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CM (72)

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3rd Conclusions

CABINET

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*CONCLUSIONS of a Meeting of the Cabinet held at  
10 Downing Street on Thursday, 20 January, 1972,  
at 11.30 a.m.*

Present:

The Right Hon. EDWARD HEATH, M P, Prime Minister

The Right Hon. REGINALD MAUDLING,  
M P, Secretary of State for the Home  
Department

The Right Hon. SIR ALEC DOUGLAS-  
HOME, M P, Secretary of State for  
Foreign and Commonwealth Affairs

The Right Hon. LORD HAILSHAM OF  
ST. MARYLEBONE, Lord Chancellor

The Right Hon. ANTHONY BARBER, M P,  
Chancellor of the Exchequer

The Right Hon. WILLIAM WHITELAW,  
M P, Lord President of the Council

The Right Hon. SIR KEITH JOSEPH, M P,  
Secretary of State for Social Services

The Right Hon. GEOFFREY RIPPON,  
Q C, M P, Chancellor of the Duchy of  
Lancaster

The Right Hon. ROBERT CARR, M P,  
Secretary of State for Employment

The Right Hon. MARGARET THATCHER,  
M P, Secretary of State for Education  
and Science

The Right Hon. GORDON CAMPBELL,  
M P, Secretary of State for Scotland

The Right Hon. THE EARL JELlicoe,  
Lord Privy Seal

The Right Hon. PETER WALKER, M P,  
Secretary of State for the Environ-  
ment

The Right Hon. PETER THOMAS, Q C,  
M P, Secretary of State for Wales

The Right Hon. JAMES PRIOR, M P,  
Minister of Agriculture, Fisheries and  
Food

The Right Hon. JOHN DAVIES, M P,  
Secretary of State for Trade and  
Industry and President of the Board  
of Trade

The following were also present:

The Right Hon. FRANCIS PYM, M P,  
Parliamentary Secretary, Treasury

SIR GEOFFREY HOWE, Q C, M P, Solicitor  
General (*Item 5*)

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*Secretariat :*

SIR BURKE TREND  
Mr. P. E. THORNTON  
Mr. N. F. CAIRNCROSS  
SIR PHILIP ADAMS  
Mr. A. P. HOCKADAY  
Mr. B. C. CUBBON  
Mr. I. T. LAWMAN

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**Parliamentary Affairs** 1. The Cabinet were informed of the business to be taken in the House of Commons in the following week.

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**Oversea Affairs** 2. *The Foreign and Commonwealth Secretary* said that the start of the work of the Pearce Commission, which had been appointed to conduct the Test of Acceptability of the proposals for a constitutional settlement in Rhodesia, had been accompanied by serious disturbances on a scale which had not been foreseen by the Rhodesian régime. The pattern of these disturbances recalled those of the 1960s; and their organisation was attributed by the Rhodesian authorities to agitation by members of the African National Council (ANC). There was no independent evidence of the involvement of the ANC; but on the face of it this appeared not improbable. The disturbances had on the whole been confined to limited areas. Unfortunately, the former Rhodesian Prime Minister, Mr. Garfield Todd, whose sympathies were known to lie with the Africans, lived in one of these areas; and the Rhodesian authorities had arrested him and his daughter on grounds of security and the need to maintain law and order. He had asked Mr. Smith, the Rhodesian leader, for full information on the circumstances of these arrests; but he rather doubted whether much evidence against Mr. Todd and his daughter would be produced. Provided that the disturbances could be contained, he was reasonably hopeful that in other parts of the country people would be able to respond to the Pearce Commission freely and without intimidation; but it had to be accepted that some degree of intimidation had already occurred and that many Africans were afraid to express their views, even in private. Only the Pearce Commission themselves could judge whether conditions were such that they could carry out their task effectively; and he was in touch with Lord Pearce on this issue. He had also sent the Head of Rhodesia Political Department of the Foreign and Commonwealth Office to Salisbury to report on the local situation. Meanwhile, there had been requests that British Members of Parliament should be allowed facilities to go to Rhodesia in order to observe the work of the Commission. He had discussed the question with Mr. Denis Healy, M P, the Opposition spokesman on foreign affairs, and had agreed with him that the most suitable arrangement would be that a five-member group should be established for this purpose representing all parties. The Labour Party, however, were likely to wish to send, in addition, a group of their own Members. If they did so decide, it would be appropriate to transmit their request for facilities to Mr. Smith, without any endorsement by the Government. But it had to be recognised that we had no powers either to prevent any Member of Parliament from going to Rhodesia if he wished or to ensure that he was not denied entry or other facilities by the Rhodesian authorities.

**Bangladesh** *The Foreign and Commonwealth Secretary* reported that a number of friendly Powers, including members of the Old Commonwealth and Western European States, were now nearly ready to recognise Bangladesh. But it was important that formal recognition

**Previous Reference:** CM (72) 1st Conclusions, Minute 2

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should not take place until President Bhutto of West Pakistan had been given a chance to come to terms with Sheikh Mujibur Rahman, the Prime Minister of Bangladesh. President Bhutto had indicated that he was working seriously to this end; and we should do nothing which would enable him to claim that we had thwarted his efforts to make peace. But it seemed likely that five or six substantial Powers would be ready to join us in recognising Bangladesh in about a week's time; and he hoped that, if we proceeded in that way, the reaction in West Pakistan would not be unduly sharp.

Ghana

*The Foreign and Commonwealth Secretary* said that the régime of Dr. Busia had been overthrown by a group of young and inexperienced military officers. No opposition had been offered to the *coup*; and the new régime appeared to be in effective control of the country. We were doing what we could to establish satisfactory relations with them; but it would be prudent to withhold formal recognition for a little longer. Widespread dissatisfaction with the way in which the Ghanaian economy had been managed by Dr. Busia's Government seemed to be the cause of the revolt; and there was a distinct risk that the new régime would repudiate the debts incurred by their predecessors. We stood to lose some £120 million if the Ghanaian debt to us was repudiated.

The Cabinet—

Took note of the statements by the Foreign and Commonwealth Secretary.

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**Industrial  
Affairs**

Coal Miners'  
Strike

Previous  
Reference:  
CM (72) 2nd  
Conclusions,  
Minute 2

3. *The Secretary of State for Employment* said that the meeting between the National Coal Board (NCB) and the National Union of Mineworkers (NUM) proposed by Mr. Feather, the General Secretary of the Trades Union Congress (TUC), had taken place on the previous day. He understood that the NUM had adopted an unyielding attitude, in the face of which the NCB had refused to change their own position. Subsequently, he had agreed to meet Mr. Feather, who had indicated that he was opposed to the appointment of a Court of Inquiry, on the grounds that there was unlikely to be a resumption of work whilst it sat and that there was no guarantee that its recommendations would be accepted. At the same time Mr. Feather had urged him to intervene quickly by meeting both parties to the dispute; and, although it was unrealistic to suppose that any progress would result, the Government would be liable to incur criticism if he failed to make any response to Mr. Feather's suggestion, which had been announced publicly. He therefore sought the Cabinet's agreement, on the understanding that there would not be any weakening of the Government's attitude, to his holding an early meeting with both sides with the object of exploring the position.

In discussion it was reported that there had been little change in the situation as regards supplies of coal and that, although safety precautions in the mines had suffered less than might have been

expected at this stage, a serious problem could soon emerge in this respect. A shortage of lighting-up oil had developed at a large power station in Scotland as a result of a refusal by tanker drivers to cross picket lines. Although it might be possible to obtain supplies from a different oil company, the South of Scotland Electricity Board were also considering the possibility of taking legal action against those concerned. Before any such action was taken it was essential that there should be the fullest consideration of the legal issues involved. Whereas peaceful picketing was undoubtedly legal, it might be possible to obtain an interim injunction if those involved could be identified and it could be demonstrated that they had caused injury to the Board. It was also possible that a threat to "black" the vehicles of a third party might be held to constitute intimidation, extending beyond the right to communicate information which was comprised within the concept of peaceful picketing. The courts were now tending to take a more restrictive view about the rights of those engaged in a trade dispute. But it would only be possible to decide whether the chance of a civil action succeeding had been improved by the provisions of the Industrial Relations Act when there had been some opportunity to test its operation in the courts.

In further discussion it was noted that the Service Departments would need a week's notice of any requirement to use troops after the introduction of Emergency Powers, which would themselves take some days to bring into force. The employment of troops in a miners' strike, however, would be liable seriously to exacerbate the situation and should be avoided if possible. In particular, if troops were used to move oil supplies, there would be a risk that tanker drivers might withdraw their labour completely; and this could lead to a shortage of petrol within a matter of days.

*The Prime Minister*, summing up the discussion, said that the Cabinet agreed that the Secretary of State for Employment should meet both parties to the dispute on the basis which he proposed. A close watch should be kept on the activities of pickets; and the Attorney-General and the Lord Advocate should be kept in touch with developments. All necessary contingency planning should be kept under constant review.

The Cabinet—

- (1) Took note, with approval, of the Prime Minister's summing up of their discussion.

Unemployment

Previous  
Reference:  
CM(71) 56th  
Conclusions,  
Minute 4

*The Secretary of State for Employment* said that the January return of unemployment would be published that day. If the statistics for Northern Ireland were included, the total number of unemployed would be seen to exceed 1 million. This would clearly invite sharp criticism; but he had taken all possible measures to ensure that the return would be presented in the context of the Government's efforts to deal with the situation.

The Cabinet—

- (2) Took note of the statement by the Secretary of State for Employment.

Motor and  
Heating and  
Ventilation  
Industries

Previous  
Reference:  
CM(71) 19th  
Conclusions,  
Minute 3

*The Secretary of State for Employment* said that the current wage negotiations at the Chrysler Motor Corporation's plant at Linwood were important from the point of view of the control of wage inflation. There was every indication that the Corporation's ability to withstand the demands of the trade unions was impaired by their overriding need to maintain an adequate cash flow by avoiding any interruption of production. Many other undertakings in the private sector were in the same position. In these circumstances the Government could do little more than emphasise the importance of resisting extravagant claims; and the Corporation had been made fully aware of the danger of yielding on this occasion.

An exceptionally high pay award to employees in the heating and ventilation industry, which had been announced on the previous day and followed the settlement for the electrical contracting industry to which he had drawn the attention of the Cabinet on 1 April, 1971, was bound further to impair the Government's efforts to control wage inflation.

The Cabinet—

- (3) Took note of the statement by the Secretary of State for Employment.

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European  
Economic  
Community

4. *The Chancellor of the Duchy of Lancaster* said that negotiations for British membership of the European Economic Community had been finally concluded on Tuesday, 18 January, in time for the text of the Treaty of Accession to be prepared for signature on Saturday, 22 January. The two outstanding points of disagreement had been the arrangements for Norway as regards fish and the drafting of the protocol relating to New Zealand dairy products. On the former the Community had finally made concessions to Norway—largely of a presentational nature—which gave her, in substance, little more than the United Kingdom, Denmark and the Irish Republic had obtained at the last Ministerial meeting on 12 December. As regards the New Zealand protocol, we had secured the agreement of the Community at the Ministerial meeting in Luxembourg in the previous June, that there would be continuing special arrangements for New Zealand butter after 1977 but had accepted that the nature of these arrangements would have to be the subject of unanimous agreement. In order to meet the wishes of the New Zealand Government this agreement had been recorded in the minutes of the Ministerial conference and not in a published text, although he had made the position clear to the House of Commons at the time. Given that continuity after 1977 had been built into the Treaty, the fact that the terms of the continuing arrangements themselves were to be the subject of a unanimous rather than a majority vote gave the United Kingdom as well as other members the right of veto and would probably, therefore,

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prove to be advantageous on balance to New Zealand's interests. He had explained the position to Mr. Marshall, the Deputy Prime Minister of New Zealand in correspondence.

The Cabinet—

Took note, with approval, of the statement by the Chancellor of the Duchy of Lancaster.

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European  
Communities  
Bill

\*5. The Cabinet considered a memorandum by the Chancellor of the Duchy of Lancaster (CP (72) 8) to which was annexed a draft of the European Communities Bill.

Previous  
Reference:  
CM(71) 58th  
Conclusions,  
Minute 4

*The Chancellor of the Duchy of Lancaster* said that the draft Bill made the legislative changes which were required before the United Kingdom joined the European Communities. It had been prepared in accordance with the principles approved by the Cabinet at their meeting on 23 November; and it took account of the points made at a meeting of the Legislation Committee in the previous week. The draft dealt expressly but concisely with all matters which had to be dealt with before our accession to the Communities or shortly afterwards, including the amendment of existing Acts. He had considered with the Lord President and the other Ministers concerned whether the Bill could be shortened, for example by the omission of the clause on films. But any omission would involve abandoning the principle that the Bill made all the amendments of existing Acts which were needed immediately. Moreover, new clauses and other amendments would still be liable to be put down on the Committee Stage to deal with a topic omitted from the Bill. He therefore recommended the adoption of the present draft of the Bill.

*The Prime Minister*, summing up a brief discussion, said that the Cabinet approved the draft Bill attached to CP(72) 8, congratulated all those responsible for its preparation and drafting and authorised its introduction in the House of Commons in the following week. Careful attention should be given to the publicity arrangements to accompany its publication. Meanwhile, its scope and content should continue to be subject to stringent security; and Ministers should take particular care to prevent any premature disclosure of the Government's intentions as regards the legislation for our accession to the Communities.

The Cabinet—

- (1) Took note, with approval, of the Prime Minister's summing up of their discussion.
- (2) Invited the Chancellor of the Duchy of Lancaster, in consultation with the Lord President, to proceed accordingly and to arrange for the introduction of the Bill in the House of Commons during the following week.

\*Previously circulated as a Confidential Annex

Danger from  
Maritime  
Cargoes

6. *The Secretary of State for the Environment* informed the Cabinet of the steps being taken to deal with dangerous substances which had been washed ashore in containers on the South West coast. Certain Press reports which had alleged a lack of co-ordination between Government Departments were founded on a misunderstanding of the situation. In particular, it had been reported that there had been a failure by the Department of Trade and Industry to inform his own Department of the loss overboard of part of a cargo of dangerous chemicals from the freighter *Atlantic Ocean*. In fact the loss of the cargo had been notified by the Coastguard to the local authorities likely to be concerned in accordance with the standing procedure. It was well understood that local authorities could call upon his Department for assistance if they needed it. The accepted procedure did not involve his Department in the collection of information and its dissemination to local authorities, although the Department had immediately informed the local authorities when they received news that dangerous containers from the wreck of another vessel, the *Germania*, were being washed ashore on the South West coast. He was arranging for these misunderstandings to be arrested.

*The Secretary of State for Trade and Industry* said that there was a clear need to improve the effectiveness of international agreements on the notification of wrecks and cargo lost overboard; and the necessary action would be taken in the Inter-Governmental Maritime Consultative Organisation. Once information was received by the Coastguard of dangerous matter adrift, our domestic procedure for giving warning of hazards on land appeared to serve the needs of the case adequately. In most instances the local authorities were able to deal competently with the situations which arose; and to establish a central control agency for this purpose might not necessarily be an improvement.

*The Prime Minister*, summing up a short discussion, said that it was essential that there should be, and should be seen to be, effective machinery to provide the earliest possible warning of hazards of this kind and to enable the necessary resources for dealing with them to be brought to bear as rapidly as possible. He would arrange for the domestic procedures to be reviewed. Meanwhile, the Secretary of State for Trade and Industry should press forward vigorously proposals for more effective international agreements on notifying the loss of maritime cargoes.

The Cabinet—

Took note, with approval, of the Prime Minister's summing up of the discussion, and invited the Secretary of State for Trade and Industry to be guided accordingly.

*Cabinet Office,*

20 January, 1972.

