

Prime Minister.

Ref. A05750

RM

19x.

MR. WHITMORE

Gouzenko

I attach a background note on the press articles which appeared at the end of last week on Sir Roger Hollis and the Russian defector, Gouzenko. This has been prepared by the Security Service and is for the Prime Minister's background information only. It should not be drawn on in replying to questions. Should the Prime Minister be pressed to comment on this matter or on the press articles during Question Time tomorrow, I recommend that she should go no further than the following:

'I have nothing to add to the statement which I made to the House on 26th March. The material referred to in the press articles in question has been available to the security authorities in this country for many years, and was fully analysed and assessed in the inquiries referred to in my statement'.

RA

ROBERT ARMSTRONG

19th October, 1981

SECRET

Background Note

The recently released transcripts of the hearings of the Canadian Royal Commission on Espionage in 1946 include references to GOUZENKO's recollection of having been told of a Soviet Military Intelligence (GRU) spy, codenamed ELLI, who had been active in the UK during the War. He learnt of this spy whilst working in the GRU's Central Cypher Office in Moscow at that time. GOUZENKO has been questioned about this lead on many occasions, both by the Canadian Security Authorities and by the Security Service. The first occasion on which he was questioned by a Security Service officer was in November 1945, by HOLLIS.

2. The ELLI lead was extremely vague and has never been resolved. Contrary to statements made by Chapman PINCHER in the Daily Mail in August of this year and in Friday's press, the ELLI lead was never considered relevant during the investigation of HOLLIS in the early 1970s, mainly on the grounds that ELLI was a GRU agent who "had something Russian in his background", whereas such suspicion as there was of HOLLIS related to his possibly having been an agent of the KGB. The further interviews with GOUZENKO by a Security Service officer in 1972 about the ELLI lead were in no way connected with the investigation of HOLLIS and the reports which were discussed with GOUZENKO on those occasions were mainly those compiled in 1945 by Canadian Security officials. Although the Canadian reports were undoubtedly confused and in some respects misleading, the report submitted by HOLLIS after his interview with GOUZENKO at that time was for the most part entirely accurate and in accordance with what GOUZENKO has subsequently insisted he said. It should be added that during the 1972 interviews GOUZENKO was not told who were the authors of the various earlier reports discussed with him. The papers relating to the ELLI lead were amongst those examined by Lord Trend in 1974/75 at the time when he was considering the HOLLIS case.

3. The references by PINCHER in Friday's press to further impending revelations in connection with the HOLLIS case presumably refer to the paperback and US editions of PINCHER's book "Their Trade is Treachery" which it is understood are shortly to be published.

19 October 1981

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10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

GOUZENKO

The Prime Minister has seen and noted your minute A05750 of 19 October 1981 about recent press articles about Sir Roger Hollis and the Russian defector, Gouzenko.

JAW.

21 October 1981

AH

CONFIDENTIAL

~~Security~~

Prime Minister's Secretary
We shall be getting
defensive briefing for
questions on Tuesday, but
I am sure you will be
advised to add nothing to
the 26 March statement. MA 16/1

Ref. A05737

MR WHITMORE

W

c Mr Gaffin

You will have seen the piece by John Best and Peter Hennessy in today's Times about the testimony given to a Canadian Royal Commission on espionage in 1945 by Igor Gouzenko, a Soviet defector.

2. I am assured that we knew that this material was going to be made public.

3. It is, of course, completely familiar, and has been for a long time. The identification of "Elli" with Sir Roger Hollis is purely speculative, and believed to be unfounded speculation. All the relevant material was fully assessed in the thorough enquiries into the Hollis case, and there is nothing new in what has been published today.

4. I suppose that the Press Office's line on the record will be that they never comment on security matters. I think that they could add unattributably and by way of background something on the following lines: "There is nothing to add or change in the Prime Minister's statement of 26 March. The material referred to in today's article has been well known to the security authorities here for many years, and was fully analysed and assessed together with all other relevant material in the course of the inquiries described in the Prime Minister's statement".

REA

ROBERT ARMSTRONG

16 October 1981