

PRIME MINISTER

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BBC

When Jeffrey Sterling came to see me about shipping (about which I have written another minute) he asked that I should convey to you his thoughts on the BBC.

His main point is that both the BBC and IBA companies are effective monopolies. The difference between them is that the IBA companies are profit-orientated. The objective of broadcasting policy should, in his view, be the break-up of these monopolies (while preserving standards of morality, etc.). The Home Office, for understandable reasons, do not think in these terms. Concepts of competition, technology and the control of costs are quite alien to them since they have no relevance to their other work on crime, immigration, police, etc.

The future of broadcasting in this country will be determined by technology, satellites, cable, communications, videos, optical fibres, etc. None of this has anything to do with the Home Office. These are matters for the Department of Trade and Industry. That Department is responsible too for competition and knows, in Sir Jeffrey's view, about the control of nationalised industries (of which the BBC is a rather special example).

All this leads Sir Jeffrey to repeat his point that the responsibility for the BBC should be transferred from the Home Office to DTI. This would, more than any other subject, give the right signal to the BBC for their future. It would also remove from the BBC the "false standing" which sponsorship by the prestigious Home Office gives them.

I said that I would convey these thoughts to you.

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*N.L.W.*

(N.L. WICKS)

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