

Thilagar of LTTE started the proceedings with details of latest information on ceasefire violations, (copy attached). Kethaswaran of EPRLF followed with a reiteration that they will not discuss proposals and powers, but listen. The situation in the east continued to be fat and no one has been released yet. HW replied that people will be released and continued to be released. They will be handed over to their parents. He acknowledged that ceasefire is being observed by both and will bring to their attention whenever there is a break. Charles of Telo brought out the question of training in Pak. HW replied that they are sending people for training all over and that includes two dozen in India. He said that any suggestions from the groups on any alternative will be considered. What they expect to do is to pass legislation to vest these responsibilities/powers with the intermediate unit. We shall discuss what subjects should be taken by govt. (A committee report). Certain matters that are traditionally with the Central Ministry cannot be devolved. These remain with the centre - whether the system is federal, quasi or unitary. HW gave copies of extract of Part XI of the Indian constitutions (these deal with central/state/concurrence list). "It would be helpful to go through this list with that of the list in Annexure I of 'A' Committee report. Two items are to be added to Annexure I, namely, 1.25 Interprovincial or District Trade/Commerce. 1.26 State lands and fore shore. May be others could be included". Your suggestions whether to add or delete from the lists will be welcomed. Samvandan of TULF mentioned that the reply to Tilagar's statement on ceasefire violations was not satisfactory. HW then said "I have mentioned about the powers under a unitary constitution to meet the aspiration of Tamils - A scheme of government which recognizes a united Srilanka and the right of minority. When constitution are formed for the first time, several states can join to form one political entity but preserve their right and manage their own affairs, like, USA, USSR and some other countries. When the British consolidated their position in India, by Government of India Act of 1935 a federal system of

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government was created. What we are doing is giving backwards from a unitary state - create autonomous regions - create several regions from the parent state with sovereignty with the whole people". HW then went into the administrative aspects in Srilanka - the British made provinces, AGA divisions, districts and villages - grass roots power if it is to be devolved to villages - it will be impossible in modern days as there are 4200 villages. The districts represent a well defined unit. When he met Mrs. Gandhi in August '83, the question of District Council was suggested. She said that it has to be more than the District Council. GP the Special envoy of Mrs. Gandhi came and after several meetings the provincial councils were brought. There are practical difficulties in setting up the provincial councils in one part of the country. "We should find out from all people whether provincial councils are desirable". Our finding is that they are not in favour of giving for more than District Councils. Since a part of the country wishes to do this, we will have to find a way to do this. We have evolved a system where a province could come into being from the District Councils: (1) If the Councils agree (2) If the people agree. The provincial Ministers/ Chief Ministers should be answerable to the Parliament and the President. Please give alternatives if you wish to on the (1) units to be devolved (2) powers to be devolved. A mere rejection will not serve our exercise in Bhutan. If you are unable to say anything now, you may like to consult others who are not here. Please go back and find out the alternative and come at a convenient date. We have got to keep the conference on." HW continued and said that some other points are to be discussed like land/employment, language, education, which are part of devolution. Please do not say that you are rejecting and ~~leaving~~ ^{withdrawing} this Conference to an end. We will be finding a lasting solution so that we can continue to maintain the unity and sovereignty of the people. If we are adjourning let us consider the next date.

Voradam of EPRLF on behalf of all groups said "you have placed before us your proposals and explanation. We have placed our principles before you yesterday. However to-day you have not placed before us anything new. Further you have stated that you are not in a position to place

proposals within the framework submitted by us. We are still hopeful that you would consider our principles and formulate proposals. Proposals you have presented are only a solution to a crisis in administration. You have not understood that the present crisis is a crisis of nationalities. We would like to once again place before you our basic principles. (1) There are two distinct nationalities in the island. You must accept that the Tamils form a distinct nationality. (2) You must also recognise that the Tamils have a distinct and clearly defined homeland. (3) On the above basis you must recognise the inalienable right of our people to self-determination. (4) All Tamils of Srilanka who consider Srilanka to be their country should be given their citizenship right and full democratic right.

It is on the basis of above principles that we should discuss the system of Government and thereafter the powers and the constitutional framework. Only on the basis of above three stages that we feel that conditions could be created for a meaningful dialogue.

Vasudevan of Plote referred to ceasefire violation in Jaffna and at this point Amrithalingam of TULF said "though we are 6 groups, in one voice we have put forward the basic demands of the Tamils. It is very significant that you have the five main Youth Groups participating in this conference and unless you satisfy the basic demand we will not be able to come to a lasting solution.

Ketheswaran concluded by saying " we wish to emphasise firstly that ceasefire is not a one way process. It requires genuine reciprocity and secondly we are not sending you back to Colombo empty handed. We have placed before you in detail our fundamental demands and principle . We wish to repeat our request of yesterday in the name of peace. Please bring back proposals worthy of considerations".

After mutual discussions and concurrence of Bhutanese Representative, the next round of talks was fixed for monday 12th August.