



Department of Education and Science

Office of Arts and Libraries
From the Minister for the Arts

cc Please
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23rd December 1982

Michael Scholar Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON SW1

Dear Michael

Mr Channon agreed with Sir Keith Joseph that he should reply separately, in respect of the Arts and Libraries programme, to the Prime Minister's request for reports on "forward looks" at departmental programmes for the next five years.

... Mr Channon's reply is attached.

I am sending copies to the Private Secretaries of members of the Cabinet and of Sir Robert Armstrong.

Yours sincerely
Celia Scott

pp Miss M G E Giles
Private Secretary

ARTS AND LIBRARIES: FORWARD LOOK

The Government took office in 1979 with a firm commitment to set up the National Heritage Memorial Fund. This has been achieved and had been extremely successful. Apart from this there was a broad commitment to give as generous support to Britain's cultural and artistic life as the country could afford. Some weight was attached to the incidental benefits expected from tax reductions.

Since the election, in spite of real public expenditure cuts, we have kept the arts at a reasonable level. The major national and regional companies have been kept going although there are plenty of financial problems. We have implemented Public Lending Right and authors will receive their first payments next year. We will have started the Theatre Museum before the election. We shall also have made a start on the new British Library building and brought into operation some impressive new museum buildings outside London such as the National Museum of Photography in Bradford, as well as major improvements to the national museums, such as the opening of the Henry Cole building at the V & A. Before the next election we shall have changed the V & A and Science Museums into trustee bodies. We have launched a very successful campaign to encourage private and business sponsorship of the arts.

The next Government's aim should be to maintain this creditable record. We should not aim for expansion in the arts on any scale but we must keep going at a reasonable level the great national and regional organisations, eg the British Museum, the Royal Opera House and the Hallé Orchestra. It will be difficult to do this unless arts funding remains roughly constant in real terms. We must continue our efforts to increase value for money and explore further expansion of private and business sponsorship - perhaps through tax changes.

The area which seems to offer the greatest scope for private sector participation is the British Library. The development

of some of the Library's services to business and industry, particularly those using new technology, may offer attractive opportunities for the introduction of private capital and initiative. The first exploratory steps are being taken now. The next Government should put in hand a vigorous exploitation of whatever possibilities are found to be open. Meanwhile the campaign to increase business sponsorship of the arts should continue and be reinforced by strenuous efforts to maximise the benefits of tax concessions. To the extent that the Treasury's programme makes further tax concessions possible, the effects should be disproportionately helpful.