



Je N.U.

SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

CONFIDENTIAL

The Lord Gowrie
Minister of State
Privy Council Office
Whitehall
LONDON

abpm
Dms
15/11

14 November 1983

Dear Grey,

THE PRIESTLEY REPORT

At Cabinet last week we had a brief discussion of the Priestley Report and you are to discuss further with the Chief Secretary the resource implications of that and reported matters.

My purpose in writing is to record that I strongly support your bid for £5m, which I agree is the minimum required next year to put our major arts companies on a more satisfactory financial footing. You know about the representations I have had from Scottish Opera, and the Scottish Arts Council have also made strong representations about the needs of Scottish Ballet: just to deal with the deficits of these two companies alone over £500,000 would be required. The problems of the Scottish National Opera are very real though possibly not so serious; and there are several other "national" bodies in difficulties in Scotland. But it is the position of Scottish Opera which is critical. I therefore agree entirely that to provide no more than £3m, as the Chief Secretary has suggested, would be seen as a wholly inadequate response to the Priestley Report and its implications for all the major companies.

Whatever sum we finally decide can be made available, it is however clear that we cannot reasonably contemplate devoting all of it to the two London-based companies alone while denying any help at all to the other major companies in the rest of the country. I am in no doubt that to treat the Royal Opera House and the Royal Shakespeare Company preferentially and in isolation is not a realistic option.

I am copying this letter to the Prime Minister, the Chief Secretary, Treasury, the Secretary of State for Wales and Sir Robert Armstrong.

Yours sincerely,
George

AKS: Policy 3/80

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From The Secretary of State for Wales

The Rt Hon Nicholas Edwards MP

*Davis
24/11*

23rd November 1983

De Argy

THE PRIESTLEY REPORT

I have seen George Younger's letter of 14 November. I also strongly support your bid for £5 million, anything less would, in my view, be an inadequate response to the Priestley Report.

Whatever solution we adopt in relation to the Royal Opera and RSC we need to ensure that other companies whose work has won international recognition are not adversely affected as a consequence. I entirely agree with George that it will not do to look at the RO/RSC in isolation. I was therefore very pleased that in your letter of 17 November to Peter Rees you recognise the contribution and the financial need of the regional companies. I very much hope that Peter can agree to your proposal.

I am copying this letter to the Prime Minister, ✓ the Chief Secretary, Secretary of State for Scotland and Sir Robert Armstrong.

*If the Royal Opera is not going to
lose, then support for the first
rank touring companies is even more
important*

The Earl of Gowrie
Minister of State
Privy Council Office

[Signature]
Nci

ARTS
P819
March 88

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24 NOV 1983

Would you please substitute this
copy for version sent to you
yesterday - there is an amendment -
with apologies.

J. Auld
15/11/83

*With the Compliments,
of the
Private Secretary*

*Scottish Office,
Dover House,
Whitehall,
London SW1A 2AU.*