



Chancellor of the Duchy of Lancaster

PRIME MINISTER

DIRECT BROADCASTING BY SATELLITE

Memorandum of 30 March from the Home Secretary

There are disquieting similarities between what is proposed in this Memorandum and what has been done in the Telecommunications Bill and which came in for so much criticism from our own supporters.

The argument is that progress is not possible in an expensive field of new technology unless you grant a monopoly to a favoured group of interested parties. Perhaps it might be said en passant that there is no evidence that the dramatic success of the Japanese in new technology in the field of electronics was based on the award of monopoly rights of this kind.

The present proposal might be thought to be especially questionable because the intention is to award the monopoly to the existing programme companies who are demanding further entrenchment of their existing rights as the price for taking on this new monopoly. All this again is very reminiscent of the way British Telecom was allowed to exploit to its own advantage the new opportunities claimed to be opened up by the Telecommunications Bill.

I am interested also that a potential competitor in the form of News International has emerged. This again has its parallels in the Telecommunications case. And here again the reaction appears to be the same - namely that the important thing is to see off the competition rather than find out whether it offers the consumer a better deal.

I am copying this minute to all members of E(A) and H Committees and to Sir Robert Armstrong.

A.C.

Broadcaster = des P4

15 FEB 1984

15 FEB 1984



10 DOWNING STREET

c: HMT ✓	CDL	DHSS
NIO ✓	D/M	CWO
D/N ✓	MAFF	Ld Denham
SO ✓	CS, HMT	CO
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From the Private Secretary

5 April 1984

Direct Broadcasting by Satellite

30 March

The Prime Minister has been giving thought to the Home Secretary's minute of ~~13 January~~ about DBS, on which the Chancellor of the Duchy has now commented in his minute of 4 April.

The Prime Minister believes that it would be helpful to discuss the issues raised by the Home Secretary at a meeting with those Ministers most closely involved. We shall accordingly be making arrangements for a meeting as soon as diaries permit, with the Home Secretary, the Secretary of State for Trade and Industry, the Chancellor of the Duchy and the Chief Secretary.

I am sending copies of this letter to their Private Secretaries, and also for information to the Private Secretaries to the remaining members of E(A) and H Committees, and to Richard Hatfield (Cabinet Office).

(David Barclay)

Michael Gillespie Esq
Home Office

RW

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PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

3 April 1984

Dear Leon

DIRECT BROADCASTING BY SATELLITE (DBS): A JOINT PROJECT

I have seen your minute of ^{with DS} 30 March to the Prime Minister and the memorandum in which you and Norman Tebbit set out your joint conclusions on a collaborative DBS project.

I am quite content with your proposals for announcing the general lines of the policy, but I feel bound to say that I think the amendments to the Cable and Broadcasting Bill will cause considerable difficulty.

I am sending copies of this letter to the Prime Minister, to members of E(A) and H Committees, and to Sir Robert Armstrong.

Yours truly
W. H. H.

The Rt Hon Leon Brittan QC MP

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Broadcasting: DBS. A4.

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