



Secretary of State for Trade and Industry

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17 November 1986

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The Rt Hon Douglas Hurd CBE MP Secretary of State for Home Department Home Office 50 Queen Anne's Gate LONDON SW1H 9AT

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EXTENSION OF ITV CONTRACTS

Thank you for sending me a copy of your minute of 12 November to the Prime Minister.

Like you I am not convinced by the arguments put forward by the IBA to support their preference for a 4 year extension. In particular, I agree with you that in terms of DBS an additional 2 years is unlikely to be decisive. I can also see that the 3 year solution you propose could give this Session's Bill an easier passage, but whatever the period of the extension I do not envisage it significantly affecting the timetable for taking forward Peacock's proposal in this area. We should also bear in mind that the longer the extension of the contracts the greater will be the perceived permanence of the current arrangement. However, on balance and in view of the IBA's strong views, supported by the ITCA, I agree that we should proceed as you propose.

I have also seen your Memorandum (L(86)77) for next week's L Committee which unfortunately I will not be able to attend. support your conclusions that the Broadcasting Bill should be introduced immediately and that it would be suitable for introduction in the Lords.

17 BOARD OF TRADE BICENTENARY

JF5BNO



I am copying this letter to the Prime Minister, the Lord President, the Chancellor of the Exchequer, the Secretary of State for Wales, the Chancellor of the Duchy of Lancaster, the Chief Whip, Sir Robbert Armstrong and members of L Committee.

PAUL CHANNON

JF5BNO

BROADCASTING BBC FLYANCES

