



Confederation of Irish Industry

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PRESS RELEASE

Speech by Liam Connellan, Director General, Confederation of Irish Industry at Conference Dinner of the Irish Institute of Purchasing and Materials Management at the Berkeley Court Hotel, Dublin, on Friday, 20th February 1987 at 9.00p.m.

TIME FOR UNIFIED POSITIVE APPROACH TO RESOLUTION OF DIFFICULTIES

Now that the election is over there is an urgent need for a unified positive approach to the resolution of our economic difficulties. There are justifiable reasons for optimism that a development programme can be implemented which will meet the twin objectives of promoting investment and employment, and of stabilising the national debt. For the first time industry, the trade unions and farmers have, through the National Economic & Social Council, achieved consensus on a four year strategy for development. This programme has been widely welcomed by the main political parties. The analysis has been completed. The time has come for implementation.

~~TEXT~~
CONSENSUS

There is clearly an unusually wide degree of acceptance throughout the population of the need to implement a programme for recovery. It is inevitable that

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Registered in Dublin: No. 8706.

a programme which will simultaneously promote economic development, and reduce the national debt will contain detailed elements which will not always be universally popular. However, the broad thrust of this two-pronged approach must be supported and implemented.

There are many favourable developments in the economy. Manufacturing output has begun to recover in recent months; our export performance which provides revenue for the payment of foreign debt is rising; our balance of payments on current account is showing only a modest deficit; inflation at 3% is in line with the European average; furthermore, industry has shown a remarkable resilience in the face of a significant strengthening of our currency.

The single most important economic objective must be to create conditions which bring interest rates down to single figures in line with most European countries. Our relative interest rates reflect, inter alia, the demand by the State for funds, and perceptions regarding the prospects for the Irish economy.

The time has come to stop being mesmerised by the difficulties, but to build instead on our undoubted competence and capacity for economic management. We must communicate at home and abroad the degree of consensus

which exists across the political spectrum and among industrialists, trade unionists, and farmers regarding the strategy for development. We must then set about implementation of this strategy in a way which will demonstrate clearly to the outside world that the programme for development and debt reduction will succeed.

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