where the first PLR payments were made in 2015, PLR is seen as an important future addition to authors' incomes.



"Besides serving as a new and small source of revenue for authors, Public Lending Right in Malta has also helped enhance the culture of professionalism and boosts authors' fees in our industry. Thanks to PLR, the entitlement of authors to remuneration for the use of their work is now deeply entrenched in the local book industry."

Mark Camilleri, author and Executive Chairman of the National Book Council, which administers PLR in Malta.



"I have a lot of loyal readers who borrow my books and that means I've been very fortunate in the annual payment I receive from the PLR – a payment which for many writers is an essential part of their earnings; I know it was in my early writing career."

Erica James, author of 20 bestselling novels, including *Gardens of Delight* which was Romantic Novel of the Year in 2006.

At the start of an author's career, PLR for library loans of their books can be of immense importance.

And for established writers with long backlists of published works, the role of public libraries in providing access to the whole of their oeuvre, including works that have gone out of print, can be a life-saver.

PLR funding not only provides payments for library loans of authors' works, but can be paid out as grants for research and travel, or as pensions. In some countries it can also be bequeathed at an author's death to their family for up to 70 years.

PLR is not restricted to public library loans of authors' works. In Australia the Educational Lending Right makes payments to authors for the presence of their books in school libraries and this is very popular with children's writers. In Germany higher education libraries are included in PLR.

And, as we have seen in Part One, it is not just writers who benefit from PLR. Book illustrators, translators, editors and photographers may also qualify for PLR payments. PLR is particularly valuable for contributors to books like illustrators, who receive one-off payments for their work rather than ongoing royalties based on sales. In several countries publishers also receive a share of PLR.

There are other spin-offs for authors arising from PLR. For example, authors in the UK and Ireland find that the details of their library book loans sent to them by the PLR office with their annual payments are a great morale booster.

IT IS NOT JUST WRITERS WHO BENEFIT FROM PLR. BOOK ILLUSTRATORS, TRANSLATORS, EDITORS AND PHOTOGRAPHERS MAY ALSO QUALIFY FOR PLR PAYMENTS.



"PLR is not only a life-saver; it is also one of the great spurs to fresh endeavour."

Shirley Hughes, writer of over 50 children's books and illustrator of over 200.

WHAT ARE THE WIDER BENEFITS OF PLR?

PLR makes an important contribution to linguistic and cultural diversity by providing vital support to authors writing in minority languages. In the Nordic countries, for example, PLR payments are made to authors writing in a country's own national language(s) as a way of protecting and supporting each country's distinctive linguistic traditions and culture. In this way, PLR can play an important role in supporting authors in developing nations to continue writing in their national languages, particularly where there may be a wide range of linguistic and cultural traditions in a single country.

By supporting authors, PLR also supports libraries and all they do for literacy by helping to ensure a continued supply of books.

WHAT ARGUMENTS ARE USED AGAINST THE ESTABLISHMENT OF PLR AND HOW CAN THEY BE CHALLENGED?

Arguments used against PLR include:

PLR payments have an adverse effect on library budgets.

Wrong. In the majority of PLR countries, PLR is funded by central or regional government and is not paid out of library budgets. In the Netherlands, where individual libraries contribute to PLR funds, PLR is seen by the library community as a legitimate charge because it gives authors fair compensation for the use of their works free of charge by the public.

PLR is expensive to administer and running costs impact adversely on what is available for distribution to authors.

Wrong. In the UK the running costs of the PLR office came to 10% of PLR funds in 2017.



“PLR is about more than money, though of course that is welcome. Getting my cheque each year is a reminder that people want to read my books rather than simply own them.”

Tracy Chevalier, author of eight novels including international bestseller *Girl With a Pearl Earring*.

PLR payments go to the bestselling and therefore the most-borrowed authors, leaving little for less well known and up-and-coming authors.

Wrong. Most PLR systems operate an upper payment threshold or cap to prevent the most successful and most-borrowed authors from taking all the money. There is no legal requirement in Europe under the Rental and Lending Right Directive to cap payments in this way, but it is widely regarded as a fair way to ensure that PLR payments are distributed to as many authors as possible. Individual countries can decide on their own threshold. Of the £6 million paid out by UK PLR in 2017, only 19% went to the 195 authors on the maximum payment, leaving the bulk of the funding to be distributed to the other writers, illustrators and translators of printed books and authors, narrators and producers of audio-books borrowed from public libraries.

The authors whose books are most borrowed from libraries are bestsellers and don't need their PLR payments.

Wrong. In a survey of the UK authors who receive the maximum PLR payment, 80% specified that their annual PLR payment remained basic to their income. They include many retired writers, children's authors and illustrators, and mid-ranking genre fiction writers, for whom PLR money is vital.

PLR has an adverse effect on the primary sales of authors' books.

Wrong. PLR payments are for the secondary use of an author's works: when they are loaned out by libraries for free to readers. They have no impact on the sales market. Libraries remain an important customer for publishers and the establishment of a PLR system will not affect this situation.



"PLR is certainly very important to me. Most of my readers borrow my books from the library instead of buying them. That's why half my income comes from PLR. When your books are lent often by the library, it's very nice to get good compensation for that. It enables you to stay working as an author. It's not just the money; the recognition is also very important."

Gerda van Wageningen, Dutch writer of over 100 romantic fiction titles and recipient of Dutch PLR since 1986.

HOW HAS PLR BEEN ACHIEVED IN DIFFERENT COUNTRIES?

Most PLR systems are in Europe, and for EU Member States it has been a legal requirement since the passing of the 1992 Rental and Lending Right Directive. Countries seeking membership of the EU must therefore establish PLR systems as part of their preparations for membership. The Directive allows flexibility in determining how payments should be calculated, which types of library should be included, which rightsholders should qualify for payment and which types of works should be included.

For countries with long-established PLR systems, such as Denmark (1946), Norway (1947), Sweden (1956), the UK (1979) and Canada (1986), PLR was achieved by authors' own efforts and only after many years of campaigning.

Scandinavian authors led the way. As long ago as 1918 the Danish writer Thit Jensen called for authors to be compensated for the free library loans of their books. In 1946 Danish authors finally had success when the government introduced the world's first system of payment for library loans. PLR systems followed soon after in Norway and Sweden.

In the UK, authors led by Maureen Duffy and her fellow Writers Action Group members fought a long campaign to achieve a legal right for authors to receive payment for the lending out of their books by public libraries. The PLR Act was finally passed by the UK parliament in 1979 and the international PLR community will be celebrating the 40th anniversary of the PLR Act at PLR International's 13th conference, to be held in London in September 2019.

For authors living in countries outside the EU, where there is no legal requirement to establish PLR, campaigning remains the route that authors must still take. As we have seen, there are several legal and operational models that they can adopt depending on what best suits their national circumstances.

KEY POINTS TO REMEMBER FOR PLR CAMPAIGNS:

1. Present a workable scheme to government and a well-thought-through business case. Decide on the sort of scheme you want to recommend to government. Demonstrate the benefits of PLR, but also show that it won't damage libraries or other book trade sectors.
2. Press for a centrally funded scheme, or at least a scheme funded by government at the regional level.
3. Launch a well-planned and structured campaign supported by **all** the authors' organisations and secure the support of other key book trade sectors – particularly librarians and publishers.
4. Mobilise authors from all backgrounds, including well-known bestsellers, in support of the campaign.
5. Get the support of prominent public figures – particularly parliamentarians who may also be writers.
6. Aim ultimately for legislation to ensure that your PLR scheme provides a legal right.

Further guidelines on the minimum criteria required for an acceptable PLR system and equitable levels of payment have been prepared by PLR International in partnership with the International Federation of Reproduction Rights Organisations (IFRRO).

PART 3

FURTHER INFORMATION

The following organisations all promote the spread of PLR internationally. You can find more information about their activities on their websites:

PLR International

PLR International exists to bring together the 35 countries that have working PLR systems to provide a means for them to exchange information and best practice. It also provides impartial advice and technical assistance to countries seeking to set up their own PLR system. PLR International works closely with a number of organisations to promote PLR, including the International Federation of Reproduction Rights Organisations (ifrrro.org), International Authors Forum (internationalauthors.org), the European Writers' Council (europeanwriterscouncil.eu), European Visual Artists (evartists.org), International Publishers Association (internationalpublishers.org) and Federation of European Publishers (fep-fee.eu).

Dr Jim Parker, formerly Head of the UK PLR system, acts as PLR International Co-ordinator. Funding for the Co-ordinator's work is provided by the International Federation of Reproduction Rights Organisations and the Co-ordinator's work programme is set by the PLR International Steering Committee.

More information about PLR International and its activities, including its two-yearly conferences, and on the different approaches to PLR across the world can be found on its website, plrinternational.com or direct from Jim Parker (jim.parker@plrinternational.com).

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COUNTRIES THAT HAVE PLR SYSTEMS

Australia	Ireland
Austria	Israel
Belgium	Italy
Canada	Latvia
Croatia	Liechtenstein
Cyprus	Lithuania
Czech Republic	Luxembourg
Denmark	Malta
Estonia	Netherlands
Faroe Islands	New Zealand
Finland	Norway
France	Poland
Georgia	Slovak Republic
Germany	Slovenia
Greece	Spain
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