In his opening statement Mr Heath said he was grateful for the opportunity of a full discussion with Mr Faulkner and Mr Andrews. He proposed that this should be as frank as their previous discussions had been and it should of course be kept on a completely confidential basis until the outcome had been agreed. A lot of Press speculation had taken place lately and he suggested that the contradictory nature of Press comment was indeed proof of its speculative character. He and his colleagues had been completely over the whole ground and their only purpose was to retain Northern Ireland as part of the United Kingdom in terms of the 1949 Act; it was fully recognised that until the majority decide otherwise Northern Ireland would remain an integral part of the Kingdom. It was their aim and hope that peace should be restored as soon as possible.

He intended to have the GOC and the CS9 present later in the discussion to go into the military assessment, but broadly this could be taken as indicating that in Belfast considerable progress had been made in curbing and disrupting the IRA; the Border remained difficult; and Londonderry would require a major military operation if it was to be cleared. The casualties that had occurred on 30 January would be minute compared with what would happen if there were to be an attempt at a military pacification. At present there were 17 Battalions in Northern Ireland; the Army presence had existed there for 2½ years and it was now becoming apparent that while the Army could deal with the IRA up to a point they would not be able to deal with the individual bomber; nor was it practicable to consider closing the Border. The firm conclusion they had reached was that there could be no purely military solution. The drain on United Kingdom resources was very considerable and there had been a massive interference with the British Government's international commitments.

On the political front, despite all attempts to bring the two communities together the gap had widened and there had been a noticeable hardening on both sides of the sectarian divide. Intercommunal and the problems it had given rise to...
were a major factor in the division; internment could not be considered a purely
Northern Ireland matter because it affected the United Kingdom and had bad
repercussions on its international relationships. It was true that at the time of
United Kingdom agreement to the institution of internment his Government had fully
accepted that there would be serious consequences. At Westminster very considerable
difficulties were arising for the Government out of the continuous debate and
consideration of Northern Ireland matters. The United Kingdom Government had a
situation where they had the responsibility and the blame for what happened as
regards internment and on the security front but were without real power; this was
a very unsatisfactory situation which was accentuated by the growing financial
dependence of Northern Ireland. The United Kingdom Government had been willing to
help and had done so in many ways but the burden was becoming extremely heavy.

He and his colleagues had gone over all these factors and had reached the
conclusion that they must make a fresh attempt to break through the deadlock.
The Home Secretary's attempt to bring the parties round the table had failed,
despite all efforts. It was desirable, if possible, to maintain the bi-partisan
approach at Westminster and it would be difficult to do so unless one could
achieve a definite break through in the present deadlock. The United Kingdom
Government had studied the Northern Ireland proposals very carefully and would
want to put forward certain suggestions of their own.