



Secretary of State for Trade and Industry

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27 October 1987

The Rt Hon Douglas Hurd CBE, MP
Secretary of State for the Home Department
Home Office
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INDEPENDENT PRODUCTION INITIATIVE

I have seen your minute of 16 October to the Prime Minister reporting the welcome news that the BBC and IBA are now prepared to make a public commitment to our 25 per cent target, albeit on a time-scale more extended than we originally envisaged.

I share your belief that it would be prudent to continue to work on possible legislation as a last resort to compel the broadcasters to comply. The independents' negotiations, especially with the ITV companies, are still at too early a stage for us to be certain of a conclusion along the lines indicated by the IBA's acceptable August statement of principles. I hope that by the time the independents see Timothy Renton on 9 November they will be able to report some substantive progress in their negotiations on important issues like copyright, which are vital both to their growth as a programming industry and to further improving the UK's export prospects in this sector.

On the union agreement front, the independent sector are I know well aware of the importance of making their existing agreements - already the cheapest and most flexible in the industry more so. They hope too to negotiate with BETA to counterbalance the dominance the ACTT has up till now enjoyed in the independent sector. We shall all want to watch their progress carefully.

JFLARL

in MISC 128 mty Folder
Section 3.



I am copying this letter to the Prime Minister, other members of
MISC 128 and to Sir Robert Armstrong.

A handwritten signature in dark ink, appearing to read 'Lord Young'.

LORD YOUNG OF GRAFFHAM

JF1ARL

BROADCASTING -

BBC

PTS

