

THE REPORT OF THE ROYAL COMMISSION

*Appointed under Order in Council P.C. 411
of February 5, 1946*

TO INVESTIGATE THE FACTS RELATING
TO AND THE CIRCUMSTANCES SUR-
ROUNDING THE COMMUNICATION, BY
PUBLIC OFFICIALS AND OTHER PERSONS
IN POSITIONS OF TRUST OF SECRET
AND CONFIDENTIAL INFORMATION TO
AGENTS OF A FOREIGN POWER.

JUNE 27, 1946.

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Honourable Mr. Justice Robert Taschereau
Honourable Mr. Justice R. L. Kellock
Commissioners.

E. K. Williams, K.C.
Gerald Fauteux, K.C.
D. W. Mundell, Esq.,
Counsel.

W. K. Campbell, Esq.
Secretary.

J. H. Pepper, Esq.
Deputy Secretary.



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SECTION I
INTRODUCTORY

Your Excellency:—

Re: Order in Council P.C. 411

SECTION I

The above mentioned Order in Council is dated the fifth day of February, 1945, and reads as follows:—

TEXT OF ORDER IN COUNCIL, P.C. 411 OF FEBRUARY 5, 1946,
ESTABLISHING THE ROYAL COMMISSION
P.C. 411

Certified to be a true copy of a Minute of a Meeting of the Committee of the Privy Council, approved by His Excellency the Governor General on the 5th February, 1946.

The Committee of the Privy Council have had before them a report dated 5th February, 1946, from the Right Honourable W. L. Mackenzie King, the Prime Minister, representing:—

That it has been ascertained that secret and confidential information has been communicated directly or indirectly by public officials and other persons in positions of trust to the agents of a Foreign Power to the prejudice of the safety and interests of Canada;

That by Order in Council P.C. 6444 dated the 6th day of October, 1945, the Acting Prime Minister and the Minister of Justice were authorized to make an Order that any such person be interrogated and/or detained in such place and under such conditions as the Minister might from time to time determine if the Minister were satisfied that it was necessary so to do;

That it now seems expedient in the public interest that a full and complete inquiry be made into all the facts relating to and the circumstances surrounding the communication by such public officials and other persons in positions of trust of such secret and confidential information to the agents of a Foreign Power.

The Committee, therefore, on the recommendation of the Prime Minister, advise that the Honourable Robert Taschereau, a Judge of the Supreme Court of Canada, and the Honourable R. L. Kellock, a Judge of the Supreme Court of Canada, be appointed Commissioners under Part I of the Inquiries Act, Chapter 99, Revised Statutes of Canada, 1927, and any other law thereto enabling, to inquire into and report upon which public officials and other persons in positions of trust or otherwise have communicated, directly or indirectly, secret and confidential information, the disclosure of which might be inimical to the safety and interests of Canada, to the agents of a Foreign Power and the facts relating to and the circumstances surrounding such communication.

The Committee further advise:—

1. That for all such purposes and all purposes properly incidental thereto the said Commissioners shall without limiting the powers conferred upon them by the said Part I of the said Inquiries Act, have and possess the power of summoning and that

they be empowered to summon before them any person or witness and of requiring them to give evidence on oath or affirmation, orally or in writing, and of requiring them to produce such documents and things as the Commissioners deem requisite to the full investigation of matters into which they are appointed to examine;

2. That the said Commissioners be directed that a record shall be made of all the evidence which shall be given or produced before them as to the matters of the said inquiry and that the oral evidence of witnesses before the said Commissioners shall be taken in shorthand by a shorthand writer, approved and sworn by the said Commissioners or one of them and shall be taken down question and answer and it shall not be necessary for the evidence or deposition of any witness to be read over to or signed by the person examined and said evidence shall be certified by the person or persons taking the same as correct;

3. That the said Commissioners may adopt such procedure and method as they may deem expedient for the conduct of such inquiry and may alter or change the same from time to time;

4. That the said Commissioners be empowered in their discretion from time to time to make interim reports to the Governor in Council on any matter which in their judgment is the proper subject of such a report together with the evidence then before them and their findings thereon;

5. That the said Commissioners be authorized to engage the services of such counsel and of such technical officers, and experts, and other experienced clerks, reporters and assistants as they may deem necessary and advisable; and

6. That all the privileges, immunities and powers given by Order in Council P.C. 1639, passed on the 2nd March, 1942, shall apply.

(Sgd.) A. D. P. HEENEY,
Clerk of the Privy Council.

Order in Council P.C. 6444 referred to in the above is set out in full in Section XI of this Report. Order in Council P.C. 1639, also referred to in Order in Council P.C. 411, is as follows:—

P.C. 1639

AT THE GOVERNMENT HOUSE AT OTTAWA

Monday, the 2nd day of March, 1942.

HIS EXCELLENCY

THE GOVERNOR GENERAL IN COUNCIL:

Whereas the Prime Minister reports that, in his opinion, it is desirable that a Commissioner conducting any inquiry under the Inquiries Act, R.S.C. 1927, Ch.99, involving investigation into any matter concerning the armed forces of Canada should have certain immunities and powers;

Now, therefore, His Excellency the Governor General in Council, on the recommendation of the Rt. Hon. W. L. Mackenzie King, the Prime Minister, and under and by virtue of the powers vested in the Governor in Council by the War Measures Act, Ch. 206 of the Revised Statutes of Canada, 1927, is pleased to order and doth hereby order that, where under any order of the Governor in Council heretofore or hereafter made, a Commissioner is appointed under the Inquiries Act, Ch. 99 of the Revised Statutes of Canada, 1927, to inquire into any matter concerning the armed forces of Canada, such Commissioner shall have all the immunities enjoyed by any

Judge of any Superior Court in Canada while exercising his judicial functions, and that any and all powers and authority of any such Judge relating to any contempt of Court, whether committed in the face of the Court or elsewhere, shall be vested in such Commissioner in respect of such inquiry; and in particular, but without limiting the generality of the foregoing, that such Commissioner shall have all the powers, jurisdiction and authority of any such Judge for the purpose of enforcing any order made by him concerning any inquiry held in camera in order to safeguard the secrecy thereof.

(Sgd.) A. D. P. HEENEY,
Clerk of the Privy Council.

Certified copies of Order in Council P.C. 411 were handed to us on the sixth day of February, 1946, and we at once took steps to proceed with the Inquiry with which we were charged.

Pursuant to the powers given to us by *The Inquiries Act*, R.S.C. 1927 c.99 we appointed as our Counsel Mr. E. K. Williams, K.C., Mr. Gerald Fauteux, K.C., and Mr. D. W. Mundell.

We appointed Mr. W. K. Campbell, as Clerk to the Commission and later Mr. J. H. Pepper as Assistant Clerk.

We also appointed the necessary shorthand reporters and typists.

Before commencing our sittings we perused and studied the original documents brought by Igor Gouzenko from the Russian Embassy, his written statement, and various memoranda of the evidence which he would be able to give.

We commenced hearing evidence on the 13th day of February, 1946, and from then to the 18th of April sat continuously each week day with a very few exceptions. From then on we continued to take evidence as witnesses were available and we held our last sittings to hear witnesses on the 27th day of June, 1946.

The procedure that we followed is set out in some detail in Section XI of this Report. We may add that we have heard some 116 witnesses, many of whom had to be recalled more than once, have studied about 1000 Exhibits filed before us, and the evidence taken runs to over 6000 pages.

We have made three Interim Reports dated respectively the 2nd, 14th and 29th days of March, 1946, attached hereto as Appendices A, B and C respectively and now have the honour to submit our Final Report.

We are including in this Report as Appendices D, E, F, G, H and I reproductions of certain of the documents put before us by Gouzenko so that those reading the Report will know what the originals looked like.

We are also handing you with this Report a complete transcript of all the evidence taken by us and the originals, or copies, of all the Exhibits

filed with us. Some of the original Exhibits are not available for transmission because they are in use in various Courts. Others have been returned to the various Departments from which they were brought. In all such cases reproductions have been made.

Many of the Exhibits accompanying this Report are original files which eventually will be required by the respective Government Departments from which they came. We suggest that as these are asked for, they be delivered to the proper custodians, photographs being substituted where that is considered advisable, and that the Departments be directed to retain and preserve the originals.

We feel we should say something here about the translations of the various documents written in Russian. We are advised that even in ordinary cases translation from Russian into English presents a difficult problem. The documents which were placed before us presented greater difficulties. Some of them were not well written, some of them were obviously translations from English into Russian, abbreviations of Russian words were used which were difficult to identify, words were missing or struck out or blurred and the writers of some of the documents often expressed the titles of Canadian officers or ranks and other terms in what they believed to be the Russian equivalents. At the commencement of the Inquiry translations were placed before us; these were gone over with Gouzenko, who suggested certain changes, and as the Inquiry proceeded we arranged to have complete new translations made by two other translators acting jointly. They have made very few changes in substance, none of which affect any of the Interim Reports, and we are using these new translations in this Report.

All translations have been literal. The important difference is that new translations include, suitably distinguished by asterisks and footnotes, certain words and passages which appeared in Russian on the original but had been struck out by the author. Occasionally these words and passages are significant. For example, there are instances where a real name was noted but then struck out and a cover-name substituted. This Report shows the document with these words and passages included, but clearly distinguished from the remainder. However, the examination of some of the witnesses quote parts of the earlier translations, and thus these latter appear in certain excerpts from the transcription which are set out in this Report. There are in no cases differences of substance.

SECTION II

THE GENERAL PATTERN

I. INTRODUCTORY

Igor Gouzenko

It was Igor Gouzenko who revealed the existence in Canada of a widespread conspiracy to obtain secret official information.

Gouzenko, who had been sent to Canada in June, 1943, with the official title of "civilian employee" of the Soviet Embassy at Ottawa, was the cipher clerk on the staff of the Military Attaché, Colonel Zabolotin.

On the night of September 5th, 1945, Gouzenko left the Embassy with a certain number of documents from his own office, including telegrams sent to Moscow, others received from Moscow, which he had enciphered and deciphered, as well as other documents made either by Russian officials of the Embassy or by other persons living in Canada. After having gone through the experiences detailed in Section X of this Report, Gouzenko eventually told his story to the R.C.M.P., who reported to the Canadian Government.

He has undoubtedly been a most informative witness and has revealed to us the existence of a conspiratorial organization operating in Canada and other countries. He has not only told us the names and cover names of the organizers, the names of many of the Canadians who were caught "*in the net*" (to employ the phrase used by the documents) and who acted here as agents, but he has also exposed much of the set-up of the organization as well as its aims and methods here and abroad.

There can be no doubt in our minds that these attempts, very often successful, to obtain here secret and confidential 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 this organization in Canada 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.

Some of these men have undoubtedly been well-schooled in espionage and Fifth Column organizational methods, and in political and psychological "development" techniques.

Gouzenko himself came to Ottawa only after he had been through the training that his superiors thought essential for the work he was chosen to perform. At 16 he was a member of the *Komsomol* or "Young Communist League", which is a youth movement controlled by, and preparatory to membership in, the Communist Party. He was instructed first in coding and decoding in a secret school after having been investigated by the N.K.V.D., which is the official secret political police of the Soviet Union, and it was only after five months of such investigation that he was given access to secret cipher work. He was later transferred to the Main Intelligence Division of the Red Army in Moscow, where he spent one year. During that year he saw, in the course of his work, a large number of telegrams to and from many countries, detailing operations there similar to those which he has disclosed in Canada. Finally, after further investigation, Gouzenko was sent to Canada.

Secrecy

Gouzenko has described to us the extreme secrecy in which the espionage operations were conducted here. He lived with his family at 511 Somerset Street, Ottawa, but he had his own office in the secret cipher department which is located on the second floor at the Embassy, No. 285 Charlotte Street. He worked in room 12, one of the eight rooms on the second floor of a wing of the building, the entrance of which is closed by a double steel door, and the windows of which have iron bars and steel shutters which are closed at night for the purpose of complete secrecy. In this room is a steel safe which contains many of the important documents of the Military Intelligence. The cipher books which Gouzenko used to encipher and decipher telegrams, were kept in a sealed bag which was handed every night to one Aleksashkin, and in the same bag were also placed the telegrams that came from Moscow and the telegrams sent to Moscow. In the safe were kept the agents' records, Colonel Zabolin's secret diary, and other documents of the Military Intelligence Service. From time to time, some of these documents were destroyed in an incinerator located in room 14.

In rooms of this secret wing the cipher clerks of the various branches of the Soviet Mission in Ottawa were located. They numbered five in all:— The N.K.V.D., the Embassy proper, the Political Section, the Commercial Section, and the Military. The N.K.V.D. Section sent its messages to the N.K.V.D. Headquarters in Moscow; the Embassy, the messages of the Ambassador and his staff to the Commissariat for Foreign Affairs; the Political Section, which was under Goussarov, communicated directly with the Central Committee of the Communist Party of the Soviet Union; the

Commercial Section, headed by the Commercial Counsellor Krotov, sent its messages to the Commissariat for Foreign Trade; and the Military Section, headed by Colonel Zabotin, the Military Attaché in Ottawa, communicated with the Director of Military Intelligence in Moscow.

All these cipher clerks operated independently and each one used a different cipher which was unknown to the others.

This extreme secrecy with which the acts of the espionage branches of the Mission were clothed, at the Embassy, was also exercised with great care by the Russians in their relations with their agents, and by the agents themselves in their mutual contacts. "After reading, burn" were standard instructions on written assignments of tasks given by Colonel Zabotin and his associates to the agents. The meetings of agents at night on street corners and in automobiles, and the use of "cover-names" and "go-betweens", indicate the secrecy with which the operations were conducted.

"Cover-names" were used by the Russian leaders of the espionage system not only for themselves, their Russian assistants, and their agents, but also to refer to places, organizations, and things. Thus Canada was sometimes referred to as *Lesovia*; the Soviet Embassy as *metro*; the N.K.V.D., or Russian secret political police, as *The Neighbour*; passports as *shoes*; the Communist Party of Canada or other countries except the U.S.S.R. as *The Corporation* and its members as *corporants* or *corporators*; any hiding place as a *dubok*; a legal "front" for illegal activities as a *roof*; and the military espionage organization itself as *Gisel*.

Colonel Zabotin's cover-name was "Grant". The cover-names of the most important Russian members of his espionage staff are listed, with the respective real names, on page 16. The cover-names and real names of Zabotin's other agents, who have been identified, are listed on page 85. Appendix J is an alphabetical key to cover-names appearing in this Report.

The funds needed by Colonel Zabotin to finance his operations were sent to him from Moscow and the following telegram sent by him to Moscow makes it clear how important it was considered that the transmission of this money should be concealed:—

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To the Director:

Although you are sending us operational sums of money through metro, we nevertheless have to get them through the bank. In this way the purpose of secrecy is defeated. Could you send us Canadian dollars

by mail? This would ensure full secrecy for the operational sums. At present the sums sent by you would not attract attention as we are carrying out repairs, are buying a car and there are people coming etc. In the future this will be noticeable.

Grant

11.9.45

In other words, it was considered that the sums being spent for Colonel Zabolin's purposes, would not attract attention so long as legitimate heavy expenditures were being made, but might become noticeable by reason of their size after the legitimate heavy expenditures had ceased.

In various written instructions to agents we find the following:—

“ . . . I beg you to instruct each man separately about conspiracy in our work. . . . ”

“ . . . All the materials and documents to be passed by Bagley, Bacon and Badeau have to be signed by their nicknames as stated above. . . . ”

“ . . . Any meeting with Bacon, Badeau, Bagley must not take place indoors, but on the street and, moreover, separately with each one and once a month. . . . ”

“ . . . The materials from them must be received the same day on which you must meet me in the evening. The materials must not be kept with you even for a single night. . . . ”

“ . . . Their wives must not know that you work with and meet their husbands. . . . ”

“ . . . Warn them to be careful. . . . ”

Gouzenko has also revealed to us, that in Colonel Zabolin's house, 14 Range Road, Ottawa, complete photographic equipment was installed for the purpose of photographing documents for Moscow.

When Gouzenko came to Canada in June, 1943, he arrived with Colonel Zabolin who had the official title of “Military Attaché”. With them was Major Romanov, Zabolin's secretary. Zabolin did not come here to inaugurate a system of espionage, but to continue and amplify the work of his predecessors.

As early as 1924, there was an organization at work in Canada directed from Russia and operating with Communist sympathizers in Canada. Two of the most active persons in this organization were Fred Rose, born Rosenberg, in Lublin, Poland, and Sam Carr, born Kogen or Cohen in Tomachpol, Russian Ukraine. Sam Carr, speaking Russian perfectly, went to Russia.

While in Russia he took a course at the "Lenin Institute" where the matters taught included political subjects, and also such practical subjects such as the organization of political movements, fomentation or extension or prolongation of strikes for ulterior purposes, sabotage methods, espionage, and barricade fighting. The students received a very good education as "agents conspirators".

Early Stage of the Military Intelligence Network

(Sokolov, Koudriavtzev, Zabolin)

Major Sokolov, on his arrival in Ottawa in 1942, began to reform the previous organization, and was directed by "*Molier*", who has been identified as one Mikhailov, an official of the Soviet Consulate in New York who came to Canada for that purpose. Major Sokolov, whose cover-name was "*Davie*", came to Canada before the opening of a Soviet diplomatic mission here, ostensibly as a Soviet inspector to work in Canadian factories in connection with the Canadian Mutual Aid Program to the U.S.S.R.

So far as the evidence discloses, the first head of the Military Intelligence espionage system in Canada after the arrival of the Soviet Minister was Sergei N. Koudriavtzev, whose official title was First Secretary of the Legation (later Embassy). From the time of the latter's arrival until Zabolin came as Military Attaché, Sokolov reported to and took his instructions from Koudriavtzev. In June, 1943, the latter handed over Sokolov and the espionage organization to Zabolin.

The basic facts relating to Sokolov's group are set out in notes made by Colonel Zabolin himself when he took over Sokolov's organization in June, 1943. The information which Zabolin obtained from Sokolov was noted by the former in his own handwriting in his private notebook and these notes were obviously added to from time to time. The pages which relate to Sokolov's organization were torn out by Zabolin himself from his notebook, and were given by him to Gouzenko to destroy by burning in the incinerator.

These notes reveal that Sokolov's organization was as follows:—

1. *Fred* or *Debouz*, (Fred Rose) under whom worked:
 - (a) *Gray* (H. S. Gerson)
 - (b) *Green* (unidentified)
 - (c) *The Professor* (Raymond Boyer)

Rose's contacts were:

1. *Freda* (Freda Linton)
2. *Galya* (unidentified)

2. An auxiliary group:
 - (a) *Gini* (unidentified)
 - (b) *Golia* (unidentified)
3. The second group (Ottawa-Toronto):
 - (a) *Sam* or *Frank* (Sam Carr)
 - (b) *Foster* (J. S. Benning)
 - (c) *Ernst* (Eric Adams)
 - (d) *Polland* (F. W. Poland)
 - (e) *Surensen* (unidentified)
4. Russian "go-betweens":
 - (a) Mrs. Sokolov (contact between Sokolov and Koudriavtzev, presumably necessary because Sokolov was at that time living in Montreal)
 - (b) *Martin* (Zheveinov)
 - (c) *The Economist* (Krotov)

When Colonel Zabolin arrived in Ottawa, he immediately began to expand this organization, a process that continued until his departure in December, 1945, for a visit to Moscow from which he does not appear to have returned.

He directed the operations from his residence at 14 Range Road, Ottawa, and he had under him for espionage purposes a considerable Russian staff, which increased steadily, and included the following:—

NAME	OFFICIAL POSITION	COVER-NAME
Lt.-Col. Motinov	Assistant Military Attaché.	<i>Lamont</i>
Major Rogov	Assistant Military Attaché, Air.	<i>Brent</i>
Krotov	Commercial Counsellor	<i>The Economist</i>
Major Sokolov	Staff of Commercial Counsellor.	<i>Davie</i>
Sergei Koudriavtzev	First Secretary of Embassy.	<i>Leon</i>
Lt. Angelov	Staff of Military Attaché.	<i>Baxter</i>
Zheveinov	TASS correspondent	<i>Martin</i>
Major Romanov	Secretary of Military Attaché.	_____
Lt. Levin	Interpreter.	<i>Runy</i>
Captain Galkin	A door-guard.	_____
Lt. Gousev	A door-guard.	<i>Henry</i>
Lt. Lavrentiev	A chauffeur.	_____
Captain Gourshkov	A chauffeur.	<i>Chester</i>
Igor Gouzenko	Cipher Clerk.	<i>Klark</i>

This organization, being the one for which Gouzenko was the cipher clerk, is the only one of the espionage systems which we have been able to investigate in detail, because it was in that branch of the Embassy only that Gouzenko had access to the documents.

SECTION II. 2

PARALLEL UNDER-COVER SYSTEMS

It seems, however, that several parallel under-cover systems, or networks, existed in Canada under the direction of members of the Soviet Embassy but independent and distinct from Zabotin's (Red Army Intelligence) organization; and that these parallel systems, had and may still have their own under-cover agents operating in Canada.

This method of maintaining several distinct networks has obvious advantages from a security point of view for those operating them, as no one person, even among the directing Soviet personnel, would know the names of the Canadians acting as agents in more than one of the networks. Correspondingly, investigation by the Canadian authorities is rendered more difficult.

Gouzenko told us:—

“. . . They (the Soviet Government) were trying to establish a Fifth Column in Canada. What transpired is only a modest or small part of all that is really here. You may have discovered fifteen men but it still leaves in Canada this dangerous situation because there are other societies and other people working under every Embassy, under every Consul in each place where there is a Consulate. It is just like a number of small circles. There are parallel systems of spies or potential agents. . . . The last telegram asked about the mobilization of resources in Canada. They wanted to know everything possible about everything concerned in Canada. They wanted to know the natural resources that Canada could mobilize in case of war, her coal, oil, rare metals and so on.”

Gouzenko testified that there was a five-man committee in Moscow which passes on Soviet officials who are being sent to foreign countries. This committee consists of representatives of the N.K.V.D., the Military Intelligence, the Naval Service, the Commercial Service and the Diplomatic Service. Gouzenko said:—

“. . . and each of them send their own men and they try to put on more of their own men. Intelligence tries to put more of their own men; Commercial Service tries to put more than the Diplomatic, and so on with the other representatives.”

We have endeavoured to obtain from Gouzenko all the information he could give us about the “various circles” or “Parallel systems”. He has

expressed the opinion that the records he placed before us give the names or cover-names of all the persons in Zabolin's organization. This is the one organization with which he is personally familiar. But from the work he was doing and what he saw and heard in the course of his work he was able to give us certain other information and at our request he also told us what he deduced from these facts in the light of his own training in Soviet methods.

The Parallel Military System

Gouzenko said:—

“Then according to conversations between Sokolov and Zabolin I think they suspected that there existed a parallel military intelligence system, parallel to Zabolin's. The same thing was true in the United States, according to a telegram I saw. The chief of the Technical Bureau is head of one parallel system; military intelligence has another system.”

This system was apparently also directed by the Red Army Intelligence Headquarters in Moscow, but not through Col. Zabolin. Gouzenko testified that it was only, as it were, by accident that Zabolin learned of its existence in Canada, although Zabolin and his immediate colleagues had always been quite aware of the existence of some of the other parallel networks operating in Canada including that of the N.K.V.D. directed by Pavlov (A Second Secretary of the Soviet Embassy in Ottawa), with which we deal below.

A. . . . Then there was another case when two members of the Commercial Counsellor's Office went to the Canadian Patent Office and asked for information about the secret invention of radar. They spoke bad English and the Canadian authorities thought that they were German agents and called the police. They were held and they were checked up and then released.

Q. Who went to the Canadian Patent Office?

A. Two employees of the Commercial Counsellor's office.

Q. What purpose did they go there for?

A. They asked about the invention of radar, and because what they asked for was secret they were under suspicion. They were arrested but were released immediately. Of course this was mentioned to Sokolov and Sokolov immediately told it to Zabolin. Zabolin became very angry and he wrote a big telegram to Moscow. He said that the Neighbour should not work with such

hooligan methods. He described what had happened and he said that these were *Neighbour's* people, Pavlov's people. It was Matrenichev and Zhukov.

Q. I see that Matrenichev is mentioned on Exhibit 15, but I do not see Zhukov.

A. I do not think I mentioned Zhukov.

Q. You mentioned him but he is not on Exhibit 15.

A. No, because this is the Commercial Attaché's office, and there are fifty or more people. I could not mention all of them. I just mentioned several of them. They said that such careless work would attract the attention of Canadian authorities to the Military Attaché, but they would not suspect Pavlov or anybody else. So he suggested that Pavlov must stop using such methods. He called them hooligan methods.

Then followed an exchange of telegrams between Zabolin and *The Director* in Moscow, from which Zabolin understood that there was in operation in Canada a parallel network to his own, but which like his own was directed by the Military Intelligence Headquarters in Moscow.

There had been several previous instances of friction between the parallel systems and particularly between Pavlov's network and Col. Zabolin's. Gouzenko said that such cases of friction—often arising through efforts to "develop" the same agent—were not uncommon in other countries also, as he had learned during his year at Red Army Intelligence Headquarters in Moscow.

One result of the irritation evidenced by Zabolin toward Pavlov, in his telegrams on the incident outlined above, was the receipt of simultaneous instructions by Zabolin and Pavlov from Military Intelligence Headquarters and N.K.V.D. Headquarters, respectively, that all disputes must be settled, and that there should be no more quarrelling between the various systems operating in Canada.

The N.K.V.D. System

There can be little doubt that the N.K.V.D., previously called the O.G.P.U., and which is the secret political police of the Soviet Union, have a powerful organization in Canada. In the documents exchanged between Zabolin and *The Director* of the Military Intelligence Service in Moscow, which have been produced before us, the N.K.V.D. is mentioned by its cover-name *The Neighbour*.

In a telegram sent by Colonel Zabotin, whose cover-name was *Grant*, to Moscow on the 9th of August, 1945, Colonel Zabotin expresses fears as to the advisability of employing one Norman Veall as an agent to work for him. He says:—

. . . The possibility is not excluded that he may have already tied up with the Neighbour. I consider it necessary to warn the Neighbour. . . .

On the 22nd of the same month *The Director* replied:—

To Grant:

1. Your 243.

We have here no compromising data against Veal, nevertheless the fact that he has in his hands a letter of recommendation from a corporant who was arrested in England (which he did not take care to destroy) compels us to refuse to have any contact with him whatsoever, the more so that many already call him a "Red".

To the neighbour he must surely be known; if not, inform him of the break in my instructions.

Warn Alek that he should have no conversations whatever with him about our work.

Corporant is the cover-name used to refer to a member of any Communist Party outside the Soviet Union. *Alek* is Professor May.

On another exhibit we find the following note:—

Fred—director of corporation. Previously worked at the Neighbours, up to 1924.

Fred is Fred Rose. *The Corporation* is a cover-name used to refer to any Communist Party outside the Soviet Union.

In another telegram sent by Colonel Zabotin to Moscow we find with reference to an agent:—

I think it is better to get rid of him, or to give him to the Neighbour.

To this telegram *The Director* replied that it would be preferable to wait, as this agent might prove to be useful to Zabotin's network. But later Zabotin was instructed to discuss the question of transfer with *The Neighbours*.

In this work in Ottawa Zabolin was using both Sam Carr and Fred Rose for his "military" espionage network. Pavlov sought to approach Sam Carr for his N.K.V.D. network, but Moscow said:—"Don't touch Sam Carr."

When Moscow asked Zabolin if he knew a certain "Norman" he answered that he did not. Then Motinov and Zabolin thought they had identified him; they asked Pavlov about the man they had in mind, and Pavlov said:—"Don't touch Norman we work with him". Zabolin then telegraphed Moscow:—"The Norman about whom you ask, we think is Norman Freed and 'neighbours' are busy with him". Moscow did not answer this telegram.

While Gouzenko's evidence and the documents establish the existence of the N.K.V.D. organization in Canada, we have been unable to ascertain the extent of its infiltration and the identity of its Canadian or other agents. We have, however, sufficient evidence to show that the N.K.V.D. system is parallel to, but entirely independent of and quite distinct from the military espionage network. Gouzenko stated in his evidence that the N.K.V.D. network was more extensive than that of Colonel Zabolin; that it had been operating much longer in Canada, and that it had several agents among members of the staff of the Soviet Embassy in Ottawa, and was headed by Pavlov.

Gouzenko was asked to explain what the name N.K.V.D. stands for.

Q. What is the N.K.V.D.?

A. That is the Department of Internal Affairs; previous it was called the O.G.P.U., but now it is the N.K.V.D.

Q. Is it the Department of Internal Affairs or a branch?

A. No, it is all the Department of Internal Affairs. Their business is in every office, in every plant, in every regiment in the Red Army, in every office of the Red Army, in every civilian school. The representatives of the N.K.V.D. have what they call a secret cabinet.

Q. Is it a secret police?

A. Yes, it is a police.

A. Each institution, school, plant, industrial plant, the Red Army and even the branches of the government, all have an official representative of the N.K.V.D. in the organization. He has a special room set apart, a secret room, where he does his business. And then he has his secret agents moving around amongst the workers, amongst the students, the school students, the school children, and

amongst the employees of the various institutions in government and civil life.

While one of the functions of the N.K.V.D. unit in Ottawa was apparently to keep tab on the Russian members of the Embassy staffs and to report on them to the N.K.V.D. headquarters in Moscow, as already stated they also operated an under-cover network of Canadian agents. Its functions included checking and reporting to the Russians on members of the Communist Party of Canada, as well as espionage. Gouzenko said:—

A. When I was working in Moscow as a cipher clerk at that time, that is the first time I saw this expression *Neighbour*. I worked there about a year and from the telegrams I saw and from conversations I understood that that was the cover name for another system, a parallel system, an independent system. The N.K.V.D. system is under the Minister of Internal Affairs — there is no Commissar now. This system exists as a parallel. When I arrived in Canada, some days later, I understood that Pavlov is the head of N.K.V.D.; the Second Secretary; he is the head of the N.K.V.D.

Q. Was there any N.K.V.D. organization in Canada prior to the first Russian Minister coming here?

A. From the correspondence which I read, I understand there was.

Q. From the telegrams which passed back and forth?

A. And the documents.

Q. You could see that there was an N.K.V.D. system?

A. Yes.

Q. If Colonel Zabotin decided to use an agent he would report on that agent to *The Director* at Moscow, would he not?

A. That is right.

Q. He would send photographs and biographical details and that kind of thing?

A. He can use him only with the permission of Moscow.

Q. When *The Director* at Moscow got that information he evidently had some means of making an independent check?

A. That is right.

Q. Did he use the N.K.V.D. for that?

A. He used that, and they used the Comintern also. Take the case of Norman Veall. Several times he tried to introduce himself to Sam Carr and some other people and said that he wanted to work, that he could get some information. They became a little

suspicious about him, especially when they learned that he was in possession of a testimonial from a Communist in Great Britain who had been accused of espionage and had spent several years in jail. They became a little suspicious because he insisted that he be allowed to work. They telegraphed to Moscow and Moscow said, "All right, we will check it." Colonel Zabolin wrote a telegram, "Please check on Veall through the Comintern". They have files on all Communists, files in the Comintern. They can check anybody through the Comintern. Finally Moscow said, "Yes, we know Veall, we do not find any compromising material against Veall." They can check up carefully. The N.K.V.D. can use Military Intelligence or they can use Comintern Intelligence.

- Q. Supposing Colonel Zabolin decided he could use _____; would he have to report to Moscow that he wanted to use him?
- A. That is right.
- Q. And then Moscow would check him through the Comintern?
- A. That is right.
- Q. Or through the N.K.V.D.?
- A. That is right.
- Q. If a man was a member of the Canadian Communist Party it would not mean that they would use him without checking on him?
- A. They must have that from Moscow. In Moscow they would go through all this information and they would decide whether they could use _____ or somebody else.
- Q. Every agent, whether he is a member of the Communist Party or not, has to be checked through Moscow before he can be used; is that right?
- A. He must be checked.

The documents dealing with the agent Germina (Hermina) Rabinowitch upon whom we are reporting in Section VI, also contain references to the N.K.V.D. system and corroborate Gouzenko's identification of Pavlov as the leading member of this network in Canada. Gouzenko stated:—

- A. Then there was a question about Hermina Rabinowitch. Of course, these agents did not know about the existence of the two systems. They worked for Russia. Miss Rabinowitch sent several letters to the Embassy, and of course those letters came to Pavlov. He was the first man to see her and he was thinking that there was another chance to get an agent. Then Pavlov tried to put her in

his system because the more agents they have the more praise from Moscow. So he was anxious to have this agent.

Q. Motinov was?

A. No, Pavlov. However, it was clear that she belonged to the Military Intelligence system, so he had to give her to Zabotin.

An entry in one of the Russian notebooks speaks of a visit in 1943 of Hermina to Tounkin, at that time Counsellor of the Soviet Embassy in Ottawa, reporting on the situation of a number of Soviet agents, mostly designated by cover-names, who were operating outside of Canada. The sum of \$6,700.00 was requested for them. The notebook entry continues:—

. . . After this Pavlov, 2nd secr. neighbour, asked his boss, who, according to Pavlov, allegedly replied that this is their man and you (Pavlov) should do nothing. . . .

The document goes on to outline recriminatory discussions between one of Zabotin's Russian assistants and Pavlov.

Gouzenko also said:—

Q. So the N.K.V.D. system started at least as early as 1924, has been operating continuously here, and is operating at the present time apart from Zabotin?

A. Yes.

Q. And you think the N.K.V.D. system is much larger than Zabotin's?

A. Yes.

Q. And both are working actually?

A. Yes.

This evidence given by Gouzenko and corroborated by the exchange of telegrams between Zabotin and Moscow, establishes, we think, that the N.K.V.D. has been operating here, but it is quite impossible to say whether or not its activities have come to an end.

Naval Intelligence System

There is some evidence that a Naval System of Intelligence was in process of being organized. In 1944, Captain First Rank Pantzerney who had been working in New York with the Soviet Commercial Counsellor as naval engineer, came to Ottawa. He exchanged information with Zabotin. Pantzerney had obtained certain information about the construction of ships in the Halifax Shipyards which he passed on to Zabotin, telling him he had obtained it in course of conversations with naval officers and en-

gineers at the Shipyards. This was evidently information of the kind *Surensen* was reported to be giving, and with which we deal later (Section IV-2).

Two men, who were Russian naval officers, working in a commercial organization in Vancouver, came to Ottawa, and had a conference with Zabolin and Motinov, at which the latter showed them a two hundred page report on the naval forces of Canada. As Gouzenko said:—

“Also, commercial representatives are interested in naval forces, not from the point of view of commerce but from the point of view of intelligence work . . .”

Gousev, a doorman at the Soviet Embassy, made a trip to Vancouver and on his return reported he had had a conversation with a man who was doing naval intelligence work and Gousev was quite critical of the man's work and capacity.

In 1943, the Canadian Government gave permission to establish a Soviet Consulate at Halifax. This is still in existence. At Vancouver there has never been a Soviet Consulate but when Canadian Mutual Aid shipments to Russia began to flow in some volume out of Vancouver, Krotov, the Commercial Counsellor, asked and obtained permission from the Canadian Government to send a shipping officer there to see to the loading, victualing, and so on of the vessels. The staff at Vancouver consisted of two men with a small clerical staff. Gouzenko says that the junior Soviet Consul at Halifax had been a worker in the Military Intelligence System. This man made a trip from Halifax in 1943 to discuss questions with Zabolin.

The “Political” System

Gouzenko stated that the head of the secret Political System in the Embassy was Goussarov, who holds the official position of Second Secretary in the Embassy. Gouzenko added that Goussarov had been an assistant to Malenkov, Head of the Foreign Section of the Central Committee of the Communist Party of the Soviet Union in Moscow, and that he (Gouzenko) had seen Goussarov working in the Central Committee Offices in 1942. Goussarov came to Canada as a Second Secretary in 1944. Gouzenko stated with regard to Goussarov:—

“Officially he was supposed to be working in the Textile Institute, as I read in a Canadian magazine. Then he came to Canada. Goussarov is only the Second Secretary but obviously his authority is on the level of the ambassador. He has direct contact with the

Central Committee of the Communist Party. He is a Party organizer in the Embassy, of the Central Committee of the Communist Party.

Then there was Patonya, the doorman. Officially he is the doorman in the embassy, one of the doormen. To my surprise when I went back one night I found that he was working in my room. I went back about one o'clock because Colonel Zabin told me he had a telegram to send. I saw Patonya working in my room. Nobody in the Embassy knew he was working in the secret division. I always saw him at night. I never saw him working in the day, when I was either sleeping or working. Together with him I saw Goussarov."

Gouzenko stated that Goussarov was head of the group made up of members of the Communist Party at the Soviet Embassy in Ottawa, that this group had a cover-name *Trade union*, and that Goussarov in conjunction with, but independently of, Pavlov was responsible for supervising the political orthodoxy of members of the Embassy.

Gouzenko testified that he had reason to believe that in addition to this, Goussarov had the task of transmitting political directives from his superiors in Moscow to the leaders of the Canadian Communist movement. These directives would include not only general political lines to be taken up in Communist propaganda, but also instructions on techniques of operation. Examples of the latter would be the instructions to create or to get control of functional organizations such as the "Canadian Association of Scientific Workers"; to occupy important positions in labour unions; when necessary for special purposes, to instruct certain Canadian secret Communists to take up temporarily an anti-Communist line; to get members into controlling positions in the executives of youth movements, international friendship councils, etc., which could be important from a propaganda point of view.

This system would also, according to Gouzenko, handle what he called the "Comintern Intelligence System". This apparently deals not with espionage but with obtaining and transmitting to Moscow biographical and other material on Canadian Communists and Communist sympathizers. These "dossiers" could then be used to check the information obtained through other networks regarding agents whom it was proposed to employ in one of the systems engaged in espionage or other special activities.

We must report that we have no corroboration, in any of the Russian documents placed before us, for this part of Gouzenko's testimony regard-

ing the transmission of political directives. It must at the same time be borne in mind that from the nature of this system, as described by Gouzenko, no such corroboration could in the nature of things be expected from documents prepared by the military espionage agents. We are therefore reporting Gouzenko's testimony on these matters only as his informed opinion, based on his experiences as a member of one of the "secret sections" of the Soviet Embassy.

At first sight we would find it difficult to credit that the leaders of any Canadian political party would take instructions, regarding the political activities which they directed, from agents of any foreign power. However, it would be still more difficult for us to believe that men such as Sam Carr and Fred Rose, who have been shown to have acted for many years as key members of an espionage network headed by agents of a foreign power and directed against Canada, would not also be prepared to accept, from agents of that same foreign power, political instructions regarding the organization which they directed. We would be less than frank, therefore, if we did not report this opinion.

Gouzenko, in a statement which he wrote on October 10, 1945, summarizing what he had said to Canadian police officials on September 7th, said the following:—

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, etc., etc. . . .

The attitude of members of the Soviet Embassy staff toward "developed" members of the Canadian Communist Party is well summed up in the Russian word "*NASH*", occasionally used as a sentence by itself with reference to members of that Party in Colonel Zabotin's notebooks. "*NASH*", literally translated, means "OURS" or "HE IS OURS".

SECTION II. 3

INTERNATIONAL LINKS OF ZABOTINS' NETWORK

It is not within our province to investigate spying activities in other countries, but some of the activities carried on in Canada were so linked with what happened elsewhere that we feel bound to mention them in this Report.

In general, the military espionage network in Canada, headed by Colonel Zabotin, was a self-contained unit directed from Moscow. At times, however, the documents from Colonel Zabotin's secret archives refer specifically to espionage networks in other countries. Some of these documents relate to the "handing over" from one espionage network to another of agents who have moved or are about to move to Canada from another country or from Canada to another country.

Thus in the summer of 1945, it became known that Dr. Alan Nunn May would be likely to leave Canada shortly for work in the United Kingdom. This gave rise to a series of telegrams between Moscow and the Soviet Military Attaché in Ottawa, of which Gouzenko brought three.

The Director in Moscow wired Zabotin in Ottawa on the 30th of July, 1945, as follows:—

No. 10458

To Grant

30.7.45

Reference No. 218.

Work out and telegraph arrangements for the meeting and the password of Alek with our man in London. Try to get from him before departure detailed information on the progress of the work on uranium. Discuss with him: does he think it expedient for our undertaking to stay on the spot; will he be able to do that or is it more useful for him and necessary to depart for London? ~~in the first half~~

*

Grant

Director. 28.7.45

31.7.45

Zabotin wired *The Director* early in August on this matter:—

To the Director,

244

We have worked out the conditions of a meeting with Alek in London. Alek will work in King's College, Strand. It will be possible to find him there through the telephone book.

* Faint type indicates words crossed out in original documents.

Meetings: October 7.17.27 on the street in front of the British Museum. The time, 11 o'clock in the evening. Identification sign:—A newspaper under the left arm. Password:—Best regards from Mikel (Maikl). He cannot remain in Canada. At the beginning of September he must fly to London. Before his departure he will go to the Uranium Plant in the Petawawa district where he will be for about two weeks. He promised, if possible, to meet us before his departure. He said that he must come next year for a month to Canada. We handed over 500 dollars to him.

Grant.

This arrangement did not wholly meet with *The Director's* approval, and on 22nd August we find his reply:—

11955
22.8.45

To Grant

Reference No. 244.

The arrangements worked out for the meeting are not satisfactory. I am informing you of new ones.

1. Place:

In front of the British Museum in London, on Great Russell Street, at the opposite side of the street, about Museum Street, from the side of Tottenham Court Road repeat Tottenham Court Road, Alek walks from Tottenham Court Road, the contact man from the opposite side—Southampton Row.

2. Time:

As indicated by you, however, it would be more expedient to carry out the meeting at 20 o'clock, if it should be convenient to Alek, as at 23 o'clock it is too dark. As for the time, agree about it with Alec and communicate the decision to me. In case the meeting should not take place in October, the time and day will be repeated in the following months.

3. Identification signs:

Alek will have under his left arm the newspaper "Times", the contact man will have in his left hand the magazine "Picture Post".

4. **The Password:**

The contact man: "What is the shortest way to the Strand?"

Alek: "Well, come along. I am going that way."

In the beginning of the business conversation says: "Best regards from Mikel".

Report on transmitting the conditions to Alek.

18.8

Director.

22.8.45

Grant.

A section in the Russian dossier on Sam Carr contains, in the handwriting of Lieut. Colonel Rogov, the following paragraphs, among a list of tasks prepared for him by his Russian masters, and headed "*TASK No. 2 of 15.6.45*":—

TASK NO. 2 of "15.6.45"

FRANK: 1. On the ground of data previously communicated with respect to A. N. Veale (an Englishman), it is known to us that up to 1942 he worked in the meteorological service of the Royal Air Force in Cambridge. Following this he went to Canada on a scientific mission. Before leaving Veale ~~received~~ allegedly received instructions from his director to get in touch with your corporation.

At present he would like to know more details about Veale and therefore it is desired that for the forthcoming meeting (15.7.45) you should in written form enlighten us on the following questions:

(a) Did Veale really work in the meteorological service of the Royal Air Force in Cambridge and has his mission (stay) in Canada a direct connection with his service in England.

(b) If these facts are confirmed, you should try to draw ~~him~~ Veale into a frank discussion and ~~put~~ put the question straight to him, what he wants from you.

* Faint type indicates word crossed out in original documents.

- (c) However, should Veale in the course of the conversation refer to his corporation membership and to the instructions of his director in England to get connected with the Canadian Corporation, then let him give the name of the person who gave him these instructions.
- (d) Do not take from Veale any material and do not show any interest in any information whatever.

Another example of liaison arranged in Moscow between the networks in Canada and the United Kingdom is provided by a part of a document in the handwriting of Lieut. Colonel Motinov, apparently a draft of a telegram which was subsequently authorized by Colonel Zabotin, ciphered by Gouzenko, and sent to Moscow:—

To the Director, on N.

I am communicating to you the arrangements for Berman's meeting in London. The meeting will take place two weeks after Berman's departure from Montreal, counting the first Sunday after his departure as the date of his departure, even if he should have left on a Wednesday. The meeting will take place at 15 o'clock on Sunday, in front of the office of the High Commissioner for Canada, London, S.W.1. (Canada House, Trafalgar Sq.). If on the first Sunday it does not take place, it will be transferred to the next Sunday at the same hour and so on until contact is established. Berman will be in civilian clothes—brown suit (tweed) checkered, without a hat, with a newspaper in his right hand.

Pass-word: "How's Elsie?"

Berman will reply: "She's fine."

Thereupon our man will hand over to him a letter signed "Frank".

If the meeting at the designated place should prove impossible, or inconvenient for us, Berman will send his address to his wife, the latter will give it to Debouz, and the latter to us and it may be possible to undertake the meeting at the address of his living

quarters. When you will advise us that the meeting will be more convenient at the apartment, then we will tell Debouz and he will tell Berman's wife. Berman's wife will write him a letter with the following sentence: "Ben has not been feeling too well". After that he will await the meeting at his apartment.

Supplementary data.

He joined the Party in 1938. ~~Had a business~~ *
Worked as an insurance agent. His wife joined the Party in 1939. During the illegal period he worked in the central apparatus of the Party on organizational work.

These instances of liaison, or transfers, between the Soviet networks in Canada and in other countries were not limited to Great Britain. An example of a similar contact in the United States is provided in a page torn from one of Lieut. Colonel Motinov's secret notebooks:—

To Debouz

Stenberg — "Berger". 4133

Debouz is to tie up with Berger and depending on the circumstances is to make a proposal about work for us or for the corporation. Contact in Washington with Debouz's person. To work out arrangements for a meeting and to telegraph. To give out 600 dollars. If Debouz should be unable to go to U.S.A. then there should be a letter from Debouz to Berger containing a request to assist the person delivering the letter to Berger.

12.5.45 22.00 St. Patrick & Cumberland.

Other documents deal in considerable detail with relations between Colonel Zabotin's organization, Pavlov's (N.K.V.D.) organization, and a network of secret agents operating on the continent of Europe. They show *inter alia* that on one occasion in 1944, \$10,000 was transferred, with the assistance of a secret agent in Canada, through the intermediaryship of a commercial firm in New York, to this European network, on the instructions of Colonel Zabotin. This matter is dealt with in Section VI and mentioned above in our discussion of N.K.V.D.

* Faint type indicates words crossed out in original documents.

SECTION II. 4

THE COMINTERN

Gouzenko stated before us that the Communist International, or "Comintern", whose dissolution had been announced in Moscow to the world press on May 15th and June 10th, 1943, continued to exist and to function secretly.

In his statement of October 10th, 1945, Gouzenko said:—

The announcement of the dissolution of the Comintern was probably the greatest farce of the Communists in recent years. Only the name was liquidated, with the object of reassuring public opinion in the democratic countries. Actually the Comintern exists and continues its work. . . .

The documents which Gouzenko brought with him corroborate this testimony.

The Registration Card at the beginning of the 1945 dossier kept in the Soviet Embassy on Sam Carr, National Organizer of the Communist (Labour-Progressive) Party of Canada, contains after the mimeographed heading *Biographical Data* the following typed entry, in Russian:—

Detailed biographical information is available in the Centre in the Comintern.

The evidence shows that this document referring in the present tense to the Comintern, was prepared by Lt. Col. Rogov early in 1945.

Gouzenko defined the Comintern as follows:—

"The Communist International, the Comintern, is the staff headquarters which directs the activities of the Communist parties all over the world."

Gouzenko was questioned further about the above entry in Carr's dossier:—

Q. I just want to come back to that last subject for a moment, to make it perfectly clear to myself. I am looking at Exhibit 19, the first sheet, which is headed "Registration card" dealing with Sam Carr. The last two lines read, "Detailed biographical information". Apparently that is the form before it was filled in; after that it says ". . . the Comintern. Knows Russian perfectly. Finished the Lenin School in Moscow." If the Comintern means the staff in Moscow which runs the Communist Party, as I understand it, in

- Russia and abroad, does that reference on Carr's registration card mean that he is a member of that staff?
- A. No.
- Q. All right; then what is the explanation?
- A. On every Communist there is a file at the Comintern at Moscow; for every Communist in the whole world there is a file at the Comintern at Moscow. More detailed information is on the files at the Comintern.
- Q. So this reference on the registration card means that if anybody is looking at this registration card and wants more information on Carr than it contains, there is more information on file at Moscow?
- A. That is right.
- Q. And am I correct in understanding that the word "Comintern" is also used in Russia to refer to the secretariat in Moscow of the foreign Communist Parties? Is that correct?
- A. No. The Comintern or Communist International is like a headquarters that directs the activities of the Communist Parties in the whole world.
- Q. That is approximately what I said; a headquarters staff?
- A. Yes.
- Q. This first sheet in Exhibit 19-A was not typed out until early in 1945, but it contains a reference to the Comintern, does it not?
- A. Yes.
- Q. The Comintern was supposed to have been abolished before 1945?
- A. Supposed to be abolished in 1943, but it is not so.
- Q. It is not abolished?
- A. That is right.
- Q. In 1945 Rogov typed or had typed the statement that they had Comintern records still available to refer to?
- A. He knew very well the Comintern existed in Moscow.
- Q. Rogov knew the Comintern had not been abolished and that all the records were complete there?
- A. That is right.

Q. It would have been possible—I am not saying it is so—for the Comintern to have been abolished as an organization and all the records still kept?

A. That is right, and all the personnel is still kept in Moscow; it is just the name that is abolished.

Gouzenko, in his evidence on the Comintern, spoke generally of it as a headquarters staff controlling the activities of Communist Parties in other countries in various aspects, including political aspects. His detailed evidence dealt however with the role of the Comintern specifically in espionage activities, since it was in one of the espionage branches that Gouzenko himself had direct personal experience.

Prior to coming to Canada in the summer of 1943 Gouzenko, as we have already pointed out, had worked for a little over a year in the "Centre" of *The Director* in Moscow of the Military Intelligence organization. He testified that he had there enciphered and deciphered telegrams to and from many other countries disclosing the use of local Communist Parties for espionage purposes, in networks similar in general outline to that which Col. Zabortin later headed in Canada.

An aspect of Comintern activities is illustrated by the "Witczak passport" case. It has been established that Sam Carr, National Organizer of the "Labour-Progressive Party", acting on instructions from Moscow delivered through Col. Zabortin and his assistants, undertook in 1944 to obtain illegally a Canadian passport for a Soviet agent located in California, and at the end of August 1945 did in fact obtain this passport by forgery and bribery. It was needed to replace a Canadian passport, about to expire, under which the Soviet agent had been living in the United States since 1938. The earlier passport had been appropriated by Russian agents from a Canadian member of the International Brigade in Spain during the Civil War there, and the Soviet agent in California had been living in the United States under the name and with the passport of this Canadian. This matter is reported more fully in Section V.

There is evidence that *The Director* in Moscow intended to develop further, and extensively, this practice of planting agents, under cover of false documentation, not only in other countries as pseudo-Canadians, but in Canada also. For this purpose too the assistance of Sam Carr was enlisted.

Thus one of the pages in the Russian dossier on Sam Carr contains the following list of assignments, headed "*Task No. 3 of 1.8.45*":—

1. Requirements which a person living as an "illegal" must meet (nationality, citizenship, occupation, education, knowledge of languages, family and financial conditions etc.)
2. Ways of legalisation (organization of a commercial undertaking, joining a business firm as a partner, kind of firm, joining as a member any office, joining the army as a volunteer, accepting employment.)
3. Documents which an "illegal" must possess (passport, different kinds of certificates, references, recommendation letters, etc.)
4. More expedient methods to slip into the country.
5. To provide for secure living quarters and financial means during the period when the "illegal" gets acquainted with the local set-up and conditions.
~~The possibilities of attracting~~
6. To reveal the channels of influence of the English government on the foreign policy of Canada. *
7. Conditions of entry into the country and of moving about in the country.
8. Conditions of adaptation and living in the country.
9. Methods of work of the counter-espionage. The organization of the Federal and provincial counter-espionage services.

Colonel Zabotin and his colleagues obviously attached importance to this, and the following page in the dossier, headed "*Assigned personally 16.8.45*", reads in part:—

The Task

1. To write a report on the technique of making up passports and other documents, indicating precisely who on your side (Frank's) is engaged in this activity.
2. What documents can be made and can be received through you.

There is also evidence suggesting that other false Canadian passports had been obtained previously to the Witczak passport. A Colonel Milstein, who came to North America in the summer of 1944, under guise of a diplomatic courier with a Soviet passport in the name "Milsky", to inspect the agency networks in Mexico, the United States, and Canada,

* Faint type indicates words crossed out in original documents.

was particularly interested in reviving the use of persons in Canada who had assisted in production of illegal passports some time previously. He discussed this subject at length with Sam Carr, and according to Gouzenko he reported to Moscow that the possibilities in this field were great.

One of the documents in the dossier on Sam Carr refers to this discussion between Colonel Milstein, whose cover-name was *The Commander*, and Carr:—

Sam, 14 Montrose, Lloydbrook 7847.

14.6.44 The Commandor met Sam and agreed on meetings between him and Leon once in 3 months. The regular meeting was fixed for 15.9.44 at 21.00, Dominion Boulevard (opposite Windsor Hotel) in Montreal. On 15.9.44 to discuss:

1. **Who prepares passports, i.e. what kind of people are they. Are they not the old shoemakers who a few years ago fell through.**
2. **To take money to the meeting.**

Shoe is a cover-name used by the Russian Military Espionage service for passport, and *shoemaker* for a person making or obtaining passports for the service.

The efficient functioning of the Comintern organization is further shown by the highly systematized interest of *The Director* in Moscow in each non-Russian agent, and in the recruiting of new agents. Before a new agent could be employed by Col. Zabotin for espionage purposes he had to propose the name, with particulars to Moscow. Moscow would then check independently, inferentially through one of the other agency systems before approving or withholding approval.

SECTION II. 5

RECRUITING METHODS

One of Zabolin's main objects when he started his operations, was to recruit persons willing to supply secret information. 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 ingenuity that is shown in the method employed to get prospective agents into the "net" indicates that the system has been thoroughly worked out to cover all eventualities. The way in which persons who were in a position to furnish secret information, or who might be used as contacts, and who had some inherent weakness which might be exploited, were selected and studied, clearly establishes this. The methods of approach varied with the person and with the position.

The first page of each dossier kept by Colonel Zabolin on his Canadian agents was a mimeographed form headed "*Registration Card*" and has the following divisions:—

1. SURNAME, NAME, PATRONYM _____

2. PSEUDONYM _____
3. SINCE WHEN IN THE NET _____
4. ADDRESS:
 - a) OFFICE _____
 - b) HOME _____
5. PLACE OF WORK AND POSITION _____

6. FINANCIAL CONDITIONS _____

BIOGRAPHICAL DATA:

It was, as indicated, of paramount importance that the ideology of the prospective agents be clearly established and that their natural inclinations be thoroughly investigated, so that the mode of approach and the method of persuasion might be varied accordingly.

Communist Party—The Main Recruiting Base

It became manifest at an early stage of this Inquiry, and has been overwhelmingly established by the evidence throughout, that the Communist movement was the principal base within which the espionage network was recruited; and that it not only supplied personnel with adequately "developed" motivation, but provided the organizational framework wherein recruiting could be and was carried out safely and efficiently.

In every instance but one, Zabolin's Canadian espionage agents were shown to be members of or sympathisers with the Communist Party. The exception was Emma Woikin, who was not, so far as the evidence discloses, of the above class. Her motivation was a sympathy with the Soviet regime based, as she said, on "what I have read".

Because of the emergence of this fact, it was necessary for us to ascertain where each of the persons whose conduct was being investigated stood with regard to Communist ideology and Communist associations.

Zabolin found already in existence in Ottawa, Montreal and Toronto numerous study groups where Communist philosophy and techniques were studied and where writings of Marx, Engels, Lenin and later authors were read and discussed. To outsiders these groups adopted various disguises, such as social gatherings, music-listening groups and groups for discussing international politics and economics. In some at least of these groups dues were collected and the money used for various purposes including assistance to Communist Party leaders, and the purchase of Communist literature.

These study groups 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 of the Soviet Union in a more practical way.

Occasionally these groups were visited by higher Party officials who kept in close contact with them and obviously reported to Colonel Zabolin as to the ability of "candidates" to become full-fledged agents.

When it was found that the "candidates" fulfilled all these requirements, they were definitely recruited as "agents" and tasks were then assigned to them.

The technique revealed by the documents is as follows: a senior member of the Canadian Communist Party, such as Sam Carr, the National Organizer of the Party, or Fred Rose, the Quebec Organizer, would propose certain Communists to one of Zabolin's Russian colleagues as potential espionage agents. Col. Zabolin would get details about the "candidate", including his "possibilities"—that is, place of work and the kind of informa-

tion to which he had access—and would send this to Moscow. Moscow would then telegraph Zabolin permission or refusal to use this particular “candidate”. The evidence is that Moscow would first make an independent check, which according to Gouzenko was done through one of the parallel systems of networks.

Sometimes Moscow would take the initiative in suggesting to Zabolin some Communist in Canada to be contacted and enlisted for espionage work. The evidence is that Moscow made this suggestion on the basis of lists of non-Russian Communists whose names and dossiers, perhaps unknown to themselves, were kept on file in Moscow.

The evidence shows that the espionage recruiting agents made use in their work of reports, including psychological reports, on Canadian Communists which had been prepared as part of the routine of the secret “cell” organization of that Party. Apparently these reports were prepared on various individual Communists by other Communists who had got to know them through joint membership in a study-group. The psychological reports would then be passed up through the pyramid of cells and made available to senior Communists for such purposes as the latter considered necessary. Such reports obviously facilitate selection of Canadian Communists for invitation to engage in espionage activity, and assist the Russians in determining the method of approach. A preliminary feeling out of the selected recruit, before the latter realized the sinister purposes for which he was being considered, could also be made within the framework of normal Communist Party activities and organization, and there is also evidence that this was part of the technique of recruiting.

An entry in one of the Russian notebooks illustrates some of the background carried on with regard to Ned Mazerall (cover-name *Bagley*) before he was approached directly and asked to engage in espionage. Mazerall had apparently been designated to the Russians by Fred Rose, M.P., (*Fred* or *Debouz*), and the arrangement was that he should be approached by Captain Gordon Lunan (*Back*). Rose then had a meeting with Lunan, as testified to by Lunan himself, which turned out to be preparatory to the direct enlistment of Lunan in the espionage network by Lt. Col. Rogov (*Jan*). The plan that was conceived—and later carried out as related to us by both Lunan and Mazerall themselves—was that Lunan should then approach Mazerall and enlist him in the espionage network.

A preliminary entry in one of the Russian notebooks reads as follows:—

3. **Bagley**—so far no contact has been made. The main reasons are that he lives so far from the city and the influence of his wife who does not want him to meet corporators. On Back's proposal for a meeting, he answers that he is busy and is living far away, but at the same time he invites to his house. Back communicated that he will have a meeting with him in the period of 20.5 to 5.6—

He further added that Bagley knows nothing about his immediate work as Debouz had talked with him only generally, and recommended that Back should study him in detail and only after that to start working with him.

*
†

Again, in Lunan's first progress report to Rogov, dated March 28, 1945, he wrote with regard to Mazerall:—

Bagley: I have been unable to see him as yet. He has not been a very regular or enthusiastic supporter for several months although he is now showing more enthusiasm. He lives in the country and his wife is antagonistic to his political participation. He strikes me as being somewhat naive politically, and I shall take things slow with him for a while. I plan to develop his acquaintance as much as possible and gain his confidence by collaborating on some scientific articles. Will report on him next time.

It is significant that this report was written by Lunan, according to the latter's own testimony, before he had met Mazerall, and his diagnosis of him, set out above, had been made from reports. Earlier in the same letter to Rogov, Lunan had stated:—

It should be understood that neither Bacon, Bagley nor Badeau are well known to me, either personally or politically, nor I to them.

Lunan also received a preliminary report from some source within the Communist organization which has not been disclosed, on Professor Halperin (*Bacon*), and wrote as follows in his first letter to Rogov:—

Bacon:—I received an excellent report on Bacon, and approached him more frankly than the others.

The routine organizational framework of the secret sections of the Communist movement also apparently provided a convenient method

* Faint type indicates words crossed out in original documents.

† Word in heavy type indicates an insertion in the original document.

whereby one secret member could check the "credentials" of another whom he did not know but who approached him with instructions to engage in illegal activities. Thus Lunan, in his first letter to Rogov, stated of Durnford Smith:—

Progress has been held up somewhat . . . by the caution displayed by Badeau (a good thing probably) in checking independently into my credentials. . . .

Lower down in the same letter Lunan writes again of the same man:—

Badeau:—warmed up slowly to my requests and remained non-committal until he had checked independently on my bona fides. Once satisfied he promised to cooperate. . . .

Lieutenant-Colonel Rogov in his manuscript notes headed "*Results of the last meeting of Back's Group*" writes of him:—

4. Back himself has no possibilities. He is being used as a contact.

The Director in Moscow sometimes took the initiative in indicating those Departments or Agencies of the Canadian Government in which he particularly wished espionage agents to be developed from among the Canadian staff; e.g. a telegram from Moscow to Col. Zabotin, states that:—

2. We are definitely interested in obtaining people from the departments mentioned. Let Frank, after the staffs have been set up in final form, recommend one or two candidates for our study.

Frank is a cover name for Sam Carr. This pseudonym was given because his earlier cover-name *Sam* was considered dangerously revealing as to his real name. The "departments mentioned" refers to the headquarters of the Canadian armed forces.

A good illustration of the ease with which *The Director* in Moscow was able to obtain espionage agents from the secret membership of the Canadian Communist Party in selected Canadian organizations is provided by the *Research Group* consisting of Halperin, Durnford Smith and Mazerall, under the leadership of Lunan. Two of the three scientists were members of a Communist cell made up of scientists most of whom were employed in the National Research Council in Ottawa. There is no evidence that before the end of March, 1945, any members of this group contemplated espionage against Canada or any other illegal activity—though

they did take pains to keep their political views and the existence of their study-group secret from the associates with whom they worked. Lunan reported of them to Rogov that *before* he approached them for espionage purposes:—

They already feel the need for maintaining a very high degree of security and taking abnormal precautions at their normal meetings (about once in two weeks), since they are definitely not labelled with any political affiliation. One or two have even opposed the introduction of new members to our group on the grounds that it would endanger their own security.

But the Soviet Military Intelligence organization desired to have additional spies in Canadian scientific research organizations. The interview between Rose and Lunan, leading up to the meeting between Lunan and Rogov, resulted in the latter giving Lunan instructions to enlist Halperin, Durnford Smith and Mazerall as espionage agents. Whereupon within a few weeks the three Canadian scientists are found engaging actively in the espionage operations.

Thus within a short period of time what had been merely a political discussion group, made up of Canadian scientists as members of a Canadian political party, was transformed on instructions from Moscow into an active espionage organization working against Canada on behalf of a foreign power. It is particularly startling that none of the initiative for this transformation was supplied by the three scientists themselves.

Constant Emphasis on Further Recruiting

The emphasis laid on recruiting appears throughout the documents: in addition to those already quoted reference should be made to the following extracts:—

Squadron Leader Mat Nightingale . . .

. . . Task 1. Recruiting.

2. . . .

ALEK. 1. . . .

2. Characteristic of the work of the laboratories and of the people. Friend Henry

_____.

. . . .

6. How about his friend, _____, possibilities and proposal of development. . . .

Sam proposed Foster.

- . . . 5. **Your possibilities regarding the selection of people in the General Staffs of the armed forces.**

In Sam Carr's dossier, Rogov who compiled it records that one of the tasks set to Carr was:—

4. **Is there any possibility for you of developing our work in the Ministry of National Defense, in the Ministry for Air, in the Ministry of the Navy or else in their military staffs.**

At the present time these fields are of great interest to us and we want you to put forth maximum efforts in this matter.

Carr's answer as recorded by Rogov is:—

Everything shall be clarified in July-August, for at the present time the staffs are being replaced by front line men.

On August 2nd, 1945, Zabolin telegraphed Moscow:—

2. **Sam promised to give us several officers from the central administration of the active forces. At present it is pretty hard to do it, in view of the fact that ~~a re-shuffle of persons~~ a filling of positions in the staff with officers who have returned from overseas is taking place.** *

To this *The Director* (Moscow) replied under date of August 14, 1945:—

2. **We are definitely interested in obtaining people from the departments mentioned. Let Frank, after the staffs have been set up in final form, recommend one or two candidates for our study.**

There is frequent reference in the various Russian documents to the importance attached to the recruiting of new agents throughout the war years, but these seem to have been particularly frequent during the course of 1945.

The evidence also discloses that secret members of the Communist Party played an important part in placing other secret Communists in various positions in the public service which could be strategic not only for espionage but for propaganda or other purposes.

* Faint type indicates words crossed out in original documents.

Supplementary Recruiting Methods Also Contemplated

While most of the "agents" were recruited from Communist "cells" after they had been thoroughly investigated and found sufficiently indoctrinated, other recruiting methods of a different nature were also employed by the Russians in *attempts* to extend the scope of their Fifth Column networks.

a) Social Contacts

For example certain Soviet officials endeavoured to exploit their social relationships and diplomatic contacts with persons in Canadian Government Service. One of the exhibits is a document typewritten in Russian, prepared in November, 1944, by Lieutenant-Colonel Motinov for submission to Colonel Zabotin and signed by the latter under his cover-name *Grant* with the note "*I confirm*". It is headed "*Questions requiring to be clarified through Lamont (Motinov) and Brent (Rogov) concerning Jack and Dick.*" It was prepared to answer certain questions put by Moscow, where there appeared to be some confusion as to the identities of "*Jack*", "*Dick*" and another person, who had been reported on by Zabotin. While this document refers only to two men it is an excellent example of the system employed in cases of men that it was hoped to recruit by this means. The Exhibit concludes as follows:—

Both the first as well as the second, work in responsible positions, consequently they gave their signatures not to divulge military secrets. Therefore the character of the work must be the usual one — a personal touch in conversations on various subjects, beginning with oneself, one's own biography, work and daily life, at times asking them, as if for comparison of this or that situation, etc.

The document contains also the details of the questions to be put and the lines of approach to be followed. It reads in part:—

1. FOR BOTH

1. To clarify basic service data:

- (a) Present position, where did he work previously;
- (b) Prospects of remaining in the service after the war and where;
- (c) From what year in the army, does he like the service;

(d) Relations with his immediate superiors.

2. To elucidate brief biographical data:

- (a) Age, parents, family conditions;
- (b) Education, principal pre-war specialty;
- (c) Party affiliation, attitude towards the politics of King;
- (d) Financial conditions, inclinations toward establishing material security for his family (intentions to engage in business, to own a car, a home of his own and what hinders the fulfilment of this plan.)
- (e) Attitude towards our country and her politics;
- (f) Wherein does he see the prosperity of Canada (in friendship with America or in retaining English influence);

3. Personal positive and negative sides.

- (a) Inclination to drink, good family man;
- (b) Lover of good times, inclination for solitude and quietness;
- (c) Influence of his wife on his actions, independence in making decisions;
- (d) Circle of acquaintances and brief character sketches of them.

4. Program for future (ideological or financial requires to be determined).

5. Particulars:

- 1. The first, a Frenchman and the whole family is French.
- 2. The second, an Englishman but his wife is a French woman. Their views on some matters are different, but he, knowing the strictness of the Catholic religion, endeavours not to offend his wife, in connection with which he occasionally refuses to discuss questions which concern his wife's religion.

One of the cover-names used in this document referred to a Colonel in the Canadian Army who had met Colonel Zabotin, Lieutenant-Colonel Rogov and Lieutenant-Colonel Motinov socially only. We should observe that the cover-name was used by the Russians for this man, without his

knowledge. Heard as a witness the Colonel dispersed any doubts or suspicions that may have existed and said:—

“They have misinterpreted our sincere endeavour, both my wife’s and mine, to make them feel at home in Canada, and to show them something of Canadian life; but I am cured.”

The other Canadian officer also appeared before us. His experience was much the same.

In telegrams we also find the name of Colonel Jenkins, the Director of Military Operations and Planning of the Canadian Army, who was responsible for the coordination of all army matters concerning foreign Military Attachés in Ottawa, and who was the channel between such Military Attachés or foreign officers and the National Defence Headquarters. His functions and duties are fully set out in Section VIII. It seems evident that when Colonel Zabotin transmitted to Moscow the official and authorized information which he had received in common with the other Military Attachés, he did not always mention that it came from an authorized source. He stated to Moscow in one of the telegrams he had never planned to “develop” Col. Jenkins as an agent, giving as his reason that he was a Reserve Officer and would soon retire.

It is not necessary to say that Colonel Jenkins is above all suspicion, and we mention his name only because it had appeared in the public press, having been interjected by the defence in the course of the trial of Mazerall. We cite these cases to illustrate the constant aim of Col. Zabotin and his associates to recruit new agents, and the improper use they attempted to make of their social and diplomatic relations.

b) Registration of Ukrainians and Poles

In addition to recruiting among secret adherents of the Canadian Communist movement, and the attempt outlined above to exploit certain social and diplomatic contacts, there was, Gouzenko testified, a plan to extend the fifth column base by an additional method. Gouzenko said:—

“Russians or Ukrainians who came from the territory which is now occupied by Russia—Ukrainia or Eastern Poland—are paid serious attention by the Soviet officials. These Soviet officials have taken a lesson from this war. They learned what the Germans did. They know that years ago the Germans established very close contact with every German resident in other countries. They organized their Consuls and Embassies and obtained the names of relatives

or relations of people who were living in other countries. They got in contact with all persons of German origin and if they considered it necessary they asked them to work in a general way. Sometimes they did not consider it necessary that they should work for them, but they just kept in touch with them.

In the same way Soviet officials are working with the Canadians of Russian and Ukrainian origin. They try to develop those people as a Communist-minded population. If they consider it is necessary to develop some of them, they can use the fear that their relatives will be persecuted in the home country. That is no joke. It is the real thing. They may say to a man, 'If you do not agree to work, your sister or brother may be liquidated'."

Gouzenko also said:—

"They would not use just one method; they use a combination of all methods. They are always saying never to put all your aspirations and hopes on one method. Combine methods. They say that life is very complicated, so use everything possible. They would combine this method of infiltration, outside help, sympathizers, and others."

We have no evidence to corroborate Gouzenko's testimony on this latter point regarding any intention to put pressure on Canadians of Ukrainian or Byelo-Russian origin. It has, however, been established that the Soviet Embassy, in the course of its consular activities in Canada, did in fact during the autumn of 1945 inform the Canadian Department of External Affairs that it was carrying out a registration of persons living in Canada who came originally from territories formerly Polish which have since the war been incorporated into the Ukrainian and White Russian Soviet Socialist Republics of the USSR. It has also been established that advertisements were inserted in certain Canadian newspapers, chiefly newspapers in the Russian or Ukrainian languages, stating that persons from these territories who had not acquired Canadian citizenship were *required* (sic) to register. Offices were opened temporarily for this purpose in various Canadian cities by the consular section of the Soviet Embassy. It has been established that it was Vitali Pavlov who made the necessary official communications to the Canadian Department of External Affairs.

While, therefore, we have no reason to believe that this policy of registration was motivated primarily by any improper objectives, it is possible that the N.K.V.D. network headed in Canada by Pavlov did intend to take advantage of this registration for the improper purposes alleged by

Gouzenko. Under the circumstances, we feel that it is our duty to include Gouzenko's testimony on this point in our Report.

Increase of Russian Staffs

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. This would naturally require a corresponding expansion in the Russian staff. Gouzenko said that it was considered desirable to have a separate Russian contact-man to "handle" each Canadian agent who had been put in direct contact with the Soviet Embassy, and that Zabotin considered his staff "dangerously" small. Zabotin himself was strictly forbidden to do any contacting in person.

Gouzenko testified that Zabotin was so confident of the successful further development of his network of Canadian agents that he asked Moscow by telegram for a considerable increase in his staff of contact-men, suggesting that some could be given official positions in the Embassy proper, others in the Commercial Section and in the Press Section. Gouzenko also testified that *The Director* had sent a telegram to Zabotin in reply, which stated that his organization in Moscow was actively looking for additional men to send to Canada, and that it was proposed to increase the staff of the Military Attaché's Office by more than one hundred percent and to give him additional men who would be officially attached to other Sections of the Embassy. This proposed expansion, according to Gouzenko, explains the telegram No. 264 which Zabotin sent to Moscow on 25 August, 1945:—

264

To the Director,

The Economist has arrived. In a conversation with him I learned that his staff will consist of 97 persons. A part of the persons selected by him will be trained in the centre, but the staff was not fully selected. Davy will remain in the apparatus of the Economist on the instructions of his boss. The establishment of the Economist will move to Montreal. In connection with the increase of our staffs it would not be bad to occupy the house of the Economist after their departure. The Economist promised to let me know in time. The boss of metro is also aspiring to occupy this house, although they have no particular need. Please support my proposal in the future, if it

is made by me to you or to the Chief Director in a telegram. The house of the Economist is almost twice as large as ours.

Grant

25.8.45

This telegram suggests that "a part" only of the 97 members of the staff to be officially attached to *The Economist* had been selected and would be trained in the *Centre*, that is, in the Military Intelligence Headquarters in Moscow. It states also that *The Economist's* organization was to be transferred to Montreal, and by inference shows that Zabolin expected a considerable increase in staff officially placed in the Military Attaché's Office in Ottawa, in addition to the espionage contact-men to be disguised as Soviet Trade Representatives.

The Economist is the cover-name used by the military espionage organization for Krotov, the Commercial Counsellor of the Soviet Embassy. He had himself worked for this espionage organization, but had discontinued active operations of this type. One of the documents, listing a group of Canadian agents and Russian contact-men, contains the entry:—

Economist has not been working since the month of October.

The Soviet Embassy addressed a number of enquiries, oral and written, to the Canadian Department of External Affairs, during the period from the latter part of August, 1945, to the end of November, 1945, as to the possibility of securing official permission from the Canadian Government for establishing a large Soviet trade mission "in Montreal or Toronto". Diplomatic immunities were sought for this commercial mission.

Evidently the Soviet espionage leaders planned to use this proposed Trade Mission to cover a number of additional espionage contacting agents.

SECTION II. 6

MOTIVATION OF AGENTS

Perhaps the most startling single aspect of the entire Fifth Column network is the uncanny success with which the Soviet agents were able to find Canadians who were willing to betray their country and to supply to agents of a foreign power secret information to which they had access in the course of their work, despite oaths of allegiance, of office, and of secrecy which they had taken.

Many of the Canadian public servants implicated in this espionage network were persons with an unusually high degree of education, and many were well regarded by those who worked with them in agencies and departments of the public service, as persons of marked ability and intelligence.

E.g.

Raymond Boyer, Ph.D., a member of the staff of McGill University and a valued senior worker with the National Research Council, is a highly respected scientist with an international reputation in chemistry. He is a man of very substantial independent means.

Eric Adams, a graduate of McGill University in engineering who obtained the degree of Master of Business Administration with high distinction from Harvard University in 1931, occupied an important position in the Industrial Development Bank, and had previously held responsible positions with the Wartime Requirements Board, the Foreign Exchange Control Board, and The Bank of Canada in Ottawa, where his ability was highly regarded.

Israel Halperin was a Professor of Mathematics at Queens University, Kingston, Ontario, and a major in the Directorate of Artillery engaged on important phases of research.

Durnford Smith and *Edward Wilfred Mazerall* were graduates of McGill and the University of New Brunswick, respectively, and their ability was highly regarded by their superiors in the National Research Council of Canada.

David Gordon Lunan, loaned by the army to the Wartime Information Board and later to the Canadian Information Services, was Editor of the periodical "*Canadian Affairs*" and a responsible official of the "Information to Armed Forces" section of the Canadian Information Services.

David Shugar, who held a Ph.D. degree in Physics from McGill University, had been employed by Research Enterprises Ltd., Toronto, a Crown Company engaged in producing Radar and other scientific equipment, and was later an officer in the Canadian Navy in the Directorate of Electrical Supply.

J. S. Benning held responsible administrative positions in the Department of Munitions and Supply and subsequently in the Department of Reconstruction.

Harold Gerson held responsible administrative positions in Allied War Supplies, Ltd., in the Department of Munitions and Supply, and the War Assets Corporation.

F. W. Poland was an officer in the Directorate of Intelligence of the R.C.A.F. and later Executive Secretary of the Interdepartmental Committee on Psychological Warfare.

Kathleen Mary Willsher was a graduate of the London School of Economics, of London, England, who for many years had held a position of confidence in the Office of the High Commissioner of the United Kingdom at Ottawa.

Matt Nightingale was a Squadron Leader in the R.C.A.F. He had attended Military School in Mobile, Alabama, and was a graduate of McGill University, Montreal.

Agatha Chapman is a graduate of the University of British Columbia, whose M.A. degree she also holds, and was employed in the Research Division of the Bank of Canada.

The motivation which led persons such as these to take part in an espionage conspiracy directed against Canada by agents of a foreign power is significant and seems to us to be of great importance.

a) Money Payments to Agents

There is no evidence that monetary incentive played an important part in the *original* motivation of those persons whose ideology was sympathetic to the Communist cause, who agreed to act as espionage agents.

On the contrary the evidence is overwhelming both from the documents and from the testimony of several such agents themselves—e.g. Lunan, Mazerall, Willsher, Boyer, Gerson—that their original motivation was a product of their political ideology and of the psychological conditioning received in the study-groups.

However, money was in due course paid out by the members of the Soviet Embassy who directed the espionage network to Canadian agents, and it did play a part in the development of the conspiracy.

On August 29th, 1945, a telegram was sent by Zabotin, under his cover name of *Grant* to Moscow, reading as follows:—

To the Director, to No. 12293.

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1. The ambassador has agreed to help us by ~~transfer~~ giving us an amount of money from the embassy and he proposed that the money be sent back in small sums ~~addressed to the Embassy to~~ his address at the Embassy and to the address of the Commercial Counsellor. Small amounts might also be added to the entertainment expenses. If the opportunity arises, a part of the amount may be sent by diplomatic mail. ~~Perhaps there is a connection with~~ *
2. As it is known to you, in the last two months we had to make heavy expenditure and therefore there will be nothing left in the cash box by August 1. For the diplomatic mail alone (July, August) it is necessary to pay \$2500.00. I therefore beg you to send urgently operational sums of money. *

29.8.45.

Grant.

Such evidence as we have been able to obtain suggests that money payments were gradually broached to Canadian espionage agents. In other words a financial incentive was only gradually introduced for such agents to supplement and perhaps eventually supplant the original motivation supplied by the psychological development courses provided in Communist "cells".

Care was taken by the espionage recruiting agent not to mention the possibility of monetary rewards at the time when the first assignment or request was put to the selected recruit, e.g. money was not mentioned at first to Lunan by either Fred Rose or in the first letter of instructions given him by *Jan* (Lt. Col. Rogov); nor by Lunan at this stage to Mazerall, Halperin or Durnford Smith. Nor, according to their evidence before us, was money mentioned at this stage to Miss Willsher by Fred Rose or Eric Adams, or by Sokolov to Miss Woikin.

* Faint type indicates words crossed out in original documents.

It appears that the senior members of the network felt, probably rightly, that mention of money at this stage would act as a deterrent rather than as an inducement to secret Communists facing consciously for the first time the critical issue of invitation or initiation into what was obviously an illegal conspiracy directed against Canada. Better results were presumably expected at this stage when the potential new agent should regard the matter solely as an ideological assignment.

This tactful technique clearly produced results which would not otherwise have been obtained, e.g. Mazerall, when asked whether Lunan had ever offered him money, stated:—

A. I am positive, knowing myself, that the slightest suggestion of it would have discouraged it as far as I was concerned entirely.

Q. What do you mean by saying that if you had been offered money you would not be here?

A. I would not have accepted money. If it had been offered to me I would have said no, at the moment, and I know I would have told him to get out of the car, and I would have driven away.

However, it has clearly been the established practice for the Russians directing the network in Canada to press relatively small sums of money, ranging from twenty-five to perhaps two hundred dollars, upon Canadian Communists once they had well begun their career as espionage agents for the Soviet Union. Sometimes they began with a mere offer of "expenses", e.g. an entry in Col. Rogov's dossier on Lunan, recording a list of relatively early matters to discuss with Lunan under the heading "*Organizational Assignments for 'Research' Group*", reads in part, in translation:—

4. **In view of the fact, that Bagley, Badeau live far from the city, we will be giving them money for taxis, whenever this will be necessary for them. Warn them that they must not come up in the taxi to the place where they have to meet you.**

Captain Lunan stated in evidence before us when asked about this entry:—

A. *Jan* was always bringing up the question of expenses and he did mention this question of taxi rides, but it was from our point of view a preposterous suggestion and I simply ignored it.

Q. When you say "from our point of view" whose point of view do you refer to?

A. Mine and Smith's and Mazerall's.

Q. Did you discuss that with them?

A. Yes, I did.

Q. With the three of them?

A. No.

Q. With whom?

A. With each one at one time or another and I discussed the question of expenses.

Q. Tell us what you said to them?

A. I told them that if they were involved in any expenses there was an offer for those expenses to be covered. Each one of them, however, said there was no such possibility of expenses, the question did not arise for them.

Q. From what you say I take it they did not want to take any money?

A. Correct.

Q. Either as a disbursement to cover expenses or otherwise?

A. That is correct.

Q. What was their motive to do what they did?

A. Their motives would be idealistic or political.

Q. What do you mean by political?

A. That they felt they were serving a valid political motive in doing this.

Q. What do you mean by political?

A. I cannot describe for them their motives.

Q. What do you understand they meant by political?

A. I used the word myself.

Q. What did you use the word for?

A. That certainly there would be some motivation for doing this type of work, and it would have to be one involving ideals.

Q. Party sympathy?

A. Yes, that would be fair.

Q. When we say "party" there is only one Party that is meant, the Communist Party?

A. That is correct.

Lieutenant-Colonel Rogov was apparently quite insistent in offering money to Lunan for his services. Lunan testified:—

A. It was frequently offered to me but I never took it.

Q. How did he offer you the money?

A. Well, he would ask me and sometimes actually offer it. That is, I could see it was money. He would try to persuade me to take it. He characterized it as expenses, but I never took it.

One purpose of the directors of the network in insisting on paying money, even relatively small sums, to recruits, would be to further the moral corruption of the Canadians caught "*in the net*" and thus to assist in their further "*development*".

Gouzenko testified that it was the general rule to pay agents, and to obtain a receipt signed by the agent:—

"They must have a receipt from the agent, and they must send a receipt to Moscow for the money. The agent always gives a receipt. Only a new agent never gives a receipt because they do not want to scare him in the first time."

Such receipts could, if necessary, presumably be used for blackmail purposes if the agent's enthusiasm for the cause should later wane. In the meantime, they facilitated orderly bookkeeping which Col. Zabotin's chiefs took very seriously.

Gouzenko stated that he, personally, did not normally see such receipts, and was unable to take any such receipts with him when he left the Embassy, "because these receipts are in the desk of Lt. Col. Motinov and then Rogov". Asked whether "before being sent to Moscow these receipts were kept in room 12 in the safe", i.e. in the office in the Embassy to which Gouzenko had access and where he worked, he replied: "No, they are kept at 14 Range Road."

Gouzenko testified however that he had seen certain receipts, including one signed by Eric Adams, early in 1945.

Canadians implicated in the espionage network seem to have been understandably more reticent when testifying before us regarding money, than on other aspects of the conspiracy, e.g. in this regard Mrs. Woikin replied as follows:—

Q. Did you ever receive any money from Sokolov for the work you were doing for him?

A. No, I didn't get money for it.

Q. Pardon?

A. I didn't get money for it.

Q. Did you get money?

Q. I am asking you whether you received money from Sokolov?

A. I received a gift one time: \$50.00.

Q. And that gift was in the nature of what?

A. It was money.

Q. It was \$50. you say?

A. Yes.

Where the Russian officials were not in direct communication with a Canadian agent, but used a senior Canadian agent as contact-man and go-between, the system was to pay to the contact-man a sum for transmission to the agent, as well as a sum for himself.

Thus Eric Adams paid Miss Willsher on one occasion the sum of \$25, as stated to us by Miss Willsher herself.

Similarly, at a fairly early stage Captain Lunan was instructed by Lt. Col. Rogov to broach the subject of payment to Durnford Smith, Professor Halperin and Mazerall. A written report dated 18th April, 1945, which Captain Lunan submitted to Rogov, contains the following:—

Bacon has given considerable thought to my original requests and has given me the material for the attached report. He offers to fill in any details that may be asked for if he can. I have not had the opportunity to ask him about payment.

This report, typewritten in English, was one of the documents brought before us by Gouzenko, from the secret files of Col. Zabotin.

Captain Lunan when shown this document testified that he had written this report and handed it to Rogov, whom he knew as *Jan*. In explanation of the sentence about money Lunan explained:—

“From time to time during my meetings with *Jan* he was very pressing in the matter of offering money for this work. I certainly did not want to accept money for other people unless they knew about it and I felt I should at least ask them about it.”

According to the documents from the Soviet Embassy, the original reticence of these new agents to accept money was successfully overcome, and money was paid to Captain Lunan for himself and for his three sub-agents, Durnford Smith, Professor Halperin, and Mazerall.

Thus a document in Russian, in the handwriting of Lt. Col. Motinov, headed “*Organizational Assignments for Research Group*”, contains a paragraph reading in translation as follows:—

8. Money. ~~To pay~~ Back \$100 *
Bagley \$30
Badeau \$30
Bacon \$30

* Faint type indicates words crossed out in original documents.

This document contains notes made in the Embassy, *prior* to a meeting with Captain Lunan, regarding assignments and instructions to be given him at that meeting.

Similarly, however, there were notes kept in the Embassy, in a different notebook, made *after* each meeting with Lunan to record a summary of what took place at such meetings. These were headed "*Course of Meetings*". The reports of three such meetings record payment of money to Captain Lunan. The report on Rogov's third meeting with Lunan contains the following entry:—

Paid out	\$190
Itemized	Back: \$100
	Bacon: 30
	Badeau: 30
	Bagley: 30

The report on Rogov's fourth meeting with Lunan has an entry:—

Gave out: \$100 (present for the wife)

(Lunan's wife had just had a child, who was christened "Jan", which was the cover-name under which Lunan knew Lt. Col. Rogov).

The report on Rogov's seventh meeting with Lunan includes the entry:

Gave Back \$50.

That Durnford Smith was at first reluctant to accept payment from the Russians for the espionage activity on their behalf is shown by one of Lunan's typed reports which he delivered periodically to Lt. Col. Rogov. The passage in his report dated April 18, 1945, reads:—

Badeau was very disturbed when I brought up the subject of payment. I think he felt that it brought the subject of his work into a different (and more conspiratorial) focus. He was to think it over and let me know, but we have had no opportunity to meet since I was in Montreal in the interim. . . .

However, any doubt that Zabotin, Rogov and their Russian colleagues may have had regarding the financial as well as the previously established psychological corruptibility of Durnford Smith seems to have been dispelled later. An entry in the dossier kept in Russian at the Soviet Military Attaché's Office on Durnford Smith, in the records headed—"Course of Meetings", reports that at the first *direct* meeting between Smith and Rogov, arranged by Lunan on 5th of July, 1945, Rogov gave money to Smith. This entry reads as follows:—

COURSE OF MEETINGS

No. P.	No. P.	Substance of Meetings	Remarks
1.	5.7.45.	<p>The acquaintance meeting took place through Back. Makes a good impression. At the meeting behaved very cautiously, somewhat cowardly. Brought material for photographing on radio locators. Is desirous to work for us and promised to do everything possible.</p> <p>Lives in Hull in a separate suburb. Requested to do photographic work by himself and contact with Bagley. See details in telegram of 6.7.45.</p> <p>Handed out 100 dollars; he took the money readily.</p> <p>In the course of time he may become the head of a group.</p> <p>No regular meeting fixed, contact will be maintained through Back.</p> <p>Special assignment set forth (see annex).</p>	

The record of the fourth direct meeting between Rogov and Durnford Smith, dated 26th August, 1945, includes the statement:—

Gave out \$100.

Similarly the "*registration card*" kept in the Soviet Embassy on Captain Lunan, and pasted on the inside front cover of the dossier on Lunan, gives the agent's name, address, and other information. Under the mimeographed form heading "*Financial Conditions*" there is a typewritten entry, in Russian, as follows:—

Receives around \$200 a month. Needs material help occasionally.

The \$200 a month appears to refer to Captain Lunan's salary for his work in the Canadian Information Services.

The dossier prepared on Smith was also laid before us by Gouzenko. The "*Registration Card*", under the mimeographed heading "*Financial Conditions*", has the typed Russian entry:—

Weak, receives about 300 dollars a month. Needs periodic assistance.

The \$300 a month presumably refers to Durnford Smith's salary as an employee of the National Research Council of Canada, though it was an over-estimate.

Mazerall denied, throughout his testimony before us, that he had ever been offered any money, or ever accepted any, for his espionage services. His general demeanour before us seemed frank, and his denial on this point would seem consistent with the mental state in which the partial failure of his study-group "development" courses had left him, and particularly with the curious psychological compromise which he adopted when asked by his Communist superiors to transmit information. He stated before us, in defence of his actions, that he could have transmitted more important secret information than he did, and that he deliberately selected information which he knew would probably be declassified within a few months. The other evidence before us bears out this testimony. (See Section III. 3).

We therefore had to consider the possibility that Captain Lunan had retained for himself money given him by Rogov for transmission to Mazerall. Mazerall had no direct contact with a Russian.

Lunan also denied accepting any money from Rogov either for himself or for Mazerall, Halperin or Durnford Smith. Lunan is a much more sophisticated person than Mazerall, and his evidence on this particular point impressed us less than that of Mazerall.

With more senior agents, who had been longer "*in the net*" as the Russian "*Registration Card*" forms expressively term membership in the espionage network, the sums paid over appear to have been larger, and may have provided for persons at that advanced stage of political "development" the main motive for continued Fifth Column services.

Thus the selection of documents from the Soviet Embassy state that at least \$700 was paid to *Alek* (Alan Nunn May).

Cipher telegram number 244 of 1945 from *Grant* (Col. Zabolin) to *The Director* in Moscow, referring to arrangements made with May to contact another agent on a street in London, contains the sentence "*We handed over 500 dollars to him*". A handwritten Russian entry in one of the notebooks, signed by *Baxter* (Angelov) referring to a meeting where a sample of uranium 235 was delivered by Dr. May, states:—

**200 dollars Alek and 2 bottles of whiskey
handed over 12.4.45.**

Dr. Alan Nunn May admitted, when interrogated in London, receiving money "*in a bottle of whiskey*" from the agent to whom he transmitted

information on the atomic bomb, but stated that he could not remember how much. (See Section III. 13).

The dossier kept in Col. Zabotin's secret files on Sam Carr, the National Organizer of the "Labour-Progressive Party", has the same mimeographed form already referred to, headed "*Registration Card*". After the mimeographed heading "*6. Financial Conditions*" there is a typed entry reading:—

6. FINANCIAL CONDITIONS Financially secure, but takes money. It is necessary occasionally to help.

This dossier shows the payment to him of at least \$850 during a period in 1945, as well as a payment of \$3,000 to be used in bribing an official of the Passport Office of the Canadian Department of External Affairs (see Section V). Carr had asked \$5,000 for this latter purpose, but *The Director* in Moscow had replied that this was "*a fantastic sum*" and offered \$3,000 maximum. The false Canadian passport, wanted for a Soviet agent sent from Moscow and living in California, was in fact issued; so it is clear that Carr duly fulfilled his part of this bargain.

The documents also show that \$100 was paid at this time to Dr. Henry Harris, an optometrist in Toronto, who took disguised telephone calls from *Lamont* (Motinov) and *Brent* (Rogov), arranged surreptitious meetings on street corners and in his home between them and Carr, and otherwise acted as a go-between for the Russian leaders of this espionage ring and the National Organizer of the Labour-Progressive Party (Communist Party of Canada).

Similarly one of the Russian documents relating to Fred Rose, M.P., a member of the National Executive of the Labour-Progressive (Communist) Party, includes a direction about handing him six hundred dollars.

The documents also show that *The Director* in Moscow and Col. Zabotin's organization were prepared to consider spending relatively large sums of money as an *inducement* to co-operation in espionage or other illegal activities, where the prospective agents were not members of the Communist Party, and where the other motivation did not exist.

There is no evidence that the official in the Canadian Passport Office who at Carr's request falsified the records and issued a Canadian passport to the Soviet agent going under the name "Witczak", was a member or adherent to the Communist Party. Hence the provision, made on the authority of *The Director* in Moscow, of three thousand dollars to Carr for bribery.

Similarly, notes in Russian, typed and signed *Lamont* (Motinov) with "*I confirm—Grant*" added in the handwriting of Zabotin, and dated

5.11.44, deal with plans whereby it was hoped to induce *Jack* and *Dick*, two Colonels in the Headquarters of the Canadian Army, who were not in any sense Communist sympathizers, to work as espionage agents. These notes, dealing mainly with possible psychological methods of approach, contain, in a long list of information to be discreetly obtained about them, the following:—

- (d) **Financial conditions, inclinations toward establishing material security for his family (intentions to engage in business, to own a car, a home of his own and what hinders the fulfilment of this plan.)**

and also the following:—

- 4. **Program for future (ideological or financial requires to be determined).**

Another purpose for which Col. Zabotin was prepared at least to consider spending considerable sums of money was to assist in placing Canadians, already working with proved capacity as espionage agents, in positions where they could be most useful to the espionage network.

On August 25, 1945, Zabotin wired Moscow about a proposal put to him by Gerson, whereby the latter should open an office in Ottawa as consulting geological engineer. It was proposed that Zabotin should provide \$7,000 a year for the first two years or so for this office. Whether *The Director* in Moscow would have agreed to this proposal of Zabotin's is not known, as Gouzenko left the Embassy a few days after this telegram was sent.

Another illustration of the fact that Col. Zabotin and *The Director* were prepared to spend relatively large sums of money for agents, when this was considered necessary, is provided by several documents. These deal with relations between Col. Zabotin's organization and Pavlov's organization (N.K.V.D.) on the one hand, and a Germina Rabinowitch, upon whom we are reporting, on the other. The documents record, inter alia, a transfer of \$10,000 through Zabotin to this person, and the transmission by her of this sum through New York to the network in Europe in which she was interested.

Thus it is apparent that despite the relatively cheap method of inducing most new recruits to join the espionage network through non-monetary motivation courses provided by Communist study groups, nevertheless fairly substantial sums of money were in fact being paid out by Zabotin, particularly to senior agents.

b) The Development of Ideological Motivation

The evidence before us shows that in the great majority of cases the motivation was inextricably linked with courses of psychological development carried on under the guise of activities of a secret section of what is ostensibly a Canadian political movement, the Labour-Progressive Party (Communist Party of Canada); that these secret "development" courses are very much more widespread than the espionage network itself; and that the Canadian members of the espionage network themselves took an active part in directing and furthering such courses for other Canadians, which were calculated to allow them to draw suitably "developed" persons later into active participation and thus to expand the network itself.

It has been established for example that Sam Carr and Fred Rose, M.P., both Moscow-trained, not only designated Canadians for recruiting into the espionage ring, but took an active part with others in fostering the courses or study-groups wherein suitable motivation for espionage was gradually developed, thus broadening the base from which further recruiting was carried on, and in some cases was in fact undertaken by them, for the espionage network itself.

The Inquiry has revealed the names of a number of Canadians, employed in various Departments and Agencies of the Government, who while presumably quite ignorant of the espionage network and certainly innocent of implication in such illegal activities, were being subjected to "development" by the same means for use in the future.

For these reasons we are analysing with some care the question of motivation, and the highly organized methods employed to develop an appropriate moral and mental state among potential Canadian recruits before they are informed of what has been planned for them.

In virtually all cases, as has been stated, the agents were recruited from among "cells" or study groups of secret members or adherents of the Communist Party (Labour-Progressive Party).

It seems to be general policy of the Communist Party to discourage certain selected sympathizers among certain categories of the population from joining that political Party openly. Instead, these sympathizers are invited to join secret "cells" or study groups, and to take pains to keep their adherence to the Party from the knowledge of their acquaintances who are not also members of the Communist Party. The categories of the population from which secret members are recruited include students, scientific workers, teachers, office and business workers, persons engaged in any type of

administrative activity, and any group likely to obtain any type of government employment.

The reason suggested by some of the agents in their evidence for the curious practice of keeping their political affiliations secret was that by this means they would avoid unfavourable discrimination in obtaining positions. There were enough such cases to justify us in concluding that this practice is a Party technique, the real objectives and results of which seem to be quite different.

One objective, we conclude, is that this technique facilitates the achievement of a basic policy of the Communist Party, viz. to get control, through the election of secret members to the directing committees, of as many types of functional organizations as possible, including trade unions, professional associations and broad non-party organizations such as youth movements, and civil liberties unions. Similarly, secret members or adherents of the Communist Party may be used to take the lead in organizing new, broad, and ostensibly non-political organizations, after which they obtain for themselves and other secret adherents key positions on controlling committees of the organization. By these means the technique of secret membership is calculated to facilitate essentially dishonest but not ineffective methods of propaganda in the interests of a foreign state.

One illustration of the use of this technique is furnished by the Canadian Association of Scientific Workers. *Professor Boyer*, in whose house the informal meetings at which the establishment of the organization were held, became National President. *Norman Veall*, upon whom we are also reporting, told us that he "took an active part in the formation of the organization"; and that he became a member of the National Executive Committee, charged with maintaining liaison with corresponding organizations in other countries. There is evidence suggesting that he used this position as a cover in making contacts with members of the staff of the Soviet Embassy in Ottawa. *David Shugar* testified that he had been very active in organizing and extending the Association, and was elected a member of the Executive of the Ottawa Branch. In fact Veall and Shugar each showed an inclination to claim credit for founding the Association. *Mazerall* stated that the Association was something "*which people in the study-groups were interested in forming*".

In addition to Boyer, Veall, and Shugar, Dr. Alan Nunn May and Frank Chubb, both of whose names figure in the espionage notebooks of Colonel Zabotin, hold or have held official positions on the Association's executive

committees. Professor Boyer characterized the majority of other members of the executive as "LPP" i.e. Labour-Progressive Party or Communist) "or left-wing" in political ideology; though he stated that very few of the Association's large membership among scientists would share this political view.

The propaganda value of control of such an organization is illustrated by correspondence between Shugar and Boyer discussing whether Shugar or Veall should write an article in *The Scientist*, the Association's magazine, regarding plans for the control of atomic energy.

Control by the Communist Party over a broad organization such as the Canadian Association of Scientific Workers could be used in a variety of ways not only for propaganda purposes, but eventually as a base for recruiting adherents to that Party from among scientists, and in due course no doubt for recruiting additional espionage agents in key positions in the national life.

But there would appear to be a further basic object and result of this technique of secret membership of the Communist Party organized in secret "cells" or study-groups.

This object is to accustom the young Canadian adherent gradually to an atmosphere and an ethic of conspiracy. The general effect on the young man or woman over a period of time of *secret* meetings, *secret* acquaintances, and *secret* objectives, plans and policies, can easily be imagined. The technique seems calculated to develop the psychology of a double life and double standards.

To judge from much of the evidence, the secret adherent is apparently encouraged never to be honest or frank, outside the secret "cell" meetings, about his real political attitudes or views, and apparently is led to believe that frankness in these matters is the equivalent of dangerous indiscretion and a potential menace to the organization as a whole.

Thus in a preliminary report which Lunan wrote on March 28, 1945, to Lt. Col. Rogov, he referred to a "cell" or study-group in Ottawa to which Durnford Smith, Halperin, and Mazerall belonged, as follows:—

they already feel the need for maintaining a very high degree of security and taking abnormal precautions at their normal meetings (about once every two weeks), since they are definitely not labeled with any political affiliations. One or two have even opposed the introduction of new members to our group on the grounds that it would endanger their own security.

This describes precautions taken by this group *before* any of the members were asked to engage in espionage or other illegal activities.

Evidence that this technique of secrecy among Communist Party membership is favoured—if indeed it had not been inaugurated—by Moscow, is found in a telegram, dated 22nd August 1945, from *The Director* to Zabotin which reads in part:—

To Grant.

1. Your 243.

We have here no compromising data against Veal, nevertheless the fact that he has in his hands a letter of recommendation from a corporant who was arrested in England (which he did not take care to destroy) compels us to refuse to have any contact with him whatsoever, the more so that many already call him “a Red”.

“*Corporant*” is a cover-name used for a member of any Communist Party except that of the U.S.S.R.

An inevitable result of this emphasis on a conspiratorial atmosphere and behaviour even in political discussions, correspondence, and meetings which are in themselves perfectly legal and indeed are the cherished right of everyone in a democratic society, would seem to be the gradual disintegration of normal moral principles such as frankness, honesty, integrity, and a respect for the sanctity of oaths.

We believe that this technique played a definite part in bringing persons such as Miss Willsher, Mazerall, Lunan, and others to a state of mind where they could disregard the moral obligations which they had undertaken in connection with their public duties.

A reading of the evidence before us, taken as a whole, indicates also that this technique seems calculated to affect gradually and unconsciously the secret adherent's attitude towards Canada. Often some of the agents seem to have begun their Communist associations through a burning desire to reform and improve Canadian society according to their lights. But one effect of prolonged habituation to conspiratorial methods and the conditions of secrecy in which these people work is to isolate them from the great mass of the Canadian people.

As the courses of study in the “cells” undermine gradually the loyalty of the young man or woman who joins them, it is necessary to say something as to the content of the courses pursued in them, as that is reflected by the evidence.

The curriculum includes the study of political and philosophic works, some of them far from superficial, selected to develop in the students an essentially critical attitude towards Western democratic society. This phase of the preparation also includes a series of discussions on current affairs, designed to further a critical attitude toward the ideals of democratic society.

But this curriculum would appear in reality to be designed not to promote social reform where it might be required, but to weaken the loyalty of the group member towards his or her own society as such.

Linked with these studies at all stages, moreover, goes an organized indoctrination calculated to create in the mind of the study-group member an essentially uncritical acceptance at its face value of the propaganda of a foreign state.

Accordingly the study-groups are encouraged to subscribe to Communist books and periodicals. The *Canadian Tribune* and *Clarion* of Toronto, *New Masses* (a periodical published in the United States), *National Affairs* of Toronto, and *Club Life*, have been among those mentioned as regular objects of study and discussion in these groups, as well as selected books on Russia.

In some cases the effect of these study courses seems to be a gradual development of a sense of divided loyalties, or in extreme cases of a transferred loyalty.

Thus it seems to happen that through these study-groups some adherents, who begin by feeling that Canadian society is not democratic or not equalitarian enough for their taste, are gradually led to transfer a part or most of their loyalties to another country, apparently without reference to whether that other country is in actual fact more or less democratic or equalitarian than Canada.

Indeed, a sense of internationalism seems in many cases to play a definite role in one stage of the courses. In these cases the Canadian sympathiser is first encouraged to develop a sense of loyalty, not directly to a foreign state, but to what he conceives to be an international ideal. This subjective internationalism is then usually linked almost inextricably through the indoctrination courses and the intensive exposure to the propaganda of a particular foreign state, with the current conception of the national interests of that foreign state and with the current doctrines and policies of Communist Parties throughout the world.

e.g. Professor Boyer stated that he gave secret information to Fred Rose despite the oath of secrecy which he had taken, believing that this step would further "international scientific collaboration".

Professor Boyer had not apparently enquired about the operations in practice of the various official organizations engaged in attempting to organize exchanges of military and other information with the Soviet Union, nor about the degree of reciprocity or relative balance developed in such official exchanges, nor about the relative merits of various possible methods of increasing international cooperation in scientific and other fields. His approach to the general question of increasing international scientific cooperation thus appears to us to have been relatively uninformed and unscientific, as well as singularly presumptuous and undemocratic in arrogating to himself by secret action the sole right of decision on such matters affecting all the people of Canada, the United Kingdom and the United States. His actions also involved a breach of oath. We see however no reason to doubt the sincerity of his motives as stated by himself. This sincerity was played on successfully by an unscrupulous and more sophisticated agent.

In Mazerall's case also, his desire to further international scientific collaboration was among the complex of emotions successfully played upon by those who brought him into the espionage network. Mazerall, whose testimony as to his motivation seems to us to have been frank and sincere, stated in evidence:—

A. At the same time I did not like 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, and I actually asked him if we could hope to find this reciprocal.

Q. Did you ever have that experience?

A. I did not; no.

Q. Have you ever known of information of any kind being supplied by Russia?

A. Very little.

A further objective, pursued through the study-group, is gradually to inculcate in the secret membership of the Communist Party a habit of complete obedience to the dictates of senior members and officials of the Party hierarchy. This is apparently accomplished through a constant emphasis, in the indoctrination courses, on the importance of organization as

such, and by the gradual creation, in the mind of the new adherent or sympathiser, of an over-riding moral sense of "loyalty to the Party". This "loyalty to the Party" in due course takes the place in the member's mind of the earlier loyalty to certain principles professed by the Party propaganda.

In view of the rigidly hierarchic organization of the Communist Party, particularly in its secret sections, the concept of "loyalty to the party" means in practice, rigid obedience of adherents to those party members who are recognized as occupying a senior position in the hierarchy, and particularly to such persons as Carr, the National Organizer, and Rose, the Quebec organizer.

The indoctrination courses in the study groups are apparently calculated not only to inculcate a high degree of "loyalty to the Party" and "obedience to the Party", but to instill in the mind of the adherent the view that loyalty and obedience to the leadership of this organization takes precedence over his loyalty to Canada, entitles him to disregard his oaths of allegiance and secrecy, and thus destroys his integrity as a citizen.

The case of Kathleen Willsher offers a striking illustration of the uses to which this attitude of "party-loyalty" and obedience can be put by unscrupulous leaders, even when other aspects of the indoctrination courses have not been completely successful. She had joined a secret "cell" of the Communist Party and as early as 1935 agreed to give secret information, which she obtained from her work in the Office of the High Commissioner for the United Kingdom in Ottawa, to Mr. Fred Rose. She continued to do so regularly for four years. From 1942 to 1945 she gave similar information to Adams, whom she recognized as her superior in the secret section of the Communist Party. She told us that she was given to undersand by Rose and by Adams that this information was for the guidance of the National Executive of the Communist Party of Canada.

She also said that when these requests, which she recognized were improper, were first put to her by Fred Rose, and later by Eric Adams, she had some struggle with her conscience, but that after a few weeks' hesitation she decided to comply because as a member of the Communist Party she felt that she was expected to do what she was asked regardless of any obligation which she might have in any other direction. Rose stated to her that such information would help the Communist Party in formulating its policies. She testified:—

"I felt that I should contrive to contribute something towards the helping of this policy, because I was very interested in it. I found it very difficult, and yet I felt I should try to help."

Miss Willsher's evidence, taken as a whole, shows that she felt her own position in the Communist Party to be a relatively humble one, that her one important contribution to the cause of the Party lay in the transmission of the secret information to which her official position gave her access, and that it was expected of her that she should not hesitate to make this information available on request to the Party leadership.

In many cases prolonged membership in the Communist Party seems to have resulted in a very high degree of discipline and to have induced a semi-military habit of largely unquestioning obedience to "orders" and "Party policy". Such habits, once developed, naturally made the task of the espionage recruiting agents, who are senior members of that Party, relatively simple.

It appears to be an established principle of at least the secret "cells" section of the Communist Party that rejection of "party orders" entails automatic resignation or expulsion from the party. This principle in itself assists in inducing obedience from members who might otherwise be inclined to waver, but who have become habituated over a period of months or years to membership.

Thus Mazerall, who was most reluctant to obey the request of Lunan to hand over secret information for Soviet agents, testified regarding the factors which caused him to comply:—

A. If I had told Lunan no, by the same token I would have turned around then and left the group; and although in a way I wanted to do that, that is I didn't like the group itself, nevertheless many of the things that they stood for I felt I concurred with.

Q. But I am still asking you, what was your obligation that you felt to deliver material to Lunan?

A. I don't know.

Q. It must have been something pretty strong that influenced you to do that, Mr. Mazerall, wasn't it?

A. I suppose so.

Q. What was it? It was not money, you say?

A. No. Well, just the whole background; what I have been trying to tell you.

Thus the leaders of the Fifth Column solved what would appear at first sight to be their most difficult problem—that of motivation, or finding capable and well-placed Canadians who would be willing to engage in espionage against Canada for a foreign power—by means of a widespread

system of propaganda and in particular by organizing a system of intensive study-groups. This system has been functioning for years, and was already a going concern used for espionage in 1935.

These groups have provided a large base of Canadians in various stages of carefully induced evolution—emotional, mental, and moral—from which base the leaders can recruit those who are considered adequately “developed” into expanding illegal networks for espionage or other purposes.

A further technical advantage, which this system has provided to the leading organizers of the espionage network, has been a surprising degree of security from detection. By concentrating their requests to assist in espionage within the membership of secret sections of the Communist Party, the leaders were apparently able to feel quite confident—and apparently with reason based on an experience in Canada over a period of at least eleven years—that even if the adherent or member should refuse to engage in activities so clearly illegal and which constitute so clear a betrayal of his or her own country—such adherent or member would in any case not consider denouncing the espionage recruiting agent to the Canadian public or to the Canadian authorities.

It is for example significant that when Rose first asked Kathleen Willsher, in 1935, to supply secret information to him, he did so, according to her testimony, at a regular meeting of her study group. Thereafter for four years she transmitted such information to him, orally, at the study-group meetings. While the conversations were private, Miss Willsher testified that no particular precautions were taken against being overheard “*as no one else would have been interested*”.

It is significant that not a single one of the several Canadians, members or adherents of the Communist Party (Labour-Progressive Party), who were approached by senior members of that Party to engage in espionage on behalf of the Soviet Union, reported this approach to the Agencies, Departments, or Armed Forces of Canada in which they were employed.

Not one even of those who have described, in evidence before us, serious hesitation and struggles with their consciences which they underwent before they agreed to act as spies against Canada, ever suggested to us that they contemplated taking the one loyal or legal course of action—i.e. reporting the criminal request to the Canadian authorities.

This is a striking illustration of the efficiency of the Communist study-groups in inducing a motivation for clearly illegal Party assignments directed against Canada.

What appears from the evidence to be the real purpose of the study-group or "cell" organization—as a wide and ever-expanding base for the recruiting, psychological development, and organization of a Fifth Column operating in the interests of a foreign power—would have been frustrated if rank and file members of these groups or junior adherents of the Communist Party of Canada had been aware of the real objectives and policies of Carr, the National Organizer, Rose, the Quebec Organizer, and the other senior members of the conspiracy.

The evidence we have heard shows that at each stage of "development" the adherent is kept in ignorance of the wider ramifications and real objectives of the organization, to one of the fringes of which he has allowed himself to be attached.

Indeed it appears from the evidence that some at least of the adherents recruited to study-groups are not told that these groups are in reality secret "cells" or units of the Communist Party; e.g. Mazerall testified that he was first invited by a friend to join an informal discussion group, and that he did not for a considerable period recognize that it was in reality a secret Communist "cell", although he later knew it to have been such.

Kathleen Willsher was first a member of a group discussing the "difference between socialism and communism" and after a few years joined a smaller secret group of Communists.

Any small study-group, however called, which will allow more experienced Communists to influence and simultaneously to study the psychological development of potential "recruits" will do in the early stages of the new recruit's "development".

Participation of secret Communists in genuinely informal small discussion groups appears to be one of the methods used to attempt to develop some or all of the other participants and gradually draw them into more specifically Communist groups, if possible by turning the earlier informal body into such a unit without the full, immediate realization by all the other participants of the metamorphosis. Alternatively, persons considered suitable for "development" can be designated to cell leaders and then invited to join the cell, instead of continuing with the broader group.

The extent of the secret section of the Communist Party is not normally disclosed at any time to the junior members of the secret groups, who know only the four or five other members of their own group. The leader of each such group, who attends secret meetings of five or six such group leaders, will know them plus the secret "chairman" of these meetings; e.g. Mazerall, as representative of his own secret group, attended also the

meetings of group leaders, at the home of Miss Agatha Chapman, the chairman of a group of group leaders in Ottawa. Here he met Benning and others.

However, over a period of time secret members will get to know many others through joint participation in various "front organizations" and otherwise, though they may not know the extent of their "development" unless designated to work with them for some purpose of the Party leaders.

It is, apparently, not the present practice for secret members of the Party to fill out any membership forms, or sign any declaration, or to be given any membership cards. This relatively loose system obviously assists in maintaining the secrecy of the organization. But it appears also to play a role in the expansion of the organization, since at each stage of his "development" the adherent is allowed to feel that he is still politically independent and merely assisting in the general activities of the movement without taking at any time, what he might consider to be a specific and binding step to acquire or ratify definite membership. This technique allows the development courses to proceed and to have their gradual effect on the adherent without raising any unnecessary resistance in the adherent's mind to any specific stage of early development.

Thus even Boyer, Mazerall, and Lunan, the last-named an active espionage recruiting agent, apparently felt that they had not allowed themselves to become full members of the Communist Party, though they had paid "dues" for years, because they had at no time signed membership documents or taken out membership cards.

Boyer, who stated that he joined a Communist study-group in 1939, said when asked to explain his relations with the Communist Party:—

A. I have worked in organizations in which there were Communists and in which I knew there were Communists, and I have worked very closely with Communists, but I have never held a party card or paid dues, etc.

Q. Have you ever made contributions to the work of the Communist Party?

A. I made contributions.

Q. Financial contributions?

A. Yes.

Apparently at each stage of "development" the adherent is carefully kept from an appreciation of the nature of tasks likely to be assigned to him when he is considered adequately "developed" for the next stage.

Apparently also many even among relatively senior and “developed” secret members of the Communist Party are kept unaware of the nature and existence of specifically illegal activities, directed against Canada, which are carried on by a section of the organization which they support. Indeed, most persons actively engaged in such illegal activities are apparently given to understand that their activities are exceptional, and are kept quite unaware of the extent to which they have been carried on by top leaders such as Sam Carr and Fred Rose. In view of the “leader-principle”, that is, the established principle of obedience to higher Party authorities, such unawareness among most members of the organization would not hinder the organization’s efficiency for Fifth Column purposes.

For example Lunan, who undertook, after designation by Rose, to organize a group of espionage agents, was given to understand that the only persons engaged in this illegal activity would be himself, the three Canadian scientists whose espionage activities he directed, and Rogov of the Soviet Embassy. In testifying before us as to his motivation, which he stated was directly linked with his political ideology, he said:—

“I would also like to say that I had no idea of the scope and extent 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.

“I do not offer this in any sense as an excuse for my work but I was striving to square myself with my ideals without a full knowledge of the position in which I really found myself.”

Boyer, Willsher and other active participants also assured us that they were not informed of the extent of the espionage organization in which they were invited, and had agreed, to take part.

Lunan, in his first report to *Jan* (Lt. Col. Rogov) dated March 28, 1945, stated that he intended to pursue a similar technique with Durnford Smith and Mazerall, gradually drawing them into the illegal network without at first revealing to them even his own limited knowledge of the true nature and extent of the conspiracy. His first written report states *inter alia*:—

. . . With the exception of Bacon [*i.e.* Professor Halperin†], who is enthusiastic and politically experienced, it would be unwise to approach them point blank with all the tasks assigned. . . . I therefore believe it wise to approach them carefully and not to advance too great an assignment to them at one time.

†Our insertion.

Also, for the time being, not to characterize the work for what it is, but merely to let it be understood that it is work of a special conspiratorial nature, without mentioning my connection with you. . . .

Apparently only persons of top rank in the Communist Party hierarchy, such as Carr, the National Organizer of the Labour-Progressive Party, and Rose, the Quebec Organizer, were allowed to have any adequate picture of the real scope, nature and objectives of the organization which they directed.

Regarding the original attraction of Canadians to the "development" courses or study-group organizations, it is difficult to speak with certainty. The appeal naturally varied greatly with each individual. In some cases it lay apparently in the highly systematized metaphysical concepts used by the Communist Party in its propaganda directed to certain types of "intellectuals" and students. Thus Durnford Smith, when asked what it was that attracted him to the movement, replied: "*the logic of it*".

A factor which appears to have played a part in first attracting at least one of the Canadian espionage agents whose evidence we have heard, was the belief that through these study groups he could fight against the social evils of anti-semitism and racial intolerance. Gerson said:—

"I consider myself as a second-class Canadian—not as a first-class Canadian. That is not a laughing matter, Mr. Commissioner; it is very serious".

He elucidated this point:—

Q. You have been speaking about Communism and you also mentioned Fascism. What is your idea, of the difference, if any, between Communism and Fascism?

A. Well, my idea is that it would be based on a question of anti-Semitism.

Q. I see.

A. You see, we were very active at that time. There was the danger of Hitler; we realized it. The Doctor and his wife were over in Germany in 1931; he went to University there and we realized it.

Q. What doctor?

A. Dr. Gottlieb; that is the [husband of the] sister of the Schlein family. We realized what was going to happen. We saw what happened in Montreal and Kirkland Lake where people were parading in blue shirts and sticking signs in windows and we felt we should do something about it . . . I mean it was from that; it was not from

an economic point of view. It was from the point of view of self-preservation. We figured that if we were considered as good Canadians here a law should be passed to make that illegal.

The evidence before us strongly suggests that anti-semitism and the natural reaction of persons of Jewish origin to racial discrimination, was one of the factors played upon by the Communist recruiting agents. It is significant that a number of the documents from the Russian Embassy specifically note "Jew" or "Jewess" in entries on their relevant Canadian agents or prospective agents, showing that the Russian Fifth Column leaders attached particular significance to this matter.

In some cases a desire for companionship and intellectual discussion may have played its part. With certain persons there is apparently an emotional appeal and glamour, as it were a sense of adventure, inherent in the conspiratorial methods and purposive activity of the groups. With more sophisticated persons, fascination by what may appear to them to be the efficiency of the unusual and essentially totalitarian system of Party organization through pyramiding cells may offer an attractive appeal.

In the vast majority of cases, one important element in the original appeal would seem to have been propaganda carried out by the Communist Party for various measures of "social reform" in Canada. The policy of carrying on propaganda for various domestic measures which in themselves are calculated to appeal to a substantial section of the Canadian people, has obviously served two important objectives of the leaders of the Fifth Column.

In the first place, by associating such domestic propaganda, in the minds of as many people as possible, with the external propaganda of a particular foreign state, this policy serves in itself to "carry", by implication, that foreign state's propaganda. This is a common and very effective non-rational technique of modern advertising. An obvious commercial example is the use of a pretty face in advertisements for cigarettes.

Secondly, such domestic propaganda has unquestionably played an important part in recruiting Canadians for the "development" courses calculated eventually to make these Canadians instruments for more sinister and illegal Fifth Column purposes .

By these means, a number of young Canadians, public servants and others, who begin with a desire to advance causes which they consider worthy, have been induced into joining study groups of the Communist Party. They are persuaded to keep this adherence secret. They have then

been led step by step along the ingenious psychological development courses we have outlined, until under the influence of sophisticated and unscrupulous leaders they have been persuaded to engage in illegal activities directed against the safety and interests of their own society.

Essentially what has happened is the 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.

SECTION II. 7

LIST OF IDENTIFIED AGENTS IN CANADA

As a result of these activities, Colonel Zabotin, with the assistance of Carr (cover-names *Sam* and *Frank*) and Rose (cover-names *Fred* and *Debouz*), recruited the following agents who have been identified. Most of these were given cover-names as indicated below:—

Gordon Lunan (*Back*)
Durnford Smith (*Badeau*)
Ned Mazerall (*Bagley*)
Israel Halperin (*Bacon*)
F. W. Poland
Eric Adams (*Ernst*)
Kathleen Willsher (*Ellie*) (*Elli*)
M. S. Nightingale (*Leader*)
David Shugar (*Prometheus*)
H. S. Gerson (*Gray*)
Samuel Sol Burman
Raymond Boyer (*The Professor*)
J. S. Benning (*Foster*)
Allan Nunn May (*Alek*)
Agatha Chapman
Freda Linton (*Freda*)
Emma Woikin (*Nora*).

The following members of the staff of the Soviet Embassy in Ottawa have been identified by both oral and documentary evidence as having been active, at one time or another since the establishment of the Embassy in 1942, in directing under-cover espionage operations in Canada:—

List of Members of Soviet Embassy Staff who engaged in Espionage Activities

NAME	OFFICIAL POSITION
Vitali G. Pavlov	Second Secretary of Embassy
Colonel Zabotin	Military Attaché
Ivan I. Krotov	Commercial Counsellor
Lt. Col. Motinov	Assistant Military Attaché
Lt. Col. (formerly Major) Rogov	Assistant Military Attaché. (Air)
Sergei Koudriavtzev	First Secretary of Embassy

NAME	OFFICIAL POSITION
Major Sokolov	Staff of Commercial Counsellor
Mrs. Sokolov	Wife of Major Sokolov
Zheveinov	TASS correspondent
Major Romanov	Secretary of Military Attaché
Lieut. Angelov	Staff of Military Attaché
Lieut. Levin	Interpreter
Captain Galkin	A door-guard
Lieut. Gouseev	A door-guard
Captain Gourshkov	A chauffeur
Lieut. Koulakoff	Clerk
A. N. Farafontov	Clerk

SECTION II. 8

THE SOVIET AMBASSADOR HAD NO PART IN THE INADMISSABLE ACTIVITIES

The evidence before us is that these members of the Embassy, who were engaged in improper and inadmissible activities, operated in special sections of the Embassy the operations of which were quite distinct from the official and legitimate activities of the Soviet Embassy, and that the Soviet Ambassador, representing in Canada the Government of the Union of Soviet Socialist Republics, had no part in them.

Thus Gouzenko has testified before us that the Soviet Ambassador had no right of access to the secret rooms in the special wing on the second floor of the Embassy. Moreover, according to Gouzenko, the Soviet Ambassador had no right of access to the secret telegrams sent to and received from Moscow by Zabolin, Pavlov and Goussarov, the heads of the military espionage, N.K.V.D., and "political system" sections respectively.

Two of the Russian documents placed before us by Gouzenko vividly illustrate the care that was taken by *The Director* in Moscow to keep Zabolin's activities secret from the Ambassador. Colonel Zabolin was reprimanded by Moscow for a slip which might have allowed the Ambassador to gain knowledge of Zabolin's espionage network. On 11th August, 1945, Zabolin telegraphed Moscow as follows:—

248

To the Director,

I was scolded for some kind of material which allegedly became known to metro. I beg you to advise me what material is concerned. I have informed the boss of metro on political, economic and military questions in accordance with instructions given to me by the chief director and by comrade Malenkov. The sources were never reported by me. Please instruct for the future. Am I to inform the ambassador on questions concerning Canada which are received from sources. It seems to me that the boss of metro should be the best informed person.

Grant.

11.8.45

("Metro" is a cover-name used by the espionage organization for the Soviet Embassy proper, and "the boss of metro" that used to refer to the Soviet Ambassador. "Grant" is the cover-name of Col. Zabolin).

Moscow replied as follows:—

12200
24.8.45

To Grant

Reference No. 248.

1. In Telegram No. 8267 of June 20th you were given instructions on the inadmissibility of disclosing our agency network to the Ambassador.

The handing over to the Ambassador by you of the Wilgress report of 3.11.44 concerning financial credits to ensure trade between the U.S.S.R. and Great Britain after the war, in the very form in which it was received, has uncovered the existence of our source on the object of ELLI.

Furthermore, the translator of the embassy got acquainted with the document inasmuch as the document was in the local language.

2. With regard to urgent political and economic questions affecting the mutual relations of Canada and Great Britain with the U.S.S.R., you must keep the Embassy informed, but indicate only that the source is authentic, without revealing to him either the source itself or the places from which the information was obtained.
3. The information should be handed over after it has been already prepared to this effect, deleting all passages which might disclose the secret source.
4. All questions on which you are informing the Ambassador you are under obligation to bring to my attention in the comments to your informational reports.

Director
21.8

Grant
25.8.45.

SECTION II. 9

CONCLUSION

As to the information sought by the networks, we are unable to report with any degree of conclusiveness. We have seen only the small selection of Zabotin's espionage documents which Gouzenko was able to collect immediately before he left the Embassy; among these the telegrams, in which *The Director* listed his instructions, were all dated within the last week in July and the month of August 1945. The Military Intelligence network had been functioning at least since mid-1942.

Moreover the documents outline only the work of the espionage system headed in Canada by Colonel Zabotin, although the evidence discloses the existence of other parallel networks, some at least of which have been functioning for many years.

The evidence we have shows that Zabotin's organization 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 and policies of these countries; economic information which would be useful in assessing the economic and military potential of Canada; details regarding the location of Canadian defence industries; information on certain telephone land-lines and tapping devices; and documents which could be used by Russian agents "planted" in Canada or elsewhere, plus information whereby such agents could enter Canada and acquire a base of operations here.

The following selection of extracts from the documents illustrates the variety of subjects on which material was sought:—

Supplement to No. 11923

N 11931

22.8.45

To Grant

Take measures to organize acquisition of documentary materials on the atomic bomb!

The technical process, drawings, calculations.

**Grant
22.8.45.**

**Director,
22.8.45.**

. . . Try to get from him before departure detailed information on the progress of the work on Uranium. . . .

. . . Badeau asks for permission to change to work on uranium. There is a possibility either by being invited or by applying himself, but he warned that they are very careful in the selection of workers and that they are under strict observation. . . .

ASSIGNMENT No. _____

Assigned personally 25.8.45

1. Answer last letter regarding the new radio tubes, radio-locators (both for $\Lambda = 1, 2, 3$ cm) and the other questions indicated in that letter.
2. Try to find out any particulars about the "Electron Shells".
3. For the next time bring the following books: LG 13853; GL 14017 and P(RAD) 13920.
P.S.—burn after reading.

ASSIGNMENT No. 2

Assigned 6.7.45 directly . . .

1. To give the basic description of the features of the contrivance transmitting and receiving radio tubes for $\Lambda = 3$ and $\Lambda = 1$ cm. and their technical manufacture.
2. The same with respect to tube "4j-33".
3. New work in the field of radio locators for anti-aircraft artillery and aeroplanes with $\Lambda = 3$ and $\Lambda = 1$ cm.
4. What are the features of the "T-R Switch" on wave $\Lambda = 3$ cm and $\Lambda = 1$ cm.
5. The types of radio antennae for $\Lambda = 3$ and $\Lambda = 1$ cm.
6. What are they engaged in on the second floor at the "Boyd Station", there is a supposition that they study infra-red rays and develop cm. radio installations.
7. To give a more detailed technical description of "an/aps-10".
8. According to the latest literature indicate each graph (?) in it.

Remarks:

1. As the opportunity arises, to obtain samples of the radio tubes.

2. Also to give us documentary material for photographing.
3. If there is no opportunity in fulfilling certain requests, no special activity to be displayed.
4. After reading this material burn it.

TASK No. 1

- Badeau: 1. In the month of June 1945 the Military Air Force of Canada jointly with the photographic Research Committee and also with the Optics Section of National Research Council, conducted tests of the new photo bomb (photo flash bombs bursting) of 750 million candle power, and of special lenses for aerial-photography by night.

It is desired to have on these questions the following information:—

Assigned
on 5.7.45

- a. What is the composition with which the photo bomb is filled and as much as possible write out its formula.
- b. c. What is the surface area lit up by the flare of this bomb and the duration of its flare.
- v. d. The maximum height from which it is possible to carry out practical photographing by means of this bomb.
- g. e. What are the features of the new photo-lenses and what are their basic technical data (focus, light power etc.).
- * f. What is the organization of the Photographic Research Committee and who are its directors.
2. What new jobs are being conducted by the Photographic Research Committee in the sphere of altitude aerial-photography and in colour aerial photography and photographing through the clouds by means of infra-red rays.

Give the newest types of aerial-photo apparatuses used by the R.C.A.F. and by the R.A.F. and their basic data:—

- a. The type of the apparatus (the brand).
- b. The maximum height of photographing.
- c. The number of adapters and the size of the photographs.

* Faint type indicates words crossed out in original documents.

* d. The methods of itinerary and level photo-graphing.

e. The types of lenses, their light power and the focal distances.

- * 1. Tactical and technical facts of the naval and coastal hydro-~~phonic~~ acoustic stations working in ultra-sound diapason. Common review on the "Caproni"s stability of the U.S.A. and Great Britain.
- * 2. Stability, type of "Asdic" which is used in a new submarines and other ships.
3. Sets of the "Sonar"s type, working on the radio direction finding principle so-called hydro ~~direction~~ location finding sets.
- * 4. Situation of hydrophonic sets in the ships of different classes.
5. Plants, workshops, Scientific Research Institutes and laboratories in England and in the U.S.A. which are making and planning the hydrophonic apparatus.
6. Passing of the planning and the test of examples of new types of the hydrophonic apparatus.
7. Knowledge of the battle utilization of the hydro-phonic means.

266

To the Director,

We have received from Badeau 17 top secret and secret documents (English, American and Canadian) on the question of magnicoustics, radio-locators for field artillery; three secret scientific-research journals of the year 1945. Altogether about 700 pages. In the course of the day we were able to photograph all the documents with the help of the Lecia and the photo-filter. In the next few days we will receive almost the same amount of documents for 3 to 5 hours and with one film we will not be able to cope with it. I consider it essential to examine the whole library of the scientific Research Council.

Your silence on my No. 256 may disrupt our work on photographing the materials. All the materials I am sending by regular courier.

Grant

27.8.45

* Faint type indicates words crossed out in original documents.

N 11273

11.8.45.

To Grant.

It is very important to receive information on the following questions:—

- (a) To confirm the official data about the transfer of American troops from Europe to the USA and to the Pacific, also the headquarters of the 9th army, 3, 5, 7, 13 armoured Corps, 18 ADK, 2, 4, 8, 28, 30, 44, 45, 104th Infantry Divisions and 13th Tank Division. To establish the dates of their transfer.
- (b) Dislocation of the headquarters of the 8, 16 Armoured Corps, 29, (75), 89th Infantry Divisions, 10th Tank Divisions, 13th and 17th ADD. Also about the dislocation of the Brazilian Infantry Division.
- (c) Are the 6th and 12th Army Groups in Europe, what is their composition and their dislocation, the dates and direction of their transfer.
- (d) Has there been organized a headquarters of the American occupation forces in Germany, its location, who was appointed as its Commander.
- (e) The dislocation of the First Air Borne Army, the plans for its future use.

Hurry.

8.8. The Director.

Grant

11.8.45

To make known to Brent

11295

14.8.45

To Grant.

In the mail of 23.8.1944 were received from you Gray's two materials—the monthly reports on the research of separate technical questions in the field of production of war supplies. On the basis of the short and fragmentary data it is impossible to judge the methods and work of the Canadian and English industry of war supplies, powders and chemical materials.

It is desired to obtain the following information:—

- * 1. ~~37~~ methods ~~2507~~ and technical processes of the production of war supplies, VV and powders.
- 2. Deciphering of laminated BB, and the production of T. H. and H. S. (composition, purpose, technology and specific qualities).
- 3. The application of picrate and nitrate-gushnidina. I repeat: picrate and nitro-gushnidina.
- 4. The technique of producing detonating capsules and igniting capsules. Wire to whom do you consider it possible to give this task.

If Bacon still continues to work in the Artillery ~~Committee~~, Committee, this task should be assigned to him.

9.8.45 Director.

Grant

14.8.45

ASSIGNMENT NO. 3 of "1.8.45"

- 1. Requirements which a person living as an "illegal" must meet (nationality, citizenship, occupations, education, knowledge of languages, family and financial conditions etc.)
- 2. Ways of legalisation (organization of a commercial undertaking, joining a business firm as a partner, what kind of firm, joining as a member any office, joining the army as a volunteer, accepting employment.)
- 3. Documents which an "illegal" must possess (passport, different kinds of certificates, references, recommendation letters, etc.)
- 4. More expedient methods to slip into the country.
- 5. To provide for secure living quarters and financial means during the period when the "illegal" gets acquainted with the local set-up and conditions. ~~The possibilities of attracting~~
- * 6. To reveal the channels of influence of the English government on the foreign policy of Canada.
- 7. Conditions of entry into the country and of moving about in the country.
- 8. Conditions of adaptation and living in the country.
- 9. Methods of work of the counter-espionage. The organization of the Federal and provincial counter-espionage services.

* Faint type indicates words crossed out in original documents.

Supplement to No. 11438

11436

14.8.45

To Grant.

Reference No. 227.

- 1. There can be no further delay in obtaining the passport. Therefore the signature on the new application form should be made by Frank's man himself.**
- 2. Prepare for the next regular mail a short report on the procedure of obtaining and putting into shape of passports and of the other documentation for our objectives, indicating exactly who on Frank's side will be engaging in this work.**

10.8.45. Director.

Supplement: The pseudonym "Sam" has long ago been changed to "Frank". In the future use the latter.

10.8 Director

Grant

14.8.45

This list is not exhaustive, and other aims of Zabotin's network appear in various Sections of this Report.

Some of the objectives disclosed by the documents, such as lists of names, such as psychological and "political" reports, on the personnel of various sections of the Canadian Armed Forces Headquarters or of various Government Departments and Agencies, obviously refer to plans for further recruiting of agents. This subject is discussed in Section II. 5, above.

This Report shows that Zabotin successfully fulfilled many of the tasks assigned to him. His superiors in Moscow were obviously satisfied with his work in Canada, for in August, 1945, he was awarded two Orders or Decorations, the Order of the RED BANNER, and the Order of the RED STAR, which, as Gouzenko said, "are given for good organization work". The Chief of General Intelligence telegraphed Zabotin to congratulate him on these awards and added: "I wish you further success in your honourable work". Gouzenko said that when this message arrived Zabotin said to Rogov: "I have nothing to be afraid now to go to Moscow."

SECTION III. 1

SAM CARR, Toronto.

Since January, 1937, Carr has been the Organizing Secretary of the Communist Party for all of Canada, except during a short time in 1938 when he was the Editor of the *Clarion*. On September 25, 1942, he was apprehended under *The Defence of Canada Regulations*, and upon making objection in pursuance of the machinery provided therefor by those regulations, his case was considered by an Advisory Committee which on October 5, 1942, made its report as to him in the following terms:—

IN THE MATTER OF THE DEFENCE OF CANADA
REGULATIONS

AND

IN THE MATTER OF SAM COHEN, alias Sam Carr,
D-935-94 RECOMMENDATION OF THE ADVISORY
COMMITTEE CONSISTING OF

Judge Roland Millar, Chairman,
Prof. C. N. Cochrane, of Toronto,
A. S. Simpson, Esq., of Winnipeg.

This detenu, whose proper name is Schmil Kogan, was born at Tomachpol, Russian Ukraine, on July 7th, 1906, and landed in Canada on August the 29th, 1924. He went first to Regina and worked as a harvester and labourer. In 1925 he came from Winnipeg to Montreal where, under the name of Sam Cohen, he joined the Young Communist League and became an organizer for it. In 1927 he moved to Toronto and became a member of the Communist Party of Canada. In 1928 he was married to a Jewess (British subject). They have one son now eight years of age.

It is alleged that in 1929 the detenu went to Russia for a course of study at the Lenin Institute, Moscow. In 1931 he was appointed Organizing Secretary of the Communist Party and became naturalized on June 23rd of that year. He was convicted at Toronto, in November, 1931, on three charges laid under *Section 98 (Criminal Code of Canada)* and sentenced to a total of ten years in Kingston penitentiary.

Upon his release from prison he immediately resumed his Communist Party activities. In 1935 he was one of the main agitators in the On-to-Ottawa March of the Unemployed. He renewed his application for naturalization in 1937 while he was conducting a National Training School for the Communist Party in Toronto and he is suspected of having visited both Spain and the U.S.S.R. that year. He was also active in the recruiting of volunteers for service in the civil war in Spain.

In 1938 he was relieved of his organizational duties and placed in charge of the Communist Party publication *The Clarion*. Carr is an accomplished writer of Communist Party propaganda and in 1939, 1940 and 1941 contributed many articles to Communist Party publications on this continent and to various papers in England and Scotland, all designed to impede and obstruct Canada's war effort.

Carr disappeared early in 1940 and his literary contributions to the Communist Party anti-war effort are believed to have been written at a hide-out at Philadelphia, U.S.A. This is not confirmed, however, but it is a fact that he failed to comply with the *National Registration Act* in August, 1940, and did not obtain his registration card until March the 30th, 1942.

An order for the detention of this man was signed by the Honourable the Minister of Justice on June the 11th, 1940, but the warrant was not executed owing to the fact that he had "gone underground", where he remained until September the 25th, 1942, when, together with sixteen other wanted leaders of the Communist Party, he surrendered to the Royal Canadian Mounted Police at Toronto. He was held in the Don Jail, Toronto, pending the hearing of his objection to internment on the following charges:

1. That you have taken an active part in the subversive activities of the Communist Party of Canada for several years.
2. That in 1939 you occupied an official position in the Communist Party of Canada, being Organizational Secretary.

3. That in June 1940 you wrote an article under the title "Canadian Communist Party Outlawed", which maintained that the outlawing of the Communist Party of Canada did not or would not stop the rallying of the masses against the war.
4. That in November 1940 you wrote an article entitled "The Effects of War Economy on the Canadian People", which attacked the war taxation policy of the government and referred to Canada's part in the war as a "Criminal involvement of the country in the second Imperialist carnage".
5. That in February 1941 you wrote an article under the title "Canada's Youth and the War", attacking Canada's war effort.
6. That articles written by you attacking Canada's war effort appeared in publications printed in the United States and Great Britain and that such activities, being designed to disrupt and impede Canada's war effort, were of benefit and assistance to the enemy.

The matter was referred to this Committee which, in the presence of his counsel, Mr. J. L. Cohen, K.C., interrogated the detenu at the Don Jail, Toronto, on October the 1st, 1942.

The Committee begs to report as follows:—

* *The detenu admitted all of the charges contained in the particulars of his case, stating that, while he subscribed to the aims and objects of the Communist Party of Canada, he had no particular feeling for Russia, as he had no memories of that country but bitter ones, his father, Samuel Kogan, having been killed before the eyes of his family during the revolution there in 1917. He had been exploited in the harvest fields of Western Canada when he arrived here in 1924 and claims he was attracted to the Young Communist League the following year by its "progressive" program and its championship of the "under-dog". He denied that he returned to Russia in 1929 or that he had ever been outside of Canada since he came to this country and expressed regret that he had never had the opportunity of taking a course of study at*

*Our italics.

Lenin Institute, Moscow, as alleged in Section 3 of the Brief. It appears, however, that he has been well schooled in Communist Party policy and tactics, that he is one of the most capable speakers and agitators in the Party and that he has acquired some literary and executive ability. He became Organizing Secretary of the Communist Party for all of Canada in January of 1937.

On June the 23rd, 1931, the detenu was granted a naturalization certificate in the name of Samuel Kogan. In November of that year he was arrested on three charges, under *Section 98 (Criminal Code of Canada)*, one of which sedition conspiracy, was quashed on appeal, and on February 19th, 1932, he commenced a ten year concurrent sentence for "being a member" and "Being an officer" of an unlawful association. His naturalization certificate was therefore revoked by Order-in-Council P.C. 2759 on December 17, 1932. Having served less than three years of his sentence, he was released on ticket-of-leave on July 3rd, 1934, and on July 17th, at a Canadian Labour Defence League meeting in the Prince Arthur Hall, Montreal, delivered a scathing and malicious attack on the Prime Minister and the Minister of Justice of that time. In 1937 he applied for a renewal of his naturalization certificate and the presiding judge, Mr. Justice Honeywell, of York County, recommended that the application be granted, but this has not yet been done. At this time, Carr conducted for the Communist Party of Canada, at Toronto, a National Training School where young Communists were instructed in the revolutionary aims of the Party.

The detenu denies that he visited Spain and the U.S.S.R., in 1937, as alleged in Section 9 of the Brief, and repeated that he had not left Canada since coming here in 1924. He admitted, however, that, as National Organizing Secretary of the Communist Party, he had been instrumental in obtaining recruits from Canada for the International Brigade then fighting in Spain.

For a short while in 1938 Carr was relieved of his duties as National Organizing Secretary when he undertook the reorganization of *The Clarion*, which he had

*Phrases underlined in original report.

accomplished and returned to organizing by January 1st, 1939.

Following his experience as business manager of *The Clarion*, the detenu apparently became a "journalist" in the Communist Party sense, and in an article he contributed to the *Ukrainian Daily News* of New York, in February, 1940, entitled: *How the Ruling Class in Canada Fights for Democracy*, he had this to say:—

* 'Ignoring its losses brought about by terrorizing actions and internments, the Communist Party is improving its methods of activities and expansion of contacts with the masses of people, fighting hard in order to draw away these masses from under the influence of the war machine of the Canadian Bourgeoisie.'

This, he told the Committee, was justified at the time, because of the actions of the Toronto city police.

While denying that he had ever advocated civil war or anything which would harm Canada, the detenu acknowledged authorship of the following specimen of patriotic fervor:—

'Rapidly overcoming the serious error of failing to estimate correctly the predatory character of the war at its very inception, our Party stands today as the only political force unalterably opposed to the present war and the embroilment of our country in it.'

This he contributed to *The Clarion* in February, 1940. And in the February 1st, 1940, issue of the *British World News and Views*, under the title *Canada's Youth and the War*, he offered this advice to our young soldiers:—

'Trainees, form camp committees to protect your daily interest, to demand full freedom of speech, decent food and conditions and full wages while you are in camp. Fight against the Fascist officers' clique in the Army and the Royal Canadian Mounted Police stools whom the Government has placed in the armed forces to spy upon the men. Defeat the bloody conspiracy of the rich, demand that the country withdraw from the Imperialist war.'

*Phrases underlined in original report.

In the same publication of June the 8th, 1940, under the title, *Canadian Communist Party Outlawed*, Carr gave utterance to these sentiments:—

‘The Canadian People need leadership in the struggle against the war which is daily butchering millions, among them some of the best sons of Canada. The Canadian people need leadership in their struggle against the endeavours of the ruling class to impose wage cuts, longer hours, and lower standards of living in the name of “common sacrifice.” The Canadian people need leadership in their determined struggle to safeguard their democratic rights. Though once again outlawed, our Party will furnish the leadership the people need. It will hold in honour the revolutionary Banner of Leninism and lead the people of Canada on the road to the decisive battles for a new socialist Canada.’

The foregoing are fair samples of the many articles Carr contributed to Communist Party publications of Britain, Canada and the U.S.A. at that time, articles which, he confessed when confronted with them, were “rather sharp” and “extravagant”. However, he had the grace to say he was now ashamed of them and had discontinued such writings when the turn of international political events in 1941 had revealed to him that the war had become a “just” and “a peoples’ war”. He declared that he had no other desire or intention now, except to see the war concluded quickly with an allied victory, and would exert all his efforts to this end.

Under the circumstances, the Committee is unanimously of the opinion that the liberation of Sam Kogan, alias Cohen, alias Carr, would no longer prejudice the safety of the State and accordingly RECOM-

MENDS THAT HE BE RELEASED ON THE FOLLOWING CONDITIONS:—

1. that he do not participate in any propagandist or other activities of the Communist Party of Canada or of any organization over which the Communist Party exercises control, or of any other association, group, society or organization declared to be illegal under Section 39C of the Defence of Canada Regulations.
2. that he report to the nearest detachment of the Royal Canadian Mounted Police at regular intervals of not less than once a month.
3. that he subscribe to an undertaking to this effect.

Dated at Ottawa, this 5th day of October, 1942.

(sgd) Roland Millar

Chairman, Advisory Committee,
Defence of Canada Regulations

Charles N. Cochrane

Member

A. S. Simpson

Member

To:

The Honourable,
The Minister of Justice,
OTTAWA.

Carr and Fred Rose were both members of the Young Communist League in Montreal about the same time.

The Advisory Committee state "It is alleged that in 1929 the detenu went to Russia for a course of study at the Lenin Institute Moscow" and that Carr expressed regret "that he had never had the opportunity of taking a course of study at the Lenin Institute Moscow and that he had never been outside of this country since he came to Canada in 1924". The information on the "Registration Card" in Lieutenant-Colonel Rogov's dossier on Carr in the Soviet Embassy may be compared. This is a form drawn up for use in chronicling particulars of the various agents employed. The following was the one used for Carr:—

REGISTRATION CARD

No. _____

PHOTO
OF
CARR

1. SURNAME, NAME, PATRONYM SAM CARR

2. PSEUDONYM "FRANK"
3. SINCE WHEN IN THE NET _____
4. ADDRESS:
 - (a) OFFICE _____
 - (b) HOME 14 Montrose, Toronto. Tel. Ll-7847
(brook)

5. PLACE OF WORK AND POSITION LABOUR PROG. PARTY
polit. worker

6. FINANCIAL CONDITIONS Financially secure, but
takes money. It is necessary occasionally to help.

BIOGRAPHICAL DATA:

Detailed material on his biography is available in the CENTRE in the COMINTERN. Has an excellent knowledge of the Russian language, he graduated from the LENIN school in Moscow.

The following entry in Colonel Zabotin's note-book is also to be noted:—

Second Group
(Ottawa - Toronto)

SAM (FRANK) Jew. Organizer. Studied with us in 1924-26 in the Soviet Party School. Speaks Russian. LEON became acquainted with FRANK at a meeting in October 1942.

Sam and Frank were the cover names employed by the Russians for Carr, *Frank* being used latterly.

Whatever the correct date of Carr's attendance at the Lenin Institute, (the evidence before us indicates it was 1929-1931) the fact is certain that he did take the course at that institution and "graduated" as his registration card in the Embassy states. The conclusion of the Advisory Committee

that "it appears, however, that he has been well schooled in Communist Party policy and tactics" is thus substantiated, and from a most reliable source.

The following evidence of Henry Harris, upon whom we are reporting, is also pertinent:—

"Everybody knows him as being from the Lenin School".

In his registration under the National Registration Regulations, made on March 30, 1942, instead of in August, 1940, as required, Carr, in answer to the question "If not British to what country do you owe allegiance?" gave the answer "Russia".

At the time of the report of the Advisory Committee Carr had again applied for a naturalization certificate. This was finally granted on March 1st, 1945, a day or two before he was granted a Canadian passport to the United States, Mexico and Cuba.

In view of the evidence to which we have listened, our attention is naturally caught by the conditions upon which Carr's release from internment was recommended by the Committee. On his release he gave the following undertakings:—

UNDERTAKING

I, Sam Carr, at present of the City of Toronto, in the Province of Ontario, in the Dominion of Canada, do hereby declare that I am a Russian Citizen.

I, now, in consideration of my release or exemption from detention under Regulation 21 of the Defence of Canada Regulations, hereby undertake and promise that I will not participate in any propagandist or other activities of the Communist Party of Canada, or any organization over which the Communist Party exercises control, or of any other association, group, society, or organization declared to be illegal under Regulation 39C of the Defence of Canada Regulations; and

That I will report twice a month to the Officer Commanding, Royal Canadian Mounted Police, at Toronto or to such other Police Officer as such Officer Commanding may direct.

Dated this 6th day of October 1942 at Toronto,

Signature SAM CARR

Witness G. H. ARCHER

UNDERTAKING

As set forth in Regulation 24 of the Defence of Canada negotiations (Consolidation).

I, SAM CARR, at present of the City of Toronto, Province of Ontario, in the Dominion of Canada, do hereby declare that I am a Russian Citizen.

I, now, in consideration of my release or exemption from detention as a _____, hereby undertake and promise that I will report to such Officer or Official and upon such terms as the Canadian Authorities may from time to time prescribe; that I will carefully observe and obey the laws of Canada and such Rules and Regulations as may specially be prescribed for my conduct by competent authority; that I will strictly abstain from taking up arms against, and from doing any acts of hostility towards the Government of this Country, and that except with the permission of the Officer or Official under whose surveillance I may be placed, I will strictly abstain from communicating with anyone whomsoever, any information concerning the existing war or the movements of troops or the military preparations which the authorities of Canada, or the United Kingdom, or any of His Majesty's Dominions or any Allied or associated power may make, or concerning the resources of Canada, and that I will do no act which might be of injury to the Dominion of Canada, or the United Kingdom, or any of His Majesty's Dominions, or any Allied or Associated Power.

Dated this 6th day of October 1942, at Toronto, in the Province of Ontario.

Signature SAM CARR

Witness W. A. SHIELDS

The ink could hardly have been dry on the signatures to the above undertakings when Carr met Koudriavtzev. The record of that meeting in one of the documents referred to elsewhere in this Report reads as follows:—

Sam (Frank). Jew. Organizer. Studied with us in 1924-26 in the Soviet Party School. Speaks Russian. Leon got acquainted with Frank at a meeting in October 1942.

He proposed:—

Foster—Englishman. Assistant to the superintendent of the Division of distribution of war production at the ministry of Munitions and Supplies.

Has been giving materials on war supplies: guns and other kinds of supplies.

He obtained different work with promotion. Can better give materials.

He is contacting with Martin.

(Ours).

2. Ernst—Jew. He works on the Joint . . . (?) of Military . . . ? (USA and Canada) (co-ordination) He gives detailed information on all kinds of industries, plans for the future. Supplies detailed accounts of conferences. Has been giving materials weekly.

Good worker.

He is connected with Foster.

Both live in Ottawa.

Taken on to work at the end of January.

3. Polland. Department of Air Force.

Works in Toronto in the Intelligence Branch.

At the moment he has been transferred to Ottawa.

He gave a map of the training schools. Is not yet working.

4. Surensen. He works in the Naval Department. He works in intelligence. Used to give materials on the construction of ships. He has left for overseas. Both worked up to April.

Carr became a candidate in the Dominion elections in 1945 but he was unsuccessful. His candidature and that of Fred Rose was reported to *The Director* by Colonel Zabotin on July 12, 1945:—

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12.7.45

To the Director reference No. 8393.

1. Debouz received the data from a conversation with officers who had taken part on the Western Front. The data were received from conversations with the latter.

NEW NAMES
NOT GIVEN

2. **Debouz was re-elected for the second time as a member of the Federal Parliament. ~~The candidature of Sam was defeated.~~ Sam and Tim Buck were not elected although they received votes for the Federal Parliament.** *
3. ~~Thus.~~ **Thus from the Corporants there is one member of the Federal Parliament. The first session of Parliament meets on August 26.** *

Grant.

12.7.45.

"Debouz" is Fred Rose. "Corporants" and "Corporators" are words used by the Russian espionage system for members of the Communist Party outside of Russia.

Carr was, along with Rose, the main Canadian cog in Zabotin's organization of espionage agents. His name and his activities run throughout the piece. Before Zabotin took over in June, 1943, Carr was already head of a group of agents, the "Ottawa-Toronto group". As recruiting agent he "proposed", as above mentioned, Benning, Adams, Polland, and "Surenson" and was charged by Moscow with the definite task of enlarging the agency personnel. In a telegram from Zabotin to "The Director" dated August 2, 1945, the second paragraph reads:—

2. **Sam promised to give us several officers from the central administration of the active forces. At present it is pretty hard to do it, in view of the fact that a reshuffle of persons a filling of positions in the staff with officers who have returned from overseas is taking place.** *

In Carr's dossier in the Embassy there is a copy of a "task" assigned by Lieutenant Colonel Rogov to Carr on June 15, 1945. Paragraph 4 reads:—

4. **Is there any possibility for you of developing our work in the Ministry of National Defence, in the Ministry for Air, in the Ministry of the Navy or else in their military staffs.**

At the present time these fields are of great interest to us and we want you to put forth maximum efforts in this matter.

Rogov wrote in the margin Carr's answer:—

Everything shall be clarified in July-August, for at the present time the staffs are being replaced by front line men.

* Faint type indicates words crossed out in original documents.

A later task given Carr by Rogov dated August 16, 1945, contains the following:—

5. Your possibilities regarding the selection of people in the General Staffs of the Armed Forces.

Carr was also charged with obtaining the issue of the false passport for the Russian agent called Witczak for which at least \$3,000 was paid. This story is fully set out in Section V. of this report. His name appears also in relation to Nightingale, Shugar and Veall and we refer to the Sections of this report dealing with each of these. Carr appears also on Colonel Zabotin's mailing list of January 5, 1946, as the source of one document being sent to Moscow described as "*Biog. Govt. Workers*", consisting of forty-six pages.

As reported elsewhere, it was found impossible to find Carr for the purpose of subpoenaing him to give evidence before us. His wife stated to the process-server that she was unaware of his whereabouts. Having regard to his "disappearance" in 1940 when he was wanted, it is not difficult to assume that the situation is again the same. It was in June, 1940, that the order for Carr's detention was issued. It was found impossible to execute this until he, with Rose and other leading Communists, surrendered to the R.C.M.P. on September 25, 1942.

The notes set out in Section V of this Report with respect to the false passport matter contain three entries of payments of money to Carr, namely:—

September 13th, 1944.....	\$350
June 15th, 1945.....	\$200
July 17th, 1945.....	\$200

Carr also handled the \$3,000 payment for the false passport. It would not be difficult to conclude that he was sent to this country in 1924 as a professional Soviet agent and has acted as such continuously since that time.

The documents also show that he undertook to facilitate the illegal entry into Canada of additional professional agents of the Soviet Union. The reports in Carr's dossier of the secret meetings of 1st August and 16th August, 1945, include the following:—

ASSIGNMENT NO. 3 of "1.8.45"

- 1. Requirements which a person living as an "illegal" must meet (nationality, citizenship, occupation, education, knowledge of languages, family and financial conditions, etc.)**

2. Ways of legalisation (organization of a commercial undertaking, joining a business firm as a partner, what kind of firm, joining as a member any office, joining the army as a volunteer, accepting employment.)
3. Documents which an "illegal" must possess (passport, different kinds of certificates, references, recommendation letters, etc.)
4. More expedient methods to slip into the country.
5. To provide for secure living quarters and financial means during the period when the "illegal" gets acquainted with the local set-up and conditions. ~~The possibilities of attracting~~ *
6. To reveal the channels of influence of the English government on the foreign policy of Canada.
7. Conditions of entry into the country and of moving about in the country.
8. Conditions of adaptation and living in the country.
9. Methods of work of the counter-espionage. The organization of the Federal and provincial counter-espionage services.

and the following:—

Assigned personally 16.8.45

The Task

1. To write a report on the technique of making up passports and other documents, indicating precisely who on your side (Frank's) is engaged in this activity.
2. What documents can be made and can be received through you.

Being required by Order in Council P.C. 411 to "inquire into and report upon which public officials and other persons in positions of trust or otherwise have communicated directly or indirectly secret and confidential information, the disclosure of which might be inimical to the safety and interests of Canada, to the agents of a Foreign Power and the facts relating to and the circumstances surrounding such communication" we think the evidence shows that Carr did so communicate. The facts and circumstances are sufficiently stated in this and the other Sections of our report referred to above.

* Faint type indicates words crossed out in original documents.

SECTION III. 2

FRED ROSE, MONTREAL

Of all the persons mentioned in the Russian documents as well as by the witnesses throughout this Inquiry, none, Soviet officials excepted, have been more repeatedly and prominently mentioned, either under their names or cover-names, than Fred Rose and his fellow spy and conspirator, Sam Carr.

Fred Rose (cover-names *Fred* and later *Debouz*) was born in Lublin, Poland, of Russian parentage on the 7th of September, 1907. In October, 1920, he came to Canada and later attained Canadian citizenship when, as a minor, his name was included in the naturalization certificate of his father, Jacob Rosenberg, issued on March 17, 1926. Fred Rosenberg has, for many years, used the name "Fred Rose", by which he is now generally known.

Twenty years after being granted the status of Canadian citizen and the freedoms, advantages and facilities of his land of adoption, which eventually permitted him to rise to the level of a legislator for the whole of Canada, being elected a Member of Parliament on the 9th August, 1943, and re-elected on the 11th June, 1945, Rose was arrested on charges laid under *The Official Secrets Act*, 1939.

Some of his activities between the period extending from the time of entry into Canada at the age of 13 to the time of his arrest at the age of 39 are well described in the Report, dated 5th October, 1942, made by the Advisory Committee appointed under Regulation 22 of the Defence of Canada Regulations, to consider and make recommendations to the Minister of Justice with respect to objections made by Fred Rose against his internment. Rose had been interned on the 25th September, 1942, when, in company with other prominent Communists, he was apprehended by the R.C.M. Police after coming out of hiding. The Report reads:—

**IN THE MATTER OF THE DEFENCE OF CANADA
REGULATIONS**

AND

**IN THE MATTER OF FRED ROSENBERG, alias ROSE,
RECOMMENDATION OF THE ADVISORY COMMIT-
TEE CONSISTING OF**

**Judge Roland Millar, Chairman,
Prof. C. N. Cochrane of Toronto,
A. S. Simpson, Esq., of Winnipeg.**

This detenu was born in Poland in 1907 of Jewish parents, and came to Canada with his parents in 1920. He became a Canadian citizen in March, 1926, when his name was included in the naturalization certificate issued to his father. He described himself as an electrician.

In 1925 he joined the Young Communist League and was appointed National Secretary for that organization in 1929. As such, he went to Russia for a course of instruction in 1930 where for a period of six months he served on the International Executive Committee of the Young Communist League. He became a member of the Communist Party of Canada in 1927 and was appointed to the Central Executive Committee of the Party in 1929.

He was arrested in Toronto in October 1929 for disorderly conduct and sentenced to thirty days, and in 1931-1932 was convicted of sedition under Section 98 of the Criminal Code of Canada, for which he served one year in the Bordeaux gaol.

He was married at Montreal in 1931 to a Jewess of Ukrainian origin. They have one child, a daughter now six years of age. He has twice been a candidate for public office, in the Federal election of 1935 and in the Quebec Provincial election of 1936, but was unsuccessful on both occasions. In 1937 he was appointed by the Central Executive Committee of the Party to the Central Control Commission, a secret service organization within the Party.

Although not openly identified with the Verdun unemployed relief strike of 1940, the detenu was credited

with organizing and controlling it from the background through reliable Party members. About the same time he was author of two pamphlets, one *1940—A Review*, in English, and the other in French, *1917-1940*, both fanatically anti-British and designed to impede Canada's participation in the war. Anticipating the ban which was placed on the Communist Party in June 1940, the detenu 'went underground', and except for a pamphlet entitled *Année Heureuse et Victorieuse* distributed in Montreal in January, 1942, and of which Rose was co-signer with other prominent Communists, he was not heard of until he was arrested by the Royal Canadian Mounted Police at Toronto on September 25th, 1942, on the following charges:—

- (1) That you have been a member of the Communist Party of Canada for several years;
- (2) That you occupied an official position in the Communist Party of Canada, being a member of the Quebec Povincial Committee;
- (3) That as an official of the Communist Party of Canada, you participated in and supported the subversive policies of that organization.
- (4) That in a pamphlet written by you under the title *1940—A Review*, you disloyally opposed the Canadian-U.S.A. Defence alliance.
- (5) That in a pamphlet written by you under the title *1917-1940* you attacked Canada's war effort and expressed disloyal statements.
- (6) That your disloyal activities, being designed to weaken Canada's war effort, were of assistance and benefit to the enemy.

The case was referred to this Committee, which interrogated the detenu at the Don gaol, Toronto, on October 2nd, 1945, in the presence of his counsel, Mr. J. L. Cohen, K.C.

The Committee begs to report as follows:—

The detenu admitted all of the charges contained in the particulars of his case. He had joined the Young Communist League when only seventeen years of age and appeared to be proud of the progress he had made in that organization, and in the Communist Party of

Canada, having attained almost all of the top-ranking positions, of both. He boasted that he was the only Canadian ever appointed to the International Committee of the Young Communist League, and described his duties as Chief of the Central Control Commission of the Communist Party of Canada as those of counter-espionage within the Party, i.e. the duty of 'ferreting out traitors, spies, and fascists' who might have become members for ulterior purposes.

He acknowledged authorship of the pamphlet *1940—A Review* which is chiefly a compilation of quotations from numerous Communist Party publications and authorities; one of the author's contributions being as follows:—

"While pledging Canadian support to British Imperialism 'to the last of our resources and manpower' Mackenzie King revealed in the House of Commons that for a number of years previous to the war he had been carrying on negotiations with President Roosevelt for the so-called Canada-U.S.A. Defence Alliance, which in reality is not a Defence Alliance at all but a committal of Canadian automatic involvement in war with Japan at the behest of U.S. Imperialism. . . . The Communist Party of Canada carries on despite persecution. The Honourable E. Lapointe was forced to admit in the House of Commons that the Communist Party in Quebec is the most active opponent of the Government's war policy."

The pamphlet *1917-1940*, printed in French, compares the progress made in Canada with that of the U.S.S.R. during that time under a sub-heading *Life in Canada*, from which we quote:—

"The examination of life in Canada during the twenty-two years since the armistice presents an altogether different picture, particularly for French Canadians. 'The paradise for heroes' presented during the war 1914-18 has not been fulfilled. Instead of that there were years of uninterrupted crisis, unemployment, low wages and now another war. In spite of ourselves, our people of Quebec are engaged in a war which has

nothing to do with us and this despite all the promises made by Messrs. King and Lapointe that our sons will not go fighting on foreign battlefields . . . greater numbers will be forced by conscription to enlist and be sent overseas. The blood of our youth is purported to fertilize the soil of Europe, Africa and Asia, why? . . . Our people must decide once and for all that war must be waged here in our country against those who are responsible for our misery."

However, the detenu claims that many former "misunderstandings" had been cleared from his mind in 1941 when the war became a "just war" and that pamphlet *Année Heureuse et Victorieuse*, distributed in January 1942 was designed to acquaint French Canadians with the new policy of the Party.

Rose expressed the view that there was now a 'political pot boiling' in Quebec, the tendency of which was Fascist and anti-British, and he thought that if he were free to circulate amongst the workers of that Province he might be able to minimize its effect and thereby contribute to National Unity.

Although the Committee was not impressed with the detenu's exaggerated opinion of his own importance and knowledge, we nevertheless are unanimously of the opinion that he will follow the Party line of supporting the war effort of Canada, and that his liberation will no longer prejudice the safety of the State, ACCORDINGLY WE RECOMMEND THAT HE BE RELEASED ON THE FOLLOWING CONDITIONS:—

- (1) That he do not participate in any propagandist or other activities of the Communist Party of Canada or of any organization over which the Communist Party exercises control, or of any other association, group, society or organization declared to be illegal under Section 39C of the Defence of Canada Regulations;
- (2) That he report to the nearest detachment of the Royal Canadian Mounted Police at regular intervals of not less than once a month;

(3) That he subscribe to an undertaking to this effect.

Dated at Ottawa, this 5th day of October, 1942.

(Sgd.) **ROLAND MILLAR**
Chairman, Advisory Committee,
Defence of Canada Regulations.

(Sgd.) **CHARLES N. COCHRANE**
Member

(Sgd.) **A. S. SIMPSON**
Member

To:

The Honourable,
The Minister of Justice,
Ottawa.

Feby. 26, 43.

It is significant that for Rose the war became a "just" war only after Soviet Russia had joined the United Nations and was not by him so considered in September, 1939, when his own Fatherland, Poland, was invaded.

The day following the Recommendation of the Advisory Committee for his conditional release, Rose signed the following Undertakings:—

(a) "UNDERTAKING"

I, Fred Rose, at present of the City of Toronto, in the Province of Ontario, in the Dominion of Canada, do hereby declare that I am a British Subject.

I, now, in consideration of my release or exemption from detention under Regulation 21 of the Defence of Canada Regulations, hereby undertake and promise that I will not participate in any propagandist or other activities of the Communist Party of Canada, or any organization over which the Communist Party exercises control, or of any other association, group, society or organization declared to be illegal under Regulation 39C of the Defence of Canada Regulations; and

That I will report twice a month to the Officer Commanding, Royal Canadian Mounted Police, at Montreal or to such other Police Officer as such Officer Commanding may direct.

Dated this 6th day of October, 1942 at Toronto in the Province of Ontario.

Signature (Sgd.) Fred Rose

(Sgd.) G. H. Archer"

(b)

"UNDERTAKING

As set forth in Regulation 24 of the Defence of Canada Regulations (Consolidation).

I, Fred Rose, at present of the City of Toronto, Province of Ontario, in the Dominion of Canada, do hereby declare that I am a British Subject.

I, now, in consideration of my release or exemption from detention as a Canadian Citizen, hereby undertake and promise that I will report to such Officer or Official and upon such terms as the Canadian Authorities may from time to time prescribe; that I will carefully observe and obey the laws of Canada and such Rules and Regulations as may specially be prescribed for my conduct by competent authority; that I will strictly abstain from taking up arms against, and from doing any acts of hostility towards the Government of this Country, and that except with the permission of the Officer or Official under whose surveillance I may be placed, I will strictly abstain from communicating with anyone whomsoever any information concerning the existing war or the movement of troops or the military preparations which the authorities of Canada, or the United Kingdom, or any of His Majesty's Dominions or any Allied or associated power may make, or concerning the resources of Canada, and that I will do no act which might be of injury to the Dominion of Canada, of the United Kingdom, or any of His Majesty's Dominions, or any Allied or Associated Power

Dated this 6th day of October, 1942 at Toronto in the Province of Ontario.

Signature (Sgd.) Fred Rose

(Sgd.) W. A. Shields"

Like Sam Carr, Fred Rose lost no time in violating his Undertakings.

At what time Rose first commenced his disloyal practices against the land of his adoption, is not clear. Suffice it to say that when he was only seventeen years old he already had worked for the N.K.V.D. (Russian Secret Police; cover-name *Neighbours*). This is made clear by the first paragraph of the following Russian document—which also indicates some of his connections with the Soviet espionage services outside of Canada and also his leadership of a Montreal Group of agents.

"Prior to Re-organization

Director Davie

1. Fred—Director of corporation.

Previously worked at the neighbours, up to 1924.

In May-June 1942 came to Davie with a proposal to help. Davie checked up on Fred through New York (Molier). The neighbours proposed to make use of Fred. After this, in 1942 in September, Fred contacted Davie on instructions from Molier. Molier was sent to work in Ottawa, for organizing the work. (At the present time on the electoral lists to parliament in Quebec.)

Fred's Work

Group in Montreal (activists)

1. Gray

Jew. Head of a section of the Directorate for securing war materials for the Allies. Taken on to the work on 1.9.42. He works well. Gives materials on shells and cannons (on films).

2. Green

Works in the administration of the Tank plant "Locomotive" in Montreal. Assistant to the superintendent of the section on contracts. A key position.

Gives information on the numbers of tanks being delivered—only.

3. Professor

Frenchman. Noted chemist, about 40 years of age. Works in McGill University, Montreal. Is the best of the specialists on BB on the American Continent. Gives full information on explosives and chemical plants. Very rich. He is afraid to work. (Gave the formula of RDX, up to the present there was no evaluation from the boss.)

Gave about OB.

1. GINI—(Jew)

Auxiliary Group

* ~~Photographer~~. Owner of a drug store. He provided a place for photography. He has a photographic laboratory.

There are working at his place:

(a) Golia, a young artist, works in the photographic studio.

* Faint type indicates word crossed out in original documents.

Contact

1. Freda

Jewess. Works as a fellow-worker in the international Labour Office.

A lady-friend of the Professor.

2. Galya

A housewife. Occupies apartment adjoining that of Davie. Her husband works as a merchant. Is establishing contact with Fred. After the re-organization she was a contact with Gray.

Nobody in the group knows Leon.

Davie's wife was the contact between Leon and Davie. Galya was at times connected with her."

Again, like Carr who was in charge of the "*Ottawa-Toronto Group*" of agents, Rose had been previously schooled in Moscow where, as mentioned in the Report of the Advisory Committee set out above, he followed a course of instruction in 1930 while serving there for six months on the International Executive Committee of the Young Communist League.

As already stated, his activities, disclosed by the Russian documents as well as in the testimony of various witnesses, are countless and of various kinds.

The evidence shows him as an active speaker in the "study-groups" described by Kathleen Willsher as "Communist cells", and he there enlisted Willsher in the Soviet espionage service; as a writer of various articles in Communist periodicals; as espionage group organizer; and as active personally in obtaining information such as that on R.D.X. given to him by Boyer.

The nature of Rose's key role behind the scenes in organizing the group of agents in the National Research Council who worked under Lunan (cover-name *Back*), is vividly illustrated in the following excerpt from one of the Russian notebooks. It records a report from Lunan to Lt. Col. Rogov, and with reference to Mazerall says *inter alia*:—

Back communicated that he will have a meeting with him in the period of 20.5 to 5.6. He further added that Bagley knows nothing about his immediate work as Fred—Debouz—talked with him only generally, and recommended that Back should study him in detail and only after that to start working with him.

Rose's activities were not limited to Canadian territory but extended to other countries. In this connection his name is linked with that of Steinberg

(Berger), an agent in the United States, as indicated in the following document:—

To Debouz
Steinberg—"Berger". 4133

Debouz is to tie up with Berger and depending on the circumstances is to make a proposal about work for us or for the corporation. Contact in Washington with Debouz's person. To work out arrangements for a meeting and to telegraph. To give out 600 dollars. If Debouz should be unable to go to U.S.A. then there should be a letter from Debouz to Berger containing a request to assist the person delivering the letter to Berger.

12.5.45 22.00 St. Patrick & Cumberland.

Gouzenko told us that the contact directed by the above document was made.

Rose is linked with the mission in England assigned to Burman, upon whom we report in Section III. 10. We quote one of the documents there dealt with:—

Despatched

To the Director, reference No.---

I am communicating to you the arrangements for Berman's meeting in London. The meeting will take place two weeks after Berman's departure from Montreal, counting the first Sunday after his departure as the date of his departure, even if he should have left on a Wednesday. The meeting will take place at 15 o'clock on Sunday, in front of the office of the High Commissioner for Canada, London, S.W.1 (Canada House, Trafalgar Sq.). If on the first Sunday it does not take place, it will be transferred to the next Sunday at the same hour and so on until contact is established. Berman will be in civilian clothes—brown suit (tweed) checkered, without a hat, with a newspaper in his right hand.

Pass-word: "How's Elsie?"

Berman will reply: "She's fine."

Thereupon our man will hand over to him a letter signed "Frank".

If the meeting at the designated place should prove impossible, or inconvenient for us, Berman will send his address to his wife, the latter will give it to

Debouz, and the latter to us and it may be possible to undertake the meeting at the address of his living quarters. When you will advise us that the meeting will be more convenient at the apartment, then we will tell Debouz and he will tell Berman's wife. Berman's wife will write him a letter with the following sentence: "Ben has not been feeling too well". After that he will await the meeting at his apartment.

Supplementary data.

He joined the Party in 1938. ~~Had a business~~ *
 Worked as an insurance agent. His wife joined the Party in 1939. During the illegal period he worked in central apparatus of the Party on organizational work.

It is also apparent that Rose reported to Moscow, through Zabolin, information which he had obtained in conversations with officers who had returned from the Western Front. This is shown by a telegram from Zabolin to *The Director* which we quote in part:—

12.7.45

To the Director reference No. 8393.

1. Debouz received the data from a conversation with officers who had taken part on the Western Front. The data were received from conversations with the latter. . . .

Zabolin's mailing list to Red Army Intelligence Headquarters in Moscow of the 5th January, 1945, includes the following entry:—

Nos. P.P.	Source	From where and under what circumstances the material was obtained.	Designation of the Material	Date and Number	Number of pages	Marked
1	2	3	4	5	6	7
108	Debouz	Notes	Conversation with Profess. decisions secr. session of parliament	no date	1	none

There had been a secret session of Parliament on November 25, 1944. It is apparent that Rose had reported to his masters on this session.

Documentary and oral evidence establish that Rose had associations with the following persons on whom we report in Section III—Burman, Benning, Adams, Chapman, Harris, Mazerall, Lunan, Nightingale, Boyer, Shugar, Willsher, Gerson and Halperin. Some of his activities with these various persons are described in the respective Sub-Sections dealing with

* Faint type indicates words crossed out in original documents.

them. As Rose's name appears throughout this Report, it is only by a perusal of the whole that his activities, so far as they are disclosed by the evidence, can be appreciated.

Summoned before us on the 18th April, 1946, Rose appeared with Counsel and objected to being sworn or giving evidence on the ground that he had been committed to trial on the charges above referred to. This objection, being in our opinion without foundation in law, we over-ruled; and on the application of his Counsel an adjournment to the 26th April was granted.

On that date Rose appeared with Counsel. He again refused to be sworn or give evidence. Under the circumstances we saw no purpose in imposing any sanction, but we gave him the opportunity to make any explanation he desired with respect to the matters into which we were enquiring so far as they related to him. This he declined.

We are satisfied that Rose did what the documents and witnesses say he did.

SECTION III. 3

LUNAN'S (*BACK'S*) GROUP

LUNAN (Montreal); DURNFORD SMITH (Montreal); MAZERALL (Fredericton and Ottawa); HALPERIN (Montreal)

DAVID GORDON LUNAN was born in Kirkcaldy, Scotland, on 31st December, 1914, of Scottish parents. He attended a number of schools in England and arrived in Canada in 1938. His first employment was with A. McKim, Limited, advertising agents in Montreal, and in 1940 he was employed in the same city with another advertising agency until the 1st of July, 1942. In January, 1943, he joined the Canadian Army as a private and in April of the same year he obtained his first commission. In June, 1945, he was promoted to the rank of Acting Captain.

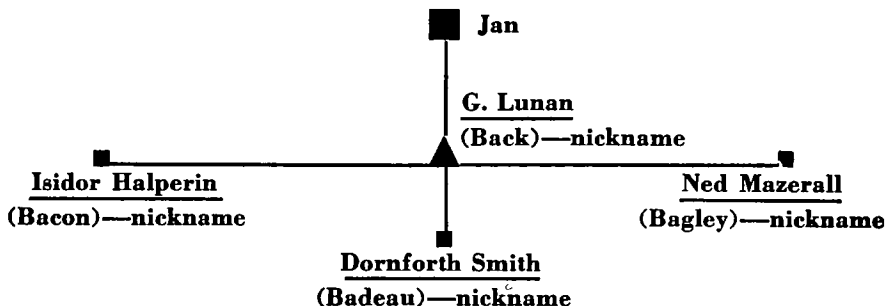
In November, 1944, he was seconded to the Wartime Information Board which later changed its name to Canadian Information Service, and was with that body until February, 1946. He was Editor of the Military Journal, *Canadian Affairs*, and had his office at 139½ Sparks Street, Ottawa.

He had associations with Squadron-Leader Poland, Squadron-Leader Nightingale, Dr. Boyer, Durnford Smith, Sam Carr, Scotland Benning, Ned Mazerall, Fred Rose, Sam Gerson, David Shugar and Israel Halperin.

Lunan told us very frankly how he became associated with Lt.-Col. Rogov of the Russian Embassy, who was one of the assistants to Colonel Zabotin. He testified that one morning when he arrived at his office, he found on his desk an anonymous note inviting him to meet an unidentified person at a corner of Rideau Street in Ottawa.

At the hour, date and place indicated in the note Lunan kept the appointment and there met a person whom he did not know, and with whom he had a conversation that lasted approximately twenty minutes. This person subsequently proved to be Lt.-Col. Rogov. He did not give his name to Lunan, but instructed Lunan to refer to him in the future under the cover-name of *Jan*. Lunan was to be known as *Back*. Lunan was then handed a document typewritten in English which read as follows:—

The scheme of your group will be approximately such as it is shown below.



You only will know me (as Jan) but nobody else.

2. What we would like you to do:
 - a. To characterize the scales and works carrying out at National Research and also the scheme of this Department.
 - b. To conduct the work of "Bacon", "Badeau", and "Bagley".

It is advisable to put the following tasks to them separately:

Bagley—to give the models of developed radio-sets, its photographs, technical (data) facts and for what purpose it is intended. Once in three months to write the reports in which to characterize the work of Radio Department, to inform about the forthcoming tasks and what new kinds of the models are going to be developed.

Bacon—to give the organization and characters of Valcartier Explosives Establishment's Direction. To write the report on subject: "What kind of the work is this organization engaged in?" If possible to pass on the prescriptions (formulas) of explosives and its samples.

Badeau—to write the report: What kind of the work is his Department engaged in and what Departments it is in contact with (by work).

All the materials and documents to be passed by Bagley, Bacon and Badeau have to be signed by their nicknames as stated above.

If your group have the documents which you will not be able to give us irrevocably, we shall photograph them and return back to you.

I beg you to instruct every man separately about conspiracy in our work.

In order not to keep their materials (documents) at your place, it is advisable that you receive all their materials (documents) the same day you have the meeting with me.

To answer all the above questions we shall have the meeting on March 28.

J.

P.S. After studying burn it.

Captain Lunan then clearly understood that he had been assigned the task of contacting Durnford Smith, Ned Mazerall, and Israel Halperin, for the purpose of obtaining secret information for the U.S.S.R. Lunan in the course of his own particular duties with the Information Board received no secret information of any value, but obviously could obtain some through Smith, Mazerall and Halperin who were scientists employed by The National Research Council and the Department of National Defence, Research Division, and who were familiar with technical matters in connection with the work of those agencies.

The document shows that each member of the group of which Lunan was to be the head was assigned a cover-name. Durnford Smith was to be referred to as *Badeau* and Ned Mazerall and Israel Halperin were to be known respectively under the names of *Bagley* and *Bacon*. Lunan testified that he already knew Smith but that he was not acquainted with either Mazerall or Halperin who were complete strangers to him. Mazerall, however, stated that he had met Lunan three times in study-group meetings, before Lunan asked him to engage in espionage.

Lunan's first meeting with Rogov took place in March, 1945, and in Lunan's dossier we find the Registration Form with the following entries obviously made immediately after this interview:—

REGISTRATION CARD

No. _____

1. SURNAME, GIVEN NAME AND PATRONYM—Lieutenant

G. Lunan

2. PSEUDONYM—"Back"

3. LENGTH OF TIME IN NET—from March, 1945

4. ADDRESS:

a) BUSINESS—Sparks Street, "Canadian Affairs"
Telephone 97621

b) HOME —337 Elgin, Apartment 7, Telephone
5-71-20

5. PLACE OF WORK AND DUTIES—Editorial office of
military journal, "Canadian Affairs". Works in
capacity of a correspondent.

6. FINANCIAL CONDITIONS—Receives around \$200 a
month. Needs material help occasionally.

BIOGRAPHICAL DATA—

Born in Scotland in 1912, is married. By education he is a journalist. Came to Canada in 1938. At present time is working on journal "Canadian Affairs".

He is a member of the "Labor Progressive Party". He shows a great interest in the political life of Canada. He is well disposed to us. His job is not stable, he may be demobilized. He does not want to remain in the army. After the war he plans to work as a journalist on one or other of the periodicals published in Montreal or Toronto.

Upon receiving his assignment, Lunan says that he was very disturbed about this matter and did not do anything for a week. He could hardly understand why he had been chosen for this particular kind of work, but he recalled a meeting he had had with Fred Rose, and on this point he testified as follows:—

- Q. Prior to receiving that message (*i.e. the anonymous note already referred to*) whom did you meet that you could connect with the message?
- A. I did not connect anybody with it until having received it and then I connected a conversation I had had previously.
- Q. With whom?
- A. With Fred Rose.
- Q. In what place?
- A. I do not remember, but I rather think on a train.
- Q. How many days before that, could you say?
- A. A few days.
- Q. A few days. The Fred Rose you are speaking about now is the one you identified a moment ago?
- A. That is right.
- Q. What did Fred Rose tell you on the train?
- A. He asked me what I was doing. I had just recently arrived in Ottawa and he asked me various questions about my work and my future and so on and then said that he had somebody that he thought I should meet. If I remember his phrase, he said he was a very interesting person.
- Q. Was that all?
- A. That is all.
- Q. You went to the meeting because you associated that note with the interview you had with Rose on the train previously?
- A. I had associated it, yes.
- Q. Because otherwise you would not have gone?
- A. That is right.
- Q. To the meeting without knowing something about it or having an idea about it?
- A. That is right.
- Q. But you did associate that invitation with the previous meeting you had had with Rose?
- A. Yes.
-
- Q. That is why there was no hesitation in your mind to associate the conversation you had with Rose on the train and this message that you had on your desk?
- A. There could have been no other association.

Q. Pardon?

A. There could have been no other association.

Fred Rose had obviously spoken of Lunan to Rogov as an agent who would be willing to help. Rose had known Lunan since 1943 at least, and was familiar with his background. Rose knew that Lunan, with Durnford Smith and others, belonged to the Quebec Committee for Allied Victory where the Communists' influence was definitely felt. Lunan's ideology helped him to dispel rapidly his first fears and to overcome whatever previous hesitation he might have had, for within a short time after his meeting with Rogov he started to contact Smith, Mazerall and Halperin and obtained from them valuable secret information which he transmitted to Rogov.

Smith, Mazerall and Halperin were obviously considered at the Embassy to be Communist sympathizers. Although they testified that they did not know Zabotin and his associates, their names appear in the assignment of tasks given to Lunan from time to time by Rogov, and it is also clear that the latter knew the nature of the work they were engaged in at the National Research Council, and enough about them to presume their willingness to cooperate. All the information concerning these three "recruits" had necessarily been previously furnished to Zabotin and Rogov, who were undoubtedly confident in view of what they had learned, probably from Rose, that the scientists would be receptive to Lunan's propositions.

DURNFORD SMITH was born in Westmount, P.Q., on 17th February, 1912, of Canadian parents. At the times in question he was a member of the Micro-wave Section of the Radio Branch of the National Research Council. He is a graduate of McGill University in mathematics and physics, and holds his Master's degree obtained for work in connection with radio-activity. Before entering the employ of the National Research Council, he had been with the Bell Telephone Company in Montreal for five years. In 1936 he applied for a post in the National Research Council, but not until 1942 was he successful in obtaining a temporary position as Junior Research Engineer in the Radio Laboratory. Later he was engaged as Assistant Research Engineer.

Smith's work in the Council was secret, and on his appointment he took the usual oath of secrecy. In the course of his duties he had to travel quite frequently on behalf of the branch in which he was working. On various occasions he went to Toronto in connection with work that was

being done by Research Enterprises Limited, and also to the Massachusetts Institute of Technology for the purpose of discussing secret equipment.

Like Lunan, Smith had associations with Poland, Nightingale, Boyer, Benning, Mazerall, Shugar, and Halperin, and he had been a member of the Committee for Allied Victory. He was the most cooperative agent in the Research group, of which Lunan was the leader, and, speaking of him Lunan testified as follows:—

Q. Which of the three, Mazerall, Halperin and Smith was the most co-operative on the whole in the organization with which you were connected?

A. I would say that Smith was.

Lunan told us that for the purpose of fulfilling his task, he approached Durnford Smith, whom he knew personally, first. He was "reasonably certain" of him, and he thus relates the first conversation he had with him on this matter:—

Q. Will you tell us how you carried on the conversation, how you broached the subject? What did you say?

A. I remember that I tried to feel him out.

Q. How would you do that?

A. I think I asked him first about his work, and at some point I know that I told him that I had met somebody and he—and I think you will understand what I say when I put it euphemistically that I let him take what meaning out of it he would, and I think it became clear to him the kind of proposition that I was making to him.

Q. What gave you that conviction?

A. Well, it was not immediately clear, because he said he would have to think it over. Subsequently at another meeting with him—

Q. He wanted to think it over. Why? He must have understood the nature of it?

A. I suppose he was not immediately sure that he wanted to do this.

Q. Was it put to him that the request was made to obtain from him the information for the Soviet Union?

A. Not in the first instance. Subsequently I think he must—well, I am sure he must have understood that. First of all, I was not fully identified to him, nor he to me. We were fencing with words, as it were, and I couldn't say at what particular stage of our conversation he understood exactly the nature of the proposition I was making to him.

Q. Well, you perhaps explain it in your letter, Exhibit 17-D, when you say:—

“Badeau: Warmed up slowly to my request and remained non-committal until he had checked independently on my bona fides. Once satisfied, he promised to cooperate.”

A. Yes, that is fair enough.

EDWARD WILFRED MAZERALL was born 1916 in Fredericton, New Brunswick, of Canadian parents. He is a Bachelor of Science in Electrical Engineering, and is a member of the American Institute of Electrical Engineers. From 1938 to 1939 he worked in Hamilton with the Canadian Westinghouse Company, and then joined the Canadian Broadcasting Corporation in Ottawa. In 1942 he went to the National Research Council where he was employed as an engineer to help in the development of Radar equipment. Like the other employees who were engaged in secret work, he took the oath of secrecy.

Of the persons on whom we are reporting, Mazerall had associations with Durnford Smith, Fred Rose, Shugar and Benning. He met Rose in the apartment of Agatha Chapman in Ottawa at a meeting of representatives of various “study groups” in which he was quite active. He tells us how he first met Lunan:—

Q. Was this the conversation at the Chateau, or was it a telephone conversation?

A. The first conversation was a telephone conversation.

Q. He phoned you?

A. He phoned me.

Q. Were you at your house or at your office?

A. I think I was at my office.

Q. And on June 4 he phoned you?

A. I believe that would have been so. I have a mark on the calendar, with his telephone number, so I assume that was the date. He asked me if he could see me, or have lunch with me, that he wanted to speak to me about something. I can't say definitely when I did see him; it was somewhere within a week of this date, and we had lunch, and then went for a drive in my car.

Q. You had lunch at the Chateau?

A. That is correct; in the cafeteria.

Q. That is after you had met him at these meetings?

A. Yes.

Q. Of the study group?

A. Yes.

Q. Will you carry on?

A. We went for the drive in the car, and after some preliminary discussion he asked me if I would supply him with information.

Q. For whom?

A. For the Soviet Union.

Lunan told us that he decided to use Mazerall's scientific knowledge as a method for broaching the subject of espionage. He said:—

Q. And before that you obtained his background, if I may say so, from Smith?

A. I knew something about him from Smith.

Q. And what did Smith tell you about the political background of Mazerall?

A. Well, he gave me a general recommendation.

Q. In other words, he was a member of the study group, and so on?

A. A subject to whom I could talk.

Q. And then how did you convey to Mazerall the purposes of the meeting?

A. I gave it to him in much the same way I had used with the other two.

Q. You may have to describe it. We have nothing here on this Exhibit 17-D, because you had not met him then?

A. No.

Q. Tell us what the conversation was?

A. Yes. I had been planning to build myself a radio gramophone, that is a reproduction instrument for music, and I had obtained a circuit for this from a radio store in Ottawa. I was not myself able to assess the circuit properly, and Smith had told me that Mazerall was an enthusiast for these instruments, and that he would help me, so I used that as my initial introduction.

Q. And how much of the plan did you convey to him?

A. I am not sure how much the first time I saw him, but I conveyed all of the plan not later than my second meeting.

Q. Not later than your second meeting, which took place how many days after the first one?

A. I couldn't remember.

- Q. And what did he say when you definitely conveyed the plan to him, clearly told him that what was needed was information for the Soviet Union? What did he say to that?
- A. He appeared to be willing to consider any questions that would be put to him.
- Q. And he gave you an answer right away?
- A. I think he did.
- Q. Did he accept?
- A. Yes, he did.
- Q. And did you ask him immediately for some material that had been asked by Rogov, for you to obtain from him?
- A. I asked him for something.
- Q. What did you ask for; do you remember?
- A. I think I gave him a slip of paper which I had received.
- Q. And what was on it?
- A. I don't know.
- Q. You gave him a slip of paper which you had received from Rogov?
- A. As far as I remember I did that.
- Q. And I suppose there was a good reason for that. You were not a technician?
- A. That is correct.
- Q. Or a scientist. And part of it possibly would have been strictly Russian to you?
- A. Certainly meaningless to me.
- Q. And you handed that to Bagley?
- A. To the best of my recollection I did.

ISRAEL HALPERIN was born on 5th January, 1911, in Westmount, P.Q., of Russian parents, and is a Professor of Mathematics at Queen's University, Kingston, Ontario. He joined the Army in 1942. In 1943 he was attached to the Directorate of Artillery, became a Captain in 1944 and a Major in 1945. In that branch of the Army he worked on a considerable number of secret projects, and he had access to all the files and documents concerning explosives and weapons, as well as to all the new discoveries made available to the Artillery.

Halperin was known to many who were involved in the Zabotin organization, and he kept in a pocket-book the telephone numbers of Adams, Boyer, Nightingale, Rose, Shugar and Poland.

He was first contacted by Captain Lunan in the manner described by Lunan himself:—

Q. Then whom did you see next, Bacon?

A. Yes.

Q. That is Halperin. How did you meet him?

A. I met him by phoning him at his office and making a luncheon appointment.

Q. Where?

A. At a hotel. I don't remember the name of it; some hotel in Ottawa.

Q. And how did you convey to him the request that had been made by Rogov.

A. I think I followed much the same line with him again; letting him interpret my words as he would. At the time I thought that he understood them correctly. Later I had reason to feel that perhaps he did not, but he also wanted time to think about it.

Q. And eventually, like Smith, he gave you his acceptance; and you had several meetings thereafter?

A. Yes.

At first, Halperin did not seem sufficiently impressed with the *conspiratorial* nature of the work that was assigned to him, but Lunan says that he approached him frankly and that he was keen and willing to work.

Lunan, as he stated, was not a technician but a writer, and obviously had some difficulty in transmitting both Rogov's instructions, when not in writing, and the information received from the members of his group. His first report dated the 28th of March, 1945, a few weeks after his first interview with Rogov, does not contain any valuable information. He merely reports to Rogov that he has started his work, that Smith and Halperin were willing to co-operate, but that Mazerall has not yet been contacted. The report is as follows:—

Ottawa
March 28

Dear Mother and Father:

General approach to work: Your written instructions are understood and some preliminary work has been accomplished on the specific tasks set. It should be understood that neither Bacon, Bagley nor Badeau are well known to me either personally or politically, nor I to them. Progress has been held up somewhat owing to one or other of them being out of town and

by the caution displayed by Badeau (a good thing probably) in checking into my credentials. With the exception of Bacon, who is enthusiastic and politically experienced, it would be unwise to approach them point blank with all the tasks assigned. They already feel the need for maintaining a very high degree of security and taking abnormal precautions at their normal meetings (about once in two weeks), since they are definitely not labelled with any political affiliation. One or two have even opposed the introduction of new members to our group on the grounds that it would endanger their own security. I therefore believe it wise to approach them carefully and not to advance too great an assignment to them at one time. Also, for the time being, not to characterize the work for what it is, but merely to let it be understood that it is work of a special conspiratorial nature, without mentioning my connection with you. If I read your instructions correctly, you assumed that I would discuss the situation frankly with each separately. This I have not done. But I would like to discuss this aspect with you. Another slight resistance to be overcome is the strong sense of security about their work that these men have developed as war scientists.

We have experienced a little difficulty (which we shall, however, overcome, I believe) in making our initial arrangements to meet. There are several reasons for this. Bagley lives quite far out of town in the country and is dependent on train schedules. Badeau lives at the furthest end of Hull and works during the day out of town and out of reach at lunch times and other times convenient to me. My house is out of the question for meeting (and typing) purposes as I have two others living with me. We shall probably solve these difficulties as we gain practice in the work.

The following notes describe in detail progress made with each individual on each task set.

Badeau: Warmed up slowly to my requests and remained non-committal until he had checked independently on my bona fides. Once satisfied, he promised to cooperate. He is preparing the report on his dept. as requested, also a full report on organization

and personnel, interlocking depts. etc. of NDC plus any other information he thinks useful. These reports are promised to me for Apl 9. I am unable to get them any sooner.

Discussing the work of NDC in general, Badeau informs me that most secret work at present is on nuclear physics (bombardment of radio-active substances to produce energy). This is more hush-hush than radar and is being carried on at University of Montreal and at McMaster University at Hamilton. Badeau thinks that government purchase of radium producing plant is connected with this research. In general, he claims to know of no new developments in radar, except in minor improvements in its application.

Bacon: I received an excellent report on Bacon, and approached him more frankly than the others. He seems anxious to be of help. His attitude is that most of the so-called secret work is a joke, and while it is officially on the secret list, those working on it can see no reason for secrecy. He undertook to provide the information requested on Valcartier. He suggested I obtain it direct from his chief in my official capacity, but I advised him that this was not wise as I do not wish to show any official interest in this field until and unless we decide to do an article on it. He claims there is no particular secrecy about the set-up, but I persuaded him to give me the whole report on the matter. I did not mention formulae and samples at this meeting, as I don't think Bacon is sufficiently impressed with the conspiratorial nature of the work as yet. But he is definitely keen and will be helpful. I shall see Bacon again on Apl 2 to hear about his report and to take up our request with him further. He travels a good deal which complicates our arrangements for meeting.

Bagley: I have been unable to see him as yet. He has not been a very regular or enthusiastic supporter for several months although he is now showing more enthusiasm. He lives in the country and his wife is antagonistic to his political participation. He strikes me as being somewhat naive politically, and I shall

take things slow with him for a start. I plan to develop his acquaintance as much as possible and gain his confidence by collaborating on some scientific articles. Will report on him next time.

With regard to photographs and biographical notes on Bagley and the others, Bacon and Badeau will provide them with their reports. I will supply Bagley's later. Bacon is a mathematics professor from Queen's University at Kingston, now a major in the army. Badeau is an electrical engineer who has worked in the engineering department of the Bell Telephone Company at Montreal. Fuller details later.

Back.

This document was written in Lunan's office, with his own typewriter, and the words *Dear Mother and Father* were written purposefully so as to baffle those in the office that might see him at work on the document.

For the purpose of the work that he had to perform, political opinions were of utmost importance, and the primary qualifications that had to be found in "agents", to use Lunan's own words, were "close cooperation with Russia" and "sympathy with the Communist Party program". Not being sure of how far Mazerall and Halperin would be prepared to go, Lunan had to act cautiously until he was satisfied of their attitude.

The second report made by Lunan to Rogov is dated April the 17th, 1945, and it reveals that some notable progress has been made with Halperin (*Bacon*), very little with Smith (*Badeau*) and that Mazerall (*Bagley*) has not yet been introduced to his assignment. It was typed in English by Lunan, and was headed in Russian, in hand-writing, *Organizational Letter of 18.4.45*. It reads:—

There is relatively little progress to report since last time because of a series of unfavourable circumstances which have made continuous liaison with my people impossible.

As you will have realized, I was out of town for several days last week and was unable to keep my appointment. Bacon was away from work for several days with a cold. It was inadvisable to see him at his home to discuss matter with him, although I did visit him there once to receive a report from him. Badeau also made a trip to Toronto during the one week when I was in town and relatively free to see him, and for the

following week he was detained late at the office (laboratory) working on a special rush experiment. The prospect for myself over the next few weeks isn't any brighter, unfortunately. The announcement of the elections, earlier than expected by us, has involved me in a great deal of rush work which will keep me in Montreal all next week. This work, of course, has to be given priority; but it means that the time available for seeing my people is very severely cut into—especially when they might be busy on those times when I am free.

This is not a very bright picture for the progress of our work. But it is the circumstances in which we find ourselves, and it is only to be hoped that work will ease up soon. Incidentally, I suggest that Jan's call to my office was not strictly necessary, since we already had the arrangement that the meeting would take place three days later if for any reason either party failed to turn up. However, it had this advantage, that it tested out the system of calling on the telephone, which was quite successful.

Reporting in general on the work done since last meeting:

Bacon has given considerable thought to my original requests and has given me the material for the attached report. He offers to fill in any details that may be asked for if he can. I have not had the opportunity to ask him about payment.

Badeau was very disturbed when I brought up the subject of payment. I think he felt that it brought the subject of his work into a different (and more conspiratorial) focus. He was to think it over and let me know, but we have had no opportunity to meet since I was in Montreal in the interim. He is very slow in giving me any information, largely because he actually has not time to sit down and make a report. He offered me the printed report of the Research Council, but I assume that all this information is known or can be readily obtained from a Government library. The latest report he could get was also considerably out of date. He reported to me in words the general details of his own work. He is in the radio engineering

end of things, specializing in radar. Current work, on which there was an emergency rush last week, is in connection with a battleship radar device for use in the Pacific.

This is an extremely sensitive detecting device which has been successfully tried out on the East Coast. Present work is the designing and construction of a pilot model. Badeau has been largely responsible for this. Possibly there are specific questions which could be asked about this, as Badeau is a very difficult person to pin down to detail.

It has still been impossible to see Bagley and introduce him to his assignment. As I pointed out before, since I know very little of this person, it is my plan to become better acquainted with him and get some idea of his readiness for work of this kind. The time, however, has been quite beyond me as yet.

With regard to biographies: both Badeau and Bacon have promised to provide biographical notes. I was to have received these on Monday, but could not keep my appointments, being out of town. Will obtain them for next time. Badeau is married with 2 children—about 6 and 6 months old. He is about 33 years old and before joining the Research Council, worked in the Research Department of the Bell Telephone Company at Montreal. He is a graduate electrical engineer. Bacon is a man of about 35, married and with 2 children and a third on the way. He is a professor of mathematics at Queen's University, Kingston and intends to go back to that work after the war. He is at present a major in the Artillery.

Bacon's report.

Bacon has been personally responsible to a large extent for the preliminary work in connection with organizing C.A.R.D.E. (Canadian Army Research Division, Explosives). This is an organization which is in process of being created. It will have both civilian and military personnel, but will be administered by the army. It is intended to be integrated with the various arsenals in Canada—at least two of which will probably be maintained permanently after the war.

CARDE will contain the following:

A. Pilot explosives plant. This is being built by, and controlled by, National Research Council, but with army funds. The chemical branch of NRC will have very little or nothing to do with it. It will have a large capacity and will be capable of experimental work with new explosives, both HE and propellants. It is not yet being operated; will be taken over by CARDE when completed. Probable director will be Englishman, Harold J. Poole, who is now acting director. He is a permanent civil servant in the explosives field. Said to be slow as an organizer and executive, but a competent technician. Bacon believes that this plant can be of tremendous importance and can improve production methods to meet changing needs. Canadian raw material situation very good.

(Bacon gave some information on present explosives plants and their capacity. This is probably well known. Can produce information if desired).

B. Ballistics Laboratory. Under direction of Dr. Laidler. This is the only part of the over-all project which is at present in operation. This section is working with the Department of Chemistry at Toronto University in experimenting with a variety of new propellants. They are using a new explosive "DINA" mixed with RDX as a component in propellants. DINA is intended as an alternative to nitro-glycerin. Americans are said to be very interested in one of these new propellants called "Albanite". This is a propellant containing DINA and picrite as an alternative to the standard British propellant containing Nitro-Glycerin and picrite.

C. Designs Branch. This will be mostly for designing small ordnance and will include a pilot plant.

D. Field Trials Wing. This will do the work which is now being done at Suffield and Valcartier by the Inspection Board of United Kingdom and Canada. They have a good scientific and do a good job of analysing faults and difficulties of manufacture.

Eventually the organization will consist of A, B, C & D. Dr. Don Chase (an NRC physicist) has already

been appointed superintendent of CARDE. He will be responsible to the Director of Artillery (Colonel W. E. Van Steenberg) who is a biologist and who will in turn be responsible to the Master General of Ordnance, Army. Eventually, there will probably be a committee comprising representatives of the three services.

Bacon emphasizes:

The importance of CARDE in controlling factory production.

The laying down of a skeleton armaments research centre which could be taken over by the British in the future if it became necessary. It could take on assignments, and now has some on which to work.

After this second report, Rogov obviously met Lunan on several occasions. On the 6th of June, 1945, Rogov assigned to Lunan a list of "tasks" for his group. The original list, in Russian, has in the left column comments added later, with the dates on which the various tasks were completed. The text is as follows:—

<u>Assignment No. 1</u>	
<u>Assigned to the group Back (Research)</u>	
<u>assigned on 8.6.45</u>	
<u>Back:</u>	1. To write out material on "The election to the Federal Parliament and the pre-election struggle", showing the role and the significance of each party in this. To give the characteristics of each party, its political platform and who finances it and whose circles it represents.
<i>Fulfilled</i> 5.7.45	
<u>Bacon:</u>	1. To give instructions or any other kind of material on electroshells (V-bomb).
<u>On Points:</u>	2. To write down what new research work is being carried on and what is the latest right now with respect to explosive materials and artillery armaments.
1. He promised to obtain it for the next time.	
2. Has no data whatsoever.	

Bagley:
Fulfilled
5.7.45.

To establish closer contact and to obtain at least oral information.

Badeau:
On points:
1. Fulfilled
5.7.45
2. Partly fulfilled
3. Not fulfilled
4. Fulfilled
5.7.45.

1. To obtain ~~max~~ any material on the American aeroplane radio-locator of the type "an/aps—10" and also on the radio navigation periscope. *
2. To give more detailed information on the "Research Council" right down to the sections, their directors and what they are engaged in.
3. To obtain the telephone directory of the "Research Council".
4. On the works Mrs Smith-Durnford; D. A. Keys; and I. S. Foster. To give a general description, what kind of apparatuses they are; where they are used, and what are their fundamental features. (See material No. 1 of group Back).

Remarks:

The whole material must fulfilled by 5.7.45.

Lunan's third report is dated July the 5th, 1945. It indicates that Mazerall (*Bagley*) has agreed to work and has promised his full cooperation. At this moment, Halperin (*Bacon*) does not seem to be very enthusiastic, and nothing is said of Smith (*Badeau*). The report reads:—

Bagley: I had a very successful meeting with Bagley and he agreed to participate to the furthest of his ability. I also received an explanation of what I took to be his early reluctance to meet me. His wife teaches music, and on the frequent occasions when she has to be away from the house, he has to stay home with the children. He is unable to plan his free time very much in advance, hence the difficulty in seeing him. He is interested in the work and immediately

* Faint type indicates word crossed out in original documents.

promised to be of assistance. I gave him a full quota of tasks, and he promised reports on his work and on various other aspects of the general work at his place. Since first seeing him, I have been in Montreal, and on the two occasions I tried to get in touch with him for a progress report, he was not available. He had promised to deliver his work in full in time for this meeting. He now informs me, however, that he has not completed the work and will need another ten days. He pleads extreme business as the reason. I know that they are very busy, and it most difficult to persuade these fellows to give up the time. In fact, they are working to tight schedules and it is customary for them to work continually at a task until it is finished. I shall keep after him, and try to get the material within the ten days mentioned.

Bacon: I spent a whole evening with Bacon, with most disappointing results. I put the tasks to him, and on both of them he assured me he had nothing to offer. He claims that the electro-bomb is common knowledge to the Germans and assumes it must be so to you. He is unwilling to take any risk in obtaining material which he is convinced is already obtainable. I tried to persuade him to meet the demand any way, but he was unwilling to do so.

With regard to the general question on explosive development, he assured me that he has nothing to add to his former report. He is himself curious about the Chalk River plant and the manufacture of Uranium. He claims that there is a great deal of talk and speculation on the subject, but that nothing is known outside of the small and carefully guarded group completely in the know. He emphasized that he himself is as remote from this type of information as I am myself. His work is at a virtual standstill; and in any case, his work has been mostly in the field of development (field improvements) on ordnance, and not in the realm of explosive research. He maintains that there is a distinct division between research and development. He expects his work to cease fairly soon, and wants to go back to teaching. This fellow is a mathematician, and not a chemist or physicist, which may account for his

remoteness from the details of explosive research. I shall continue to see him but he gave me definitely no encouragement last time.

Back: There is a delay in time before the arrival of baby. X-rays reveal that event won't take place until close to end of July. No information as yet as to future disposition in the army. Have just been promoted on account of present work. Expect to be at same job at least for another month and probably longer.

Back.

On that date, the 5th of July, 1945, although Smith, Mazerall and Halperin had declared their willingness to furnish information, only Halperin (*Bacon*), as evidenced by the above report, had as yet given any material to Lunan. Halperin's report of 17th April had dealt with the Canadian Army Research and Development Establishment, called C.A.R. D.E., and the various plants and laboratories that would be operated by this organization. This included information about the Pilot Explosives Plant, the Ballistics Laboratory, the Designs Branch and the Field Trials Wing. Halperin emphasized the work done at the Ballistics Laboratory with particulars as to new explosives, and we have been told that this information conveyed to Lunan by Halperin was of a highly secret nature.

Halperin later furnished additional information, as is shown by the following document, written in Rogov's handwriting and found in his brief-case.

RESULT OF THE LAST MEETING OF BACK'S GROUP (RESEARCH)

1. Bacon—categorically refused to give any kind of written information and also documents to be photographed. A possibility exists, but he is afraid. He only gives oral information, but this does not answer our demands, as Back is a writer and not a scientific worker. In an oral conversation he stated that in Canada and in the United States special electric shells are being produced by means of which the accuracy of hitting the target is automatically determined, based on the principle of reflection of radio waves. The electro-shell is called "V bomb" and it consists of a small high frequency transmitter by means of which there is produced a rebound of waves from the target.

These shells are already in use at the fronts and there exist special instructions, about bringing which he made no firm promise.

The following document, written in Russian and probably in the handwriting of Levin (*Runy*), an interpreter at the Embassy, is based on a written report made by Lunan of the information given him by Halperin, and amplifies Rogov's notes:—

Back's Group

Mat No. 1

Bacon.

*

It has become very difficult to work with him, especially after my request for Ur 235 (Uran 235). He said that as far as he knows, it is absolutely impossible to get it. Thus for instance he declared that perhaps it (Uran) is not available in sufficient quantity. Bacon explained to me the theory of nuclear energy which

?

*

is probably known to you. He refuses to put down in writing anything and does not want to give a photograph or information on himself. I believe I think that at present he has a fuller understanding of the essence of my requests and he has a particular dislike for them. With such a trend of thought as he has, we cannot obtain it is impossible to get anything from him except with the exception of verbal descriptions, and I am not in a position to ~~enable~~ understand everything fully where it concerns technical details.

*

*

*

I asked him what is taken into consideration in the construction of the very large plant (Chalk River, near Petawawa, Ontario), in the general opinion the principle of production of which is based on the physical properties of the nucleus; with regard to his expression of opinion that it is impossible to get Uran 235. He replied that he does not know. He believed that the project is still in the experimental stage.

Then he described to me the general principles of the electronic shell and the bomb detonator, which are being produced in plants in the U.S.A. and Canada, and which is the reason for the accurate fire in destroying rocket projectiles (V-bombs). It has the form of a small transmitter of high frequency the ray of which is reflected from the target. When the force of the

* Faint type indicates words crossed out in original documents.

reflected wave in the vibration of the radiated frequency reaches a definite strength, the charge is exploded electrically. I asked him if it would be possible to obtain instructions for it, he replied that it would be possible. I was not able to extract (incline) anything in any other way. In conclusion, Bacon (took the position) announced that he will talk to me but he will not write anything at all, and I do not think that he is ready to begin to work more deeply, as for example—to obtain samples. He says that he does not know anything about matters that are not already known to you.

However Rogov decided to continue to use Halperin, for we read, among the entries listed as *Task No. 2*, given by Rogov to Lunan, the following:—

TASK NO. 2

Assigned 6.8.45

- Back:**
1. Can Bacon after leaving for Queen's University, maintain connections with the Artillery Board in which he is working at present. If so, in what manner.
 2. What possibilities may Bacon have in Kingston for our work?
 3. . . .

It was the constant concern of Zabotin and his associates to make sure that agents would still be useful after their discharge from the Armed Services or Government employ.

Called before us to give evidence, Halperin was very unwilling to cooperate, although he had been advised to do so by his Counsel who told the Commission:—

“COUNSEL FOR WITNESS:—I think I ought to make a very short statement of explanation. Following the interview, this morning, I have had a long conference with Mr. Halperin, and I have gone over with him, as far as I know, the picture that presents itself here; and I have said to Mr. Halperin, and he agrees with me, that, as a civil servant, and as a citizen of Canada, in view of the serious nature of the allegations, the situation he is in, he is in duty bound to give all the assistance possible to this Commission. He has decided to do so.”

Later, Halperin refused to answer any further questions, and asked his Counsel, to withdraw, which he did.

Of Mazerall, Rogov said in his early notes:—

3. Bagley—so far no contact has been made. The main reasons are that he lives so far from the city and the influence of his wife who does not want him to meet corporators. On Back's proposal for a meeting, he answers that he is busy and living far away, but at the same time he invites to his house. Back communicated that he will have a meeting with him in the period of 20.5 to 5.6—

* He further added that Bagley knows nothing about his immediate work as Fred Debouz talked with him only generally, and recommended that Back should study him in detail and only after that to start working with him.

4. Back himself has no possibilities. He is being used as a contact. At the last meeting he said that a baby will be born to him at the end of June.

Mazerall's main task was to reveal information concerning technical facts on radio sets, and to make periodical reports on the Radio Department and on the models that were being developed. It was only on July the 24th that, after having agreed to "work", he gave Lunan some information under the form of two reports. The first one was a *Long-Term Proposal* prepared by Dr. McKinley of the National Research Council, for future civil aids to air navigation, and the second was a report on *Airborne Distance Indicator* prepared by Mazerall himself and edited by Dr. McKinley. They were turned over by Lunan to Rogov, and returned to Mazerall the next day after they had been photographed at the Embassy.

These reports, which were of a secret nature, had been prepared so that Dr. McKinley might present them at the Commonwealth and Empire Radio Civil Aviation Conference that was to be held in London some weeks later.

It was only on the day on which Mazerall handed these two reports to Lunan that he was told his cover-name was *Bagley*. Mazerall said in his evidence that he knew he was not authorized to give these reports to Lunan and he knew also that they were to be given to the U.S.S.R. Mazerall's evidence is as follows:—

Q. What about the report prepared by Dr. McKinley? What was the importance of that report?

A. Well, it could be taken in the same light as this. There was nothing in the report which we had actually decided to do. It was merely proposals of what might be done.

* Faint type indicates words crossed out in original documents.

- Q. It was a plan for further development?
- A. Yes, a long-term plan.
- Q. Was that something new?
- A. Yes, it would have been quite new.
- Q. It was a new development at the National Research?
- A. No, it had not even been developed. Ferris and I had discussed on many occasions what we might like as an ultimate navigational scheme and Ferris in turn would present his ideas to McKinley and McKinley wrote them up. It was only our ideas that we would like to see put into effect.
- Q. Your ideas for the future?
- A. Yes.
- Q. And they were all embodied in Dr. McKinley's report?
- A. Yes.
- Q. And that is the report you gave to Lunan?
- A. Yes.
- Q. At the same time as you gave the other?
- A. That is correct.
- Q. You knew you were not authorized to give that report to Lunan, Dr. McKinley's report?
- A. Strictly speaking, yes.

Mazerall's evidence as to the report which he himself had written follows:—

- Q. This report concerns Radar?
- A. It does make use of Radar principles, but it is somewhat different than the conventional Radar. It is very much simplified.
- Q. Was that a new invention or discovery?
- A. This?
- Q. Yes?
- A. No, the Americans were working on the same idea exactly at the same time. It was more or less of a race between the two of us.
- Q. Who won the race?
- A. We did, sir.
- Q. Why do you say it was a race between the Canadians and Americans and that you won the race on the 15th of July when you published your report, if there was nothing secret?
- A. Our equipment was working on a frequency of 200 megacycles and the British have a great many pieces of navigational equipment on that band. The Americans, on the other hand, wanted to use 1,000 megacycles. They had had some experience with 1,000

megacycles. Neither we nor the British had. It would have taken us a very long time to build equipment to use 1,000 megacycles, whereby by using the techniques which were well known we could develop this.

Q. Was that secondary Radar or primary?

A. You might call it secondary, I suppose.

Q. Secondary Radar?

A. It was a beacon system where the ground beacon was interrogated by a beam from the aircraft. There were a great many people who knew of this.

Q. You are not suggesting, are you—if you are I want to know—that any document prepared by the National Research Council which bears the legend “Confidential” may be treated as though it is not confidential?

A. No, only this particular equipment.

Q. If this document we are speaking about, Exhibit No. 107—as far as that document is concerned, it bears the legend “Confidential”. That means that neither you nor any other employee of the Research Council is free to disclose it?

A. Yes.

Q. Except to authorized persons?

A. Yes.

Q. And Lunan was not an authorized person at any time?

A. No.

Q. Did not the same thing apply, Mr. Mazerall, to any information that you had about it, apart from what might appear in the formal report, Exhibit No. 107? That is, you were free to disclose the information to authorized persons in the course of your duties, but not to unauthorized persons?

A. Yes.

Q. You knew perfectly well that you should not give that to Lunan?

A. Yes, I did, and as I say I could have given him more important reports which would have been more useful than this to them. While I certainly regret it very much, the fact is that this was the most innocuous report I could have put my hands on.

Q. And what was Lunan to do with these reports while they were in his possession?

A. Turn them over to the representatives of the Soviet Union.

Q. To the representatives of the Soviet Union?

A. Yes.

Of all the group working under Lunan, Durnford Smith was the most active. The first information he gave was verbal and dealt with a battleship Radar device for use in the Pacific. He had been largely responsible for this work, which was an extremely sensitive detecting device that had previously been tried out on the East Coast.

Rogov wrote of Durnford Smith in his notebook:—

2. **BADEAU—wants to work. Gave written information on questions of research in the field of radio technique, of optics and separate apparatuses. The material is very technical and is hard to grasp on the spot. It was sent out by mail. It is essential to have concrete questions for him. According to data given by him the organization of the National Research Council from the top down is as follows: The Committee of the Secret Council on Research Problems; Chairman J. A. MacKinnon. Under him is the Research Council—Chairman, C. G. MacKenzie. There are three floors with two divisions on each floor. On the first floor is the Division of Plans and Publications and the Division of the Chief Assistant S. P. Eagleson. On the second floor there is the Division of auxiliary Research. Here also is the combined committee of scientists. Also the division (apparently) of cyphers and stenography, with A. F. Gill as chief. On the third floor there is the Division of Applied Biology, chief W. H. Cook; the Division of Chemistry headed by S. Teaire; the Division of Mechanical Engineering, Chief J. H. Parcen, and the Division of Physics and Electricity, chief R. W. Boyle.**

Badeau asks for permission to change to work on uranium. There is a possibility either by being invited or by applying himself, but he warned that they are very careful in the selection of workers and that they are under strict observation.

It was felt that much of Smith's information was so technical that it would be preferable for Rogov to contact Smith personally. Rogov therefore arranged through Lunan for a direct meeting with Smith. This meeting is recorded in Rogov's handwriting in one of the exhibits produced before us, which formed part of the Lunan dossier. The entry reads:—

6. 5.7.45 **Regular meeting—everything was normal. He was with Badeau, the latter brought valuable material. We agreed upon further work. Back himself brought the material on the elections to the federal Parliament.**

A fuller account by Rogov of this meeting is recorded in the section headed *COURSE OF MEETINGS*, in the Embassy's dossier on Durnford Smith. This document is set out later in this section. Lunan described to us the occasion on which Smith personally contacted Rogov, as follows:—

- Q. What did you tell him (*i.e. Smith*) about the meeting?
A. I simply told him I would like him to meet the person I had been seeing.
Q. Who did you tell him that was?
A. I think he knew by this time. I might have used the name *Jan*.
Q. Did he say, "Who is *Jan*"?
A. No, but he knew that I was seeing somebody.
Q. But didn't he show any curiosity as to where *Jan* was from, Vancouver or Cuba, or who he was?
A. I can't remember his reaction.
Q. At this time did you know who *Jan* was?
A. No, I didn't know him by any other identification than *Jan*.
Q. But you knew who he was?
A. I knew he was from the Soviet Embassy; that is all.
Q. Did you know from what department or division or branch of it?
A. No, I did not.
Q. You were satisfied as long as he was from the Soviet Embassy?
A. Well, I was well into this particular arrangement. I can't say that I was continuously satisfied.
Q. You were content to carry on as long as you were dealing with somebody from the Soviet Embassy?
A. Yes, I was. I was content under the circumstances that existed there to continue the arrangement as I did.

- Q. Did you ever tell Smith, or *Badeau*, that the man he was going to meet was the man to whom you were furnishing the information?
- A. That is correct.
- Q. And that he was from the Russian Embassy?
- A. I can't remember telling him when I made this appointment, but I certainly assumed that he fully knew that.
- Q. When did that meeting take place?
- A. The one with *Badeau*?
- Q. Yes; *Badeau*, Rogov and yourself?
- A. It took place in the summer; I imagine it was the next meeting.
- Q. And that would be what date?
- A. In July.
- Q. What date in July?
- A. Well, according to this, July 5th; but I cannot vouch for the accuracy of that date.
- Q. At what time?
- A. In the evening.
- Q. And what hour?
- A. I don't remember the hour.
- Q. At what corner?
- A. I don't remember that either.
- Q. Did you proceed there with Smith or had you arranged to arrive there at the same time?
- A. I went with Smith.
- Q. Where did you meet Smith to go there?
- A. I met him on the Driveway.
- Q. Where?
- A. Close to Laurier bridge.
- Q. And what was the conversation on your way to that meeting point with Rogov?
- A. Between Smith and myself?
- Q. Yes.
- A. I don't remember that we conversed about anything in particular.
- Q. You were not going to a funeral; you must have spoken a little?
- A. Yes, but certainly not anything that I can recollect.
- Q. All right. Tell us what took place when you arrived there. Was Rogov there at the time arranged?
- A. Within a few minutes.

- Q. And what took place then?
- A. The three of us got into a car.
- Q. What kind of car was it?
- A. I don't know the make.
- Q. It was Rogov's car, the car in which Rogov came?
- A. Whether he came or not, I don't know, but it was a car on which he had some claim at least.
- Q. Had he a driver?
- A. Yes, there was a driver.
- Q. And was the driver in uniform?
- A. No, he was not.
- Q. Not in chauffeur's uniform?
- A. No.
- Q. Well, the three of you boarded the car?
- A. That is right.
- Q. And tell us what took place then?
- A. We then drove around. I was sitting in the front seat, and Smith and Jan were in the back seat. They then proceeded to converse, and I had no part in that conversation. I sat in the front and smoked.
- Q. But you heard it, I suppose?
- A. No, I didn't; they were talking in a low tone. It is almost impossible to understand *Jan* under the circumstances in the back of a car. Smith I also found rather a difficult person to understand, by no means articulating clearly. In any case I had no conscious participation in the conversation, although I did hear the occasional phrase.
- Q. From what you heard, could you tell us what was the gist of the conversation?
- A. They appeared to be talking about technical matters, electronic matters.
- Q. Was either of them carrying a brief case?
- A. I think Smith was. As far as I know he characteristically carried a brief case.
- Q. Did you see him handing some documents to Rogov?
- A. No, I did not.
- Q. Then how long did that last?
- A. I would say for perhaps forty-five minutes.

- Q. During all that time were you touring around?
 A. Yes.
 Q. And you came back to the same place?
 A. No, we did not.
 Q. You alighted from the car at the same time as Smith?
 A. No.
 Q. Before?
 A. No. Smith got out first.
 Q. And did he wait for you?
 A. No, he did not.
 Q. You kept on driving with Rogov?
 A. That is right.
 Q. Were you in uniform?
 A. I think I was, yes.

Asked about this interview with Rogov, Smith says that he does not remember, but he is very indefinite about it, and we accept as a proven fact that on that occasion he met Rogov.

We have also evidence that on some other occasions Smith transmitted to Rogov confidential information coming from the National Research Council. Many of the documents produced are direct assignments given to Smith by Rogov and it appears that many of them have been duly fulfilled. One of the documents reads:—

Badeau:

On points:

1. *Fulfilled*
5.7.45

2. *Partly fulfilled*

3. *Not fulfilled*

4. *Fulfilled*
5.7.45

1. To obtain ~~any~~ any material on the American aeroplane radio-locator of the type "an/aps—10" and also on the radio navigation periscope. *
2. To give more detailed information on the "Research Council" right down to the sections, their directors and what they are engaged in.
3. To obtain the telephone directory of the "Research Council".
4. On the works Mrss Smith-Durnford; D. A. Keys; and I. S. Foster. To give a general description, what kind of appara-

* Faint type indicates word crossed out in original documents.

tuses they are, where they are used, and what are their fundamental features. (See material No. 1 of group Back).

Remark:

The whole material must be fulfilled by 5.7.45.

Another assignment was:—

Badeau:

1. In the month of June 1945 the Military Air Force of Canada jointly with the photographic Research Committee and also with the Optics Section of National Research Council, conducted tests of the new photo bomb (photo flash bombs bursting) of 750 million candle power, and of special lenses for aerial-photography by night.

It is desired to have on these questions the following information:

- a. What is the composition with which the photo bomb is filled and as much as possible write out its formula.
- b. c. What is the surface area lit up by the flare of this bomb and the duration if its flare. *
- d. The maximum height from which it is possible to carry out practical photographing by means of this bomb. *
- e. What are the features of the new photo-lenses and what are their basic technical data (focus, light power etc.) *
- f. What is the organization of the photographic Research Committee and who are its directors. *

*Assigned on
5.7.45*

* Faint type indicates words crossed out in original documents.

2. What new jobs are being conducted by the Photographic Research Committee in the sphere of altitude aerial-photography and in colour aerial photography and photographing through the clouds by means of infra-red rays.

Give the newest types of aerial-photo apparatuses used by the R.C.A.F. and by the R.A.F. and their basic data:—

- a. The type of the apparatus (the brand).
- b. The maximum height of photographing.
- c. The number of adapters and the size of the photographs.
- d. ~~The methods of~~ ~~hinerary~~ and ~~level~~ photographing. *
- e. The types of lenses, their light power and the focal distances.

On the 6th of July, 1945, Smith received personally the following assignment:—

Assigned 6.7.45 directly to Badeau

1. To give the basic description of the features of the contrivance transmitting and receiving radio tubes for $\Lambda = 3$ and $\Lambda = 1$ cm. and their technical manufacture.
2. The same with respect to tube "4j-33".
3. New work in the field of radio locators for anti-aircraft artillery and aeroplanes with $\Lambda = 3$ and $\Lambda = 1$ cm.
4. What are the features of the "T-R Switch" on wave $\Lambda = 3$ cm. and $\Lambda = 1$ cm.
5. The types of radio antennae for $\Lambda = 3$ and $\Lambda = 1$ cm.
6. What are they engaged in on the second floor at the "Boyd Station", there is a supposition that they study infra-red rays and develop cm. radio installations.

* Faint type indicates words crossed out in original documents.

7. To give a more detailed technical description of "an/aps—10".
8. According to the latest literature indicate each graph (?) in it.

Remarks:

1. As the opportunity arises, to obtain samples of the radio tubes.
2. Also to give us documentary material for photographing.
3. If there is no opportunity in fulfilling certain requests, no special activity to be displayed.
4. After reading this material burn it.

Through Lunan, Smith also was given the following task:—

Assigned through Back 6.8

TASK FOR BADEAU No. 3

Give the following literature for photographing:
GL 14003, som 14032, A.S.V. 14040; B & NS 13960.

Remarks—If the above material should prove bulky, or it is inconvenient to take all at once such an amount of books, then this amount may be reduced according to your own judgment, but let everything be done with caution.

P.S. After studying it, burn.

The reference is to the designation of documents in the secret library of the National Research Council.

And on the 25th of August of the same year, Smith was personally given the task of obtaining the following information:—

ASSIGNMENT N

Assigned to Badeau personally 25.8.45

1. Answer last letter regarding the new radio tubes, radio-locators (both for $\Lambda = 1, 2, 3$ cm) and other questions indicated in that letter.
2. Try to find out any particulars about the "Electron Shells".
3. For the next time bring the following books:
LG 13853; GL 14017 and P(RAD) 13920.

P.S.—burn after reading.

In the Durnford Smith dossier from the Embassy we find also the following table of meetings covering a period of approximately two months:—

COURSE OF MEETINGS

No. P.	No. P.	Substance of Meetings	Remarks
1.	<u>5.7.45</u>	<p>The acquaintance meeting took place through Back. Makes a good impression. At the meeting behaved very cautiously, somewhat cowardly. Brought material for photographing on radio locators. Is desirous to work for us and promised to do everything possible.</p> <p>Lives in Hull in a separate suburb. Requested to do photographic work by himself and contact with Bagley. See details in telegram of 6.7.45.</p> <p>Handed out 100 dollars; he took the money readily.</p> <p>In the course of time he may become the head of a group.</p> <p>No regular meeting fixed, contact will be maintained through Back.</p> <p>Special assignment set forth (see annex).</p>	
2.	<u>18.8.45</u>	<p>Urgent meeting held respecting photographing. He has just returned from the USA, brought nothing. He will bring for the next meeting his account of his journey in the USA and other materials in accordance with our directive. Is unable to photograph he only has a camera and nothing else.</p> <p>Regular meeting—25.8.45 } Place—Hull } <u>T=22.30</u></p>	<p>Was a torrential downpour, but he nevertheless came. Gave instructions not to come in the future in such weather; it is not natural.</p>
3.	<u>25.8.45</u>	<p>Regular meeting, everything normal. Handed over a great amount of radio literature and various reports, about 10 books in all.</p> <p>He informed that he goes on a two-weeks leave.</p> <p>Tasks were assigned concerning radio materials and others (see assignment No. 4).</p> <p>The meeting for the return of the material will take place on 26.8.45 at corner of Osgoode and Cumberland at 22.00.</p>	<p>Handed out 100 dollars</p>
4.	<u>26.8.45</u>	<p>Meeting for returning the literature, everything normal.</p> <p>The regular meeting through Back.</p> <p>We agreed concerning an urgent meeting: <u>Brent</u> to call on the telephone (home) 3-3870, after some conversation, he is at the end to say: "Mary sent her love for your children", this is to mean that the meeting will take place at 21.00 o'clock at corner of Berr and Ste. Marie. Bado to walk down from Berr along Ste. Marie on the left side.</p>	

At a date which cannot be ascertained, Smith also transmitted to Rogov all the names of the chiefs of staff and their assistants in the Radio Sections of the National Research Council, Air Force, Naval Micro-wave Section and Special Research and Development Section with his comments on the political leanings of a few of them. On another occasion, he personally wrote, on several sheets of paper, information and diagrams of a highly secret nature concerning a "scanning antenna". It has been explained to us by an expert witness that this term is applied to an antenna which has a beam. As the witness said, "it looks out straight ahead and then when it scans it oscillates back and forth, so that the Radar set is able to see within a certain angle, whatever target is there". The advantage of this is that the target within that angle can be displaced, so that the operator of the radar set gets a plain picture of the area in front of the radar set. This information dealt with matters which Smith was concerned with as an employee of the National Research Council. Smith did not deny, nor would he admit, having sent this written information and the diagrams to Rogov, but the sheets of paper were brought by Gouzenko from the Soviet Embassy, and we had evidence before us which clearly established that these documents are in Smith's own handwriting.

Smith had access to the library of the National Research Council and also to the secret library of the Micro-wave Section where secret and top secret documents are kept, and to which only authorized persons are admitted. During the summer of 1945, he drew from the secret library a large number of documents marked *Top Secret*, dealing with "Radar", "antennas", "Radar and field artillery", various reports on micro-wave components, electromagnetic propagation, circuit techniques, and a considerable number of other documents of a similar nature. He obtained these documents to fulfill some of the tasks assigned to him. They were obviously photographed and returned to Smith, for, in Rogov's notes, headed *COURSE OF MEETINGS* and set out above, we see under date of 25th August, 1945:—

25.8.45

3. Regular meeting, everything normal. Handed over a great amount of radio literature and various reports, about 10 books in all.

He informed that he goes on a two-weeks leave.

Tasks were assigned concerning radio radio materials and others (see assignment No. 4).

The meeting for the return of the material will take place on 26.8.45 at corner of Osgoode and Cumberland at 22.00.

Was a torrential downpour, but he nevertheless came. Gave instructions not to come in the future in such weather; it is natural.

The next day, on the 26th, we find the following entry:—

4. 26.8.45—Meeting for returning the
literature, everything
normal.

*Handed out
100 dollars*

On the 27th of the same month, Zabotin wired *The Director* in Moscow as follows:—

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To the Director,

We have received from Badeau 17 top secret and secret documents (English, American and Canadian) on the question of magnicoustics, radio-locators for field artillery; three secret scientific-research journals of the year 1945. Altogether about 700 pages. In the course of the day we were able to photograph all the documents with the help of the Leica and the photo-filter. In the next few days we will receive almost the same amount of documents for 3 to 5 hours and with one film we will not be able to cope with it. I consider it essential to examine the whole library of the scientific Research Council.

Your silence on my No. 256 may disrupt our work on photographing the materials. All the materials I am sending by regular courier.

Grant

27.8.45

In the notes written by Rogov which we have reproduced, many entries mention that Lunan, Mazerall, Smith and Halperin have received money for the services that they have rendered. On the 4th of April, Rogov notes that he paid out \$190.00 to be distributed as follows: BACK, \$100.00; BACON, \$30.00; BADEAU, \$30.00; BAGLEY, \$30.00. On the 8th of May, there is an entry of a payment of \$100.00 made to Lunan. We also find in Rogov's notes dealing with the interview he had with Smith, the following entry, with reference to Smith:—

“He lives in Hull in a separate little village. Asked about independent photographing and connection with Bagley. For details see telegram dated 6-7-45.

Gave a hundred dollars. He took the money readily.”

We have no evidence of Lunan, Smith, Mazerall and Halperin accepting money other than that in these notes. In his second report to Rogov, Lunan had written:—

. . . BADEAU was very disturbed when I brought up the subject of payment. I think he felt that it brought the subject of his work into a different and more conspiratorial focus. He was to think it over and let me know. . . .

Heard on the subject of money, the four of them flatly denied having received any remuneration and some of them, particularly Mazerall, were very indignant at the thought that they would have taken it. Whatever may be the truth, it seems sure that even if money were given, it was not this motive that prompted Lunan and his group to act as they did. The motive of working for the Soviet regime and the Communist cause was undoubtedly the primary factor, (See Section II, the subsections dealing with “Money” and “Motivation”).

Although Lunan admitted having sent to Rogov various reports which he had written on his own typewriter, other evidence was presented on the point. It was established that Lunan had bought a typewriter in Montreal on the 10th of September, 1938, bearing serial no. 0731249, for the price of \$59.67, but the typewriter was not found in Lunan's office nor in his residence.

In January, 1946, Lunan, who had left for England, sent this typewriter to London, where it was found on the 6th of April of the same year. We heard before us Mr. Whitehead, a member of the Metropolitan Police in London, attached to the Branch of the Criminal Investigation Depart-

ment of Scotland Yard. Underneath the bed in the room in his parents' home occupied by Lunan during his stay in London he found Lunan's trunk, and was later given by Lunan's relatives in London a parcel containing many component parts of the typewriter bearing no. 0731249. It had been destroyed by Lunan's relatives in the hope that it could not be identified. The evidence we have heard satisfies us that this was the typewriter on which Lunan typed his reports to Rogov brought from the Soviet Embassy.

Being required by Order-in-Council P.C. 411 to "enquire into and report upon which public officials and other persons in positions of trust or otherwise have communicated directly or indirectly secret and confidential information, the disclosure of which might be inimical to the safety and interests of Canada, to the agents of a foreign power and the fact relating to and the circumstances surrounding such communication", we report that Lunan, Durnford Smith, Mazerall and Halperin did so communicate.

SECTION III. 4

SQUADRON LEADER F. W. POLAND

F. W. Poland was born in the United States on the 20th June, 1909, of English parentage. In the spring of 1942, he became an Administrative Intelligence Officer in the R.C.A.F., Ottawa. He held the rank of Squadron-Leader. As from November 10th, 1944, he was seconded to the Armed Forces Section of the Wartime Information Board, and from May, 1945, he was Executive Secretary of the Interdepartmental Psychological Warfare Committee.

While with the R.C.A.F., he worked under the Director of Intelligence, and his main duties were the following:—

- (a) Supervision of Security Education throughout the R.C.A.F., through Command Intelligence Service.
- (b) Advising the Director of Intelligence on all matters of Security Policy, including the drafting of all orders affecting Security Information.
- (c) Membership of the Security Sub-committee of the Canadian Joint Intelligence Committee, of which he acted as Secretary.

The Director of Intelligence appeared before us and explained in detail these various duties assigned to Poland. In his evidence as to "Security Education" he said:—

A. The reference is to exhibit 431-B: "first, supervision of security education throughout the Royal Canadian Air Force through Command Intelligence (Security) Officers." This includes the preparation and distribution of a series of security lectures and a fortnightly security liaison letter.

Q. Would you care to explain that, more fully?

A. The training given to air force personnel, the flying training given, was so concentrated, that it was difficult to sandwich in security training in any form, and we took advantage of every loophole in order to have personnel graduating in Canada, at least, security conscious before they went overseas; and it was our responsibility to prepare security lectures to be given by lecturers at the training stations, and also to send out to these lecturers a liaison letter each fortnight; and the material was taken from all available sources, similar material issued by the Royal Air Force, and if we

found items of value coming from New Zealand, or Australia, or from American sources, we sandwiched them in as well.

The evidence as to Poland's duties particularly in relation to Security Policy, is as follows:—

A. That work was done by this officer in order that he might be in a position to inform me of the trends in security requirements. He read all security material coming into the services, and advised me accordingly—brought it to my attention, so we could obtain authority for issuing similar orders throughout the R.C.A.F.

Concerning the third function assigned to Poland, we have the following evidence:—

A. The Canadian Joint Intelligence Committee was a sub-committee of the Chiefs of Staff; we made recommendations from time to time, and when the work got beyond the powers of the main committee, that is, the Joint Intelligence Committee, when it got beyond their powers to handle, we appointed a sub-committee, and this officer was a member of that sub-committee dealing with security.

Q. He was the secretary of it?

A. Yes, he was the secretary of it.

As a member of the sub-committee of the Psychological Warfare Committee, Poland's chief concern was related to prison camps and the preparation of broadcasts for occupied countries. Poland was also a member of the Air Force Headquarters Committee on the grading of classified documents.

In the exercise of his functions, and particularly while he was with the Directorate of Intelligence, Poland had access to important secret documents.

One of the many tasks assigned to the Director of Intelligence was to communicate to the Military Attachés in Ottawa of foreign powers the authorized information made available for them as released by a special Committee appointed for that purpose. Poland, however, was not authorized to convey any information of this kind, and on this subject the evidence is:—

Q. You mentioned a moment ago that the Russians were asking the Royal Canadian Air Force to obtain certain information and so on; would Poland have anything to do with those people?

A. Not in the least, not directly or indirectly.

Q. There is no function or employment or work that was entrusted to him that would have justified him?

A. Not in the slightest sense.

Q. As chief of the intelligence service would all these applications be made to you personally?

A. Yes.

Q. And you would not refer them to Poland?

A. Not in the least; I played the lone wolf in that regard.

Q. But if the applications were made to him by the Russians, would he have instructions to refer them to you?

A. That would be done automatically; but I cannot imagine where he would have the opportunity of having the paths cross; it might conceivably be in the Air Force mess, but not in the normal course of events.

Q. It did not form part of his duties?

A. Not in the least.

In Zabotin's notebook where he gives the outline of the organization of the *Ottawa-Toronto Group* more fully dealt with in Section III 1. (Sam Carr) we find the following entry, probably written in the Fall of 1943:—

3. Polland. Department of Air Force.

Works in Toronto in the Intelligence Branch. At the moment he has been transferred to Ottawa. He gave a map of the training schools. Is not yet working.

NEW NAMES
NOT GIVEN

In the performance of his duties, Poland had access to certain maps indicating all the training schools of the R.C.A.F. in Canada during the war. Two of these which correspond to the description given in Zabotin's notebook, and which have been produced as exhibits, are marked: *For official use only and not to be published.*

The Director of Intelligence says that he would not have acceded to any request to supply any foreigner with these maps. Although not of a very great importance in themselves, they might, if completed, have a greater value to a foreign country. His evidence on this point is:—

A. These maps could quite easily be the basis from which to enlarge and to give further detailed information.

Q. What particular secret information would you suggest would be added to a map like these?

A. I consider information setting forth the rate of graduation and the type of trainees graduated.

Q. And possibly also giving more details as far as operational bases?

A. That is true of any map. They could plot in operational bases.

Q. On the west and east coast?

A. Yes.

We have only this evidence to indicate that Poland has given any information or documents to the USSR. He was, however, obviously well known to the Russians, and at a certain period it was thought that he would be more useful if transferred to the N.K.V.D. Speaking of him, Gouzenko said:—

Q. Had you heard of Poland other than what you saw in that document? Had you heard his name mentioned?

A. That is right.

Q. What did you hear about him?

A. I saw it in a telegram which was sent by Zabolin to Moscow in 1943 concerning Poland and he suggested to give Poland to the N.K.V.D.

Q. Just explain, will you please, what you mean by giving Poland to the N.K.V.D.

A. Poland was described as a clever man and Colonel Zabolin proposed to Moscow in a telegram to hand him over to *Neighbours*, which is the N.K.V.D. *Neighbours* is the nickname for the N.K.V.D. Moscow replied that it was not worth while, to wait a while that he might develop into a good worker. I still do not know his real name or nickname. That was the only other time I saw the name of Poland and still I do not know whether it was his real name or his nickname.

Q. Did you have any knowledge apart from Exhibit No. 22 of what Poland was doing?

A. The telegrams that were sent on this subject made no detailed mention of his activities.

This was probably in August, 1943, when Poland had not yet been given a cover name, for in Zabolin's notes we see, in the margin, opposite the reference to Poland and to another:—"*New names not given.*"

A short reference to Poland's background will give a fair indication of his sympathy for the school of thought that prevailed amongst those who, like him, were mentioned in the notebooks at the Russian Embassy. It is, we believe, of utmost importance to underline this particular aspect in view of the following provisions of the Official Secrets Act, 1939:—

(2) On a prosecution under this section, it shall not be necessary to show that the accused person was guilty of any particular act tending to show a purpose prejudicial to the safety or interests of the State, and, notwithstanding that no such act is proved against him, he may be convicted if, from the circumstances of the case, or his conduct, or his known character as proved, it appears that his purpose was a purpose prejudicial to the safety or interests of the State; and if any sketch, plan, model, article, note, document or information relating to or used in any prohibited place, or anything in such a place, or any secret official code word or pass word is made, obtained, collected, recorded, published or communicated by any person other than a person acting under lawful authority, it shall be deemed to have been made, obtained, collected, recorded, published or communicated for a purpose prejudicial to the safety or interests of the State unless the contrary is proved.

Poland had associations with Mazerall, Nightingale, Boyer, Shugar, Gerson, Smith, Benning, Adams, Gordon Lunan and Agatha Chapman, people who are all involved in matters with which the present investigation is concerned. For a certain period of time he lived with Lunan in the latter's apartment.

Heard as a witness Boyer says of Poland:—

Q. How long have you known him?

A. Ever since he came to Montreal, which I think was in the summer of 1939; 1938 or 1939, I am not sure.

Q. And do you know anything about his political sympathies?

A. Well, I know he is sympathetic to the old Communist Party and the present Labour-Progressive Party, or that he was when I last saw him, which is a few years ago now.

In Poland's notebook, which has an alphabetical index, we find the name of Corporal Lawson, W. T. This man has been identified as William Lawson who was formerly connected with the Communist Party of Canada in Toronto. In 1939, Lawson acted as a teacher in the Leadership School of the Young Communist League, and in the January 1st, 1940, civic election in Toronto, was elected as the representative of Ward 4 to the Toronto Board of Education. Later, he publicly admitted that he was a Communist

and went into hiding for a certain period of time until he was eventually located and detained in 1942 under Regulation 21 of the *Defence of Canada Regulations*.

In the same notebook we find the names of Nightingale and Agatha Chapman, the latter being one of the main organizers of Communist cells in Ottawa from where were recruited many of Zabolin's most ardent agents.

Poland also had some correspondence with a man named Mark Frank. It has been established that this person was connected with a magazine named *The New Advance*, which was the organ of the Young Communist League. Other enquiries reveal that Frank had also received subscriptions for *The Clarion*, the official organ of the Communist Party in Canada.

In Poland's office, room 309 of the new Post Office Building, a calendar pad was also found. The name of Pavlov, who is the head of the N.K.V.D. in Ottawa, appears on pages dated the 30th of October, 1945; the 1st of November, 1945; the 4th of November, 1945; the 5th of November, 1945, (plus a telephone number which is 5-4341); the 15th of November, 1945; the 19th of November, 1945; the 23rd of November, 1945; the 26th of November, 1945; the 17th of December, 1945; the 28th of December, 1945; and the 5th of January, 1946. The telephone number 5-4341 is that of the Soviet Embassy, 285 Charlotte Street, Ottawa.

In this connection it is proper to cite a section of *The Official Secrets Act, 1939*, which reads:—

(3) In any proceedings against a person for an offence under this section, the fact that he has been in communication with, or attempted to communicate with, an agent of a foreign power, whether within or without Canada, shall be evidence that he has, for a purpose prejudicial to the safety or interests of the State, obtained or attempted to obtain information which is calculated to be or might be or is intended to be directly or indirectly useful to a foreign power.

It has been abundantly proven that Pavlov was the agent of a foreign power in Canada. For the purpose of the above section *The Official Secrets Act, 1939*, says:—

(4) (a) a person shall, unless he proves the contrary be deemed to have been in communication with an agent of a foreign power if—

(i) he has, either within or without Canada, visited the address of an agent of a foreign power or consorted or associated with such agent; or

(ii) either within or without Canada, the name or address of, or any other information regarding such an agent has been found in his possession, or has been supplied by him to any other person, or has been obtained by him from any other person;

(b) the expression “an agent of a foreign power” includes any person who is or has been or is reasonably suspected of being or having been employed by a foreign power either directly or indirectly for the purpose of committing an act, either within or without Canada, prejudicial to the safety or interests of the State, or who has or is reasonably suspected of having, either within or without Canada, committed, or attempted to commit, such an act in the interests of a foreign power;

(c) any address, whether within or without Canada, reasonably suspected of being an address used for the receipt of communications intended for an agent of a foreign power, or any address at which such an agent resides, or to which he resorts for the purpose of giving or receiving communications, or at which he carries on any business, shall be deemed to be the address of an agent of a foreign power, and communications addressed to such an address to be communications with such an agent.

Poland was called as a witness, and he appeared with Counsel. He refused, however, to be sworn or to answer any questions, and although he was given fullest opportunity, he persisted in his refusal to testify. Therefore, it appears to us that Poland has brought himself within the above provisions of the *Official Secrets Act*, and has completely failed to rebut the presumption created by the law.

Being required by Order in Council P.C. 411 to "inquire into and report upon which public officials and other persons in positions of trust or otherwise have communicated directly and indirectly secret and confidential information, the disclosure of which might be inimical to the safety and interests of Canada, to the agents of a Foreign Power and the facts relating to and the circumstances surrounding such communication" we report that, in our opinion Poland has brought himself within the above provisions of *The Official Secrets Act, 1939*, and has failed completely to rebut the presumption thereby created that he did so communicate. We see no reason to doubt the statement contained in the Russian document quoted on page 165 above that Poland gave a map of air training schools.