

## Report: Public Lending Right Program 2005-2006

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### Statistics – 2006 author payments

Number of authors receiving payments:	14,972
Number of eligible titles in PLR database:	67,142
Total amount issued in payments to authors:	\$9,001,099.12
Maximum payment per title:	\$287.35
Maximum author payment:	\$2,873.50
Average author payment:	\$601.20
Median author payment:	\$287.35

### Calculating the payments

Each year, the catalogues of a selection of public libraries are surveyed electronically. The library holdings are compared to the list of eligible titles registered with the PLR Commission. If a title is found in a library, it is recorded as a "hit" in our system. A title can receive only one hit per sampled catalogue, even if the library contains multiple copies.

This year, a "hit" was worth \$41.05. In situations where there is more than one eligible contributor to a book, the value of the hit is prorated among the contributors according to the percentage of the book that was their contribution.

We surveyed six libraries in each language group and doubled results for libraries in the largest urban centres (Toronto and Montreal), as we did last year. Since there is a total of seven possible times a book can be found, there is a maximum payment per title of \$287.35 (7 x \$41.05). A minimum and maximum author payment level is set each year.

Due to the under-representation of poetry titles arising from the new sampling practices (explained in the following section), and in accordance with its mandate to "give public recognition to writers for their important contribution to protecting Canada's cultural identity", the Commission has again made an adjustment of one additional 'hit' for those poetry titles found in libraries in Toronto and Montreal.

### Library sampling

Significant changes to the sampling of libraries were introduced last year, affecting the payments issued in February 2005. This year the program continued to operate according to these changes.

The PLR Commission has decided to include only public libraries in its sample, returning to a core principle of the public lending right: that it recognize free public access to books. Most university libraries require a fee in order for the public to borrow books. In the past, university libraries were included in the sample due to the modest size of public library holdings. Given the improvements in public library holdings, the Commission now feels it is possible to return to the original mandate and sample only in public libraries.

We also continued to include some provincial union catalogues (databases that group together the holdings of various public libraries) in the sample. These vast databases allow the PLR sample to take into account much larger collections than that of a single library system.

### Informing the PLRC of your new books

Enclosed is a File Update Form that you can complete to ensure that the PLR includes eligible titles not currently in our file. This form must be returned prior to 1 May 2006.

### Appeals

You may appeal a decision on eligibility or correct inaccurate information on your books by writing to the PLR Commission before 1 May 2006. In the case of an appeal, you must enclose a copy of your book along with your letter of appeal. Please consult the program eligibility criteria and explain why you believe your book is eligible.

### Sliding scale plan

Information sent to authors in February 2005 described a "sliding scale plan" approved by the PLR Commission, contingent upon the federal government allocating a significant increase to the PLR budget. This plan would see a variable scale of payments for titles depending on the year they were registered. New titles would receive the highest amounts, and the rate would decrease over time. The goal of this plan is to maintain high payments for recent books. Should the PLR budget receive a significant budget increase for 2006-2007, the payments in February 2007 will be affected. Please see the PLR website ([www.plr-dpp.ca](http://www.plr-dpp.ca)) for more information.

### Budget situation

In 2005-2006, the budget for author payments continued to benefit from the Tomorrow Starts Today fund, which provided increased federal support for the arts and culture.

### Income tax and the PLR payment: questions and answers

- Q. Do I need to declare my PLR payment on my federal income tax?
- A. All PLR payments must be reported as income whether you received a T4A or not. When completing your income tax return, the PLR payment should be attributed to "PLR/Canada Council" since the PLR falls under the administrative aegis of the Canada Council for the Arts.
- Q. Why have I not received a T4A tax slip?
- A. We no longer send T4A tax slips to authors who received less than \$500 in the previous year. Information about the PLR payment can be found on your Title Earning Summary.
- Q. Why does the amount of my cheque not match the amount on the T4A tax slip?
- A. The T4A tax slip reports on your PLR earnings for the previous year. Next year's T4A tax slip will report on information for the February 2006 payment.