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THE PRIME MINISTER

20 February 1996

/ Me Grady. MET

Thank you for your letter of 11 January about various issues which we touched on during my visit to Downpatrick in December.

1 sor Edelse,

One of the points which you raised was the level of the General Grant, and you had written to me on this specific issue on 8 January. You had also written to Malcolm Moss, and his reply of 31 January offered you a meeting to discuss the matter further.

You stated in your letter that South Down had been ignored in terms of inward investment and job creation. While no recent inward investment projects have been located within your constituency, three projects have recently been announced for Newry, offering the prospect of over 660 new jobs, some of which will no doubt be taken up by your constituents. Ideally we would like to see a good spread of projects throughout Northern Ireland. The reality, however, is that not enough projects have yet been attracted to make this possible. I can assure you that considerable effort continues to be made towards persuading investors to consider the merits of investing in, for example, Downpatrick. There are 23 acres of land currently available at Downpatrick for industrial development purposes and IDB is in the process of acquiring a further 77 acres. This is clearly an important factor in presenting the area as an industrial development location.

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I know that you maintain contact with the Minister for the Economy, Jean Denton, and IDB's Chief Executive, Bruce Robinson, on industrial development matters in your constituency and that you have been kept informed about IDB's plans for further land acquisition at Downpatrick.

You urged that DHSS should allocate funds for a new hospital at Downpatrick. I understand that the outline Business Case for the replacement of the Downe Hospital has now been accepted, and Down/Lisburn Health and Social Services Trust can now move to the next stage, which involves testing for private finance. The Trust is being encouraged to pursue this vigorously as a significant opportunity to carry the scheme forward. The Trust, of course, is aware that, if private finance is not forthcoming, the timescale and funding for the scheme will have to be considered alongside the other major pressures in Malcolm Moss's capital programme.

Finally, you referred to a lack of funding for the upgrading of the roads infrastructure in your constituency. There are many pressures on the roads budget and the Department of the Environment (NI) must prioritise its work, directing its resources to where the need is greatest. As the road network in the South Down area is considered capable of carrying the volumes of traffic it attracts without the need for major upgrading, it would simply not be possible to justify the allocation of funding for major road schemes in the area when compared with the needs of other busier routes across the Province. The importance of the port of Warrenpoint is appreciated and it is linked to the main road network by the A2 Newry-Warrenpoint route which is a high quality dual carriageway. The other routes to the port are less heavily trafficked and, while there are no major work proposals planned for these, their needs will be addressed through the minor road works and road maintenance programme.

May I also take this opportunity to say how greatly I enjoyed my visit to Downpatrick.

John Hilling,

Eddie McGrady Esq MP