

Journalist
Mrs. McPherson

24/1/76
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MC

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cc Mr Ancram (DENI, B&L)
PS/PUS
PS/Sir David Fell
MC

SPU ?
Q w/plan ?

To: Secretary of State (B&L)

From: Baroness Denton

(Wed)
I convened a meeting today with representatives of the business community and trade unions to discuss the impact of recent events on the economy. The purpose of this note is to report the views expressed; the actions recommended are to be taken by the business representatives.

The first point to make is that this was very useful feedback, not least because the participants in the discussion were able to present a very comprehensive report of business views. For example, CBI had surveyed members and secured a 70% response. The Northern Ireland Chamber of Commerce had talked to all 31 regional chambers.

The discussants confirmed that the impact of the crisis had been severe. Intimidation for the first time in many years, has become a significant problem - particularly in the Craigavon area. There has been massive damage to community relations throughout Northern Ireland. Our image which, had improved significantly in the last two years, had suffered. The business people recognised that public expenditure will inevitably be distorted as a result of the events.

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of the last few weeks. There has been a significant loss of confidence among existing businesses and this is bound to be reflected in the attitudes of those who have not yet invested here.

There is also a significant loss of confidence among the business community in the government, and in political leadership in Northern Ireland. Failure to keep roads opened during the crisis was repeatedly mentioned as the feature of the disturbances which helped create the loss of confidence.

There was remarkable unanimity of opinion at the meeting. The mood was sombre and pessimistic, however, as I would expect from the resilient Northern Ireland business community, there was a very positive attitude about what now needs to be done to help restore confidence. In essence, it was argued that we in Government should:

- make sure that the world understands that there is business as usual in Northern Ireland - new investment decisions would be a good illustration of this;
- restore confidence in the rule of law;
- the importance of the economy, and the role of business must be underlined.

The business leaders recognised that the next few weeks are crucial if there is to be rebuilding of confidence. At all costs, Northern Ireland must not suffer further damaging incidents. They recognised that the two crucial tests, which Northern Ireland must pass, are success in keeping the talks process moving forward and sensible

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handling of August 10. These tests will be difficult to pass but the business people are willing to play their role in helping to secure the right outcome. They therefore decided to seek an immediate meeting with Senator Mitchell, and if he considers it appropriate, with the political leaders. The purpose of the meeting would be to stress the need for proper talks and real efforts to resolve difficulties like the Apprentice Boys march and to emphasise the cost to the economy of failing.

— I attach a list of those attending the meeting.

Siothán MacLoughlin
Private Secretary

for **BARONESS DENTON**
(Approved by the Minister and
signed in her absence)

24.7.96

Bill Tosh	Chairman	CBI NI Region
Bryan Johnston		CBI NI Region
Felix Mooney		Hospitality Association for NI
Stan McIlvenny		Institute of Directors
Richard Sterling		Institute of Directors
Colin Anderson	President	Northern Ireland Chamber of Commerce and Industry
John A Stringer	Chief Executive	Northern Ireland Chamber of Commerce and Industry
Frank Bunting	Chairperson	Northern Ireland Committee Irish Congress of Trade Unions
Tom Gillen	Deputy NI Officer	Irish Congress of Trade Unions
Sir George Quigley	Chairman	Northern Ireland Economic Council
Paul K Gorecki	Director	Northern Ireland Economic Council
Brian Carlin		Northern Ireland Growth Challenge
Nigel Smyth	Director	Northern Ireland Growth Challenge