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Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon David Waddington QC MP  
Home Secretary  
Home Office  
50 Queen Anne's Gate  
London  
SW1H 9AT

7 February 1990

*David*

*John*

**BROADCASTING BILL: THE NORTHERN IRELAND LICENCE**

You copied your letter of 9 January to John Major. He has asked me to reply.

2. You suggest we agree, in principle, that public subsidy could be offered to commercial television stations in financial difficulties. I believe this would be quite wrong, because it would discourage them from making every possible effort to succeed within the terms of their franchises.

3. I understand the IBA expect all the ITV regions, including Ulster, to be viable. If this turns out to be over-optimistic and a licensee gets into difficulties, then possible remedies include relaxing the programming requirements, encouraging cost-reductions by allowing a take-over, re-auctioning the franchise, or merging two franchise areas together. If none of these steps are sufficient, and satellite and cable TV were then available in most households, the station might be allowed to close.

4. You also suggest the ITC be allowed to specify that the licensee for Northern Ireland must provide adequate programming for the two communities there. All Channel 3 licensees will be required to provide a diverse programme service calculated to appeal to a variety of tastes and interests, and I should have thought this was sufficient. However provided your suggestion does not entail giving the ITC powers to impose additional programming responsibilities on franchises outside Northern Ireland, I am content.

5. I am copying this letter to the Prime Minister, Geoffrey Howe, Douglas Hurd and Peter Brooke.

*Norman Lamont*

NORMAN LAMONT

BROADCASTING  
Policy P-12

