

PRIME MINISTER

Gaelic Television Services

During the summer Malcolm Rifkind came forward with proposals to expand Gaelic broadcasting provision within the context of the new broadcasting regime. Following advice from Brian Griffiths, you raised serious doubts about this. But it was agreed that officials should examine the proposals further and report back.

Douglas Hurd's minute at flag A (sent before the reshuffle) attaches the officials report. It recommends a package close to the original Scottish Office proposals, involving an increase from 100 to 300 hours a year in Gaelic programmes at a cost of some £8 million. This would be underpinned by an addition to the quality threshold in the Bill requiring the Scottish franchisees to provide a specified number of hours of Gaelic programmes. The only points on which officials disagreed were:

- who should administer the new Production Fund, the ITC or a separate independent body?
- whether money should come from the Scottish Office or the Home Office?

But although officials from the relevant departments came forward with this broadly agreed package, Ministers have more fundamental disagreements:

- Douglas Hurd (flag A) supports the officials' package, and advocates the new Fund being run by the ITC and financed by the Scottish Office.
- Malcolm Rifkind, (flag B), supports the package for expanded Gaelic broadcasting with the support organised through the ITC, but funded by the Home Office. He suggests other details should be finalised in a meeting between the Ministers concerned, but without troubling you.
- Nigel Lawson (flag C), before his resignation, seriously questioned the case for any increase from the present 100

hours of Gaelic broadcasting, saw no case for an addition to the quality threshold, and argued that any finance should come from cash limited Scottish provision.

- Nick Ridley (flag D) supports Nigel Lawson's doubts.

Brian Griffiths has also commented at flag E. Although he was initially sceptical about the proposals, Brian now feels in the light of the further information that some arrangements for strengthening Gaelic television services would be appropriate, and that your earlier doubts have been adequately answered. But he argues that any subsidy should come from Scotland.

You will want to consider how to respond.

Malcolm Rifkind is the demandeur, and it seems totally unreasonable for him to press for an expanded service financed from the Home Office budget; the Welsh analogy just does not hold. If you agree with that, the options are:

(i) support the Lawson/Ridley line, and resist expansion of Gaelic services on anything like the scale proposed.

*Agreed ms* (ii) support the Hurd/Griffiths line that some increase in Gaelic services is justified, but this must be financed by the Scottish Office.

Which option do you favour?

pp. *Stanworth*

PAUL GRAY

1 November 1989