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SUMMARY RECORD OF LIAISON SUB-COMMITTEE MEETING ON CONFIDENCE BUILDING MEASURES ON WEDNESDAY 4 FEBRUARY 1998 (1040)

CHAIRMEN: Mr Holkeri
General de Chastelain

THOSE PRESENT: British Government
Irish Government

Alliance
Labour
Northern Ireland Women's Coalition
Progressive Unionist Party
Sinn Féin
Social Democratic and Labour Party
Ulster Unionist Party

1. The Chairman (Mr Holkeri) convened the meeting at 1040, recognising that not all the participants were present at that point. He moved initially to seek approval of the record from the previous meeting on 13 January.

Amendments to previous minutes

2. Alliance referred to page 9 paragraph 18, line 4 of that record. The party said it recalled using the term "political prisoners" rather than the words "prisoners of war" which appeared in the record. This amendment was agreed and the record approved without further amendment.

3. The Chairman said the business of the meeting would be as outlined at the end of the 13 January session: Namely the British Government would make a statement on prisoner issues followed by a continuing discussion on item 2 of the Sub-committee's agenda - economic and social issues. The Chairman said the statement by the British Government on prisoner issues did not mean that that issue had been fully discussed in the Sub-committee but rather it could be returned to at a later date. The Chairman then asked the British Government to proceed with its statement.

4. The British Government said it recognised that prisoner issues were important to participants in the talks and their supporters. In particular the possible release of prisoners had been raised by a number of parties in the talks. The British Government said it had made clear at the last Sub-committee meeting that it would work with the parties on an account of what would happen in respect of prisoner releases in the context of a peaceful and lasting settlement. To take this work forward, it would be important for parties to set out their views on the modalities which might be employed. The British Government said it agreed to provide a paper setting out the issues on which views would need to be clarified. That paper had been circulated to the Sub-committee the previous evening.

5. The British Government said, in addition to setting specific questions, the paper identified a series of issues following from the proposals made by

those parties that had made submissions on prisoner matters. The paper was not intended to exclude from discussion any of the proposals that had been made, but to identify at an early stage where there were particular difficulties. Once parties had been able to reflect on the issues and formulate their views, the British Government looked forward to further discussion at a future meeting of the Sub-committee.

6. The Chairman said he wished to continue the discussion of item 2 on the Sub-committee agenda - economic and social issues. The Chairman said parties had been invited some time ago to submit papers on the issue. Several had and these had been circulated. The Chairman said he wished to propose that, since it had been sometime since the receipt and circulation of some of those documents, a tour de table should occur with participants making general comments on their papers.

7. The UUP said it had previously presented its paper to the Sub-committee and had initial discussions on it with the British Government. Rather than presenting for a second time, the party said it wished to use the tour de table as an opportunity to put further questions to the Governments and gain some responses to these. Hearing no objections to this, the Chairman asked the British Government to comment.

8. The British Government said economic and social issues were a critical aspect of the talks process. It was involved presently in a

fundamental review of economic development strategy for Northern Ireland and would be consulting with the parties on this issue. The British Government said the UUP had discussed its paper with it in December and a number of issues had been highlighted as a result. Following this it had reflected the important ones, in its view, in its submission to the Sub-committee. That paper had not been intended as a comprehensive assessment of what was required but rather an attempt to reflect on the issues of interest to those engaged in the talks process. The British Government added that rights were another vital ingredient in the process. Strand One had started to address this issue in the last few days and the British Government said it thought the Sub-committee might also usefully discuss the area of rights and make proposals to the Plenary in due course.

9. The Irish Government said it welcomed the opportunity to discuss economic and social issues in the context of confidence building measures. As it had made clear in its paper, it believed that progress in this area had the potential to make a contribution to building up trust and confidence between the communities. This view was widely shared in Northern Ireland. The report of the International Body, in paragraph 57 noted "the importance of further progress in the social and economic development of Northern Ireland and its communities was emphasised time and again in our meetings, in the context of building confidence and establishing a lasting peace."

10. The Irish Government said there was a strong geographic correlation in Northern Ireland between those areas which suffered the highest level of economic deprivation and political instability. Apart from the ethical aspects of the matter, the belief that any section of the community had not received a fair deal in economic and social terms could be a force for instability. The Irish Government said it welcomed the Equality Review which was published in June last year by the Standing Advisory Commission on Human Rights. It believed that it was a detailed and comprehensive report. The issues addressed in the report, such as matters of fair employment and fair participation in the labour market, were not the sole preserve of any section of the community but were the common concerns of all citizens, regardless of religion or political persuasion.

11. In this context, the Irish Government said it would welcome, therefore, the early implementation of the Equality Review recommendations and in particular those relating to the Targeting Social Need (TSN) programme and the Policy Appraisal and Fair Treatment (PAFT) guidelines. An important issue for Northern Ireland was the question of the level of Public Expenditure. In a peaceful situation, there was the potential for large savings in the present security budget. Given Northern Ireland's particular dependence on public expenditure, there was a need to ensure that the released resources were not lost to Northern Ireland. The redirection of resources would be particularly beneficial if they were

targeted on the areas of greatest need and towards the economic regeneration of deprived districts, both Nationalist and Unionist.

12. The UUP intervened with a point of order. It said it was tiresome to hear the Irish Government addressing matters which related to the internal affairs of Northern Ireland. If such comments were going to continue, then the whole format of the Sub-committee would have to change. The party said it wasn't interested in the Irish Government's view of internal matters. This constituted interference. The UUP suggested that perhaps the Irish Government should reconsider its approach in the Sub-committee, otherwise it (the UUP) said it couldn't continue in the current format. The party added that it had been particularly tolerant in accommodating the views of the Irish Government on prisoner issues and economic matters but the party hadn't been consulted for its view on how the Republic's prison system etc should be organised. The party was simply not prepared to have the Irish Government making comments on internal matters. The Chairman pointed out that the Sub-committee was not a decision making body and the format of the meeting was a matter for the participants as a whole.

13. The UUP said it was all very well to say this but the issue of protocol had to be observed. The Irish Government said it had no intention of interfering in the internal affairs of Northern Ireland. It did, however, believe that human rights and safeguards was an issue in which it should take an interest in developments in Northern Ireland. The Irish Government

said not all that long ago there had been calls for ministerial attendance at such Sub-committees. Now that Ministers were present, there was opposition to the content of the Irish Government's contribution. The Irish Government said it attended in good faith to present its view on economic and social matters and continued with its planned remarks.

14. The Irish Government said it regarded parity of esteem and respect for the different cultural traditions as a requirement for peace and stability. In this regard, it believed that the Irish language, as the shared cultural heritage of people from both major traditions, should be afforded due recognition and status in Northern Ireland. It also welcomed an examination of how the growing interest in the Ulster-Scots heritage should be supported and encouraged.

15. The Irish Government said it noted the successful partnership approach to economic and social development that had developed under the EU Peace Programme. It believed that the involvement of the voluntary sector and the social partners, together with elected public representatives, had been beneficial. It welcomed the widening of this approach to economic and social development and in particular in the delivery of EU and other programmes.

16. In conclusion, the Irish Government said it considered that positive progress in the economic and social spheres had a contribution to make to

confidence building which in turn would underpin efforts to achieve a lasting and just settlement and it looked forward to discussing the issues raised in its paper in greater detail.

17. Alliance said there were a number of issues which it wished to mention in relation to the building of confidence through economic and social issues. There had been three years of reduced violence in Northern Ireland, yet in areas of Belfast the peace lines were being extended.

Sectarianism and segregation continued in various degrees; only 2% of pupils went to mixed schools; many daily lives were concentrated around people from their own religion and references to two communities remained. The party said it believed the Government needed to take steps which reduced the divisions in society which sustained the conflict.

Alliance said the UFF/UDA etc were symptoms of that divided society and it was concerned about further entrenchment as a result of the most recent murders and attacks. The party said it supported the concept of PAFT as well as a policy of sharing with programmes coming together to effect change. Citing the casualty department of a Belfast Hospital and the painting of sectarian slogans in public conveniences, Alliance proposed that all government agencies should consider ways of introducing a non sectarian environment in such areas to reduce the offence caused.

18. The party said it was saddened that the Government wasn't doing more to support integrated education in Northern Ireland. The same could

be said about long term unemployment and those in the poverty trap. Furthermore the case for replacing the 11 plus selection procedure, when children were categorised as failures at 11, was another area on which Government needed to be focusing on much more. Alliance said that in terms of cultural issues, it sought a diverse and pluralist society and it believed the Government should dedicate itself to fair and equal treatment for those who wished to support the development of the Irish language and recognise the growing interest in the Ulster/Scots link. Alliance said it also believed that the Irish Government should consider introducing human rights legislation similar to that which was recommended in the Equality Review published last year by SACHR.

19. Labour said that, as had been mentioned at earlier meetings, it was not easy to come to grips with a topic as vast as economic and social confidence building. In an attempt to narrow that field, Labour proposed that unemployment, especially chronic, concentrated long term unemployment, be discussed as a topic of vital relevance to giving the people a stake in the future of Northern Ireland. Chronic long term unemployment was not simply an economic issue because, as a generalisation, it also coincided with poor health, under achievement and many other social ills and it tended to be self perpetuating. It was also a major issue in the discrimination debate and what some called the equality agendas. It was simply impossible to conceive of a permanent and

comfortable society while some 40,000 people were permanently excluded from our society.

20. Labour said it did not believe that long-term unemployment or its eradication was a core part of the issue of fair employment. Fair employment was about competition between, generally speaking, qualified people, but when most of the unemployed were unqualified then the issue was of marginal interest. Today, an imbalance in unemployment ratios as between Catholic and Protestant continued. Labour said it accepted that this was the product of past discriminatory policies but it saw no future in rerunning history or in arguing that unemployed Protestants must wait for a job until the ratios were balanced. Confidence could hardly be built by effectively saying that Protestants need not apply until 2005. Labour said it fully supported the fair employment legislation as reasonably adequate, and would welcome proposals from others on strengthening the laws but would not accept the concept of quotas or implied quotas. In its opinion this would merely institutionalise divisions and offer no vision of a society at peace with itself. In discussing long-term unemployment all must give everyone the confidence that they can have a stake in the future.

21. Labour said discussion on social and economic confidence building must have at its core the confidence of the long-term unemployed and their communities. The individuals, families and communities who listened to business leaders and politicians praising the benefits of peace could be

forgiven for asking 'where 's the beef'. There was no credible argument for believing that lasting peace in the short or medium term would deliver the jobs to the people most in need. There could be little doubt that lasting peace sustained by a stable political environment was the primary ingredient for long-term socio-economic development. There could also be little doubt that, while many people throughout Northern Ireland had and would benefit from peace, the economic benefits would bypass the people most in need. Without major intervention, enormous numbers of people would simply be bystanders to prosperity and their communities would continue to be marginalised.

22. Labour said it was known that new jobs created had reduced the unemployed register by possibly only one for every three new jobs created. Equally, the lauded significant drop in the unemployed since autumn 1994 could be to merely a switch from one social security benefit and not any meaningful drop in the real unemployed. If one calculated in a drop in emigration, our students returning where previously they stayed away, the return of our emigrants as had happened in the Republic and the 'redundant' highly qualified security personnel, one realised that the short to medium term or perhaps even the long term offered no hope for the long term unemployed. Regardless of the scenario, the long-term unemployed would simply be pushed further and further down the queue.

23. The party said long-term unemployment most often coincided with the areas that had suffered most from the violence and from the lack of mobility through, amongst other things, fear. This unemployment was endemic, inter generational, and caught in a vicious circle. In this situation it was extraordinarily difficult for a community to 'pull itself up by its own bootstraps'. Indeed to glibly rely in 'a rising tide' to lift many of the long-term unemployed or their communities was fanciful thinking in the extreme. The wider community might be rewarded by peace and stability but thousands would still be suffering despair. Labour said it acknowledged that there had been and were positive initiatives such as Targeting Social Need, Making Belfast Work and the ACE Scheme. However, the party was lost for words because of the reduction in the budgets of Making Belfast Work and the abolishing of ACE. The relevant Ministers had to come to the Sub-committee and explain why they were dismantling these policies at a time when social stability was most needed. For years there had been novel and innovative schemes to 'hold back the tide' in the face of immense economic problems but now, at one sweep, everyone was told that peace means normality - just like that! Who decided that unique social problems no longer existed and that unique solutions to unique problems were no longer required?

24. The party said current official policy was concentrated on getting our young people into training and employment based on the belief of that unemployment was an individual problem and that by dealing with

individuals through counselling, the problem would be solved. In the real world many found that the opposite was true. Labour said it waited to hear how training and development of the young in isolation from their unemployed parents and grandparents and their unemployed communities could occur. Unemployment in Northern Ireland, especially long-term unemployment, was a structural problem and would only be corrected with unique structural solutions. While the party would not pretend to have the solutions it was seeking to open a debate that was being avoided. It sought to raise matters that were at the core of confidence building and to give all a stake in their community and in the future.

25. Labour said it wished to propose that, in the context of this Subcommittee, the proposition that there be official recognition that most of the long-term unemployed would never gain 'commercial' employment be examined and in that context the New Deal for young people would not work in the areas where unemployment was concentrated. If this view was accepted, then the Government could give the community a major confidence boost by engaging in major social employment parallel with 'normal' economic development and training. Major social employment, and most certainly not dismantling current social structures, was the only way to break the vicious circle of deprivation.

26. The NIWC said it had been established to make a contribution to reshaping the politics of Northern Ireland. For too long, political debate had

been stifled by the political conflict. The party said it was tabling a paper in the Sub-committee on economic and social issues since it wished to help create the best conditions for a political settlement. In attempting to arrive at those conditions, the NIWC said it had three key principles: demonstrating that a key section of Northern Ireland society was capable of compromise and collaboration despite the divergent cultures and politics of its members; offering a women's perspective on a conflict that had been largely defined by and conducted by men; and putting forward a new agenda about contemporary concerns to prevent political debate being locked into its traditional narrow focus.

27. The NIWC said in respect to the last principle, it was deeply concerned about economic and social development. While the forces that drove the conflict were essentially political, the historic poor performance of the regional economy, the concentration of disadvantage and the lack of opportunity for key sections of the population, made the process of finding a political settlement even more difficult. Moreover, the party's commitment extended to a pluralist, multicultural society. That could only develop within a framework which encouraged the full participation of all religious, cultural and ethnic groups.

28. The party said women's full participation in the economic and social spheres could only be achieved with the provision of quality, affordable, accessible pre-school and after school care to all parents. Its commitment to

women's inclusion and to the recognition of the invaluable contribution to the economy by full time mothers was central to its approach to economic and social issues. The purpose of the paper tabled was to set out its key ideas on economic development, social investment and the promotion of cultural diversity. In its view, the NIWC said these should not be regarded as wholly separate policy strands, but required an integrated approach. The party said its approach to economic development was based on three key principles; efficiency - it wanted an efficient, competitive region and endorsed the NI Growth Challenge goal of the "fastest growing region in Europe"; equality - it wanted all groups in NI society treated fairly with respect to employment and all public services while it also sought a more equitable distribution of income and resources; and accountability - decisions which affected people's lives should be made accountable to those people via the mechanisms of partnership and participative democracy.

29. The NIWC moved on to address social justice and cultural issues. The party said confidence building in Northern Ireland required a widespread conviction that civil and social rights were fully embedded in legislation and in employment practices. The incorporation of the European Convention on Human Rights into UK law was an important step. It also noted the Government's commitment to the education and awareness-raising required to develop a sense of rights and responsibilities both for public bodies and individuals (ie a culture of rights). The party said if everyone was to enjoy their human rights then all had a moral obligation to

protect them for others. No right existed without the necessary structures to make it operational. Accordingly, criticism of existing practices by those such as SACHR must be taken seriously and a clear policy response formulated. Moreover, without a comprehensive Bill of Rights, diverse pieces of legislation would lack coherence.

30. The NIWC said Targeting Social Need was a means of improving the social and economic conditions of the most disadvantaged areas and people in Northern Ireland. TSN had to be fully operationalised rather than simply a goal. This would require benchmarking existing sources of need and developing transparent mechanisms for delivering TSN within each department and public agency. There was also a need to acknowledge the significance of differential levels of unemployment experience by Catholics and Protestants and the inequality that this represented. The aims of TSN had to be clearly focused and transparent. Areas of need, whether Protestant or Catholic, must be targeted. Further work was needed towards the recognition that this would require greater attention to Catholic areas.

31. The party said there also needed to be recognition of the differential impact on the two communities in terms of 'coming out of conflict', particularly in looking at the issue of future security and policing developments. The lack of community development, particularly in Protestant areas, would also require focused work. The published guidelines for PAFT clearly indicated that all government departments and

'next step' agencies had to be proactive in securing the elimination of discrimination and the achievement of equality of opportunity and fair treatment. PAFT had to give legislative status while consideration should be given to assembling the necessary information bases that would make PAFT feasible. When particular problems arose in terms of social or economic exclusion, a broad brush approach might be neither effective nor fair. Although it might be seen to go against the cultural norms of policy-makers the party said it believed this debate needed to happen. When treating people equally produced unequal outcomes then the notion of equality needed to be examined. It was sure that many people could identify with this argument and drew particular attention to the needs - social, economic and cultural-of interface communities.

32. The NIWC said the debate about cultural rights in Northern Ireland had focused on the status and treatment of the cultures of Unionism and Nationalism. Their recognition and legitimacy would be the bedrock of a pluralist accommodation which Northern Ireland required as the basis of a stable settlement. While parity of esteem remained a minimum objective, there was a danger of limiting the culture debate to a negative 'zero-sum' discussion about which side got what share of the care. This issue had to be seen within the broader context of the potential synergies of a multi-cultural society (embracing other ethnic groups as well as Unionism and Nationalism), the role of culture in regional regeneration, and the limited support for popular culture provided by organisations like the Arts Council.

33. The NIWC said parity of esteem should embrace all cultures and that should be given legislative force; financial support for arts and cultural activities should embrace popular as well as elitist cultural activities - eg the Arts Council should have a TSN remit; and the role of cultural development in community, area and regional regeneration such as the recent proposal for the creation of a cultural corridor in regenerating North and West Belfast should be fully explored.

34. The party said issues of cultural and identity lay at the heart of the conflict and fuelled ongoing tensions. It urged the Sub-committee to address the issue of confidence in the wider community by stating clearly its commitment to working on these issues seriously. It needed to change the context of the debate by aiming to produce gain for everyone rather than the destructiveness of a 'zero-sum' conflict.

35. The PUP said it also had some principles in relation to economic and social development. The problem of structural violence had to be addressed by Government as much as paramilitary violence. Peace was more than just the absence of sectarianism. There were clear linkages between economic and social issues and political violence. The party outlined a comparison in electoral wards of the numbers of death caused by the political conflict as opposed to the number of deaths from other causes. In 14 of these wards in North Belfast the death rate per thousand people was greater than that

caused by the conflict. There were clear linkages here to social deprivation and unless the whole issue was addressed, there could be no confidence in the peace process or the democratic process. The party said if everyone was to inspire the democratic process, then it had to deliver on issues such as social deprivation. If it couldn't then there would be no confidence.

36. The PUP said that unemployment rate in North Belfast was 17.4% compared to half that in other areas of the city. Approximately 5,000 of the people in North Belfast with jobs earned less than £5K per year. These were interface areas where sectarian violence was rife but the party said that structural violence had more devastating effects than the paramilitary form. The PUP said one had to realise that the political parties had neglected areas such as North Belfast and if those politicians couldn't lead people away from sectarian violence then the peace process would flounder. The linkage between the social conditions, the paramilitary violence and the search for peace was evident and the Government needed to address this. The party said the Government needed a strategy for Belfast, yet it appeared that the Making Belfast Work program had reached a stage where individual team leaders were having to give up their posts on the ground in communities and more senior figures were being transferred elsewhere in government and replaced by less effective performers.

37. The PUP said the Government needed to have a proper strategy in place and appropriate civil servants who could relate and work out policies

with those working in the communities. At present community workers were at a loss to know what the strategy of Making Belfast Work was. The party said it also felt that initiatives like New Deal and Welfare to Work would only exacerbate the situation. Such measures were regressive rather than positive and would ultimately only lead to young people becoming involved in drugs, violence etc when the reality of getting actual employment was reached. The party said there needed to be a strategy for the young long term unemployed. It proposed that the Sub-committee should be the forum for those people working in the communities to come and meet Ministers and put forward their views based on practical experience. The previous Government had provided a link between it and community workers where the latter felt it could provide an appreciation of the community problems and needs but this link had not continued. It had to be remembered that Northern Ireland was not run by civil servants, but by Ministers, and community workers needed to by pass the civil servants and go straight to Ministers to ensure that the practicalities and impact of policies were outlined and changes considered.

38. The PUP moved on to a second issue concerning Robson's Index - an evaluation of the marginalisation and exclusion of the Protestant working class communities. The party said areas like Mount Vernon, Graymount, White City and Whitewell Road were all districts with considerable social deprivation. It was also a fact that established politicians had by-passed these areas as had the representatives of Government and the Civil Service.

The PUP said it did not consider that the indicators used to compile the information in the Robson Index were sufficient enough to measure the full scale of deprivation. There were others such as the long term dereliction of housing, the cycle of despair, dissatisfaction etc, never mind communities visibly dying on their feet. There were other factors too such as educational disadvantages when one considered that in the late 1950s and 1960s children in such areas could obtain jobs in traditional employment immediately on leaving school. Those opportunities had gone and no attempt was being made to re-educate children to the changing employment needs with the likely result being that in 10 years time Protestants in those areas would be unable to compete for whatever employment was on offer.

39. The PUP highlighted a recent survey in North Belfast which had shown only 1% of second level education pupils make it to third level education and only 2% get as far as A levels. The party said that unless these issues were tackled properly, the Protestant working class would find it impossible to compete in the changing employment market. This problem wasn't related to future sectarianism or anti-Protestantism. It was a structural fault which was present now. The PUP said confidence building did have to address the perceptions of sectarianism as well. There was no point in funding bodies playing one off against the other by using the excuse of sectarianism and doing nothing for anyone. Those bodies had to deal with need and not greed. It was impossible to be fair to everyone but there was a requirement to target need and to do this properly; assistance

was needed from the Government and the professional classes. Government also had to be bear in mind that giving need to one community wasn't necessarily discriminating against the other.

40. The PUP said it was time to educate the people to understand each other and to work together. A good thing for one side was not necessarily a bad thing for the other. The party said there appeared to be no strategy from Government to cover this position. There was plenty of hype about parity of esteem but it had to be based on real needs.

41. Sinn Féin referred to the UUP's earlier comments regarding the Irish Government. The party said that the Governments were asked to play a role in the Sub-committee and it welcomed their presence. The party said it would try to show courtesy in listening to the contributions of others. It hoped everyone else would do the same. Sinn Féin said it had circulated a paper which appeared to have some common areas with those previously circulated.

42. Sinn Féin said it viewed the promotion of economic and social development in Ireland as a key and integral part of the peace process. It was clear that economic development underpinned the peace process and could help to consolidate political structures in Ireland. By furthering development and tackling the deep rooted economic problems of these areas, the Irish and British Governments could help in a significant way to

cement a just and lasting peace in Ireland. Sinn Féin said its overall objectives for economic policy in Ireland were to provide sustainable and dignified livelihoods for all its citizens; to develop economic resources, human and material, to their fullest; and to create an economic base which reflected the social and cultural values of all the Irish people and which fulfilled their material needs and aspirations.

43. Sinn Féin said, in essence, its vision was of a society that granted economic justice to all its people. Everyone, irrespective of their background, should be able to gain meaningful, well paid, long term employment in jobs that provided genuine security and fair conditions. Everyone should have a meaningful role to play in the economy, particularly at the local level. Sinn Féin said these objectives would only be achieved by eliminating unemployment and poverty, developing more fully the industrial base and generating higher levels of income and wealth for the benefit of all the people in Ireland. In this context, Sinn Féin said it attached particular importance to the generation of sustainable growth; the need for mutually reinforcing private and public sector activity in the economy; the provision of education and training for all the workforce; the need for extensive workplace participation and democracy; the creation of genuine equality of opportunity for all; and the development of environmentally friendly economic activity.

44. Sinn Féin said its overall strategic approach to the economy encompassed the creation of a truly all-Ireland economy; the transformation of the war economy of the north into a productive and developed peace time economy; the social and economic harmonisation of regions and social groups in Ireland; the introduction and promotion of genuine economic democracy; and the elimination of the economic distortions created by partition. Sinn Féin said it was widely accepted by business and political interests throughout Ireland that partition had hampered and damaged the economic development of the island. This affected not only trade, industry and agriculture, but by association, all parts of the economy - including employment, health, education and social welfare systems - leaving them marginalised and critically underfunded. What was still not universally recognised was the scale of economic and social discrimination which six county nationalists had endured over the past 77 years. What was not accepted was the complete absence of social and economic justice in the structures and institutions of the six county state. The role of successive Dublin Governments in ignoring the negative effects partition also needed to be raised. The problems of economic underdevelopment in the border regions and the North West was a shameful testimony to decades of neglect.

45. Sinn Féin said it believed it was possible to overcome the negative effects of partition and the deliberate discrimination implemented by both unionist administrations and direct rule. The party said it proposed a

retrenchment on the budget cuts imposed by the previous Conservative administration, cuts which were now being implemented by the new Labour administration. The party said it welcomed Gordon Brown's announcement of a Comprehensive Spending Review (CSR) which he had maintained "would take nothing for granted". The CSR had to analyse the spending allocations across the 26 District Councils to ascertain whether there was equality of funding. This CSR should also investigate the disparities clearly visible to nationalists in infrastructural development programmes such as housing and road construction. This issue had been raised by the party at Local Council level in Derry but objections had been raised by unionists at the time. Sinn Féin said there must be immediate steps taken to divert spending from the RUC and British Army budgets to social and economic development projects in the six counties. The CSR should also be empowered to investigate total military spending including not only the RUC budget, but that of the British Army and MI5. Spending proposals from MI5 published in 1995 showed that 44% of their £150 million expenditure was taken up with countering IRA threats. If the British Government was really committed to building a lasting peace it had a role to play in transforming the structure of the war economy in Ireland and that included scaling down its military spending and diverting funds to projects and programmes which would aid those communities most affected by the conflict in Ireland.

46. Sinn Féin said in the 26 years since the imposition of direct rule by the British Government there had been a series of ill planned and inadequate attempts to implement legislation aimed at redressing employment discrimination. All these attempts had ended in failure and Catholics in the six counties were still 2½ times more likely to be unemployed than Protestants after 20 years of so-called 'fair employment' legislation. Sinn Féin said the incidence of poverty in the Six Counties and the border areas was also severe. In 1995 one third of all households had weekly incomes below £125 with 19% of all weekly incomes coming from social security. The proportion of people living below the 'poverty line' was higher than in Britain, as was the degree of income inequality between the most highly paid and the lowest paid.

47. Sinn Féin said it wished to propose clear and comprehensive legal powers to eradicate discrimination and to ensure that equality was realised. Support for the McBride principles and affirmative action were the keys to redressing the imbalance in the workforce with a timetable for eradicating the imbalance in employment ratios. Sinn Féin said it did not believe that the complete eradication of discrimination could be achieved within the confines of the six county state or under the auspices of the British Government. Nevertheless, the responsibility to tackle this historic and structural problem lay with the British Government as creator of the six county state.

48. Sinn Féin said it believed that the IDB's failure to provide an equitable distribution of its investment projects and a parallel imbalance in NIO spending on the economic infrastructure of the western six county council areas were contributory factors to marked regional underdevelopment. It made more pressing the need for a complete reassessment of the IDB's activities and a programme of equality proofing for all future economic and industrial development projects.

49. The party said a parallel re-organisation and assessment of IDA Ireland and Forbairt, whose own industrial development record in the border regions and the North West was appalling, was needed as was the establishment of a set of principles for future industrial development projects which included a role for the host communities and set an adequate level of environmental safeguards as well as promoting the rights and employment conditions of workers.

50. Moving on, Sinn Féin said the structures and organisation of the IFI and all funding agencies in the six counties needed to be reformed. There had to be an end to the funding of golf courses, marinas and subsidies for property developers that characterised the IFI's activities. The simple premise that had to be followed when setting up these agencies was that those communities most affected by the negative consequences of the conflict in Ireland should be the ones not only to benefit from available funding but also have a say in the allocation of such funding.

51. Sinn Féin said it supported an all-Ireland strategy for developing the public health services and for allocating resources. Equal access was needed for all to the best possible quality healthcare. An end was required to the geographical disparities on both sides of the border which result in some rural areas being discriminated against in the provision and access to health services and an end to the cutbacks in funding affecting public health services in Belfast, Derry and other six county towns was also required. Sinn Féin said it wanted to see an end to the penalisation of cross-border workers who were being unfairly taxed.

52. The party said the response by the British Government to the BSE crisis had been appalling and that had damaged the six county agricultural sector. There was an urgent need for the Labour administration to act on tackling BSE, ensuring the livelihoods of the farming community. The bias in EU CAP funding was adversely affecting small farmers throughout Ireland. In the six counties, however, this inequality had, in many cases, been greatest on nationalist farmers, substantial numbers of whom subsisted on small holdings. Again there was a need for recognition of this problem at governmental level. The party said the all-Ireland nature of the agriculture sector must be recognised and steps taken now to create representative all-Ireland bodies.

53. In conclusion Sinn Féin said it was its firm belief that the economic, political, social, environmental and cultural aspects of economic development in Ireland were inextricably linked and must be viewed as mutually reinforcing if genuine benefits for all people of Ireland were to be realised. The party's ultimate objective was to build a new, prosperous and dynamic 32 county Ireland that took everyone away from partition, division, domination, discrimination, disadvantage, economic failure and injustice. These were the failed ways of the past. This new Ireland would be based on sustainable social and economic development; genuine democracy, participation and equality at all levels of the economy and society; justice for all irrespective of religion, political opinion, gender, sexuality, disability, age or ethnic origin; lasting and meaningful peace; and unity of purpose and action.

54. The SDLP said there was no point in presenting its December paper again. Neither should the meeting be one in which party manifestos were exchanged. The party said some of the papers contained long term implications and might perhaps serve the basis of discussions in any new arrangements that could be agreed. In terms of the role of the Sub-committee that didn't mean that those issues should be put on hold for they did need to be tackled and taking initiatives could contribute to the building of confidence. The party said there was a view that people only perceived their own inequalities and that consequently some jealousy could be generated. The SDLP said it was very easy for all to pursue a consumerist

approach to confidence building by making demands from Governments but if this continued no one would get too far. The party said it was more important for people to deal with issues such as "begrudgery" when it came to the building of confidence.

55. The SDLP said that each party had to be in the business of giving confidence to one another in the process. It was not possible to take a ghettoised approach when it came to issues such as economic and social matters if confidence was to be built. The party said it believed the range of issues aired in the Sub-committee with regard to the equality agenda had been good so perhaps it should focus on the inequality/equality perspective. The SDLP said that, given the range of common issues identified in the various papers to date, it was perhaps correct that the Sub-committee should be motivating the negotiations by considering the type of arrangements which would be required to deliver them. If the Sub-committee took on board the serious ideas outlined, factoring these proposals into political arrangements would in itself build confidence. The other means of tackling confidence building was an ephemery experience - continuously demanding confidence building measures from Governments. The party said the issues raised should have more standing than this.

56. The SDLP said everyone needed to get to grips with the changing employment patterns and recognise the requirements and needs of others. The element of begrudgery didn't help matters. If the participants were

talking about new institutions then everyone would have to deal with everyone else's inequalities. One couldn't target social need in one area and not in the other. Furthermore the approach to equality couldn't be established on the basis of either subtraction, addition or multipliers. The party said one had to come away from the premise of targeting social need because it was "the thought that counted". Any TSN initiative had to be subject to rigorous appraisal and evaluation. Participants' own schemes had to be subjected to this; it wouldn't be enough for regeneration schemes to be thrown into areas when it would be only the property developers who would benefit to the detriment of those residing in the area. The party said everyone had to be prepared to be critical of specific schemes and their ultimate objectives rather than be generally critical of Governments. The schemes had to stand up and make real economic and social difference to communities. It was also important to remember that equality had to apply when dealing with finite resources, therefore prioritisation had to occur between different programs and within programs.

57. The SDLP highlighted Altnagelvin's longer waiting lists compared to those in the rest of Northern Ireland. The balance of funding and purchasing power was not in the north west but rather in other Health Trusts in the Belfast area. The party said distributing resources on the basis of equality wasn't always going to be the soft option. It might mean being as rigorous in the application of the equality agenda in policy and operational terms as the prosecution of it. The issue for everyone was whether one

could envisage arrangements which could deliver on cross border confidence issues as well as those within Northern Ireland and be capable of achieving economies of scale. The party said rather than the Sub-committee leaving its papers at the feet of the Governments it might be better considering how all these issues translated into operating a shared framework and an equality agenda. If this approach was recognised by everyone then the process could work and people would get the necessary confidence from this. It would also show that the Sub-committee and more generally the talks could take on board the views and considerations of others on these issues.

58. The SDLP moved on and referred to the FEA legislation and said it accepted that there was a confidence building issue here for unionists. Equally unionists might not identify confidence building issues raised by the party. But if unionists even reached the point where they recognised that the issue was related to confidence building this would help. The party said the equality agenda couldn't be based on the theory that discrimination was wrong but disadvantage was all right. Everyone had a job to do in confidence terms in taking forward issues like economic and social matters which did not threaten anyone. The party said it recalled unionists looking to the Irish Government to make a statement proposing that cross border co-operation would not require institutions to underpin it. No statement was given but the SDLP said the issue hadn't given it any confidence since it couldn't align this unionist position with its approach in Strands One and

Two where it wished to address the problem of the democratic deficit and democratic accountability. The issue of confidence building had to be seen through all three strands.

59. The party referred to the PUP's earlier comments regarding informal mechanisms to permit greater detail to be made known to communities on government policies. The SDLP said the current Government needed to think about making new announcements of policies and programs. For example on Welfare to Work, why announce this when the real issue was the amount of work available? The party said the Government could encourage and facilitate serious levels of debate in local communities on local development issues by creating informal policy units to iron out the problems on the ground etc. In terms of the NIWC's comments on front loading, the SDLP said it was about creating and sharing what was the best practice and approach from the Government. Such a mechanism would be useful and perhaps also make public services and support more efficient and effective. There was also nothing to stop the quality and equality points being stitched into the 3E's of the public service and nothing to stop the Government bringing some creative thinking to bear with community groups and within its own Departments and Agencies on those sort of lines.

60. The British Government said there was a higher level of involvement in decision making by civil society in Northern Ireland than in Britain. There were mechanisms for consultation, such as with community groups

and through district councils. It referred to discussions in Strand One about how new arrangements would connect with broader society. The British Government said the issue of rights was central to its agenda. The European Convention on Human Rights was currently in the House of Lords. All of the participants were committed to a Bill of Rights, though the details would have to be worked out.

61. The British Government referred to paragraph 23 of its paper on prisoner issues and said the history of the past 30 years made Northern Ireland unique. It said there was no exact international parallel, as many of the other European problems had their origins in the post WWII settlement. There was no model which could be applied to Northern Ireland, hence the importance of the negotiations. It said there was agreement on equality. The economic review to be published the following month would contain proposals and these could be discussed in the Liaison Sub-Committee. The Government would prioritise issues where there was agreement. However, it had certain commitments arising from its election manifesto.

62. The British Government said it had a strategy for tackling long-term unemployment in Northern Ireland. Investment was needed to replace manufacturing industry. Training was central to this, as was the role of the IDB. It observed that golf courses and other leisure amenities were also factors in attracting overseas investors. Lasting peace would be the biggest contribution to attracting inward investment. The British Government said

it wished to develop Northern Ireland's small and medium sized companies as growth in these indigenous companies would produce permanent jobs. Additional funds had been made available under Making Belfast Work for health and education schemes. How this money could be best linked to community schemes would be examined. However, there were no further funds available. The British Government also observed that funding currently available from the EU Peace and Reconciliation Programme might cease in 2000. The British Government said it would respond to suggestions on the issue of child care. It observed that educational disadvantage often occurred in areas that were economically deprived, and said it was attempting to tackle this problem by addressing issues such as nursery care and class sizes.

63. The British Government said that reductions in military spending in the light of an improved security situation would not benefit Northern Ireland as the money was part of the defence budget. It attached importance to the development of a pluralist, multi-cultural society, and instanced the Race Relations Bill. The British Government said it was willing to alter policies if there was sufficient consensus in the negotiations on individual issues.

64. The UUP said it had expected to use the meeting to question the British Government on issues raised. Instead it had heard a generalised response to questions put by all the participants. It said the British

Government had addressed all of the participants bar the UUP by first names and had not looked at the UUP while speaking. It was angry at this dismissal and wondered if it would be necessary to adjourn to allow the British Government to get its act together as it was not prepared to be insulted in this way.

65. The British Government said it did not know the first name of the UUP delegate. It had addressed its comments at the other side of the chamber because it was distracted by the sound of talking beside it. It did not intend to be rude, nor did it believe it had been. The UUP said it was sick of this infantile behaviour and called the British Government a damned liar. [At this point the speaking UUP delegate left the room]. Continuing, the UUP said it had stated it wished to question the British Government, and had indicated the two questions. It was unhappy at the way in which its question had been answered. Referring again to paragraph 23 of the British Government paper, the party said the British Government had said the last 30 years made Northern Ireland unique. Alliance had said that paramilitary organisations were a symptom of the problem. The UUP said the problem was that communal identity and sense of allegiance did not correspond with the boundaries of the state. As this problem occurred elsewhere in the democratic world, if the British Government said there was no useful template that could be applied to Northern Ireland, it wondered to whom it would not be useful.

66. The UUP cited three fundamental principles in resolving such problems: (1) borders as created may not be agreed by all but they are accepted. If not there is recourse to international arbitration or the court in the Hague; (2) where there is dissension in a region of a given state, government services and structures are provided so as to reflect the interests of all those living in the region; (3) where there is a cross-border dimension it develops slowly as confidence is built. These principles were, the UUP stated, endorsed by a range of international organisations, including the European Union, the United Nations, the Council of Europe and the Organisation for Security Co-operation in Europe. The UUP said the only thing unique about Northern Ireland was the solution being proposed. It quoted former Taoiseach Garret FitzGerald as having described the Anglo-Irish Agreement as a 'unique agreement'. The party reiterated its view that there was a clear template and asked the British Government which parts of it were unacceptable.

67. The British Government said it was necessary to define the nature of the problem before identifying a solution. That was what they were trying to do in the talks. It said it did not understand the Framework Document as a model as the talks were to determine arrangements. The UUP responded that they should look to supranational principles. It asked the British Government whether it would accept the template generally. The British Government responded that each of the three principles enunciated by the UUP were incorporated in the negotiations. It undertook to provide the

party with a written answer on this point. The UUP asked again which, if any, of the three principles were not applicable to Northern Ireland. The British Government said that all three were applicable, and all three were being covered in the negotiations.

68. Labour said they had moved into an unanticipated argument, which had nothing to do with the subject in hand. The party was appalled at the conduct of the UUP which, it said, had not listened to the contributions of other participants. It asked the UUP whether it was implying that the British Government did not have the right to promote the current process of negotiations. It wanted to know whether the UUP wished to be in the talks or not. The UUP replied that it did. It had made a presentation on this issues already, and was here to question the British Government.

69. The SDLP wondered whether the UUP might more profitably pursue this issue bilaterally with the British Government. It also wondered whether this subject might be germane to a cross strand issues sub-group, and invited the UUP to reconsider its opposition to a meeting being held in this format. The UUP reminded participants that it had spoken briefly and had asked a simple question which it believed was germane to consideration of the subject in hand.

70. The NIWC referred to the suggestion that problems could not be resolved without first defining them. It said that the Northern Ireland

Forum had agreed to discuss community relations but would not hear from practitioners in this field. It asked the UUP to provide a detailed paper on this issue, to which other participants could subsequently respond. It said that peace had finally been achieved in Lebanon because people had become fed up with the war there. The NIWC averred that the divide in Northern Ireland was between those who were similarly fed up with the war, and those who revelled in it. The Chairman said he intended to conclude the meeting before lunch as a meeting of the Business Committee was scheduled for the afternoon.

71. Sinn Féin observed that most of the participants were agreed on a number of general points that had been raised. It noted that political instability was most acute in deprived areas. It referred to social inclusion as a major issue for Northern Ireland, and asked the British Government to bear this in mind in its comments on consultation. It called on the British Government to increase funding to community schemes. Making Belfast Work had also covered areas such as the arts, education and local councils. It raised the issue of Irish medium education, and said that Making Belfast Work was an important catalyst for regeneration.

72. The PUP observed that it, and the parties sitting near it, were actively involved in community and economic development issues on the ground. It said it, and the adjoining parties, addressed issues that they had to live with. They may not all have the same mandate, but they did have the mandate of

suffering. The PUP said the paramilitary organisations were symptoms of the problem. Economic deprivation and educational disadvantage meant that large sections of society had no stake in Northern Ireland or the democratic process and this resulted in paramilitary membership.

73. The UUP said it did not question the right of participants to be heard. It sympathised with the British Government, as the paper containing the reference to 'uniqueness' had been written by a civil servant. However, if the British Government had written something it should be willing to justify it. The Chairman said the discussion had already lasted over two and a half hours, and asked participants whether they wanted to conclude their consideration of agenda item 2, or continue at the next meeting. Sinn Féin and the British Government said the subject should be revisited at the next meeting. Alliance disagreed. There had been a number of shootings, and the party was anxious to move on to item 3, paramilitary activity. The UUP proposed both items be discussed at the next meeting.

74. The Chairman proposed that the next meeting be held the following week as in two weeks time they would be in Dublin. Sinn Féin raised the holding of a cross strand issues meeting. The SDLP said the Business Committee had not scheduled such a meeting for 11 February. The Chairman said the next meeting of the Sub-committee would be held the week of February 9 at the call of chair. The subject for discussion would be items 2 and 3. Participants could submit papers if they wished, which

would form the basis for a preliminary discussion on paramilitary activity.

The meeting adjourned at 1330.

Independent Chairmen Notetakers

24 February 1998