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cc PS/Mr Smith
Secretary



TO : Mrs Gail McKibbin
Central Secretariat
STORMONT CASTLE

FROM: Jim Hanna, DED



PRIME MINISTER'S VISIT TO WASHINGTON - 28 FEBRUARY 1994

1. I refer to your minute of 8 February regarding the Prime Minister's forthcoming visit to Washington.

2. I have canvassed officials and attach, in Annex form, briefing for inclusion in the briefing package:-


Annex A - Fair Employment issues

- MacBride;

Annex B - Peace Dividend.

3. You will wish to note that the situation in relation to the "Call" is developing by the day and any briefing provided for your deadline would be out of date by the time of the Prime Minister's visit. For this reason, officials from DED dealing with this issue will provide briefing direct to Jonathan Margetts.

4. The only other issue which could be included in the briefing from a tourism perspective is the D-Day Celebrations (please see Annex C). This is not intended to "stand alone" as a separate NI issue but it could usefully be incorporated into any briefing provided in the UK context on events being organised in 1994 to commemorate D-Day landings.


Jim Hanna
Central Management & Communications
16 February 1994

~~Jim Hanna~~
This is no longer
a suitable form of
briefing on M'Bride.
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DEPARTMENT OF ECONOMIC DEVELOPMENT
An Equal Opportunities Organisation

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FAIR EMPLOYMENT

- Fair Employment (NI) Act 1989 renamed the Fair Employment Agency (established under the 1976 Act) as the Fair Employment Commission (FEC).
- FEC inherited all the powers of the Agency except its adjudication role which is now vested in the Fair Employment Tribunal (established under 1989 Act).
- FEC was given additional powers and duties to complement the new obligations placed on employers by the 1989 Act. In particular it has the power to promote affirmative action linked to employers' monitoring and review duties. It also has an extensive promotional and educational role.
- Northern Ireland's Fair Employment legislation is probably the strongest in Europe.
- The Commission is an independent statutory body (although funded by Government). It has a budget of some £2m+ and an approved staff complement of 83.
- The £30,000 compensation limit for cases of religious discrimination is in the process of being raised to £35,000 in line with inflation.
- In the light of the judgement of the European Court of Justice in the Marshall case, it is planned to abolish the upper limits of compensation in fair employment cases. This requires primary legislation and will therefore take some time to achieve.
- A 5 year review of the effectiveness of Northern Ireland's fair employment measures is currently being carried out, with results expected by end of 1995.

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- The Fair Employment Act is working well. Over 4,000 firms are registered with the Commission and are monitoring their workforce composition. The very small number who have failed to submit monitoring returns have been prosecuted and all have ultimately complied with the law.
- Almost 2,000 firms were required to complete their first 3-year review of employment practices by early 1993. The Commission will be assisting these firms to ascertain what affirmative action may now be necessary.
- At 30 November 1993, 1,027 complaints of alleged discrimination had been received by the Fair Employment Tribunal. Of these, 25 cases had been allowed, 82 had been dismissed, 27 had been settled and 385 had been withdrawn. Of the remaining 508 cases, it is likely that up to 70% will be disposed of without the need for a full Tribunal hearing.
- In one case the Tribunal made an award of more than £25,000, while in another case a settlement was reached for £30,000.

Implementation of Fair employment legislation together with increased investment and the creation of new jobs will make the greatest contribution to Fair employment in Northern Ireland for both Protestants and Catholics.

The MacBride lobby has been successful in getting laws advocating the MacBride Principles on the statute books in 12 states; the District of Columbia and in more than 20 others.

The MacBride Campaign is not supported by any political party in Northern Ireland except Sinn Féin.

MACBRIDE

- MacBride Principles were launched in the USA in 1984 by a number of Irish American groups. Spearheaded by Fr Sean McManus of the Irish National Caucus. They are a set of nine equal opportunity/affirmative action principles ostensibly aimed at fighting religious discrimination in employment in Northern Ireland.
- HMG's opposition to MacBride is concerned not with the Principles themselves (which in the main are unobjectionable when read in their amplified form) but with the campaign.
- Campaign opposed by British Government primarily on the grounds that it has the overall effect of discouraging new job creating investment in NI through threats of divestment, shareholder resolutions, product boycotts and reporting requirements.
- British Government takes the line that NI's Fair Employment legislation goes much further than the MacBride Principles in ensuring equality of opportunity in employment.
- Implementation of fair employment legislation together with increased investment and the creation of new jobs will make the greatest contribution to fair employment in Northern Ireland for both Protestants and Catholics.
- The MacBride lobby has been successful in getting laws advocating the MacBride Principles on the statute books in 13 states, the District of Columbia and in more than 30 cities.
- The MacBride Campaign is not supported by any political party in Northern Ireland except Sinn Fein.

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PEACE DIVIDEND

There is a substantial peace dividend

Tourism. If NI can reach ROI levels: double visitor numbers, create 20,000 extra tourism related jobs.

Inward investment. Renewed and intensified interest by investors. Looking at performance of other regions, could hope to double annual inward investment job promotions.

Trade. Performance should improve markedly, particularly in exports. (Reason: New investors export-oriented, obstacles to exporting removed for existing producers.) Major boost to cross-Border trade expected.

Overall, net increase in employment in NI of at least 30,000 jobs is reasonable estimate.

Defensive Points

Figures are of course initial estimates.

Figures quoted are indicative, based on an informed look at what may be expected to happen - exercise of this nature cannot produce exact predictions.

Benefits not instantaneous.

Will be reductions in security linked areas.

ANNEX C

D-DAY CELEBRATIONS

Northern Ireland played a strategic role in World War 2 both as a base for US and allied troops and in the preparations for D-Day which focused on the sea-side town of Bangor. NITB is supporting North Down Borough Council and the Chamber of Commerce's plan to hold commemorative events during 1994 to mark the historic occasion.

2. NIO's response is helpful and I did not note any many qualifications in Annex II. I intend to pursue with Michael Legge the possibility of productive use of prison capacity.
3. You rightly suggest that savings on the security front should be reallocated elsewhere in the Northern Ireland block. I suggest we look seriously at infrastructure as a potential beneficiary of such reallocation, rather than the perceived areas of underfunding in education and health. As the economic development Department, our priority is improvement of infrastructure.

GERRY LOUGHRAN
3 March 1994