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Treasury Chambers, Parliament Street, SW1P 3AG
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6 July 1989

Rt Hon Malcolm Rifkind QC MP
Secretary of State for Scotland
Scottish Office
Dover House
Whitehall
LONDON
SW1A 2AU

Dear Secretary of State

GAELIC TELEVISION SERVICES

Flap Pt 8

Thank you for sending me a copy of your minute of 30 June to the Prime Minister.

While I understand the pressures which the Gaelic lobby has been seeking to exert since the publication of the White Paper last November, our policy on broadcasting is to deregulate the industry as much as possible, and thus allow market forces to generate greater competition and widen consumer choice. Your proposal to introduce a statutory requirement to broadcast Gaelic programmes on some C3 licences supported by subsidy for a small minority of viewers would run counter to the rest of broadcasting policy.

While S4C is undoubtedly a fact of broadcasting life, there was no indication in the White Paper that we wished to extend the range of such subsidised viewing to other minority groups.

If there is a strong demand for additional Gaelic programming, then our policies should encourage broadcasters to meet it. If there is not, then it is no part of our policy that television companies be required by regulation or encouraged by subsidy to provide it.

I am also concerned that you consider franchise revenue as a source from which such a subsidy can be paid. Franchise revenue will be part of general government revenue, and is not a special fund for broadcasting. If you believe that there is a need for additional Gaelic broadcasting, and can demonstrate why the market cannot meet it, then an explicit subsidy would be the correct way to deal with the problem; through a grant through one of your



Votes, funded by the resources available within your block, as is the case for your existing support for the Gaelic language. In this way you will be able to consider it alongside your other priorities.

In the light of this, I hope you will agree that you should not "float" your proposals at the Scottish Grand Committee debate. I am copying this to the recipients of your minute.

Yours sincerely

Nigel Lawson

PP **NIGEL LAWSON**

*[Approved by the Chancellor
and signed on his behalf]*

Broadcasting Pt 9.

Play