



10 DOWNING STREET

From the Private Secretary

8 April 1983

Dear Tom

Cable Systems: Draft White Paper

The Prime Minister has seen your Secretary of State's paper E(TP)(83)1 and the draft White Paper on cable policy that was attached to it. I understand that this paper will be discussed in E(TP) on 20 April. I should however record that the Prime Minister agrees very strongly with the point made in paragraph 8 of the paper that the Government must do more than Hunt proposed to encourage cable operators to use British material and stimulate new production. She has asked whether it would be possible for the Government to set a limit to the proportion of foreign material used by cable operators. She has suggested that it might be possible to start with a limit of 50%, and to move gradually to 33 $\frac{1}{3}$ %. This point can no doubt be covered in discussion at E(TP), but you should be aware of it in advance.

I am copying this to Richard Hatfield (Cabinet Office) and Jonathan Spencer (Department of Industry).

Yours ever
Willie Rickett

Tony Rawsthorne, Esq.,
Home Office.



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PRIME MINISTER

E(TP)(83)1 - CABLE TELEVISION

I have seen Willie Whitelaw's memorandum about the draft of the White Paper "The Development of Cable Systems and Services" and I am content for the White Paper to be published as the basis of debate in Parliament and elsewhere.

There is one point which I have no doubt will be raised in these discussions, that is, the question of representation of Welsh (and other territorial) interests on the new Cable Authority. I appreciate the need to keep the Authority's membership small, but a decision not to provide for representation from the smaller countries could be badly received. This is not a point that needs to be covered in the White Paper, but I am sure it will be necessary to return to it during the drafting of the Bill.

/ I am copying this minute to Willie Whitelaw, Keith Joseph, Jim Prior and George Younger and to Sir Robert Armstrong.

19.4.83

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R N E

Broadcasting
Direct Broadcasting
pt 3



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Caxton House Tothill Street London SW1H 9NF

Telephone Direct Line 01-213.....6400.....

Switchboard 01-213 3000

Prime Minister

A good letter

M/S 18/4

The Rt Hon William Whitelaw CH MC MP
Secretary of State
Home Office
50 Queen Anne's Gate
LONDON SW1H 9AT

18 April 1983

ms

R Willie,

WHITE PAPER ON CABLE

You circulated with E(TP)(83)1 a copy of the draft White Paper on cable policy. My particular interest is in the possible employment effects of cable, about which I wrote to you on 25 March. I have subsequently seen Leon Brittan's letter of 25 March and Patrick Jenkin's letter of 8 April.

Since I shall not be at the meeting on 20 April, I am writing again to emphasise that I think we should steer clear of putting any specific figures to the effects of cable on jobs. I think it is now fairly widely accepted that it is practically impossible to make meaningful estimates of the overall employment prospects. We have only to think of the effects of introducing everyday objects such as telephones, televisions, typewriters or taxi cabs to see that this is so. In my judgement, this means that it is positively unhelpful to seem to be talking about cable in terms of a few thousand direct jobs.

I also feel that including such estimates would be inconsistent with our general line that the Government is not, and should not be, in the manpower planning business. The White Paper needs to leave in the minds of readers the thought that we are concerned with opening up new and wider opportunities, and I hope it will make clear that we expect the long-run effect on jobs to be beneficial. Including specific figures, however, might only lead to unproductive public argument which we shall do much better to avoid. Certainly I would not welcome setting a precedent for giving estimates of employment (or unemployment) brought about by other technical or commercial initiatives.

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I hope therefore that you can agree to remove all such forecasts from ... the White Paper. I attach a number of more detailed suggestions for amending the draft, to which I hope you will also be able to agree.

I am copying this letter to other members of E(TP).

J. Norman

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WHITE PAPER ON CABLE SYSTEMS AND SERVICES

PROPOSED FURTHER AMENDMENTS TO THE DRAFT

Paragraph 23: Reference to the introduction of the typewriter, or the telephone, or any other examples Departments may wish, would be helpful.

Para 25: First sentence to read "the number of jobs likely to be generated, even directly, by the installation of cable systems cannot be reliably estimated".

Para 25(i): Line 3 to read "is expected to continue" rather than "is likely to".

Para 25(iii): Second sentence to begin "If it is assumed that there were 200 cable systems".

Para 25(iv): Second sentence to begin "However, this country's recognised creative abilities ...".

Para 26: Delete second sentence beginning "using North American experience".

Para 27: To be consistent with the previous amendment it may be preferable to delete the reference to US experience here also.

Para 27: Last sentence to begin "But in the long run such growth should have beneficial effects on employment".

Broadcasting,
Cable, Pt 3





FROM THE
MINISTER OF STATE
FOR INDUSTRY AND
INFORMATION TECHNOLOGY

KENNETH BAKER'S OFFICE

DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA STREET
LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212 6401
SWITCHBOARD 01-212 7676

Lesley Pallett
Private Secretary to
Home Secretary
Home Office
50 Queen Anne's Gate
LONDON SW1H 9AT

18 April 1983

New Lesley

Mr Baker has seen the Home Secretary's memorandum of 6 April with which he circulated the text of the draft White Paper which will be discussed at E(TP) on 20 April.

Officials in our Telecommunications Division who have been heavily committed to the Telecommunications Bill have suggested the attached amendments to Chapters 4 and 7 of the White Paper. The proposed amendments, which are largely drafting ones should not cause any difficulty and Mr Baker would be grateful if they could be incorporated into the final text of the White Paper before it is sent to the printers.

I am copying this letter to Tim Flesher and private secretaries to members of E(TP), John Sparrow and Sir Robert Armstrong.

Yours sincerely

N M
N M McMILLAN
PRIVATE SECRETARY



PROPOSED AMENDMENTS TO CHAPTERS 4 AND 7 OF THE WHITE PAPER ON CABLE

Chapter 4

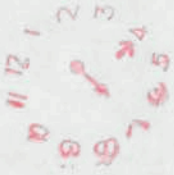
- Paragraph 6; line 10 Delete reference to "telebanking" and substitute "teleshopping" (telebanking is a matter for the Bank of England).
- Paragraph 6; last sentence Delete and substitute "However, OFTEL will be responsible for the terms and charges laid down by the cable provider for access to the cable system; it will also be responsible for any terms of interconnection between such a system and any public telecommunication system".
- Paragraph 9; second sentence Delete "advised by OFTEL"; substitute "in consultation with the Office of Telecommunications as appropriate".

Chapter 7

- Paragraph 2; third sentence Delete "almost any form of" and substitute "a public".
- Paragraph 8; third sentence Delete "uneconomic"; substitute "services of social importance".
- Paragraph 8; third sentence end Add "and international" immediately after "trunk".

Broadcasting,
Cable, Pt 3

18 APR 1983





SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

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PRIME MINISTER

E(TP)(83)1: CABLE TELEVISION

I refer to the above memorandum by the Secretary of State for the Home Department. I have also seen E(TP)(83)2, a note by the CPRS. *attached*

I am generally content with the proposals made in the draft White Paper, but there are two points on which I would like to comment. Firstly, I am concerned at the absence of any provision for Scottish representation on the new Cable Authority. I appreciate the need to keep the membership of the Authority small but it is important that like the BBC and IBA it should be geographically balanced in order to reflect the needs of the United Kingdom as a whole. I do not suggest that this point need be covered in the White Paper, but I feel sure that during the passage of the Bill there will be strong pressure for territorial representation which will have to be recognised when members are appointed.

Secondly, whilst in general I agree that the Bill should not impose on cable operators specific obligations to provide services for minority or specialist interests, I do not regard education as coming into this category. Advances in information technology may make cable television a desirable and cost effective way of providing an educational service. This remains to be proved but if provision is not safeguarded at this stage it may not be possible later. I recommend therefore that a specific requirement be written in to ensure that educational provision is provided. Failing this, the Cable Authority's terms of reference should include a requirement to take account of educational needs.

I have copied this minute to the Secretaries of State for the Home Department, Wales, Northern Ireland, and Education and Science.

MS.

PP G.Y.

(Approved by the Secretary of State and issued in his absence)

15 April 1983

Broadcasting: Cable: P-3.

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30th March 1983.

L.F

The Rt. Hon. Patrick Jenkin, PC, MP
Secretary of State for Industry
Ashdown House
123 Victoria Street
London SW1E 6RB.

RECEIVED IN
S.O.S. FOR
Mr Baker OFFICE

1 03 11 11 12:07

Dear Minister Jenkin,

Satellite Television PLC welcomes the Government's attitude in encouraging participation in new communications systems by free enterprise groups.

We are waiting with eager anticipation for the publication of the White Paper on the development of new technical systems in the U.K. and following extensive assistance from Kenneth Baker and the Department of Industry, are sure that our particular interest is understood.

However, quite apart from our own involvement, we feel that it is important to regulate, as a matter of policy, that low powered satellite systems should be allowed to feed established and new cable head ends. The European Communications Satellite (ECS) system will be operational at the end of 1983, and, mainly due to the activities of the British parties involved in experimentation on the Orbital Test Satellite (OTS) will be carrying services particularly suitable for distribution by cable operators.

We believe that this new distribution system can contribute to the growth of the cable networks particularly in the early stages of development in the U.K.. It will enable the cable operators to enhance their basic package and thus stimulate demand for cable connections by the general public.

We would like to stress that it would be a severe blow to the growth of an independent cable/satellite industry if the White Paper did not allow British cable systems to be fed by the European low power satellites.

We are aware that these systems may require new regulatory procedure and Satellite Television would welcome participation in any such regulations deemed necessary by the British Authorities.

Thank you for your consideration in these matters.

Yours sincerely,



D. Berriman
Chairman.

To Mr Blundell
For ADVICE (AND
DRAFT REPLY IF
APPROPRIATE)
PLEASE BY: 13/4

copies to
PS/SB
Mr Graft
Mr Macdonald
Mr Solomon
Mr Cooper

Copy to:
Prime Minister
Home Secretary
Chancellor of the Exchequer
Minister of State and Information
Technology.

BROADCASTING: Case

PT 3



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Ashdown House
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With the Compliments of
the Minister of State for
Industry and Information
Technology

Copy letter as requested on 25/4.

[Signature]
HPS/MR BAUER.