

SRWBID

Prime Minister  
Are you now content with X?  
REC6  
11/3

PRIME MINISTER

THE ITV SYSTEM: ITN

I am sorry to come back to you again on the attached paper but I am not confident I know how you would like me to record your views.

I think the issue may have become confused by the reference in the last paragraph of Lord Young's minute of 23 February to "another broadcasting authority", and by my insertion of S4C. S4C is the Welsh language service which in national terms is of little relevance. What in essence the DTI are proposing is that the ITV companies should be prevented from using the BBC news as a monopoly supplier. The condition they propose to include in ITV company contracts would lead to one of three main outcomes:

- the continuation of the ITN and BBC duopoly;
- the winding up of ITN and the development of a new independent news service as a competitor to the BBC;
- the possibility of a new third news service setting up who might obtain business from some of the ITV companies while the remainder still went to ITN.

In only one of these options would there be three major news gathering services, and the proposed condition in ITV contracts would not require this to be the case.

X | Are you now content to go along with Lord Young's proposal? Or have I totally misunderstood your concerns?

REC6.

(PAUL GRAY)

10 March 1988

No - I think it would cause great  
harm and would be discontinued if we put it  
that way. I think the nation would have to  
that ITV co's continue to use ITN - ~~renewed~~ independent  
service. This would not solve ITN, but it would stop a monopoly  
not