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MACBRIDE CAMPAIGN

1. A copy of the MacBride Principles is attached at Annex A.

BACKGROUND

2. Government has consistently opposed the MacBride campaign as being counter-productive in that it will adversely impact on the investment and new jobs in Northern Ireland that are vital to progress in the fair employment field. The basis of the opposition is set out in more detail in the pamphlet "What's Wrong with the MacBride campaign" (Annex B).
3. Government strategy in countering MacBride in the United States has consisted in the main of -
 - (i) lobbying of influential state legislators and their "staffers" by Embassy and Consular officials;
 - (ii) appearances by witnesses from Northern Ireland at hearings on MacBride Legislation and lobbying State Legislatures etc; and
 - (iii) the use of professional lobbyists (during 1989 lobbyists have been employed in 8 states).

Programme cost allocated for 1989/90 is £265,000. Total programme expenditure to date on counter-MacBride activity has been £461,863.

STATE LEGISLATIVE POSITION

4. By the end of 1988 10 States had passed MacBride Bills (Connecticut, Florida, Illinois, Massachusetts, Maine, Michigan, Minnesota, New Jersey, New York and Rhode Island).

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5. This year, Bills re-emerged in 7 States (California, Pennsylvania, Maryland, Massachusetts, New Hampshire, Ohio and Vermont) and appeared for the first time in 6 States (Indiana, Missouri, Nebraska, Oklahoma, Texas and Utah). The tally of results to date shows 8 successes, MacBride legislation having failed to get through in California, Indiana, Maryland, Missouri, Nebraska, Oklahoma, Texas and Utah. Only 2 Bills have been passed - in New Hampshire and Vermont. Bills are still with the legislatures in Ohio, Massachusetts and Pennsylvania. The first two are dormant but in Pennsylvania it has become apparent, following a hearing on the MacBride Principles on 19 September in the Senate Finance Committee, that pressure is building for movement on the Bills being held in that Committee.

6. Four of the 13 Bills tabled this year have at the outset featured divestment clauses, a somewhat different situation to previous years when Bills incorporating such clauses tended to predominate. Massachusetts has been the only State to move on divestment (earlier this year), but without enabling legislation and on the basis of what transpired to have been a case of sheer administrative inefficiency. A threat of divestment has been reported from New York State (where the MacBride legislation contains discretionary divestment provisions) but to date this has not materialised. One State - Connecticut - has legislation mandating divestment from companies that have not accepted and implemented the MacBride Principles and the time is fast approaching - May 1990 - when decisions have to be taken on the 10 companies in which investments are held (to a total value of \$74m and including such companies as AVX, Interface, Pitney Bowes, Nynex, Teleflex and VF).

7. In total, MacBride legislation is now in place in 12 States.

FEDERAL LEGISLATIVE POSITION

8. Interest in fair employment in Northern Ireland continues at Federal level. Congressman Joe Kennedy's amendment to the Defence Authorisation Act was signed into law in September 1988. The amendment, although not overtly MacBride related, was intended to prevent the Department of Defence from giving contracts to Shorts for the supply of Sherpa aircraft to the

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National Guard unless the Company provided the Army Secretary with a commitment that it would support equal opportunity policies - the commitment was given and the contract placed.

9. In April 1989 Senator Lautenberg introduced a Bill (with MacBride provisions) which requires (i) monitoring of the extent to which US companies, in which pension funds are invested, comply with the amplified MacBride Principles; and (ii) the initiation and support of shareholder resolutions. The Bill has to date made little progress.
10. The D'Amato/Fish Bills (both incorporating MacBride provisions) were re-introduced in Congress, as was Congressman Brian Donnelly's Bill. All appear to be dormant. The D'Amato/Fish Bills would require (i) compliance with the MacBride Principles by US-owned firms operating in Northern Ireland and (ii) a ban on imports from US companies in Northern Ireland not adhering to the MacBride Principles. Congressman Donnelly's Bill, in which MacBride does not feature, would provide a tax reward (likely to prove negligible) for a US company carrying on business in Northern Ireland and drawing at least 40% of its workforce from a religious minority, while fiscal and criminal sanctions (far outweighing the incentive element) could be incurred by any US company deemed guilty of discrimination.

CITY LEGISLATION

11. It is believed that at least 20 cities have passed MacBride resolutions and ordinances, some 6 of which incorporate divestment requirements. Of particular interest are the San Francisco ordinance (which got through in the face of quite strong opposition) and Mayor Flynn's recent well publicised divestment moves in Boston (where a counter-lobby is being mounted by HMG). Flynn has alleged that Mayor Daley of Chicago, with whom he has been in touch, will be taking a similar initiative.

US COMPANIES

12. 26 companies received shareholder resolutions in 1989 compared with 17 in 1988 and the number is expected to be approaching 40 in 1990. Average support for the resolutions in 1989 was around 8-9%. So far no US company

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has adopted the MacBride Principles, although, according to a recent report by the Illinois State Legislature, a few of the companies that have newly attracted attention (in the service sector) could be coming close to supporting the Principles, at least one having stated that it 'adheres' to them.

13. DED officials in association with IDB colleagues early this year carried out a further round of 're-assurance' visits to US companies (locally, in GB and the US). Attitudes continue to vary, ranging from some who see MacBride as a major irritant to others who take a more sanguine view. There remains a general reluctance to risk exposure to further attack by taking an overtly pro-active role in opposing MacBride.

IMPACT OF THE FAIR EMPLOYMENT (NI) ACT 1989

14. Copies of the Brochure on the Fair Employment Act and the leaflet "What's Wrong with the MacBride Campaign" have been widely distributed in the US. While the Act should convince the more moderate elements of Irish-American opinion of HMG's good intentions it is clear that in many instances judgement will be reserved until the emergence of evidence of the Act's impact in practice. More extreme Irish-American groups have already begun to exploit the public criticism of the Act that has emanated from Dr Christopher McCrudden, the academic lawyer who advised the Official Opposition during the legislation's passage through Parliament and is apparently at liberty to elaborate publicly the Opposition's view of the flawed nature of the legislation as it finally emerged.
15. MacBride proponents have made clear their intention to step up their activities in the face of the legislation. In the words of the 'Irish Voice' Irish Americans are being asked to "redouble their efforts to have MacBride legislation passed so that further pressure can be brought on the British to come up with a better bill".

ROI ATTITUDE

16. The Irish Government have acknowledged that the new legislation "is a serious attempt to respond to the problem and to point the way forward".

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In a written answer in the Dail in April 1989, however, Mr Lenihan stated that "there is nothing objectionable in the MacBride Principles. We fully understand and share the anxieties of Irish Americans about discrimination in employment in Northern Ireland".

SDLP

17. The SDLP have welcomed the Fair Employment Act as a major step forward, but with some reservations. John Hume has continued to condemn the campaign from time to time but appears to have made little or no attempt to use his influence to stop MacBride legislation.

CATHOLIC CHURCH

18. The Catholic Church has continued to avoid being drawn on its stance on the MacBride Principles but speculation that Cardinal O'Fiaich would be coming out in support of them has not been realised. Bishop Cahal Daly made a statement in Boston that "misuse of the MacBride Principles could destroy existing industry". No statement has been made so far about the new legislation.

TRADE UNIONS

19. NIC/ICTU did not issue a statement on the Act. It did however produce a pamphlet in July 1989 which stated that the Bill "as it stands is considerably better than the original draft ... Congress still views the legislation as considerably flawed". A motion supporting the MacBride Principles was defeated at the T&GWU Bi-Annual Conference in Great Britain in July 1989 but no official stance has been taken by ICTU on the issue (a motion on the MacBride Principles was remitted for further consideration at the ICTU Conference in 1987).

CONCLUSIONS

20. The past year has seen us heavily embattled with the MacBride campaigners on 12 fronts. To have been successful in 10 States (assuming that

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Pennsylvania is held and Ohio and Massachusetts remain dormant) and suffered losses in only 2 (has been a good return for the effort expended) At Federal level there have been no signs of matters getting out of hand and the position has been well held by the companies, both at FMs and amongst corporate managements.

21. A potentially damaging development this year has been the attempt by Fr Sean McManus to persuade the US Justice Department that people putting the Northern Ireland case at MacBride hearing or as lobbyists should be obliged to register under the Foreign Agents Registration Act 1938. If this initiative succeeds it will clearly be considerably more difficult to secure volunteers for visits to the US.
22. The prospects for next year are for renewed confrontation in nearly all of the States where MacBride has been unsuccessful this year and for extension of the campaign to previously untackled States. It should hopefully be a good deal more difficult for the MacBride lobby the further they stray from the East and major metropolitan areas such as Chicago and San Francisco.
23. A review of the strategy for countering MacBride in the coming year is at an advanced stage and the matter is shortly to be discussed with Ministers. The Fair Employment Act is of course a key consideration in the review.

DEPARTMENT OF ECONOMIC DEVELOPMENT
OCTOBER 1989

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THE MacBRIDE PRINCIPLES FOR NORTHERN IRELAND

The full text of the MacBride Principles is reproduced below. Also below, in italics, is the amplification to the principles issued by Dr MacBride in 1986.

In light of decreasing employment opportunities in Northern Ireland and on a global scale, and in order to guarantee equal access to regional employment the undersigned propose the following equal opportunity/affirmative action principles:

1. Increasing the representation of individuals from under-represented religious groups in the workforce including managerial, supervisory, administrative, clerical and technical jobs.

A workforce that is severely unbalanced may indicate prima facie that full equality of opportunity is not being afforded all segments of the community in Northern Ireland. Each signatory to the MacBride Principles must make every reasonable lawful effort to increase the representation of under-represented religious groups at all levels of its operations in Northern Ireland.

2. Adequate security for the protection of minority employees both at the workplace and while travelling to and from work. While total security can be guaranteed nowhere today in Northern Ireland, each signatory to the MacBride Principles must make reasonable good faith efforts to protect workers against intimidation and physical abuse at the workplace. Signatories must also make reasonable good faith efforts to ensure that applicants are not deterred from seeking employment because of fear for their personal safety at the workplace or while travelling to and from work.

3. The banning of provocative religious or political emblems from the workplace.

Each signatory to the MacBride Principles must make reasonable good faith efforts to prevent the display of provocative sectarian emblems at their plants in Northern Ireland.

4. All job openings should be publicly advertised and special recruitment efforts should be made to attract applicants from under-represented religious groups.

Signatories to the MacBride Principles must exert special efforts to attract employment applications from the sectarian community that is substantially under-represented in the workforce. This should not be construed to imply a diminution of opportunity for other applicants.

5. Layoff, recall, and termination procedures should not in practice, favour particular religious groupings.

Each signatory of the MacBride Principles must make reasonable good faith efforts to ensure that layoff, recall and termination procedures do not penalise a particular religious group disproportionately. Layoff and termination practices that involve seniority solely can result in discrimination against a particular religious group if the bulk of employees with greatest seniority are disproportionately from another religious group.

6. The abolition of job reservations, apprenticeship restrictions, and differential employment criteria, which discriminate on the basis of religion or ethnic origin.

Signatories to the MacBride Principles must make reasonable good faith efforts to abolish all differential employment criteria whose effect is discrimination on the basis of religion. For example, job reservations and apprenticeship regulations that favour relatives of current or former employees can, in practice, promote religious discrimination if the company's workforce has historically been disproportionately drawn from another religious group.

7. The development of training programs that will prepare substantial numbers of current minority employees for skilled jobs, including the expansion of existing programs and the creation of new programs to train, upgrade, and improve the skills of minority employees.

This does not imply that such programs should not be open to all members of the workforce equally.

8. The establishment of procedures to assess, identify, and actively recruit minority employees with potential for further advancement.

This section does not imply that such procedures should not apply to all employees equally.

9. The appointment of a senior management staff member to oversee the company's affirmative action efforts and the setting up of timetables to carry out affirmative action principles.

In addition to the above, each signatory to the MacBride principles is required to report annually to an independent monitoring agency on its progress in the implementation of these principles.

Sean MacBride - Dublin, Ireland
 Dr John Robb - Ballymoney, Northern Ireland
 Inez McCormack - Belfast, Northern Ireland
 Fr Brian Brady - Belfast, Northern Ireland