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NORTHERN IRELAND OFFICE

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LONDON SW1A 2AZ

John Holmes Esq
Private Secretary to
the Prime Minister
10 Downing Street
LONDON
SW1A 2AA

24 September 1996

Dear Mr Holmes,

BRIEFING IRISH JOURNALISTS: WEDNESDAY 25 SEPTEMBER

I enclose the NIO's contribution for the Prime Minister's meeting with Irish journalists which I understand has now been arranged for 6pm on Wednesday 25 September. The following areas are covered:

- A - Finds in West London
- B - Talks
- C - Position of the Loyalists
- D - Sinn Fein
- E - Boycotts
- F - Drumcree
- G - Parades
- H - Review of plastic baton rounds
- I - Colin Duffy
- J - Forum
- K - Social and Economic Issues

Please let me know if you require any additional material.

Yours sincerely

Liz Harrington

pp: ROBERT CRAWFORD

cc AA
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Press
BUP

John Holmes Esq
Private Secretary to the Prime Minister
10 Downing Street
LONDON
SW1A 2AA

24 September 1996

Dear John,

PRIME MINISTER'S MEETING WITH IRISH JOURNALISTS - WEDNESDAY
25 SEPTEMBER 1996

I am attaching a line to take and background note on BSE and the issue of special status for NI for possible deployment at the Prime Minister's meeting with Irish journalists tomorrow. This should be inserted as an additional topic to those listed in my covering minute of today's date. Apologies for this late addition.

Yours sincerely,
Robert Crawford

ROBERT CRAWFORD

SSTALKS/687

A

Discovery of explosives etc; 23 September

A 'spectacular' before a ceasefire

- this highly successful operation by the police and Security Service has undoubtedly prevented grave loss of life and massive disruption.
- discovery of huge stocks of explosives, firearms and bomb making equipment calls into question Sinn Fein's rhetoric about peace.
- violence has no place in a civilised society. Northern Ireland's future will be settled by democratic, peaceful discussion in the multi-party talks.

[Preparations were for a spectacular before a ceasefire?]

- not going to speculate
- IRA must reinstate a genuine and unequivocal ceasefire.

Talks - General

- HMG remains committed to the Talks process;
- events surrounding Drumcree have highlighted the need for the talks process;
- need for real progress to be made in talks soon;
- welcome dialogue between SDLP and UUP;
- confident that talks participants can soon engage on substantive issues.
- Alliance complaints (if asked): complaints are being dealt with in accordance with the rules of procedure agreed by the parties.

C

Position of loyalists

- Both Government's satisfied that the Loyalist parties have distanced themselves from the threats made by the CLMC and have not breached the Mitchell principles;
- decision to allow loyalists to remain in talks made by both Governments, who took account of the views of the parties, and was in accordance with the rules of procedure agreed by the parties.

if Sinn Féin were to make themselves eligible to enter the talks, they would upon entry, like all the other participants, have to make clear their total and absolute commitment to the Mitchell principles.

- UMG and the Irish Government have made clear that they will seek the commitment of all participants to work constructively to implement all aspects of the Mitchell report, including its approach to decommissioning.

- UMG views decommissioning, not as a roadblock or a trap, but as a tool to build confidence gradually during the negotiations.

- this is reflected in the Mitchell report's compromise approach under which some decommissioning should take place during negotiations.

Sinn Fein's Entry into Negotiations

Decommissioning

- HMG and the Irish Government are agreed that there must be a genuine and unequivocal restoration of the ceasefire before Sinn Fein can enter the talks.
- if Sinn Fein were to make themselves eligible to enter the talks, they would upon entry, like all the other participants, have to make clear their total and absolute commitment to the Mitchell principles.
- HMG and the Irish Government have made clear that they will seek the commitment of all participants to work constructively to implement all aspects of the Mitchell report, including its approach to decommissioning.
- HMG views decommissioning, not as a roadblock or a trap, but as a tool to build confidence gradually during the negotiations.
- this is reflected in the Mitchell report's compromise approach under which some decommissioning should take place during negotiations.

Negotiation

Lines to take

- Experience has shown that the police have used their judgement and ability to deal with parades and marches extremely competently. Every year there are many hundreds of parades of all types, and the overwhelming majority pass off entirely peacefully. In 1995 the RUC were responsible for policing 3500 parades and it is a tribute to their handling of these sensitive issues that the overwhelming majority (over 99%) passed off peacefully.

THE CASE OF COLIN DUFFY

Line to Take

Line to Take

- We all regret the damage that the events of the Summer did. This matter is sub judice. It would not be appropriate for me to comment on any aspect of a case where the judgment of the Court of Appeal is pending.
- relationships between the two sides of the community;
- outside Northern Ireland in terms of its image in the rest of the world.
- Tourism in Northern Ireland has been adversely affected. This was an area which had increased drastically last year, and where there had been sustained growth for some seven years.
- The events of the Summer have had a significant impact, but I know that all involved will be working hard to regain the ground lost.
- The Summer's events have also had an adverse impact on Northern Ireland's efforts to attract inward investment. The media coverage of the violence in the Province created an impression of political instability.
- I do, however, have confidence in the resilience of the Province's economy. It has held up during other political and economic setbacks, and it will eventually weather the adverse effects of Drumcree and its aftermath.
- The violence of the Summer has financial costs - mainly in terms of policing and in compensation to be paid for damage to property. I would prefer to see money spent positively in meeting the social and economic needs of the people of Northern Ireland rather than negatively in paying for the consequences of violence.

DU/TPU/2319

DU/TPU/2319

SOCIAL AND ECONOMIC IMPACT OF THE SUMMER

Line to Take

- We all regret the damage that the events of the Summer did:
 - within Northern Ireland in terms of physical damage and damage to relationships between the two sides of the community;
 - outside Northern Ireland in terms of its image in the rest of the world.
- Tourism in Northern Ireland has been adversely affected. This was an area which had increased dramatically last year, and where there had been sustained growth for some seven years.
- The events of the Summer have had a significant impact, but I know that all involved will be working hard to regain the ground lost.
- The Summer's events have also had an adverse impact on Northern Ireland's efforts to attract inward investment. The media coverage of the violence in the Province created an impression of political instability.
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16

- The events of the Summer have had an impact on the relationships between the two sides of the community. But much cross-community work has been done, and remains to be built on, and the Government will contrive to support community relations work as a necessary and desirable investment in a better society in the future.

Background

- The stand-off at Drumcree and the associated violence during and after the stand-off have had an adverse impact on:
 - the public expenditure position in NI, with extra costs arising in policing, compensation, housing, roads and transport;
 - tourism, where the media images of the violence brought an immediate decrease in visitors and jeopardised future plans;
 - inward investment where, again, the media images militate against NI being considered as an attractive investment location;
 - community relations, where the relationships between the unionist and nationalist communities have been damaged, and the confidence of the communities in their future ability to find a way forward together has been shaken.

TRADE AND ECONOMIC CO-OPERATION BETWEEN NORTHERN IRELAND AND THE REPUBLIC OF IRELAND

Line to Take

Line to Take

- This is a high spending priority for the Government in NI.
- Government agencies and private sector business organisations in NI have been co-operating with their counterparts in the ROI on a wide range of cross-border trade and economic development projects.
- Co-operation will continue in the future on any initiatives which will contribute to the provision of job opportunities and prosperity for people in both parts of the island.

Background

Background

- TSN was introduced in 1991 as a major Government priority.
- Total trade between NI and ROI amounted to £1,444m in 1995.
- It is demonstrated in many programmes: for example, the NI has had a persistent trade deficit with the ROI (£160m in 1995), but NI's exports to the ROI have been increasing more rapidly than the ROI's exports to NI.
- There is increasing recognition of the opportunities for trade between the 2 economies.
- Cross-border co-operation exists in technology training, employment services, promotion of consumer goods in GB and the USA, joint trade missions, proposed gas interconnector, electricity interconnector.

TARGETING SOCIAL NEED

Line to Take

- This is a high spending priority for the Government in NI.
- It is an initiative which seeks to improve social and economic conditions by directing resources to areas and people objectively defined as being the most disadvantaged.
- All Government Departments take TSN principles into account in drawing up policies and determining expenditure priorities.

Background

- TSN was introduced in 1991 as a major Government priority.
- It is demonstrated in many programmes: for example, the targeting of disadvantaged schools to raise school standards; the acquisition of land in TSN areas for industrial use; the provision of enhanced capital grants for industrial investment in TSN areas; IDB's target of having at least 75% of inward investment projects located in or adjacent to TSN areas.

Background

- The MacBride principles, designed in the USA, were originally intended to increase employment opportunities for under-represented religious groups in NI. They are vague and ambiguous and do not make good law. Our Fair Employment legislation now incorporates the main elements of the principles, is more extensive and is enforced.

FAIR EMPLOYMENT/MACBRIDE PRINCIPLES

US States and more than 30 cities have now adopted some form of MacBride legislation.

Line to Take

- The effects of the campaign, with the potential for damage to
- The Government recognises the need for fair employment and is totally committed to equality of opportunity for all. *vers the pressure that they can then come under from the MacBride lobby.*
- The Government's Fair Employment legislation is more radical than the MacBride principles. *y focused at Federal level, with the production of "principles of economic justice" which*
- The MacBride campaign can be a disincentive for companies to invest in NI. They may find locations with fewer political complications more attractive.
- Under Fair Employment legislation, there has been considerable progress in closing the employment gap for Catholics, the development of more rigorous personnel practices and a significant expansion of affirmative action programmes.
- SACHR is carrying out an independent review of the legislation. It is keen that American interests should contribute.
- New job creating investment, with strong Fair Employment legislation, is the key to speeding up progress to fair participation in employment.

Background

- The MacBride principles, designed in the USA, were ostensibly intended to increase employment opportunities for under-represented religious groups in NI. They are vague and ambiguous and do not make good law. Our Fair Employment legislation now incorporates the main elements of the principles, is more extensive and is enforceable.
- The MacBride campaign has sought to pressure US companies to

adopt the principles. Fifteen US States and more than 30 cities have now adopted some form of MacBride legislation.

- The effects of the campaign, with the potential for damage to the economy, are of concern to the Government; the campaign can be a disincentive to US companies to invest in NI, given the pressure that they can then come under from the MacBride lobby.
- MacBride activity is currently focused at Federal level, with the production of "principles of economic justice" which MacBride supporters want to see applied to International Fund for Ireland funding.