CONCLUSIONS of a Meeting of the Cabinet held at 10 Downing Street, S.W.1, on Thursday, 15 June, 1972, at 10.30 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. Lord Hailsham of St. Marylebone, Lord Chancellor

The Right Hon. William Whitelaw, M.P., Secretary of State for Northern Ireland

The Right Hon. Robert Carr, M.P., Lord President of the Council

The Right Hon. Geoffrey Rippon, Q.C., M.P., Chancellor of the Duchy of Lancaster

The Right Hon. Gordon Campbell, M.P., Secretary of State for Scotland

The Right Hon. James Prior, M.P., Minister of Agriculture, Fisheries and Food

The Right Hon. Sir Alec Douglas-Home, M.P., Secretary of State for Foreign and Commonwealth Affairs

The Right Hon. Anthony Barber, M.P., Chancellor of the Exchequer

The Right Hon. Lord Carrington, Secretary of State for Defence

The Right Hon. Sir Keith Joseph, M.P., Secretary of State for Social Services

The Right Hon. Margaret Thatcher, M.P., Secretary of State for Education and Science

The Right Hon. Peter Thomas, Q.C., M.P., Secretary of State for Wales

The Right Hon. John Davies, M.P., Secretary of State for Trade and Industry

The following were also present:

Lord Aberdare, Minister of State, Department of Health and Social Security (Item 1)

The Right Hon. Francis Pym, M.P., Parliamentary Secretary, Treasury

Secretariat:

Sir Burke Trend
Sir Philip Adams
Mr. K. T. Barnett
Mr. A. P. Hockaday

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1. The Prime Minister expressed the Cabinet’s congratulations to the Leader of the House and the Chief Whip on their success in ensuring a Government majority in the critical division on Clause 2 of the European Communities Bill in the House of Commons on the previous evening.

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

The Cabinet agreed that an amendment tabled by the Opposition to the Government Motion on Rhodesia which was to be considered on 21 June in the House of Lords was unacceptable, particularly in view of its reference to the need to make sanctions more effective, and that it should therefore be rejected.

2. The Foreign and Commonwealth Secretary said that the Cabinet would have seen reports of the anti-British remarks made by the Prime Minister of Libya, Colonel Qadhafi, in a recent speech, including the allegation that Libya was supporting and supplying arms to the Irish Republican Army. There was no evidence to confirm this statement; and it was clear that Colonel Qadhafi was becoming increasingly unbalanced. Nevertheless, a formal protest had been made to the Libyan Ambassador by the Minister of State for Foreign and Commonwealth Affairs, Mr. Godber; and arrangements previously made for the sale of a number of automatic weapons to Libya had been suspended lest they should find their way to Ireland. It would be unwise, by taking stronger measures, to put at risk the considerable volume of other business which we were now doing with the Libyan Government.

The Cabinet—

(I) Took note of the statement by the Foreign and Commonwealth Secretary.

The Foreign and Commonwealth Secretary said that the Government of Iceland had announced that they intended, with effect from 1 September, 1972, to extend their fishing rights to the whole area of sea within 50 miles of their coasts. This would be a unilateral act which would be in breach of the agreement with us and in anticipation of the projected international conference on the Law of the Sea. They had indicated that they were prepared to make an interim agreement with us governing fishing in the period until the international conference had laid down revised general rules; but the proposals which they had submitted were unacceptable. Nevertheless, it would be very desirable, from our point of view, that some form of interim arrangement should be reached. The Icelandic Government included certain Communist Ministers who were committed to working for the removal of the United States base which was of prime importance to the Atlantic Alliance. It was relevant, therefore, that a surrender on the point of fishing rights...
would increase the authority of the Communist Minister of Fisheries. Moreover, there was a real risk that, in the absence of an interim agreement, Iceland would take hostile action against our trawlers. It would be far more difficult, given the greater sea area involved, to provide naval protection than at the time of our earlier dispute; and, even in the unlikely event of our being able to provide as many as eight frigates for protection duties, there could be no certainty that the size of catches would be more than about 40 per cent of their present level. We had submitted our case to the International Court of Justice. But the outcome could not be foreseen; and it was by no means certain that the Court would be prepared to prescribe interim arrangements which we should find acceptable. We had therefore embarked on direct discussions with the Icelandic Government; and their representatives were expected to visit London again in the following week. At an earlier meeting they had rejected an offer to reduce the British catch by 10 per cent of the recent average; and it was proposed now to urge them to accept, instead, a reduction of effort in the form of a restriction on the number of trawlers operating in the area.

The Minister of Agriculture, Fisheries and Food said that he fully accepted the arguments in favour of trying to reach an interim agreement with Iceland. Nevertheless, it would be politically difficult to make any more substantial concessions at this stage. The fishing industry had so far been co-operative and had been prepared to accept an imposed reduction of 10 per cent in their catch. But it was not certain whether they could accept a further 10 per cent reduction, since this would cause serious problems for them. It would be particularly important to resist any Icelandic pressure for discriminatory arrangements which would exclude our ships from areas in which their own ships were free to fish. To accept such arrangements would constitute a breach of principle which would have far-reaching results.

In discussion it was recognised that each time an extension of rights was accepted in one part of the world it was followed by claims in others. The law of the sea was currently very confused; and it was hoped that the forthcoming conference on this subject would deal with the sea bed as well as with matters such as territorial waters and fishing rights. Our own strong interest in preserving the freedom of the seas would best be served by adhering firmly to the principle that no unilateral changes should be recognised before the international conference had met. We should expect the Government of Iceland, no less than other Governments, to accept and to conform to the decisions of the conference. If our dispute with Iceland, a fellow member of the North Atlantic Treaty Organisation, threatened to lead to actual hostilities, Iceland might well leave the Alliance and so create a strategic gap which it would be very difficult to fill.

The Prime Minister, summing up the discussion, said that the Cabinet agreed that it was important to make an interim agreement with the Government of Iceland. It would be appropriate to go to considerable lengths in an attempt to find an acceptable basis for
such an agreement; but it would be necessary to take account both of the need not to compromise fundamental principles relating to the freedom of the sea and of the damage to the fishing industry which would be caused by acceptance of too rigorous Icelandic restrictions.

The Cabinet—
(2) Took note, with approval, of the Prime Minister's summing up of their discussion.

The Secretary of State for Trade and Industry said that the French Government seemed to be upholding the interests of the Western companies in their contacts with the Government of Iraq following the nationalisation of the Iraq Petroleum Company. It was not yet possible to forecast the outcome of these contacts.

The Cabinet—
(3) Took note of the statement by the Secretary of State for Trade and Industry.

3. The Home Secretary said that the Government might face a potential serious situation if the three dockers who were picketing a container terminal in East London implemented their threat to defy a ruling, given on the previous day by the Industrial Relations Court, that, if they did not refrain from further picketing, warrants would be signed for their arrest. The men had been granted until 2 p.m. on the following day in which to appeal to the Court of Appeal; but, if they persisted in their intransigence, industrial action in the docks might develop rapidly and on a wide scale. It might be desirable that preliminary preparations for dealing with an emergency of this kind should be put in hand forthwith. In discussion there was general agreement with this view. It was essential that the rule of law should be upheld; but it was important that, with due regard to the fact that the case would be sub judice until the following afternoon, it should be made clear to public opinion that the matter in dispute was essentially between two groups of workers who were members of the same union, the Transport and General Workers Union, and that it did not in itself involve either the Government or the employers.

4. The Cabinet considered, in the light of the present situation in Northern Ireland, other proposals made by the Secretary of State for Northern Ireland in his memoranda CP (72) 59 and 60. Their discussion and the conclusions reached were separately recorded and issued only to The Queen, the Prime Minister and those Ministers who had to take action.

The conclusions are recorded separately in the standard file held by the Secretary of the Cabinet.
5. The Cabinet had before them a memorandum by the Secretaries of State for the Home Department and for Foreign and Commonwealth Affairs (CP (72) 58) on the status of citizens of Pakistan and people belonging to Bangladesh.

The Home Secretary said that the Commonwealth citizenship of Pakistani citizens was currently governed by the British Nationality Act, 1948. Those individuals who belonged to Bangladesh (which was now a member of the Commonwealth but had as yet no domestic nationality law) were Commonwealth citizens only by virtue of their previous Pakistani citizenship; and, since legislation in Pakistan would no doubt be enacted sooner or later to deprive them of that citizenship, they would lose their Commonwealth citizenship also. In order to protect them against this risk it was desirable now to prepare a short Bill to confer Commonwealth citizenship on individuals belonging to Bangladesh. In the longer term it would be necessary also to prepare legislation to take account of the decision of Pakistan, assuming that it proved definitive, to leave the Commonwealth. This would be a very complex measure; and its preparation might be left to the following Parliamentary Session.

In discussion there was general agreement that the presentation of a Bill to deal with the consequences of the withdrawal of Pakistan from the Commonwealth should not be hurried. It would be difficult to accommodate such a Bill in the present Session in view of the heavy programme of work to which Parliament was already committed; and over-hasty action to deprive Pakistani citizens of privileges which they had hitherto enjoyed as Commonwealth citizens would be unpopular in many quarters and would be liable to provoke an unwelcome revival of public discussion of immigration policy. Although Pakistani recognition of Bangladesh would probably have the effect of withdrawing Pakistani citizenship from those who belonged to Bangladesh, there were currently no indications that the Government of Pakistan intended to introduce legislation for this purpose at an early date.

The Prime Minister, summing up the discussion, said that the Cabinet agreed that legislation should now be prepared for introduction if the Government of Pakistan withdrew Pakistani citizenship from individuals who belonged to Bangladesh but that, unless developments made earlier action essential, this Bill should not be presented to Parliament in the current Session. The Cabinet also agreed that legislation to deal with the consequences of Pakistan's withdrawal from the Commonwealth would not be required during the current Session.

The Cabinet—

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

(2) Invited the Home Secretary to arrange for the preparation of legislation accordingly.

Cabinet Office
15 June, 1972.