FROM: D J R HILL
CPL DIVISION
22 JUNE 1990

NOTE FOR THE RECORD

IMMEDIATE



cc PS/Secretary of State (L&B) - B PS/Minister of State (L&B) - B PS/Dr Mawhinney (L&B) - B PS/PUS (L&B) - B 1/1 1.PS/Sir K Bloomfie#d - B Mr Burns - B Mr Thomas - B Mr Alston - B Mr Wood (L&B) - B Mr Blackwell - B Mr J McConnell - B Mr Daniell - B Dr Donnelly HMA Dublin (MARCRYP via SIL - B) Mr George, RID, FCO - B Mr Gowan, Cabinet Office

MEETING BETWEEN OFFICIALS AND THE UNIONIST LEADERS: 21 JUNE

PUS met Mr Molyneaux and Dr Paisley in the Secretary of State's room at the House of Commons at 12.00 noon yesterday. Sir Kenneth Bloomfield, Mr Thomas and I were also present. The meeting lasted one hour.

- 2. <u>PUS</u> opened the meeting by saying that its purpose was to take matters forward from the point at which they had been left when the Secretary of State met the Unionist leaders on 22 May. It had been agreed that the Unionist leaders would meet officials to clear the ground for talks by sorting out administrative arrangements and discussing agenda headings. This meeting would not therefore involve any negotiation.
- 3. Mr Molyneaux immediately interjected to say that he hoped PUS would be able to give some indication of where matters stood as things were not quite as they were left on 22 May. PUS passed on the Secretary of State's gratitude for the restraint shown by the two Unionist leaders in recent days and assured them that the Secretary of State stood four square by the complex of propositions he had discussed with them on 22 May.

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- 4. Dr Paisley said they would like to recapitulate. Their understanding was that after a forthcoming Conference there would be an nouncement that there would be a break in Conference meetings "for the purpose of negotiations". The Secretary of State would also explain that in the interval the Secretariat would not service Conference meetings. He read out the relevant form of words agreed on 22 May and sought confirmation that the Secretary of State stood by that. With that assurance given, he and Mr Molyneaux seemed to relax somewhat. (There was no direct reference at any time during the meeting to Mr Mallon's statement about the role of the Secretariat during the interval, and neither leader sought to probe what the Secretariat would actually be doing during the interval). PUS also took the opportunity to reassure the Unionist leaders that the Secretary of State stood by his response to their pre-eminent precondition, in the terms set out in his letter to them of 4 May.
- Dr Paisley then invited Mr Molyneaux to set out their concern about the apparent loss of momentum. Mr Molyneaux said that at the 22 May meeting there had been a sense of urgency and a recognition of the need to maintain momentum. The Unionist leaders had been encouraged to agree to save time by engaging in "ground-clearing" discussions with officials and had gained the general impression that the Secretary of State would be making a statement as soon as he had seen the Irish and the SDLP and that the suspension of the Conference would follow soon after. The Secretary of State had then seen the SDLP within a few days, and then Mr Collins, but there had been no statement. Press speculation had suggested that a statement might not be made until the renewal debate on 5 July and the Secretary of State had now been quoted in the Newsletter as saying that he hoped to say something "before the end of July". Other press speculation was that substantive talks would not begin until September. He and Dr Paisley were concerned that it would not be possible to maintain momentum. The two month delay over the summer would allow the press and others to pull the package apart. and August were not a closed season for politics in Northern Ireland and while he appreciated the expression of the Secretary of State's gratitude for the two Unionist leaders' restraint, he doubted

whether they could maintain a restrained line - or that others would show such restraint - throughout the summer.

- 6. PUS acknowledged that the Secretary of State had had further discussions with the SDLP and Mr Collins and said that one particular point had arisen, to which he would like to return. However it remained the Secretary of State's intention to make a statement, to Parliament, soon and he well understood the urgency. In response to a question from Mr Molyneaux, PUS said that the Secretary of State believed it would be most appropriate to make his statement to the House, rather than issue a written statement. He went on to say that the Secretary of State would like to discuss the statement with the two Unionist leaders, as fellow Parliamentarians, to ensure that it contained no surprises for them. Mr Molyneaux expressed doubt about the wisdom of making a Parliamentary statement: it would be followed by questions and assertions and toing and froing across the floor which would leave the whole proposition mangled. PUS explained that the risk of this was one reason why the Secretary of State wanted to ensure that his opening statement was in language that the two Unionist leaders were content with. Dr Paisley agreed. He and Mr Molyneaux would have to respond immediately to a Parliamentary statement so it was essential they knew what was coming. Otherwise the whole process could be destroyed in half an hour in the House. PUS said that the statement would be prepared with great care and would stick scrupulously to agreed wording. Those most interested should not be surprised by anything in it.
- 7. To complete the recapitulation, <u>Dr Paisley</u> sought confirmation that the other form of words agreed on 22 May (which incorporated the two Unionist leaders' undertaking to participate in talks with the Irish Government once substantial progress had been made in the internal talks) remained unchanged. The version he read out differed from the version in our record of the meeting by omitting the word "greatly" before "strengthened" in the second line. He clearly preferred his version but acknowledged that he wouldn't die in the ditch over it.

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- 8. Picking up the suggestion that there was now a lack of urgency on the part of the Government, PUS said he was sorry if such an impession had gained ground. Discussions with the Irish and with the SDLP had taken place after the 22 May meeting and had run up against a difficulty which the two Unionist leaders should know of. The Secretary of State would be grateful for any help they could offer in responding to it. It was an important feature of Irish/SDLP thinking that the "North/South" discussions should start ideally at the same time as the internal discussions or at least very soon afterwards. The Secretary of State had held to the position that, logically, the internal discussions came first, while acknowledging that it was necessary to bring all the strands of discussion together in an integrated way at the end: above all he had been anxious to avoid setting too precise a timetable. Irish/SDLP were anxious about the point in time at which "North/South" discussions would begin: from their point of view, the sooner the better, though obviously, for the Unionists, the later the safer. The Secretary of State did not seek any departure from the formulation which had just been reconfirmed and which he expected the Unionist leaders to deploy at any appropriate moment, but had been giving some thought to what he might say to complement it. A form of words had been prepared and the Secretary of State would be grateful if the Unionist leaders would look at it and consider it in the light of the need to reassure the Irish and the SDLP that "North/South" dialogue would start at the appropriate moment.
- 9. The Unionist leaders' first response to this was that the statement mentioned in paragraph 7 above was not their statement. It was an agreed statement between them and the Secretary of State and they would prefer the Secretary of State to say it. PUS said that for the statement to have its full impact it must be said, or repeated, by the Unionist leaders; or the Secretary of State must be able to say that they had agreed to it. This appeared to be accepted but the precise handling of this part of the statement was not pursued further.

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- 10. Dr Paisley said that Unionist acceptance of any deal would depend on the internal structures which were agreed. acceptance would depend on the Dublin angle. The proposition under consideration involved both sides evening themselves up. He quite accepted that if progress was made in the internal discussions the SDLP would be anxious to move on to the "North/South" talks. However the "East/West" strand must not be forgotten. Sir KBloomfield drew the analogy of a knot being tied at the end of three pieces of string of unequal length. PUS asked what could be done to reassure the Irish/SDLP that the "North/South" dialogue would commence at a particular point or stage. Dr Paisley reiterated that it was important to tie the "North/South" talks in with the "East/West" strand of discussions. He also remarked that any meeting to discuss these two strands should not be held in Northern Ireland. It should be held in London to take it out of the Belfast/Dublin context and avoid controversy (!). Mr Molyneaux also commented that the need to reinforce the Union overrode all the discussion about "three legs of relationships". Another unfortunate feature of the delay since 22 May was that two elements of the Conservative Party (by inference the Friends of the Union and the Conservative Associations in Northern Ireland) were staking out the ground which used to be, wrongly, attributed to him, of integration. Apart from the Unionist leaders' own instinct that the reinforcement of the Union was the prime objective, these other groups would ensure it was underlined.
- 11. At this point <u>PUS</u> handed over a piece of paper (Annex A) containing the first paragraph of the passage currently under consideration by the Irish Government and the SDLP. He described it as an attempt to provide reassurance for the Irish and the SDLP without creating any timetable straitjacket. <u>Mr Molyneaux</u> asked whether they were being asked to endorse the form of words: if it was the Secretary of State's statement they would presumably be free to express any reservations they might have. <u>Sir K Bloomfield</u> asked if this meant the Unionist leaders saw some difficulties with the precise wording but were prepared to thole it. <u>Dr Paisley</u> seemed

unsure and Mr Molyneaux recollected that he had said on 22 May that "North-South" talks would be well down the road.

- 12. Dr Paisley then spotted the phrase "discussions involving the Northern Ireland parties and the Government of the Republic of Ireland": this was unacceptable - the Unionist would only engage in "North-South" talks as part of a UK team, as they had agreed with the Secretary of State on 22 May. At Sunningdale the Northern Ireland Executive-designate represented a majority of the parties in the Assembly: in the talks now envisaged he and Mr Molyneaux would be "nobodies", with no mandate or power. The Secretary of State would have to lead the UK delegation. The proposed form of words would need to make clear that the "North-South" talks would be between a British Government team (including representatives of the Northern Ireland parties) and the Irish Government. The Unionist leaders' original position had been that they could only negotiate with Dublin once an Assembly had been established. They now realised that this was not possible as any Assembly could only be established within the terms of the Anglo-Irish Agreement. Therefore they had agreed to participate in talks with Dublin before an Assembly had been set up, but only as part of a UK team. quite accepted that in the "North-South" talks they would need to handle "the meat of the matter" but the Secretary of State must nominally lead the UK team. This was a crucial point in selling the deal to his party (Mr Molyneaux concurred): as part of a UK team he and Mr Molyneaux could not be accused of "going to Dublin unilaterally". PUS pointed out that the SDLP might wish to participate in the "North-South" talks on a different basis. Dr Paisley said that was up to them. The Unionist leaders were trying to lead their people carefully down a very rocky road and needed to be able to say that they at least were participating in "North-South" talks as part of a UK team. He offered to consider the piece of paper and send a revised version to PUS.
- 13. Mr Molyneaux then challenged the final sentence, saying it went back on the earlier understanding that the talks would not be parallel or simultaneous. Sir K Bloomfield said that in logic the

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three strands had to run in parallel at some point. Dr Paisley said he was quite happy with the thought that the SDLP would make any agreement on internal structure provisional on agreement in the other strands of discussion. The Unionists were likely to do the same. Sir K Bloomfield reminded the Unionist leaders of the need to find a way forward which the Irish and the SDLP were content with: their consent and support for the process at various stages was crucial. They too had constituencies to answer to and if the Irish Government's involvement was pushed right back it would cause difficulties for them. Dr Paisley said he hoped there would be no going back from the position that the Irish would not be involved in the internal discussions. He would prefer to see very substantial progress in those discussions before "North-South" dialogue commenced. Amongst other things this would enable Unionists to negotiate sensibly in the second and third strands of discussion. If not much had been agreed in the internal discussions, they would have to dig their heels in on the other strands. On the other hand, if they had made progress in the internal discussions they would be keen to get the grips with the Irish. In suggesting that "substantial progress" needed to be made before the second and third strands could open, they were not being reticent.

14. Mr Thomas confirmed that the Secretary of State did not want to retreat from the proposition that "substantial progress" needed to be made in the first strand of discussions before the others could be opened. He was looking for a gloss to reassure the other parties concerned that that stage would be reached. (Mr Molyneaux muttered that Seamus Malon would soon be out with the paint stripper). PUS underlined the fact that is was only with some effort that the Secretary of State had brought the Irish to accept that there was no direct role for them in the internal discussions, though they could submit "views and proposals"; and that it was not remotely in the Secretary of State's mind to resile from the proposition that "substantial progress" in the internal talks should be the trigger for opening the "North-South" talks. However, the Irish Government and the SDLP had worries which he had not yet been able to allay. Dr Paisley retorted that he could well understand this. At the

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Atkins Conference the SDLP had sat silent for five days waiting for the agenda item on "North-South" relations to be reached. Their key was che Dublin angle. For the Unionist leaders the key was to strengthen the link with the UK and secure an internal settlement. However, they accepted the need for "North-South" talks and were happy to participate in them as part of a UK team. They needed to be able to demonstrate the primacy of the internal discussions. The other strands were not peripheral or unimportant but substantial progress in the internal talks would make it easier to deal with the wider aspects.

15. Mr Molyneaux picked up PUS's earlier reference to the "views and proposals" of the Irish Government and asked whether this might provide a way round the problem. The internal talks might get underway and then the Irish Government's "views and proposals" (sc. on "North-South" relations) might be fed in at an early stage, but without any meeting taking place. Dr Paisley, who confessed he had been studying the text of the Agreement in detail, corrected his colleague, pointing out that the reference to "views and proposals" in Article 4 of the Agreement meant that although during the internal talks the Irish Government would have no direct role, the British Government could at any stage say "here are the views of the Irish Government". Dr Paisley went on to draw attention to the acknowledgement in Article 4 that devolution "can be achieved only with the co-operation of constitutional representatives within Northern Ireland of both traditions there" and said that it was the first time since 1985 that representatives on both sides of the community were prepared to discuss the matter. He also noted that under Article 4 "the Conference shall be a framework within which the Irish Government may put forward views and proposals on the modalities of bringing about devolution": he assumed that, as the Conference would not be meeting, some other channel would be used -"probably the SDLP". PUS repeated that the locus of the Irish Government in relation to the internal talks had been established but commented that no-one could prevent the Irish Government's views being referred to. Dr Paisley said this was fine. He might himself

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wish to put forward views and proposals from a third party, perhaps even Mr Gow's.

16. Mr Thomas returned to the question of whether it was possible to devise some words on the timing of "North-South" talks which would convey reassurance about the certainty or likelihood that those talks would indeed start. Sir K Bloomfield suggested an alternative form of words to replace the final sentence of the piece of paper which had been handed over:

"As real progress is made on internal arrangements, it will be necessary to bring the other aspects into the picture so that the process can conclude with agreements which address all three of the underlying relationships".

This would be in addition to a reworking of the middle phrase of the first sentence to make clear that the Unionists at least would only be participating in any "North-South" talks as part of a UK team. The two Unionist leaders again confirmed the significance they attached to this last point. Mr Molyneaux said that he had shown the form of words agreed on 22 May to his Party President and Party Chairman on a confidential basis and it was the acknowledgement that any Unionist involvement in talks with Dublin would be as part of a UK team which had enabled him to sell the whole proposition. was consistent with and underlined their determination to preserve the Union. Dr Paisley commented that the first item on the Unionist leaders' agenda was to repair the damage done to the Union by the Agreement, which was why they had to be part of a UK team in discussions with the Irish Government. With that accepted, he and Mr Molyneaux would be in a very strong position and could take the process a long way. In response to a question from Mr Thomas, he said he saw no difficulty in having a form of words which acknowledged that the SDLP might well not wish to be part of a UK team. Provisional agreement was reached that the first sentence of the paragraph under discussion should read:

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"It is because the Northern Ireland parties all look, as I do, to redress each of the three relationships that the talks I have described will necessarily involve discussions between the Northern Ireland parties: discussions involving the Northern Ireland parties, including the Unionist parties as part of a UK team, and the Government of the Republic of Ireland; and discussions between the two Governments."

17. PUS enquired whether this acknowledgement that Unionists would be participating in "North-South" talks as part of a UK team was likely to ease the Unionist leaders' position on the timing of those talks. Mr Molyneaux said it would not ease them to the point of conceding that the talks should be simultaneous. He did not like the word parallel and preferred to think of the process as comprising staggered sets of discussions. Dr Paisley repeated his view that if substantial progress was made in the internal talks before the other strands of discussion were opened it would be easier to make progress in those other discussions. If the SDLP made their agreement on internal structures conditional on progress in the other strands (as they had done in 1973) he would accept that. Sir K Bloomfield's formulation was acceptable but there must be "substantial progress" before the other strands of discussions could start. At that point, being part of a UK team would significantly help him and Mr Molyneaux to justify participation in those discussions. It was on that basis that he and Mr Molyneaux had sold the proposition to their parties: "it eases us completely".

18. He went on to say that the Unionist leaders wouldn't haggle: if they saw the prospect of a settlement they would be happy. (In the context, I took this to mean that so long as the internal talks had produced at least the prospect of a settlement the Unionist leaders would be prepared for "North-South" talks to start). Dr Paisley continued by asserting that there was not much between the two sides so far as internal structures were concerned. There was a very strong pro-devolution element within the SDLP: many active SDLP politicians had no political future without an Assembly as there was only a limited number of Westminster seats they could aim for.

- 19. Mr Thomas asked how the Unionist leaders would react if the Secretary of State gave it as his personal opinion that progress in the internal talks would be sufficient to enable "North-South" talks to commence before the end of the "interval" between Conference meetings. Dr Paisley asked for a clear indication of when the statement would be made and when the interval would commence. PUS said he expected the statement to be made soon and talks to commence in early September. Sir K Bloomfield pointed out that with the interval occuring after the normal holiday period it would be easier for the Unionist leaders to rebut allegations that the interval had not been created to assist political progress. Dr Paisley again grumbled that this timetable was rather different from the impression he and Mr Molyneaux had gained on 22 May. Returning to the original question he said that if the interval were as long as three months, then the Secretary of State would be in a strong position to make the kind of statement outlined by Mr Thomas and he and Mr Molyneaux would not demur. He advised the Secretary of State to be very tentitive and said that if the interval was less than three months long any such statement would be regarded as very optimistic.
- 20. <u>PUS</u> noted that the Unionist leaders were under some time pressure to end the meeting and asked whether they any points to make about either the agenda for the talks or the logistics of the exercise so that some useful ground-clearing work could be done between the forthcoming statement and the start of the interval. Mr Molyneaux said he doubted if it would be wise to discuss the agenda before the Secretary of State's statement, but the two leaders agreed to run through the main logistic points and give preliminary reactions. In most cases <u>Dr Paisley</u> referred back to the precedent of the Atkins Conference. (Mr Molyneaux, with nearly half a grin, commented that he was afraid that he hadn't been present on that occasion). The following points were briefly canvassed:
 - (a) <u>Location</u>. Both leaders expressed a strong preference for Parliament Buildings on the basis that this would enable

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each party to have "back-up" rooms and also had canteen facilities etc. In passing, Dr Paisley said that during the negotiations he and Mr Molyneaux would continue to function as a joint team;

- (b) Sequence. It was agreed that the administrative ground-clearing meetings would be followed by the initiation of the interval, a round of bilaterals (Mr Molyneaux sought confirmation that this would be "during the period of suspension") and then a plenary meeting of the parties to the internal discussions. Further developments would depend on the progress being made;
- (c) Form. Dr Paisley and Mr Molyneaux agreed it would be desirable if the plenary sessions could be relatively informal, although Dr Paisley said this might be difficult to achieve. At the Atkins Conference nothing had been achieved in the plenary meetings but a lot of barbs had been pulled in informal discussions, handled by Sir Ewart Bell on Mr Atkins instructions, with the individual parties. He said this underlined the importance of having a geographical clusture of party rooms;
- (d) Representation. Dr Paisley said that in the Atkins Conference each party had three representatives at the table and two, who did not directly participate, sitting behind them and that had worked well. Mr Molyneaux said numbers should be no greater than that;
- (e) Frequency. PUS said the Secretary of State expected that once the process got underway it would be relatively intensive. Dr Paisley agreed the discussions should be intensive: we should set aside a week at a time and meet every day. Dr Molyneaux agreed, noting that the Conference might adjourn for a couple of days where necessary;

- (f) Expenses. Dr Paisley said that any MPs who participated would not need any allowances as they would be carrying out their duties, but other participants might need an allowance and certainly assistance with travel and subsistence;
- (g) <u>Facilities</u>. Secretarial help and photo-copying facilities would certainly be required. It would be helpful to have access to fax machines;
- (h) Publicity. Both men were strongly of the opinion that the participants should agree a very general statement each day, which would only mention the topics which had been discussed, to be made by the Secretary of State. The parties would all agree to say absolutely nothing. Apart from one moment during the Atkins Conference, this approach had held and worked extremely well. Otherwise the whole process could be put into very great danger.
- 21. In response to a suggestion from <u>PUS</u> the two Unionist leaders said they would find it helpful to have a list of agenda items to mull over, though they would not wish to discuss them before the Secretary of State's statement. They also agreed it might be helpful to have something in writing about the proposed legistics. They noted that the Secretary of State would be in touch with them about the terms of his statement with a view to arranging a discussion of it.

Comment

22. The meeting was friendly and businesslike. Both leaders seem keen to avoid difficulties and safeguard the talks process.

(SIGNED) David Hill

D J R HILL Constitutional and Political Division OAB Ext 6591 22 June 1990

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ANNEX A

It is because the Northern Ireland parties all look, as I do, to address each of the three relationships that the talks I have described will necessarily involve discussions between the Northern Ireland parties; discussions involving the Northern Ireland parties and the Government of the Republic of Ireland; and discussions between the two Governments. These dicussions may not necessarily start at the same time. But if real progress is to be made, it will be necessary to get all three sets of discussions under way at an early date and if an agreement satisfactory to all is to be reached on the three relationships, then discussions will need to proceed in parallel, and to conclude simultaneously.

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