

26 OCT  
ED CMC NETHERLEIGH

NORTHERN IRELAND

IRA Ceasefire

Welcome IRAs statement on 31 August of a complete cessation of military operations.

Growing weight of evidence that ceasefire is intended to last and the commitment to democratic methods is real. They are nearly there; we will go on scrutinising their actions and words until, as we hope, we can sensibly make the assumption that IRA truly intend to end violence and for good.

Preliminary exploratory dialogue

HMG has said it will enter into preliminary exploratory dialogue within 3 months. First we must be satisfied that the IRA intend to leave violence behind for good.

Want Sinn Fein to join political process; they have a democratic mandate. They know what they must do to be able to participate in the political process.

Purpose of PED threefold

- to explore the basis upon which Sinn Fein would come to be admitted to an inclusive political talks process to which the Government is committed but without anticipating the negotiations within that process

- to exchange views on how Sinn Fein would be able over a period to play the same part as the current constitutional parties in the public life of Northern Ireland

- to examine the practical consequences of the ending of violence.

Political Development

HMG committed to a comprehensive political accommodation across all the relevant relationships; those within Northern Ireland, within the island of Ireland and between the British and Irish Governments.

Bilateral discussions are continuing with the main constitutional parties on the way forward.

Also continuing consultations with Irish Government on a framework to carry talks process forward and to facilitate resumption of multilateral talks involving 2 Governments and the main NI constitutional parties.

Taoiseach has suggested completion by mid October. We will see. Neither Government has set any firm deadlines. Considerable progress made but more necessary.

Joint Authority not on either Government's agenda. No agreement will emerge from the Talks process other than with the support of the NI constitutional parties.

Final outcome to the three stranded Talks process will be put to the electorate in Northern Ireland for approval in a referendum.

HMG has no blueprint for new institutions.

The present status of Northern Ireland as part of the United Kingdom will not change without the consent of a majority of the people who live there.

Anglo-Irish Agreement

Both Governments remain fully committed to the Agreement. Inter-governmental conference has proved forum for discussion of common interests such as security co-operation, social and economic issues. Value this co-operation.

Both Governments have made clear they would be prepared to consider a new more broadly based agreement if such an agreement can be arrived at through direct discussion and negotiation between all of the parties concerned.



26 OCT  
ED CMC NETHERLEIGH

00

Extradition

New Irish Extradition Legislation in force. Legislation further restricts ability of terrorists to avoid extradition by claiming offences are political. Also contains number of amendments to current extradition procedures which respond to difficulties which have arisen in previous cases.

Law and Order

As at 18 September 303 people have been charged with terrorist offences, including 69 with murder/attempted murder.

As at 31 August the RUC strength was 8485 full-time officers and 4633 reserve officers (full-time/part time).

Financial provision for the police in 1994/95 is £621.2m.

As at 30 April regular army force level was 13263 and the Royal Irish Regiment was 5367.

As at 20 September 52 civilians, 3 RUC and 3 Army had been killed as a result of terrorist violence.

Making Belfast Work

Special initiative for the most disadvantaged areas of Belfast. In the financial year 1994/5 some £24.6 million will be made available, which brings the total funding since 1988 to around £145m.

Londonderry Initiative

Special initiative to address various aspects of urban decline and social and economic deprivation in Londonderry area. In 1994/95 financial year a total of £2.8m has been allocated to the initiative bringing total funding to around £17.4m.

Belfast Action Teams

Set up in 1987, nine teams now operate in areas of Belfast suffering from multiple

deprivation. Expenditure to date totals £46m. Provision for 1994/95 is £7.9m.

Fair Employment

Strong fair employment legislation being implemented effectively.

Many firms with 25+ employees are now introducing affirmative action measures, with assistance from Fair Employment Commission.

Analysis of the 1993 monitoring returns was published on 29 March. This showed that the proportion of Catholics in monitored employment continues to rise and now stands at 36.6% (compared with 39% in the economically active population).

Industrial Relations

In 1993 only 29 days per 1,000 employees were lost through strikes. This very low figure continues the significant downward trend in days lost over the preceding 5 years.

Economic Development

Government plans to spend some <sup>427</sup> £472m on economic development in 1994/95.

Economic Situation

At <sup>SEPTEMBER</sup> ~~August~~ 1994 seasonally adjusted unemployment was at its lowest level since <sup>January</sup> ~~April~~ 1991; it was 87,500 below the figure for <sup>SEPTEMBER</sup> ~~August~~ 1993; and had fallen for 10 out of the last 12 months.

Output

Manufacturing output in the <sup>SECOND</sup> ~~first~~ quarter of 1994 was 2.7% higher than the same quarter of 1993 and has been on a generally upward trend since the end of 1991.

Industrial Development Board

1993/94 was one of the most successful years ever for IDB with 2,309 new jobs anticipated from 13 new inward investment



26 OCT  
ED CMC NETHERLEIGH

projects and over 5,500 new jobs created during the year by new inward(113) and established (5,395) client companies.

Targets for 1994/95 include 16 new inward investment projects with 2,600 potential new jobs. At 30 June 1994 2,201 new jobs had been promoted (1,971 from inward investment). This includes 1,800 jobs associated with the Hualon textile project from Taiwan.

#### Training & Employment Agency

T&EA had a very successful year during 1993/94 exceeding its target of placing 30,000 persons into employment. The total budget for 1994/95 is £204m (this includes provision for Making Belfast Work and Making Londonderry Work).

#### Housing

The overall level of resources available for housing in NI in 1994/95 is £565m. The NIHE share of this is £518m.

<sup>OVER</sup> Almost 60,000 houses have been sold by NI Housing Executive and some 67% of householders now own their homes.

Between 1987 and 1991 the level of unfitness fell 20% to 8.8%.

#### Education

Spending on Education was £1.2 billion in 1993/94, an increase of 3.6% over final outturn for 1992/93. From 1979 to 1994 it will have increased by 35% in real terms.

In 1993/94, an estimated 37% of 18 year olds in NI entered higher education, as compared to 32% in Great Britain. The proportion of Northern Ireland new entrants to universities in Northern Ireland in 1993/94 from social classes IIIM, IV and V was 36%, compared to the UK average of 22%.

#### Health

Spending on the health and

personal social services in 1994/95 will exceed £1.4 billion, including a transfer of £65m from the Social Security Programme for Community Care, an increase of 6.7% over 1993/94 outturn and 50% in real terms over 1979/80 (4% excluding the Social Security transfer).

#### Social Security

Spending on the social security benefits system for 1994/95 will be nearly £2.6 billion, an increase of 4.5 % over 1993/94 and 30.1% in real terms over 1989/90.

#### Industrial Research & Technology Unit (IRTU)

IRTU promotes wealth creation through industrial R&D, technology transfer and innovation. It has used Government, EC and IFI finance to support research and development in NI. The IRTU budget for 1994/95 is £14m

#### Small town regeneration

Government has committed £18 million over 6 years to this programme which has led so far to the creation of 36 town based projects and has attracted a further £25m from the International Fund.

#### Finance

Public Expenditure figures for NI for the 3 years 1994/95 to 1996/97 are £7.4 billion, £7.7 billion and £7.9 billion respectively. The 1994/95 figure is an increase of 3.9% (£270m) over 1993/94 estimated outturn. Spending per head continues to be about a 1/3 higher than the UK average reflecting the particular needs and circumstances of the province.

#### Tourism

1993 was the fifth consecutive year of growth in visitor numbers from all markets to NI, with a 5% increase in tourism revenue to



26 OCT  
ED CMC NETHERLEIGH

£173m and a record total of 1.26m out of state visitors- a 1% increase on 1992.

### European Community

SEE ATTACHED

Following the submission of the Northern Ireland Structural Funds Plan in November 1993 a Single Programming Document for Northern Ireland has been agreed with the European Commission and is now operational. Work is currently in progress on the preparation of Programmes for submission under the recently announced Community Initiative. In total Northern Ireland expects to receive approximately 110 mecu (£88m) from the Structural Funds through these Programmes.

### Community Relations

Funding for Community Relations has increased from £1m in 1988-89 to nearly £7.5m in 1994/95. This supports a number of major initiatives which are designed to increase the level of cross-community contact and co-operation and thereby encourage greater mutual understanding and respect of different cultures and traditions.

### Equality and Equity

A public consultation process has been held to consider the scope and form of legislation to outlaw racial discrimination. HMG will shortly be considering recommendations on the way forward.

A review of the effectiveness of the Fair Employment (NI) Act 1989 and progress towards equality of opportunity and fair participation in employment is underway. A report will be produced by the end of 1995.

Revised guidelines on policy appraisal and fair treatment applying to all NI departments and the NIO came into effect on 1 January. Aim to promote fair

treatment by ensuring that policies and programmes being developed or reviewed do not discriminate unjustifiably against particular sections of the community.

### Citizens Charter

SEE ATTACHED

10 service charters and 9 local charters have now been published. A Charter standard statement will be published by Department of Agriculture in October 1994. Further and Higher Education Charters are due to be published in the Autumn

### Agriculture

NI cereal farmers will benefit from changes to the UK cereal production regions and average yield factors in respect of cereals, protein and lised crops to be harvested in 1995.

The new arrangements will enhance aid payable under the Arable Area Payments Scheme by 6.8% in less favoured areas and ~~to~~ 10.8% in lowland areas of Northern Ireland and increase the overall arable compensation to be paid in the Province for the 1994/95 harvest year by approximately £6,000,000

### Rural Development

The Rural Development Programme assists the social and economic regeneration of the most deprived rural areas.

Over twenty projects have been launched to date with a total investment of £15m. Contributors to the funding packages include the International Fund for Ireland, the European Commission, Government and the local communities involved.

### Upgrading of Belfast - Dublin Railway Link

Work began in 1992 on upgrading Belfast - Dublin rail link and is due for completion in 1996.