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NSBM (the letter  
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DK

q/gs.

I don't recall this.  
Do you have it?



HOME OFFICE  
QUEEN ANNE'S GATE  
LONDON SW1H 9AT

7 October 1986

*Dear Murdo*

**PEACOCK REPORT: INITIAL PARLIAMENTARY HANDLING**

On publication of the Report, the Home Secretary said that the Government would reach decisions 'only in the light of Parliamentary and public reaction'. As you know, there was no opportunity for debates last Session, and the Home Secretary hopes that early opportunities might now be found for debates in both Houses. He would not see these as occasions on which the Government would announce any firm conclusions: indeed on a number of matters he feels that no decisions should be reached until we have heard the views of Members, and particularly of the Government's supporters. Accordingly, he envisages that in these initial debates the Government stance should be open-minded and neutral. There would therefore be advantage in holding them as soon as possible in the new session to pave the way for subsequent decisions.

There are, however, three matters of an interim kind which the Home Secretary would wish to raise during the debates.

First, he would want to give further information about the study of subscription television for which we have recently engaged independent consultants, and in doing so to re-affirm the Government's interest in Peacock's long term vision of moving towards a fully competitive broadcasting market based upon the principle of consumer sovereignty.

Second, he would want to confirm his intention, which has already been agreed by his colleagues, to legislate to extend ITV contracts for 2 years (assuming the Bill has not by that time been introduced). In doing so he would explain the need to keep options open, not only because of the scope for reforming the contract system itself, but also because of the possible need for changes on other matters - independent producers, Channel 4 and subscription - all of which would be more difficult in the mid-term of ITV contracts.

Finally, on radio, the Home Secretary would want to remind the House that the prospective Green Paper would look at radio policy in the round, including the proposals made by Peacock.

Apart from these matters, the Home Secretary considers that other substantive decisions should be held back for a further statement to be made after, and in the light of, the initial Parliamentary debates.

/I am

Murdo Maclean, Esq



No Amended version received.Prime Minister<sup>2</sup>HOME OFFICE  
QUEEN ANNE'S GATE  
LONDON SW1H 9AT

7 October 1986

DHS  
SLO.DN  
tree

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Murdo Maclean, Esq



I am copying this to Nigel Wicks in No 10 and to the Private Secretaries to the Lord President, the Chancellor of the Exchequer, the Secretary of State for Wales, the Chancellor of the Duchy of Lancaster, the Secretary of State for Trade and Industry, the Lord Privy Seal and Sir Robert Armstrong.

Yours ever  
W R Fittall

W R FITTALL