

POLF50--6-312/SAV1

LIAISON BETWEEN THE DIRECTOR
GENERAL AND THE PRIME MINISTER

POLF50--6-312/SAV1

SEE ALSO LIST INSIDE COVER

Serial No	Star Designation	Date	Serial No	Star Designation	Date	Serial No	Star Designation	Date

S. 960 Edn2

POLF50--6-312/SAV1

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20.9.68

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FILE CLOSED

47

16.1.69

Copy of letter to P.U.S., H.O.
re procedure re reports on Communist
activity in industry 47a

NOTE

With DG's authority, this volume
of POF 50-6-312/SA was
passed to K2A/2 thro K.

DG/RS
26-3-87

FILE CLOSED

SECRET

Copied to POL.F.50-24-101 Supp.A.
POL.F.50-6-312 Supp.A. ✓
POL.F.53-12-258

46A

Note for P.F.697,315

I told the Home Secretary before lunch on September 11th that the CABIN case was coming to a head, and asked him whether the P.M. knew of it and if not whether he wanted to mention it to the P.M. or would like us to send a note through official channels. The Home Secretary said he had not mentioned the case to the P.M. and before doing so would like to be sure that the P.M. had not already heard about it from the Ministry of Defence, as had happened in the case of CLOUDE. I said I would let Cubbon know the answer.

2. The D.G. spoke to Sir James Dunnett and learnt that the P.M. had been told about CABIN on September 9th via Sir William Armstrong in accordance with the "early warning" system.

3. I informed Cubbon of this, adding that the P.M. would not yet know that the search of CABIN's person and property had produced evidence which clinched the case against him, and that he was likely to be charged on September 12th. Cubbon telephoned subsequently to say that the Home Secretary was content that the P.M. should be informed of developments through the M.O.D. channel; he was however telling Michael Halls that the Home Secretary was in the picture. By this time (7.30 p.m.) it was clear that the case would probably not break until September 13th, and I told Cubbon that the denouement was likely to be postponed twenty-four hours.

4. On the afternoon of 12th September, K.L., at my request, checked with the Director of Security, R.A.F., that Sir James Dunnett had been briefed to bring Sir William Armstrong up to date. The Home Secretary was away, and Waddell, who called to see the D.G. on other matters, said he would also be out of London on September 13th. We agreed that there was no need to say anything more to him.

C. A. G. SIMKIN

D.D.G.

20.9.68

SECRET

DDG/142
20.9.68

SECRET

A5a

D. to see

NOTE FOR PF.733,910

Copies: POL.F.50-6-312/Supp/A
POL.F.50-24-101/Supp/A

When I called on Sir Philip Allen this morning, he told me that the Home Secretary had mentioned Mr. MacDERMOT to the Prime Minister, who said that the Security Service would have to continue to stall. Nevertheless, Allen intended to have a word with Colin Crowe to see whether the matter could not be speeded up.

D.G.

23rd August 1968

SECRET

SECRET

44a

D. for action

NOTE FOR PF.794,319

Copies: PF.606,212
POL.F.50-6-312/Supp/A
POL.F.50-24-101/Supp/A

When I called on Philip Allen this morning he told me that the Home Secretary had mentioned this matter to the Prime Minister. It appeared that the Prime Minister was already aware in general terms of the story and believed that Colonel Lohan knew about it. We were asked to produce a fuller biography of Mrs. MOSTYN-OWEN and to say when we first learnt of her association with a Minister.

When I subsequently saw the Home Secretary he asked me whether the association was still continuing. I said we did not know.

D.G.

E. M. FURDYPAL-JONES

23rd August 1968

SECRET

CONFIDENTIAL

Copies:

POL.F.50-24-101/Supp/A
POL.F.50-6-312/Supp/A —

NOTE FOR FF.607,405

In the absence of Sir Philip Allen, I rang Graham-Harrison on 21st August and asked him to let the Home Secretary know that CLOUDE was currently under interrogation by S.B.M.P., that he was likely to be charged and that in that event would appear at Bow Street the following day. The proceedings would probably amount to no more than a formal remand. The Home Secretary subsequently rang me at home, saying that he was intending to tell the Prime Minister about the case that evening and asking me a number of supplementary questions about the case.

2. I also rang Sir James Dunnett and gave him the same information. He said that in anticipation of proceedings being taken, he had informed the Treasury earlier in the week.

3. I tried but failed to speak to Sir Denis Greenhill whom, however, I informed this morning.

D.G.

E. M. FURNIVAL JONES

22nd August 1968

CONFIDENTIAL

Copy: SF.700/Wales
POL.F.50-6-312/Supp/A
POL.F.50-24-101/Supp/A

427

OF.858/DG

17th May 1968

Thank you for your letter of 8th May concerning the possibility of French Government interest in the Scottish and Welsh nationalist movements.

2. With [redacted] we are continuing our enquiries into the possible links between Welsh and Scottish extremist elements and the French Government. Meanwhile our attention has been drawn to a recent interview given by Julian CAYO-EVANS to a Canadian journalist in London which was subsequently published in the Toronto "Globe and Mail" and the "Gazette". In this interview CAYO-EVANS, who is the self-styled leader of the Free Wales Army (F.W.A.) claimed that links exist between the F.W.A. and the Quebec Separatists and that the latter gave training in weapons and explosives to a member of the F.W.A., Owen WILLIAMS, who recently failed to surrender to his bail on a charge of being in illegal possession of explosives in Caernarvonshire. CAYO-EVANS is given to exaggeration in the interests of publicity and we are inclined to treat this claim with reserve.

3. We have no evidence that any German political party has affiliations with Scottish or Welsh nationalist bodies.

4. It is public knowledge that the Communist Party Scottish and Welsh District Secretaries are members of the Political Committee.

5. I am copying this to Denis Greenhill [redacted] I have also sent a copy of this letter and yours to Philip Allen for the information of the Home Secretary.

E. M. FURNIVAL JONES

Sir Burke Trend, G.C.B., C.V.O.,
Cabinet Office.

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3(4) OF THE PUBLIC RECORDS
ACT 1958 November 2011.

SECRET

DG/MAN
17/5

CABINET OFFICE,
WHITEHALL,
S.W.1

D.G.

D. D.G.

F.

*With the
Secretary's Compliments*

Sir Martin Furnival
Jones, CBE

DG-258

41A

30th April, 1968

Reference: A03589

Copy No. 3
of 4 Copies

Rec- 1-5-68

I am writing simply to confirm that, as I told you the other day, the Prime Minister agrees that your Secretary of State should be kept informed of all relevant covert intelligence about industrial disputes, particularly the periodical reports by the Security Service in this context. But she should be carefully briefed to the effect that all information of this kind is for her personal use only; that it is very sensitive in terms of its nature and its sources; and that she should not in any circumstances use it in discussion outside the Government - or even within it unless she is certain that others present are privy to it.

The Prime Minister would be glad if you would arrange to brief the Secretary of State yourself on these lines. If, for any reason, you think it would be desirable to invoke the Security Service, I should be glad if you would first let me know since the Prime Minister would wish to be informed before any arrangements of this kind were made.

I am sending copies of this letter on a strictly personal basis to Philip Allen and Martin Furnival Jones.

BURKE TREND

P.A. POL. F. 299-24
Copy ✓ POL. F. 50-6-312 / SUPP A.
POL. F. 50-24-101

Sir Denis Barnes, KCB

De Maw
1/5

CONFIDENTIAL

40a

D.
D.1./Inv.
D.3.

NOTE FOR PF.63,349

COPIES FOR POL.F.50-6-312/SUPP/A ✓
AND POL.F.50-24-101/SUPP/A

When I called on Burke Trend this afternoon, he said that he had not yet had an opportunity to mention Mrs. TUDOR-HART to the Attorney General but the proposal had now been cleared with the Prime Minister and Home Secretary. The Home Secretary had commented that if the matter were mentioned to Lady ELWYN JONES it would be round the town in next to no time.

2. I said that this was a risk we must accept but it might be a wise precaution when he approached the Attorney General to ask him to keep it to himself for the time being.

E. M. FURNIVAL JONES

D.G.

25th April 1968

CONFIDENTIAL

DG/Mow
29/4

CONFIDENTIAL

✓ Copy on POL.F.50-6-312/Supp/A

39a

F. to see

PF.817,712/DG 25th April 1968

I sent you yesterday
for the information of the Prime
Minister a note about the dockers'
march to Westminster and now
enclose a brief comment on the
Smithfield march.

E. M. FURNIVAL JONES

Sir Philip Allen, K.C.B.,
Home Office.

Enclosure: 1

CONFIDENTIAL

DG/MCW
29/4

CONFIDENTIAL

MARCH OF SMITHFIELD MARKET PORTERS
TO THE HOUSE OF COMMONS ON 24 APRIL 1968
IN SUPPORT OF MR. ENOCH POWELL, M.P.

Between 2.15 p.m. and 4.30 p.m. on 24 April 1968, approximately 300 Smithfield Market porters marched in two orderly groups to the House of Commons. They carried a variety of banners, voicing support for Mr. Enoch Powell in his attitude to the Race Relations Bill. The march was organised by Dennis Herbert HARMSTON and Ron TAYLOR and according to police information, it resulted from a meeting called by HARMSTON and Ron TAYLOR at 1 p.m. in the Market.

2. HARMSTON came to notice as a Fascist in 1962 and was a member of MOSLEY's National Party of Europe (N.P.E.) in 1963. He stood as the N.P.E. candidate for South West Islington in 1966 and polled only 816 votes out of 24,952. Although HARMSTON was Propaganda Secretary of the N.P.E. in 1966 he is believed to carry little weight in the movement. Nothing is known about Ron TAYLOR. With the exception of HARMSTON's participation there does not appear to have been any organised political action behind the demonstration.

SECURITY SERVICE

25th April 1968

CONFIDENTIAL

✓ Copy ON POL.F.50-6-312/Supp/A

38A

CONFIDENTIAL

SF.452-13/DG

24th April 1968

I understand that the Prime Minister has asked for a note on the dockers' march to the House on Tuesday. I now enclose a note which has been written after consultation with Special Branch.

E. M. FURNIVAL JONES

Sir Philip Allen, K.C.B.,
Home Office.

Enclosure: 1 page

CONFIDENTIAL

CONFIDENTIAL

DEMONSTRATION OF DOCKERS AGAINST THE
RACE RELATIONS BILL ON 23 APRIL 1968

The march to the House of Commons by a group of some 500 dockers to demonstrate their opposition to the Race Relations Bill and their support for the line taken by Mr. Enoch Powell had its origin in an apparently spontaneous meeting held at the West India Dock at 10 a.m. The leaders are believed to be Harry PEARMAN, Ronny SALE and a man called PARRIS. Nothing is known of the latter pair. PEARMAN is a reasonably well known figure in the Docks and has led opposition to the Communist Party line in industrial matters. In 1965 he was Chairman of a group of dockers which supported the Devlin Report on the Docks and he was earlier believed to have been influenced by Moral Rearmament.

2. When the dockers' petition was presented by PEARMAN he was at some pains to conceal his identity. He claimed leadership had been pressed upon him and that he merely wanted to give coherent expression to the moderate and realistic but not racist views of his fellow dockers. He reported back to the dockers his meeting with Mr. Enoch Powell after 202 dockers had been admitted to the House. The dockers dispersed at 4.45 p.m. after expected support from the Royal Group did not materialise.

3. The Communist Jack DANIELS who endeavoured to dissuade the West India men from their intention of marching to the House of Commons failed to get a hearing.

4. At 2.40 p.m. on 23 April in Sector 6 of the London Dock 300 dockers voted to stop all work at 8 a.m. on Wednesday, 24 April, to express their support for Mr. Powell. 538 are now on strike and 13 ships are idle. The position in the Royal Group is normal.

5. Jack DASH and Michael Arthur FENN, both Communists, are today distributing a leaflet attacking those who marched in violent language.

SECURITY SERVICE

24th April 1968

CONFIDENTIAL

CONFIDENTIAL

Copies: SF.700/Wales
POL.F.50-6-312/Supp/A
POL.F.50-24-101/Supp/A

37A

OF.858/DG

24th April 1968

I refer to your letter to [redacted] dated 16th April, of which you sent me a copy, enclosing a minute to Sir Burke Trend from Michael Halls about the possible involvement of the French Government in support of Welsh and Scottish nationalism.

2. We have been in touch with [redacted] staff about this and I enclose a note summarising our information. I am hopeful that the arrangements we have for covering the activities of Welsh and Scottish nationalists would be adequate to detect any intervention on behalf of the French Government.

3. I am copying this letter and enclosure to Sir Denis Greenhill and [redacted]. I have also sent copies of the letters and enclosures to Sir Philip Allen for the information of the Home Secretary.

E. M. FURNIVAL JONES

H.J. Merrylees, Esq.,
Cabinet Office.

Enclosure: 1

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Our enquiries into the Welsh and Scottish Nationalist movements have shown no contact between them and the French Government. The only French contacts are with the Separatist Movement in Brittany and these are conducted under the aegis of the Celtic Youth Congress. This Congress was established in October 1965 and its aims are to promote co-operation and the exchange of ideas between Celtic National movements in all spheres of activity. In June 1967 it claimed to have a membership of about 200 in Scotland, Ireland, Brittany, Wales and the Isle of Man but this figure was thought to be exaggerated. The bulk of the membership was believed to be in Wales. In view of the separatist character of the Breton Movement it is unlikely that its contacts with comparable organisations in the U.K. would be used by the French Government.

2. The foregoing argument applies equally to the Nationalist Movement in Scotland, where again the only French contact we have been able to establish is through the Celtic Youth Congress or its parent body the Celtic League. It is nevertheless worth bearing in mind that there is a centuries old tradition of cultural contact between the Scots and French, and that an approach by the French Government might receive a readier response there than in Wales.

3. The promotion of Bert PEARCE, the Welsh District Secretary of the Communist Party to the Party's Political Committee on which the Scottish Secretary also sits is in line with other indications of Communist interest in Welsh and Scottish nationalism. Presumably this would have little appeal to the French Government.

SECURITY SERVICE

24th April 1968

OF.858/DG

CONFIDENTIAL

A.2. to see

36a

NOTE FOR FILE

✓ Copy on POL.F.50-6-312/Supp/A)

Hugh Winterborn rang me to say that he had been informed by Scaife that during the evening of Wednesday, 10th April, the safe at the Willesdon Sorting Office had been removed. The safe contained the G.P.O.'s general instructions on the operation of postal warrants and the particular instructions for the operation of H.O.W. No. PS/13202.

I rang Philip Allen and he said he would inform the Prime Minister.

D.G.

11th April 1968

CONFIDENTIAL

Jan

CONFIDENTIAL

✓ Copy on POL.F.50-6-312/Supp/A

35A

PF.855,332/DG

10th April 1968

You told me a few days ago that the Prime Minister, having read reports of the trial of four men at Lewis Assizes at the end of March on charges arising out of the publication of an issue of the "Racial Preservation Society Southern News", of which they were acquitted, had enquired whether they might have been responsible for the distribution of The Privateer.

2. Copies of issue No. 3 of The Privateer for December 1966 were posted in Brighton and Hove where all the four accused men live. We have made enquiries, including enquiries of the Sussex Police, and there is no evidence connecting any of the four men with the distribution of The Privateer.

E. M. FURNIVAL JONES

Sir Philip Allen, K.C.B.,
Home Office.

CONFIDENTIAL

DG/6430
10/4

SECRET

D.1./Inv.

D.3.

34a

NOTE FOR PF.63,349

COPY FOR POL.F.50-6-312/SUPP/A ✓

Burke Trend rang me yesterday to say that he had spoken to the Prime Minister about our wish to interview Mrs. TUDOR-HART and the Prime Minister, while seeing the delicacy of the situation, had agreed that Trend should speak to the Attorney General.

2. We agreed that Trend should do no more than pave the way for my speaking to the Attorney General if the latter were agreeable to take the matter any further but he would of course explain what the purpose of my visit was to be. Trend asked whether I accepted the risk that the Attorney General would mention the matter to his wife. I said I did. It was highly likely that Lady ELWYN JONES and Mrs. TUDOR-HART would discuss the matter at some stage and it was likely in any event that they would do so before we saw Mrs. TUDOR-HART.

3. Trend confirmed that Philip Allen had spoken to him about our proposal and he intended to tell Allen about his conversation with the Prime Minister.

E. M. FURNIVAL JONES

D.G.

20th March 1968

SECRET

DG/MW
20/3

Received 14-3-68



33a

~~F~~ 25/3/3
to see
+ PA.

With the Compliments

of

Sir Philip Allen

A handwritten signature in black ink, appearing to be "M. J. J.", written in a cursive style.

Home Office
Whitehall

SECRET

Original → PolF 299-24

33a

Allen

13th March, 1968.

Recid 14-3-68

31a

As promised, I have had a word with Furnival Jones about paragraph 4 of the Prime Minister's minute of 5th March.

First, as regards the periodic reports. I hope that there is no misunderstanding here; I see that the Prime Minister's minute refers to "the monthly report", but as my previous letter explained what we had in mind was a continuation of the arrangement which applied under the former Paymaster General whereby general reports were prepared from time to time. The precise frequency of these reports would depend to some extent on the degree of activity on the part of the Communists; but they have not in the past been sent forward at intervals as short as a month, and we had not thought to change this. I can, however, assure you that when these reports are prepared and discussed with the departments concerned, they will be sent forward without delay.

Then, in addition, Furnival Jones will at once bring to notice ad hoc information and comments of significance which emerge from their day to day operations and, as we agreed, will ask the Ministry of Labour to draw attention to points which in their view ought to be brought to Ministers' attention. When Furnival Jones forwards these ad hoc reports they will be sent on without delay - and indeed, on occasion, they may be very urgent indeed.

I think that these arrangements should meet the Prime Minister's wishes.

(sd) Philip Allen

Sir Laurence Helsby, G.C.B., K.B.E.

SECRET

10/1/68
F. to see

SECRET

~~439.~~
32a

NOTE FOR POL.F.299/24

I spoke to Philip Allen on the phone about his letter at 42a. Although reports were not issued monthly, let alone daily, we agreed that if reports produced by the ad hoc committee reached the Prime Minister through the Home Secretary, this would probably meet the need. There might very exceptionally be some item of current intelligence which, if related to what the Ministry of Labour knew about Incomes Policy, would justify an immediate report. If such a need arose a note could be rapidly concocted and sent to the Prime Minister through the Home Secretary's Private Office.

Nothing in all this would affect the distribution of reports to Burke Trend and Denis Barnes.

A.27
D.G.

13th March 1968

SECRET

[Signature]
15/3/68

Original → Pol F. 299-24

SECRET

319



18/3
K

to see

HOME OFFICE
WHITEHALL · S.W.1

8th March, 1968.

Dear F.J.

Recd 11-3-68.

Helsby has had a minute from the Prime Minister about the arrangements to be made for keeping the Prime Minister informed of security matters in the post-Wigg era.

I did not see the submission which went to the Prime Minister, but it evidently included a paragraph, on the lines that you and I discussed, about submissions on Communist activities in the trades unions.

Helsby has now let me have the relevant part of the Prime Minister's reply. I attach a copy; and should like to have a word with you about the advice which I should now tender to Helsby.

Philis

Sir Martin Furnival Jones, K.B.E.

SECRET

DC 167/64

SECRET

31a

4. As regards the arrangements which you have made with the Home Office for keeping me informed about Communist penetration in industry, here again I should be grateful if you would ensure that these reports are sent to me without delay and that if anything of significance is thrown up in any of the daily reports I am informed immediately without waiting for the monthly report.

SECRET

~~SECRET~~
15/3/08

SECRET

30a

D. to see

NOTE FOR PF.733,910

✓ COPY ON POL.F.50-6-312/SUPP/A

At the request of Sir Philip Allen, the D.G. today drafted the following addition to the end of paragraph 6 of the brief for the Prime Minister's meeting with Mr. MacDERMOT:-

This would be so even if a Minister never discussed Government business with his wife. Did Mr. MacDERMOT ever talk to his wife about Government business? If so, can he recall the subjects?

I dictated this addition to Sir Philip Allen's Private Secretary on PICKWICK this morning.

D.G. Secretary *gfw.*

6th March 1968

SECRET

*DG/MW
5/3*

SECRET

✓ Copy: POL.F.50-6-312/Supp/A

29^a

D. to see

PF.733,910/DG 5th March 1968

I enclose three copies of a list of talking points for the Prime Minister's meeting with Mr. MacDERMOT. I hope that the six points we have covered will provide an adequate brief.

E. M. FURNIVAL JONES

Sir Philip Allen, K.C.B.,
Home Office.

Enclosure: 1 in triplicate

SECRET

29a
SECRET

TALKING POINTS FOR THE PRIME MINISTER'S
MEETING WITH MR. MACDERMOT

What should the Prime Minister say about the security case against Mrs. MacDermot?

1. The Prime Minister will no doubt wish to avoid a detailed discussion of the security case. In brief it rests on Mrs. MacDermot's marked reluctance to volunteer information about some of her Soviet associations; the fact that her explanation of her association with certain Russians was inadequate to convince the interviewers that they were not of security significance; and on certain discrepancies between her account and the established record.

The origin of the enquiry

2. It is understood that Mr. MacDermot suspects that the enquiries were stimulated by reports from Italian security agencies whom Mrs. MacDermot suspects of waging a vendetta against her. This is not so. At the time of Mr. MacDermot's marriage to Miss BENVENUTO both the Security Service had some security records. These were of such a nature that on her marriage to a Minister the Security Service was under an obligation to bring the facts to the attention of the Home Secretary and seek instructions.

The duration of the enquiries

3. Mr. MacDermot may feel that the enquiries took unduly long. The investigation was protracted by reason of the fact that after the first twenty years of her life which were spent in the U.S.S.R., Miss BENVENUTO had lived wholly in Italy and Switzerland except for visits to England, France and the U.S.A. The Security Service could not therefore dictate the speed with which the enquiries were carried out. In addition, extraordinary measures were taken to ensure maximum discretion and this also imposed some delay.

Reliability of reports from foreign services

4. All reports from foreign sources were /treated ..

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- 2 -

treated with reserve unless there was substantial corroboration. A number of allegations of Russian Intelligence Service associations which could not be substantiated were omitted from consideration.

The analogy with positive vetting procedure

5. The rules governing the Civil Service in matters of security are such that had Mrs. MacDermot been the wife of a civil servant in a positive vetting post the department concerned would have had little alternative but to withdraw the positive vetting clearance for her husband.

What service could Mrs. MacDermot render to the Russian Intelligence Service ?

6. Mr. MacDermot may argue that his wife has not had access to classified information and that she is therefore not in a position to assist the R.I.S. There are numerous precedents for the R.I.S. recruiting persons who have no access. They constantly seek personality information and political intelligence. The wife of a Minister would be regarded as a valuable intelligence asset.

SECURITY SERVICE

5th March 1968

SECRET

SECRET

28a

D. to see

NOTE FOR PF.733,910

Copies: POL.F.50-24-101/Supp/A

POL.F.50-6-312/Supp/A ✓

I spoke to Philip Allen on 26th February and said that I thought the Home Secretary ought to advise the Prime Minister that Niall MacDERMOT should be questioned about the extent of his disclosures to his wife of official secrets. We would be willing to undertake this.

When I called on him this morning, Allen told me that the Home Secretary had spoken to the Prime Minister on Tuesday morning and left with him a copy of our report. He had advised the Prime Minister to question MacDERMOT himself.

D.G.

E. M. FURNIVAL JONES

28th February 1968

SECRET

DG/jm
29/2

SECRET

Copy: POL.F.50-24-101/Supp/A
POL.F.50-6-312/Supp/A ✓
SF.494-2(1)

27a

PP.604,584/SUPP/M/DG 26th February 1968

As arranged on the telephone
this morning, I enclose a note which
the Home Secretary may wish to use
to answer the Prime Minister's
question.

E. M. FURNIVAL JONES

Sir Philip Allen, K.C.B.,
Home Office.

Enclosure: 1

Copy: Sir Burke Trend, G.C.B., C.V.O.,
Cabinet Office.

SECRET

Defun
29/2

SECRET

Copies: POL.F.50-24-101/Supp/A
SF.494-2(1)
POL.F.50-6-312/Supp/A

PT.604,584/SUPP/M/DG

SECRETARY OF STATE

A typescript copy of H.A.R. PHILBY's memoirs has been obtained covertly. The memoirs are likely to be published in book form in the United States and France and from the middle of March are to be serialised by the 'Sunday Express' with a commentary by Chapman PINCHER.

2. Chapter VII of the memoirs contains the following sentence:-

"Although Hollis had achieved little in respect of Soviet activity, he had been successful in obtaining an intimate picture of the British Communist Party by the simple expedient of having microphones installed in its King Street headquarters."

This passage, among others, has been brought to the attention of the Prime Minister by the Foreign Office and he has enquired whether we still operate eavesdropping devices against the headquarters. The answer is that we do and the devices are very productive.

3. The publication of this passage may have various unfortunate consequences including reminding the Communist Party of the possibilities of this kind of attack. I therefore considered whether we should seek to have the passage deleted from the published version but decided against attempting this, both because it is likely to be published abroad and its suppression would draw the attention of the publishers and the Russians to our sensitivity on the subject.

SECURITY SERVICE

26th February 1968

SECRET

CONFIDENTIAL

F. to see

26A

NOTE FOR POL.F.299/24

Copies: POL.F.50/24/101
POL.F.50/6/312/Supp/A ✓

Philip Allen told me on 9th February that he had discussed with Laurence Helsby and Burke Trend, and the Home Secretary had discussed with the Prime Minister, the arrangements to be made for briefing the Prime Minister about Communist activity in industry.

2. There was no doubt that the Home Secretary wanted to have the job of briefing the Prime Minister. The only remaining question was how official meetings to settle the brief should be organised and which departments should be represented. Allen proposed that Waddell should take the chair with representatives of the Security Service, the Ministry of Labour and, subject to Burke Trend's views, of D.E.A. I said that the Ministry of Labour might think it a little odd that the Home Office were taking the chair since they were only concerned with industrial disputes in an emergency, and what we were concerned with here was security intelligence. I suggested, and Allen welcomed the suggestion, that we should provide the chairman.

3. I told Allen the history of D.E.A.'s representation, and the absence of it, on Wigg's Committee and said that on the whole I would prefer D.E.A. not to be represented having regard to the great delicacy of some of the sources and what I believed to be the inadequate state of security education in D.E.A. Allen did not dissent and said he would discuss the matter further with Burke Trend who retained an instinctive belief that D.E.A. should be represented.

4. Allen agreed that whatever arrangements might be made for meetings, copies of agreed statements should go to Burke Trend, in addition to the Home Office and Ministry of Labour, because of Burke Trend's chairmanship of the A.C.(H) Working Party - a matter which might be reviewed separately.

D.G.

E. M. FURNIVAL JONES

12th February 1968

CONFIDENTIAL

DG/MSW
12/2

NOTE FOR POL.F.50-6-312/SUPP/A

Copy: POL.F.50-6-366
POL.F.50-24-101

At a meeting this afternoon with Sir Laurence Helsby, he told me that the Prime Minister had been discussing with him what arrangements should be made about the security responsibilities formerly discharged by Lord Wigg. The Prime Minister did not intend to fill the post of Paymaster General immediately and when he did fill it did not intend to give the occupant, or indeed any other Minister, any special responsibility for security. There were, however, three problems on which the Prime Minister wished to have advice :-

- (a) How was he to receive in future the briefings about Communist activities in the industrial field which he had previously received through Wigg ?

I described the history under the present Administration of our briefings and of the uncertainty of the present position in the light of the Home Secretary's attitude. Helsby said he would discuss the matter with Philip Allen.

- (b) How would chit-chat about the activities of Ministers now reach the Prime Minister ?

I said I hoped that I would not be instructed to seek out or report information on the morals of Ministers unless there were some security aspect to them. If there were a security aspect, my natural course would be to inform the Home Secretary but I suggested that it might be regarded as a function of the Whips to provide the Prime Minister with more regular fare.

- (c) How would the Prime Minister be informed about "security incidents in departments" ?

I told Helsby about the early warning system which had been introduced in the Ministry of Technology and extended to the U.K.A.E.A. and which operated on a somewhat less formal basis in the Ministry of Defence. I

/.....

Extracted to
POL.F.299-24
(F. to sec)

Extracted to C.
BM/34a in
POL.F.50-6-366

16-11-72
34/1

SECRET

thought it would be better that the normal official machinery would be used; a view with which Helsby was quick to agree. He thought he would address Permanent Secretaries of sensitive departments in this sense.

h.27

D.G.

31st January 1968

SECRET

SECRET

24^A

FF.745,496/DG

29th January 1968

The Home Secretary may wish to bring the following to the notice of the Prime Minister.

2. On or about 10th January there is said to have been a lunch for industrial correspondents of the National Press at which the Prime Minister gave an off the record talk on the economy and answered questions. The report indicates that he stressed the importance of the pending wage claim in the engineering industry and the need to keep any settlements within the range of 3% to 4%.

3. Among those present was Stanley JONES, industrial correspondent of Thomson Newspapers. Three days after the lunch JONES got into touch with Reg BIRCH, a prominent member of the Executive Council of the Amalgamated Engineering Union (A.E.U.) and a pro-Chinese Communist, recently expelled from the Communist Party. JONES told him about the Prime Minister's remarks, particularly those which referred to the engineering industry. JONES said he had been in touch with Trevor EVANS of the Daily Express and that both felt that the Prime Minister had failed to appreciate the significance of the leftward shift in the A.E.U. They thought it would be useful if arrangements could be made for the Prime Minister to talk to BIRCH.

4. JONES said that EVANS thought the Prime Minister would welcome an opportunity to talk to BIRCH, if this could be done without publicity, and suggested that Lord Thomson should invite the Prime Minister to meet BIRCH at Lord Thomson's house.

5. I am drawing attention to this manoeuvre since very little reliance can be placed upon the discretion of BIRCH who would probably see such a meeting as an opportunity to discredit Hugh SCANLON.

6. I have not passed this information to the Ministry of Labour.

E. M. FURNIVAL JONES

Sir Philip Allen, K.C.B.,
Home Office.

SECRET

DG/MW
30/1

For DG/PS

SECRET

Received by hand from Wodley
Cabinet Office 20.1.67 K2A/RAF
Security 22

This copy of a letter from
The Home Secretary to PM
re BLUNT was passed
to K2A by the
Cabinet Office
on 20.1.67



302 23B

PRIME MINISTER

The Prime Minister saw 19/10/67
Pub

Pa. POL 50-6-312/SA
Copy: PF 604, 582

I understand that it is possible that some critical comment about
Sir Anthony Blunt may appear in one of the current series of Sunday Times
... articles; and I think that you will wish to see the attached note by the
Security Service about him.

Blunt has told the Security Service that some questions were put to
him by the "Insight" team; but he said that the questions were innocuous
and that he had no difficulty in answering them.

He is at present in Italy, under arrangements made several months
ago, and is likely to remain there until Christmas, except for a few
days in London early in November.

RHO
...

Smith 15 Paymaster
Cell
19/10/67.

R 18th October, 1967.

SECRET

Anthony Frederick BLUNT

Anthony Frederick BLUNT was born on 26th September 1907. In September 1939 he joined the Army, was commissioned and posted to the Intelligence Corps Field Security Police. He served in France with the B.E.F. and returned to the U.K. in May 1940.

2. Shortly after his arrival in the U.K. BLUNT was introduced to a senior member of the Security Service and was recruited into the Security Service in July 1940. He left the Security Service on 31st October 1945 and rejoined the Courtauld Institute, in which he had worked before the war. In 1947 he became Professor of the History of Art at London University and Director of the Courtauld Institute of Art. He also holds the position of Keeper of the Queen's Pictures.

3. BLUNT came to notice in a security context at the time when MACLEAN and BURGESS disappeared from the U.K. in May 1951. BLUNT volunteered information to the Security Service about BURGESS at that time, but was suspected of knowing a good deal more about BURGESS's activities than he was prepared to say. BLUNT was under investigation and was interviewed on eleven occasions between 1951 and 1964.

4. In 1964 information was received from an American citizen who had made a confession to the F.B.I. about his own activities as a spy and who then stated that it was BLUNT who first recruited him as a spy at Cambridge in 1937. BLUNT was interviewed and, having been offered immunity if he told the truth, confessed that he had himself been recruited by the R.I.S. in 1936 and had worked for them first as a talent-spotter and later, after he joined the Security Service, directly as a spy. He said that he had handed over to the R.I.S. anything of possible interest to them that came his way. He claims that the R.I.S. allowed him to give up spying at the end of the war and that he has done nothing for them since that time except for helping MACLEAN and BURGESS to escape. Since 1964 BLUNT has been, and continues to be, a source of information for the Security Service.

SECURITY SERVICE

18th October 1967

SECRET

Original: PF 607,027 (Copy: POL.F. 50-24-101/SUPP/A)
POL.F. 50-6-312/SUPP/A

230e



Sect.
D.

HOME OFFICE
WHITEHALL · S.W.1

5th January, 1967.

Rec: 6.1.67

CONFIDENTIAL

Dear Furnival Jones,

I ought to have let you know before this that the Home Secretary agreed that your factual note about the Mulvena case should be sent over to the Prime Minister.

This was done; but I understand from No. 10 that it is not very likely that the Prime Minister will himself take the initiative in talking to the Leader of the Opposition about the case.

Yours sincerely

Philip Allen

E. M. Furnival Jones, Esq., C.B.E.

JG/17

CONFIDENTIAL

D.

22a

Copy: PF.607,027/Supp/B

NOTE FOR PF.607,027

I called on Sir Philip Allen and suggested that it might be wise for the Prime Minister to anticipate questions from the Leader of the Opposition by telling him some facts about the MULVENA case. Allen thought this was a good idea and I left with him two copies of the note at

E. M. FURNIVAL JONES

D.G.

23rd December 1966

CONFIDENTIAL

Copy:
PF.607,027/supp/B

PF.607,027/DG

THE MULVENA CASE

Cecil William Constant Maurice MULVENA, of dual British/French nationality, was, before his arrest, conducting a shipping agency in the City and an estate agency in Southend-on-Sea.

2. In late October the American authorities arrested a Sergeant in the U.S. Air Force, Herbert William BOECKENHAUPT, and subsequently announced that he would be prosecuted on charges of espionage for Russia. Under interrogation, BOECKENHAUPT admitted writing, at the request of his Russian contact, a letter addressed to MULVENA at the latter's City office address.

3. MULVENA was interviewed by Special Branch and Security Service officers between 30th October and 2nd November. He admitted that he had obtained, at the request of a member of the Soviet Trade Delegation in the U.K., a false passport in the name of a U.K. citizen who was near to death at the time and who has since died. The Russian official supplied the photograph for the passport.

4. MULVENA was also questioned about the letter from BOECKENHAUPT and about an approach he had made to an employee of the Ministry of Defence establishment at Shoeburyness which the employee thought might be indicative of a suspicious interest in the work of the establishment. His answers were unsatisfactory but did not admit criminal activity in these connections.

5. MULVENA is to be tried at Essex Assizes early next year on charges arising out of the obtaining of the false passport. It is possible that another charge will be added in relation to a separate false passport application which the police have recently discovered.

6. There is no evidence so far of a breach of security in the public service nor is there any indication that official information has been compromised.

Security Service

23rd December 1966

Note for the Record

The Prime Minister discussed with the Home Secretary yesterday his proposed reply to the Parliamentary Questions about telephone tapping.

Sir Burke Trend, Mr. Halls and I were present.

2. The Prime Minister said that he was under the impression that he had given instructions soon after the new administration took office that there was to be no tapping of Members' telephones. I said that according to our records he had had to consider a proposal for a warrant on a particular Member; and had decided, in consultation with Sir Frank Soskice, that the warrant should not be signed. He had been told that in previous years there had been four such warrants, all of them in connection with suspicion of espionage. It so happened that there had been no suspicion of espionage affecting a Member since this administration had taken office. There had been no suspicion of espionage in the one case which had been submitted to him.

3. The Prime Minister accepted that if there was a serious case of espionage in the future it might be necessary to issue a warrant, and in that event he would at some appropriate stage have to make a statement to the House. But this would be at a time which he himself would select. He said that he would make this point in reply to a supplementary question (and in fact did so).

4. The Prime Minister also decided to amend his reply so as to make it clear that he was giving the factual information about Members of Parliament only in the special circumstances of this particular occasion, and that there would be no question of giving any information about other categories. Here, the precedents would be fully binding.

5. It should also be recorded that the Home Secretary explained to the Prime Minister that he had stepped up the number of warrants issued in connection with investigating crime, although this had not meant any increase in the overall total. The Prime Minister said that he was all in favour of the power being used for this purpose, and entirely agreed with the action which had been taken.

PA

CONFIDENTIAL

21a

D.I./Inv.

NOTE FOR :

PF.607,027

POL.F.50/24/101/Supp/A

✓POL.F.50/6/312/Supp/A

I told William Reid of the Cabinet Office and David Dowler, Home Office, that MULVENA was being charged under the Official Secrets Acts and Criminal Justice Act 1925, the offence being forgery of an application for a passport, and that the hearing would be before a Magistrate at Southend this morning. It was probable that the Press would connect the case with that of the U.S. Air Force Sergeant charged on Monday in California. I suggested that they should inform the Prime Minister through Sir Burke Trend and the Home Secretary.

D.G.

2nd November 1966

CONFIDENTIAL

DG/MJN
2/11/66

10, DOWNING STREET,
WHITEHALL S.W.1.

6/29.7

*With the Private Secretary's
● Compliments.*

Rec: 29-7-66

P.A.:

POL.F. 50-6-312/suppr/A

COPY TO:

SF.452/51/LINK/A (F. Rose)

Copy

20a

10, Downing Street,
Whitehall.

July 27, 1966.

SECRET

This is to record that the Leader of the Opposition called on the Prime Minister in his room at the House of Commons at 3.00 p.m. on Monday, July 25 to discuss his proposal that there should be an Inquiry into certain matters relating to the seamen's strike.

The Prime Minister saw Mr. Heath alone for about ten minutes and then summoned Mr. Furnival Jones and myself to join the meeting. At the Prime Minister's invitation, Mr. Furnival Jones then explained to Mr. Heath the difficulties which an Inquiry would cause for him. Thereafter Mr. Furnival Jones and I withdrew and the Prime Minister and Mr. Heath resumed their discussion a deux.

After Mr. Heath had gone, the Prime Minister said to me that Mr. Heath had been impressed by the case made by Mr. Furnival Jones but appeared still to think that some form of Inquiry should be mounted and had mentioned the possibility of using a "house trained" judge for this purpose. The Prime Minister added that he would give Sir Burke Trend a full account of the discussion at some convenient opportunity.

JG/MJW
29/7

- 2 -

I am sending copies of this letter to
Sir Philip Allen and Mr. Furnival Jones.

(SGD) P. LE CHEMINANT

W.K. Reid, Esq.,
Cabinet Office.

CONFIDENTIAL

19A

NOTE FOR POL.F.50-6-312/SUPP/A
COPY FOR SF.452/51/LINK/A : F. to see

At the request of Burke Trend I attended a meeting at the House of Commons on 25th July when the Prime Minister was discussing with the Leader of the Opposition the holding of an enquiry into external influences on the N.U.S. during the seamen's strike.

2. I described to Mr. Heath the Security Service arguments against holding an enquiry, namely the risks to our sources, human and technical. The Prime Minister and Mr. Heath had discussed the matter before I was called in and continued after I left.

3. In conversation with Trend today, he told me that his understanding was that the Prime Minister and Mr. Heath had agreed to continue to think about the matter. Heath favoured a one man enquiry and had suggested Simon - the judge. Trend thought the best course was to play it along until it was forgotten.

D.G.
27th July 1966

CONFIDENTIAL

JG/MW
27.7.66

CONFIDENTIAL

18a

NOTE FOR :
POL.F.50-24-101
POL.F.50-6-366
POL.F.50-6-312

Sir Philip Allen told me today that he had now spoken to Burke Trend about the papers for the Prime Minister and the Paymaster General.

2. It had been agreed that when under the terms of the arrangement with the Home Secretary at 17⁴ I send a copy of a note to the Paymaster General, I should at the same time send a copy to Burke Trend, informing Philip Allen that I had done so. When the Home Secretary sent a paper to the Prime Minister, Philip Allen would either himself send a copy to Burke Trend or ask me to do so.

3. I confirmed that these arrangements were satisfactory to me.

D.G.

E. M. FURNIVAL JONES

21st July 1966

CONFIDENTIAL

JG/MAN
25-7-66

SECRET

17A

Extract from Note of D.G.'s Meeting with Sir Burke
Trend on 14th July 1966. Original on SF.452/51/Link/A

When I called on Sir Burke Trend this morning
the following points arose:

.....

(b) The Home Secretary had sent the Prime Minister the three F. Branch notes I gave to the Home Secretary on 8th July. The Prime Minister hoped that material of this kind was not going to the Home Secretary exclusively. Burke Trend asked me to consider sending him copies of such notes that I gave to the Home Secretary. *

.....

* see over

D.G.
14th July 1966

SECRET

DG/MSW
14-7-66

* The Communist Party and the National Union
of Seamen - (SF.452/51/Link/A)

The Communist Party and the Prime Minister's
Visit to the Soviet Union (SF.491/18 (363a))

The Communist Party and the Resignation of
Mr. Cousins (PF.295,076)

all three notes dated 7th July 1966.

512.
D.D.G. to see

SECRET

COPY TO:
POL.F. 241-7-1

16a

NOTE FOR POL.F.50-6-312/SUPP/A
and SF.452-51/LINK/A (F. to see)

I called on the Prime Minister this morning to explain my reasons for wishing to avoid any form of enquiry into the part played by the Communist Party in the seamen's strike.

2. I told him that the sources of our information had been an amalgam of human sources and eavesdropping devices. Our attack on the Communist Party was conducted at two levels - principally by human sources at district level and by both means at the centre. It might take very many years of patient nursing to advance an agent from the lowest level to the centre of the Party. In this process the agents tended not to become more relaxed but increasingly jittery. Already there were signs of anxiety at the mere prospect of an enquiry and we could not afford to lose such sources.

3. Although we believed we were successful in mounting the eavesdropping attack, there was no form of device known to me which could not be discovered and neutralised. At the moment the Party did not seem to suspect that eavesdropping had been an important source, ascribing the information to telephone checks and surveillance, but their suspicions could be easily aroused and they had plenty of Communist technicians at their command. We did not want these to be used in a thoroughgoing inspection. /securely

4. We already had experience of our sources being put at risk and I instanced the enquiry by the Three Advisers into Communism in the Civil Service Unions as the result of the Radcliffe Report. It did not matter whether the Privy Councillors were informed about our sources or not. Communists who appeared before them would assume that they did know about them, or at all events had been fully briefed on their product, and all the time they would be drawing inferences from the questions they were asked about the intelligence that lay behind them. This could start off a major security review by the Party.

5. The Prime Minister said that he fully understood my anxiety and thought that the case /was

SECRET

DG/MWJ
5-7-66

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was convincing, particularly on the human side. He thought that so much was now happening to engage the attention of the House - the resignation of Mr. Cousins, the supposed split over Vietnam, the Prices and Incomes Bill - that it was quite likely that the Opposition would drop the idea of an enquiry which, indeed, they had not pressed for very hard in the debate on 28th July. If it were raised again and pressed, he would speak to the Leader of the Opposition.

6. He thought that there might be a case for the Royal Commission on Trade Unions looking into the general question of Communist influence in the Trade Unions. I said that our impression was that the Communists were on the defensive, if not in retreat, in the Trade Unions and the Prime Minister confirmed that he had read the F. Branch paper produced for the A.C.(H) Committee. What he had in mind was that men like Carron, Cannon and Chapple should give evidence to the Royal Commission on their experiences of Communist activity in the Unions and nothing should be said about Security Service information on the topic. It was left that Sir Burke Trend would speak to Barnes at the Ministry of Labour about this proposal.

Sir Burke Trend

D.G.

5th July 1966

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~~CONFIDENTIAL~~

SECRET

15a

NOTE

James Elliott and I went down to see Sir Burke Trend at lunch-time yesterday to go through some further amendments to the Prime Minister's speech. They included all the ones which we had put forward and which were accepted. We had already been told that there would only be one seat for us in the "Box" at the House of Commons and we therefore agreed that James Elliott should kick off so that I could attend the D.G.'s meeting. This I did. As the D.G. was anxious that there should be continuity in our representation in the "Box" I went down to the House again but was refused admission on the grounds that it was full. After returning to the office and consulting the D.G. I decided to carry out our original agreement and relieve James Elliott shortly after 6 p.m. so that he could have a meal. When I arrived at the House the policeman outside the Chamber was on the telephone and said to somebody that I had just arrived. This turned out to be the secretary of the Home Secretary who said the latter would like me to be present at a briefing at 7 p.m. because he had to go on television later in the evening. I therefore took over from Elliott in the "Box" but just as he returned before 7 p.m. to relieve me the Prime Minister's secretary said I was required at a meeting in his room. Elliott therefore went up stairs to take my place with the Home Secretary and I joined a meeting with the Prime Minister, Trend, Barnes and Graham-Harrison, which was later joined by the Paymaster General. This was to discuss the debate so far and the question of an enquiry. Trend suggested that the Home Secretary should join us, to which the Prime Minister agreed and Mr. Jenkins came in leaving James Elliott free to go back to the "Box".

2. Everybody in the room except the Prime Minister was against an enquiry and said so. The Paymaster General in particular used two arguments which I had put to him at our first meeting during the Trooping of the Colour, namely

- (a) danger to Security Service sources;
- (b) incipient McCarthyism in this country.

3. Since the Prime Minister clearly intended to pursue the possibility of some sort of enquiry, which he agreed should in no way endanger the sources of the Security Service, various possibilities were canvassed. The Paymaster General wanted Lord Radcliffe because of his wisdom and knowledge of security matters. The Prime Minister wanted Privy Counsellors because they could be hand-picked and because their procedure was so much more informal. The Home Secretary objected to Privy Counsellors because they had been used on security matters before and this would point the finger at security. Trend did not like a judge because the matters at issue were not

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~~**CONFIDENTIAL**~~

- 2 -

judicial but political. I said I personally did not like Radcliffe because we had had many dealings with him in the past and there would be an inevitable tendency on his part to want evidence of Communism produced to him as preliminary briefing in much the same way as had happened in the VASSAL case. The Prime Minister reminded those present that the VASSAL enquiry had changed into a tribunal and in any case he thought Lord Radcliffe too old. What he was working to was a Committee of the House consisting of three Privy Counsellors, namely Patrick Gordon Walker, Alec Douglas Home and Joe Grimond. At one moment he was thinking of making this a very far reaching enquiry into the whole influence of Communism in trade unions, something which might last two years. The feeling of the meeting was that if an enquiry had to be held, and it was still hoped that this would not be necessary, it should be confined within the very narrow limits of the seamen's strike. The Prime Minister then drafted terms of reference on the following lines:-
"To enquire into the activities of the Executive Council of the National Union of Seamen towards the prolongation of the strike and into any external pressures put upon it". Barnes recognised that this would involve the Ministry of Labour more than ourselves but he was not altogether averse to it. He thought, however, that some reference to an enquiry might frighten the seamen and force them to call off the strike.

4. In the event there was a muddle in the debate. It had been anticipated that this might last all night, but in fact the regulations had to be renewed for some technical reason before 10 p.m. and the Prime Minister only had five minutes in which to wind up. Trend hoped that he would use this opportunity to omit any reference to an enquiry and in fact he confined himself to saying:-

"When the strike is over I would be prepared to consider some form of enquiry and if there is to be an enquiry, what terms of reference would be appropriate to conform to the national interest. When the strike is over. Not now."

R. Thistlethwaite.

F.

—
29 June 1966

SECRET
~~**CONFIDENTIAL**~~

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140

NOTE

I delivered the daily brief to Sir Burke Trend at 10.30 this morning and he said that he would like to discuss the latest developments. In his view there were two important points:-

- (a) the possibility of an inquiry,
- (b) the action to be taken if the strike were prolonged.

On the second point he said that if the N.U.S. Executive Council at its meeting this morning decided either to ballot the members or to recall the Annual General Conference, this might mean that the strike would go on for a further fortnight at least. This would probably be unacceptable so far as Government was concerned and would most probably mean that it would be necessary to put naval tugs into some ports. He added that Denis Barnes of the Ministry of Labour was of the view that, on the assumption that the strike would go on, the time had come for some well-directed strike-breaking. Barnes had in mind that employers at a selected port, for example Harwich, should be asked to recruit crews and try and get a ship away. I told Trend that we had no information about the likely outcome of the E.C. meeting this morning and the only comment I could offer on Barnes' proposal was that we should probably need to have a look at our coverage. (the employers in Harwich, or for that matter any other South Coast ferry port, are likely to be British Railways and we should need to know the anticipated N.U.R. reaction. The T/C on AHERNE may be needed).

2. We then had a very brief meeting with the Prime Minister who, on the points raised by Trend, said that the strike-breaking proposal could be discussed in the Emergency Committee this afternoon but he would not put it to the Cabinet until early next week.

3. I then had a meeting with Trend and the Paymaster General in the latter's room on the subject of an inquiry. The Paymaster said that while the P.M. was less enthusiastic this morning than he had been last night about an inquiry he, the P.M.G., felt that the P.M. would almost certainly come down in favour of an inquiry. He believed that the P.M. would be under pressure at the Labour Party Conference in the autumn and would want to be armed with the result of an inquiry. The discussion then followed lines very similar to those on which Director F. has already reported (38a).

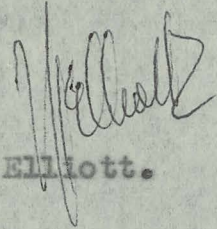
4. I thought I ought to warn the P.M.G. that the Communist Party has declared its intention not to co-operate in any inquiry. This could mean that if, for example, RAMELSON were asked to give evidence

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- 2 -

he might refuse to do so. If measures were then taken to enforce his attendance the Party would probably make political capital out of this. A greater danger was that he would agree to attend only if he were assisted by Counsel and had a right to examine his accusers. Trend and the P.M.G. took the point.



J. S. Elliott.

F.1.A.

29 June 1966.

SECRET

13a

NOTE

The D.G., F.1.A. and I went down to the Cabinet Office yesterday where we were joined by Francis Graham-Harrison and Sir Burke Trend. We discussed the Prime Minister's draft statement and made some suggested amendments. It was also agreed that the D.G. should do all that he could to persuade the Prime Minister to refuse any sort of enquiry. The Prime Minister's secretary meanwhile left a note for me of our previous meeting with the Prime Minister, the Minister of Labour and the Leaders of the Opposition. Mr. Elliott read it through and found it satisfactory

2. Trend rang me later in the evening to say that we were wanted by the Prime Minister in his room in the House of Commons at 7 p.m. but that he wanted us first to see a "piece of paper". This turned out to be a note (attached) prepared by the Paymaster General about information he had received from Tom SUTTON. We then went through the Prime Minister's draft page by page and various amendments suggested by the Minister of Labour, the Lord Chancellor and ourselves were incorporated. These are as annotated in the attached copy.

3. The Paymaster General, and Sir Burke Trend and the D.G. spoke forcibly against any form of enquiry and this advice was accepted by the Prime Minister.

R. THISTLETHWAITE

R. Thistlethwaite.

F.

28 June 1966.

TOP SECRET

12a

NOTE

The D.G., F.1.A and I took our draft contribution (attached) to the Prime Minister's forthcoming speech down to the Cabinet Office on 24 June. We discussed it first with Sir Burke Trend who had some hesitation about our references to Nan GREEN's flat and the ad hoc liaison committee, not so much on the grounds of risk to sources as from the fact that it gave the impression the Government was using the Security Service to spy on the trade union.

2. It was originally agreed that the draft, amended to meet Sir Burke's objections, should be circulated to the Home Secretary, the Minister of Labour and the Attorney General as well as to Number 10. However, the Prime Minister let it be known that he wished to discuss the draft before circulation and his secretary joined us in the Cabinet Office. The latter made the point that we had not included a mention of the rejection of the Court of Enquiry's recommendations before they were read, nor had we referred to the lobbying which took place by the Communist Party of members of the Executive Council. He was sure the Prime Minister would raise these points and indeed, when we repaired to Number 10, he did. To the first we replied that our information came solely from Communist sources and indicated that the Executive had decided to refuse the Pearson recommendations on the basis of what they learned through a leakage, probably on the ticker-tape. In order to check whether there was overt evidence of a leakage, the Prime Minister, at my suggestion, called for a copy of the Daily Mail in order to see whether Monty METH had had advance news of the Pearson recommendations; this proved to be the case. In any case I pointed out that this particular aspect of the affair was covered on page 3 of our draft in the word "hasty". On the second point, namely the reference to the ad hoc liaison committee, we pointed out that this was covered in the third sentence of page 3 of our draft. To go further than this would be to put our sources at risk. This was accepted by the Prime Minister and the Paymaster General who was also present.

3. The Prime Minister said that he would expand on the behaviour of the Executive Council from his own personal knowledge and this would fill in the last sentence of page 2 of our draft. In order to get over the ad hoc liaison committee difficulty he would make a general statement about the way in which the Communist Party went to work in an industrial dispute. He was not going to make an attack on the Party but rather to expose the sheepishness of the Executive Council.

B. THISTLETHWAITE

R. Thistlethwaite.

F.

27 June 1966.

TOP SECRET

CONFIDENTIAL



DRAFT

I turn now to a different aspect of this problem. Almost from the moment that the National Union of Seamen submitted its claim the Communist Party proclaimed its support for the seamen. It may well be asked why the Communist Party should be so interested. It was certainly not because the Communist Party numbered among its members a large body of seamen. The N.U.S. has had an unhappy history in recent years but even now there is not a single Communist on its Executive Council and it is doubtful whether there is more than a handful of Communists in its membership as a whole. The answer is plain. The Party regarded the dispute as an opportunity to strike a blow at the Incomes Policy and this has remained its prime motivation throughout. We are however more concerned with the Party's capacity for action than its intentions. Here I must point out that this Party, unlike the major political parties, has at its disposal an industrial apparatus controlled from Communist Party Headquarters. Events in the Electrical Trades Union have shown that this apparatus can be and is used to interfere in the legitimate activities of trade unions. The present controller of this apparatus is Bert RAMELSON, who has three full time officials on his staff and in the London area, notably the docks, his principal lieutenant is Dennis GOODWIN.

I have referred to the Communist Party's numerical weakness in the N.U.S. but there is nevertheless the paradoxical situation that immediately

/after

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after the strike began the chairmanship of the strike committees in the country's two major ports, London and Liverpool, was secured by two Communists, Jack COWARD and Roger WOODS. In the N.U.S. negotiating machinery the leading member of the negotiating committee who was elected from the floor of the Annual General Conference, was also a Communist, namely Gordon NORRIS, who in recent years has also gone under the name of George GOODMAN. There are two aspects of this dispute in which Communist influence has been exercised - the attempts to influence the Executive Council of the N.U.S. and to extend the area of the stoppage.

To deal first with the Party's efforts to influence the Executive Council of the N.U.S. Although there are no Communists on the Council, it has within it a hard core of militant but relatively inexperienced members. The militancy and inexperience of this group presented the Communist Party with its opportunity and its instruments were Joseph KENNY and James SLATER. They live in Liverpool and South Shields respectively and when they attend Executive Council meetings in London they stay at the flat of a veteran Communist, known in Party circles as Nan GREEN. Residing at the same flat is Jack COWARD and during the strike RAMELSON was seen on several occasions late at night to visit this flat when KENNY and SLATER were staying there. It is clear to me that these two have dominated the Executive Council throughout the negotiations.

/I turn ...

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I turn now to the Party's behaviour at the time a State of Emergency was declared. On the following day the Morning Star said "No self-respecting trade unionist will work in co-operation with the Army and Navy" and "every trade unionist must rally in solidarity to the support of the seamen". To those experienced in reading Communist pronouncements this was a clear invitation to extend the dispute and the most likely area of extension was the docks. This interpretation is reinforced by the fact that in the next few days RAMELSON and GOODWIN gathered around them a number of influential Communists. The most prominent of these was Harry WATSON, the President of the Lightermen's Union, and the others included Jack DASH and Danny LYONS who are both members of the unofficial liaison committee in the London docks, and Gordon NORRIS and Jack COWARD representing the seamen. DASH ~~who~~, as his numerous speeches in the docks indicate, was torn between his loyalty to the Party and to his union. The climax of the Party's offensive in the docks came soon after the hasty decision of the N.U.S. to reject the findings of the Court of Enquiry as a basis for negotiation. On 13th June a meeting of about 1,500 dockers chaired by Jack COWARD was held in London and was addressed by four speakers, Harry WATSON, Jack DASH, Gordon NORRIS and Harry MUNDY. The last is an official of the Transport and General Workers Union and is the only one of the five who is not a member of the Communist Party. At this meeting a resolution calling for the "blacking" of all British ships was passed. After

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an initial period of confusion the dockers returned to normal working. Since the failure of its offensive in the docks the Communist Party has become noticeably more cautious and its principal effort has been directed at the T.G.W.U. in the hope that the latter would depart from its policy of the selective "blacking" of ships. In this objective the Party has fortunately been consistently out-maneuvred by the leadership of the T.G.W.U.

24th June 1966

CONFIDENTIAL

11a

NOTE

James Elliott and I saw the Prime Minister again this morning with Sir Burke Trend. I told him that intelligence was coming in fairly fast and indicated that the Party was planning to rebut allegations which they expected the Prime Minister to make about the Communist connivance with KENNY and SLATER and the Communist unofficial liaison committee. At the same time they were pressing on KENNY, who appeared to accept them, the same face-saving proposals as were mentioned in yesterday's oral briefing. I said that it was important from the security point of view that the Prime Minister should emphasise the face-saving proposals being put through the T.U.C. and keep off the Communist tack until as late as possible before his statement on Tuesday. He said that he would not require a draft until Monday morning and even then it might have to be changed on Tuesday morning. Sir Burke Trend emphasised that the draft should be cleared with the Home Secretary and the Minister of Labour.

2. I asked the Prime Minister what was behind the reports in today's press about the interference of other unions in the dispute. He said that this was because he had mentioned the part played by Harry WATSON of the Lightermen's Union which was a heinous crime in trade union eyes.

3. Afterwards the Prime Minister's secretary said that he thought it would be wise to have an outline draft ready before the weekend so that we would not be faced with too many last minute questions on Monday and Tuesday.

4. In the afternoon James Elliott and I went down to see Sir Burke Trend with the situation report. He said that he would like us to talk to the Paymaster General, who in turn asked us to accompany him on a visit to the Prime Minister. The latter read the situation report and then told us of the resumed negotiations. We then repaired to the Paymaster General's room to discuss the draft on what the Prime Minister could say next Tuesday. The Paymaster General laid down two rules:-

- (a) we should protect our sources,
- (b) we should divulge enough but not too much to obviate the need for an enquiry.

Trend said that he thought that what the public really wanted was to have facts which had already appeared in the newspapers brought together in a coherent pattern in order to explain what for everybody was a totally bewildering strike.

R. Thistlethwaite
R. Thistlethwaite.

TOP SECRET

Reference..... SF. 452-51 ~~Supp B~~ Link/A

10a

NOTE

I visited Downing Street twice yesterday, the first time with James Elliott. Together with Trend we gave the Prime Minister an oral brief of the latest developments. The Paymaster General was not present. In the afternoon I took this down in written form and the Prime Minister said that he would like more information if it was available by the evening (I had described the difficulties of transcription of this particular material). Later in the day Trend and I saw the Prime Minister in his room in the House of Commons and gave him the second situation report in which he was much interested. During this meeting he told me that he wished me to be present the following day when he saw Mr. Heath and Mr. Maudling and he also intimated that Mr. Heath was pressing for an official tribunal. The Prime Minister himself would prefer "a tame judge". When I left with Trend the latter said that he was much disquieted by this development and we should discuss it further.

2. This morning James Elliott and I again went to Downing Street and briefed the Prime Minister and the Paymaster General orally. The Minister of Labour and Barnes then joined us and tactics for dealing with the next meeting of the Executive Council of the National Union of Seamen were discussed. The Prime Minister made it clear that he would, whatever happened, have to give information on Tuesday amplifying what he said in his last statement. We should therefore prepare something which would not imperil our sources. I then saw the Director General and we both reported to the Home Secretary and Cunningham. This was followed by a further meeting in Trend's office when the forthcoming meeting with the Opposition leaders was discussed with special reference to the possibility of an enquiry. All present were very much against it and it was suggested that the Home Secretary's support should be enlisted.

* 3. In the afternoon the Director General, James Elliott and I went to the House of Commons and after the Prime Minister and the Minister of Labour had had a few moments privately with Mr. Heath and Mr. Maudling we joined them. The Prime Minister told us that the meeting was being conducted on a Privy Councillor to Privy Councillor basis so that we were quite free to give a full account of the strike. This Mr. Elliott then did, speaking from the attached brief. The Prime Minister filled in with a few of his own observations on the strike and was followed by Mr. Gunter. Mr. Heath, who referred to Mr. Elliott's statement as "lucid", then asked a question about the timing of the meetings between the Communist Party and KENNY and SLATER. He did not commit himself about future action but the meeting was friendly and passed off smoothly.

R. Thistlethwaite.
R. Thistlethwaite.

F.

22 June 1966

TOP SECRET

* For full details of mtg - see 34a on SF. 452-51/Link A.

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The following Note has been prepared for the discussion between the Prime Minister and Mr. Edward Heath on the assumption that the information will be protected as between Privy Councillors.

The Communist Party and the Seamen's Strike

The General Attitude of the Communist Party

The Communist Party regarded the strike from its inception as an opportunity to support an attack on the Incomes Policy and, while it supported the National Union of Seamen (N.U.S.) on the issues involved, these in the Party view were a secondary consideration. As such the seamen's strike is to be regarded as in line with the Party's behaviour during the threat of a strike by the National Union of Railwaymen (N.U.R.) a few months ago.

The Strength of the Party

2. At the outset the Communist Party was numerically weak in the N.U.S. and no member of the N.U.S. Executive Council was a card carrying member. The General Secretary, HOGARTH, who obtained his appointment with some left-wing support, was poorly regarded by the Party and its criticisms of him seem to have been based rather on his lack of ability than on his political affiliations. In spite of its numerical weakness the Party was able to make considerable penetration of the N.U.S. strike organisation from the outset. The Chairmen of two of the most important Strike Committees, those in London and on Merseyside, were both Communists, Jack COWARD and Roger WOODS respectively, and the Chairman of the ad hoc Negotiation Committee elected from the floor of the Annual General Conference a few weeks earlier was Gord NORRIS, also a Communist. On the Executive Council itself two members, James SLATER and Joe KENNY, who are not members of the Communist Party, soon showed their willingness to accept approaches and advice from the Communist Party.

Party Tactics in the Initial Stages

3. From the outset the Communist Party decided that it should deploy such influence and support as was within its capacity through official trade union machinery and set its face against the encouragement of supporting action by unofficial leaders, such as the Communist Jack DASH in the London Docks. This decision proved an uncomfortable one for the Party since it meant in practice that, in the early stages at least, the initiative was left with first the Executive Council of the N.U.S. and, when this was not in session, the National Disputes Committee which consisted of N.U.S. officials and on which the Communist Party was not represented.

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The Communist Party's Industrial Apparatus

4. Decisions on the Party's activities in connection with the strike were taken at Communist Party Headquarters (C.P.H.Q.) and in the first instance were the responsibility of the Chief Industrial Organiser, Baruch RACHMILIEVITCH now known as Bert RAMELSON, who discussed the line he should take with the Party's General Secretary, GOLLAN, and members of the Party's Political Committee. This is a committee consisting of twelve members, almost all senior Party functionaries, which meets once and sometimes twice weekly. Outside C.P.H.Q. the Party's principal contactmen with Communists in the strike organisation was in London, Denis GOODWIN, the District Industrial Organiser, and in Glasgow and Merseyside the Party District Secretaries.

The Communist Party's reaction to the declaration of a State of Emergency.

5. The Communist Party's immediate reaction was to draft a statement under the authority of the Political Committee, the significant portion of which is that the Declaration will widen the conflict and that no trade unionist can be expected to deal with goods which have been handled by the military. It also calls for maximum solidarity with the seamen and with any other section of workers which may become involved.

Party tactics after the Declaration of a State of Emergency

6. With the approval of the Political Committee, it was decided to set up on 26 May a secret ad hoc committee to co-ordinate Party activities in support of the strike. The composition of the committee has varied in subsequent meetings but initially it consisted of RAMELSON, Jack COWARD, Jack DASH, Harry WATSON (President of the Lightermen's Union) and Gordon NORRIS. All are Communists. At the first known meeting of this committee it was decided to campaign for the recall of the N.U.S. Executive Council which should be asked to transfer control of the strike, so far as movements of ships within port are concerned, from the National Disputes Committee, on which the Party is not represented, to the local strike committee where there is Communist representation. It was announced a few days later that the Executive would be recalled.

7. Meanwhile the Party endeavoured to mobilise support in other unions and on 1 June C.P.H.Q. was informed that a leading Communist on the Executive Council of the N.U.R. had raised the question of support for the N.U.S. in his own Council.

8. On 3 June the Political Committee decided that the strike needed to be expanded if it were to be successful and that the recall of the Executive Council of the N.U.S. provided an appropriate opportunity. On the

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same day RAMELSON reported to C.P.H.Q. that he had arranged to meet NORRIS at 4.30 p.m. that day and intended to put the following proposals to him:-

- (a) that whatever the outcome of the Court of Enquiry NORRIS and the militants on the Executive Council should oppose any return to work without a satisfactory agreement;
- (b) that the Executive Council should be persuaded as a matter of urgency to "black" "all tankers arriving in the U.K. and that the Executive Council should, through the International Transport Workers Federation (I.T.F.) as the dockers to black all British ships arriving in foreign ports."

In the event the Executive Council did find the Court of Enquiry's proposals insufficient to justify a return to work and it did "black" foreign oil tankers making voyages to the U.K. contrary to their normal deployment and it also appealed to the I.T.F. to black all British ships in foreign ports.

Communist Attempts to secure support in the T.G.W.U.

9. After the breakdown of negotiations following the Court of Enquiry's report, RAMELSON was in contact with William JONES, a member of the Executive Council of the T.G.W.U., and asked the latter to raise the question of support for the N.U.S. in the T.G.W.U. Executive Council. JONES is a long-standing Communist who left the Party in 1957 and still maintains regular contact with C.P.H.Q. JONES ultimately moved a resolution, which received unanimous support, asking the T.G.W.U. to continue its support of the N.U.S. He appears to have attached more practical significance to this than events were to prove and was in fact out-manoeuvred by the T.G.W.U. acting General Secretary, Harry NICHOLAS.

The Communist Party and the Docks

10. By 10 June the Communist Party had reached the conclusion that its efforts to extend the strike on behalf of the N.U.S. through the other unions, notably the T.G.W.U. had failed. It then decided that a major effort must be made to bring about a stoppage in all the docks with or without official union support. Party District Secretaries in the port areas involved were instructed to go ahead to this end. This offensive failed to receive support on Merseyside but there was a temporary stoppage in Hull which may have owed more to Trotskyist rather than Communist inspiration. In London on the morning of 13 June there was a meeting of about 1,500 dockers which was addressed by NORRIS, WATSON, DASH and William MUNBY, an official of the T.G.W.U. The first three are Communists as was the Chairman, Jack COWARD. At this meeting a resolution was passed to the effect that

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all work on British ships should be declared "black". In practice this was not implemented by the dockers who continued to follow the T.G.W.U. line that they should refuse to work on only those ships which had been declared "black" through the established negotiating machinery between the N.U.S. and the T.G.W.U.

Contact with Executive Council Members

11. There are believed to have been several meetings between RAMELSON and the two Executive Council members, KENNY and SLATER who, when in London live at the house of a Communist, Nan GREEN. On 17 June RAMELSON reported to C.P.H.Q. that he had seen KENNY and SLATER on the previous night and that they had assured him that the seamen were solid in their determination to get the 40 hour week. At the same meeting KENNY and SLATER reported that they had contacted 16 members of the Executive Council of the N.U.S. to try and stiffen their attitude against retreating. They had pointed out that if the Executive Council called off the strike it would be up to the Executive Council members to justify their attitude to the rank and file.

22 June 1966

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9A

NOTE

(Copy to A.)

Together with Sir Burke Trend I saw the Prime Minister and the Paymaster General on 17 June. Because King Street had opened up late I had to do the briefing orally but this was sent down in writing later. The Prime Minister commented that it was clear the Communist Party was gain in the centre of the picture and that we should therefore be in a position to obtain more information. This was clearly a reference to the D.G's warning the previous day that if the Party pulled out our sources would dry up.

2. Before this meeting took place the Cabinet Office had enquired whether we could record certain telephone calls which would be made from Downing Street during the conference. The question of "bugging" the conference room in the Cabinet Office had already been raised by Trend but such action was not proposed for this occasion. After consultation with A.2. it was arranged that [redacted] should go down to see Mr. Reid which he duly did. The operation would have involved tapping some 50 telephone lines, and because the Post Office would have had to have been brought in, the Prime Minister decided against it. He asked us, however, to pay particular attention to our coverage of the lines of NORRIS and DASH which we had. Mr. Watson was able to look at the conference room in the Cabinet Office and commented favourably on the possibilities. Sir Burke Trend expressed his appreciation to me for [redacted] visit.

3. As arranged with Sir Burke Trend I came into the Office on Saturday, 18 June, to read the material which had been transcribed during the previous evening which I gave to Trend when he telephoned me at 10 a.m. He asked me to wait until he had had a chance to speak on the telephone to the Prime Minister who was resting after his journey from Liverpool. He came back to me at 12 noon to say he had given the Prime Minister my views and that the latter was content to wait for a written report at 10.30 a.m. on Monday 20 June, but he wished to be informed of any startling developments which occurred. While he appreciated very much my desire to rest the staff if the weekend was uneventful, he nevertheless hoped we would be able to go on providing the same service. Trend also added that he had persuaded the Paymaster General from making various ploys with the press but the Prime Minister would make a statement to the House today. The first draft of it would be based on that which we produced last week. This is somewhat out of date and I therefore drew up an amended draft.

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R. THISTLETHWAITE

R. Thistlethwaite.

F.

20 June 1966.

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SF.452/S1/link/A

Reference... ~~SF.452/5~~ ~~Supp B.~~

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NOTE FOR FILE

The D.G., F.I.A. and I took the Situation Report to the Prime Minister yesterday just before he was due to meet the seamen's delegation. We had nothing to add to what was in the statement but the D.G. made the point to the Prime Minister that, as the Party looked as if it was going to withdraw from the strike, our sources of information would dry up. It would in fact become a straight industrial dispute. The Prime Minister commented that this was precisely what he wanted.

R. Thistlethwaite

R. Thistlethwaite

F.

17 June 1966

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SF.452-51/21K/A

Reference...SF.451-52 Supp. B.

7A

NOTE FOR FILE

The Director General and I visited 10 Downing Street this afternoon at the Prime Minister's request and saw both him and the Paymaster General. With reference to this morning's Situation Report on the Seamen's strike, we told him that according to our information a third negotiating point would be the 14 days difference in leave between the 39 offered by the Court of Enquiry and the 53 demanded by the seamen. We also said that we had just had a report which we were unable to substantiate, because it had not come from one of our sources, that there would be a full meeting of the N.U.S. Executive Committee tomorrow. (This was confirmed by the Paymaster General). An Executive Committee member had also been reported as saying that the N.U.S. Executive is probably prepared to accept the terms of the Court of Enquiry as they stand in the expectation that they will "have another go later".

2. The Prime Minister said that he had just come from a meeting with three M.P.s who had been in touch with the Negotiating Committee, namely Heffer, Horner and Orme. Heffer had seen KENNY who said that the N.U.S. was very disappointed by the Prime Minister's statement yesterday and felt that he was trying to split the Union. The Prime Minister retorted that the N.U.S. had made no move to negotiate and, if the strike continued, the Union would split itself into the blue water seamen and the coastal seamen. On the question of hours he stood by what had been agreed with the Minister of Labour, namely that the number of days could be re-examined by the Court of Enquiry in relation to productivity.

3. The Prime Minister said that he was prepared, if necessary, to continue the meeting throughout the night if there seemed any prospect of success.

R. Thistlethwaite
R. Thistlethwaite

F.

15 June 1966

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CONFIDENTIAL

6a

A.

Since 24th May we have been providing the Prime Minister and Home Secretary with summaries of information bearing on the seamen's strike. On Friday, 10th June, the Prime Minister spoke to me in warm terms of the quality and value of these reports.

I am grateful to the secretaries, transcribers and officers who have contributed to the preparation of these reports. I know that many have worked early and late during the past three weeks.

Please show this note to all concerned.

E. M. FURNIVAL JONES

D.G.

13th June 1966

Copy to F.


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SF. 452-51/WNK/A.

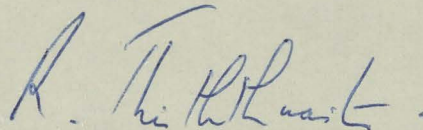
Reference.....SF. 451-52 Supp. B.

5a


Director General

When I took the situation report on the seamen's strike down to Sir Burke Trend at the Cabinet Office on Saturday, 11 June, he said he would like me to wait until the Queen's Birthday Parade had finished so that I could discuss it with the Prime Minister and the Paymaster General. Having had a very good view of the Parade and waited another half-hour in the anti-room to the Cabinet Room, Trend and Wigg arrived and we had quite a long conversation about the strike. The Paymaster General said that he had arranged for the meeting at the docks this morning to be specially televised by I.T.V. and he also had a tentative arrangement whereby NORRIS and possibly also RAMELSON would be invited to be interviewed on T.V. this evening on condition that the Paymaster General provided the questions for the interview. I said I thought this was not a very happy project and compared it with the E.T.U. case. There were two main difficulties. In the E.T.U. case they had a first-rate interviewer in the form of John Freeman and although FOULKES had, in fact, stood up well in the beginning he finally cracked because he was trying to hide corruption in his union. In the present case, NORRIS and, for that matter, DASH, who are quite open Communists, had nothing to hide because they behaved with reasonable correctitude throughout the strike. NORRIS, moreover, was something of a personality and, if he was put on T.V., the result might be in his favour instead of the other way round. The Paymaster General accepted this but said that he had already made certain overtures to the Press, which he could not withdraw (these were obvious in yesterday's "Sunday Times").

2. The Prime Minister then appeared and we adjourned to the Cabinet Room. His secretary, who had heard me lecture on a Treasury course told me that he had only been able to persuade Mr. Wilson to leave his guests by mentioning that the "comic cuts" had arrived. The Prime Minister then read the situation report and having heard the arguments which I had already put forward to the Paymaster General together with the further point I made that it would be foolish to queer Woodcock's pitch, he decreed there should be no further action until we knew what the situation was on Monday.



R. Thistlethwaite

F.

13 June 1966

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~~Pol.F.50/6/366 Supp A~~
Reference.....

4a

The Seamen's Strike

The Seamen's Strike was discussed at a meeting with the Prime Minister on Friday 10th June at 3.45pm. Present were the Prime Minister, the Paymaster General, Sir Burke Trend, the Director General Security Service and F.l.A./Mr.Elliott. At a preliminary meeting Sir Burke Trend explained that the Prime Minister and the Paymaster General had in mind an attempt to expose the activities of Communists, notably NORRIS, in connection with the dispute and that the Security Service might expect to be asked to express a view.

2. The Prime Minister opened the discussion by expressing his satisfaction with the series of intelligence reports submitted and arising out of the latest he commented on the apparent continuing hesitancy of DASH. The Security Service view was that this stemmed from a doubt in DASH's mind as to the extent of support he might hope to receive from an appeal for unofficial action, particularly if that meant the dockers would not receive their "fall-back" pay. The Security Service view was also that Communist involvement in the strike had increased rapidly following the N.U.S. decision to reject the findings of the Court of Enquiry as a basis of negotiation and the subsequent failure of the talks with the T.U.C. To counter the current isolation of the N.U.S. the Party felt that it was essential to demonstrate new support for the Union and that the most effective way was to bring the ports to a stop even if this had to be done by an appeal to the dockers at unofficial level. It was therefore likely that Monday 13th June would be crucial and this was also the Party's own assessment. The Prime Minister explained that he and the Paymaster General had in mind an operation whereby the press might be encouraged to follow NORRIS to obtain overt information on his current affiliations and that subsequently NORRIS should be invited to appear on television. It was hoped that by shrewd and skilful questioning NORRIS could be disconcerted and exposed before a mass audience. The Director General explained that advice on this operation scarcely fell within the normal responsibilities of the Security Service but nevertheless the operation was one which could be considered though timing was of importance. At this point a news flash was received to the effect that the N.U.S. claimed to have found a possible solution to the dispute and was proposing a conference with the Government, the T.U.C. and the employers. A Ministry of Labour gloss on this report shortly afterwards indicated that it was probably a reversion to a N.U.S. proposal for a Government subsidy to enable the forty hour week to be introduced forthwith. The Prime Minister, while accepting that the subsidy proposal was a non starter, observed that an indication of a resumption of negotiations might make it more difficult for the Communist Party to carry out its plan to stop the docks on Monday. He intended therefore to defer the projected operation against NORRIS and stressed that nothing should be done which was likely to prejudice the resumption of negotiations currently entrusted to the General Secretary of the T.U.C., Mr.Woodcock.

3. The Director General showed to the Prime Minister a draft (copy attached) which it was suggested might be used if there were any formal Ministerial Statement on the situation. The Prime Minister said that this draft would be very welcome and expressed a little surprise that the Security Service was prepared to go so far as to mention the Party's instructions to stop the docks. Sir Burke Trend commented that a statement of this kind would be a major political act on which the

/Prime Minister

TOP SECRET

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Reference.....

2.

Prime Minister would no doubt wish to consult some of his colleagues including the Minister of Labour. The Prime Minister said that the use of this statement would be deferred until more was known of the situation on Monday morning.

F.I.A.

13th June, 1966


J.S.Elliott

TOP SECRET

The recommendations of the Court of Enquiry concede the major part of the seamen's claim and mean that they are assured of a forty hour week by June 1967. It is to be regretted that the Executive Council of the National Union of Seamen refused to accept these terms as a basis for negotiation and the consequences of that decision are grave. It means that for the moment the National Union of Seamen has cut itself off from responsible trade union opinion in this country and will become increasingly dependent upon the support of irresponsible elements. The Communist Party is typical of these. That Party numbers within its ranks scarcely a handful of seamen, yet there are clear indications that its resources are now devoted to one objective - a complete stoppage of the country's ports. The World Federation of Trade Unions, a Communist run organisation from which British trade unions walked out in 1949, has instructed its members to refuse to handle the cargoes of British ships in foreign ports. While these measures may seem to afford support for the National Union of Seamen, that union might be well advised to examine the motivation behind it.

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D. to see

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3B

NOTE FOR PF.605,117/LINK/A

WILSON

I attended a meeting this morning with the Prime Minister to discuss the COURTNEY affair, at which Sir Burke Trend, Sir Charles Cunningham and Derek Mitchell were also present. The meeting was preceded and followed by meetings with the officials. The purpose of the first meeting was to ensure that everyone was up to date with recent developments including in particular the meeting between the Prime Minister and the Leader of the Opposition which is sufficiently covered in the attached note.

2. The Prime Minister said that he accepted that the Security Service view of COURTNEY's security status was probably correct. Nevertheless, he found his conduct puzzling and, accepting that the broadsheet was of Russian origin, the actions of the Russians equally inexplicable. COURTNEY had made conflicting statements to the Prime Minister, to the Paymaster General and to Mr. Heath, e.g. he had first of all said the photographs were faked. His account of how he did business with the Russians did not at all square with the Prime Minister's own experience of doing business; in the first place he did not seem to deal with the right people and in the second all doors seemed to be open to him. The Russians had apparently been willing to grant a visa to COURTNEY at about the same time as they were distributing the broadsheet and COURTNEY had remained confident up to a few days ago that he would still be able to secure a visa.

3. I gave the Prime Minister an account of our intelligence about the 1958 incident in Poznan and the 1961 incident in Moscow. I said I had little doubt that the Russians had hoped to recruit COURTNEY but perhaps they had come to the conclusion that they were unlikely to succeed and, annoyed by his pinpricks over diplomatic privileges and the size of their diplomatic community here, had decided to crack the whip and to distribute the broadsheet as a warning to others.

4. While accepting that my explanation might be the right one, the Prime Minister directed that we should interview COURTNEY with a view to obtaining a detailed account of incidents in which he had been involved behind the Iron Curtain and in particular an account of his business affairs with the Russians. He rejected a suggestion by Burke Trend that the help of the Leader of the Opposition should be sought to persuade COURTNEY to co-operate.

5. After we had left the Prime Minister, the
/terms

TOP SECRET

terms of a statement to be issued from No. 10 in answer to Press enquiries which might follow the publication of an article was agreed (we are to receive a copy). It was also agreed that any Press enquiries should be referred to No. 10 and I was asked to give the Foreign Office warning of the possibility of publicity.

6. On my return I informed D and asked him to arrange:

- (a) for COURTNEY to be questioned;
- (b) for the Foreign Office to be warned;
- (c) for the Duty Officer to be told to refer Press enquiries to No.10.

7. D. subsequently told me of a meeting between Keith Wagstaff and COURTNEY when the latter had said that he was intending to publish and be damned, that he would be seeing the News of the World and intended to give the Times an article, a copy of the draft of which he gave to Wagstaff. He also said that he would be flying to the Midlands later in the day and that next week he would be going to Scotland for three or four days. He would give us his address and telephone number but would inform no one else.

8. I informed Burke Trend and Derek Mitchell and said I would send them a copy of the draft article for The Times, which I did. Burke Trend commented that COURTNEY's disappearance would give the impression that he had something serious to hide and set the Press by the ears. It would seem sensible to inform a senior member of the Opposition who might be able to dissuade him from this course. I passed this on to Derek Mitchell and subsequently heard that Mr. Heath would be calling at No. 10.

9. Mitchell said that it had occurred to the Prime Minister that COURTNEY might be planning to go behind the Iron Curtain and was anxious that we should do what we could to inform ourselves of any such intention. I pointed out that there was in fact very little we could do (COURTNEY being by this time out of London) without creating a considerable fuss and there were no legal powers by which he could be stopped from leaving the country. I would try to ensure that we were informed of his movements.

10. I informed Sir Charles Cunningham of the recent developments.

11. Burke Trend rang and thanked me for sending him the draft article for The Times. He said he proposed to call over Sir Bernard Burrows and show it to

/him

TOP SECRET

him. We were nevertheless to go ahead with briefing the Foreign Office more generally on the affair.

12. In the course of the evening I had several conversations on the telephone with Derek Mitchell who said that the Prime Minister was anxious to be reassured that COURTNEY had not left the country. I said that until we could positively locate him I could give no assurance but I had no reason to believe he had left the country. Our enquiries were continuing.

D.D.G.

10th September 1965

TOP SECRET

3A

Note.

WILSON

Sir Charles Cunningham and I saw the Home Secretary this morning before having our meeting with the Prime Minister at No.10. The Home Secretary said the Prime Minister had asked for some particulars of the number of M.Ps who had been subjected to telephone check and the proportion as between the various Parties. We told the Home Secretary that during the last few years 4 M.Ps had been on check, 3 from the Labour Party and 1 Conservative. Sir Charles Cunningham suggested that it would be wrong to give the Home Secretary names and the Home Secretary agreed with this, but said he could not guarantee that the Prime Minister would show an equal restraint.

2. We then proceeded to No.10 and saw the Prime Minister, who said he was very strongly opposed to tapping the telephones of M.Ps. The Home Secretary said that he was satisfied that the Security Service had asked for such facilities in the case of M.Ps only in the most exceptional circumstances and that, in each case, the Home Secretary had been consulted directly and had authorised interception for a strictly limited period only. He mentioned the fact that 4 M.Ps had been on check and the proportion as between the political parties, and the Prime Minister accepted his advice that it would be wrong to ask for names.

3. The Prime Minister, having read the short biography of Bob EDWARDS and having glanced at the pamphlet, said that he was satisfied that it would be necessary to turn on all our resources against an M.P. if we had clear evidence that he was engaged in espionage and that the country's secrets were in danger. It did not seem to him that what we were suggesting in the case of EDWARDS had the same importance, and he described it as a "tidying up operation" in regard to an incident which happened in 1961. I intervened here to say that it was more than this: there was a serious reason to believe that Bob EDWARDS might have been taking direction from the Russian Intelligence over the publication of the pamphlet, and if he were in their power there was no knowing what additional use they might make or have made of him. We had only waited until the present to pursue the matter of the pamphlet because we had not previously had an opportunity to do so. The Prime Minister commented that he knew of many M.Ps who would put their name to almost any pamphlet so long as they did not have to write the pamphlet. He said that, whatever the position in 1961, Bob EDWARDS was now showing an almost unbalanced interest in European Union which could hardly be an interest inspired by the Russians unless this was some deep cover. He therefore gave his ruling that there should be no telephone check.

/4.

4. He then said that he thought Bob EDWARDS might well seek an interview with him if we were to mention the pamphlet in the course of our meeting with him. However lightly we might refer to it, he thought that Bob EDWARDS might feel that he was being grilled on this point, but if he did come to see the Prime Minister this would give Mr. Wilson an opportunity to talk firmly to him and perhaps to question him more closely than we could do. The Prime Minister said further that he might be able to get additional information on Bob EDWARDS for our files. A certain Miss CAMPBELL, who was a friend of his secretary and of Marcia WILLIAMS, had worked for Bob EDWARDS at the Chemical Workers' Union for some years. EDWARDS was not an easy man to work for and they had quarrelled, and Miss CAMPBELL had said a number of derogatory things about him both as regards his political life and other matters. The Prime Minister said that he would have this followed up, probably through the Paymaster General, and would see that the information reached us.

5. The Prime Minister then asked, in connection with Bob EDWARDS' letter, whether the Security Service ever operated within the Houses of Parliament. I said that we had of course examined the security of the Palace of Westminster and written a report upon it, but that we conducted no intelligence operations within the Palace. In reply to a direct question I gave him an assurance that telephones to the Houses of Parliament were never tapped. I further assured him that we had not given any information of the type referred to by Bob EDWARDS to the Spanish authorities.

R. H. HOLLIS

D.G.

5.3.65.

SECRET

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Seen by D.D.G. and all Directors.

Note.

(Mr. Harold Wilson)

I saw the Prime Minister at 10 a.m. today for about half an hour. Mr. Derek Mitchell was present.

2. The Prime Minister first said he understood I had had a number of talks with the Home Secretary and the Paymaster General, and I confirmed that this was so and that my relations with the two Ministers were satisfactory. He then asked me to make a brief statement about the Security Service, and I reminded him that he had re-affirmed my directive which set out our tasks and charged me to see that our work was strictly limited to these tasks and had no connection with Party political matters. I said that we observed these injunctions strictly.

3. We then spoke briefly about our counter-subversive role and our investigation of Communists, Fascists, Trotskyists and Anarchists. The Prime Minister commented that the Labour Party had probably studied the Trotskyists even more than we had and suggested that the Fascists might now be slightly on the upgrade with the exploitation of the colour problem.

4. Turning to our counter-espionage side, I spoke about the size of the Russian intelligence machine and mentioned that we had identified approximately 100 members of the Russian Intelligence Services within the diplomatic community, to which must be added a certain number of illegals. In addition there were 115 identified Intelligence Officers within the other Communist missions. The Prime Minister said that he had always assumed that any Iron Curtain diplomat was likely to have an intelligence mission, but it was of course necessary that he and his colleagues, whether in the Government or in opposition, should have some degree of contact with foreign diplomats. I said that we took steps to warn those whom we identified as being in contact with I.Os, partly for their own protection and partly because they might have valuable information to give us on the subjects in which the I.Os were showing an interest. The Prime Minister commented that this was what we had done in our first contacts with WARD. I said that occasionally we had major successes like the LONSDALE and VASSALL cases - at least, I added, we described them as successes though I was afraid they were publicly branded as failures and scandals. In addition to these cases we had chivvied the hostile Intelligence Services : 27 diplomats including 12 Russians had been declared personae non gratae since the war and many others had been withdrawn before official action could be taken.

5. I then said that in addition to the direct counter-attack upon the hostile intelligence services, we played a considerable part in protective security which was designed to see that our own defences were good. We spoke about this and the relationship we had with departments. The Prime Minister asked me whether we were concerned with all secrets such as, for example, the Budget secrets. I said we had no direct responsibility for the protection of Budget secrets but that the Government's security rules applied equally to Budget or other secrets and that our forthcoming inspection of the Treasury would be a check on their security overall.

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/Finally...

6. Finally I spoke about our overseas responsibilities making it clear that we had no task of covert intelligence gathering.

7. The Prime Minister then asked me about the controls over the operations of warrants and in particular asked me whether any Member of Parliament was at present on check. I told him that every individual warrant had to be signed by the Home Secretary or some other Secretary of State, and that the continued operation of the warrant was subject to review. No Member of Parliament was at present on check and if there should at any time seem to me to be a need to have such a check, I should of course put the case frankly before the Home Secretary so that he could take an informed decision. The Prime Minister referred briefly to the [redacted] affair, but did not seem to be worried about it. I confirmed that in that case there was no question of opening the letters. I commented that he might feel that these operations were somewhat distasteful, but he said that we were dealing with distasteful people and we must be realistic about these things.

8. The Prime Minister then referred to my earlier remark about keeping the Service free of Party political matters. He said that there had been an official at Labour Party Headquarters who claimed to be in contact with the Security Service and to be compiling a black list. Did I know anything about this? I said I did not and that I would be very surprised if it were true. I asked the Prime Minister if he could give me any further information which would allow me to look into it, but he was unwilling to do this. He commented that the contact might have been with the Foreign Office or even with some American organisation. He showed an awareness of the BAX case and said he thought it entirely right that we should have warned the Party that one of their employees was receiving money from Communist intelligence services.

9. At the end of our talk the Prime Minister said that no doubt he would be seeing me again and he hoped that all our future meetings would be on pleasant occasions.

D.G.

Robert [unclear]

9.11.64.

SECRET

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L. 305/467.

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NOTE

(Mr. H. Macmillan)

I saw the Prime Minister this morning to tell him that we had received information from a Polish Intelligence defector which indicated the possibility that there was another spy in the Admiralty. I said that I had given this information to Sir Clifford Jarrett (see L.305/467/DG dated 24 April 1963), and I had no doubt that he had by this time informed Lord Carrington. I added that the information was not at all precise and that a very great deal of detailed investigation would be called for, and that I could not undertake that we should be able to identify the spy, if indeed there was one. Nevertheless I was satisfied that this was an investigation which had to be undertaken. The Prime Minister agreed with this.

We then spoke briefly about the MARTELLI case. I said that he had amongst his possessions spying equipment similar to that provided by the Russian Intelligence to their agents but that we had not as yet been able to establish any classified information to which he had access, but our investigations were continuing.

The Prime Minister then asked me about PENNELLS. I said that I knew nothing about him apart from the fact that he was an Admiralty civil servant. Lord Radcliffe's Tribunal had of course enquired into his record in detail. There was no suggestion that PENNELLS had been disloyal.

Before seeing the Prime Minister I had a very short talk with Tim Bligh. He told me that the Prime Minister was seeing Mr. Wilson this afternoon to discuss with him the idea that a permanent body should be set up under Lord Radcliffe's control to concern itself with security matters. The idea was that there should be two other members of this body, one a retired civil servant or officer of one of the Armed Services, and the other someone who had not previously been a public servant. I did not have time to ask for details but I understood from Bligh that it was the idea that this body should be a standing one rather than one which was summoned ad hoc when it was needed.

Roger J. Stott

D.G.
1.5.63.

