

DRAFT

TOP SECRET & PERSONAL

NORTHERN IRELAND: BULL POINTS FOR GENERAL USETalks process

- These talks provide the best opportunity for reaching a comprehensive and widely acceptable political settlement, a settlement which could underpin lasting peace in Northern Ireland. Whatever the provocation, the Government will not be deflected from its search for such a political settlement.
- Reaching a beginning point for the talks at all took a great deal of effort and required willingness to compromise on all sides. Since then, the talks have made progress: the parties are still talking; the chairmen have proved acceptable; the rules of procedure are agreed.
- Very much hope it will be possible for the participants to agree how to tackle the important and sensitive issue of decommissioning, on the basis of the Mitchell Report. Then the talks can move on to the substance of the issues.

Sinn Fein Entry

- My recent statement set out the process by which a judgement can be made on whether any restoration of the ceasefire is truly unequivocal. It does not erect new pre-conditions for Sinn Fein's entry into the talks. The requirements for their entry are still as in paragraphs 8 and 9 of the Ground Rules.
- Our position remains the same. We want Sinn Fein in the talks. The door remains open. I want no unnecessary delay. But it is up to Sinn Fein to ensure a genuinely unequivocal ceasefire: that is the only basis for democratic negotiations.

TOP SECRET & PERSONAL

Security Measures

- Following the Docklands bomb, the security forces responded immediately to restore some of the many security measures which were relaxed during the ceasefire. Further measures have been taken as the renewed IRA campaign has escalated.
- Security forces have prevented a number of further attacks notably in Londonderry and Armagh. A 2,456lb bomb abandoned in a trailer at the side of a busy road near Drumadd Barracks, Armagh was also defused.
- Security is not yet back to pre-ceasefire levels. Many measures still remain available to the Chief Constable and the GOC. Security force chiefs continue to monitor the situation and enhancements to security are introduced as a proportionate response to the perceived threat posed by terrorists.
- I am encouraged by the recent significant finds and arrests in both the UK and the Republic of Ireland. Praise is due to the vigilance and skill of the security forces.
- We will continue to maintain a high level of vigilance and respond appropriately to ensure the necessary level of protection for all the United Kingdom.

TOP SECRET & PERSONAL

Community Tensions

- The confrontation over marches, the current boycotting of traders in some areas, the obstruction and terrorising of worshippers attending their church; and the arson attacks on schools, halls and churches are deeply irresponsible and can only be counter productive.
- All of these actions exacerbate divisions, rather than healing them. There can be no excuse for threats, violence and intimidation. All are unacceptable in a democratic society.
- The Government is committed to a society in which the rights, traditions and aspirations of both sides of the community are respected, on the basis of parity of esteem.
- I fully support the RUC in their difficult task of the even-handed maintenance of the rule of law. I know those who have worked in the community field for many years are firmly resolved to continue their efforts. I commend them for their persistence and courage.

TOP SECRET & PERSONAL

Economy**Employment/
Unemployment**

Number of people in jobs running at record levels
- June 1996 figures show an increase of 13.6% on 10 years ago.

Unemployment at its lowest for 15 years - at October 1996 82,500, 10.7% of workforce.

Industry

Year ended 31 March 1996 the best ever for inward investment with 35 projects secured, offering 4869 new jobs and representing combined investment of £432m by Government and the private sector. Projects included Montupet at Dunmurry, £57m and 1358 jobs; Stream International from US with 500 job Call Centre project; Europa Tool in West Belfast, 230 jobs; and Copeland Corporation, £33m project with 330 jobs in Cookstown.

Investments this year have included Fujitsu's new purpose-built factory at Springvale, workforce doubled to 200; Emerson Electric/F G Wilson 1533 new jobs at Larne, Monkstown and Springvale; Seagate's new investment bringing 759 new jobs in Limavady.

Exports

NI manufacturing exports increased by £462m to £2.6 billion in 94/95 - growth rate of 21%.

Output

Manufacturing output up 15.6% in period 1990-95.

Tourism

Tourism still above pre-ceasefire levels - holiday visitors up 25% on 1994. Revenue up 10% on 1994 to £202m.

TOP SECRET & PERSONAL

FACTORY VISIT: DRAFT SPEAKING NOTES

- Delighted to be here today to perform the official switching on of a natural gas supply to Ryobi which has the proud distinction of being the first user of natural gas in Northern Ireland.
- This is good news for Ryobi, good news for Phoenix Natural Gas Ltd which has been licensed to develop a natural gas industry in the Greater Belfast and Larne areas, and good news for the Northern Ireland economy.
- The introduction of natural gas into the local energy market for the first time will add to the choice of fuels on offer and therefore increase competition. This will, in turn, create a downward pressure on energy costs and enhance the rapidly improving economic prospects in Northern Ireland.
- In addition, the use of natural gas will significantly contribute to a cleaner environment through improved air quality.
- The development of the new natural gas industry will lead to the creation, both directly and indirectly, of up to 500 new jobs.
- This arose as a result of the purchase by British Gas of Ballylumford Power Station for conversion to gas firing, as part of the privatisation and restructuring of the Northern Ireland electricity supply industry.
- Grateful to British Gas for its commitment to a total investment of over £450 million in the Northern Ireland natural gas project, including £160 million in the development of retail gas markets in the Greater Belfast and Larne areas; and to the European Union for its commitment of some £80 million to the project which was vital to it going ahead.

TOP SECRET & PERSONAL

- Pleased to say this is another example of Northern Ireland's excellent economic success story. There are many other examples I could quote.
- Number of people in jobs running at record levels. June 1996 figures show an increase of 13.6% on 10 years ago. Unemployment at its lowest for 15 years (at October 1996).
- The end of the last financial year was the best ever for industry and inward investment, with 35 projects secured, offering almost 5,000 new jobs and representing combined investment of £432m by the Government and the private sector.
- Investments this year have included Fujitsu's new purpose-built factory at Springvale, workforce doubled to 200; Emerson Electric/F G Wilson's 1500 new jobs at Larne, Monkstown and Springvale; Seagate's new investment bringing 750 new jobs in Limavady.
- These commercial investments are justified by strong economic performance. NI manufacturing exports increased by £462m to £2.6 billion in 94/94 - growth rate of 21%.
- So much more of course, could be achieved, and the economic position improved still further, were there to be a renewal of the IRA ceasefire.
- Their return to violence put back the efforts and achievements of the previous 18 months, and threatened to bring back the terror and intimidation that so graphically typified the Northern Ireland of the past.
- During the ceasefire, the people of Northern Ireland glimpsed the benefits of peace for all. Its people were able to carry on their daily tasks with renewed hope for the future: a future of peace and prosperity for all.

TOP SECRET & PERSONAL

- I believe that future can still be achieved. The Government will continue to work for it.
- The benefits for all are clear. Human lives saved. Communities brought together, rather than divided by violence. Better prospects for economic prosperity: more jobs for all parts of the community.
- But while violence persists, the Government will take every step to combat it. That carries its own cost.
- Renewed IRA threat and Drumcree sadly means that additional money from the block must and has been made available for use by the Royal Ulster Constabulary and for dealing with any compensation claims.
- While Industrial Development, the Health Service and Schools continue to be priorities, the tight constraints on public expenditure means that more money for security and other priority areas inevitably means reductions in other Programmes.
- As I said in my statement on 28 November the opportunity to continue the progress made over the last few years remains. The political, economic and social developments that we have seen so far must not come to a grinding halt.
- It is in all our interests that the people and parties of Northern Ireland work together to reject violence and build a peaceful and prosperous future for all.

TOP SECRET & PERSONAL

LUNCH WITH COMMUNITY GROUPS: SPEAKING NOTESCommunity Tensions

- I am aware of the difficult circumstances which prevail in the work of many of you. We are seeing a difficult period at present, a period when those communal tensions which persist in Northern Ireland have again erupted in deeply unpleasant scenes of sectarianism.
- The confrontation over marches during the summer has led to outbursts of sectarian ill-feeling which still continue. This has been a major setback, especially as regular surveys over a period of years have provided strong indications that the population at large believed community relations to be improving.
- I condemn without reservation the ugly scenes such as those we have witnessed at Harryville, the boycotts of traders in some areas, the arson attacks on schools, halls and churches, and all forms of intimidation and harassment.

Consequences of Sectarian Unrest

- There are consequences to this sort of sectarian unrest. I am sure I don't need to tell you how effective these are in increasing divisions within the community. Unsurprisingly, the latest survey evidence indicates that people are more pessimistic about relationships across the community divide.
- There are also major financial consequences in policing and security costs and property damage claims. These have to be met from the Northern Ireland block, and consequently carry a heavy opportunity cost in terms of alternative forms of provision.

TOP SECRET & PERSONAL

And they also contribute of course to political instability and to the perceptions that people have of the political process and whether their hopes of it are likely to be realised.

- The Government's approach is clear. We are committed to governing Northern Ireland in a way which respects the rights, traditions and aspirations of all sides of the community, on the basis of parity of esteem.
- We shall keep working to increase contact between the two communities, to encourage greater mutual understanding, and to widen appreciation of cultural diversity. I know that many of you are deeply involved in this work, and that you are committed to continue your efforts despite the setbacks caused by recent events.

Political Process

- In the same way, we will continue the search for a comprehensive and widely acceptable political settlement, founded on democracy and based on consent. The talks process is the only plausible framework for achieving a settlement which will endure which can underpin a lasting peace, and which will be widely acceptable.
- I do not wish to minimise the difficulties. There is still a long way to go and difficult issues to be negotiated. But there is progress to point to in the talks.
- There have been positive and constructive contributions from the talks participants; agreement has been reached on the rules of procedure and the opening agenda; the parties have moved nearer to each other on decommissioning proposals [and we are hopeful that these compromises can be built on to allow agreement to be reached so that the process moves to substantive issues in the New Year].

TOP SECRET & PERSONAL

We have been fortunate to have a hardworking and gifted team of independent Chairman led by Senator Mitchell, General de Chastelain and Mr Holkeri who have pursued their task with fairness, impartiality and sensitivity to the issues.

- I hope that Sinn Fein are able to join these talks. The talks are inclusive, they were set up to be inclusive, and my Government very much wanted that to be the case. Our position has not changed on Sinn Fein entry. In common with the Irish Government we set out in February our joint position: entry for Sinn Fein only after the unequivocal restoration of the IRA ceasefire and a commitment to exclusively peaceful means and the democratic process.
- Given the continued violent attacks like the bombing of Thiepval Barracks, and the clear preparations for further attacks, like Drumadd and Girdwood, it is clear we need from Sinn Fein strong reassurance that any new ceasefire is truly unequivocal.
- My recent statement set out the process and criteria by which it can be established that any new ceasefire is unequivocal. But if it is, then our recent statement reaffirmed our wish to see an inclusive process.
- I believe strongly that dialogue and negotiations in a democratic and properly set up process are the only way to tackle the deep-rooted causes of sectarian unrest such as that we have seen recently. The talks took a long time to set up and will not reach agreement easily or quickly. They address issues of identity and culture close to the heart of men and women in Northern Ireland.
- But the Government will not be deflected, particularly not by violence or the threat of violence, from pursuing this process as far as we can, and hopefully to an agreed settlement. I would urge everyone in Northern Ireland to give this process their full support.