

Sent to Vol Sec
8/12/89.

COPY

17/12
M. Hume
Fair Conway mill file.
h. 12

DATE FOR ANSWER: 14 DECEMBER 1989

ORAL NO: 5250

Mr John Hume (Foyle): To ask the Secretary of State for Northern Ireland if he will make a statement on the Government's reasons for refusing to fund the activities at Conway Mill in Belfast.

MR BROOKE

As indicated in my predecessor's written reply of 9 February 1989 to the Hon Member for Derby North Government policy on the payment of public funds to community groups, where there is evidence that such payments could directly or indirectly further the aims of a paramilitary organisation, has been applied to groups operating in or out of Conway Mill because of the nature and extent of paramilitary influence within the Mill.

C O N F I D E N T I A L

CONWAY MILL: PQ ORAL NO 5250

BACKGROUND NOTE

1. Conway Street Mill is located in the lower Falls areas of West Belfast. Formerly the Falls Flax Company it was sold in 1982 to Gerry Adams and others. In February 1988 ownership passed to a local Limited Company, Conway Community Enterprises. The Directors are Father Desmond Wilson, Mr Alfred Hannaway, Mr Colm Bradley and Mr Francis Cahill.
2. In 1985, following concern about the possible exploitation of public funds by or to the benefit of paramilitary organisations the then Secretary of State Mr Hurd, decided that public money should be withheld from community groups where there is evidence that payment could directly or indirectly further the aims of a paramilitary organisation. This decision was announced in a written Parliamentary answer on 27 June 1985 (copy attached) which remains the basis of Government policy. (The policy was considered and approved by the present Secretary of State in October 1989).
3. The first groups denied support under the June 1985 Statement were based in Conway Mill. Subsequently on the basis of confidential advice concerning strong paramilitary connections with the Mill complex Mr King decided in September 1985 that Government assistance should not be provided for any activity based in the Mill. Following that decision grants to a number of bodies operating in and out of the Mill were terminated.
4. The application of the Policy to bodies operating in or out of the Mill, or proposing to set up in the Mill, has been reviewed on a number of occasions most recently by the present Secretary of State in October 1989. On each occasion it was decided that the application of the Policy should remain unchanged. This was in spite of changes in the activities carried out in the Mill

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and the fact that some of the activities may be intrinsically acceptable and meet a need in the area.

5. The Policy in respect of the Mill has been criticised by MPs (mainly Labour members but including John Hume), local community groups, churches, the Rowntree Trust etc. The criticism was particularly vocal prior to the review of the policy in January 1989 due to the International Fund's compliance with advice from HMG that it would be inconsistent with the social and economic policies of HMG if the Fund provided assistance to any body operating in or out of the Mill. Having regard to all the relevant considerations at the time Mr King concluded that the denial of public funds to organisations operating in and out of Conway Mill should continue. This was made public in a written Parliamentary answer on 9 February 1989. The answer (copy attached) also confirmed the Government's advice to IFI.
6. Mr Hume has regularly raised the issue of the Mill and did so directly with the Secretary of State at a meeting on 19 September when he said that he had met the people running activities in the Mill, believed their good faith and their denials of laundering money for PIRA. Mr Hume had been assured that those concerned were willing to open their books to official scrutiny and to take into their Management Committee people nominated by Government with a track record of opposition to Sinn Fein.
7. Having recently reviewed the case the Secretary of State confirmed that he was satisfied that the influence of PIRA in the Mill is such that there is a grave risk that any assistance designed to promote activity in the premises would have the effect of enhancing the standing of a paramilitary organisation. As for Mr Hume's proposals it would simply not be appropriate for Government to get involved in nominating people to Management Committees, and it is difficult to envisage a new Management Committee being in a position to rid the Mill of its paramilitary influences. If there is a desire to find an

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alternative management structure for the Mill it may reflect the success of Government policy to date in denying funding to activities in the Mill, in persuading projects to relocate and in providing support for legitimate community based activities in other parts of West Belfast.

8. Organisations refused grant simply by virtue of being located in the Mill (rather than because of compelling evidence about its own bona fides) are invariably told that if they moved elsewhere the possibility of support would be reconsidered. The Rowntree Trust (and Father Wilson himself) have been told that this is the case so far as education classes in the Mill are concerned and both parties met education officials recently to discuss alternative education provision. A further meeting is planned for January.
9. The provision of alternative premises in the area is an integral part of Government strategy and is being taken forward in the context of Making Belfast Work and the Belfast Action Teams Initiative. The linking of specific action in the area to the erosion of support for Conway Mill has not been made explicit since to do so could be counter-productive and could put officials working on the ground at risk.
10. Whilst Mr Hume's question relates to Conway Mill there has been considerable publicity recently about the Secretary of State's decision of 25 October to deny funding to the Glencairn Community Association, which was conveyed to the Group last month. The ACE posts previously allocated to this group are now being re-distributed around other acceptable organisations in the same area. Councillor Brian Feeney of the SDLP has also written to Ministers concerning the Shankill Activity Centre and the Shankill Musicians Collective and Mr Hume may attempt to draw comparisons between these organisations, which are currently being examined, and the Mill.

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11. The strong legal advice is that the Secretary of State should not be drawn into discussion or speculation about the basis, or validity, of the decisions on Conway Mill, or any other cases, nor should he say anything about the Shankill Activity Centre or the Musicians Collective. Refusal to discuss individual cases has been an integral part of policy to date and has served us well in that despite occasional threats of a legal challenge none of the decisions taken have been the subject of judicial review.

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C O N F I D E N T I A L

Conveying Complaint.

FROM: R WILSON
AS CENT SEC
DATE: 6 DECEMBER 1989

MR DANIELL - B

1. The attached is self-explanatory. Any comments? Robin Cole's views are being sought.
2. Background briefing will be orthodox, drawing on October 1989 submission.

(Signed RW)

R WILSON
CENTRAL SECRETARIAT

covering Confidential

DRAFT

/DRAFT

DATE FOR ANSWER: 14 DECEMBER 1989

ORAL NO: 5250

Mr John Hume (Foyle): To ask the Secretary of State for Northern Ireland if he will make a statement on the Government's reasons for refusing to fund the activities at Conway Mill in Belfast.

MR

The position remains as set out in my predecessor's Statement to the House of 9 February 1989.

SUPPLEMENTARY MATERIAL

If pressed: the Honourable Member knows that it is not possible for me to discuss individual cases. He will also know that I have carefully considered this matter very recently and concluded that the circumstances remain as set out in the Statement of 9 February 1989 [SOS letter to Mr Hume of 25 October 1989]

BULL POINTS

1. Decisions on refusal of grant aid in such cases are taken personally by the Secretary of State.
2. For security reasons it is not Government policy to discuss individual cases.
3. Cases of this nature are kept under review and decisions are reversed where circumstances warrant such a change. [If pressed: Two such cases]
4. Government policy on this matter is even-handed and is applied regardless of the source of paramilitary influence. Of current cases denied support the community split is almost equally divided. [If pressed: there are currently 18 such cases]
5. Government is working closely with many bona fide community groups in West Belfast (and throughout Northern Ireland) in tackling the social and economic problems which exist in difficult areas but is not prepared to see Government funds used to directly or indirectly further the aims of a paramilitary organisation.

Caution: avoid being drawn into comment on individual schemes or in offering any elaboration on the Statement of 9 February 1989 on Conway Mill or the Parliamentary Statement of 27 June 1985 on which the policy is founded. Copies of both statements attached. Quote if required.

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C O N F I D E N T I A L

NEW QUESTIONS FOR:- FRIDAY 1 DECEMBER 1989

ORAL QUESTIONS: DATE FOR ANSWER: 14/12/89 -

MR LROOKE	5248	Mr Michael Latham (Rutland and Melton): To ask the Secretary of State for Northern Ireland whether he will make a statement on his most recent meetings with political representatives in the Province regarding the Anglo-Irish Agreement.	31
MR NEEDHAM	5249	Mr Michael Colvin (Romsey and Waterside): To ask the Secretary of State for Northern Ireland, what measures he is taking to strengthen the law on food safety and consumer protection; and if he will make a statement.	32
MR NEEDHAM	5250	Mr Joan Hume (Foyle): To ask the Secretary of State for Northern Ireland, if he will make a statement on the Government's reasons for refusing to fund the activities at Conway Mill in Belfast.	33
MR BROOKE	5251	Mr C. D. Townend (Berkshire): To ask the Secretary of State for Northern Ireland, how will he make a statement on the security situation in Northern Ireland.	34
MR BROOKE	5252	Mr Tim Yeo (South Suffolk): To ask the Secretary of State for Northern Ireland, how the Government's conference last week, after the subject was discussed.	35
MR NEEDHAM	5253	Mr Henry Bellingham (North West Norfolk): To ask the Secretary of State for Northern Ireland, when he next expects to meet representatives of small businesses.	36
MR BROOKE	5254	Mr John D. Taylor (Strangford): To ask the Secretary of State for Northern Ireland, how often the Anglo-Irish Intergovernmental Conference will meet during the next six months of 1990.	37
MR NEEDHAM	5255	Mr Roy Beggs (East Antrim): To ask the Secretary of State for Northern Ireland, what estimate he has made of how many Youth Training workshops in Northern Ireland are likely to remain solvent, under the proposed block funding arrangements to be introduced in 1990.	38
MR LOPE	5256	John Bowis (Battersea): To ask the Secretary of State for Northern Ireland, when he will make a statement.	39
MR BROOKE	5257	Mr Denis Skinner (Berkshire): To ask the Secretary of State for Northern Ireland, when he will make a statement.	40
MR LOPE	5258	Mr Harry Barnes (Derbyshire North East): To ask the Secretary of State for Northern Ireland, what representations he has received for the introduction of the community charge into Northern Ireland.	41
MR NEEDHAM	5259	Mr James Kilfedder (North Down): To ask the Secretary of State for Northern Ireland, if he will introduce legislation to ban hare coursing in Northern Ireland.	42
DR MAWHINNEY	5260	Mr Andrew Mitchell (Gedling): To ask the Secretary of State for Northern Ireland, whether he has received a favourable response to his proposals for integrated schools.	43
MR NEEDHAM	5261	Mr Clifford Forsythe (South Antrim): To ask the Secretary of State for Northern Ireland, how many planning enforcement orders have been issued in the constituency of South Antrim in each of the last three years.	44
MR NEEDHAM	5262	Mr Bob Cryer (Bradford South): To ask the Secretary of State for Northern Ireland, how much money has been recovered from the investment in the De Lorean car company; and if he will make a statement.	45
MR BROOKE	5263	Mr Ian Bruce (South Dorset): To ask the Secretary of State for Northern Ireland, whether he has received any representation from any of the Northern Ireland political party leaders on the best way forward for the governance of the Province.	46
MR LOPE	5264	Mr Paddy Ashdown (Yeovil): To ask the Secretary of State for Northern Ireland, what representations he has received concerning the proposed ban on Christmas parades; and if he will make a statement.	47
DR MAWHINNEY	5265	Mr James Arbuthnot (Wanstead and Woodford): To ask the Secretary of State for Northern Ireland, what progress is being made on the implementation of his proposals for integrated schools.	48

Q. 1. To ask the Secretary of State for Northern Ireland
if he will make a statement on the Government's reasons
for refusing to fund the activities at Conway Hall in Belfast.

Answer. I would remind the Hon. Member that I wrote to him
on 2nd October 1959 on this point. As I said in that
reply I have reviewed the position and am satisfied
that the circumstances remain as set out in the
statement of 9th February 1957 to the House
of Commons [by my Rt Hon. Friend, Secretary of State
for Defence when he was Secretary of State for NI.
I am sorry I cannot be more helpful but as the Govern-
ment has seen that it is not possible to discuss individual
cases.]

Supplementary

Question