

W  
421

PF 66960/SAV4	
GOUZENKO, IGOR	PF 66960/SAV4

0330

Serial No.	Star Designation	Date	Serial No.	Star Designation	Date
	P.A.	6 M			SEP 1976
	<del>K/O</del>				LOS 14
	PA	10 JUL 1973			
MFS	<del>PA</del>	<del>61 JUL 1973</del>			
	PA.				
	<del>KT</del>				
	PA				
	<del>KT</del>				
	PA				
	<del>KT</del>				
	PA	10 FEB 1978			
	<del>KT</del>	15 JUN 1976			
	PA	2 JUL 1976			

KV 2/1423

PF 66960/SAV4
---------------

Register No.	Minute Sheet No.
	170.
29.3.46.	Report on proceedings of Royal Commission, and Royal Commissioners report to Governor. 280a.
	171.
29.3.46.	Telegram 451, re hearing of HALPERIN. 171a.
	172.
29.3.46.	Telegram 452, re evidence by LUNAN, ROSE - committed for trial. 172a.
	173.
29.3.46.	Telegram 455, re POPOV boarding ship at Philadelphia. 173a.
	174.
30.3.46.	Telegram 468, re information to be given to Swedes. 174a.
	175.
30.3.46.	Telegram 471, re hearing of CHAPMAN. 175a.
	176.
30.3.46.	Telegram 463, re MAY. 176a.
	177.
30.3.46.	To D.P.P. enclosing copy of telegram from Cussen. 177a.
	178.
30.3.46.	Receipt for 177a. 178a.
	179.
1.4.46.	Telegram 476, re detention of suspects. 179a.
	180.
1.4.46.	Copy of letter from High Commissioner, re the development of the case. 180a.
	181.
1.4.46.	Telegrams 477, 478, re Nina FARMER. 181a.

	182.	
2.4.46.	Telegram 483 re departure of Matthew and Cussen.	182a.
	183.	
2.4.46.	From High Commissioner of Canada with interim report.	183a.
	184.	
3.4.46.	Phyllis report, re Bob Stewart's comments.	184a.
	185.	
5.4.46.	To G.S.I., B.A.O.R., re ZABOTIN and FARMER.	185a.
	186.	
5.4.46.	From Special Branch re GERSON.	186a.
	187.	
8.4.46.	To Foreign Office with photostat copy of evidence given to Canadian Royal Commission.	187a.
	188.	
8.4.46.	Telegram 613 from Berlin re Nina FARMER.	188a.
	189a.	
9.4.46.	Telegram 501 re Col LETSON, SORENSON and HARRIS.	189a.
	190.	
9.4.46.	Telegram 503 re state of case.	190a.
	191.	
10.4.46.	Telgram 508 re sub-poenas served by Defence.	191a.
	192.	
10.4.46.	From S.I.S. re Nina FARMER.	192a.
	193.	
10.4.46.	Telegrams 996-7 to Berlin re FARMER.	193a.
	194.	
11.4.46.	Telegram 635 from Berlin re FARMER.	194a.
	195.	
12.4.46.	To Special Branch in reply to 186a.	195a.

Register No.

Minute Sheet No.

196.

13.4.46. Telegram 515 re subpoenas issued in CORBY case. 196a.

197.

13.4.46. Telegram 516 re WITCZAK. 197a.

198..

16.4.46. From B. 6. re FARMER's address. 198a.

16.4.46. From American Embassy re KATZ @ KARR. 198b.

199.

17.4.46. Telegram 524 re GERSON, NIGHTINGALE and SMITH. 199a.

200.

18.4.46. Telegram 526 re SORENSON. 200a.

201.

18.4.46. Telegram 529 re CARR and LINTON. 201a.

202.

18.4.46. Telegram 24 to Berlin re FARMER's address. 202a.

203.

18.4.46. Telegram 672 to New York re FARMER. 203a.

204.

24.4.46. Telegram 677 from Berlin re FARMER. 204a.

205.

25.4.46. Telegram 544 re 203a. 205a.

206.

27.4.46. Extract from telegram 548 re CORBY case. 206a.

207.

30.4.46. From Foreign Office re case in general.

208.

3.5.46. From D.M.I. to Canada re British military material compromised in Canadian case. 208a

209.

3.5.46. From I.P.I. returning copy of case summary. 209a

210.

6.6.46. To I.P.I. in reply to 209a. 210

211.

8.5.46. Telegram, re MAY, to the R.C.M.P. 211a

212.

8.5.46. To S.I.S. enclosing 211a. 212a

213.

15.5.46. To Special Branch enclosing copy of telegram. 213a

214.

15.5.46. From High Commissioner's Office re progress of case. 214a

215.

22.5.46. Telegram 598 re trial in CORBY case. 215a

216.

23.5.46. Telegram 762 to New York re CORBY case. 216a

217.

31.5.46. Report re Soviet Espionage in Canada. 217a

218.

7.6.46, From S.I.S. re sentences imposed during CORBY case trials. 218a

219.

12.6.46. Telegram 650 re trials. 219a

220.

17.6.46, From R.C.M.P. re ROSE. 220a

221.

18.6.46. To Special Branch enclosing copy of 219a. 221a

MINUTE SHEETP.F. 66960Supp.A.  
Reference Vcl.4.

222.

2.7.46.	Telegram No. 18 From Washington re Trials.	222a
	223.	
20.6.46.	S.B.Report re Canadian Espioage Trials.	223a
	224.	
3.7.46.	Telegram No.37 from Washington, . . . .	224a
	225.	
3.7.46.	Telegram No.38 from Washington.	225a
	226.	
3.7.46.	Telegram No.39 from Washington.	226a
	227.	
10.7.46.	Telegram No.42 from Washington.	227a
	228.	
10.7.46.	Telegram No.43 from Washington.	228a
	229.	
11.7.46.	R <sub>e</sub> port from the Dominions Office re Espionage Trials.	229a
	230.	
12.7.46.	Telegram from Washington, No.45.	230a
	231.	
17.7.46.	Telegram No.52 from Washington.	231a
	232.	
17.7.46.	Telegram No.49 from Washington.	232a
	233.	
18.7.46.	Report by Mr. Hollis to F.2.c. Mr Marriott.	233a
	234.	
20.7.46.	Telegram No.61 from Washington.	234a
	235.	
20.7.46.	Telegram No.62 from Washington.	235a
	236.	
20.7.46.	Telegram No.63 from Washington.	236a
	237.	
20.7.46.	Press cutting from the Daily Telegraph re arrests in Canada.	237a
	238.	
23.7.46.	Report from High Commissioner, Ottawa to Dominions Office.	238a

(1304) WcY41250/893  
750,000 1/49 IC&S  
Lrd Gp736/209  
(REGIMINT)  
CODE S-340

(OVER

239.

1.8.46. Press cutting from the Evening Standard re report of espionage activities in Canada.

239a

240.

3.8.46. Extract from Daily Digest of World Broadcasts mentioning article in 'Pravda'

240a

241.

7.8.46. From S.I.S. forwarding copy of report from Int. Bureau, Germany re Nina FARMER.

241a

242.

14.8.46. Secret Cross Reference.

242a

243.

3.9.46. Press cutting from the 'Times' re espionage in Canada.

243a

244.

6.9.46. Report from High Commissioner, Ottawa to the Dominions Office.

244a

245.

12.9.46. From the American Embassy re article in 'New Masses'

245a

246.

18.9.46. To R.C.M.P. re Soviet citizens implicated in Corby case.

246a

247.

11.12.46. Report from High Commissioner, Ottawa to Dominions Office.

247a

248.

31.1.47. Report from High Commissioner, Ottawa to Dominions Office.

248a

249.

5.2.49. From S.I.S. re Corby's report

249a

**TOP  
Secret.**

**AND PERSONAL**

*Handwritten:* In reply, state NUMBER & all these names as they came in from Canada. Check with Miss Datch who knows her way round CX. /S dated 5th February 1947. R.5.G.2.

Dear Roger,

I thought it might be useful in assessing the accuracy or otherwise of CORBY's account of the organisation of the HQ of the Chief Directorate of Intelligence of the Red Army to check up with SLC and LSIC on the names he mentions.

This has now been done with the following results. The names are taken para. by para. according to the numbering of CORBY's report.

Para. 5 X Lt. General I.I. ILICHEV was in the Chief Intelligence Directorate of the GRU in 1944.

X Col. General Fedor Fedorovich KUZNETZOV was head of the Chief Intelligence Directorate of the GRU, July 1946. PF 75755.

Major General KISSILEV - the name is probably KISELEV - there are three possibilities:-

Major General A.F. KISELEV, who headed a Soviet Military Mission to Yugoslavia in 1946;

Major General Nicolai Sergevich KISSELEV (NKVD troops);

Major General Vasilii Ivanovich KISSELEV (NKVD or NKGB).

The two latter were decorated in 1943 o. 44. P.F. 74,978

Para. 10. [ Major General BOLSHIKOV ] - the name is probably BOLSHAKOV - A Major General D.M. BOLSHAKOV and a Major General A. BOLSHAKOV are known to exist but we have no information about them.

PF 603,471: [ Colonel MILSTEIN ] - a Lt. General S.R. MILSTEIN is known in the 3rd Directorate (Counter Intelligence Administration) of the MGB. PF 76291

Para. 12

Roger H. Hollis, Esq.,  
M.I.5.

THIS IS A COPY  
ORIGINAL DOCUMENT RETAINED  
IN DEPARTMENT UNDER SECTION  
3 (4) OF THE PUBLIC RECORDS  
ACT 1958. Aug 2001

PF 473,477  
5F441/Sa pp B.

PF 10532

43a -

10.ii  
Bia. 712

Handwritten initials and notes: B2b, 24.06.47



Secret.

In reply, state NUMBER and DA.

- 2 -

- T.F. 77505.
- Para.12 [Lt.Colonel POLIAKOVA] - unknown.
- Para.13 Colonel MUROMTZOV - unknown.
- Para.14 Colonel GRIGOREV. Ten colonels with this surname are known. A Lt.Colonel Aleksander Aleksandrovich GRIGORIEV (Army Counter Espionage) was decorated in 1943.
- Para.15 <sup>ff 82, 824</sup> [Colonel SEREDA] - unknown.
- Para.17 [General KHLOPOV.] There is a Major General V.E.KHLOPOV who was a Major General of Tank Troops in February 1943. } P.F. 12537.
- Para.23 Colonel BALTENKO - unknown.  
Lt.Colonel PAVLENKO. A Lt.Colonel of Signal Troops I.M.PAVLENKO was identified in 1943.  
Lt.Colonel LOROTENOV - unknown.  
Lt.Colonel KONDRATIEV. Three Lt.Colonels of this surname have been identified:-  
 a) Lt.Col. F.S.KONDRATIEV, of whom nothing is known.  
 b) Lt.Col. N.L.KONDRATIEV, who was in the Military Academy at Frunze, 7.12.43.  
 c) Lt.Col. S.I.KONDRATIEV of the MGB.  
Captain KRIVAROTCHENKO - no likely record.
- Para.24 Colonel MUILIKOV - unknown.
- Para.28 <sup>7773477</sup> [Major General EVSTIGNEEV] Major General V.N. EVSTIGNEEV was head of the External Relations Dept. of the NKO from 5.9.41 until 10.10.44, when he was replaced by Major General KUTUZOV.
- Para.30 Colonel YEGOROV (normally transliterated EGOROV). There are ten colonels of this surname but none apparently identical.  
Lt.Colonel LOMTIEV - no record.
- Para.31 Colonel DIRIVENKO - no record.

Yours sincerely,

THIS IS A COPY  
 ORIGINAL DOCUMENT RETAINED  
 IN DEPARTMENT UNDER SECTION  
 3 (4) OF THE PUBLIC RECORDS  
 ACT 1958. Aug 2001

Dominions Office Reference No. WG. 522/9.

with the Compliments of the Under Secretary of State,

Date 30-1-47.

Reference Dominions Office communication  
of 11-12-1946.

Bic.

WG.522/9.

the Under Secretary of State

11-Dec-1946.

UK High Commissioner in Canada

Despatch No. 346 of 17 Aug. 1946,  
addressed to Dominions Office.

*245A*

C O P Y.

OFFICE OF THE HIGH COMMISSIONER  
FOR THE UNITED KINGDOM,  
EARNSCLIFFE,  
OTTAWA.

The Deputy High Commissioner for the United Kingdom,  
Ottawa, presents his compliments to the Under-Secretary of State for Dominion  
Affairs and begs to request that the words "those found innocent in" may be  
inserted before the words "the courts of law" in the fourth last line of the  
High Commissioner's despatch No.454 of the 25th November, 1946.

*Ble. 18/12.*

23th November, 1946.

*245A  
3.2.47*

OFFICE OF THE HIGH COMMISSIONER  
FOR THE UNITED KINGDOM  
BARNSCLIFFE  
OTTAWA.

No. 346

25th November, 1946.

My Lord,

In my despatch No. 346 of the 17th August I had the honour to inform you of the results of the enquiry of the Royal Commission on Espionage matters. At that time four persons had been charged and sentenced by the courts to terms of penal servitude. These were:-

(i) Miss Kathleen Willsher and

(ii) Mrs. Emma Woiken, who both elected summary trials, and were sentenced to three and to two and a half years imprisonment respectively.

(iii) Edward Moxhall, National Research Council Engineer, who was tried by a jury in the Supreme Court of Ontario, found guilty and sentenced to four years penal servitude. He appealed against his sentence, but his appeal was dismissed by the Ontario Court of Appeal on the 16th October.

(iv) Fred Rose, M.P. who was sentenced in the Quebec Courts to six years imprisonment. Rose has likewise appealed but the appeal has not yet been heard.

2. Seven persons have been since tried; of these four have been convicted and three acquitted on the main charges against them.

3. The three persons who have been found guilty and sentenced by the Courts are:

(i) Dr. Soboloff, a Toronto doctor, who was alleged to be involved with three others in obtaining a

The Right Honourable Viscount Addison,  
Secretary of State for Dominion Affairs,  
London, E.W.1.

false passport for a Russian agent and has been fined 500 and 1000. The Crown Prosecutor said that there was no suggestion that ... was a member of the Russian spy ring. ... that the doctor's action in handing ... to the passport ... of Gross ...

(ii) Harold D. Nelson, Jr. (iii) ... both native officials in the Department of ... and ... were found guilty of conspiring to ... to Russian agents and ... years penal servitude ... responsibility in the Department ... accused ... activities. The judge ... in particular ... and brilliant, and ... of the situation, and that ... sentence ...

(iv) ... service, who was sentenced to 5 years imprisonment ... of conspiring to ...

4. The names of witnesses ... conviction of a ...

(i) ... witness ...

in asking for a copy of quality and the fact  
dismissed the charges of conspiracy. The  
third witness, a former accountant of  
withdrawing.

(The first witness, who was a bank clerk official with the  
name of ... was employed in the Industrial  
Development Bank, was one of the key persons  
mentioned in the Royal Commission Report. He was  
accused of a charge of conspiracy to communicate  
classified information to Russia. ... was  
also to be the agent referred to in Gouzenko's  
report as " ...", an employee in the Industrial  
Development Bank. In detailing his chief, ...  
... said that the description of the agent  
... could not by any stretch of the imagination  
apply to ... He insisted that the evidence  
... to ... than suspicion. ... on  
... of ... by ...  
... she had commented ...  
... to ... the defence insisted that  
... had been ...  
... of the ...  
... that he had ...  
... had given her money ...  
... to ... expenses in connection  
... conviction of a ...  
... both increased. ...  
... she had given ... information for  
... party in ... but denied  
that ... given him ... copies  
of ... documents. ...  
he had ... but said ...  
... to obtaining ...  
... in ...

(continued)

against Adams, one of communicating information to Russian agents and the other of retaining government documents, both alleged breaches of the Official Secrets Act, but it is doubtful whether these charges will be pressed

(iii) Nightingale, a former Squadron Leader in the R.C.A.F. who was alleged to be mixed with certain fifth column activities in the department of the Soviet of the Russian Embassy, whom he had met on several occasions, has also been acquitted on the charge of communicating information. His defence counsel argued that there was no evidence to show that Rogov had ever obtained any information from Nightingale. In his summing up, the judge told the jury against accepting the unsupported evidence of an accomplice (Gouzenko). Nightingale is on a further charge of communicating information, but it is doubtful whether this will be pressed with it.

5. Nine persons are still waiting for trial. Mr. Carr, former National Director of the Communist Party, and Miss Freda Liner, a former employee of the National Film Board, are still missing. Mr. Raymond, formerly attached to the National Research Council and Professor of Chemistry at McGill, will appear before the Superior Court of Quebec, and Squadron Leader Adams, formerly with the R.C.A.F., will appear before the Ontario Supreme Court. Henry Harris, who is alleged to be involved in securing a false passport for a Russian agent, is still to appear before the Magistrate's Court for a preliminary hearing. Miss Agnes Chapman of the Bureau of Statistics has elected trial by jury in the Ontario Courts. Three others have chosen trial before a County Court Judge -- Donald Smith, National Research Council Engineer, and Mr. /Israel Rosenberg,



- 5 -

Israel Halperin, of Queen's University, an army ballistics expert during the war, and Dr. David Shugar, former scientist in the Department of Health and Welfare and a wartime naval anti-submarine expert. Shugar's case has received considerable publicity. Earlier in the espionage enquiry he was freed, for lack of sufficient evidence, on a charge of conspiracy, at a preliminary hearing in the Magistrate's Court. His name appeared again in the final report of the Royal Commission and he was subsequently dismissed from the Department of Health and Welfare. His particular case aroused some discussion in the House of Commons and his counsel finally asked either that his client be charged or that his name be cleared. Shugar was subsequently summoned before the Magistrate's Court and committed for trial on a new conspiracy charge.

6. The various trials have been so long drawn out and have involved such repetition of argument (such as the admissibility in the courts of evidence given before the Royal Commission) that public interest in the results has considerably waned and the trials have been very inadequately reported in the press. The striking feature of the recent trials has been the acquittal of two persons who were first reported by the Royal Commission to be important agents of the Soviet espionage organisation. This has not aroused as much public comment as might have been expected, but the implied criticism of the methods and findings of the Royal Commission has not passed unnoticed. Indeed the acquittal of Adams, in particular, is likely to have wide repercussions since the charge against others of the accused is based on their alleged contacts with him. The duality between the Royal Commission enquiry on the one hand and trial in the courts on the other has been strikingly illustrated in the "Montreal Gazette" which has been serialising the Commission's report under the title "The Red Shadow over Canada" and has

/published

- 6 -

published extracts from the Report, and the news of a man's  
acquittal, on the same page. But whatever damage may be done  
to the Government or to the reputation of the Royal  
Commission by the acquittals in the courts of persons deemed  
guilty in the Report, they have at least been some comfort  
to those who have feared for the future of civil liberties.  
For although the courts of law will not easily free them-  
selves from the stigma of the Royal Commission's findings,  
the acquittals have shown that justice in the Canadian  
courts continues to be meted out without fear or favour.

I have the honour to be

My Lord,

Your Lordship's most obedient

humble servant,

(Signed) P. A. ALLTIERI UCK

JG.

SECRET

~~CONFIDENTIAL~~  
SECRET

PF. 66960/B. 1. c/ND.

18th November, 1946.

Dear Commissioner,

Please refer to our letter to you of 7.11.46. under reference SF.50/56/2, giving details of the new information section which has been set up in this Department to provide records and advice on Russian espionage.

We would be most grateful if you could provide us with photographs and as many details as possible ( vide paragraph 4 ) on the attached list of Soviet citizens implicated in the "CORBY" case.

Yours sincerely

Sir Percy Sillitoe .

Commissioner S. T. Wood C.M.G.  
R.C.M.P. Headquarters.  
Ottawa.  
CANADA.

NSW/KC.  
12-11-46.

**SECRET.**

Telephone Nos.  
 REGENT 6050.  
 WHITEHALL 6789.

BOX No. 500,  
 PARLIAMENT STREET B.O.,  
 LONDON, S.W.1.

MOTINOV. Lt. Col.

ROGOV. Major.

✓ KROTOV. Y

SOLOLOV. Major.

ANGELOV. Lt.

ZHEVEINOV.

- DE 78508  
 ✓ ROMANOV. Major. X

✓ LEVIN. Lt. Y

✓ GALKIN. Captain. A

✓ GOUSEEV. Lt. X

D'AVLOV. Vitali G.

ZABOTIN. Col.

X LAVRENTIEV. Lt. X

GOURSHKOV. Captain.

KOURIAVTZEV. Sergei.

KOUKAKOFF. Lt.

FARAFONTOV. A.N.

MILSTEIN Col.

RABINOWITCH. Germina.



THE FOREIGN SERVICE  
OF THE  
UNITED STATES OF AMERICA

American Embassy  
London, England  
October 9, 1946

*Handwritten:* 5751  
24511

No. 2086

*Handwritten:* Bie / Min Dahan PA please.

Dear Mr. Hollis:

For the completion of your records, the following <sup>12/10</sup> letter was received by me and shown to you several days ago:

"On page 14 of the September 17, 1946, issue of the 'New Masses,' Communist magazine published in New York City, the following article is set out in the column entitled 'Washington Memo,' written by Virginia Gardner, a Communist who for some time has been writing Washington news for this Communist propaganda organ.

<sup>N.T.</sup> "After the job he did in Paris, it is expected that Drew Pearson may even bolster up his column with some 'liberal' items. From the virulence of his anti-Soviet tales from Paris, he may cut loose with something pretty daring which Mr. Byrnes might not even like. This, at least, is the basis on which he works, as it was described here by one of his employees who, by the way of defending his boss, went about Washington not so many months ago explaining just why Pearson broke the story of the so-called Russian spies in Canada. It was like this, the Pearson scribe explained to many of his news sources in labor and progressive circles: J. Edgar Hoover asked Drew to use the story, and how could he turn him down? After all, the business works both ways. Pearson's story, broadcast February 3, broke about two weeks before any arrests were announced in Canada.

Mr. Roger H. Hollis  
58, St. James' Street  
London, S. W. 1

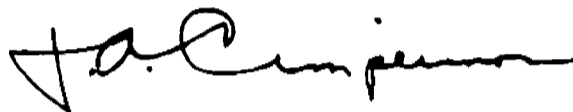
cc - Mr. Philby, MI-6

Stamp: ENCL... <sup>REB</sup> Name... 12 OCT 1946 TO... BI... ✓

You are instructed to immediately call the above article to the attention of MI-5 and MI-6, at which time it should be unequivocally pointed out to these agencies that the above allegations are, of course, absolutely false and completely without any foundation.

The substance of the above information is being made available to Stott here.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "J. A. Cimperman".

J. A. Cimperman

104.022/9  
104.022/9  
104.022/9Office of the High Commissioner  
for the United Kingdom,  
Earncliffe,  
C t t a w a.

No. 546

17th August, 1946.

*PA. in Corby, Supp A.  
17/8*

My Lord,

Previous despatches from this post have reported developments as they occurred in recent months in Canada in connection with the enquiry into espionage activities. With the publication of the final report of the Royal Commission, the matter can now be seen in perspective and I enclose a memorandum (Appendix I) giving a general account of these somewhat sensational events and commenting on the Royal Commission's Report. I also enclose, for convenience, a statement (Appendix II) briefly outlining the sequence of events together with a note summarising the contents of the Royal Commission's Report (Appendix III).

2. Briefly the report reveals the existence of a series of espionage organisations in Canada under the control of officials in the Soviet Embassy. It finds that two senior members of the Labour-Progressive (i.e. Communist) Party, one of them a Member of the Canadian Parliament, acted as agents for the Soviet organisers and that nearly twenty persons in Government service (including certain employees of the United Kingdom Government whose cases have been separately reported to you) were implicated in these activities. It also reveals the names of seventeen persons attached to the Soviet Embassy who were concerned in the illegal activities. The Soviet Ambassador himself was specifically exonerated.

3. **It is to be expected that the Report will be scrutinised with care far outside the borders of Canada, for it throws a highly illuminating searchlight on Russian methods and suggests that what has been happening in this country is no isolated phenomenon but part of an elaborate system extending**

/to many

The Right Honourable Viscount Addison,  
Secretary of State for Dominion Affairs,  
London.

- 2 -

to many other countries, including apparently the United Kingdom and the United States. In this connection it is particularly worth emphasising that according to the evidence of Gouzenko, which the Commission accept, there were several parallel under-cover systems operating from the Russian Embassy, all working in extreme secrecy even from each other, and each having its own ciphers and its own separate channel of communication with Moscow. The activities of only one of these networks, the Military Intelligence division under the Military Attache, have been uncovered by this enquiry, since it was only with that division that Gouzenko was himself concerned. Whether, in face of the recent publicity, the other parallel systems are still operating is a matter of guess-work, but there is clearly a danger that even if they are going slow for the moment it will not be long before they seek to resume full activity. Of the other systems, the most important were those conducted by representatives of the N.K.V.D. (the Russian Secret Police) and of the Central Committee of the Russian Communist Party. Gouzenko himself thinks that the N.K.V.D. network was far more extensive than that of his own division, and the Commission state bluntly that the N.K.V.D. "have a powerful organisation in Canada".

4. When I arrived here at the end of May, I detected a certain slackening of interest in the enquiry and in the trials which were resulting from it, though there was intense interest in and irritation with Russia's intransigent attitude in the international field generally. Russian policy was to most people like a cross-word puzzle to which even the most expert and ingenious solvers could provide no convincing solution. The result was a growing feeling of frustration and disillusionment and a sense of a gap it was impossible to bridge. Many people see little difference between the Russian methods of to-day and the German methods we have fought two wars to eradicate, and though there is a general hope that the Russians merely want

/educating



- 3 -

educating and will settle down in time, a deep disquiet inevitably remains. Not much public expression has been given to this uneasiness, but the Royal Commission's report is likely now to increase public concern. For hitherto the Canadian people have felt that at least the disturbing elements in Canada's own population had been rooted out as a result of the enquiry; now, with the revelation that only one of several parallel organisations has been uncovered, they are denied even this comfort. It is clear that security measures of all kinds will now have to receive increasing attention.

5. In the meantime, contrary to expectation, the Soviet Government have been somewhat slow in reacting to the publication of the Royal Commission's Report. The Ambassador was recalled to Russia in December and is still absent from Canada, though his wife remains in Ottawa. The Military Attache was likewise recalled, and is reported since to have paid for the disclosures with his life. At the request of the Canadian Government, the sixteen other members of the Soviet Embassy's staff whose names are listed on pages 85-86 of the report have also been withdrawn - without any sort of fuss or protest. Within the last few days, however, the Soviet Press has reverted to the subject in a new outburst against the Canadian Government. What this may portend remains to be seen. The Canadian Government remain sincerely desirous of good relations with Russia and will no doubt continue to do their best to damp down criticism here; but this does not alter the general conclusion that the whole incident is bound to result in a very considerable hardening of opinion throughout Canada against the Soviet Government and the crude external policy which it is apparently pursuing.

6. I am sending copies of this despatch to His Majesty's United Kingdom Ambassador at Washington and to the

/United Kingdom

- 4 -

United Kingdom Representatives in other Dominion posts.

I have the honour to be,

My Lord,

Your Lordship's most obedient  
humble servant,

LM.

~~SECRET~~

APPENDIX I

M E M O R A N D U M

It was clear from the outset that there were two aspects involved in this enquiry, first the external and diplomatic one of relationship with a foreign power and secondly the domestic one of actions by Canadians and the steps to be taken by the Canadian Government to deal with them.

2. The background of Canada's relations with Soviet Russia was, before the enquiry began, a not unfavourable one. Canada had taken no particular part in the campaign against Bolshevism after the 1914-18 war and there had been during the last decade a growing feeling of sympathy and understanding for Russia. Much had been made of the common interests of Russia and Canada, both being regarded as young, vast and undeveloped territories, with similar problems in the Arctic North. This feeling of sympathy received a strong fillip with Russia's entry into the war against Germany. As in other allied countries, the Canadian authorities were at pains to emphasize, indeed to over-emphasize, the role of "heroic" Russia and there was widespread admiration for her part in the war. This was evidenced by the growth of numerous Canada-Soviet friendship societies which held many successful and widely attended rallies. The establishment of a Soviet Legation in Ottawa in 1942 and its elevation to an Embassy in 1944 were regarded as fitting: the Embassy, by scattering invitations to its mammoth parties far and wide and in other ways, seemed anxious to establish the friendliest relations with Canadians generally.

Since the enquiry became public, the Canadian authorities themselves have been at pains to avoid causing unnecessary embarrassment to Russia. The Press also has been remarkably restrained. As the enquiry proceeded, it became more difficult to maintain the fiction that the Soviet Government were not directly implicated and, as will be shown later, the Royal Commission eventually spoke about Soviet

/activities....

APPENDIX I

- 2 -

activities in no uncertain terms. It was the Soviet Government themselves who first admitted that they were the "foreign power" involved and, shortly after the opening of the enquiry, a campaign of some violence was opened in the Soviet Press, abusing the Canadian Government and Mr. MacKenzie King in particular.

It might be an interesting speculation to assess what would have been the effect of the spy enquiry in Canada on relations with Soviet Russia if that enquiry had not occurred at a time of steadily deteriorating relations between Russia and the Anglo-Saxon powers; as it was, however, the results of the enquiry were revealed in an atmosphere that was already vitiated and the events in Canada merely fitted into the general pattern as minor pieces in the game.

3. But, while it is the external aspect that is fundamentally more important, it is the domestic aspect that has been uppermost and has caused the greatest public attention.

4. The most obvious effect of the enquiry has been to cause a sharp reaction against Communism. It should be borne in mind that, while the general atmosphere of Canadian-Russian relations was harmonious, there is a long history of antagonism to the Communist party in Canada. In general the Canadian mind is much less ready to consider or tolerate even academic Communist views than is the case, say, in the United Kingdom. On the contrary, there has been here, as there is in the United States, a deep-rooted prejudice of Communism and all its works. Moreover, its leaders in Canada are more noticeably of foreign extraction, many of them being settlers from Eastern Europe. In any event, Communism has never won many adherents in Canada outside a very small intellectual clique. The party was banned in 1940 for its anti-war activities and for a time went underground; those of its leaders who were unsuccessful in hiding were detained under wartime regulations. It re-emerged subsequently with the title

/of Labour

APPENDIX I

- 3 -

of Labour Progressive and this has been tolerated. But considerable stigma still attaches to the name of Communism. In particular, of course, the **Roman Catholic Church has never ceased to denounce Communism and the party has been subject to persecution in the Province of Quebec.** The events of the last few months, therefore, have not failed to revive former prejudices and it would not be unfair to say that the result has been that the old antagonism has now settled down to a general dislike, contempt and fear of Communism throughout Canada. To some extent this feeling has been developed to cover by extension other organisations which are thought to be markedly Left-wing. **Already Right-wing members in Parliament have denounced the Film Board, the Canadian Broadcasting Corporation and the Canadian Information Services on the grounds that they include individuals of Communist leanings** and it seems possible that the wind will not blow any good even to the C.C.F.

5. **One of the most obvious questions to be asked was how did it come about that responsible Government servants were willing and also able, without detection, to act as agents of a foreign power?** The unaccountability of their action was only increased when the names of the persons involved were given and it transpired that many of them were respected and intelligent Canadian citizens occupying responsible Government posts. To this question the Royal Commission attempts an answer and its comments in this connection probably form the most interesting and valuable chapter in the report; they are summarised in Section II (6) of the summary contained in Appendix III, but the whole chapter (Motivation of Agents, pages 87 - 88) is worth reading in full.

**It may be observed that all of the agents in Government service were young (and incidentally none was permanently established and all but one had been appointed since the war); nearly all were graduates on scientific subjects; all (with one exception - Mrs. Wolkin, whose parents were Russian) had an**

APPENDIX I

- 4 -

had an ideological sympathy with Communism and some, at least, had reasons in their private lives to be dissatisfied with the society in which they lived. Incidentally of the 26 persons mentioned in the report as being involved in dealings with the Soviet agents, 10 had a foreign background (mostly Russian or Polish) and no fewer than 6 had an English background: most of the remaining 10 were of Canadian parentage. But there seems no reasonable doubt that the main attraction was purely ideological and that the technique employed by the Russians was to attract persons with Communist sympathies to study groups (which the Commission refer to as "cells") and, in due course, after suitable development to arrange for them to be approached by Canadian Communists with a view to their communicating information. It is remarkable that there is no case, according to the evidence, of such a request being refused and certainly no case in which such an approach was reported to the responsible authorities.

Incidentally, it may be noted that, while the methods employed by the Russians were, as the Commissioners report, extremely thorough, there were instances on the other hand of strange incompetence and muddle. On the one hand the "Director" in Moscow described in detail for example that Dr. May was to meet his contact in front of the British Museum on the far side of the street carrying a copy of the Times under his left arm and that his contact should proceed in the opposite direction carrying a copy of Picture Post in his left hand. On the other hand there are the following strange incidents:-

- (1) Nightingale was approached by Major Rogov direct on several occasions and reports that his English was so bad that he did not understand it.
- (2) Professor Boyer agreed that it was clear from the documents that Rose had mixed up the pilot plant  
/in connection

APPENDIX I

- 5 -

in connection with RDX and the pilot plant in regard to uranium in repeating information received from Boyer to the Soviet Embassy.

- (3) The arrangement made for Mrs. Woikin to transmit the transcript of telegrams received in the Department of External Affairs was that she visited the waiting room of an unsuspecting dentist and deposited the documents underneath the lid of the tank in the water closet whence they were subsequently removed by Major Sokolov.

6. **There is one other aspect which has considerably engaged public attention - the aspect of Civil liberties.** While there has been general agreement that justice must be done, there has been a strong current of opinion throughout Canada insisting on the liberty of the subject and demanding the ordinary rights of law. **There have at various times been violent criticisms of the particular steps taken as regards the persons concerned, many of which have been regarded as contrary to the principles of Magna Carta, the Bill of Rights and Habeas Corpus.** First there was the secret detention of persons for interrogation in the H.C.M.P. barracks without allowing them any communication with other persons, let alone the benefit of counsel, and indeed without informing them for what purpose they were detained. Secondly, the Royal Commission, which was not a judicial body, reported their findings with regard to individuals. Thirdly, the evidence given by the individuals in such circumstances has been published and has been used by the Crown in prosecutions against them. **There can be no doubt that many of these procedures were distasteful to liberal Canadian opinion and indeed it was only too obvious that in defending them in Parliament, Mr. St. Laurent, the Minister of Justice, was himself far from happy.** (His task was not made any easier by the fact that some time after the passing of the secret Order-in-Council of the 6th

/October

APPENDIX I

- 6 -

October in reply to questions in Parliament, he had, in a moment of absent-mindedness, denied that any secret orders existed!) A move backed by powerful support in the Press and elsewhere has been made in Parliament for the enactment of a bill of rights and, yielding to pressure, the Government have promised to consider introducing legislation on the subject.

7. Be all that as it may, there is little doubt that when action was first taken there was a general disposition, in view of the serious nature of the charges, to accept the steps taken by the Government as necessary. It was only later, as the proceedings dragged on, that criticism of these steps grew to any dimensions. (It may be remarked, however, that, from the legal point of view, there is one curiosity about the Commissioners' comments on the Order-in-Council of the 6th October. That Order was stated to be "pursuant to the powers conferred by the War Measures Act" (which expired on the 31st December, 1945, but was continued by the Emergency Powers Act). No doubt by accident, the Commissioners never refer to that Act in their comments and indeed suppress the reference to the Statute in quoting the Order which is stated to be reproduced in full. On the contrary, they lay much emphasis on the provisions of the Official Secrets Act and refer to the common law, justifying the action on the needs of the safety of the State and relying on the maxim "Salus populi suprema est lex". It might be added, however, that if the Defence of Canada regulations had not been regarded almost in toto some few weeks earlier, the action taken would have needed no new Order. The Order was in full similar to the powers in wartime in Canada, the United Kingdom and elsewhere to effect internment without trial.) But, in the final analysis, it will be difficult to escape the conclusion of the Royal Commissioners themselves that 'we felt that the exercise by the Minister of the power conferred upon him by Order-in-Council P.C. 6444 would have much more chance of effectuating the preventive intention of that

/Order by



APPENDIX I

- 7 -

Order by the discovery of the full ramifications of the espionage organisation than failure to exercise it, the result of which would be to leave to these persons the fullest opportunity..... to collaborate with each other and to receive instructions..... as to what they should or should not reveal".

8. **Nor is it likely that there will be any further criticism of the Government's decision to deal with this matter by setting up a Royal Commission. The issues were so complex and so novel that they were scarcely susceptible of treatment by normal departmental methods.** The Government have from time to time been attacked on various aspects of the matter, but now that the full revelation has been made, they are likely to win much credit for handling the matter so seriously and on the whole successfully. Incidentally, the Government may also be expected to reap the advantage that the Commission itself, rather than the administration, will draw the fire of any criticisms levelled against the actual conduct of the enquiry. **On balance, therefore, the Government have emerged from this crisis with a considerable degree of success, even if not completely unscathed.**

9. **As to the report itself, this has so far generally been praised as a masterly uncovering of the spy organisation. The report is indeed a brilliant study.** It is thorough, clear and forceful. It is a courageous and outspoken piece of writing and minces no words in speaking of the activities of the Soviet authorities. Altogether it is a most readable document and misses no point in the drama of the story. **On the other hand, one cannot avoid the impression that the attempt to give dramatic effect has led at times to unjustifiably extravagant language; the search for brilliance has not necessarily always led to an impartial judicial conclusion. Indeed, on close examination it appears remarkable at times that the document should have been issued over the signature of two judges of the Supreme Court.** The following examples may

/serve to

APPENDIX I

- 8 -

serve to elucidate this criticism. In the first place, the language used in the report is emphatic and such epithets as "undeniable", "unhesitatingly", "extremely", etc. occur throughout the report. Secondly, the personal views of the Commissioners are on occasion revealed. For example, in referring to Gouzenko they say "we have been impressed with the sincerity of the man and with the manner in which he gave his evidence which we have no hesitation in accepting". [Contrast <sup>PF 603, 605</sup> with this their view of Shugar, of whom they say "Shugar was an evasive witness where crucial matters were concerned. As an illustration he exhibited that same concealment and air of furtiveness shown by other witnesses".] **Thirdly, the report states as facts what can, on the evidence, only be regarded as inferences drawn from them.** For example, in the section on Eric Adams they say "Adams's library was literally full of Communist books..... Yet, except for (Agatha Chapman), <sup>PF 603, 600</sup> no one of Adams's associates in his work knew he had any such views". They add "it is not surprising to find that Adams, as a well-trained Communist, had in his home a file headed "Civil Liberties". This contained such material as (naming certain Communist pamphlets) as well as other material". The Commission draw the conclusion: "Adams was interested in civil liberties, but solely from the Communist point of view".

There is, of course, a difficulty which the Commissioners were up against. None of the information concerning the espionage activities would have reached them but for the action of Gouzenko. This is inevitable but it is a pity, because in spite of the fact that the Commissioners were able in the end, by close questioning of various witnesses, to build up a closely connected story, the point still remains that **the whole story hangs on the single thread of Gouzenko's evidence and on the documents which he produced.** There can be no doubt but that the documents are genuine; there is little

/doubt that

APPENDIX I

- 9 -

doubt that Gouzenko himself was sincere and probably told the truth so far as he knew it. **But he was merely a subordinate official who was probably very far from knowing anything like all the story and yet the Commissioners tended to see the whole matter through Gouzenko's eyes** (though it is fair to add that when corroboration from other sources was secured, Gouzenko' was invariably supported on questions of fact and that he was, in fact, a good witness, and distinguished sharply between what he knew at first hand and his own inferences). **This criticism might perhaps not have been so valid had not the Commissioners themselves fallen into the trap of writing their report in such a manner as to give the appearance that they regarded Gouzenko's evidence (e.g. about such important matters as the existence of the Comintern) as statements of fact.**

10. It must be recognised, too, that the Commissioners were placed in a dilemma by having a dual task thrust upon them. According to their terms of appointment, their primary duty was to report on who, in the public service, was involved: but they also had the wider function of investigating the whole espionage system. **But this inevitably means that their report takes on two self-contradictory qualities - it is not only a Commission appointed to report to Parliament on a general question, but also it inevitably constituted itself a judicial tribunal, in effect, to try certain persons suspected of illegal activities, without any actual charge being laid against them. It is fair to the Commissioners to say that this difficulty was inherent in the problem and was an insuperable one. But it has led them to make comments in a public document which cannot fail to be prejudicial to the individual if and when proper judicial proceedings are taken.** In certain cases, for example, the Commissioners frankly state that the person questioned was furtive and evasive and that they did not accept his answers.

11. It only remains to be said that the whole affair has caused the greatest possible sensation in Canada. When the  
/news first

APPENDIX I

- 10 -

news first came out the story was in the headlines every day for a month and the press were led into all sorts of speculations and guesses about the intrigues that had been going on. Latterly the press has struck a more responsible note and comment has generally followed the line of demanding that the menace must be dealt with effectively and promptly: there has also been an undercurrent insisting that civil rights must not be tampered with.

In Canada as a whole the news first came as an intense surprise and shock. There was amazement that Canada should have become overnight the scene of so dramatic a spy story. At first there was some pride at this example of Canada feeling free to take so strong and independent a line in an important matter of foreign policy (though it was generally and rightly assumed that this action was not being taken without consultation with the Governments of the United Kingdom and the United States of America). This feeling was mingled to some extent with an uneasiness that, if this was the price of being a great power, then many Canadians would prefer her to remain as she was.

12. **In conclusion, as indicated above, the long term effects in Canada are likely to be:**

- (1) A very considerable hardening of opinion against the Government of the U.S.S.k.
- (2) Inevitably, though not necessarily universally, increased distrust of the Communist party and a much greater awareness of the methods and objects of the "borers from within", and possibly an attempt to place further obstacles in the party's way if and when it emerges from its present attitude of lying low.
- (3) Possibly some temporary lessening of support for Left wing organisations and ideas generally.
- (4) An influential, if not particularly widespread, insistence on the preservation of civil liberties.

36

APPENDIX IISequence of Events

- (1) Shortly after escaping from the Soviet Embassy on the 6th September, Gouzenko, a cypher clerk in the Soviet Embassy at Ottawa, got in touch with the Canadian authorities and revealed to them the existence of an espionage organisation under Colonel Zabolin, the Military Attache at the Embassy, bringing with him a number of original documents as evidence.
- (2) On the 6th October, 1945, a special Order-in-Council under the War Measures Act was passed providing for the interrogation and detention of any particular person with a view to preventing him from communicating secret and confidential information to an agent of a foreign power. (No immediate action was taken under these powers).
- (3) On the 5th February, 1946, an Order-in-Council was passed appointing Mr. Taschereau and Mr. Kellock, both judges of the Supreme Court, to be Commissioners to enquire into and report upon which public officials and other persons had communicated information to the agents of a foreign power and the facts relating to and the circumstances surrounding such communications.
- (4) On the 15th February thirteen persons in Government service were detained for interrogation under the powers of the Order-in-Council of the 6th October.
- (5) Up to that time all the above developments had been secret but, later on the day of the 15th February, the Prime Minister announced that information had reached the Canadian Government establishing that there had been disclosures of secret information to unauthorised persons including some members of the staff of a foreign mission in Ottawa and he disclosed that the Royal Commission had been set up. He also stated that a number of persons known or suspected to be implicated had been detained, though at this stage their names were not given.

/ (6) The Royal

APPENDIX II

- 2 -

(6) The Royal Commission published Interim reports on the 2nd, 15th and 29th March in which they reported their findings on a number of the persons detained and in their third interim report referred to Fred Rose, a Labour Progressive member of the Federal Parliament.

(7) In accordance with these findings legal proceedings were taken in the courts against the persons implicated. These proceedings have not been completed; so far four persons have been sentenced to terms of imprisonment varying from two to six years. In one case only (Shugar) the Magistrate dismissed the preliminary hearing on the grounds of insufficient evidence, but the Royal Commission made further reference to the matter in ~~their~~ final report and he has again been charged.

(8) The final report of the Royal Commission was issued on the 27th June. For convenience a brief summary of this is enclosed in Appendix III.

36

APPENDIX III

Summary of the report of the Royal Commission to Investigate the Facts Relating to and the Circumstances Surrounding the Communication. by Public Officials and other Persons in Positions of Trust of Secret and Confidential Information to Agents of a Foreign Power

SECTION I INTRODUCTORY

This reviews the procedure of the Commission.

SECTION II THE GENERAL PATTERN1. Introductory

It was Gouzenko who revealed the existence in Canada of a widespread conspiracy to obtain secret official information. The attempts to obtain such information cannot be qualified as casual or isolated. They are not merely the acts of over-zealous Soviet employees anxious to inform their own Government. The set-up of the organisation is the result of a long preparation by trained and experienced men who have come here for the express purpose of carrying on spying activities and who have employed all the resources at their disposal, with or without corruption, to fulfill the tasks assigned to them.

The work was carried out under conditions of extreme secrecy and cover names were given to all the persons in the "net".

As early as 1924 there was an organisation at work directed from Russia and operating with Communist sympathizers and Colonel Zabotin did not come here to inaugurate a system of espionage but to continue and amplify the work of his predecessors. That work continued until his departure in December, 1945 for a visit to Moscow "from which he does not appear to have returned".

2. Parallel Under-Cover Networks

It seems that several parallel but distinct under-cover systems existed in Canada under the direction of the Embassy. They appeared to be as follows:-

- (1) The organisation operated by Colonel Zabotin,  
/the Military

APPENDIX III

- 2 -

the military Attache.

- (2) Parallel military system.
- (3) The N.K.V.D. system.
- (4) Naval Intelligence system.
- (5) The political system.

The only system investigated in detail is that under Colonel Zabotin and it is quite impossible to say whether the other systems are still carrying on their activities.

### 3. International Links of Zabotin's Network

There is evidence that the activities carried on in Canada were linked with spying activities in other countries, particularly the United States and the United Kingdom.

### 4. The Comintern

The documents brought by Gouzenko corroborate his testimony that "the announcement of the dissolution of the Comintern was probably the greatest farce of the Communists in recent years." The efficient functioning of the Comintern organisation is shown by the highly systematised interest of the Soviet authorities in the recruiting of new agents.

### 5. Recruiting Methods

A belief in or a sympathy with or a susceptibility to the Communist ideology was a primary requirement in the persons to be recruited. The Communist party was the main recruiting base. Numerous study groups were in existence in Ottawa, Montreal and Toronto; to outsiders these groups adopted various disguises but they were, in fact, "cells" and were the recruiting centres for agents and the medium of development of the necessary frame of mind which was a preliminary condition to eventual service for the Soviet Union.

Constant emphasis was placed on further  
/recruiting



APPENDIX III

-3-

recruiting and the evidence discloses that secret members of the party played an important part in placing other secret Communists in various strategic positions in the public service.

Supplementary recruiting methods were also contemplated such as social contacts and the official registration of Ukrainians and Poles.

Attention is drawn to the vast increase of Russian staffs and the conclusion reached "it is obvious that there was intended to be a large scale post-war expansion of the network of Canadians in the military espionage system.

6. Motivation of Agents

The Commission remark that perhaps the most startling aspect of the entire network was the uncanny success with which the Soviet agents were able to find Canadians who were willing to betray their country.

They find no evidence that monetary incentive played an important part in the original motivation of these persons, though sums of money were in due course later paid to a number of the agents. For these, receipts were on occasion demanded and the Commission suggest that these could presumably be used for blackmail purposes if necessary.

But they find that the evidence shows that in the great majority of cases motivation was inextricably linked with courses of psychological development carried on under the guise of activities of a secret section of what was ostensibly the Labour Progressive party.

It seems to be the general policy of the Communist party to discourage certain selected sympathizers from joining the party openly. One object of this is thought to be that it assists in gaining control of a number of organisations. But there would appear to be a further object, viz to accustom the adherent gradually to an atmosphere and an ethic of conspiracy. The technique of subjecting a person over  
/a period

APPENDIX III

- 4 -

a period of time to conditions of secrecy seems calculated to develop a psychology of a double life and double standards. Further one effect of this prolonged habituation to conspiratorial methods is to isolate the person from the great mass of the Canadian people.

The Commission studied the methods pursued in the study groups or "cells" and find that the curriculum was designed to weaken the loyalty of the member towards his society as such. The effect of the courses seems to be a gradual development of a sense of divided loyalties or, in extreme cases, of a transferred loyalty.

A further objective is gradually to inculcate a habit of complete obedience to the dictates of the party hierarchy and to instil in the mind of the member the view that obedience to the organisation takes precedence over his loyalty to Canada. The Commission find it significant that not a single one of the Canadians approached ever suggested that they contemplated taking the one loyal or legal course of action - reporting the criminal request to the Canadian authorities. This they regard as a striking illustration of the efficiency of the Communist study groups in inducing a motivation in clearly illegal party assignments.

The evidence suggests that at each stage of "development" the adherent is kept in ignorance of the wider ramifications and real objects of the organisation.

It also appears that anti-semitism and the natural reaction of persons of Jewish origin to racial discrimination was one of the factors played upon by recruiting agents. In some cases a desire for companionship and intellectual discussion may have played its part. In the vast majority one important element would seem to have been propaganda carried out by the Communists for various measures of social reform in Canada. In associating such domestic propaganda with  
/the external

APPENDIX III

- 5 -

the external propaganda of the particular foreign state, the Communists were following the successful technique of modern advertising much as a pretty face is used for advertising cigarettes.

The report suggests that it is by these means that a number of young Canadians, who began with a desire to advance causes which they considered worthy, were induced into joining Communist study groups. They were then persuaded to keep their membership secret and were later led along the ingenious psychological development courses until, under the influence of sophisticated and unscrupulous leaders, they were persuaded to engage in illegal activities. Essentially what happened was the transplanting of a conspiratorial technique first developed in less fortunate countries to promote an underground struggle against tyranny to a democratic society where it is singularly inappropriate.

7. List of Identified Agents in Canada

This contains a list of 17 persons in Government service and 17 persons on the Soviet Embassy staff who engaged in the activities under review.

8. The Soviet Ambassador had no part in the inadmissible activities

The report concludes from the evidence that, under instructions from Moscow, Colonel Zabolin kept the Ambassador in ignorance of what was going on.

9. Conclusion

The evidence shows that Zabolin's organisation was particularly anxious to obtain technical information regarding devices which would be used in the post-war defences of Canada, the United Kingdom and the United States; secret information regarding political plans; economic information and details regarding local Canadian defence. The report shows that Zabolin successfully fulfilled many of the tasks

/assigned

APPENDIX III

- 6 -

assigned to him. His superiors were obviously satisfied with his work for he was awarded the Order of the Red Banner and the Order of the Red Star. On receiving a message of congratulation, Zabotin is reported to have said "I have nothing to be afraid now to go to Moscow".

SECTION III The Cases of the Individual Agents

These are as follows:

- (1) Sam Carr, <sup>noted</sup> Organising Secretary of the Communist party.
- (2) Fred Rose, <sup>noted</sup> Labour Progressive member of the Federal Parliament
- (3) D.G. Lunan (War-time Information Board)
- (4) D.P. Smith (National Research Council)
- (5) E.W. Mazerall (National Research Council)
- (6) I. Halperin (attached to the Directorate of Artillery)
- (7) F.W. Poland (R.C.A.F. and later Secretary of the Inter-departmental Psychological Warfare Committee)
- (8) E. Adams (Bank of Canada and Industrial Development Bank)
- (9) Kathleen Willsher (United Kingdom High Commissioner's Office)
- (10) S.M. Nightingale (R.C.A.F.)
- (11) D. Shugar (Royal Canadian Navy and Department of National Health and Welfare)
- (12) H.S. Gerson (Allied War Supplies Limited and Department of Munitions and Supply)
- (13) Samuel Sol Burman
- (14) Raymond Boyer (McGill University and National Research Council)
- (15) J.S. Benning (Allied War Supplies Corporation and Department of Munitions and Supply)
- (16) Allan Nunn May (United Kingdom Civil Servant employed at the Montreal laboratory)

/(17) Agatha Chapman

APPENDIX III

- 7 -

- (17) [Agatha Chapman] <sup>PF-603,600</sup> (Bank of Canada and Bureau of Statistics)
- (18) [Freda Linton] <sup>PF-603,489</sup> (Wartime Information Board)
- (19) Emma Woikin (Department of External Affairs),

The Commission finds that all of the above persons were connected with the activities of the Soviet Embassy and either themselves disclosed secret information, conspired to do so or were aware that it was being done.

SECTION IV The Cases of Other Individuals

The Commissioners report that Norman Veall, a member of the party of United Kingdom scientists at the Montreal laboratory, did not communicate information with respect to the atomic work, for the reason that the Russians designedly did not ask him.

The Commissioners report that they are unable to say that H.I. Sorenson (Operational Intelligence centre at Naval Headquarters) communicated secret information.

The Commissioners report that J.I. Gottheil (Canadian Infantry) was not one of those who furnished information to the Russians; he was being cultivated for that purpose but there is no evidence that he did so.

SECTION V The False Passport

The report describes at length the steps taken by the Soviet Embassy to obtain a false passport for which a sum of \$3,000 was paid (the previous price of \$5,000 suggested having been considered as "fantastic" by Moscow).

The persons concerned in this were:

- (1) Sam Carr
- (2) John Soboloff (medical practitioner at Toronto)
- (3) Henry Harris (an optometrist in Toronto)
- (4) N.M. Pappin (an official in the Passport Office).

SECTION VI Germina Rabinowitch

She was a member of the International Labour  
/Organisation

APPENDIX III

- 8 -

Organisation and arrived in Canada to work in the headquarters of the organisation, then transferred to Montreal. There is evidence that she was instrumental in transferring through a firm in New York a sum of \$10,000 to Europe and that she assisted in forwarding correspondence.

SECTION VII Evaluation of Information and Material Handed Over

The Commissioners find it impossible to say how much information was obtained or of what it all consisted, but consider that a very great deal of secret information from a number of departments was regularly finding its way to the Russians. This included information about atomic energy, radar, asdic, explosives, propellants, and V.T. fuse. Information was also given about Canada's post-war economic and military potential. A further category of information handed over was political, much of it classified as top secret and relating not only to the policies of the Canadian Government but to those of the Governments of the United Kingdom and the United States.

SECTION VIII Arrangements made by the Canadian Department of National Defence for Supplying Information Officially to the Soviet Military Attache

The Report describes these arrangements and concludes that the behaviour of the Canadian liaison officer was entirely correct, mentions that little use of this liaison was made by the Soviet Military Attache and that no information whatsoever officially asked by Colonel Zabolotin was refused.

SECTION IX Authenticity and Accuracy of the Russian Documents

The Commissioners reached the "inescapable" conclusion that the documents brought by Gouzenko are authentic; they refer to the admissions made in Moscow, the proof of handwriting and many other circumstances.

SECTION X Gouzenko

The Commissioners report that they have been impressed with the sincerity of Gouzenko and with the manner in which he gave his evidence "which we have no hesitation in accepting".

/Gouzenko stated

APPENDIX III

- 9 -

Gouzenko stated that in the Embassy the fact that the Soviet Union was preparing for a third World War was frequently talked about. There were, however, two schools of thought; those who were not really tied in with a Communist party feared another World War, while those who were ardent members really wished for it because they thought that to be part of the process leading toward a general upheaval throughout the world which would result in the establishment of Communism.

Gouzenko stated "it is clear that the Communist party in democratic countries has changed long ago from a political party into an agency not of the Soviet Government, into a Fifth Column in those countries to meet a war".

Full details are given of the extraordinary events on the night of the 6th September after Gouzenko had escaped from the Embassy and while members of the Embassy were searching for him. On the 7th September the Embassy addressed an official note to the Department of External Affairs asking the Department "to take urgent measures to seek and arrest Gouzenko and to hand him over for deportation as a capital criminal who has stolen money belonging to the Embassy". The Report notes the reference to Gouzenko as a capital criminal. Apparently the Department replied to this note and to a reminder on the 14th September by asking for particulars of the monies stolen. This enquiry was never answered.

SECTION XI Law and Procedure

The Commissioners point out that the exercise of the authority conferred by the Order in Council of the 6th October, 1945 was purely preventive in its nature and not punitive with respect to past conduct. They add that the disclosure of secret information to a foreign power is a subject which is not regarded either in Canada or in England as on a level with what may be called ordinary domestic offences since the Official Secrets Act shifts the burden of proof from the

/State to

APPENDIX III

- 10 -

State to the accused and it is for the person accused to establish his innocence to the reasonable satisfaction of the tribunal.

The Commissioners reached the conclusion that the detention of persons under suspicion was essential to enable the full ramifications of the espionage organisation and the identity of all its agents to be investigated. The documents brought by Gouzenko, if authentic, revealed "a malignant growth the full penetration of which we did not know but which was alive and expanding, working in secrecy below ground directed against the safety and interests of Canada by a foreign power and made up of Canadian citizens". It is in this connection that the Commissioners reproduced the alleged statement by Zabolin "yesterday they were allies, to-day they are neighbours, to-morrow they will be our enemies".

The Commissioners are satisfied that the arrangements for detention led to the discovery of others concerned in these activities.

They also report that none of the witnesses detained made any complaint about their interrogation, their living conditions or their treatment by the R.C.M.P.

As regards the actual interrogation, the Commissioners refer to the statutory obligation to speak. Under the Enquiries Act the Commissioners are given power to compel a witness to speak and to impose sections in case of a refusal.

The Commissioners also say that they considered it expedient not to accede immediately to the request of a witness for representation although "in most instances we did so upon request being made".

They also state that it was not their duty to advise witnesses that they might, if they desired, avail themselves of the provisions of the Canadian Evidence Act (under which any evidence given could not have been used in subsequent proceedings).

/The Commissioners



APPENDIX III

- 11 -

The Commissioners also state that they realised that the admission of hearsay and secondary evidence might mean that conclusions would be come to about certain individuals which, while entirely sound and incontrovertible, might not be possible of proof in subsequent proceedings where the stricter rules of evidence were applied.

As regards the status of the Commission, the Report says that "the Commission's findings are as authoritative as those of any court". The Commission does not possess the power to enforce its findings. If it makes findings about certain persons the authorities must resort to the courts which alone possess the power to punish. "Whatever the view there taken, the findings of the Commission arrived at under its own procedure and on the evidence before it are not affected and remain valid".

SECTION XII Summary of Findings

This contains a useful summary of conclusions.

SECTION XIII Recommendations

The Report recommends

- (1) that confidential information placed before the Commission should not be published without the approval of the Government authority concerned
  - (2) that the proper authorities should take steps to prevent further unauthorised transmission of information and to set up further safeguards.
  - (3) that all security measures should be co-ordinated and rendered as uniform as possible.
  - (4) that the evidence and exhibits accompanying the Report be placed before the proper persons in the various Departments concerned with a view to evaluation as to what has been compromised. That consideration be given to whether the findings so made may be communicated to the proper authorities in the United Kingdom and the United States
- /(5) that the

APPENDIX III

- 12 -

- (5) that the Official Secrets Act be studied and, if though advisable, be amended to provide additional safeguards
- (6) that consideration be given to additional security measures to prevent the infiltration into positions of trust of persons likely to commit acts described in the Report
- (7) that the practice with regard to the issue of Canadian passports be revised.

SECTION XIV Conclusion

The Commission consider it of paramount importance that there should be available for all to read as complete an account as possible of the illegal activities which had already so seriously affected and were designed even more seriously to affect the safety and interests of Canada.

TIMES.

FROM THE PRESS SECTION.

Date.....Sept 3.....

## ESPIONAGE IN CANADA

### WIDESPREAD AND HIGHLY ORGANIZED SYSTEM

#### REPORT OF THE ROYAL COMMISSION

From a Correspondent

Much of the 733-page report by the Royal Commission appointed in Canada to investigate the espionage network revealed by a Russian cipher clerk, Igor Gouzenko, published in Canada at the end of June, is given to reproduction of the cross-examinations of the various suspects; but there are also several chapters summing up the evidence thus gained and analysing the state of affairs that it reveals. The Commission found that the major part of the information was transmitted to the Russians through the agency of Canadian public servants, highly educated men, working under oaths of allegiance, and yet ready, after persuasion, to betray the secrets of their country to a foreign Power. How was this accomplished and what does it portend?

The answer is summarized in the Commission's findings: "Membership in Communist organizations or a sympathy towards Communist ideologies was the primary force which caused these agents to agree" to carry on espionage at the behest of the Russians. The Commission also found that a Fifth Column exists in Canada, organized and directed by Russian agents in Canada and Russia, and that within this there are several spy rings. This organization is nothing new, but is the result of a long preparation by trained and experienced men using the Communist movement as the direct source of recruitment for the espionage network. Thus in every case but one, the Canadian agents working for Colonel Zabolin, the Soviet Military Attaché in Ottawa, were members or sympathizers with the Communist Party. The Communist study groups in Ottawa, Montreal, and Toronto were, in fact, "cells," and as such, recruiting centres for agents.

#### THE MACHINE AT WORK

A good example of the machine at work is the case of the three Canadian scientists, Halperin, Durnforth Smith, and Mazerall, two of whom were members of a Communist cell which was largely composed of scientists employed at the National Research Council in Ottawa. Before the end of March, 1945, no member of this group apparently contemplated espionage; then the Soviet Military Intelligence Organization expressed its desire for additional spies engaged in Canadian scientific research, and within a few weeks, and without the initiative of the scientists themselves, a political discussion group was transformed into an active espionage organization.

The report shows that the technique of this approach varied in individual cases, but that it was nearly always founded upon the basis of ideological sympathies. Money, at least in the early stages, played little or no part. The evidence before the Commission showed that within the framework of a Canadian political movement, the Labour-Progressive Party (Communist Party of Canada), "development" courses would take place, fostered by Canadians from the espionage network itself, and aimed at preparing suitable people for active participation in spy work. To begin with, certain selected sympathizers from among certain categories of the population would be invited to join secret "cells" or study groups, and to keep their adherence to the Communist Party secret from non-members.

One of the reasons for this secrecy would appear to be that it enabled the Communist Party to gain control, through the election of its members to directing committees or other positions of responsibility, in as many forms of public organization as possible—trade unions, professional associations, youth movements, and so on. A typical example is that of the Canadian Association of Scientific Workers on the executive of which were several of the agents arraigned before the Commission, including Dr. Allan May and Professor Boyer, who was national president of the association.

Another, and still more sinister, reason for the technique of secret membership described above was to accustom the young Canadian communist to what the report describes as "an atmosphere and an ethic of conspiracy," the gradual effect of which was to bring the subjects to a state of mind where they could throw off the moral obligations which they had accepted when entering upon their public duties. Once the victim was within the "cell," he was subjected to a course of study calculated to undermine his or her loyalties. But while this process was continuing, he or she

might be quite unaware of the broader ramifications and real objectives of the organization. One of the agents, for example, Mazerall, testified that he was initially invited by a friend to join an "informal discussion group," and that for some time he did not realize it was a Communist cell. Indeed, in any of the small study-groups, the extent of the secret section of the Communist Party would not be revealed to the junior members; the whole purpose of the cell organization as an operating ground for the Fifth Column would, as the report points out, have been frustrated had the rank-and-file members of these groups known the real policies and objectives of the conspiracy.

This principle extended even to senior members of the party, and to those actively engaged in espionage, who would be led to believe that their activities were exceptional, and left quite unaware of the scope and size of the general plan. Thus Lunan, one of the principal agents, testifying before the Commission, said: "I had no idea of the extent and scope of this work. I was amazed when it first became clear to me during my interrogation. I never thought of myself as being more than one person in a small group of five people." Only the leaders, such men as Sam Carr, the National Organizer of the Labour-Progressive Party, or Fred Rose, the Quebec organizer, would have a full idea of the real extent and objectives of the organization which they helped to direct.

#### DEFECTION OF LOYALTY

The development course within the study group seemed to lead, as has been said, to a loosening of loyalties, then to a sense of internationalism, and finally to an acceptance of Communist doctrine and leadership as something transcending all national obligation. Professor Boyer must have reacted well to this treatment, since he gave as his reason for imparting secret information to Fred Rose, in spite of his official oath of secrecy, that he thought his action would further "international scientific collaboration." Mazerall also had been worked upon in the same way: "I did not like," he said in his testimony, "the idea of supplying information. It was not put to me so much that I was supplying information to the Soviet Government, either. It was more that as scientists we were pooling information."

A further result of "development" was the inculcation of a sense of complete obedience to Party doctrine, and especially to Party leaders. This latter idea apparently extended to the point where loyalty to the leaders of the Canadian Communist Party could be shown to take precedence over national loyalty, and over official oaths of secrecy. Kathleen Willsher, the agent who was employed in the office of the High Commissioner for the United Kingdom in Ottawa, told the Commission that she believed the secret information she gave to Mr. Fred Rose was for the guidance of the National Executive of the Communist Party of Canada. Her actual words are particularly interesting, since they illustrate the conflict of loyalties and the struggle with conscience which, in this agent, must have provided first-class material for the conspirators to work upon: "I felt I should contrive to contribute something towards the helping of this policy [that of the Communist Party] because I was very interested in it. I found it very difficult, and yet I felt I should try to help."

#### A "FIFTH COLUMN"

The picture that this widespread and highly organized system conjures up represents only one aspect, one spy ring, of the Russian Fifth Column in Canada. The existence of other parallel under-cover systems, run by N.K.V.D. (the secret political police of the Soviet Union), Naval Intelligence, and the Central Committee of the Communist Party of the Soviet Union in Moscow, was revealed by Gouzenko in his evidence. In a statement which he made after he had put himself and his files into the hands of the Canadian police, and which is reproduced without comment in the report, he said: "To many Soviet people abroad it is clear that the Communist Party in democratic countries has changed long ago from a political party into an agency net of the Soviet Government, into a fifth column in these countries to meet a war, into an instrument in the hands of the Soviet Government for creating unrest, provocations, &c."

What appears to have happened is, in the Royal Commission's words, "a transplanting of a conspiratorial technique which was first developed in less fortunate countries to promote an underground struggle against tyranny, to a democratic society where it is singularly inappropriate."

Secret.

MR NINA FARMER  
w/ file  
8.iii

241A

In reply, state NUMBER and DATE.

~~300~~

CX. R.5 dated 7.8.46.

Copy in P.F. 603 424.  
FARMER.

R  
Add name of  
Nina FARMER  
& husband.  
Check/initial for  
ZAROTIN at X + Y  
mm  
9.iii

Dear Marriott,

Nina FARMER.

I attach a copy of a report received from Germany about Nina FARMER. You will see that it does not get us very much further, and for want of evidence we are merely arranging for social contact to be maintained with her.

We have asked the Canadians if they have any specific ideas for following this case up and will keep you informed.

Yours sincerely,

H. A. R. Philby

H. A. R. Philby.

J. H. Marriott, Esq.,  
M.I.5.

THIS IS A COPY  
ORIGINAL DOCUMENT RETAINED  
IN DEPARTMENT UNDER SECTION  
3(4) OF THE PUBLIC RECORDS  
ACT 1958. Aug 2001

TOP SECRET AND PERSONAL.

From: Major G. H. Leggett  
 Ref: BERLIN/CIB/Pers  
 Tel: BERLIN Military  
 Extension 86-5180

Intelligence Bureau,  
 Advance H.Q.,  
 Control Commission for Germany,  
 (British Element),  
 BERLIN, B.A.O.R.

17th June 1946.

Subject: Mrs. Nina FARMER - your IB/Bl/PF.12102 of  
 10 Apr 46 refers

-----

Dear

In my letter of 7th June I indicated that an account of the ZABOTIN contact was obtained from Mrs. FARMER on 6th June. Before giving you the story, it may be as well to mention that three weeks ago I glanced at the relevant M.I.5 file P.F.66960, in which figures the following report from a Major Jacques HEBERT of MD.4, Canadian Army:

In February 1944, HEBERT accompanied ZABOTIN on a visit of inspection to an aluminium plant in Montreal. During this visit ZABOTIN put through a telephone call to a certain Mrs. FARMER.

There was a report from another source of unknown reliability to the effect that Mrs. FARMER in question lived at 324 Elm Avenue, Montreal, that she was probably ZABOTIN's mistress and that ZABOTIN used to stay at this address.

On the 11th April, a signal was sent from the M.I.6 representative in BERLIN to LONDON advising that the best course with respect to the case of Mrs. FARMER might be to call her to the Zone for interview regarding the ZABOTIN contact. Her mother's name was given as Lydia SHPAKOVSKAYA nee LISNATOVA.

Nina Alexandrova FARMER's account of her contact with ZABOTIN.

After introducing the requisite mellow atmosphere of good will and confidence and guiding the conversation on to the right lines, the question was put to Mrs. FARMER whether by any chance she had met any Soviet Russians in Canada. After a tiny moment's hesitation, she replied that she had and, as a matter of fact, she had even met the now notorious Colonel ZABOTIN. The full story followed:

In the autumn of 1943, Mrs. FARMER was attending some gala performance with symphonic concert in aid of Russia under the auspices of Mrs. Roosevelt's Fund. This took place in Montreal where Mrs. FARMER was living and where she belonged to some Welfare Committee, associated with the above scheme. At this performance she saw for the first time, five or six imposing Russians clad in glittering gala uniforms creating a tremendous stir of interest. In her usual impulsive way, she constrained a friend of hers, the Czech Military Attache and air ace AMBROZ, to effect an introduction, and after an uncertain start, made friends with Colonel ZABOTIN. She was so pleased to meet a sympathetic and good-looking Soviet representative straight from her native country that she tried to get in touch with the Soviet Mission that evening by telephone, but failed to do so as they were resident in Ottawa, and it was difficult to trace their temporary place of residence in Montreal.

The next meeting occurred two months later, at the time of the Russian New Year, when quite unexpectedly at the performance of some exotic ballet in Montreal, Mrs. FARMER glimpsed her handsome Colonel and to his slight embarrassment, went up to him during the entracte and tapped him on the shoulder. Under the buoyant and captivating influence of Mrs. FARMER's gay vitality, Colonel ZABOTIN thawed and asked her around that evening to celebrate the New Year in Russian fashion with him and his retinue of five officers, which they did in right royal style at the Prince of Wales' suite at the Ritz Hotel.

-2-

Mrs. FARMER got on very happily with the Soviet representatives and feasted and sang with them till 4 a.m. when she was taken home by Colonel ZABOTIN, who then paid his first visit to her flat.

A month later, at the hour of midnight, Mrs. FARMER was rung up by Colonel ZABOTIN apparently in a mood of gay irresponsibility - he was at that time paying a visit of inspection to the ORVIDA war plant and was in good spirits as he had roistered with some Russian engineers whom he had found on the spot. After that, the ice was thoroughly broken and Colonel ZABOTIN would quite often ring her when visiting war plants in the vicinity. He also got in touch with her in Montreal whenever he passed through, and used to take her out, dine and dance with her, and entertain her.

Mrs. FARMER gave a very good description of Colonel ZABOTIN who stood 6'4" in his socks, was handsome, grey haired and had a hard-eyed rugged manly countenance. She produced a photograph of Colonel ZABOTIN in company with the Earl of ATHLONE.

The only other Soviet Russians whom Mrs. FARMER met were ROMANOV - Colonel ZABOTIN's secretary, and a certain ORLOV.

The only break in the association occurred in June 1944, when Mrs. FARMER left Canada for three or four months on a trip with a party of students to Mexico, returning from the expedition in September 1944. There was no particular purpose in her journey, which she entered upon in her habitual spirit of adventure.

On her return from Mexico, she rang up Colonel ZABOTIN and presently met him again. She went on seeing him, though apparently at much rarer intervals until July 1945 when, after a long parting, she dined and danced with him at the Hotel Eden. On this occasion she told him of her plans for joining the Control Commission for Germany and he attempted to dissuade her. They parted on the best of terms.

PF. 123088 X Mrs. FARMER never had the slightest indication or idea that Colonel ZABOTIN might be involved in subversive activities and the only hint which she can seize upon in retrospect is that on one occasion Colonel ZABOTIN asked her what she thought of the name 'GRANT'. At that time the name had no significance for her, but she later read in the papers that this was his code name.

Mrs. FARMER showed me a letter addressed to her at 324 Elm Avenue, by General CLAY's office, Economic Division, Control Commission, U.S. Group. This letter was dated 1.5.45 and was in answer to her offer of service to C.C.G. which she had made in a letter dated 12th April. General CLAY's office had turned her down on the grounds that she was not a U.S. citizen.

Mrs. FARMER explained to me that she married Thomas FARMER, a U.S. citizen serving with the rank of Lt. Commander in the Canadian Navy. As her husband was resident abroad and serving with non-American forces, she was not entitled to assume her husband's nationality; hence she retained her Nansen passport which she still holds. She showed me a photograph of her husband sitting in their luxury flat in Montreal. Mrs. FARMER has been separated from her husband for some time and has been running some sort of a business - probably a modiste's with a good many employees under her control.

I also saw a photograph taken of Mrs. FARMER's mother at Yalta in 1937. I have not yet found out when she first established contact with her mother from Canada, but it appears that she corresponded regularly through the open post from 1943 onwards and learnt that she has a brother in the Red Army. Colonel ZABOTIN knew all about this family relationship and even offered to transmit parcels for her and her mother. It has never occurred to Mrs. FARMER that any awkwardness might result from this open communication with relatives in Moscow and she openly tells all the Russians she meets about her mother and brother. She did so on May 29th at the M.G.I.'s party following the Quadripartite Intelligence Committee meeting, when she blithely told Colonel DUBROVSKY, a well advertised NKVD representative, all about herself.

-3-

As mentioned in my letter of 7th June, Mrs. FARMER is now spending her leave in France, being contactable through the Canadian Military Attache in Paris, a certain M. FORGET. Her address in Berlin is 21 Marko Brunner Strasse, Flat 5.

My own impression of Mrs. FARMER is that she is an intelligent, amusing, buoyant and attractive lady of cosmopolitan background, richly endowed with vitality and volubility. She is an open hearted and generously minded person, and I don't think that any coldly calculated menacing schemes are hidden underneath this frank exterior. This, however, is merely a personal impression based on a relatively slight knowledge of the lady. I think it probable, in the absence of evidence to the contrary, that Mrs. FARMER's association with Colonel ZABOTIN was a purely personal one, based on mutual interest, background and attraction. She stresses that Colonel ZABOTIN was the son of a Czarist officer and was extremely presentable, well mannered and charming.

Y | About a week ago, I heard by chance that there had just been a report in the papers to the effect that Colonel ZABOTIN had committed suicide in Russia, but this is not confirmed and may be confused with the accident that befell the Soviet Deputy Prosecutor at Nuremburg.

The salient facts of the situation appear to me to be as follows:

- a. There is no evidence of any subversive link between Mrs. FARMER and the Soviet espionage organisation in Canada.
- b. The general impression gained by me of Mrs. FARMER's background and outlook is that her political, social, cultural and other sympathies are closely linked with the West, and that she holds no brief for the Soviet Russians save for a certain sentimental nostalgia for the eternal Russia as her land of birth.
- c. There does exist the most disturbing possibility of Mrs. FARMER's contact with her mother, which she makes no pains to conceal, being utilised by the Soviet at some future date as a lever for extorting services from her. If this were to happen, it would be difficult to forecast Mrs. FARMER's reaction as she is obviously very much attached to her mother, although she has not seen her for over twenty-five years.
- d. Mrs. FARMER is, of course, in a position to give away quite a lot of information in view of her varied opportunities and contacts in Berlin.

appear to  
There would not/be any grounds for arranging Mrs. FARMER's recall at this stage. The only action I can suggest would be to control the communication between Mrs. FARMER and her mother (which is conducted inter alia by King's Messenger on the Berlin/Moscow route) and to ascertain from Moscow whether the Russian authorities have been taking an untoward interest in Mrs. FARMER's mother. If you approve this suggested line of action, I could propose to Mrs. FARMER that correspondence with her mother could be arranged through one or two of my personal friends at the British Embassy in Moscow, who might be given some indication of the approach necessary. I could probably arrange without much difficulty for Major Hugh LUNGHI, the official interpreter in Moscow, to be briefed on the subject when he next passes through Berlin.

R's

Pl. PH in PFA 6940 - J. T. A.

240H

Extract from Daily Digest of World Broadcasts, during period  
2.8.46 - 3.8.46.

3(a) USSR - Home (ix).

Moscow, 11.00. 3.8.46.

"Pravda" Article by Zaslavsky: "A Sorry Finale to a Shameful Comedy".

Canadian Spy Investigation Engineered  
to harm USSR.

Over six months ago, on 15th February, the Canadian Government published a statement on the leakage of secret information to persons who had no right of access to it, including certain members of a Foreign Mission in Ottawa. At the same time it became known that this referred to certain members of the Soviet Mission. In the Canadian reactionary Press an anti-Soviet hullabaloo was raised. The Soviet Government, in a statement published on 20th February, gave a fitting appraisal of this action by the Canadian Government. In the closing period of the war, individual members of the staff of the Soviet Military Attache in Canada, received from acquaintances, who were Canadian citizens, certain information of a secret character which was not, however, of much interest to the Soviet authorities. Such leakage could not in any way threaten Canadian security. Nevertheless, the Soviet Military Attache was immediately recalled the Soviet Government having become aware of inadmissible acts on the part of some members of his staff. If it had so desired, the Canadian Government could easily have regularised the whole incident through customary diplomatic channels.

But the Canadian Government entertained no such wish. On the contrary, there was the desire to inflate this minor incident into a major international event by every possible means. The Soviet Government's statement pointed out that the Canadian authorities were pursuing other aims which had no connection with Canadian security. The unbridled anti-Soviet campaign, which was encouraged by the Canadian Government had the object of damaging the Soviet Union politically.

Events were not slow in confirming the full validity of the



- 2 -

observations of the Soviet Government. For six months the Canadian anti-Soviet Press indulged in libellous fabrications based on some unknown "secret material" collected by a special Royal Commission. This Commission worked with studied procrastination; from time to time it published preliminary communiques, in which it stated that a large-scale clandestine organisation had been discovered, working on orders from Moscow. Eagerly following up vague hints, the reactionary Press painted grim pictures of the mysterious "Comintern" which was still in existence, of a revolutionary fifth column in Canada, and so forth. All the worn out, long-compromised machinery of anti-Soviet lies was set in motion to cast a shadow on the Soviet Embassy and on the Labour Progressive Party of Canada, members of which were brought to trial. The representative of this party in the Canadian Parliament, Fred Rose, was sentenced to six years' imprisonment. In short, an atmosphere of savage anti-democratic terror was created in Canada.

No matter how long the Royal Commission dragged out its work, it had some time to publish the results of its investigations. Its report was published in Canada on 15th July. The Canadian Prime Minister gave a summary of the report in a speech to the House. The Commission could only boast of the volume of its work; 733 pages! It contains however, 733 pages of cheap gossip, stupid invention and manifest shameless lies. The Judges, Taschereau and Kellock, who put their signatures to this bundle of nonsense, will not bequeath happy memories in the history of Canadian justice.

The whole report consists of an exposition of the idle talk, scandalous fabrications and shameless lies of a certain Igor Guzenko, a traitor to the Soviet Motherland, a perfidious deserter. For several months on end he poured out incredible nonsense before the Commission, while the esteemed judges listened to him, their ears flapping, entered his dispositions in their minutes and took photographs. Over 100 witnesses were called. The Commission itself, however, was obliged to admit that they either denied the things that were ascribed to them by Guzenko, or else knew nothing at all. Guzenko alone remains. It is on his regurgitations that the whole indictment is based. The Commission pretends to believe him. It known very well, however, that it is impossible to believe a single word uttered by this scoundrel. Guzenko, up till last September, worked in the decoding department of the office of the

- 3 -

Soviet Military Attache in Ottawa. He had access to certain secret documents which are customary in diplomatic correspondence. In September, after misappropriating a large sum of money, Guzenko ran away, taking some papers with him. It is on these papers that the whole affair has been built up.

Among the documents referred to by the Commission some were authentic, but these were the ones of least interest to the Commission and the organisers of the anti-Soviet campaign. These concerned the leakage of unessential information referred to by the Soviet Government in its statement; they contained nothing sensational and it was not these that were of interest to the libellers. They were looking for something else, for documents to confirm the allegation that progressive political personages in Canada received directives from Moscow and that there was some sort of fifth column hatching sabotage plots under the guidance of "Comintern agents". They were looking for documents to confirm the existence of a large organisation collecting important military secrets. Guzenko obligingly offered some scraps of paper, pages torn out of a notebook with mysterious inscriptions. He rolled out on the judges' table dozens of clandestine nicknames which he attached, as he chose, to various democratic leaders in Canada. The judges started to sort all this out as assiduously as the cock once sorted out the dung-heap. The judges failed, however, to discover a single grain of truth. It turned out that Guzenko messed up his translations from Russian to English and had to be corrected. It appeared that "there were cases of inaccuracy." In so delicate a manner the Commission tried to patch up Guzenko's falsifications." It turned out that it was impossible to establish the authenticity of the "documents" directly. After some muddled deliberation the Commission declares that "one cannot escape the conclusion that the documents produced to Guzenko are authentic." Here we have the language of hair-splitters, trying to wash a black hog white.

The main accusation that certain Soviet agents gave directives to Canadian political personages had to be rejected. The Commission declares: "We must state that we have no confirmation, in any Russian documents at our disposal, of this part of Guzenko's testimony, regarding the issue of political directives." The nonsense about the fifth column was based on Guzenko's statement that the registration by the Soviet authorities in Canada of citizens of

- 4 -

Russian and Ukrainian descent who expressed the desire to return to their motherland, was intended to create secret units of Communists. Regarding this insane drivel, the Commission was obliged to state that it had no grounds for supposing that this registration was prompted in the main by any sinister motives.

In connecting the clandestine nicknames with living persons the Commission was guided solely by Guzenko. The nature of these nicknames, however, can be judged from the fact that even the Commission admitted that in a number of cases Guzenko had libelled persons who were clearly innocent.

On 20th February the Soviet Government stated that no damage had been caused to Canada's defences and that the information received was of too little significance to constitute a menace to Canada's security. The Commission has been obliged to confirm this. It has admitted that the Soviet Ambassador in Canada and the Embassy as a whole had no connection whatever with this leakage of unimportant information. Thus the incident has indeed been artificially exaggerated, for a sinister purpose. The Commission has admitted that no attempts had been made to find out the secrets of the production of the atom bomb, for the simple reason that nobody in Canada could divulge the methods of production. There was nobody in Canada who possessed such information. And to think what a lot of noise was raised in the Canadian Press about this imaginary attempt on the secrets of the atom bomb! And what a lot of nonsense Guzenko aired on this subject! In a general, evasive manner the Commission speaks of other military secrets: "Some of the information, taken by itself, was of little or no value. It is impossible to establish the full scope of the information received by the Russians." In conclusion, a pearl of judicial profundity. It is impossible to prove anything; there are no documents. Perhaps the whole thing is not worth a straw, yet it is stated that "it would be unwise to suppose anything else" Oh, sages of provocation!

Thus the mountain has given birth to a mouse. The Canadian authorities have exhibited themselves in the guise of Shchedrin's Topygin, who promised great bloodshed and ended by eating a sparrow. The Commission ends its Report, as usual, with conclusions. They are all built on sand, or rather, on dirt. The only solid, unassailable conclusion from this lamentable episode is that

- 5 -

Canada, having become a weapon in an international intrigue, enabled a dastardly prococateur to lead her by the nose along the warmongers' trail.

There is indeed a secret organisation in Canada, but it is not where the Commission looked for it. This organisation, which has great power, takes into its service an employee of a foreign Mission, dissipates him, bribes him, and trains him to act against his country. With his aid it steals secret documents from the Soviet Embassy. In so many words it indulges in provocation in order to undermine the friendly relations between the Soviet people and the people of Canada. The name of this organisation is very well known to the Canadian authorities. This clandestine organisation acts according to the well-tried methods of the German Gestapo. What has been done in Canada is a reproduction of another scale of Hitler's firing of the Reichstag, which was necessary for the fascist conspirators to do away with the German communists. The rounding up of the leaders of the Labour Progressive Party of Canada, followed immediately the abduction of secret documents from the Soviet Embassy.

We are deeply convinced that all this shameful comedy in Canada, has nothing in common with the true interests of the Canadian people. We have grounds for affirming that, in its attempt to damage the Soviet Union politically, the Canadian Government has first and foremost damaged its own authority and its own good name. For six months the Canadian people were poisoned with anti-Soviet lies, in order to eradicate any sympathies for the Soviet Union. The poison, however, has not worked. Soviet writers in Canada have been able to convince themselves that, in the widest circles of Canadian public opinion, the Soviet Union enjoys warm and lasting sympathy.

FROM THE PRESS SECTION

*Evening Standard*

Date...

~~1.8.46~~  
ADP  
95  
~~3002~~  
1.8.46  
2396

*RS*  
*PP*  
*...*

**Spy inquiry report  
at 7s. 6d. a copy**

OTTAWA, Thursday.—The Fourth Report of the Canadian Royal Commission investigating Russian espionage activities in Canada has all the aspects of a "spy thriller" with the added interest provided by real names of people and places.

The present "run" going through the presses consists of 5000 copies, which are expected to be ready for sale by the end of this week at 7s. 6d. a copy.—Reuter.

*J.W.*  
*Plan on*  
*with skin*  
*fundamental*  
*material*  
*Fe/...*  
*16.iii*

W/12/2/1423

W/12/2/1423

W/12/2/1423

W/12/2/1423

W/12/2/1423

W/12/2/1423

W/12/2/1423

V

FROM THE PRESS SECTION

*2-5*

*A.D.F.*

*27*

*File... 20... 7... 46...*

*D. Pelogeugh*

**2 MORE ARRESTS  
IN CANADA**

**SPY REPORT SEQUEL**

From Our Own Correspondent  
MONTREAL, Friday.

Two more men mentioned in the report of the Royal Canadian Commission on espionage have been arrested. They are Dr. John Soboleff, a Toronto doctor, and William Pappin, a clerk in the Canadian ~~Reception Office~~.

*see*

Pappin was arraigned in court on three charges under the Official Secrets Act. The police announced that Soboleff was charged with "making an untrue or misleading statement in writing." Both were accused by the Commission of being concerned in securing a false Canadian passport for a Soviet agent operating in the United States.

Altogether 17 people have now been arrested since the report was made. One has been acquitted and four have been convicted, including Fred Rose, the Communist M.P., sentenced to six months' imprisonment.

*I should like one of these inquiries for PA on both subjects  
in this work may be made for PAPPIN & SOBOLLEFF*

*inquiry  
23/7*

*[Handwritten mark]*

~~TOP SECRET~~

236a

WASHINGTON.

No. 63 of July 20th.

My immediately preceding telegram.

E. Warrants issued for CARR's <sup>PF 603,401</sup> arrest. Uttering forged document is extraditable offence and possibility extradition is being explored.

F. <sup>PF 603,489</sup> Freda LINTON charged Montreal with conspiracy similar <sup>PF 603,489</sup> Fred ROSE. Warrant arrest issued.

G. Question charging SHUGAR and CHAPMAN <sup>PF 603,605</sup> in abeyance and although no definite decision reached it is unlikely proceedings will be instituted.

PF 603,605

✓



~~TOP SECRET~~

235A

WASHINGTON.

No. 62 of July 20th.

My immediately preceding telegram.

B. Doctor John SOB<sup>See 0</sup> appeared in magistrate's court Toronto charged under section 405A of criminal code making untrue misleading statement in writing etc. for purpose of procuring passport..

C. Henry HARRIS will be charged jointly with CARR and PAPPIN at Ottawa Monday next same PAPPIN per clause (B) quoted above.

D. Sam CARR charged at Ottawa and Toronto 4 charges; Ottawa 2 charges conspiracy as indicated above; Toronto (A) uttering forge document contrary to section 467 criminal code (B) counsel John SOBLOFF to make untrue statement in writing for purpose of procuring passport contrary to criminal 405A of criminal code.

My immediately following telegram.

+ as coded.

C/K  
5/70

~~TOP SECRET~~

234A

WASHINGTON.

No. 61 of July 20th.

Following for Hollis from RCMP.

A. W. M. PAPPIN clerk Passport Office appeared in magistrate's court Ottawa yesterday afternoon charged

(a) Individually uttering forge document in contravention section 467 of criminal code

(b) JONES' with Sam CARR and Henry HARRIS (2 charges) *PF 603,401*

conspiring to commit indictable offence (gr. mut.)

official secrets act contrary section 573 criminal code and official secrets act.

Elected trial by jury. Released 3000 dollars bail.

My immediately following telegram.

*Handwritten notes:*  
The following are persons...  
24/7

*Handwritten initials:*  
JTS

237a

THE ORIGINAL DOCUMENT  
RETAINED IN DEPARTMENT  
UNDER SECTION 3(4) OF  
THE PUBLIC RECORDS  
ACT 1958. JAN 2003

~~TOP SECRET.~~

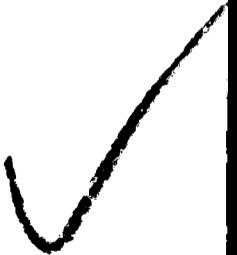
2  
222

WASHINGTON.

No. 49 of July 17th.

RCMP informs me they are considering early arrest of  
Dr. HARRIS, Dr. <sup>SOB</sup>SOBOLEFF and PAPPIN in passport case. Also  
of Agatha CHAPMAN and SHUGAR. All subject to legal grounds  
being found.

*supp. A.  
and basis - next page only  
in  
File 24/7*



~~TOP SECRET~~  
~~25th~~  
231A

WASHINGTON.

No. 52 of July 17th

PF. 603, 468.

RCMP inform me PAVLOV and KROTOV appear to be making preparation for hasty exit.

Press reports have already shown this has been left.

✓

230A

16 JUL 1950

TOP SECRET.

~~TOP SECRET~~

WASHINGTON.

*Ac*  
*copy*  
*into A*

No. 45 of July 12th.

My telegram 42 July 10th.

RCMP inform me Prime Minister has delayed action until  
Monday July 15th at same time.

*Robert G*

WG. 522/9

With the compliments of the  
Under-Secretary of State for Dominion  
Affairs

11 JUL 1946

Ref 100. 100. 11-5-46

10th July, 1946.

22/1

Mr. C. S. Supt  
and Mr. Supt  
and Mr. Supt  
and Mr. Supt

Dear Sir,

In reference to the above's despatch No. 220  
of the 27th July, and previous correspondence, I have the  
honour to report on further developments in connection  
with the trials of the persons named in the dis-  
closure of confidential information.

The individuals principally concerned in recent  
months have been:

(1) Macrae, electrical engineer in the Dominion  
Research Council, who was sentenced on the  
12th July in the Supreme Court of Ontario to four  
years penal servitude on a charge of conspiracy.  
Macrae has appealed against his sentence  
and his case will be reviewed before the Ontario  
Court of Appeal in Toronto. It is possible that  
it may not be heard until the autumn.

(2) Hebe, Member of Parliament for Centre-Parlier,  
Quebec, who was sentenced on the 20th June in the  
Court of King's Bench, Montreal, to six years penal  
servitude on a charge of conspiracy. However, on  
these charges, which are alleged to be  
it is scheduled to appear for trial on these charges  
before the Court of Appeal in Montreal on the  
12th August. It is noted that  
instances of appeals against the sentence on the  
conspiracy charge, which may delay the  
work of the Dominion Council. It is noted that  
it is from this source that the information  
is obtained.

PF 9054

Secretary of State for Dominion Affairs

[Faint, illegible text, likely bleed-through or very faded handwriting]





TOP SECRET.

34  
228A

WASHINGTON.

No. 43 of July 10th.

My immediately preceding telegram.

- E. Norman Robertson informs me sections on organisation and motivation were produced by external affairs and are excellent. Responsibility is pinned squarely on to communist party and Robertson believes impact on public will be strong.
- F. Report also contains full justification of legal steps taken.
- G. Points of Swiss case ?as revealed by CORBY and RABINOWITZ are included but not in any way likely create ?stir.

227A

54

TOP SECRET.

*Exc. A. L. B. ...*

WASHINGTON

No. 42 of 10th July.

- A. RCMP informs me sudden decision has been taken by Canadian authorities to publish final long report of Commission on CORBY case immediately.
- B. Prime Minister will speak in House at 3 p.m. Canadian time on Friday July 12th repeat July 12th and will table report. Schedule is subject to possible revision but above is present plan.
- C. Reason for rush is that Prime Minister is leaving for Europe next week and wishes handle matter personally.
- D. I had hope be able send you copy in advance but this is not possible now as complete copy not yet put together and Prime Minister has not read it.

My immediately following telegram.

~~TOP SECRET~~  
TOP SECRET.

226a

WASHINGTON.

No. 39 of July 4th.

My immediately preceding telegram.

Consequently all directives received are handled with utmost care and not repeat not under any circumstances communicated from Embassy by open contacts such as press correspondents as indicated in para. 2 of your telegram 762. If this opinion was acquired by Hollis he apparently misunderstood Corby. Only material which might (be) ?given out openly to contact of Embassy and press would be ordinary Soviet propaganda. F. Corby was unable supply any particulars by which PARTORG may be (gr. omitted ?recognised) other than fact he rarely if ever attends diplomatic functions personally. Therefore absence senior Embassy official from such functions may be significant.

225A  
~~TOP SECRET~~

WASHINGTON.

No. 38 of July 3rd.

My immediately preceding telegram.

C. In Canada the PARTORG is identified by Corby as GOUSAREV <sup>rec.</sup> who has direct contact central committee party at Moscow and through it with Comintern. All directives for PARTORG are issued by MALENKOV.

D. In addition to cipher clerk, staff of PARTORG includes Press Attache or other Embassy official. In Canada this position was held by LUKYANOV.

E. Corby stressed. Activities PARTORG are of most secret character and his real function even being hidden other ranking officials of Embassy wherever possible.

My immediately following telegram.

✓

224th  
~~SECRET~~

WASHINGTON.

h. J. Bagot 20/8/46.

No. 37 of July 3rd.

2,206 b. PF 669,605; PA.

Following for Hollis from RCMP.

Your 762 of May 23rd.

A. Corby asserts every Embassy of Soviet Union maintains director ?political activities who in each instance is appointed by ?him and central committee of communist ?party of Soviet Union ?headed by MALENKOV who is directly responsible for appointment.

B. Every such appointee usually referred as party organiser (PARTORG) is despatched MALENKOV and as a rule given position second or third secretary at respective Embassy.

Chief duties are establishment and maintenance association and contact with communist party organisation in country.

My immediately following telegram.

Please see in attached. k f  
PA for cover up 24/8.  
Mr 23.iii  
File. may we have a secret  
coll-reference to SF 411/3 International  
organisation of Com. Parties  
Please? h. J. Bagot.  
20/8.46.

P.A.L. PF 66960. Supp. A.  
~~Doc Copy~~ L PF 66188 LUNAN.  
METROPOLITAN POLICE.

~~3456~~  
COPY.

223A

S.B. No. (Filmsy)

Special Report

ENC. <sup>mes</sup> Envelope of exhibits  
TO F. 2. C.  
REF

SPECIAL BRANCH.

14

27th day of June, 1946

SUBJECT

Canadian Espionage Trials.

ence to Papers

With reference to the request of the Royal Canadian Mounted Police, that (a) I should attend the trials in Canada of persons charged there with conspiracy to violate Official Secrets Act Regulations and (b) to take with me certain property:-

As instructed, and with Home Office authority, on Thursday 9.5.46 I travelled to Kilmarnock by the 11.35 p.m. train from Euston, arriving there at about 7.30 a.m. on Friday 10.5.46 and was transported by Trans-Canada Airlines coach to the airport of Prestwick. At 11 a.m. 10.5.46 I entered a Lancastrian Trans-Canada aeroplane and duly arrived at Dorval Airport Province of Quebec at 8 p.m. (Canadian time) the same day. Here I was met by Constable Marcel BARRETTE, R.C.M.P. who drove me by police car to the Mount Royal Hotel, Montreal, where I was met by Inspector Wilson BRADY and S/Sergeant Rene NOEL of R.C.M.P. Headquarters, 131, St. James Street West, Montreal.

I was accommodated in the Mount Royal Hotel for the night and on Saturday 11.5.46 I reported to R.C.M.P. Headquarters with my exhibits. Here I met Superintendent J. BRUNET and Inspectors BRADY, BORDELEAU, COURTOIS and LEMIEUX. Later, I went with Inspector Brady to the Royal Bank of Canada building, 360 St. James Street West, where I saw the Hon. F. Philippe BRAIS, K.C. (Crown Prosecutor in the case against Fred ROSE, M.P.) and Gerald FAUTEUX, K.C. (assistant to the Hon. F. P. BRAIS) and also the Counsel to the Royal Commission.

My exhibits were shown to these Advocates who expressed satisfaction.

At 2 p.m. (Saturday 11.5.46) I was driven in a police car by Constable BARRETTE to Ottawa where at 7.30 pm. I met Inspector LEOPOLD, Special Investigation branch, Justice Building, Ottawa. Later, the same evening, I saw Assistant Commissioner (D.C.I.)

/GAGNON

M.P. 31365/12,000  
Jan./1946 w112

Page No. 2.

GAGNON, at 10 Maple Avenue, Hull, Quebec. I was accommodated during my stay in Ottawa at the Chateau Laurier Hotel.

On Sunday 12.5.46, I took the "type face" characters (of Captain D.G. LUNAN's typewriter) to the Police Research Laboratory at Rockcliffe Barracks where it was examined scientifically by Cpl. T. VAUGH. This examination was continued on Monday 13.5.46 and a report was made by Cpl. Vaugh which indicated that the characters were from a Royal typewriter, similar to that used by Captain D.G. LUNAN on documents taken from the Russian Embassy, Ottawa, by the Russian GOUZENKO.

The same day (Monday 13.5.46) I saw Commissioner S. T. WOOD, C.M.G., at Justice Building, Ottawa and handed him a package entrusted to me by Mr. R. HOLLIS of M.I.6.

On Tuesday 14.5.46, I appeared before the Royal Commission, held at Justice Building, Ottawa, which consisted of Mr. Justices R. L. KELLOCK and Robert TASCHEREAU of the Supreme Court of Canada. I was examined by Mr. Gerald FAUTEUX, K.C. (Counsel to the Royal Commission) and gave evidence on oath on the lines of my reports (re the LUNAN typewriter) dated 6.4.46 and 20.4.46. I also gave evidence as to the arrest, conviction and sentence of Dr. Alan Nunn-MAY (on 1.5.46). This evidence was heard in camera but a report of the whole of the facts presented by witnesses appearing before this Royal Commission will be published in Canada in due course.

At 3 p.m. the same day (14.5.46) by appointment I saw (at his office at "Earncliffe", Ottawa) Mr. HOLMES, Deputy High Commissioner for the United Kingdom. I reported the purpose of my presence in Canada to him.

On subsequent days, I saw Mr. E. K. WILLIAMS, K.C. additional Counsel to the Royal Commission at Ottawa; Mr. John CARTWRIGHT, K.C., Senior Counsel for the Ottawa trials, Mr. BETHEL, U.S.A. Liaison Officer with the R.C.M.P. and Mr. Arnold SMITH of the Department of External Affairs. I also attended several hearings of the case against E. V. MAZERALL, the former National Research Council Engineer at the Supreme Court, Ottawa, before Mr. Justice J. C. McRUER.



3.

At this trial, Gordon LUNAN was called by the prosecution to give evidence, but he refused (on 16.5.46) to "testify". Chief Justice J. C. McRUER ruled that he would not hold LUNAN in contempt of Court for this refusal. (Incidentally, if he had so ruled, LUNAN could have been committed to prison for an indefinite period).

The MAZERALL trial lasted from 15.5.46 to 22.5.46. The defence was conducted by Mr. R. A. HUGHES, who at first argued on a motion to quash the indictment on technical legal grounds that full consent for the charges had not been given by the Attorney-General of Canada, Justice Minister St. LAURENT.

Mr. HUGHES then said he had a motion for separate trials and wanted a decision as to whether the two Secrets Act charges would be thrown out. The Chief Justice suggested that the conspiracy case should proceed while the two Secrets Act charges should be deferred.

At subsequent hearings much argument ensued. The Senior Crown Counsel, Mr. John CARTWRIGHT, K.C. wanted the evidence taken before the Royal Commission, (in so far as it affected MAZERALL) accepted in the Supreme Court whereas Mr. R. A. HUGHES for the defence argued that the depositions had not properly been taken before the Royal Commission and therefore could not be used in evidence.

Eventually Chief Justice J. C. McRUER ruled in favour of admitting as evidence the deposition given by Edward MAZERALL.

This ruling had the effect of shortening the proceedings and on 22.5.46 MAZERALL was convicted of conspiracy and sentence was deferred until 1.6.46. On that date he was sentenced to 4 years imprisonment.

In the meantime, Gordon LUNAN elected (on 13.5.46) for a "speedy trial" which in Canada means he would be tried before a County Judge without a jury. It is believed he adopted this course because he speculated that by virtue of the publicity given to the Canadian Spy ring trials he would be bound to be found guilty by a jury and preferred to take his chance before a Judge alone. His trial was fixed to commence at Ottawa on 31.5.46 but later postponed (owing to the duration of Fred ROSE'S trial in Montreal) until 17.6.46.

On Sunday 19.5.46 I travelled by train from Ottawa to Montreal and was again accommodated at the Mount Royal Hotel. The trial of Fred ROSE, scheduled to commence

/on.

4.

on Monday 20.5.46 was postponed, first to Wednesday 22.5.46 and then to Friday 27.5.46.

In the meantime on Monday 20.5.46 I handed the type face characters brought from England to Dr. R. MONTAINE Medico-Legal Expert at the Laboratoire de Medecine Legale et de police techniques, 443 rue St. Vincent, Montreal - against receipt for further scientific examination. He in turn handed it to Mr. D. D. TRITH, typewriter expert of 750 St. Peter Street, Montreal. A joint report of these two persons established that the type face characters seized by me in London were identical with the characters appearing in documents known to have been typed by LUNAN.

The trial of <sup>(17-1-50)</sup> ~~John~~ <sup>W. F.</sup> commenced on Monday 27.5.46, the first day being solely occupied in "picking the jury". Seventy-three persons were called and were asked questions by the prosecution and the defence. The reason is said to be to try and establish a potential juror's impartiality, but both sides took the opportunity to object to any person who by his name, origin, or political convictions would not be considered suitable. The twelve men eventually chosen were, as is the custom in the Province of Quebec, locked up in the Court House each night and were not allowed out except under escort until the conclusion of the case.

The prosecution was conducted by the Hon. F. Philippe BELLIS, K.C., assisted by Chief Prosecutor Caesar GAGNON, K.C., while the defence was in the hands of Mr. Joseph COHEN, K.C.; the case was heard in the Court of King's Bench, Montreal, before Mr. Justice Wilfrid LAURIN. The witnesses heard on 28.5.46 were Mrs. Edwin ELLIOTT of apartment No. 6, 511, Somerset Street West, Ottawa, a neighbour of GOULENKO who harboured the cipher clerk on the night of 6th September, 1945. She told how on that night she saw the four men in black military uniforms who broke into GOULENKO's apartment and attempted to search it. Another neighbour, a Harold MALL of apartment No. 5 called the Ottawa Police; (it will be remembered that those four men were found to be from the Russian Embassy in Ottawa and had no doubt on that date become aware that GOULENKO had given vital information to the Canadian authorities).

Mr. MALL gave corroborative evidence.

On Wednesday 29.5.46 nearly the whole of the day was taken up by the defence counsel Mr. Joseph Cohen, K.C. trying to prove that documents taken by GOULENKO from the Russian Embassy could not be used in evidence as they were subject to diplomatic immunity. After the Crown had replied,

/Mr. Justice

5.

Mr. Justice LAZURE ruled that they could be used in evidence.

GOUZENKO gave evidence on 29.5.46 (Thursday 30.5.46 was a public holiday) 31.5.46 and 1.6.46, 3.6.46 and 4.6.46 and was cross-examined by Mr. Joseph Cohen, K.C. on 5.6.46 and 6.6.46. GOUZENKO was an exceedingly good witness and stood up very well under cross-examination.

On Tuesday 4.6.46, between the examination and cross-examination of GOUZENKO, Miss Katherine WILLSHER, the former clerk employed in the office of the High Commissioner for the United Kingdom at Ottawa and now serving a three year sentence for her part in the Canadian Spy-ring activities was brought before the Court by the prosecution. She was questioned as to the nature of her association with ROSE whom she admitted to knowing "since 1936". This admission brought the Defence Counsel to his feet with the argument that nothing which had transpired between alleged conspirators before 1939 could be allowed as evidence since the indictment against ROSE covered only the period between 1939 and 1945. This objection was over-ruled by Mr. Justice LAZURE.

Miss WILLSHER was far from co-operative and when it was pointed out to her that she had already pleaded, through her own counsel, guilty to offences under the Official Secrets Act, and had in consequence been sentenced to three years imprisonment, she said her actions were motivated by reasons which urged her to help Canada by fighting Fascism and Nazism.

Finally and under strong pressure she admitted to this Court that she had given secret information (obtained through her work in the office of the High Commissioner) to Fred ROSE. She insisted she had done this solely to help Canada. She would only admit to seeing ROSE five or six times between 1936 and 1939.

After GOUZENKO had been cross-examined on 6.6.46, Staff Sergeant E. CILBERLAIN, R.C.M.P., Montreal gave evidence and produced various documents seized by him at the house of Professor BOYER on 13.2.46. The name of D. G. LUMAI was mentioned many times in these documents.

Dr. BOYER, the former scientist of MCGILL UNIVERSITY, Montreal, was then called by the prosecution. Much of the evidence extracted from this witness was heard "in camera" but in open court he admitted meeting ROSE on several occasions and agreed that he had given the latter secret information concerning R.D.X. He also admitted knowing

/several

...of the ... persons ...

The attitude of Mr. ... witness ...  
... one of ... probably ...  
... of ...  
... in trying ...  
... given to ...  
... articles on ... subject ...  
... journals.

... for ... against ...  
... imposed upon him ...  
... and ...  
...

... refused to testify ...  
... attitude ...  
... Ottawa ...  
... Justice ...  
...  
...  
... of the Court ...  
...

... made a ...  
...  
...  
...

...  
...  
...

...  
...  
...  
...  
...

...  
...  
... (p. 46)

The witnesses next heard were as follows:

Allan DECERIE, manufacturer, who said his firm had supplied steel shutters and an incinerator to the Russian Embassy at Ottawa.

Sgt. Romeo DEFAYETTE, R.C.M.P. who produced a series of five typewritten letters said to have been seized at the former residence in Canada of Gordon LUNAN.

E. D. TWITE, typewriter dealer of 750 St. Peter Street, Montreal, who told now on 10.9.1938 he sold to LUNAN a Royal portable typewriter equipped with a special keyboard and "pica" type.

An employee of the Bell Telephone Company of Canada, Montreal, produced an original contract with LUNAN for a telephone at 1431 Stanley Street, with removal indicated later to 2048 Union Avenue, Montreal. I was the next witness and produced the typewriter parts, trunk labels, London telephone and street directories. (The maps of London and photographs of various London locations were not produced, the defence saying they were satisfied as to the existence of these places).

The only cross-examination to which I was subjected was to say that neither John LUNAN (16 Broadwalk, London, N.21) nor John Duncan LUNAN (17A Queen Anne's Walk, Enfield) was the same person as Gordon LUNAN now awaiting trial in Canada.

Dr. Rosario FONTAINE, Medico-legal expert of the Province of Quebec (typewriter and handwriting expert) proved scientifically that typewritten personal letters (produced by Sergeant DEFAYETTE as above) signed Gordon LUNAN were written on the same machine which had been used to type documents previously produced by Igor GOUZENKO.

The witness, recalled later, proved that two groups of documents, one of which was signed EMMA were written by the same person. The testimony of this witness was not questioned by the Defence.

Gerald WOODS, a manufacturer with a shooting lodge near Ottawa, identified pictures of ZABOTIN, MOTINOV, ROGOV and ROMANOFF as Soviet officials who often had been guests at his lodge.

Staff Sergeant J. GRAHAM, R.C.M.P. proved the

/writing

writing of letters by MILNE and GIBSON when the latter were  
detained at Point St. Charles, near Ottawa.

WALTER A. DE WITT, an Engineer of the Northern  
Electric Company, a former head of a munition filling  
division of the armed services, proved the employment  
in some organization of person who was said to have been the  
head of some technical department which compiled reports  
of a certain person's activities in England.

WALTER A. DE WITT, former chief of the passport  
and visa division of the Department of External Affairs,  
admitted that he had seen a photograph of the defendant  
under the alias of "Gibson" in the next witness called  
at the prosecution. He advised the court and finally  
refused to testify regarding the matter by the Crown Counsel  
who was taking evidence on his behalf. He was reported to  
the police and the evidence would have been so placed  
before the court but for the fact that the  
witness refused to testify.

The evidence and the statements did not help in  
the case.

The trial of the case continued to Saturday 15.6.46  
at 10.30 a.m. and concluded in the afternoon of the same day.  
The Judge pronounced a verdict at 11.45 a.m. of "GIBSON" charged.  
He found the defendant guilty and sentenced him to a term of  
six years imprisonment as a condition of his release.

The case was adjourned for the afternoon.

The defendant returned to Ottawa on Sunday,  
16.6.46 and was released from the Montreal Court.  
On Monday 17.6.46, the Commissioner J.E. BOOD and Deputy High  
Commissioner J.P. BOYD, of Ottawa and Miss Helen Currowell.

The evidence in the Crown Court in the case of  
Gordon James Dalton was in view of the overwhelming  
evidence in the case, no further evidence was required in  
the trial.

I now leave Ottawa for New York on 17.6.46,  
stop in Washington at the Lexington Avenue Hotel and  
return to Ottawa on 20.6.46 at 11.30 a.m. on Thursday,  
20.6.46 and will be in Ottawa on Friday 21.6.46  
at 9.30 a.m.

/s/

9.

I now wish to place on record the fact that during my stay in Canada I was treated by all the officers of the R.C.M.F. to whom I was introduced with the utmost kindness and hospitality, almost to the point of embarrassment.

I would therefore respectfully ask that a suitable letter of thanks be sent to the Commissioner, Mr. S. T. WOOD, R.C.M.F., Justice Building, Ottawa, acknowledging the extremely courteous treatment I received at the hands of his officers, particularly Inspector LEOPOLD of Ottawa and Superintendent BRUNET (and his subordinates) at Montreal.

*Wm. H. H. H.*  
Inspector.

*J. Thompson*  
SUPERINTENDENT.

Copy in PF 67188.

222A

~~TOP SECRET~~

Pa. Luff A, PF. 66960.  
Submit for Luff  
& index as marked. PF. 67188.  
17

WASHINGTON.

No. 18 of June 20th.

Following for Roger Hollis from RCMP.

A. Chief Justice Lazure today sentenced Fred ROSE to six years imprisonment. Defence Counsel intimate sentence would be appealed.

B. <sup>PF. 603,472.</sup> GERSON, NIGHTINGALE, LUNAN, ADAMS each sentenced to three months for contempt of court and Mrs. WOIKIN six months; latter to be ?(added) to her present term of imprisonment.

C. Decision in MAZERALL appeal expected during first week of July. Date for SPEED trial by Judge McDougall of LUNAN and HALPERIN tentatively set for July 8th. Procedure to be followed will depend largely on outcome MAZERALL appeal.

D. Not likely any other case will be heard before September next.

? Speedy



RS re P/A in AF 66960.  
with A

return to file

file 19/6.

~~3440~~  
221A

Ref: D. 2. 66960/S B3  
Enclosures

Deputy Commander L. J. Burt,  
Special Branch.

I am sending to you herewith a copy of a telegram which we have received from Inspector Whitehead.

As I mentioned to Superintendent Thompson by telephone yesterday, a further telegram has since been received stating that Inspector Whitehead will definitely be travelling back to the United Kingdom on board the "Queen Mary" leaving New York on June 20th. I enclose a copy of this second telegram.

  
L. J. Cussen. *cc.*

M. I. 5.  
18.6.46.

W. C. A. E. S.

*[Handwritten mark]*

S. Form 100.

220A

SECRET TELEGRAM RECEIVED IN ~~CIPHER~~

From :...ROYAL CANADIAN MOUNTED POLICE

Office File No..... Originator's No. 81.....

Passed for Action to ..... SLB3.....

Date of Origin...16/6/46..

Date of Receipt...17/6/46..

Copies to..... OC..... Deciphered by ..... E.C.....

MOST IMMEDIATE.

Re FRED ROSE. Jury brought in verdict of guilty as charged, their view after deliberating less than 30 minutes time 1145 pm 15th June. Defence, in 4 hours address, stressed that information given by ROSE not repeat not prejudicial to interests of Canada, also that CORBY had ulterior motive. Crown address to Jury approximately 4 hours and Judges charge 1 hour and half. Court adjourned to next Tuesday. No date sentence. WHITEHEAD not required in LUNAN case. He will return on "Queen Mary", leaving New York 20th June.

499

O.T.P.

The text of this telegram is **Unparaphrased**, and must not be distributed outside British Government Departments or Headquarters, or re-transmitted, even in cipher, without being **Paraphrased**. Messages marked 'O.T.P.' need not be paraphrased.

NEW YORK.

No. 650 of 12.6.46.

TOP SECRET  
~~SECRET~~  
 A.D.F.  
 S.B. informed by  
 telephone. ~~Excess~~  
 S.B.S.  
 17.6.46

Following for Hollis from Inspector Whitehead.

Inform Burt:-

- 11-98347
- A. Gave evidence in ROSE trial at Montreal yesterday, exhibiting typewriter parts and labels which were not questioned; exhibiting telephone and street directories which were questioned. Maps and photographs not exhibited. No undue publicity regarding LUNAN's London addresses.
- B. PRITT arrived here and present in Court. Appears to be consulted by Defence Counsel when framing questions for cross-examination.
- C. Mrs. WOIKIN called by Prosecution. Refused answer questions and ?therefore a hostile witness. No further action.
- D. ROSE trial may conclude this week. Prosecution and Defence Counsel agree on my making provisional arrangement return England Queen Mary ex New York January (presumably June) 20th.
- E. Crown Prosecutor Cartwright cannot yet be definite whether I shall be required at LUNAN trial at Ottawa which may be further postponed.
- F. As position is unsatisfactory would you consider requesting from your end through RCMP Cartwright to make decision when he can release me. Anxious to co-operate but uncertainty irritating.

TOP  
**Secret.**  
and  
PERSONAL

In reply, state NUMBER and DATE

CX \_\_\_\_\_ dated 7.6.46.  
R.5

*Handwritten:* 21877

Dear Hollis,

I attach copy of information sent  
to you by the RCMP on the CORBY trials,  
which has been forwarded to us by our  
representative in New York.

Yours sincerely,

for H. A. R. Philby.

R. H. Hollis, Esq.,  
ADF,  
M.I.5.

*Handwritten:* RS  
P.F. 66960  
Mayer  
done Extract for  
LUNAN  
F2c 10/6