30th January, 1973

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As your Secretary of State may be aware, we have recently been overhauling the arrangements for the provision to Ministers of intelligence (including intelligence from covert sources) about industrial relations. a result the Prime Minister has approved a new interdepartmental structure, comprising two groups, each under Home Office chairmanship. will be concerned with the problem in its long-term and medium-term aspects; and the type of report which they will produce is illustrated by the three studies on the impact of subversive groups on trade union activity, the NUM, and Claimants' Unions which are enclosed with this letter (SPL(72) 1 Final, SPL(72) 5 Final and SPL(72) 3 Final respectively). Further reports of this kind will beproduced from time to time as the situation requires. The second, and smaller, group will be concerned with short-term intelligence, particularly during emergencies; it will normally meet once a week in order to produce assessments of the kind illustrated by its first two reports, of which I enclose copies. In times of crisis, however, it will need to meet more frequently, perhaps daily.

Both groups will be serviced by the JIC machinery; and in view of the sensitive material involved, the circulation of their reports will have to be strictly controlled. The Prime Minister would like your Secretary of State to be a regular recipient of the reports of both groups and to attain the meetings under his chairmanship at which they are discussed. The directed that the regular circulation should include also the Chancell or of the Exchequer, the Secretary of State for Defence, the Home Secretary and the Secretaries of State for Scotland, for Trade and Industry and for Employment, to whose Private Secretaries I am sending copies of this letter and its enclosures.

All Ministerial recipients of these reports, and their Privat
Offices, are asked to treat them as for their personal information and
to deal with them on a strictly "need to know" basis. I am also sending
copies of this letter and its enclosures, with a suitable covering letter,
to the corresponding Permanent Secretaries, with a request that they will
let me know the names of the other officials to whom they will regard it as
necessary to show this material. The JIC will then construct a regular
distribution list for future reports; and this, which will be circulated, will
indicate those individuals with whom alone this information may be discussed.
In so far as it may be necessary to include other Ministers and Departmental
officials in the list from time to time, special arrangements will be made for

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