PRIME MINISTER

21 December 1989

# BROADCASTING BILL: INDEPENDENT PRODUCTION

The Home Secretary deals with two points in his note: the date by which the BBC should be expected to meet the 25% target, and the exclusion of news and news-related current affairs from the total of those programmes to which the 25% should be applied.

## Target Date for BBC: 1993 or 1994?

The BBC are clearly leaning on the Home Office to have as much time as possible before they are required to meet the target.

I have strong doubts as to whether we should be as generous to the BBC as the Home Office proposes. The facts are that:

- this initiative on independent production was first raised in 1985/6;
- we made a clear, unambiguous statement in the Manifesto that the Government was committed to implementing it "as soon as possible";
- the BBC refused to give the Home Office the relevant facts because they argued the 25% target for them was voluntary not statutory (as was proposed for ITV): it was this which led to the BBC's target being given a statutory basis as well;
- the Home Secretary has made it absolutely clear on many occasions that the target for the BBC is to be met by end of 1992.

The real problem is that until now neither the BBC nor ITV have

believed the Government would implement the 25% target. (Indeed ITV are opposed to this part of the Bill). The BBC's management have not taken the crucial decisions in terms of staff and the use of facilities which meeting the 25% target would entail. Requiring them to do so by end 1992 is just the sort of deadline which would make them focus their minds on the problem.

## Recommendation

Support DTI and Treasury in meeting the 25% target earlier than beginning 1994.

# Exclusion of News and News-Related Current Affairs

This is a more tricky issue. We have never suggested that news should be part of the 25% requirement. The problem arises as to how one defines precisely news-related current affairs. On the basis of the present Home Office approach, programmes such as Newsnight, Panorama and other documentaries relating to events such as Eastern Europe, Hong Kong and Panama would be excluded. But these are precisely the kinds of programmes which independent producers could do very well.

It would be simplest and fairest if the basic rule was that all news was excluded, but current affairs included. This would doubtless raise protests, especially from the BBC, but is just the initiative necessary to free up the system.

#### Recommendation

All news should be excluded from the 25% target, but all current affairs programmes should be included.

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