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Treasury Chambers, Parliament Street SW1P 3AG

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15/12*

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

15 December 1989

Dear Malcolm

GAELIC TELEVISION PRODUCTION FUNDING

Since you wrote to me on 1 December, I have considered the issues involved further, and there have been some useful exchanges between our officials.

2 In your letter of 10 November you helpfully confirmed that you would be content to see the expenditure at issue borne on a cash limited Vote. But you are not prepared to accept that, as is the case for your existing support for the Gaelic tongue which you see as part of your education and cultural responsibilities, the cost of providing this new service should fall on your existing block resources. And you are understandably concerned that the Government should be in a position to make an early statement of its intentions to provide funding for the production of additional hours of Gaelic programmes.

3 In order to find a way forward I have considered what I might, exceptionally, be prepared to accept to resolve these difficulties. Provided that you accept that the expenditure at issue is borne on a cash limited Vote within the Scottish block I would be prepared to shelter your block baseline from the costs of establishing this new service.

4 Transmission of additional hours of Gaelic programmes is intended to begin on 1 January 1993, and you would wish to be in a position to provide lead financing before that date. I would accordingly be prepared to add, in the 1990 Survey, about £8 million a year, commencing in 1992-93, to your block baseline. And I would be content for your announcement to make clear that we intend to provide such additional funding to the Scottish block to launch this new service. I hope you will agree that this is a constructive approach.

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

Norman Lamont
NORMAN LAMONT

BROADCASTING: Policy pr 10

