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PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

16 February 1989

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2. no like which will DTI ad for this repaid.

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Dear Paul

SATELLITE TELEVISION

attached

You copied to me your letter of 15 February to Neil Thornton raising a number of difficulties being experienced by Sky Television in its current operations. The last of these concerned access to the sound feed from the House of Commons. The Lord President is well aware of the problem, which arises, as you note, from the fact that the Select Committee on Sound Broadcasting has not been reconstituted in the present Parliament. There are some sensitivities here, including the need for resolutions to be passed by the House, which preclude an immediate solution but the Lord President is confident that the problem can be sorted out fairly quickly. I suggest any reply might therefore include the following:

"You also raised the question of access to the sound feed from the House of Commons which, as you say, cannot be considered at the moment because the Select Committee on Sound Broadcasting has not been reconstituted in the present Parliament. John Wakeham is aware of the problem and is pursuing it within the House. I understand he has discussed with Andrew Neil what needs to be done to provide Sky with access to the feed, while making it clear that too much publicity at this stage would undoubtedly be detrimental."

I will, of course, let you know when we have sorted this out.

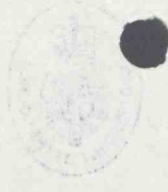
I am sending copies of this letter to Neil Thornton (Department of Trade and Industry) and Philip Mawer (Home Office).

Yours
Steve Catling

STEVE CATLING
Private Secretary

Paul Gray Esq
PS/Prime Minister

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10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

16 February 1989

Dear Neil

SATELLITE TELEVISION

The Prime Minister discussed briefly after Cabinet with your Secretary of State and the Home Secretary the problems being encountered by Sky Channel - the points at issue were set out in Paul Gray's letter to you of 15 February. She was concerned that an enterprising initiative should not be obstructed by excess bureaucracy or worse, by favouritism of other operators. Your Secretary of State accepted this but said there was another side to the story. Unlike BSB and Channel 5, Sky was not part of the system licenced and regulated in the United Kingdom. It had chosen to go into the sky, thereby avoiding various requirements and obligations. The Government should not do for Sky what it was not prepared to do for BSB, C5 or any other offshore operators that followed. He had recently spoken to Sky and urged them to enter negotiations with BT and Mercury, meetings which DTI were ready to facilitate. But Sky had still not done so. Also meetings had been offered with Mr. Alistair McDonald in his department, but again these had not been followed up.

BF | Concluding the discussion, the Prime Minister asked your Secretary of State and the Home Secretary to work on the points raised and to report back at the end of the month so that there could be a further discussion early in March.

I am copying this letter to Philip Mawer (Home Office) and Steven Catling (Lord President's Office).

Yours sincerely

ANDREW TURNBULL

Neil Thornton, Esq.,
Department of Trade and Industry

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