CABINET

BROADCASTING POLICY

REPORT BY
THE LORD PRESIDENT OF THE COUNCIL,
THE MINISTER OF INFORMATION, THE
POSTMASTER-GENERAL AND
THE MINISTER OF STATE

Cabinet Offices, S.W. 1,
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BROADCASTING POLICY.

REPORT.

INTRODUCTION.

On the 27th January, 1944, the War Cabinet (W.M. (44) 12th Conclusions, Minute 3) set up a Committee consisting of:

The Minister of Reconstruction (in the Chair),
The Lord President of the Council,
The Minister of Information,
The Postmaster-General,
The Minister of State,

to enquire into future broadcasting policy and to make recommendations.

2. The scope of the Committee's enquiry was to include:

(a) The future organisation of broadcasting in this country;
(b) Means of preventing the establishment on neighbouring foreign territory of commercial stations which compete with the B.B.C.:
(c) The control of wireless in ex-enemy countries;
(d) The possibility of developing an international wireless service devoted to spreading the principles of international co-operation.

3. The Committee held several meetings and reached a substantial measure of agreement. They failed, however, to reach unanimity on certain questions before the Coalition Government broke up and their report was never, therefore, submitted to the Cabinet. On coming into office we decided to use the draft report of this Committee as a basis upon which to formulate our recommendations on future broadcasting policy and the following paragraphs represent the views expressed in that draft amended on points on which we found ourselves in disagreement with it.

MINISTERIAL CONTROL AND TELEVISION.

4. The future control of the B.B.C. is being considered in connection with the future of Government Information Services generally. A summary of views on this subject expressed in the draft report is being circulated in connection with these discussions and we have therefore omitted, where possible, all reference to it from the present paper. Our recommendations on future television policy have already been considered and approved by the Cabinet (C.M. (45) 34th Conclusions, Minute 1).

THE NEED FOR A PUBLIC ENQUIRY.

5. Before the B.B.C.'s Charter was renewed in 1937, the Postmaster-General appointed an independent committee, under the Chairmanship of Lord Ullswater, to advise him on the future organisation of broadcasting. This committee took evidence from the public and its report was published (Cmd. 5091). Subsequently the Postmaster-General issued a White Paper (Cmd. 5207) setting out the Government's decisions upon its recommendations. There was a divergence of view among our predecessors whether or not a similar procedure should be followed on this occasion and they decided to leave the question to the decision of the Cabinet. After consideration, however, we are satisfied that the issues involved are plain enough to render such an enquiry unnecessary.

THE FUTURE OF THE B.B.C.

6. The B.B.C.'s Charter and its Licence from the Postmaster-General expire on the 31st December, 1946. We have considered whether after that date the B.B.C. should continue to be the only body licensed to originate broadcasts in this country, since if it is agreed that a single national body is desirable, we have no evidence of any widespread desire for a radically different type of organisation. It has been argued that the existing system places too much power in the hands of a single Corporation and deprives broadcasting of the advantages of healthy competition. One alternative scheme, for instance, has been suggested whereby the State would own the physical assets required for broadcasting, while...
the provision of programmes would be entrusted to three competing corporations, each of which would receive a basic share of the licence fees plus an additional share based on the votes of listeners.

7. The replacement of the existing functions of the B.B.C. by a system of competition would involve a very great upheaval in the organisation of broadcasting in the United Kingdom, and we do not think that such advantages as might be derived from competition would outweigh the disadvantages resulting from the break-up of the present system. We believe that the greatest advances both in technique and in programmes will be made, not by dissipating the available resources among a number of competing bodies, but by improvements in the organisation of the B.B.C. We accordingly recommend that the B.B.C. should continue to be the sole authority licensed to originate broadcasts in the United Kingdom and that the Charter should be renewed for a further period of ten years from the 1st January, 1947.

The Board of Governors.

8. Governors are appointed by the Crown on the recommendation of the Prime Minister and serve for a period not exceeding five years, but are eligible for reappointment. The qualifications expected of them are that they should be persons of judgment and independence, free of commitments, who inspire confidence by having no other interests to promote than those of the public service. Originally five in number, the size of the Board was increased to seven on the recommendation of the Ullswater Committee. The present membership is:

Sir Allan Powell (Chairman),
Mr. C. H. G. Mills (Vice-Chairman),
Lady Violet Bonham-Carter,
Sir Ian Fraser, M.P.,
Dr. J. J. Mallon,
Mr. A. H. Mann,
The Hon. Harold Nicolson.

9. We attach great importance to the Governors being as representative as possible of the public which they serve and we are convinced that the growing importance of broadcasting makes it necessary for the B.B.C. to be controlled by the best available talent. For this reason we recommend that:

(a) The Chairman of the Governors should be a really outstanding figure in public life.

(b) The representation of different age groups should be borne in mind in selecting Governors. The average age of the present Board is too high.

(c) Care should be taken to ensure that the whole Board does not have to be renewed at the same time.

(d) Governors (including the Chairman) must not be given reason to expect reappointment on the termination of their period of office.

10. We consider that it should be made clear to the Board that the Crown expects it to take an active interest not only in programmes but in the financial and establishment policy of the B.B.C.

11. We would also recommend that consideration be given to the reduction of the salaries at present received by the Board (£3,000 for the Chairman and £1,000 for the other members). The appointments clearly demand ability and a high sense of responsibility, but members of important municipal committees receive no remuneration whatever for their services.

Staff.

12. The Ullswater Committee made recommendations about the recruitment and terms of appointment of staff designed to prevent charges of nepotism and favouritism in selection, and to ensure that, in any matters of controversy with which they had to deal officially, members of the staff maintained a degree of anonymity and impartiality in public similar to that expected from Civil Servants. These recommendations were accepted and there have since then been no important developments in this field which call for a reconsideration of the status of the B.B.C. staff. In staff matters the B.B.C. should retain the independence which it now possesses and Government control should be restricted to laying down the broadest possible lines of policy within which the B.B.C. should work.
13. The salaries paid to the staff of the Corporation are appreciably higher than those paid to Civil Servants bearing a similar degree of responsibility, and the B.B.C. pension rights also compare favourably with those of Civil Servants. The B.B.C. view is, we understand, that a strict analogy cannot be drawn between the B.B.C. staff and that of the Civil Service; and that the highest posts in the B.B.C. are rather comparable to those in a great business undertaking, while the staff actively engaged in broadcasting should be compared with editors, artists and members of similar professions.

14. We agree that the B.B.C. should not be rigidly bound to relate the salaries and conditions of its permanent staff to those ruling in the Civil Service, but we think that in fixing salaries and conditions it should pay proper regard to those of the Civil Service and to the greater security offered by employment in a public corporation, as compared with employment in most business concerns.

II.—TECHNICAL CONSIDERATIONS AFFECTING BROADCASTING.

15. The development of British broadcasting, both in the number of programmes broadcast and in the quality of the transmission and reception, depends very largely on the progress made in overcoming the technical problems of wireless.

Quality of Transmission and Reception.

16. We attach great importance to improving the quality of transmission. The B.B.C. is anxious to spend about £250,000 per annum on research and development in such spheres as acoustics and radio transmission, and we support this proposal. So far as improvements in the efficiency of receiving sets are concerned, we feel that competition between radio manufacturers ought to provide the necessary incentive.

Electrical Interference.

17. Interference with reception results from the use of electrical appliances, high voltage electricity transmission lines, neon signs and other processes involving the use of electricity. This interference may be expected to increase in severity and, though improved broadcasting technique can do something to counteract it, any real attempt to eliminate it would probably involve legislation, and would require the concurrence of the electrical industry. We are glad to know that a Committee of the Institution of Electrical Engineers, which has studied the question, has reported to the Postmaster-General in favour of such legislation, and we hope that time will be found for the Bill in the Government's legislative programme within the next year or two.

Wavelengths and Programmes.

18. The number of wavelengths which can be used for radio transmission is strictly limited, and the competition for them between different countries and between different purposes will increase rather than diminish in future. Moreover, while considerable progress is being made with research into certain aspects of radio technique, such as the development of transmission over ultra-short wavelengths, it is unlikely that these new methods of transmission will be available on a large scale for at least several years to come. The development of our services during this period, therefore, depends on our ability to make the best use of a strictly limited number of wavelengths. The position in regard to the four types of wavelengths which can be used for broadcasting is summarised in the Appendix to this report.

19. In considering future programme policy it is necessary to have a clear idea of the number of long and medium wavelengths which may be available to us for broadcasting. We can, for this purpose, ignore short wavelengths as these are not allocated to individual countries by international convention. Except for two international common medium waves which can be used only by very low-powered stations, this country, before the war, was using one long wave and eleven medium wavelengths. Of these the long wave and ten medium wavelengths had been allocated to us under the Lucerne Convention, while we had secured the use of the eleventh medium wavelength by agreement with the countries to which it had been allocated under that Convention.
20. Before the war the one long and eleven medium wavelengths available to us were used as follows:

**National Service**
- One long wavelength.
- One medium wavelength.

**Seven Regional Programmes**
- Ten medium wavelengths.

At present we are using two long wavelengths and eleven medium wavelengths as follows:

**National or Light Programme**
- One long wavelength.
- One medium wavelength.

**Seven Regional Programmes**
- Eight medium wavelengths.

**European Service and Broadcasts to Germany**
- One long wavelength.
- Two medium wavelengths.

21. Our use of the additional long wavelength is, however, only temporary and there is no prospect of our being able to retain it. There is a good prospect of our being able to continue to use an eleventh medium wavelength (not necessarily the one which we are using at the moment) by agreement with the country or countries to which it is allocated, provided that we use it in such a way as to eliminate mutual interference. There is some prospect of our obtaining the shared use of still further medium wavelengths but we are advised that our chances of doing so are not high. There is also a remote possibility that we may secure the surrender of one or more wavelengths allocated to Germany under the Lucerne Convention but we understand that the control authorities regard it as essential to retain all these wavelengths for broadcasting to the troops or to the German civil population in the four zones of occupation. While, therefore, we consider that everything possible should be done to secure the use either outright or on a shared basis of additional medium wavelengths, we think that for the purpose of this report we must assume that (apart from the two international common wavelengths) we have only one long and eleven medium wavelengths at our disposal.

III.—Broadcasts to Foreign Audiences.

**The European Service.**

22. During the war the European Service of the B.B.C. was invaluable in creating and maintaining goodwill towards this country, and we are satisfied that it is essential, in the national interest, that the service should continue. Conditions have, of course, changed with the advent of peace, and the European Service cannot expect to retain the enormous audience which it built up for itself during the war. In the first place, it is normally not technically possible for transmission from this country to Europe to compete with the standards of audibility achieved by Continental stations, and European listeners will no longer have the strong incentive to listen to British programmes that they possessed under the German domination. Moreover, now that the national broadcasting systems of the Continent have regained their independence, we must assume that many listeners will be content to take from them, the news and comment on current events for which they were forced to rely on London during the war.

23. Some decrease in the wartime European audience of the B.B.C. is, therefore, inevitable and steps have already been taken to reduce the volume of the service to a size more in keeping with its potential audience. Nevertheless there is strong evidence that the European Service retains a surprisingly large audience and that our friends on the Continent are most anxious that it should continue. Moreover, it is clear that both the Americans and the Russians intend to broadcast to Europe on an ambitious scale and we cannot afford to let the British viewpoint go by default.

24. To continue the European Service effectively requires the use of at least two medium wavelengths on high power in addition to short waves. We
consider that for these it has a prior claim on whatever medium wavelengths are available to this country.

Other Overseas Services.
25. Transmissions to countries outside Europe are made on short wavelengths and it will be seen from para. 3 of the Appendix that we may expect to have a sufficient number of short wavelengths to enable a number of programmes to be broadcast from this country simultaneously. The problem here, therefore, is to how best to allocate our short wave resources between the various foreign audiences and the Empire audiences who must also be served with these wavelengths and we think that this question can best be left for decision in the light of circumstances ruling from time to time.

General Considerations.
26. We would draw attention to two points in connection with all overseas broadcasting to which we attach importance.

(a) It should be our aim to secure the acceptance by overseas broadcasting authorities of as many United Kingdom programmes as possible for rediffusion over their national networks. Such programmes reach the overseas listener with as high a standard of audibility as his local programmes and do much to promote a knowledge and understanding of British life and customs. We should also welcome the acceptance by the B.B.C. of suitable foreign, and particularly Empire, programmes for rediffusion in the home services.

(b) Great care should be taken to ensure the complete objectivity of the news bulletins which will form the kernel of all broadcasting for overseas reception. The B.B.C.'s reputation for telling the truth even when it hurts must be maintained, which means that the treatment of an item in overseas news bulletins must not differ in any material respect from its treatment on the current news bulletins for domestic listeners.

Interference with Maritime Wireless Services.
27. High-powered broadcasting stations situated near the coast, whether designed for domestic or overseas audiences, considerably increase the danger to life at sea by interfering with marine wireless services and, in particular, with the ships' distress service. This is due to the fact that the existing wireless equipment of most British and foreign ships cannot exclude signals transmitted with the power used by these broadcasting stations. The problem is, unfortunately, particularly serious in the North Sea area, owing to the very high power of the transmitters (greatly in excess of that permitted under existing international regulations) which we use for the European Service.

28. We have discussed this problem with the Minister of War Transport. Though fully conscious of the need to minimise the danger to life at sea, we are satisfied that, for the reasons set out above, we must maintain a European Service operating at high power on two medium wavelengths. In these circumstances, we have agreed with the Minister of War Transport that everything possible should be done to mitigate the interference caused by our European transmitters and to improve ships' wireless equipment. The Minister of War Transport is considering means of providing improved types of wireless equipment which alone can finally solve the problem, and is pressing on in the meantime with the provision of auxiliary equipment which will considerably alleviate interference with reception by ships' receivers. The manufacture and distribution of this equipment will, however, be spread over a number of months, and an immediate mitigation of the danger to shipping can be obtained only by modifying the broadcasting arrangements. This aspect of the problem is being discussed as a matter of urgency between the officers of the Departments concerned and the B.B.C.

IV.—EMPIRE BROADCASTING.

General Policy.
29. The Broadcasting Committee took the views of the Dominions, India and Colonial Offices and of the B.B.C. on Empire broadcasting, and their draft report represented general agreement with these authorities on the policy to be followed. We have found little to criticise in their conclusions on this subject.

30. The Empire will not accept from the United Kingdom broadcasts which it regards as Government propaganda. This does not mean that there should be
no co-operation between the B.B.C. and the Government. Indeed, it is of great importance that the closest possible liaison should be maintained between them so that, in shaping its Empire broadcasting policy, the Corporation can have available to it all relevant information about the current political background and, in the case of Colonial broadcasts, can send out material which fits in with the educational policy of the Colonial Office and the Colonial Governments. But there must be no suggestion that in its Empire broadcasts the B.B.C. is merely the Government’s subservient tool.

The Dominions.

31. So far as broadcasting to the Dominions is concerned we recommend that:

(a) the wavelengths available should be used to their utmost and should be supplemented by the transmission of programmes through the overseas telephone services for re-broadcasting locally; and by the export of programmes in the form of scripts and recorded material;

(b) the B.B.C. should make a greater use of programmes specifically directed to a single Dominion. Canada, for instance, would pay greater attention to a programme especially designed for Canadian audiences than to a North American programme mainly directed to the United States;

(c) the B.B.C. should employ staff with a background of Dominion experience in its programme departments. We are glad to know that the B.B.C. hopes to make arrangements for the periodic interchange of staff with Dominion broadcasting authorities;

(d) the Dominion authorities should be encouraged to develop more programmes suitable for United Kingdom audiences.

India and the Colonies.

32. In both India and the Colonies the primary use of broadcasting is educational, and we believe that wireless can make an enormous contribution to the improvement of the educational standard among native races. To achieve this the facilities for broadcasting must be greatly increased and we recommend that:

(a) The Indian and Colonial Broadcasting authorities should be pressed to extend their broadcasting systems as rapidly as possible, the aim being to ensure that no part of their territory should be out of reach of wireless programmes especially designed for the local population and capable of being picked up by comparatively cheap receiving sets, or by the public address or relay systems. In the Colonial Empire a large part of the cost of such a policy would almost certainly fall on the Imperial Exchequer, but we feel that the advantages to be gained would more than justify the cost;

(b) As soon as possible, the precise needs of the Indian and Colonial Governments for this purpose should be ascertained and the necessary technical staff and equipment made available to them from this country.

V.—Home Broadcasting.

Programmes and the Distribution of Wavelengths.

33. As we have said above, the B.B.C. hopes that in the Spring of 1946 there will be three programmes available in the Home Service:

(i) The Light or National programme which will cover the whole country and include British troops on the Continent. The programme will run from 9 a.m. until midnight.

(ii) A series of regional programmes (now called the “Home Service”) running from 8-30 a.m. until midnight. These programmes will contain a large amount of common material, but each of them will include a certain amount of local material.

(iii) A third programme, mainly directed to the educated listener, which will be used for such purposes as the broadcasting of plays, concerts and operas in full. It will probably run from 4 p.m. until midnight and its introduction will not mean the elimination of the cultural elements in the other two programmes. The name of this transmission has not yet been decided and for purposes of convenience we refer to it as the cultural programme. The B.B.C. is fully conscious of the need to find a name which will be less forbidding to the general listener.
34. To carry these three programmes, we assume that there will be available one long wavelength and nine main medium wavelengths (i.e., that we shall succeed in retaining the use of one medium wavelength over and above the ten allocated to us under the Lucerne Convention and that two medium wavelengths will be used for the European Service). We have discussed how to make the best use of these resources with representatives of the B.B.C. As a result, we recommend the following allocation:

**Light or National Programme**
- One long wavelength.
- One medium wavelength.

**Six Regional Programmes**
- Seven medium wavelengths.

**Cultural Programme**
- One medium wavelength supplemented by the use of the two international common wavelengths on low power.

This distribution will, we understand, serve the widest possible audience for each of the three programmes within our available resources, the figures being estimated by the B.B.C. as 95 per cent. for the Light, between 90 and 93 per cent. for the regional, and roughly 80 per cent. for the cultural programme.

35. There are, however, certain factors which must be taken into account in considering the allocation which we propose:

(a) It will involve a reduction in the number of regional programmes from seven to six, the Midland and the West of England Regions being amalgamated. There may be some objection to this reduction, but the full number of regional programmes could not be maintained without seriously reducing the number of listeners who received the cultural programme, and we consider that on balance an adequate coverage for the latter programme is more important than the retention of seven regions.

(b) The reallocation cannot be achieved without some degradation in the high standard of audibility to which British listeners were accustomed before the war. The reduction in the quality of reception will, however, affect a relatively small number of listeners, and we consider that the great majority of them will willingly accept it if in compensation they are offered a choice of three programmes.

(c) We attach considerable importance to securing as large as possible an audience for the cultural programme as this promises to become an important vehicle for improving the general education of the country. We think, therefore, that the technical problem of extending its coverage (for example, by the use of frequency modulation systems) should be urgently pursued by the B.B.C. We are also inclined to the view that it should have first call on any further medium wavelength whose use we may secure by agreement.

(d) An audience of as much as 80 per cent. for this programme will only be possible if we can continue to use the 514-metre wavelength which was allocated under the Lucerne Convention to Tunis and Latvia, or can secure the use of another similar wavelength. There is good prospect of our being able to do this, but we consider that if our hopes are falsified the allocation of our available wavelengths must be reviewed in order to release sufficient wavelengths to give the cultural programme an adequate coverage even at the cost of a further reduction in the number of regional programmes.

Regional Devolution.

36. The effect of the reduction in the number of regional programmes upon the entertainment which they offer can, we think, be substantially mitigated by a system of devolution which would increase the status of the individual regional organisation and encourage a spirit of emulation throughout the service. Effective devolution will increase the cost of broadcasting, since, if the regional officers are to feel free, within broad limits, to run their own programmes in their own way, they must have sufficient latitude in expenditure; and there will be in each region...
services which, from the purely financial point of view, could be run more economically from headquarters. The additional cost will, however, be fully justified if it leads to a number of vigorous regional organisations, each with a staff drawn largely from the region which it serves and each with a distinctive programme policy.

Advertisement and Sponsored Programmes.

37. The B.B.C. has always been forbidden to include direct advertisements in its programmes. As regards sponsored programmes, the Ullswater Committee recommended that the B.B.C. should retain the power to permit such programmes which had been given to it in its first Charter, but that any increase in its use should be limited to the initial stages of television broadcasts. The Government of the day did not accept this recommendation and, in our opinion, there is no reason to reverse this decision. The B.B.C. has shown no desire to use sponsored programmes, and any attempt to do so would certainly be resisted by such interests as the press and resented by a large body of public opinion. We therefore recommend that the prohibition on the use of both advertisement and sponsored programmes by the B.B.C. should continue.

Broadcasting of Parliament.

38. We considered proposals for the broadcasting in full of debates in both Houses of Parliament. We agree as to the need to encourage public interest in the working of Parliament, and we believe that the B.B.C. could play a greater part in achieving this end. The proceedings of Parliament, however, do not lend themselves to broadcasting, and we think that the proper course is to lay upon the B.B.C. the obligation to broadcast an adequate and impartial daily account of proceedings in both Houses, in addition to its present weekly summary. This report should be given by professional reporters who are not Members of Parliament, and the authorities of Parliament should be invited to provide adequate facilities for the B.B.C. reporting staff to perform this duty.

Wire Broadcasting.

39. Wire broadcasting is a system whereby the broadcast programme is received at a central station by wire or wireless and is thence transmitted over a wire network to individual subscribers. The subscriber requires only a loud­speaker or a simplified wireless set to receive the programme. Wire broadcasting stations or relay exchanges have always been in private hands and the companies operating them have done so under licence from the Postmaster-General. All licences granted provide—

(a) that (with very minor exceptions) the relay exchanges must not distribute locally-originated programmes;

(b) that all subscribers must hold a wireless receiving licence.

40. The development of wire broadcasting in this country has varied considerably in different regions. The main drawback of the system is that it has been able to give listeners only a limited choice of programmes, and before the war it offered few attractions to the listener in districts where reception on a normal set was satisfactory.

41. At the outbreak of war subscribers to wire-relay exchanges represented 2.9 per cent. of the total number of wireless licence holders. But war conditions have favoured the development of the system, and the percentage had risen to 5.7 per cent. by December 1944. We are advised that the system is unlikely to expand in peace-time unless it can solve the problem of transmitting a much greater variety of programmes to its subscribers and can successfully cope with the antagonism which its progress must arouse in the powerful interests whose prosperity depends on the demand for wireless sets.

42. The Ullswater Committee recommended that the ownership and operation of the relay exchanges should be taken over by the Post Office for the reasons "which have led to the establishment of the postal, telegraph and telephone services and indeed the broadcasting service itself as unified national undertakings in public ownership and control." The Government of the day decided, however, as an interim measure to extend the licences of the existing relay exchanges for three years from the 31st December, 1936, on the ground that the technical problems involved in wire relay services were still to a great extent in their infancy and that it was therefore premature to start negotiating with the owners of some 340 exchanges for the transfer of a system which might well
prove obsolete as technical knowledge advanced. Before the three years expired;
war broke out and the decision was postponed for a further ten years until 1949.

43. We have considered afresh whether the relay exchange system should
be taken over by the Government but have come to the conclusion that a decision
should be deferred until the current licences are due to expire in 1949. The
system appears to be functioning efficiently under private ownership. There is
no noticeable demand for its extension to parts of the country not served by the
commercial companies and during the next two or three years the restoration of
the postal, telephone and telegraph services will absorb all the labour and material
resources available to the Post Office.

VI.—F

Pre-War Position.

44. Before the war the grant to the B.B.C. under the Broadcasting Vote
represented a proportion of the net proceeds of fees paid for wireless receiving
licences after the departmental costs of issuing licences and of associated services
had been met. These latter costs were borne on Departmental Votes; and in the
immediate pre-war years were assessed at 9 per cent. of the gross proceeds from
the fees. The B.B.C. was entitled to receive an amount equivalent to 75 per cent.
of the net proceeds but, if the Treasury were satisfied that this income would be
insufficient to support all B.B.C. services, they could approve an increase in the
percentage. With the development of television and foreign language broadcast­
ing, 75 per cent. of the net revenue began to prove insufficient, and in the financial
year 1937–38 the B.B.C. grant was increased by an additional 8 per cent. of the
net revenue. A further increase of 7 per cent. was approved in 1938–39, so that
in the last complete pre-war year the Corporation received 90 per cent. of the
net (i.e., 81.9 per cent. of the gross) revenue.

Post-War Position.

45. We are in favour of retaining the pre-war practice of meeting the costs
of all B.B.C. services out of a single Broadcasting Vote; and also of returning
to the arrangement whereby the provision for home broadcasting and for tele­
vision services is related to a definite proportion of the revenue from licence fees;
the B.B.C. having freedom within broad limits to spend this revenue at its
discretion on the development of the services for which it is provided.

46. The table below represents an attempt to assess the finance of broad­
casting and television services in a normal post-war year assuming that the
licence fee continues to be 10s. per annum. The figures cannot be more than very
rough estimates, but we believe that they represent as accurate a forecast as it
is possible to make at the present time:—

<table>
<thead>
<tr>
<th>Estimated Expenditure</th>
<th>Estimated Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>£ million</td>
<td>£ million</td>
</tr>
<tr>
<td>Home Broadcasting</td>
<td>7.20</td>
</tr>
<tr>
<td>Overseas Broadcasting</td>
<td>3.15</td>
</tr>
<tr>
<td>B.B.C.’s Income Tax Liability</td>
<td>1.00</td>
</tr>
<tr>
<td>Services rendered by Post Office and other Government Departments</td>
<td>0.50</td>
</tr>
<tr>
<td>Television</td>
<td>2.00</td>
</tr>
<tr>
<td></td>
<td><strong>13.85</strong></td>
</tr>
<tr>
<td>Licence Fee Revenue (assuming 10 million licence holders)</td>
<td><strong>5.00</strong></td>
</tr>
<tr>
<td>B.B.C. revenue from publications, &amp;c.</td>
<td>0.50</td>
</tr>
<tr>
<td>Revenue from special television licences, say</td>
<td>0.05</td>
</tr>
<tr>
<td></td>
<td><strong>5.55</strong></td>
</tr>
</tbody>
</table>

47. On this basis it will be seen that there is a gap of £8.3 million between
revenue and expenditure. As a step towards bridging it we recommend that the
wireless licence fee should be increased from 10s. to £1 at the first convenient
opportunity. £1 is a very reasonable fee to charge for the service provided and
the proposed increase should not materially reduce the number of licence holders.

48. Assuming that a £1 licence fee produces £10 million per annum, the
excess of expenditure over revenue will be reduced to rather over £3 million
per annum. We recommend that this should be met by the Exchequer’s under­
taking liability for the cost of overseas broadcasting (estimated at £3.15 million
per annum) independently of any revenue from licence holders. We think that, as television ought ultimately to be of direct benefit to a substantial proportion of broadcast listeners, the cost of its development can fairly be regarded as an expense to be set off against licence fee revenue.

49. If our recommendations are accepted it will, of course, be necessary to ensure that the B.B.C.'s expenditure on each of the Services for which it is responsible is in accordance with the intention of Parliament in approving the Broadcasting Vote.

VII.—Miscellaneous Questions.

Commercial Broadcasting from Overseas.

50. Until 1938 the United Kingdom Government tried hard to curtail the growing volume of broadcasting directed at this country from commercial stations situated on the Continent, of which the best known were Radio Luxembourg and Radio Normandie. In 1933 a resolution was passed by the Council of the International Broadcasting Union to the effect that the diffusion of such programmes constituted an "inadmissible act from the point of view of good international relations," and in 1938 His Majesty's Government unsuccessfully put forward a proposal that such programmes should be prohibited. These efforts, however, proved ineffective, and in the years immediately before the war the Government itself on occasion used these stations to broadcast to Germany. Our attitude towards them changed therefore to one of neutrality.

51. Negotiations are proceeding for the lease of Radio Luxembourg for broadcasting to Germany and Austria by the British and possibly by other Governments. But there were before the war other commercial stations overseas, built to serve the British listeners, and we may again be subject to such commercial broadcasts on a substantial scale. We consider that there is a fundamental objection to His Majesty's Government's countenancing the broadcasting from abroad of advertising programmes whose diffusion it refuses to permit from its own territory, and we think that a determined attempt should be made to eliminate this type of broadcasting. While we realise that this may require a degree of international agreement which will not be easy to secure, we hope that the foreign Government concerned will in future be more ready to appreciate our point of view than they were before the war. Should the attempt fail we must rely on the increasing attractiveness of the B.B.C. programmes. It was clearly established before the war that stations like Radio Luxembourg could rely on a substantial audience in this country only at times, such as the early morning, when the B.B.C. was not transmitting, or on Sundays, when its programmes were regarded as too solemn by a large body of public opinion. We are glad, therefore, to note that the B.B.C. is starting its daily broadcasts at 6.30 a.m. and is continuing to provide Sunday programmes of the more popular kind introduced during the war.

Control of Wireless in Ex-Enemy Countries.

52. We understand that arrangements have been made for the control of German broadcasting in the period of military occupation. As part of the general control of all media for influencing German public opinion, the Allied occupation authorities have taken over all wireless transmitters in Germany and will operate such of them as they think fit, the main object of the control being to facilitate the execution of the policy of the supreme occupying authority. As reliable German broadcasters and technicians emerge, a progressive increase in the number of German-originated broadcasts is contemplated.

53. No plans have yet been made for the control of Japanese broadcasting, but the fundamental object—complete subordination of the Japanese system to the needs of the occupying authority—will no doubt be the same, although the means of achieving it may differ from those adopted in Germany.

54. As regards post-occupation broadcasting in Germany and Japan, we consider it premature for us to make any recommendations at this stage.

International Broadcasting Station.

55. The League of Nations operated a broadcasting station known as "Radio Nations" from 1932 until the outbreak of war, but this station was
only used to broadcast to member Governments who had receiving stations capable of picking up its broadcasts, and it was not suitable technically for broadcasting to the general listener. With the outbreak of war Radio Nations was closed down and its capital assets were sold to Radio Suisse. Its failure offers no criterion by which the possible success of an international broadcasting station, attempting to serve peoples as distinct from their Governments, might be judged.

56. The possibility of an international station which could compete with national stations raises political issues of great importance. Much study would be required to solve even the technical problems involved in such a project and, in view of the present uncertainty of the political background against which such a station would have to operate, we have not felt justified in asking the Post Office technical experts to carry out such an investigation. In our opinion the possibility of an international wireless service cannot be usefully considered until the form of world organisation is known.

57. **Summary of Recommendations.**

**Introduction.**

1. We do not consider that a public enquiry is necessary before a decision is reached on the renewal of the B.B.C.'s charter (paragraph 5).

**I.—Future of B.B.C.**

**Renewal of Charter.**

2. The B.B.C. should continue to be the sole body licensed to originate broadcasts in the United Kingdom, and its Charter should be renewed for a further period of 10 years from the 1st January, 1947 (paragraph 7).

**Board of Governors.**

3.—(a) The Chairman of the Board should be a really outstanding figure in public life.

(b) The representation of different age groups should be borne in mind in selecting members of the Board.

(c) The whole Board should not retire at the same time.

(d) Governors should not be given reason to expect reappointment (paragraph 9).

4. The Board should take an active interest in the financial and establishment policy of the Corporation (paragraph 10).

5. Consideration should be given to reducing the salaries paid to members of the Board (paragraph 11).

**Staff.**

6. The B.B.C. should retain its independence in staff matters but in fixing salaries and conditions should have regard to those of the Civil Service and to the greater security offered by its service, as compared with employment in business concerns (paragraph 14).

**II.—Technical Considerations.**

7. The B.B.C. should be encouraged in its research programme for improving the quality of transmission (paragraph 16).

8. We attach importance to the passage of legislation for the control of electrical interference (paragraph 17).

9. Every effort should be made to secure the use of additional medium wavelengths (paragraph 21).

**III.—Broadcasts to Foreign Audiences.**

10. The European Service must continue and for this purpose at least two medium wavelengths must be allocated to it (paragraphs 23 and 24).

11. We should attempt to secure the acceptance by all overseas broadcasting authorities of as many United Kingdom programmes as possible for rediffusion over their own networks and should welcome the acceptance of suitable foreign and Empire programmes for rediffusion in the home Services (paragraph 26 (a)).
12. Great care should be taken to ensure the complete objectivity of news bulletins for overseas consumption (paragraph 26 (b)).

13. The problem of mitigating the interference of high-powered broadcasting stations with marine wireless services, particularly the ships’ distress service, should be urgently pursued (paragraph 28).

IV.—Empire Broadcasting.*

**General Policy.**

14. There should be no suggestion that Empire broadcasts are controlled by the Government, but the B.B.C. should keep in close contact with the Government Departments concerned (paragraph 30).

**The Dominions.**

15.—(a) Everything possible should be done to increase the interchange of programmes between the B.B.C. and Dominion Broadcasting authorities.

(b) Greater use should be made of programmes specifically directed to a single Dominion.

(c) Interchange of staff between the B.B.C. and Dominion authorities should be encouraged (paragraph 31).

**India and the Colonies.**

16.—(a) India and the Colonies should be pressed to extend their broadcasting systems as rapidly as possible and the necessary technical staff and equipment should be made available for this purpose (paragraph 32).

V.—Home Broadcasting Policy.

**Allocation of Wavelengths.**

17. The proposals put forward by the B.B.C. for securing the widest possible coverage for the three home programmes should be accepted. These involve a reduction in the number of Regional programmes from seven to six by the amalgamation of the Midland and West of England Regions (paragraph 34).

18. The technical problem of extending the coverage of the proposed cultural programme should be urgently pursued (paragraph 35 (c)).

19. In the event of our failing to retain the use of a borrowed wavelength that will give the cultural programme an audience of the order of 80 per cent. of the population, the allocation of our available wavelengths should be reviewed in order to give this programme an adequate coverage (paragraph 35 (d)).

**Regional Devolution.**

20. The aim should be to create a series of vigorous regional organisations each with a staff drawn largely from the region which it serves and with a distinctive programme policy (paragraph 36).

**Advertisement and Sponsored Programmes.**

21. The existing prohibition on the B.B.C.’s use of such programmes should continue (paragraph 37).

**Broadcasting of Parliament.**

22. The B.B.C. should be under obligation to broadcast an adequate and impartial daily account of the proceedings in both Houses of Parliament. The account should be given by professional reporters who are not Members of Parliament (paragraph 38).

**Wire Broadcasting.**

23. It is premature to take a decision on the acquisition by the State of the privately owned wire relay exchanges (paragraph 43).

* See also Recommendations 11 and 12.
VI.—Finance.

24.—(a) The cost of all B.B.C. services should be borne out of a single Broadcasting Vote; the provision for home services and for television being related to a definite proportion of the revenue from licence fees (paragraph 45).

(b) The wireless receiving licence fee should be increased from 10s. to £1 per annum at the first convenient opportunity (paragraph 47).

(c) The cost of overseas broadcasting should be borne by the Exchequer independent of any licence fee revenue (paragraph 48).

VII.—Miscellaneous Questions.

25. An attempt should be made to eliminate commercial broadcasting from overseas (paragraph 51).

H. M.
E. J. W.
L.
P. J. N-B.

APPENDIX.

WAVELENGTHS USED FOR BROADCASTING PURPOSES.

1. Long Wavelengths.

The main value of these is to serve an area comparable in size to the larger countries in Europe and they are thus of considerable value in international broadcasting. Only a limited number of long waves are available for broadcasting purposes and there is great competition for their use. The United Kingdom’s single long wavelength is used to provide a service to regions, such as Devon, where reception of medium-wave transmissions is unsatisfactory.

2. Medium Wavelengths.

Competition for medium wavelengths (normally used for national as opposed to international broadcasting) had, even before the war, reached a stage at which, in order to achieve an acceptable allocation in Europe and they are thus of considerable value in international broadcasting. Only a limited number of long waves are available for broadcasting purposes and there is great competition for their use. The United Kingdom’s single long wavelength is used to provide a service to regions, such as Devon, where reception of medium-wave transmissions is unsatisfactory.

2. Medium Wavelengths.

Competition for medium wavelengths (normally used for national as opposed to international broadcasting) had, even before the war, reached a stage at which, in order to achieve an acceptable allocation in Europe, the International Conference responsible had had to encroach upon wavelengths which had not been allocated for broadcasting purposes. Technical advances and the reduction of the excessive number of wavelengths possessed by Germany and France might improve this situation were it not for the fact that there is a considerable increase in the demand for medium wavelengths from the smaller countries (some of whom were undoubtedly badly treated before the war) and greatly increased demands for such purposes as aviation.


The most effective use of the short wave is for long-distance broadcasting. There is an increasing demand for short waves for marine, aviation and commercial telephone and telegraph services. Many of these services were closed down during the war, but with the end of hostilities their demands are increasing rapidly and, while it should be possible for us to secure sufficient short wavelengths to enable the transmission of a number of independent programmes for reception outside Europe, we cannot expect in peace-time to maintain on anything like their wartime scale the long-distance broadcasting services which at present depend on short waves. Long-distance broadcasting can also be done effectively, where circumstances permit, by transmitting programmes over commercial radio telephone links or over telephone cable circuits for re-broadcasting in the areas concerned.


The field served by very short wavelengths is generally no larger than a radius of 30 miles around the transmitting station, a factor which clearly limits their usefulness for broadcasting purposes. Within this field there is competition for waves from such activities as radar, and at the present moment this range of the
radio spectrum is very congested by military requirements. It is not yet certain by how much the end of hostilities has reduced the demands of radar.

It is possible that the development of frequency modulation will increase considerably the potentialities of ultra-shortwave broadcasting. Frequency modulation offers an improved reception compared to the system of amplitude modulation in general use at the present time and substantially increases the number of stations which can operate on the same wavelength without mutual interference, but its value in the next few years will be limited by the fact that the reception of frequency modulation transmissions requires new types of wireless sets. Finally, the availability of ultra-short waves for broadcasting will depend to some extent on the demands of television. It is essential for the development of television that we should have a sufficient number of ultra-short wavelengths for a national television service and this will be a limiting factor on the use of these wavelengths for sound broadcasting purposes.