SECURITY AND SURVEILLANCE HISTORY SERIES

Towards the Conception of the New Zealand Security Service: UK and US Involvement in New Zealand's Early Cold War Security Concerns

This article sheds new light on historical circumstances preceding the 1956 foundation of the New Zealand Security Service (NZSS), subsequently renamed as the New Zealand Security Intelligence Service (NZSIS). Specifically, it focuses on M15 and the United States' Government's interests in New Zealand security conditions through the early years of the Cold War, paying particular attention to the 1951 waterfront dispute. It argues that the dynamics within this episode indicate the interplay of internal and external actors in addressing security concerns.

Accounts of the NZSS' foundation have noted this internal - external interplay and often observe a series of domestic and international events between 1945 and 1956 as increasing concerns over Soviet espionage/subversion and driving efforts to reassess and reform the country's security arrangements; typically these include the 1945 defection of Igor Gouzenko in Canada, the 1954 defection of Vladimir Petrov in Australia and visits from M15's Director-General Sir Percy Sillitoe in 1948 and 1951. However, the significance of the 1951 waterfront dispute in regard to this pattern of internal - external interplay and developments towards a reform of security intelligence might be better impressed. Furthermore, a broader perspective is also advanced through the use of a wider range of archival documentation. Existing accounts have relied primarily on material released by the NZSIS. However, New Zealand has lagged behind its 'Five Eyes' partners when it comes to declassifying historical intelligence documents. Consequently, the material held by Archives New Zealand remains woefully incomplete. Conversely, this article is based on research into the positions, influences and actions of external actors, taken from documentation in the United Kindom's National Archives and the US Embassy.

The NZSS was successfully delivered in November 1956 with MI5 as the attending midwife. The path to this birth had not been easy with earlier efforts to establish a security service meeting with various complications. Foremost was an endeavour during the Second World War when MI5 had recommended their own Lieutenant, later Major, Kenneth Folkes to head a security service in New Zealand to be known as the Security Intelligence Bureau (SIB). Established in November 1940, the Bureau's legitimacy was fatally compromised after it was taken in by a hoax fabricated by a professional comman. As a result the SIB was brought under police control in 1942 and disbanded at the end of the war.³

Complications continued post-war when MI5's Director-General Sillitoe and intelligence officer Roger Hollis visited Australia and New Zealand in 1948 pushing for the establishment of professional security services. Sillitoe and Hollis enjoyed some success in winning Australian politicians to this ambition and their visit led to the creation of the Australian Security Intelligence Organisation (ASIO) on 16 March 1949. New Zealand proved more challenging. Prime Minister Peter Fraser proved resistant to the idea while Alister McIntosh, the Secretary of External Affairs, recommended that a civil security intelligence organisation, free of British 'experts', be created within the police force. An unsigned paper from the Prime Minister's Department dated 2 March 1948, two and a half weeks before Sillitoe and Hollis' arrival, and almost certainly the handiwork of McIntosh, recounted the unfortunate experience of the SIB and MI5's Major Folkes:

'The Bureau never functioned satisfactorily and, after the departure of Major Foulkes [sic], the direction of it was taken over by Mr J. Cummings, then Superintendent of Police, and on his appointment as Commissioner, by Detective Sergeant J. Nalder ... It had not been appreciated when the Bureau was established that a considerable proportion of the duties it would undertake were substantially being discharged by the Police Department. Furthermore, experience of this <u>para-military</u> organisation indicated that personnel recruited on a military basis were not suitable to undertake military duties of this kind in New Zealand. Civil security is primarily a function of the Police Department, which is organised to undertake duties of this kind, has personnel skilled in detection and interrogation and, to a degree also, appreciation of intelligence ...'5

The writer noted that the military chiefs of staff agreed that the best approach was to create a special branch of the police force to handle civil security intelligence which would report monthly to the chiefs of staff through the commissioner of police.

The adoption of this dressed up status quo secured the police Special Branch as the sole domestic security authority. Special Branch was also New Zealand's representative inside the post-Second World War Commonwealth security and intelligence network that took shape as the Cold War unfolded. For example, in 1948 a meeting between the security representatives from the UK, Canada, Australia, New Zealand, South Africa and Southern Rhodesia called for the setting up of a 'uniform standard of security' across the Commonwealth to counter both Soviet espionage and Communist activities. Each security service was to establish 'a section devoted to the study of the indigenous Communist Party' to carry out tasks in four specific areas:

'the study of the structure, organisation and personnel of the Communist Party; the domestic and foreign policy of the Party and its ancillary organisations; the Party in industry, with special reference to its penetration of the Trade Unions and to the employment of Party members on industrial work of national importance; Communist penetration of the Civil Service and of the Armed Forces, and the investigation of Communist conspiratorial activities.'6

In a similar vein, the New Zealand authorities contributed to a 1949 MI5-led ambition to create an international 'who's who' of prominent communists and fellow travellers. The New Zealand Police Commissioner, Bruce Young, responded with the names of the 18 members or reserve members of the national committee of the New Zealand Communist Party (CPNZ), along with that of Richard [Dick] Griffin, a former member of the CPNZ's national executive, and then active in the Society for Closer Relations with Russia.⁷

New Zealand Special Branch's lead position in respect of intelligence matters, both domestic and international, was first challenged in 1951. That year witnessed Prime Minister Sidney Holland's Government confronting a number of security concerns connected with the protracted waterfront dispute that broke out in February that year.

Even if not fully understood by the rank and file of the waterfront union, the origins of the 1951 waterfront dispute could be traced back to a number of industrial disputes in the Western alliance that reflected the wider divisions and alignments of the Cold War. The World Federation of Trade Unions (WFTU) that had been established in London in 1945 by representatives from the British Trades Union Congress (TUC), the US Congress of Industrial Organisations (CIO) and the USSR's All Union Central Council of Trade

Unions⁸ reflected an optimism that wartime co-operation between the unions, industry and governments of the Allied powers would continue in peacetime.⁹ However, in the context of the developing Cold War, the WFTU quickly descended into disunity, and concerns that the organisation was being exploited by the Soviet Union as a communist propaganda instrument began to undermine support for that body in a number of key trade unions. Such tensions reverberated in New Zealand and in May 1949 delegates at the New Zealand Federation of Labour's (FOL) annual conference voted to quit the WFTU. However, in defiance of the FOL, the Waterside Workers' Union (WWU) ignored the directive and, in April 1950, withdrew from the FOL altogether. Along with sympathisers from other unions, they succeeded in setting up a rival national union body, the New Zealand Trade Union Congress (TUC).

Labour movement divisions came to a head in New Zealand as industrial relations on the waterfront deteriorated. In August, a minor dispute on the Auckland waterfront led to a general shutdown of the country's wharves and prompted demands for state action. While a settlement avoided an immediate conflict, subsequent events revealed this as merely a postponement of a confrontation between employers and unionists. In January 1951 the Court of Arbitration decided for a general wage rise of 15 per cent which both the FOL and the TUC found unsatisfactory. Further negotiations over wages between port employers and the WWU's own wage court also stalled with both parties intent on securing an advantage and exerting leverage. On 14 February the WWU imposed an overtime ban. Employers responded with threats to dismiss workers refusing overtime and refusing to hire workers unless they agreed to work extra hours. When no agreement could be reached a lock out was put into effect on 19 February. Two days later, with the nation's wharves at a complete standstill, Prime Minister Holland declared a state of emergency with various measures put into effect. Thus Parliament was, in Dick Scott's words, 'put to one side', the WWU was deregistered with its funds seized by the Public Trustee, and troops were drafted to work the wharves. 10 These emergency regulations were in place for the next five months.

The need for reliable sources of intelligence during the dispute was quickly felt, and on 5 March 1951 Detective Sergeant R. Jones noted the difficulties the dispute had created for obtaining information from within militant labour:

'In respect to the questionnaire forwarded from the Hon. Minister of Labour, I would like to point out briefly the difficulties experienced by a member of Special Branch in obtaining replies in the manner suggested by the questionnaire. The Communist Party have told the militant Trade Unions that members of the Special Branch are Security Police. Individual watersiders, even moderates, are therefore loath to speak openly to members of this Branch on matters relating to their Union. Expressions of opinion of watersiders are more difficult for Special Branch officers to obtain than possibly an ordinary member of the Uniform Branch of the Police Force ...

I have been successful in obtaining contact with two rank and file members who were prepared to supply me with information, namely on questions concerning Communist influence within the Waterside Workers [sic] Union. During the present dispute, however, one informant has failed to make contact with me and any approach on my part in the present circumstances would meet with failure, not only for the present but also for the future. The second informant has supplied me with some information but has had one fright and is therefore very naturally ensuring his own safety first which is understandable. Early in this dispute this informant made it quite clear that

while he was prepared to assist me while a Labour Government was in power circumstances had now changed since the National Party had assumed office. However, he assured me that he would assist me personally but no more. His assistance in the present dispute has therefore been spasmodic.'11

Additional security concerns derived from contact between the watersiders' leaders and alleged communist sympathisers in the External Affairs Department. For example, Harold [Jock] Barnes, President of the de-registered WWU, was said to have established contacts within the public service including Douglas William Lake (who had come under suspicion of being a security risk) and Desmond Patrick Costello (who would come under suspicion of being a Soviet agent after the Petrov affair). In April 1951 Police Commissioner Young forwarded these allegations to W.H. Fortune, the Minister in Charge of Police, within a top secret memorandum:

'I forward herewith a report from Detective Sergeant R. Jones, of Auckland, re allegations that Harold Barnes, President of the de-registered Waterside Workers [sic] Union, has contacts in high Government circles. Barnes is a boaster and what he says may be quite untrue, but I understand that he frequently drinks at Bellamys in the part set aside for the Ministers' Secretaries, as the guest of certain members of the Opposition.¹²

Since I was appointed to my present position, which includes responsibility for internal security, I have not been happy concerning the question of security in the Prime Minister's Department.

In my opinion there is considerable reason for apprehension concerning the loyalty of at least one member of the present staff employed in the Department of External Affairs. I refer to Douglas William Lake, who, in the light of the present world situation must, in my opinion be regarded as a security risk and therefore is considered unsuitable for employment in a position where he will handle or have access to classified documents ...

Detective Sergeant R. Jones (Special Branch) Auckland, has mentioned Desmond Patrick Costello, who, I understand, is a member of the New Zealand Diplomatic Staff in Paris.

I cannot escape making some further reference to him, although it could be said that he can have no responsibility for any leakage of information to Harold Barnes, but it is known that not only Barnes but Tobias Hill, Alexander Drennan and others of the same political ideology have been guests of the Soviet – Mr Burov, and in this way comment concerning Mr Costello is relevant for was he not with Mr and Mrs Lake in the Diplomatic Service of this country in the U.S.S.R.?

It is known that prior to his appointment to the U.S.S.R. Mr. Costello had married a woman of Russian origin, who with her brother was a member of the Communist Party in England. It was known that Mr. Costello had other associations in England indicative of his Communist leanings ...

We feel that we cannot report freely information that may be of vital importance to the Government while an employee in the Department of External Affairs is not free of security risk. Prior to the recent departure overseas of the Permanent Head of the Prime Minister's Department, Inspector P.J. Nalder, Special Branch, Police Headquarters, discussed this matter with Mr McIntosh, who at that time was not altogether happy about the position of Mr Lake on his staff. Since then further information has been received and as you will notice this report could not be properly prepared without giving information which has bearing on the identity of an informant. I have, therefore, classified it "TOP SECRET".'13

One result of these concerns was a turn to the British connection. In May Inspector Nalder, whilst attending a London-based Commonwealth Conference on Security, gave Sillitoe a full account of the difficulties New Zealand's Special Branch had faced. ¹⁴ This was followed by a London meeting in June between Sillitoe and New Zealand's Defence Minister, T.L. MacDonald. The two men specifically discussed New Zealand's security arrangements during the waterfront dispute and the problems associated with monitoring communist organisations in New Zealand. On this occasion Sillitoe advised against setting up a new security organisation and instead recommended strengthening Special Branch, offering M15 guidance. In Sillitoe's words:

'Mr T.L. MacDonald, the New Zealand Minister of Defence, came to see me this morning to ask for my advice on security reorganisation. He said that his Government were not satisfied with the Special Branch and security work of the New Zealand Police. During the recent troubles with the waterside workers in New Zealand, for example, the police had been unable to discover the source of certain printed propaganda. He considered that the Police had a good deal to learn about the methods of watching and penetrating Communist organisations.

I advised Mr MacDonald against setting up an independent security organisation like the A.S.I.O. in Australia and recommended instead the strengthening and further instruction of the Special Branch. I said that I would be ready to come out to New Zealand myself or to send out one of my officers if his Government felt that advice on the spot from the Security Service might assist their reorganisation.

Mr MacDonald thanked me for the offer which he said he would report to his Prime Minister. He explained that they were anxious to bring about the reform they wanted with as little fuss and publicity as possible and in particular they did not want to offend or irritate their Police Commissioner, Mr. Bruce Young.

Mr. MacDonald said that he would be writing to me personally in any event, but if there should be any question of inviting a Security Service adviser, the New Zealand Government would approach us through the Commonwealth Relations Office.' 15

In the meantime Nalder, back in New Zealand, prevailed upon Prime Minister Holland to write to the British Prime Minister, Clement Attlee, suggesting that Sillitoe visit New Zealand. 'Our security service', Holland wrote, 'is still in process of development, and it would be very helpful to us if arrangements could be made for Sir Percy to visit New Zealand. I hope this will prove possible.' That this was regarded as a matter of some urgency was demonstrated by a second letter dated 25 July 1951 from the New Zealand Police Commissioner, Bruce Young, 'expressing the hope that he [Sillitoe] would be able to come to New Zealand as a result of Mr. Holland's letter.' On 5 October 1951 Sillitoe

left London bound for New Zealand. Described as 'a brief visit to enable him to renew his contacts with the Security authorities in New Zealand', Sillitoe was to continue his journey to Australia 'for similar purpose.' 17

Beyond the British connection, a US presence within the dispute was also apparent - neatly represented by Holland being fresh from a Cabinet meeting with US Secretary of State John Foster Dulles when he declared the state of emergency. US interest and involvement in the dispute revolved around perceptions of the affair as a wider security concern. Fears over port security in Europe and the Pacific in the aftermath of the Second World War had become a major consideration of the US Government with trade union militancy now regarded as a security risk.¹⁸ This explains, in part, the inordinate interest taken in New Zealand organised labour by the CIA. For example, on 6 November 1950 the US Ambassador in New Zealand, Robert M. Scotten, sent a memorandum on 'Control and Organisation of Waterfront Labor in NZ' to Washington. This document was 'prepared for and at the request of Commander Adrian PERRY, US Naval Attaché in Australia and New Zealand, to assist him in compiling port facility reports for New Zealand.' This was, Scotten emphasised, 'a very complex subject which will, for many months to come be the subject of inquiry of the newly appointed Royal Commission on Waterfront Affairs.' In order to navigate this complexity, Commander Perry asked Scotten to give 'special attention' to 'a description of the personalities and political orientation of the key personalities and political orientation of the key leaders in the Waterside Workers' Union '19

The US Embassy had closely followed the 1950 split between the FOL and the TUC and the unfolding of the waterfront dispute, as well as the activities of the New Zealand Peace Council, which it deemed a communist front. Indeed, the US Embassy in Wellington had been despatching detailed reports on the WWU to Washington since 1948. Although they were classified as 'Restricted' they were largely based on interviews with leading figures in the labour movement, including Tobias [Toby] Hill, the National Secretary of New Zealand Waterside Workers' Union: 'Mr. Hill seemed as cheerful and buoyant as ever, but he was prepared to concede that there would be a complete rout for the left wing on the two main issues coming up at the Dunedin conference: the election of officers and the proposed new constitution of the Federation of Labour.' That the US Embassy was taking a keen interest in the FOL and the Government's campaign against what Hill described as militants in the trade union movement was clearly demonstrated by the report's contents:

'Mr. Hill felt that the present purge of Communists and fellow travellers (or "militants", as he preferred to call them) was being accomplished only by a tremendous effort on the part of Right Wing union leaders, aided by the general "red scare" fomented by the Government and by the specious appeal to "loyalty" behind the political labour movement. The Aid-to-Britain Committee, under [Fintan Patrick] Walsh's chairmanship, was proving to be simply another Government instrument to bring pressure and intimidation on the militants, singling out the Watersiders as the particular object of the smear technique.'22

Other sources of information included Tom Skinner, the President of the Auckland Trades Council, who was known to have occasionally briefed US officials. ²³ Moreover, undoubtedly a key figure was the controversial labour leader, Fintan Patrick Walsh who was feted by the US Embassy in Wellington as 'a firm friend of the United States'. ²⁴ He was apparently relaxed about 'sounding off to US embassy officials', providing details of

alleged communists, fellow travellers and trends within the Labour Party, and knowing that many of the Embassy's despatches to the State Department were passed to the CIA.²⁵

Beyond intelligence gathering, US officials made efforts to undermine left-wing influence in the New Zealand labour movement. It is significant that this effort was done partly by targeting the WWU, and its inception broadly coincided with a 1948 confidential CIA report on the WFTU which claimed the organisation was being exploited by the USSR. ²⁶ On 22 February 1949 Scotten, sent a 'Restricted' report to the secretary of state, Washington, titled 'Probable Disaffiliation of New Zealand Federation of Labour from the World Federation of Trade Unions. ²⁷ This report clearly showed that the US Embassy had sought to influence the affairs of the FOL by making suitable material on the split within the WFTU available:

'Mr. Kenneth Baxter, Secretary-Treasurer of the New Zealand Federation of Labor, has already drafted the required circular on the background of the present split in the WFTU. To assist him in this task, an officer of the Embassy has supplied him with a copy of Mr. David Dubinsky's [the President of the International Ladies' Garment Workers' Union] article on the same subject which appeared in the January issue of *Foreign Affairs* and which was furnished to the Embassy by OII [Operations-Intelligence Interface]. Judging from the views that Mr. Baxter has often expressed, his circular memorandum will present a strong case for disaffiliation, quoting copiously from Sir Walter Citrine [General Secretary British TUC 1926-1946; President of the International Federation of Trade Unions (IFTU), 1928-1945], Mr. Arthur Deakin [General Secretary of the British Transport and General Workers' Union 1945-1955], and American labor leaders.'28

Once the 1951 waterside dispute was underway the US Embassy had considerable knowledge of the personalities involved as well as the political and security dimensions of the dispute. It was not long before US interest moved beyond intelligence gathering and into direct involvement. Rumours of clandestine US support of the New Zealand Government is a feature of the dispute's mythology and is recorded in Dick Scott's *151 Days*, published soon after events.²⁹ CIA files published online in January 2017 confirm this involvement and provide details of 'Operation Railhead', a covert mission to aid the Government by airlifting goods between the North and South Islands throughout the dispute. This capacity was provided by Civil Air Transport, a CIA owned outfit used for supply missions across East and South-east Asia, with three, and eventually four, Curtiss Commando (C-46) transport planes commissioned for the operation. The planes transported some 7,700 tonnes of cargo between Paraparaumu Airport and Woodbourne Airport, travelling more than 150,000 kilometres between May and June in 1,300 crossings of the Cook Strait.³⁰

The 1951 dispute ended with the total capitulation of the WWU on 15 July 1951, and the militant TUC all but dissolved the following month. For many New Zealand trade unionists it was MI5's Sillitoe who had taken on and defeated the watersiders. On the occasion of Sillitoe's visit to New Zealand in December 1951 the trade unionists were convinced that recent legislation, notably the 1951 Official Secrets Act, was directed against them courtesy of MI5. As one circular put it:

'Sir P. Sillitoe, British Security Head of M.I.5. is not at this moment conferring with the Government as an ordinary formal visitor. He is here on serious business. The

tories have already stated that they want small local trade unions, and this leads to the obvious – the smashing of all national unions.'31

However, Sillitoe (and Hollis) prioritised Russian espionage and counter-intelligence as of far greater importance than communist activities on the waterfront, an issue which agitated the Americans far more than it ever did the British.

Sillitoe's security concerns came to a head in the following years as the 1954 Petrov affair led to questions about the loyalty of some New Zealand public servants. The growing urgency was shared by a significant number of senior civil servants and politicians who distrusted public servants like Sutch, Desmond Patrick Costello and Ian Milner. As in 1951, concerns over sharing sensitive information in potentially insecure conditions were revived among allied powers ultimately convincing the Government that a professional security service was needed. In 1956 the NZSS was established, positive vetting was introduced and Milner, Costello and Sutch were investigated. The influence of external dynamics within domestic developments was also apparent when NZSS was founded on MI5 lines and under the Directorship of Brigadier Herbert Ellery Gilbert, a former New Zealand Army officer who had trained under Hollis.

David Burke Cambridge Intelligence Seminar ¹ For examples see 'History of The New Zealand Security Intelligence Service and It's Predecessors', Security Papers Collection, Victoria University of Wellington, pp.2-7; W.T. Roy, 'Cloak and Dagger in Fantasyland: The SIS Debate in New Zealand', *Political Science*, 30:2 (1978), p.98; Michael Parker, *The S.I.S.: The New Zealand Security Intelligence Service* (Palmerston North: Dunmore Press, 1979), pp.20-25; Susan Butterworth, *More than Law and Order: Policing a Changing Society, 1945-92* (Dunedin: Otago University Press, 2005), pp.44-45; Graeme Hunt, *Spies and Revolutionaries: A History of New Zealand Subversion* (Auckland: Reed, 2007), pp.227-230; Miriam L. Wharton, 'The Development of Security Intelligence in New Zealand, 1945-1957 (Master of Defence Studies, Massey University, 2012); Aaron Fox, 'The Price of Collective Security: State-Sponsored Anti-communism in New Zealand in the Cold War Era', in Ian McGibbon and John Crawford (eds), *Seeing Red: New Zealand, the Commonwealth and the Cold War 1945-91* (Wellington: NZ Military History Committee, 2012), pp.95-124; Redmer Yska, 'Collaboration between *NZ Truth* and the Police Special Branch/Security Intelligence Service during the Cold War', *Security and Surveillance History Series*, no.1 (2016).

² Five Eyes is an intelligence alliance of the United States, the United Kingdom, Australia, Canada and New Zealand.

³ Hugh Price, *The Plot To Subvert Wartime New Zealand* (Wellington: Victoria University Press, 2006).

⁴ Hunt, *Spies*, pp.156-158.

⁵ Cited in Hunt, Spies, p.158.

⁶ The National Archives (United Kingdom) (TNA), PREM 8/1343, Commonwealth Security Conference – 1951.

⁷ Hunt, Spies, p.311.

⁸ The American Federation of Labor held aloof.

⁹ Victor Silverman, *Imagining Internationalism in American and British Labor, 1939-49* (University of Illinois Press, 1999).

¹⁰ Dick Scott, A Radical Writer's Life (Auckland: Reed Books, 2004), p.142.

¹¹ Archives New Zealand (ANZ), R10074966-ADMO-21007-W5595-1-25/9/20-1, 'Government and Public Order - Strikes: 1951 Strike: General', Telephone Message sent by Detective Sergeant R. Jones to Sub-Inspector P.J. Nalder, 5 March 1951.

¹² 'Mick' Moohan, the Labour Member for Petone, was known to entertain Barnes and Tobias [Toby] Hill many an afternoon at Bellamy's, the Parliamentary bar.

¹³ ANZ, R10074966-ADMO-21007-W5595-1-25/9/20-1, 'Government and Public Order - Strikes: 1951 Strike: General', Memorandum for The Hon. Mr W.H. Fortune, Minister in Charge of Police, 2 April 1951.

¹⁴ The 1951 Commonwealth Security Conference, London, 15 - 25 May brought together the Heads, or representatives of the Heads, of the security services in all nine countries of the Commonwealth, including the UK, 'to discuss their professional and technical affairs which are of vital interest to us all in these troubled days, to exchange experience and ideas, to pick one another's brains and to make one another's acquaintance.' TNA, PREM 8/1343 SECRET. Prime Minister's farewell address to the Conference.

¹⁵ TNA, PREM 8/1343, TOP SECRET 2.7.51.

¹⁶ TNA, PREM 8/1343.

 $^{^{17}}$ TNA, PREM 8/1343, <u>OUTWARD TELEGRAM</u> 'To ACTING U.K.H.C. CANBERRA.' <u>TOP SECRET AND PERSONAL. 25.9.51.</u>

¹⁸ With regard to the Mediterranean and the Pacific, a series of 1950s covert actions by the CIA against the left steered the port unions into safer waters than those envisaged by the WFTU.

¹⁹ US Embassy-Parker papers, Control And Organization Of Waterfront Labor in New Zealand, 6 November 1950. I am indebted to the Auckland-based scriptwriter Dean Parker for copies of documents from the American Embassy, Wellington to Washington.

²⁰ Hunt, Black Prince: The Biography of Fintan Patrick Walsh (Auckland: Penguin Books, 2004), p.165.

²¹ US Embassy-Parker papers, <u>RESTRICTED</u> Enclosure to despatch No.127 dated April 27, 1948, on the subject of: Interview with Mr. Toby HILL, National Secretary of New Zealand Waterside Workers' Union.

²² US Embassy-Parker papers, Despatch No.127, April 27, 1948.

²³ Hunt, Black Prince, pp.164-165.

²⁴ As Hunt notes 'US officials placed considerable confidence in Walsh's ability to keep communism at bay. One despatch from embassy first secretary William N. Fraleigh to Washington, based on discussions with Walsh on 18 March 1957, described the FOL leader as a "dedicated moderate, a believer in arbitration and conciliation, contemptuous of any trade union organization which tolerates Communists. A firm friend of the United States which he has visited many times in recent years." Fraleigh added that Walsh had a "somewhat gruff exterior but is genuinely pleased at any attention shown him." Hunt, *Black Prince*, p.165.

²⁵ Hunt, Black Prince, p.165.

²⁶ In March 1948 representatives from fifteen western nations convened an independent trade union conference in London to set up a Trade Union Advisory Committee to serve as a possible nucleus for a new international federation. These developments were monitored closely by the newly-established CIA and, on the 14 June 1948, they produced a confidential report on 'The Significance Of The World Federation of Trade Unions In The Present Power Conflict', which claimed that the governing bodies and the Secretariat of the WFTU had been taken over by the USSR. https://www.cia.gov/library/reading room/docs/DOC_0000258339.pdf, p.1.

²⁷ US Embassy-Parker papers, Despatch No.37, 21 February 1949.

²⁸ US Embassy-Parker papers, Despatch No.37, 21 February 1949.

²⁹ Scott, 151 Days: History of the Great Waterfront Lockout and Supporting Strikes, February 15-July 15 1951

⁽Auckland: New Zealand Waterside Workers' Union Deregistered, 1952), p.196.

30 Files available at https://www.scribd.com/document/341923971/Clandestine-Services-History#from_embed.

31 ANZ, R10074966-ADMO-21007-W5595-1-25/9/20-1, 'Government and Public Order - Strikes: 1951 Strike: General', Secretariat Circular 11/51, Trade Unions and The Struggle For Working-Class Unity, 15 December 1951.

32 For an overview of these allegations see Wharton, pp.44-52.