



Prime Minister ^② *gmc*

HT 4/10

Secretary of State for Foreign and Commonwealth Affairs

BBC EXTERNAL SERVICES: THE PAY PROBLEM

Thank you for sending me a copy of your minute to the Chief Secretary about the BBC External Services pay problem.

I am of course content for officials of the three Departments to get together for a further examination of the problem and to consider the proposal put forward in your minute. On the substance of that proposal I must, at this stage, reserve my position. One point, however, that is worth making now is that what you propose is not a simple question of persuading the BBC to take on a commitment to meet an External Services shortfall from Home Services licence fee revenue. It seems clear that they are debarred from doing so by the existing Licence and Agreement. A fresh Licence and Agreement would have to be tabled in Parliament, precisely because of its External Services content, and would be debated. The sort of changes you have in mind would thus be squarely in the spotlight and might well prove difficult to defend.

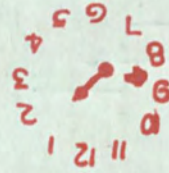
Copies of this minute go to the recipients of yours.

ms

L. B.

3rd October 1983

Broadcasting,
July 1979,
BBC pay



-4 OCT 1983