FROM:

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CONSTITUTIONAL & POLITICAL DIVISION

6 JANUARY 1998

cc (See attached list)

NOTE FOR THE RECORD

SECRETARY OF STATE'S MEETINGS WITH THE UDP AND PUP ON 5 JANUARY 1998

SUMMARY

Two business like meetings with the UDP looking for solutions to the problems of recent days contrasted with continued feelings of disaffection from the talks process expressed by the PUP. The PUP did not make any commitment to return to the talks on 12 January with Billy Hutchinson emphasising this point although remaining friendly throughout the discussion. Both parties emphasised the perception in the loyalist community of being treated as second class citizens by the Government but neither could point to any substantial examples of this. David Ervine and his colleagues expressed annoyance at David Trimble's meetings with the Prime Minister which they view as undermining the Talks. Mr Ervine emphasised the need for a more meaningful and equal method for dealing with Confidence Building Measures within the talks. Both parties were receptive to the Secretary of State's widening of the remit of the Narey Enquiry and to the proposal that talks participants should be provided with pagers to help improve communication with the Government.

Meeting with the UDP Delegation (Gary McMichael, David Adams, John White and Mr McCoubrey)

The Secretary of State opened the meeting by thanking Mr McMichael for his statement on radio this morning which had been helpful to the overall talks process. Mr McMichael replied that the most immediate matters of concern for him were firstly the specific matter which he had raised at his last meeting with the Secretary of State and secondly seeking a statement of intent from the Government that it envisages prisoner releases as part of the overall political settlement. The Secretary of State said that she had resisted excessive tightening of security in the prisons in response to recent events as that could be counter productive. She had also widened the remit of the Narey Enquiry's terms of reference to examine the relationship between the strategic and wider policy within which the prisons operate. That would mean that notice would be taken of the double standards applied to the Maze which patently wasn't an ordinary prison. It was important that the UDP should inform the prisoners that the Narey Enquiry wasn't intended to increase security but rather to open up debate about the broader framework of prisons. At present she couldn't say that publicly as to go further might force her into a resigning position. However, if parties stay with the talks then within weeks it may be possible to have a meaningful discussion about prisons. She first needed to draw the paper up, square it with Narey and then discuss it with the Prime Minister. Mr Ingram said that there had been some tightening of the security in the prisons with visitors being searched and a progressive cell search.

CONFIDENTIAL

Mr White asked what was meant by the relation between prisons and the political process outside. Did that refer for example to special category status. The Secretary of State replied that she didn't know whether Narey would look specifically at special category status but that she was amending the terms of reference to make it as broad as possible. Narey was aware of the contradictions within the Maze whereas Ramsbottom was not and therefore Narey had been asked to look at these particular aspects. Hopefully arising from his conclusions cover might be provided to do one or two additional things about prisoners as part of the overall process. Mr White commented that prisoners shouldn't be looked upon as individuals because they act collectively and there had been no significant release of loyalist prisoners within the three-year ceasefire. The Secretary of State replied that she understood there was a perception out there that perhaps the loyalists were being treated as second class citizens, however, within the current climate she couldn't talk about early releases for anyone. However hopefully the Narey Enquiry would provide a broader backcloth within which to talk about the prison in a month's time or so.

Mr White raised the particular case of prisoner Maurice Gamble, a life sentence prisoner who had recently had his licence revoked due to committing a minor crime. He contrasted this with the case of Gerry Kelly who in his view had committed a more serious crime but had not had his licence revoked. The Secretary of State asked Mr Ingram to look at this particular case although she gave no guarantees that the needs of the UDP could be met. Mr White replied that prisoner Gamble was held in high esteem by the loyalist leadership within the prison and his influence upon the prisoners could be significant. The Secretary of State replied that she would come back quickly on this. Mr McMichael said that he didn't necessarily want any positive action regarding prisoner Gamble to be within the public domain but couldn't give any guarantees that that wouldn't happen.

Mr White said that his party was under pressure from the press with Mr McMichael having had 45 telephone calls the previous evening. The Secretary of State sympathised and asked was there no one within their organisation who could help handle the press. She also raised the suggestion of providing the UDP and the other parties with pagers in order to keep them in contact with Government statements' as they were announced. The UDP were receptive to this proposal. Mr McMichael said that the party was taking the rough with the smooth however they were losing influence. Six months ago the decision about the talks taken within the Maze by the prisoners would not have been taken independently.

Mr Murphy asked if there was merit in the talks discussing the events of the last two weeks. Mr McMichael replied that it would be difficult to stop that. Mr White said that he had been surprised by the extent of the affect on his community and on the prisoners of the talks failure to agree on the key issues before Christmas and that is why they have no faith in the process. It was very important that progress should be made when the talks resume. He felt on reflection that participants should have looked at the issues and come out with an agreement before Christmas. Mr Murphy agreed with his analysis. The Secretary of State said that Ministers had met the previous evening and were drawing up some ideas to help make progress over the next few weeks.

Mr McMichael said the reason why the participants hadn't agreed on the key issues was because they agreed not to force a vote as that would have caused difficulties for Sinn Fein. If there was to be more of the same when the talks resume then it would be impossible to take decisions. In particular, the Irish Government needed to decide whether they were going to commit themselves without Sinn Fein. The PUP's strategy appeared to be to go for the throats of the Irish Government. The UDP was not going to replicate that. He was also worried about the threat to the UDP from the INLA and added that the Government needed to do a great deal to increase levels of confidence in the Unionist and the Loyalist communities. The Secretary of State replied that she hoped that the increase in security would give more presence on the streets but it was hard to prevent random attacks. She asked if there was anything additional that could be done on the security front. Mr White replied that he didn't see that there was much more that could be done. Mr McMichael said it was difficult to put his finger on how to broaden confidence within the Unionist community as there appeared to be a perception that everything was being done for Nationalists. One issue that could perhaps help would be in the long term to provide assistance to the Loyalist community to get better access to EU funding. Mr Murphy replied that he had met with Jim Dougall to discuss this particular need and specific proposals were under consideration. Mr McMichael said that there needed to be a public recognition of disparity in funding between loyalism and republicanism. Secondly, a capacity-building initiative within the Loyalist community in order to increase the number of applications for funding was required. The Secretary of State replied that if the UDP were still hurting when the statement announcing the initiative to provide assistance with completing EU funding applications is made, the Government might try to say that that was responding to the UDP's request for some kind of assistance to give advice on capacity building. She added that other events might overtake the possibility of making such an announcement. It was also important to note that the EU funding would end next year and therefore self sustaining projects needed to be given priority.

Mr McMichael said that something needed to be done to placate people but he wasn't sure exactly what that was. The Secretary of State asked was there anything that could be done to help the boys in prison. Mr McMichael replied [laughingly] that you could let them out. Mr White said that Mr Trimble and Mr Maginnis were planning to visit the prisoners in the Maze tomorrow to try and use their influence because of the seriousness of the situation. He was hoping that they would gain access without too much bother and asked if anything could be done to assist as that be would be helpful. Mr McMichael said that there was a need to stop the domino effect. The UUP had recognised that if the PUP do not return to the talks and things got worst then there was a possibility that the UDP may not be there either. The Secretary of State enquired if there was anything else that she could do to help. Mr McMichael replied that the fact that HMG was presenting itself as neutral in the talks whereas the Taioseach was representing the interests of Nationalists caused problems for his community and that was destabilising the environment. Unionists believe that there is nobody to stand up for them. The Secretary of State asked David Adams if he was OK as he appeared to be rather gloomy. Mr Adams replied yes he was fine and had nothing to add to the discussion. Mr McMichael added that he was doing his best to find a balance, however, he could look foolish if the process collapsed and the PUP's strong arm tactics appeared to have been right all the time. The UDP were taking a risk because they knew what the

alternative was, the nightmare scenario. The <u>Secretary of State</u> said that she wasn't promising but if they needed a meeting with the Prime Minister following their meeting with the prisoners she would try to arrange this. Both she and Mr Murphy remained available to talk to the UDP at any time. <u>Mr McMichael</u> replied that they were using meetings with the Prime Minister sparingly until such times as he or they had something substantial to say but he noted the Secretary of State's invitation.

Meeting with the PUP Delegation (David Ervine, Billy Hutchinson, Hugh Smyth, William Smith, Winston Ray and Dawn Purvis

Mr Ervine opened the discussion by referring to the PUP's recent meeting with the Secretary of State and Mr Ingram in Belfast City Hall at which he had set out his Party's concerns. The Secretary of State replied that she understood that the PUP had concerns about being kept out of the loop, within the talks, and being treated like second class citizens. She had tried in her interview on Sky News yesterday to make it clear that she had made some mistakes and hoped that the interview had given the PUP some credence with their supporters. Some members of the PUP delegation replied that they did not have Sky TV at home. Mr Ervine said that he was not happy that David Trimble was seeing the Prime Minister today. The Secretary of State replied that she had made it clear to the Prime Minister that he should meet with other parties in the Talks also and enquired whether such a meeting would be helpful for the PUP.

Mr Ervine said that the Secretary of State had left out of her summary the piece on Confidence Building Measures (CBMs) which needed to be dealt with within the process otherwise the talks would run into the sand as they were there virtually already. He alleged that the two Governments were looking at CBMs from the perspective of the cold war dealing with the politics of need rather than the politics of want. Dr Mowlam asked whether the PUP wanted all CBMs to go through the CBM liaison sub-committee. She explained that there were certain things that the Government had said while in opposition that they would do, for example the EPA, dealing with policing and setting up the Parades Commission. These were commitments given before the election and were not Confidence Building Measures. Mr Ervine replied that it was important that confidence should be built for the wider community, otherwise the process would be in trouble. The communities needed to treat each other with confidence asking what they require of each other. For example, if the UUP were to engage with Sinn Fein in the CBM liaison sub-committee then Sinn Fein might say that the UUP were serious about the process. In turn the UUP might get Sinn Fein to desist from street protests.

William Smith commented that he didn't have Sky Television and therefore hadn't seen the Secretary of State's interview. The fact that the Prime Minister was meeting Trimble, undermined the meetings the Secretary of State was having at Parliament Buildings because David was going over to see the Prime Minister and therefore was more important. Issues needed to be dealt with inside the process, the fact that Trimble was not operating within the process damaged it. Mr Murphy commented that there may be a case for Ministers to attend the CBM liaison sub-committee. Mr Hutchinson said that we needed to get people signed up to the principles of what CBMs are. The Irish Government shouldn't go about making concessions to the nationalist community while HMG said that it was neutral in how it governed Northern Ireland. The Secretary

of State replied that if the Irish Government was to state that it represented both communities the unionist community would not believe such a statement.

Mr Hutchinson replied that what the PUP was looking for from the Irish Government was sensitivity. The Irish Government had said that the release of nine of IRA prisoners was a CBM, when in fact it wasn't a CBM. Hugh Smith said that his community had problems with HMG saying that is was neutral. The Prime Minister needed to go beyond saying that Northern Ireland will remain part of the UK for as long as the majority of people wanted it to do so and add that we (HMG) hope that it will.

Mr Ervine said that on 17 December, the only people talking positively about the Talks process was himself and the Taoiseach in the statements he had made in Boston. However, when the Taoiseach returned to Dublin the next day, his comments had become less positive because [in Ervine's opinion] he was persuaded that action was required to assist Sinn Fein and the nine prisoners were then released. The Irish Government had moved away from the joint SDLP/UUP paper in order to cease the exposure of Sinn Fein then in addition gave the IRA prizes. That was the perception within the loyalist community. Mr Hutchinson commented that the Prime Minister's pre-Christmas visit had been blown out of the water by the Irish Government's announcement of the release of the nine prisoners. William Smith said that in the recent CBM liaison sub-committee meeting the SDLP had "kicked up" about troop levels within the nationalist community and rather than have the issue dealt with in the sub-committee had gone straight to the Prime Minister to complain. Mr Murphy commented that the Government needed to re-look at the way in which the CBM liaison sub-committee operated.

The Secretary of State said that the Government needed to communicate to people that progress on equality issues were separate to CBMs in relation to the process. William Smith replied that the perception in his community was that the policy was based on concessions to nationalism. The Government hadn't grasped the feelings of loyalism. David Ervine commented that the CBMs were seen as another sweetener to keep Sinn Fein in the peace process and the Government needed to think about what it was doing before it actually did it. Mr Ingram commented that that may mean doing nothing. Mr Ervine referred to a fringe meeting at the 1997 Labour conference in Brighton at which he asked the Secretary of State to deal with CBMs within the talks process. He accepted that the Secretary of State could probably prove where she had set out in the Labour manifesto the various equality issues as commitments. However, the perception in the loyalist community was that Dr Mowlam has a nationalist agenda. He asked the Secretary of State if her Northern Ireland civil servants who live in the community were saying the same sort of things that he was saying about the perception of the Unionist Community. If they were then that would validate what he himself was saying. The Secretary of State replied that she asks her Northern Ireland civil servants for their views.

Mr Ervine said that the CBM liaison sub-committee needed to deal with a whole series of issues with his community. The UUP did not believe that Sinn Fein were real about the process, therefore, the Government was trapped into doing CBMs on things such as prisoners issues, etc and Sinn Fein were therefore seen as dealing with their equality agenda. People in his community were listening to McCartney and Paisley when they

CONFIDENTIAL

referred to the talks as a flawed process. Trimble needed to be forced into a confrontation with Sinn Fein in the CBM liaison sub-committee. Mr Hutchinson commented the UUP had engaged with Sinn Fein a couple of times in the Decommissioning liaison sub-committee.

The Secretary of State summarised the PUPs position as Sinn Fein were not operating in the real world and the UUP were therefore not engaged with Sinn Fein in the process. Mr Ervine said that he plainly believed that we have a serious problem with the process and it was not about prisoners. The Secretary of State replied that she accepted that. The Secretary of State asked if it would be helpful to the PUP if she repeated in the local media what she had said in her Sky News interview. Mr Ervine replied that it would be difficult for the PUP to remain with a process from which they felt excluded and one in which their community had no confidence. The Secretary of State replied that she would talk to the Prime Minister regarding how the process was managed, and hoped that by Wednesday she should be able to say something substantial about that. Mr Ervine said that the PUP was seeing the Irish Government on Wednesday and would say to them that the only thing that was saving them and the PUP is the discipline of the UVF because the UFF and LVF are all over the place. UVF commanders were reporting to him that their ankles were being bit by prisoners saying that war is easier, they listen to the PUP and then things happen which they say didn't need to happen.

William Smith said that the PUP had been in the process for a very long time and that even when the IRA had blown up Canary Wharf, the PUP had got no help from the Government and at present he could see no light at the end of the tunnel. Mr Ervine commented that we have done a hell of a job to get this far and to lose it by a default would be tragic. Mr Hutchinson said that some UVF people expected him to lose his life but not his creditability because of the process. Hugh Smith said that the PUP couldn't be treated as second class citizens. The unionist community had been stripped of everything from Stormont right through to changing the UDR. All of this had been seen as concessions to nationalists.

Mr Ervine said that the PUP had begged the previous Government not to give the LVF a separate wing in the Maze, when there were only four LVF prisoners. He had been told that a separate wing had been designated in order to clear Maghaberry of paramilitary prisoners. He now knows that that wasn't true and as a result the number of LVF prisoners had increased substantially. He said that there is an element within the British establishment, particularly the security services, which believes that if you have politics in Northern Ireland which is driven by sectarianism then it would be possible to say that the process had been defeated. That would enable a British Prime Minister to stand at the despatch box and say some time in the future, that we have done everything we could but we have been defeated by sectarian politics. The Secretary of State replied that Mr Ervine had not been the first to mention problems within the security services but he like others had not been specific enough in his allegations. She noted that there had been unhelpful leaks recently. On the publicity front she said that the Government needed to do a better job to get its message out. Part of this might be through better communication with the parties and suggested that pagers could be made available to the parties to inform them of Government announcements. The PUP were receptive to this idea. With regard to the situation in the Maze, she had been under pressure to take

more direct action to minimise the security risk but she hadn't, although she had tightened up some aspects. However, she had widened the remit of the Narey Enquiry to examine the relationship between the prisons and the wider policy within which they operate. That was to provide cover for looking at the double standards which operated in relation to the prisons and hopefully lead to a discussion about dealing with prisoner issues in a more meaningful way. Out of that she hoped to get some things that would enable the examination of the broader issues about the status and future of prisoners. Mr Ervine replied that he would be deeply worried if the three INLA prisoners accused of the murder of Billy Wright were returned to their prison wing after trial. He would have the same concerns about prisoner Avrill if he was returned to his former wing following capture. Both of these incidents had been a breach of status and therefore the prisoners concerned needed to lose status. The Secretary of State replied that she hoped that the PUP would find time to give evidence to Narey.

Mr Hutchinson said that when he was in the Maze a prisoner who had returned drunk from parole had been transferred out as that was seen as an infringement of the rules.

William Smith referred to a statement by Alan Shannon in which he appeared to blame the murder of Billy Wright on the segregated nature of the Maze and implied that if it had been an integrated prison the murder would not have happened. That concerned him because two prisoners had been blown up in Crumlin Road, under forced integration conditions. The Secretary of State asked Mr Ingram to discuss this with Mr Shannon. Mr Hutchinson commented that Mr Steele had said to him privately that the Maze was the best prison in Europe when it had operated under special category status. Mr Hutchinson said that he had asked Mr Ingram and Mr Shannon to publicise the fact that only a small number of the 400 prisoners released early since 1985-87 had been rearrested because that was a good record when compared with the position for reoffenders in Great Britain. Mr Ervine said that he agreed with the Secretary of State's widening of the Narey Enquiry but the whole of society needed to be looked at because it was sectarian and the truth needed to be told. Trimble and others were looking at society through rose tinted spectacles. Mr Ingram commented that that would open a very big can of worms in terms of attracting jobs.

Winston Ray said that the Secretary of State needed to say on local TV what she had said on Sky News. Mr Hutchinson said that that was not enough for him and he would be working within the party to make sure that they did not turn up at the talks on Monday. He alleged that the PUP had been given no recognition and had been given nothing except the removal of two bollards from the top of his street. He alleged that there were people within the Civil Service who were working against the Secretary of State and his party and the process. The Secretary of State asked how she should deal with that. Mr Hutchinson replied that she needed to appoint somebody from outside, perhaps from England, to oversee this place [presuming he meant the NIO]. Mr Ervine said that she was the biggest victim. The Secretary of State said that it would be difficult to take on a whole organisation. She said that she had restructured the Information Service and was also in the process of restructuring Central Secretariat and hoped to move into Central Secretariat three or four people who were lower down the organisation and from a different generation who would drive things through.

Mr Hutchinson said that his attitude to continuing in the talks was not a fit of pique. William Smith said that in the first half of the talks the Chairmen had ran them and that everyone had been treated the same, however in the latter half the two Governments had been running the show and that was why the PUP were feeling excluded. The Secretary of State asked the PUP to clarify in what way they were not being treated equally. Mr Hutchinson referred to a recent traffic incident in Twinbrook, part of Gerry Adams' constituency, where a child had been knocked down by a car. Lord Dubs had reacted to this quickly by visiting the scene followed up by action from the DOE to slow down traffic in the area. That contrasted with a similar road traffic accident within David Ervine's constituency where the DOE had been dragging its heels in terms of taking action. William Smith said that trying to get a meeting with Mr Ingram was like trying to get an audience with the Pope. Last July he had asked for a meeting to discuss Harland & Wolff and O'Haras and had been told to put this request in writing and eventually got the meeting in September. Mr Ingram replied that he accepted there had been difficulties with meetings in July because of particularly difficult problems but there were no problems with meetings lately. [The PUP did not respond to this.] Mr Smith then referred to Mr Ervine's application for a personal protection weapon over a year ago which had not been granted. In the same period the RUC Special Branch visited his home on ten occasions to tell him that he was under threat. He also referred to a another member of the PUP, Billy Greer, who was in a similar position.

Mr Ervine ended by saying that his party was not anti-dialogue but there was a strong probability that they would not go to the talks on Monday. Mr Hutchinson said that the party was not closing the door on talks and that the UVF and Red Hand Commandos were linking the future of their ceasefire to what was going on in the talks rather than the PUP's continuing participation in the talks. The Secretary of State replied that she and Mr Murphy would keep in touch with the PUP.

Signed: Jackie Johnston

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