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10 DOWNING STREET LONDON SW1A 2AA

From the Principal Private Secretary

21 October 1997

Dee hen,

TERRORISM LEGISLATION

The Prime Minister has been following the correspondence about the future of the Prevention of Terrorism Act and the Northern Ireland (Emergency Provisions) Act. On the former, he is content that the Home Secretary should make a statement to Parliament shortly after its return about his intention to publish a consultation document early in the New Year on the options for new counter-terrorism legislation. He assumes that the Home Secretary will make it clear in his statement that this Government remains very tough on terrorism. There must be no room whatsoever for accusations that the Government is softening its approach, particularly for reasons connected with the Northern Ireland Peace Process.

The Prime Minister also agrees that the Home Secretary should make clear that the current exclusion orders will be revoked, and announce at the same time that these powers will lapse next year. Although the Unionists have never liked the exclusion orders, for reasons of their own, the Prime Minister nevertheless believes that they should be carefully briefed in advance. We must avoid any surprises from their point of view.

On the Northern Ireland (Emergency Provisions) Act, the Prime Minister is content with Dr Mowlam's proposals, although he continues to have reservations about scrapping the power of internment. Although its use is extremely unlikely, it is not clear that this necessarily leads to the conclusion that it should be removed from the statute book. It will be very unwelcome to Unionists, even though they clearly believe it is going to happen because of earlier leaks. It will also come at a time when their confidence is already low. The Prime Minister is therefore concerned that, if we are going to go ahead with dropping it, we should find something which appeals to Unionists and which could be announced about the same time. As you know, the Prime Minister is in

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general anxious to have further measures to help the Ulster Unionists. I would be grateful if Ken Lindsay could let me know what plans can be developed.

I am copying this to Private Secretaries of other members of IN, Michael Lugton (Scottish Office), Paul Cohen (President of the Council's Office) and Jan Polley (Cabinet Office).

Jan da

JOHN HOLMES

Ken Sutton Esq Home Office