PRIME MINISTER

TRANSMISSION AND NIGHT HOURS

At the last meeting of MISC 128 it was agreed that Douglas Hurd would circulate draft announcements on transmission and the BBC night hours. He also undertook to propose what arrangements should be made to mitigate the effects on the smaller Channel 3 companies of the wide regional variations in the cost of transmission.

Douglas Hurd's minute at Flag A meets those remits. He attaches two separate draft Arranged PQs. And on the issue of the smaller Channel 3 companies he proposes a transmission tariff based on each company's share of the total relevant income of the Channel 3 companies.

Brian Griffiths' note at <u>Plag B</u> accepts the proposal for the regional costs of transmission. He is also generally content with the terms of the two draft announcements, but raises one query on the second page of the privatisation draft. I have highlighted the passage concerned; Brian wonders whether this might be used by the BBC to try to get round the ban on joint ventures with the private sector. You might therefore want to question this sentence.

Content:

(i) To agree the proposal for the regional costs of transmission?

(ii) To agree the draft announcements subject to questioning the sentence on page 2 of the privatisation draft?

Yes - 1 gree with Drian

force.

PAUL GRAY 30 June 1989 DASAVU

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