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SIR ROBIN BUTLER

cc Mr Gray
Mr Mundy

MINISTERIAL GROUP ON BROADCASTING SERVICES (MISC 128)

We are now coming up to the time when a few MISC 128 meetings will be needed to take final decisions on a number of important policy points in the light of responses to the Broadcasting White Paper. The first of these meetings has been fixed for 20 April, and we may need up to three more. The purpose of this minute is to seek instructions on a couple of handling points that the Home Secretary has asked his officials to raise with us, and which ought to be resolved in good time for the 20 April meeting.

2. The first point is the extent to which Mr George Russell might join in MISC 128 discussions. Mr Russell is the new chairman of the IBA and chairman-designate of the Independent Television Commission, and he is the main architect of the IBA's recent proposals for operating the auctioning of ITV franchises in a way that is intended to safeguard quality criteria. The Home Secretary is anxious to bring Mr Russell with him when MISC 128 discuss this extremely important topic, and I would have thought that there could be no objection to Mr Russell coming along to make a presentation on his ideas. But the Home Secretary would also like Mr Russell to stay on and participate in the Group's discussions, and that proposal is clearly more questionable.

3. The second point is on the membership of the Group. Mr Rifkind has separately made an approach to see if he could join the Group, and Mr Hurd supports this. The Scottish interests do, indeed, go quite wide. There are, for example, a set of issues surrounding the effect of the new transmission and franchise proposals on large sparsely populated areas (which currently benefit from transmission systems that are financed on

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a national basis) and the new ownership rules may have particular importance for Scotland (i.e. would it be acceptable for all the independent Scottish services to be owned by Mr Murdoch or Mr Maxwell?) Also, the question of broadcasting in Gaelic is now emerging as a more politically sensitive issue. The Welsh Secretary has been a member of the Group from the outset, because of the special place of Welsh language broadcasting, and I think that a strong case is now forming for the Scottish Secretary also to be a member.

4. If both the Scottish and Welsh Secretaries are on the Group, however, that might raise a presumption that the Northern Ireland Secretary should also be included, as he will share at least some of the Scottish Secretary's concerns. On the other hand, we have not had any enquiries from Mr King's office. Perhaps the best compromise would be to add him to the circulation list for papers.

5. Additionally, you may remember that Sir Geoffrey Howe and Mr Baker were invited to join the last meeting of MISC 128, before the draft White Paper was submitted to the Cabinet. I understand that the Home Secretary has expressed the hope that both these Ministers will now remain on the Group. There is clearly a natural case for this, but if both these Ministers plus Mr Rifkind were added to the Group, then I think that its balance would be significantly changed in a direction that one might characterise as putting somewhat less emphasis on market forces and rather more on the preservation of some of the less definable characteristics of British broadcasting. If a choice were to be made between Sir Geoffrey Howe and Mr Baker, then I think that Mr Baker has the stronger departmental interest. The educational content of broadcasting is one of the major continuing 'public service' issues, whilst the FCO concerns were more specific ones about the international regulation of satellite broadcasting etc.

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6. If you agree, I suggest that it might be useful if we had a word about these points in the course of your routine Thursday afternoon meeting this week. One possibility we might then discuss would be to leave these matters to be finally settled between the Home Secretary and the Prime Minister who are, I understand, having a bilateral early next week. In any event, however, I think we ought to put a short note to the Prime Minister over the weekend.

7. For what it is worth, my own recommendation would be

i. Mr Russell to be invited to accompany the Home Secretary to make a presentation of his proposals, but not to stay for substantive discussion.

ii. The Scottish Secretary and the Education Secretary to become members of the Group, but the Foreign and Commonwealth Secretary and the Northern Ireland Secretary only to receive papers and attend when necessary.

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A J LANGDON

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