



Friday, 24 November 2023

**Briefing to incoming Minister of Internal Affairs
Public Lending Right Reform**

To the Honourable Brooke van Velden,

Congratulations on your new portfolio. We hope you find the Internal Affairs portfolio to be stimulating and rewarding.

The New Zealand Society of Authors Te Puni Kaituhi o Aotearoa (PEN NZ) is the principal organisation representing over 1800 writers in Aotearoa New Zealand. Founded in 1934, we administer prizes and awards, provide professional development opportunities, offer mentorship and assessment programmes, share communications and industry news, and provide spaces for writers to meet-up via a regional network of 9 branches with online and in-person regional and national events. NZSA collaborates across the book sector to make NZ writing and NZ writers more visible. We advocate for *Read Local, Buy Local*, creative rights and champion fair reward. We are a not-for-profit registered charitable entity and a key stakeholder to the National Library of New Zealand.

Public Lending Right (PLR) annual payments are a crucial component of New Zealand writers' incomes. PLR payments are paid to NZ writers in December each year and compensate writers for the free public access to NZ books via public libraries across Aotearoa. NZ writer Maurice Gee said, *"If the PLR cheque did not come in December, we didn't have Christmas."*

In 2016 NZSA called for an urgent reform of PLR. The National Library of NZ began the review in 2017, collated feedback from an Issues Paper in 2019, and commissioned a consultant's report from Allen and Clarke, [released with recommendations](#) in June 2020. The recommendations of that report, and a change to the regulations has not been able to proceed since.

NZSA points to the inadequacies of the current scheme and requests an urgent completion of the review, such as including compensation for *Educational Lending Rights (ELR)* and *Digital Lending Rights (DLR)*. *ELR* compensates authors for free access to their books in school libraries, while *DLR* compensates for free access to ebooks and audiobooks in public libraries and school libraries. The slow progress of reform of the current scheme is hurting a vulnerable sector of the community.

NZ authors earn on average circa \$16k pa ([CLNZ Horizon Survey 2022](#)), an income that sits below the poverty line. Through the pandemic, NZ libraries rightly promoted digital lending which now accounts for 20% of all borrowing, authors do not receive any compensation for that multi-format access to New Zealand books through school and public libraries and online platforms.

The NZ scheme is well out of step with NZ's major trading partners. The UK and Australia both have *DLR Rights* as part of a comprehensive and visionary creative industries and arts policy. Australia has had *ELR rights* for over two decades. 2021, Australian Lending Right paid their 17,500 writers (in a population of 26 million) over AUD\$22 million. To achieve equivalence, NZ's Lending Right Fund would currently need to be around NZ\$6 million; it currently stands at NZ\$2.4 million, well below parity.

DLR Rights were signed into law this year in Australia alongside an increase to their Lending Right Fund as part of the **REVIVE** arts policy. The Australian fund was increased by a further AUD\$12.9m in 2023 and is now AUD\$35m to include compensation for digital rights.

PLR Reform was a key pillar of the 2023 Book Sector Election Manifesto <https://authors.org.nz/election-23-vote-for-books-reading/>. The National Party was approached pre-election, and we received the response that National '*would look into this issue and were aware this was a long-running concern*'.

We hope to revise regulations that will address:

- The introduction of ELR to compensate free access to books in school libraries.
- The introduction of DLR to compensate free access to digital formats: ebooks and audiobooks in public libraries and school libraries.
- A top-up to the Public Lending Right Fund that has not kept pace with CPI with just two increases in 40 years.
- To dispense with the 50-copy threshold for holdings, especially as libraries reduce holdings of physical books due to the access via digital formats.
- That the fund be indexed to annual CPI henceforth so it will no longer fall behind cost-of-living parity.

We look forward to the opportunity to come and see you to discuss at your earliest convenience.

Ngā mihi,



Dr Vanda Symon NZSA President Jenny Nagle NZSA Chief Executive

New Zealand Society of Authors Te Puni Kaituhi O Aotearoa (PEN NZ) Inc authors.org.nz

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Minister of Culture and Heritage The Honourable Paul Goldsmith

Notes:

The Public Lending Right scheme for New Zealand Authors scheme was established to compensate New Zealand authors, illustrators, and editors for the use of their books in New Zealand libraries. In the late 1960's The New Zealand Society of Authors (NZSA) began a campaign for a *Public Lending Right* that would compensate authors for universal and free public access to NZ authors work in public libraries. NZSA campaigned for Public Lending Right and the scheme was successfully established by Prime Minister Norman Kirk.

