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FROM: PS/SECRETARY OF STATE  
4 April 1996

cc PS/Secretary of State (B&L) - B  
PS/Michael Ancram (B&L) - B  
PS/Sir John Wheeler (B&L) - B  
PS/Mr Moss (DHSS&L) - B  
PS/Baroness Denton (DED&L) - B  
PS/PUS (B&L) - B  
PS/Sir David Fell - B  
Mr Thomas - B  
Mr Legge - B  
Mr Bell - B  
Mr Leach - B  
Mr Steele - B  
Mr Watkins - B  
Mr Maccabe - B  
Dr Harbison, DHSS  
Mr Shannon - B  
Mr Perry - B  
Mrs Collins - B  
Mr Gibson, DHSS  
Mr Haire, DED  
Mr McDonnell, DHSS  
Mr Caldwell, DED  
Mr Hill - B  
Mr Stephens - B  
Mrs Brown - B  
Mr Arbuthnot, DED

Mr McVeigh - B

SECRETARY OF STATE'S MEETING WITH THE FOUR MAIN CHURCH LEADERS:  
2 APRIL 1996

The Secretary of State was very grateful for the briefing provided with your minute of 1 April 1996 in preparation for his meeting with the main Church Leaders on 2 April. As expected, Archbishop Eames, Cardinal Daly, Dr Ross and Reverend Walpole attended and were accompanied by Sam Hutchinson and Edmund Mawhinney.

2. After some initial welcoming remarks, the Secretary of State suggested that we move straight onto the first item on the agenda which was Sunday Trading.

3. The Moderator opened the debate on this by saying that it was well known that the churches had concerns about the prospects for Sunday Trading. He said they represented a large body of public opinion which was both respectable and realistic. He thought that

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having a day of rest was particularly important now. There was too much stress in Northern Ireland as it was and he was not sure who wanted Sunday to be the same as any other day. He thought that the peace and quiet which characterised Northern Ireland's rural areas would be eroded and ultimately destroyed. He was nevertheless realistic and recognised that freedom of choice was a crucial aspect. However he was sure that some individuals would be discriminated against and it would be difficult to protect those who didn't want to work on a Sunday.

4. Continuing, the Moderator said that the proposed legislation did not reflect any sensitivity to the culture of Northern Ireland. The Churches had described it as an 'unwarranted assault' on a way of life which should not be subordinated to commercial interest. He asked why there was a need to rush through the legislation. He was aware that the law needed changing and was currently widely ignored but he felt this was being imposed too quickly. He had three specific questions:

- (a) What role should the Northern Ireland Select Committee have in this?
- (b) What role would a future Assembly have in dealing with Sunday Trading?
- (c) Why should Northern Ireland not be more in step with the rest of Europe, where Sunday was observed, rather than Great Britain?

5. The Cardinal supported the Moderator by saying that all four Church Leaders were united on this issue. It was not just a question of religious reasons: there were social and human reasons for opposing it as well aimed at maintaining what was an extremely high quality of life in Northern Ireland.

6. In discussion the following further points were made:

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- (a) There was no regulation of Sunday Trading in the Republic and it was not clear that the absence of that had undermined the peace and tranquillity of Sundays South of the border. On the other hand, the Church Leaders were convinced that regulating Sunday Trading in Northern Ireland would eventually erode the quality of life on Sunday. Sunday was still a recognisably different day in the Republic, but this was largely to do with the culture.
- (b) Scotland also had total deregulation for trading on Sunday - indeed the only thing you could not do was hair dressing! It was extremely popular and it was arguable that there was a close link between the Scottish character and that of Northern Ireland. On the other hand, there had been adverse effects in Scotland in that out of town shopping malls had tended to undermine town centres and small shops. Church attendance had also declined significantly. It was not a question of comparisons but more of trying to retain a distinctiveness in Northern Ireland.
- (c) Many people wished to go out shopping on Sunday and it would be difficult to go against the majority view unless the downside effects were very severe. The current Government was in favour of deregulation and it was a fact that Sunday Trading in England and Wales was extremely popular. The new laws were a vast improvement on the old anomalous legislation which was in any case largely ignored.
- (d) Nevertheless, safeguards were important. Northern Ireland already had very strong fair employment law and the proposed legislation would ensure that there was no detriment to those who did not want to work on Sundays. Existing employers would have the opportunity to opt into Sunday working. New employees would have the

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opportunity to opt out of Sunday working by giving three months notice.

- (e) The Church Leaders felt that in a small community like Northern Ireland, where everyone knew everyone else and knew their feelings, legislation would not provide protection.
- (f) The consultation exercise had shown a majority in favour of allowing Sunday Trading. It was accepted however that the difference between the figures was not great.

7. Summing up, the Secretary of State said that he would heed seriously the view taken by the Church Leaders that he should look again at the timing of the legislation in question whether it needed to be pushed through. This could also take into account the political developments including the prospects of a devolved Assembly. There was the 13 week consultation period which was due to expire on 7 June (very adjacent to the start of all party talks on 10 June!) and we would review the situation again then.

Fair Employment and Inward Investment

8. The Cardinal reported on a recent visit by the Church Leaders to the United States where there had been a welcome for improvements in Fair Employment Legislation and Investment. There was however still a need to do more and in particular a need for more jobs. Fair Employment and Inward Investment were inextricably linked. Unemployment remained a major problem with political implications: it increased the vulnerability of young people to pressure from the paramilitaries. The Church Leaders felt that a large amount of investment was waiting on a resumption of the ceasefire.

9. The Secretary of State said that he regarded the role of churches in this field as very important. He commented that the way the McBride principles had been promoted had caused real problems and had destroyed rather than created jobs. The Church Leaders had

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helped take the steam out of McBride. He also agreed that unemployment was a significant destabilising factor. The scene nevertheless was still hopeful. Employment was at an all time high and unemployment continued to fall though it was still at too high a level at 11.6%. He was very pleased to observe that the fall had been particularly pronounced in the long term unemployed. There had also been a significant closing of the gap between protestants and catholics in managerial jobs. He said that there had been a good deal of inward investment for the ceasefire and he had been pleased that there had been no significant fall off since the ceasefire was broken on 9 February. He said that the consistent message from those investing in Northern Ireland was that they had done it on the basis of the quality of the workforce and low non-salarial costs compared with the rest of the UK and Europe. Inward investors also benefited from good infrastructure and ports. On the more specific issues, he was very encouraged by the prospects of a visit by representatives of a large San Fransico pension fund and the recent visit by the UK-Japan 2000 Group.

10. However, the Secretary of State said that he was not in any way complacent. The Fair Employment Act was being reviewed by SACHR, their report would be ready in autumn 1996.

ACE Budget Cuts

11. The Secretary of State said that he recognised that this had been a painful decision. The Northern Ireland budget was under huge pressure from the Treasury and in the last PES settlement we had done extremely well to secure a small increase compared with, for example, Scotland who had had their budget slashed by 17%. Pressure on running costs remained intense. There had also been a 25% cut in ACE. This had partly been because unemployment had fallen. But it was also relevant that we had recently launched an alternative pilot scheme aimed at the long term unemployed, the Community Work Programme, which offered 1000 places on a 'benefits plus' basis. Unfortunately only about 500 had so far been taken up.

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12. In discussion the following points were made:

- (a) The churches felt that the cuts in the ACE budget had had a disproportionate effect on projects which they were supporting, and which provided a cushion against deprivation especially in West Belfast.
- (b) Some of the schemes supported by the church through the ACE programme had in some cases allowed the unemployable to be employed.
- (c) On the other hand, ACE tended to favour those on lower rates of benefit eg married women and younger men. It was not touching the older family man who was perhaps more likely to be long term unemployed. The Community Work Programme was designed to reach those parts that the ACE programme did not.
- (d) The Community Work Programme had been running now for a year. The Government would also be carrying out a more general review of how long term unemployment was dealt with and a task force had been established to examine the question. It was expected to report around September at which point the views of all parts of the community would be sought.

13. Summing up, the Secretary of State said that there were no plans for further cuts in the ACE budget. But he was nevertheless in the hands of the Treasury. Other pressures, for example on BSE compensation, would put enormous pressure on public spending. At the end of the day we wanted to push unemployment down so that the need for schemes of this kind also reduced.

Parades

14. The Secretary of State said that he had recently met the Chief Constable to discuss this issue. Sir John Wheeler was also

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carrying out a large number of discussions with the relevant parties. Regrettably, there had been no softening of attitudes, in contrast there had been a general hardening. At the same time, it was worth pointing out that of 3,500 parades last year only 13 led to disorder. Parades were part of the Northern Ireland tradition and they were not going to stop because an Englishman said so. The other important factor was the operational independence of the Chief Constable who needed to balance the conflicting rights of those wishing to march and those wishing not to be intimidated. The Easter Apprentice Boys march down the Ormeau Road would not happen and the RUC had issued an order to that effect. The next likely flash point would be in Portadown on 7 July. The necessary resources, including the military if need be, would be made available to ensure that the law and order was preserved. He said that the churches had an important role to play, which would probably be more effective in private rather than publicly.

15. Archbishop Eames reported on discussions he had undertaken recently with the Portadown Orangemen. He had been encouraged that they were making plain that they did not want other groups taking part in their march. But in every other respect their position had hardened. They were determined to go down the Garvaghy Road and to start their march from Drumcree. They had claimed that the problems in Larne associated with last years Portadown march would be nothing compared to what they were prepared to contemplate in Portadown itself. They were extremely determined. He agreed with the Secretary of State that the churches would work most effectively privately rather than issuing public statements.

16. Mr Walpole asked about the possibility of a small independent group to arbitrate. The Secretary of State said that this had been an idea which had been mentioned on several occasions before. The problem was to find an acceptable group of people. He said that the ~~Mediation~~ Network had been rebuffed by the organisers this year, it was not easy to see who might replace them. He wondered whether it was possible to prevent the Orangemen in Portadown having a service at Drumcree. The Archbishop said that this would not work. They

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would simply go to a field and have their service there. On the question of operational independence, there was the inevitable perception that it was in fact subject to interference from Dublin.

Political Process

17. The Secretary of State gave a summary of the current political position. He said that he did not hold out much prospect for an early renewal of the ceasefire, though he hoped he would be wrong. Archbishop Eames said that there would be a need for a major education effort across Northern Ireland to explain the election proposals. The Secretary of State agreed with this, though he made the point that the actual voting was extremely easy for the voter who only had to put his cross against one party. He said that talks would go ahead even if there were no ceasefire but Sinn Fein would not be present in those circumstances. He waited to see what the SDLP would be prepared to do. He thought the current process was putting enormous pressure on Sinn Fein.

18. All four Church Leaders said that they were entirely behind the Secretary of State. The Cardinal said that we were trying to achieve the 'necessary impossible'.

Comment

19. This was a good meeting with the Church Leaders who in general were very supportive of the Government's position on the political process, though they made a firm case for their views in respect of Sunday Trading and other social issues. Some very constructive comments were made by the Church Leaders in the doorstep immediately after the meeting, including an acknowledgement by the Cardinal that the elections were a gateway to negotiation rather than an end in themselves.

Signed

MARTIN HOWARD  
Private Secretary

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