CONCLUSIONS of a Meeting of the Cabinet held at
10 Downing Street, S.W.1, on Tuesday, 13th June, 1967,
at 9.30 a.m.

Present:
The Right Hon. HAROLD WILSON, M P, Prime Minister
The Right Hon. MICHAEL STEWART, M P, First Secretary of State and Secretary
of State for Economic Affairs
The Right Hon. LORD GARDINER, Lord
Chancellor
The Right Hon. RICHARD CROSSMAN, M P, Lord President of the Council
The Right Hon. ROY JENKINS, M P, Secretary of State for the Home
Department
The Right Hon. PATRICK GORDON
WALKER, M P, Minister without
Portfolio
The Right Hon. ANTHONY CROSLAND,
M P, Secretary of State for Education
and Science
The Right Hon. THE EARL OF
LONGFORD, Lord Privy Seal
The Right Hon. FRED PEART, M P, Minister of Agriculture, Fisheries and
Food
The Right Hon. CLEDWYN HUGHES, M P, Secretary of State for Wales
The Right Hon. ANTHONY WEDGWOOD
BENN, M P, Minister of Technology

The following were also present:
The Right Hon. EDWARD SHORT, M P, Postmaster-General (Item 2)
The Right Hon. Sir ELWYN JONES, Q C,
M P, Attorney-General

The Right Hon. JAMES CALLAGHAN, M P, Chancellor of the Exchequer
The Right Hon. HERBERT BOWDEN, M P, Secretary of State for Commonwealth
Affairs
The Right Hon. DENIS HEALEY, M P, Secretary of State for Defence
The Right Hon. WILLIAM ROSS, M P, Secretary of State for Scotland
The Right Hon. DOUGLAS JAY, M P, President of the Board of Trade
The Right Hon. ANTHONY GREENWOOD,
M P, Minister of Housing and Local
Government
The Right Hon. R. J. GUNTER, M P,
Minister of Labour
The Right Hon. BARBARA CASTLE, M P,
Minister of Transport
The Right Hon. RICHARD MARSH, M P,
Minister of Power

Secretariat:
Sir BURKE TREND
Mr. P. ROGERS
Mr. H. L. LAWRENCE-WILSON
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1. The Commonwealth Secretary said that in recent weeks there had been Press reports that the head of the illegal régime in Rhodesia, Mr. Smith, wished to resume talks with us about a settlement; and there had been confirmation of this possibility in messages from the Governor and others, though not directly from Mr. Smith. There was no clear indication whether a settlement on the lines of that which emerged from the talks with Mr. Smith on HMS Tiger might be in mind or some other basis, nor whether members of the illegal régime other than Mr. Smith might be involved. The Prime Minister and he had taken up with Lord Alport, formerly British High Commissioner in the Federation of Rhodesia and Nyasaland, an earlier suggestion that the latter might go to Rhodesia later this year to visit the Governor and to attempt to influence opinion in the country; as a result Lord Alport had agreed to visit Salisbury in the following week. In addition to having talks with the Governor, he would be available to see all sections of Rhodesian opinion and to receive any views which they—including members of the illegal régime—might wish to put forward, though he would not take any initiative. Even if Lord Alport were to be refused entry to Rhodesia this would damage further the public position in this country of the illegal régime. Lord Alport’s visit would be announced in Parliament that day in reply to a Question.

In discussion the Cabinet were informed that, although the economic situation in Rhodesia had deteriorated as a result of economic sanctions, these had as yet had no political effect. Some countries were not enforcing these sanctions vigorously and in particular it had not yet been possible to reach agreement with France on arrangements which would restrict the flow of oil to Rhodesia through Mozambique. Mr. Smith’s position in the illegal régime was uncertain and in any event we could not be sure that any proposals which might be made on his behalf for a settlement of the Rhodesia problem would have the support of others in the régime. Our own position on a settlement in Rhodesia remained that we would not grant independence before majority rule; and we would only be willing to consider with other Commonwealth countries any modification of this commitment if there were a marked change of circumstances in Rhodesia, such as the removal of extremists of the Rhodesia Front from power in the illegal régime, which gave more reasonable prospects of an acceptable settlement. It was suggested that in these circumstances it would be preferable not to announce in advance that Lord Alport would be willing to see members of the illegal régime if they approached him, although in practice he would no doubt be prepared to do so, since this might be thought to foreshadow the resumption of talks. It was however pointed out that it would be impracticable to deny, in answer to supplementary questions, that Lord Alport, while himself taking no initiative, would be willing to see all sections of opinion in Rhodesia.
The Minister of State for Foreign Affairs said that the main events since the Cabinet had last considered the Middle East situation had been the resignation and subsequent re-election of President Nasser of the United Arab Republic (UAR) and the outbreak of further hostilities between Israel and Syria. But the cease-fire was now being observed generally, though sporadic outbreaks of fighting might continue for some time. Israel was now taking firmly the line that she would retain the territories that she had conquered while the Soviet Government was attempting to re-establish her position with the Arab countries by adopting an increasingly aggressive attitude towards Israel; there were suggestions that the Arab countries themselves would start guerilla action against Israel. Our Permanent Representative at the United Nations (Lord Caradon) had advised that immediate action there should concentrate on the relief of the suffering that had resulted from the war and in particular on the refugee problem. In the search for a general settlement of the Middle East problem a major objective for us must be the earliest possible resumption in the flow of oil to us from the Arab States, who were beginning to link this with demands that Israel should withdraw from conquered territory. Arrangements had been completed for the evacuation from Middle East countries of British residents who wished to leave, apart from those in the UAR who would be leaving that day. Arms supplies to Middle East countries had been resumed on the normal basis but with a careful scrutiny case by case.

The Minister of Power said that the prospects for our oil supplies in the immediate future were not yet clear. Supplies from a number of Arab countries to this country and the United States had been stopped. The Governments concerned, save for Iraq, had done no more than put an embargo on tankers leaving for ports of either nation but production in Kuwait, Saudi Arabia and Libya had been stopped through action by the mobs. If this situation were to continue it would have very serious effects and there would be a substantial shortfall in supplies for the Eastern hemisphere. In addition Iraq had placed an embargo on supplies from Iran passing through her territorial waters. He had in consequence instructed that arrangements be put in hand for the introduction of a petrol rationing scheme and this fact would become public knowledge when the printing of ration books began at the beginning of the following week. It was necessary to do so since a rationing scheme required between two or three months to bring into operation. Even if one became necessary, there would be advantage in deferring the introduction of rationing, if possible, until towards the end of August so as to avoid the peak of the holiday period; if this were to be done some economy in petrol consumption would be necessary from now on and he was considering making a Ministerial broadcast asking for the co-operation of the public. The United States Government had declared a state of emergency, which was legally necessary to enable their oil companies to take collective action in the face of anti-trust legislation to meet a prospective shortage. The Oil Sub-Committee of the Organisation for Economic Co-operation and Development
The "D" Notice System
Draft White Paper

had met the previous day but agreement on action had been prevented by French obstruction; a further meeting would take place later that day.

In discussion it was the general view that the balance of advantage lay in making no Ministerial broadcast appealing for economy in the use of petrol at present, but that, if a statement on the situation in the Middle East were made in Parliament that day, it should cover the general position on oil supplies. As regards the embargo on oil supplies from Iran passing through the territorial waters of Iraq, we should not ourselves dispute this since we must seek to avoid becoming involved in a further dispute with the Arab States and it must be a major objective of our policy to restore so far as possible good relations with them.

The Commonwealth Secretary said that the Minister of State for Commonwealth Affairs would make an announcement on the following day of our intention to carry out a referendum in Gibraltar on the choice between British and Spanish sovereignty. Its terms took account of the United Nations resolution on Gibraltar. The Spanish Government would be informed of the statement shortly before it was made but had not been consulted on the terms of reference of the referendum.

The Cabinet—

Tak note of the statements by the Commonwealth Secretary, the Minister of Power and the Minister of State for Foreign Affairs.

SECRET

2. The Cabinet had before them a Note by the Secretary of the Cabinet (C (67) 95) to which was attached the draft of a White Paper on the "D" Notice system, together with the confidential final revise of the Report of the Privy Counsellors, under the chairmanship of Lord Radcliffe, who had investigated an alleged breach of "D" Notices in the previous February.

The Prime Minister said that the need for a White Paper, to accompany the Radcliffe Report which was due to be published that afternoon, arose from the fact that the rather narrow interpretation placed by the Radcliffe Committee on their terms of reference might result in some misunderstanding of the position unless a full statement were made by the Government both about the circumstances of the incident which had given rise to the appointment of the Committee and about the implications of that incident for the future of the "D" Notice system. The draft White Paper had been discussed in detail by the Ministers primarily concerned; and it presented as objective a picture as possible of the considerations involved.

In discussion it was suggested that the White Paper might be criticised on the grounds that it appeared to contest the findings of the Radcliffe Committee in so far as these exonerated the Daily Express
from the accusation that it had deliberately infringed two “D” Notices in the article published in February. Moreover, the White Paper might be thought to concentrate attention unduly on the extent to which the Secretary of the “D” Notice Committee might be held to have erred in his handling of the affair, whereas the Radcliffe Report revealed not only that the “D” Notices involved had themselves been progressively eroded by the passage of time but also that, in so far as the recent incident was concerned, officials other than the Secretary of the “D” Notice Committee might be held to be at some fault as regards the action which they had taken or had failed to take. In these circumstances, it might have been preferable if the White Paper had been confined to accepting the findings in the Radcliffe Committee in relation to the incident in question and to stating that this incident showed that the “D” Notice system called for substantial revision, which was being undertaken as a matter of urgency.

On the other hand no Government could remain indifferent to the fact, disclosed by the Radcliffe Report, that certain “D” Notices had been so diluted in practice that they were no longer adequate to protect national security and that, as a result, the “D” Notice system as a whole was in danger of collapsing. But the only alternative to the fresh attempt to restore and strengthen that system which the White Paper proposed would be legislation designed to put the substance of “D” Notices on a statutory basis; and this would be so incompatible with the traditional freedom of the Press that it was essential to present to public opinion in a White Paper the full case for seeking to maintain the “D” Notice system and to enlist the free and voluntary co-operation of the Press in its effective working. The Government’s primary concern must therefore be not to attempt to apportion blame among the individuals involved in the incident in question but to re-establish the “D” Notice system on a sound basis by remedying the defects which the Radcliffe Report had brought to light and, in particular, putting the position and responsibility of the Secretary of the “D” Notice Committee on a clearer and more precisely defined footing than hitherto. Action to this end had, in fact, been begun before the incident which had given rise to the appointment of the Radcliffe Committee. It should now be resumed, in conjunction with the consultations with the Press about the future of the “D” Notice system which the Prime Minister proposed to initiate personally in the near future. Meanwhile it should be made clear that no disciplinary action had been taken against the Secretary and that he had only been asked to elucidate certain discrepancies in the evidence given to the Radcliffe Committee which the Government felt bound to try to clear up before they could publish the White Paper.

The Cabinet—
Agreed that the draft White Paper attached to C(67)95 should be published that afternoon.

Cabinet Office, S.W.1,
13th June, 1967.