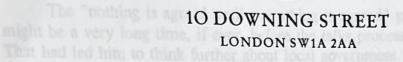
PERSONAL AND CONFIDENTIAL





From the Private Secretary 16 December 1993

MEETING WITH JAMES MOLYNEAUX, M.P.

Please restrict distribution of this letter to your Private Office and Michael Ancram's.

The Prime Minister had a brief word with Jim Molyneaux at the House of Commons on the evening of 16 December.

Molyneaux was in steady and reasonably cheerful form. He said that there were, of course, tensions and difficulties within his party as a result of the Joint Declaration, threats of resignation by Branch Chairmen and so on. However, this was much as he had expected, and the important thing was to stick to the agreed course. Although his parliamentary party was never noted for its cohesion, the situation there also was not too bad.

Molyneaux said that the UUP's difficulties naturally lay with paragraph 4 of the Joint Declaration. He accepted my description of this as the sprat (or ?"sprick" in Northern Ireland parlance) to catch the mackerel and knew why we had had to include it. Nevertheless, he hoped that we would soon be able to steer away from the "no selfish or strategic interest" formula. The Prime Minister pointed out that we were doing nothing to emphasise this part of the Joint Declaration; but we were fielding questions on it.

Molyneaux said that he remained keen to make progress over strand one questions and the establishment of a Northern Irish Assembly. He was beginning to think that the Assembly should mainly focus on administrative rather than political objectives.

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The "nothing is agreed until everything is agreed" proviso meant that it might be a very long time, if ever, before the talks process came to fruition. That had led him to think further about local government. He wondered whether, outside the framework of the three strand talks, it would be possible to take some steps slightly to enlarge the powers of local councils. For example, would it not be possible to give them powers over planning or roads on the basis of a simple directive? At present, such matters lay in the hands of Department of the Environment officials who would attend council discussions but not feel obliged to take any notice of them. Perhaps some way could be found of grouping councils so that they could take decisions over a particular roads area.

The Prime Minister said that he did not have the detailed knowledge to give an instant view. He would take advice.

No doubt there is a catch in this. Could you please let us know what you think about it?

RODERIC LYNE

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