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UNDEF

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FROM: WALTER R MYLES

Security Policy and Operations Division
12 February 1998

cc: PS/Secretary of State (B&L)
 PS/Mr Ingram (B&L)
 PS/Mr Murphy (B&L)
 PS/PUS (B&L)
 PS/Mr Semple
 Mr Thomas
 Mr Ray
 Mr Bell
 Mr Shannon
 Mr Stephens
~~Mr Watkins~~
 Mr Hill
 Mr Brooker
 Mrs Collins
 Mr Perry
 Mr White
 Mr Maccabe
 Mr Ferguson
 Mr Priestly
 Mr Clarke
 Mr Huggins
 Mr Warner
 Mr Sanderson, Cabinet Office
 Mr Fergusson, RID
 HMA Dublin

1. ~~in his capacity~~ /202
 2. RS / in Worthington SENT

Although not completely accurate,
 this account gives a flavour
 & debate in the talks on
 the EER last week.

You may wish to note that,
 at para 22, Mr Murphy said
 that he Worthington would no
 doubt be happy to discuss
 these matters with the PUP &
 undertake to draw their views
 to he Worthington's attention.

1. Mr Leach (sgd SJL 17.2) 87W
 2. Mr Steele 18.1



LIAISON SUB-COMMITTEE ON CONFIDENCE BUILDING MEASURES: SEVENTH MEETING

The seventh meeting of the Liaison Sub-Committee on Confidence Building Measures (CBMs) took place at Castle Buildings on Tuesday 10 February 1998. This meeting was perhaps the most constructive to date with a useful debate between the UUP (Dermot Nesbitt) and the SDLP (Sean Farren) on discrimination in employment matters and, more particularly, how to move forward. There was a

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sense of the meeting being in the shadow of the murders of Brendan Campbell and Robert Dougan. Mr Murphy apologised for the absence of the Secretary of State, who was discussing forthcoming Northern Ireland legislation with the Lord Chancellor, and opened the meeting with a statement condemning the murders and advising that action would be taken to expel Parties if it were shown that groups they represent were responsible.

Economic and Social Issues

2. The Chairman (Harri Holkeri) invited Mr Murphy to re-open the debate on economic and social issues which he did by asking the Parties to focus further discussion on the general areas of i) the elimination of discrimination, ii) the reduction of divisions in society and iii) the treatment of culture and heritage.

3. The UUP were then invited to return to the questions they wished to ask during the previous meeting. They began by returning to paragraph 2 of the Irish Government's document where they said that "the highest levels of deprivation in Northern Ireland causes instability". The UUP said that the Irish Government could help remove the causes of stability by recognising international boundaries.

4. The UUP then referred to paragraph 5, 6 and 7 which referred to the SACHR report's statement that Fair Employment legislation alone will not **remove differentials** in unemployment, that SACHR recommended **affirmative action** to address the differentials, and that the Government should **implement** this recommendation. The UUP accepted that if there is 70% unemployment of Roman Catholics to 30% Protestant and all applicants are equally qualified and equally suitable 70% of vacancies would be filled by Roman Catholics, but they wanted to know if the Irish Government was advocating filling more than 70% of vacancies with Roman Catholics. The Irish Government replied that they accepted that Fair Employment legislation had been successful and that more needs to be done but reverse discrimination is not supported by the Irish Government.

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5. The UUP then referred to paragraph 4 of the Irish Government's paper, the "issue of equality of treatment and fair participation" and stressed that if people believe there is not a fair deal instability will result. The Irish Government replied by saying that Fair Employment legislation was brought in because of unfair treatment, leading to instability on both sides. When this happens young people will join organisations which allow them to express their frustrations. The UUP described as dubious the statement that unemployment is a reason for joining paramilitary organisations, to which the Irish Government responded by saying that they were not trying to accept 'disadvantage' as an excuse for paramilitary activity but were clear that there was a strong geographical correlation.

6. The UUP then asked HMG if, in paragraph 13 of their document, regarding Employment Equality, HMG was saying that differential is not an appropriate indicator of fairness, stating that it is not an indication of discrimination. Mr Murphy advised that the Government was not saying that.

Sinn Fein

7. According to Sinn Fein, peace in Ireland will only be built on strong foundations and that the UUP and British Government had caused the inequality and discrimination. In their report, SACHR made 156 recommendations for improvements despite Fair Employment legislation and the ongoing campaign for economic equality. Sinn Fein claimed that both Protestants and Roman Catholics have suffered inequality and that the State had been built on inequality and injustice.

Alliance

8. Alliance agreed that there had been significant discrimination but a massive amount of legislation had improved the situation. They believed the SACHR report

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shows that legislation is very nearly as good as it can be and that credit should be given for its effectiveness in areas such as job interviews and appointments. However, there continue to be discrepancies in employment rates, which may be for structural reasons or because unemployed people will not look for jobs outside their own neighbourhood, where they feel 'safe'. Legislation will not address these difficulties and it is necessary to look in different areas for the solution to these problems.

PUP

9. The PUP asked if HMG acknowledged that the indices used to measure deprivation prevent some deprived areas from being identified. If so, they had to find new ways to measure. They also want the area of North Belfast to be identified as a priority for educational action and asked HMG to meet local representatives to discuss problems in the area.

SDLP

10. The SDLP began (what developed into a debate) by asking if the UUP believed there was no discrimination or that no people were disadvantaged. The SDLP accept that progress has been made, particularly since the introduction of Direct Rule, but pointed out that the UUP exerted considerable resistance to these changes. They said that there continue to be malpractices and that much still needs to be done in the culture of the workplace (eg the display of emblems, though improving, continues to offend).

11. The SDLP agreed that a great deal had been achieved in reducing direct discrimination and that resistant employers have realised the value of Fair Employment legislation but that elements of the legislation need to be amended. There continues to be areas of major social disadvantage though not necessarily as

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a result of a religious divide [reference was made to similar difficulties in Dublin (Liz O'Donnell)and Cardiff (Mr Murphy)].

12. The SDLP then referred to unemployment statistics for June 1997 which showed that in Belfast the highest areas of unemployment were in West Belfast, North, South then East Belfast and that, as in Londonderry, all the areas of greatest deprivation and disadvantage were Roman Catholic areas. The problems were not all down to direct discrimination but it played a part.

13. In conclusion the SDLP asked what would be a just response to TSN. The cause of need, whether direct or indirect, was not important but the higher levels of disadvantage require higher levels of input of resources even though there may be accusations of reverse discrimination. It is important to address the needs of the people irrespective of how and why the problems may have arisen.

NIWC

14. According to the NIWC it is a matter of record that discrimination occurred and that Protestants are rampantly discriminatory, as that is the culture. The Government must proceed to act on the recommendations in the SACHR report and also address the problems of long term unemployment. TSN should ignore religious divisions and target areas where there is most need.

15. The NIWC do not accept the link between unemployment and paramilitary groups as an excuse but if young people have no hope or resources their feeling of alienation leads to a cycle of despair. The NIWC also supported the PUP view that if the current indices are not ensuring fairness they should be looked at. They also believe that greater consultation with community groups, business groups and Trades Unions etc would build confidence.

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UUP

16. The UUP responded to some of the points made by other parties and agreed the thrust of the comments made by the SDLP regarding differentials. While accepting statistical facts in relation to unemployment in West Belfast and other areas they do not agree with looking at these statistics in isolation as it is important to consider growth in employment and in the number of Protestants and Roman Catholics in the workforce. They agreed that TSN must be targeted to the worst areas but that SACHR did not recognise fairness in recruitment, which was a disservice to Protestants (who think it is unfair) and to Roman Catholics (who believe there is discrimination). The UUP added that if the market is working fairly about 2% of unemployed Roman Catholics could be added to the workforce but that increasing numbers of Roman Catholics joining the workplace and leaving schools do not allow differentials to be tackled.

SDLP

17. The debate continued with the SDLP recognising the difficulties contained in using only statistics on differentials but stressed that they identify the realities of unemployment. They had no doubt that others entering the labour market (eg migrants and school leavers) add to the difficulties but they underlined the importance of recognising the scale of and reasons for the difficulties. One reason cited was the reluctance or inability of some to leave the areas in which they live to find work and perhaps Government should bring work to these areas.

18. The SDLP concluded their remarks by saying that in their view it is time to make a new start, to recognise the degrees of, and reasons for the disadvantages some people have and address these by investing where there is most need and to take responsibility to address the problems. They believe it is time to leave behind the debate but not to ignore or exaggerate discrimination, and to make an

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imaginative response to these problems, which they feel will have been helped by this debate.

Sinn Fein

19. Sinn Fein claimed that statistics always show that the highest rates of unemployment, mortality and ill health were in Londonderry and that the Rights agenda must guarantee justice for all. The Government should do what it can to remove poverty and deprivation. Sinn Fein also agreed with the PUP that it was necessary to re-educate and train young people. The Government must do more than PAFT and TSN. Legislation is needed and a detailed scrutiny of policies.

Labour

20. The Labour Party believe expansion and development of the economy is necessary to help reduce unemployment and that a peaceful settlement is vital. While they have seen a certain amount of agreement the NI Labour Party think that there is a continuing need to tackle the attitudes and prejudices in each community.

21. With regard to expansion of the economy the NI Labour Party argues that there needs to be investment in employment and education, to tackle illiteracy in working class areas where many are unemployable. It is necessary to provide the skills that are relative to today. They concluded their remarks by saying that in Northern Ireland religious divides are the same as the political divide and discrimination must be reversed.

HMG

22. Mr Murphy welcomed the 'interesting and useful debate' and agreed to note the points Parties had made.

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Comments

- Fair Employment legislation. It is the Government's view that legislation is broadly working. SACHR identified no evidence of systematic discrimination at selection but there remained the differential of 2:1 unemployment of Roman Catholics. Some areas in Northern Ireland, including some Protestant areas, were affected by unemployment more than others and these areas must be tackled but he agreed that the differential is a source of concern in Roman Catholic communities. Mr Murphy advised that the Government will respond to SACHR and would involve the Parties in that process.
- Robson Index. This is a good indicator but not the only index. Mr Murphy said he would be happy to discuss with Parties if it could be improved upon.
- Education Underachievement. The focus should not be on a Roman Catholic/ Protestant divide as underachievement is not confined to one community. Mr Murphy accepted that it falls on Government (in both GB and NI) to tackle the results of discrimination. He said that improvement in the economy and successful economic programmes will help remove disadvantages. In response to a statement from the PUP about North Belfast the Minister agreed that action is needed in that area. He concluded by encouraging local people in all areas to take their arguments to whatever Government is in place to help them identify the problem areas.

Conclusion of Economic and Social Issues Debate

23. The Chairman closed the debate on economic and social issues but, at the request of the SDLP, agreed to revisit cultural matters (probably Irish language issues) at a later date.

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Paramilitary Activity

HMG

24. Mr Murphy opened the discussions by emphasising the importance of all Parties playing their part in stopping paramilitary activities and that, unlike earlier discussions, influence in these areas was outside the control of Government. He highlighted the relevant Mitchell Principle and outlined the need to stop 'punishment' attacks, provide details of the location of 'the Disappeared' to their families, and allow those coerced to leave their homes to return. Progress on all these issues was important.

Irish Government

25. The Irish Government welcomed the opportunity to discuss this issue, stating that all Parties must show their commitment to the six Mitchell Principles or face the consequences of Rule 29 of the Rules of Procedure (possible expulsion). They expressed their anger at the recent murders which, they claim, are a result of the absence of political progress. Ending 'punishment' attacks would help build confidence and, while passing on information on the whereabouts of 'the Disappeared' (as requested last week by the Taoiseach) would not be easy, it must be done. They also said that those forced to leave their homes should be free to return with no further intimidation.

Alliance

26. The Alliance began by stating that these were sombre times which threatened political progress. They then tabled, for information, a dossier drawn up by FAIT which gave details of acts of violence in Northern Ireland over the last 2 years - 889 incidents reported to the Police, some linked to Parties around the table and which must be brought to an end. Although the Alliance Party were not looking to expel

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Parties they felt this may be necessary. They added that these activities undermine the credibility of the Talks process and are a danger to the Talks.

27. They then identified a number of issues which caused great concern. There has been no progress on returning the body of Mrs McConville, or any of the others, to her family; targeting and surveillance continues on a wide basis and expulsions must end. Mitchell Principle 'f' must be taken seriously and those able to do so must maximise their efforts.

Labour

28. The Labour Party said that they were totally opposed to violence but believe it is inevitable if the conflict is not resolved. In their view condemnation will not end the paramilitary violence; we must address the issues. The UDP, who had tried to stop paramilitary violence, should not have been expelled.

NIWC

29. The NIWC want to see a society built on non-violence and justice but do not believe the violence can be turned off like a tap. They are against any groups acting as judge, jury and executioner. They called on groups to take some action on 'the Disappeared' as this was essential to help healing and they acknowledged the constructive part played by Parties linked to paramilitary groups.

30. The NIWC said that many areas had no confidence in the RUC and those areas want paramilitary policing/'punishment' attacks but all Parties must be included in the search to find solutions to those problems.

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PUP

31. The PUP accepted that both Governments rehearsed the activities and condemned the actions of paramilitary groups but said we must find ways to address the problems. They also would like to hear condemnation of the rhetoric which demonises Protestants and Roman Catholics. It is the PUP's view that paramilitaries were not born with hatred and those causing it should be condemned.

32. The PUP also said that they will consistently condemn violence in their communities but cannot be held responsible for every activity of the LVF and Red Hand Commandoes. They then challenged some of FAIT's statistics and evidence and said that it is important to be clear what we are talking about and how to create a climate and environment where all can engage in the process. They concluded their remarks by advising that moving from a violent response to conflict to a democratic response to conflict would not be easy but condemnation of the Parties was not helpful.

Sinn Fein

33. Sinn Fein referred to the document they gave to the Mitchell Commission and said that they want to see an end to all violence and all paramilitary activities. Sinn Fein said they agreed that all Parties with knowledge of 'the Disappeared' should do all they could to help the families but they regretted the exploitation of their Party's position. They also said they were opposed to 'punishment' beatings and want to see a proper policing service. They concluded by saying that collusion, targeting and involvement in drugs needs to be addressed.

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SDLP

34. Like most Parties, the SDLP began by condemning the 2 recent murders and added that those responsible were trying to attack the peace process. The SDLP believe that words of condemnation are important, however often they have to be said. The SDLP recognise the significant contribution many (like the PUP) have made to creating a more hopeful climate and the ceasefires and complimented their efforts in influencing Republican and Loyalist communities but they see a need to reinforce the message that responses need to come (eg on 'the Disappeared') and efforts must continue.

35. The SDLP do not accept as satisfactory blaming a lack of confidence in policing as a reason for 'punishment' attacks. These activities must be condemned and action taken to influence those responsible. With regard to expulsions the SDLP believe that, in a democratic society, people must not be forced to leave their home areas. They said that much work needs to be done to influence those involved in paramilitary activity and a response is important if confidence is to be given to the rest of society.

UUP

36. The UUP said that responsibility for murders and all other paramilitary activity is a personal responsibility and those involved are unworthy of participation in the peace process. The UUP will expect rigorous implementation of Rule 29.

Conclusion

37. The Chairman closed the meeting and agreed to continue discussions at the next meeting on Wednesday 25 February at 10.30 am at which Parties would also reach agreement on the timing for further discussions on prison issues and cultural

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issues. Those wishing to prepare papers on paramilitary activity were asked to do so by Friday 20 February.

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