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Industrial Intelligence

The meeting tomorrow afternoon will be attended by the Foreign and Commonwealth Secretary (but not the Secretary of State for Defence, who is absent), the Chancellor of the Exchequer, the Home Secretary and the Secretaries of State for Trade and Industry, for Scotland and for Employment. Mr. Waddell will be present as the Chairman of the two interdepartmental groups concerned; as will also Mr. Maitland and Mr. Hanley.

I suggest that you might steer the discussion on the following lines:-

(1) Ministers should be warned of the importance of maintaining secrecy about this enterprise. Very great political damage indeed could be done if it became known that the Government maintained an organisation which could easily be misrepresented as "spying" on good, honest trade unionists and others who claim to defend the liberty of the subject! A restricted circulation list for the relevant material is being constructed, indicating clearly which Ministers and officials are entitled to have access to the product. This list should be strictly observed; and in no circumstances should the project be disclosed to, or discussed with, any individual whose name does not appear on it.

(2) You might then briefly explain to your colleagues the purpose of the new organisation. It has become clear that industrial unrest, merging at some point into political disaffection, must now be regarded as a more or less permanent feature of life. In order to deal with it we need a domestic intelligence structure, corresponding to the JIC and providing Ministers with the same type of appreciation about unrest at home as that which the JIC provides on the external threat. We have therefore established two interdepartmental bodies under Home Office chairmanship, one of which will concentrate on producing long-term assessments of the industrial prospect, together with studies in some depth of Communist infiltration of the unions, while the other will have the duty of producing up-to-the-minute reports on specific current industrial disputes as they develop or when they erupt.

(3) Ministers have already seen the first of the long-term reports - "The Impact of Subversive Groups on Trade Union Activity", which was circulated as SPL(72) 1 (Final) on 11th October, 1972. They now have before them two further studies of this kind - on "Claimants' and

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Unemployed Workers' Unions" (SPL(72) 3 (Final)) of 10th January, 1973, and "The National Union of Mineworkers" (SPL(72) 5 (Final)) of 15th January, 1973. Ministers will wish to consider whether these reports give them what they need by way of background information; how far they can be improved or expanded without putting MI5's sources at risk; and what practical use might be made of them. They will also wish to review the programme of further work in hand (which includes similar studies of Fords, the railways, the AUEW, the New Left and the Alternative Society) and to suggest possible additions to this list.

(4) Broadly, the same questions can be asked of the three "Industrial Assessments" (IAG(73) 1, 2 and 3), which illustrate the work of the short-term group and have also been circulated to those present at the meeting.

(5) You may then like to ask Ministers whether there are particular questions arising from either series of reports which they would wish to have clarified or followed up. Perhaps the most significant forecast to emerge from the memoranda is in the final paragraph of IAG(73) 3 - "Both the timetable set by the TUC and the progress of major claims point to early March as the critical period in which decisions on industrial action are likely to be made". Do Ministers accept this and endorse it as a basis for planning?

(6) Finally - and with one eye on a timetable pointing to early March as a critical date - you may like to ask Mr. Donald Maitland how far he thinks that both the long-term and the short-term reports could be put to use by Sir Patrick Dean's group, which is concerned with procuring - subject to Ministerial approval in each case - unattributable publicity for material to counter subversive activity in public life. The group are not finding this an easy or straightforward assignment in the light of the need to protect MI5's sources; and it is important that they should not lose heart for this reason.

BURKE TREND

6th February, 1973