

PRIME MINISTER

Gaelic Television Services

One of the loose ends left over from the recent broadcasting announcements is the plans for Gaelic television. Malcolm Rifkind's minute at Flag A now sets out his proposals. These involve:

- a statutory requirement to broadcast Gaelic programmes on some C3 licences, with a substantial expansion from present provision;
- compulsory financing from the franchise revenue of C3 stations, perhaps in the order of £8 million.

Mr. Rifkind seeks agreement to "float these ideas" on 11 July.

The Chancellor has now commented at Flag B, strongly resisting the proposals. He argues that:

- the White Paper gave no indication the Government would extend such subsidised viewing to other minority groups;
- television companies should not be required by regulation or encouraged by subsidy to provide Gaelic programming;
- franchise revenue should be a part of general Government revenue, not a special fund for broadcasting;
- if a case can be made for subsidising the market to provide Gaelic broadcasting the funding should come from the Scottish block budget;
- the idea should not be floated next week.

The Home Secretary (Flag C) suggests that more time is needed to consider these proposals, and that no short term announcement should therefore be made.

Brian Griffiths strongly supports the Chancellor's objections.

So do I

(i) Do you want to leave colleagues to sort this out?

Or

(ii) Do you want to support the Chancellor?

Yes Strongly

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Recd.

(PAUL GRAY)

7 July 1989

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