EXPLANATORY STATEMENT

Public Lending Right Act 1985

Public Lending Right Scheme 1997 (Modification No. 1 of 2007)

Issued by the authority of the Minister for the Arts and Sport

The Public Lending Right Act 1985 (the Act) provides the legislative framework for a Public Lending Right (PLR) scheme to, amongst other things, recognise the loss of income by Australian creators and publishers of books held in public lending libraries. Subsection 5(1) of the Act allows the Minister, by notice published in the Gazette to:
(a) approve a scheme for and in relation to making of payments to persons in respect of books; and (b) modify the scheme so approved.

The Public Lending Right Scheme 1997 (the Scheme) was approved by the then Minister for Communications and the Arts, Senator the Hon Richard Alston, on 10 June 1997. The Scheme was published in Special Gazette No. S 213 on Thursday 12 June 1997.

The annual rates of payments to eligible creators and publishers are adjusted each year usually in line with wage cost index adjustments. A modification to the Scheme to modify the rates of payments to creators and publishers from the previous year to the current year rates are published in a Gazette.

The Public Lending Right Committee provides advice to the Minister for the Arts and Sport on the rates of payment for eligible creators and publishers. The Committee consists of a Chairman, two members to represent Australian authors, a member to represent Australian publishers, a member to represent Australian libraries, a member from the National Library of Australia and a member from the Attorney-General’s Department. The Committee met on 16 March 2007 and the Chairman, Mr John Shipp, wrote to the Minister recommending the new PLR rates of payment for creators and publishers for his consideration and approval.

In 2006-07 the PLR creator rate of payment is recommended to increase from $1.43 to $1.47 while the publisher rate of payment is recommended to increase from 35.75 cents to 36.75 cents.

On 16 March 2004 the Office of Regulation Review (ORR) advised that a RIS (Regulation Impact Statement) is not required for the published Gazette notice of the new PLR rates of payments for creators and publishers.

Consultation was considered impractical because of the large number of creators and publishers involved and unnecessary as the changes are minor in nature.