rall.

RBS/13/86



PS/PUS (B&L)
PS/Mr Bloomfield
NI Perm Secs
Mr Brennan
Mr Stephens
Mr M Elliott
Mr Gilliland
Mr Innes
Miss F Elliott
Mr Bell
Mr G Hewitt
Mr S Hewitt
Mr N Hamilton
Mr J McConnell
Mr Pearson

Mr Chesterton

CONTINGENCY PLANNING FOR UNIONIST OPPOSITION TO ANGLO-IRISH AGREEMENT

Introduction

In your minute of 23 December, you sought advice on the steps being taken to deal with the Unionist campaign in the period after the by-elections. This initial response has been prepared after consultation with PAB and DOE. I have circulated it more widely than your minute as other colleagues will be interested. It might be helpful to discuss these matters at the next meeting of PDG.

General Appreciation

2. The opposition of all sections of the Unionist community to the Anglo-Irish Agreement is undiminished. A few voices have been heard in favour of giving the Agreement a chance to prove itself. There have also been some suggestions that Unionists need to put forward a constructive alternative. But there is no sign of any significant wavering in the Unionist attitude to the Agreement.

CONFIDENTIAL

3. The loyalist paramilitaries continue to allow the politicians to take the lead; their presence in the march on Maryfield and the violence have embarrassed some Unionists.

The Assembly

4. The Grand Committee's activities have not attracted much interest. It resumes its sessions on 7 January and is expected to report before the by-elections. It is not clear what the Assembly proposes to do with its Report. The warning noises which were made before Christmas about withdrawing staff if the Assembly failed to resume its scrutiny work have brought no reaction.

District Councils

- 5. The Unionist protests continue with 18 Unionist-controlled Councils suspending business. It is interesting that renewal of adjournments is now being based on the Anglo-Irish Agreement rather than the presence of Sinn Fein. In practice, Council officers have delegated powers to manage the day-to-day business of the adjourned Councils, although there are signs that some Councils are now restricting these delegated powers as part of "the tightening of the screw".
- 6. While the opposition of Unionist Councillors to the Agreement is firm, there is some debate over the tactics to be employed in the medium term at local government level. It seems that few Councillors want to be replaced by Government Commissioners at present. There is some resentment over Unionist Assembly Members continuing to enjoy their salaries.
- 7. The next crunch issue will come over the statutory requirement for Councils to strike the District Rate by 15 February. Some Unionists want to strike the rate, but the majority seem willing to force Government to act. DOE have powers under the Local Government Act 1972 to step in and to fix the rate after consultation with Council Officers, and are making preparations if such action is necessary (perhaps in up to 18 cases).
- 8. This will involve setting up around 18 February an investigation into each

CONFIDENTIAL

defaulting Council area to establish that the rate had not been struck by 15 February; the inspector would report to DOE; DOE would then issue a direction to the Council to strike a rate within 7 days; if the Council failed to act, DOE would intervene and strike the rate; this must be done by the beginning of March. DOE have identified people who could hold the proposed investigations; the investigations themselves are likely to be very short affairs.

- 9. The bigger question arises of whether Government should go further and replace defaulting Councils with Commissioners. This approach may have to be adopted in 7 Council areas if the Unionists resign their seats after the Parliamentary by-elections. In theory, Il Unionist-controlled Councils would be left with enough Councillors to form a quorum although its continuance will be fragile in some cases. The remaining 8 Nationalist-controlled Councils would also be able, within the law, to continue to operate without the Unionists.
- If the Unionists simply continue with their protests at the present level, decisions about Commissioners may have to be taken in March/April, particularly if problems arise about borrowing, if Councils fail to hold an AGM (required by law to be in June) or award annual contracts, or continue to frustrate Alliance or SDLP efforts to convene Council meetings. DOE have prepared the necessary emergency legislation and have identified a number of individuals who, together with DOE staff, could be installed as Commissioners.

Public bodies

- II. The withdrawal of Unionist Councillors from public bodies has not caused serious problems, except in one case. Pressure on other Unionists to withdraw may, however, increase after the by-elections.
- 12. Problems have arisen in the NI Fire Authority where there are 8 Unionist Councillors out of a total membership of 17. The Unionists have tried to adjourn business and to deny fire cover to parts of the Republic. By withdrawing at a meeting on 7 January the Unionists left the meeting inquorate and so business was effectively adjourned. There is a further meeting of the

CONFIDENTIAL

Authority on 28 January at which it will be necessary to have 8 members present for a quorum and at which certain tenders should be signed. DOE have the necessary emergency legislation drafted for use in the event of the action of the Unionist Councillors preventing the Authority from carrying out its statutory functions.

Civil Disobedience

- 13. There is a possibility that, having obtained their "electorate mandate", the Unionists will launch a civil disobedience campaign, involving a withdrawal of payments for rent, rates, electricity, gas, water charges, telephone, car tax etc. It is difficult to forecast how far the Unionist population would support such a campaign. If there is significant support, the present arrangements for dealing with debtors simply could not cope. A meeting of the Public Debt Committee is being convened next week to consider what preparatory work might be initiated.
- 14. There has been some pressure in Unionist working class areas to boycott goods from the Republic; the impact is not thought to be significant.

Attitude to Ministers

15. The Unionists continue their boycott of Ministers and seem unmoved by the argument that they are denying themselves the consultation with Government which they are demanding. The criticism of the Unionist call to boycott charities which entertain Ministers seems to have had little impact, other than to bring this tactic into disrepute.

R B SPĚNCE

Central Secretariat

8 January 1986

/JH