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PRIME MINISTER

27 July 1988

MISC 128

Tomorrow, MISC 128 will consider two papers; one outlining a strategic framework for the development of broadcasting, the other covering a report which reviews the future development of the UK's broader communications infrastructure. These two papers raise some important overarching issues which I hope you will take into account.

2. Until now the policy and regulatory framework for broadcasting and telecommunications have largely evolved separately. But recent technical advances with communication technologies associated with the transmission of television, telecommunications and other signals, provide the ability to serve multiple roles and their function will not be limited to one type of service. This has clear implications for the changes in television transmission infrastructure now proposed by the Home Secretary and could open up new and exciting opportunities.

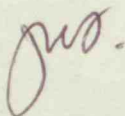
3. The Home Secretary's paper recommends that officials should be instructed to review the options for the reform of the television transmission system. I suggest that acceptance of this recommendation should be linked to a requirement that the review takes full account of the convergence between television and telecommunications communication technologies to which I have referred. Officials from the Home Office and Department of Trade & Industry need to be involved and the necessary machinery exists in MISC 131.

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4. In the longer term, I also believe that this convergence has wider implications for the regulatory framework because attempts to differentiate between television and telecommunications delivery systems will become increasingly artificial. Although not a matter for tomorrow, I feel that I should advise you that consideration will need to be given to whether or not the regulation of the communication aspects of television and telecommunications should be drawn together and exercised by a single body - perhaps a 'communications authority'.

5. Finally, the paper by the Chairman of the Official Group on Telecommunications Policy recommends that the Report of the Communications Steering Group should not be published. Whilst I agree that it would be inappropriate to release the document at this stage, it does contain a very perceptive analysis of issues and trends within the communications area which merits wider circulation and discussion. Rather than take a final decision on publication now, I would recommend that the issue be reviewed at a later date, preferably when publication of the Broadcasting White Paper is considered.

6. I am copying this minute to Sir Robin Butler and Richard Wilson.



JOHN W FAIRCLOUGH  
Chief Scientific Adviser