



16 November 1989

MBPM PACES Idu pequest vils requires

Thank you for your reply of 3 November to Douglas Hurd's Jetter of 12 October about the use of spare capacity on at flow broadcasting signals. I am pleased that you broadly agree with his proposals.

> I entirely accept you point that spare capacity on subcarriers should not be used if it would cause unacceptable interference to other users of the spectrum, whether broadcasters or others. I agree that it would be sensible for our officials to pursue further the extent to which subcarriers can be used. To the extent, if any, that they were usable, they could be allocated by the ITC (or the Radio Authority in the case of radio sub-carriers) in the same way as spare vertical blanking intervals. To ensure that your Department's concerns were fully protected, I propose that the ITC (and the Radio Authority) should be placed under a statutory duty to consult DTI (as the licensing authority for the purposes of the Wireless Telegraphy Act 1949) before advertising the franchises for the use of spare capacity. This would enable your Department to satisfy itself in advance that what was proposed would not cause interference.

As regards the last point in your letter, I can confirm that the proposed licensing regime applies only to spare capacity which is an integral and inseparable part of broadcasting signals.

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

The Rt Hon Nicholas Ridley, MP Secretary of State Department of Trade and Industry BROADCAMAC. Legislatur

