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approval of policy
by Treasury Board

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TO: Deputy Heads of Departments
Heads of Agencies

SUBJECT: Security Policy

1. Introduction

This circular announces a new security system for the federal government. The two attached policies set out a comprehensive and integrated framework for both administrative and personnel security in departments and agencies.

These policies enact Cabinet Decision _____, which establishes the basis for the new security system and instructs the Treasury Board to develop a framework for its implementation across government and to monitor and report on compliance with the new system. The policies will form chapter 423 of the Administrative Policy Manual and Chapter _____ of the Personnel Management Manual. They will be supplemented during the next year and a half by administrative standards and directives relating to physical security, EDP systems, telecommunications security, the prevention of technical intrusion; and by personnel standards and directives concerning staffing and classification procedures, _____ review and redress, and administrative sanctions.

In conjunction with these policies, the Solicitor General has issued new directives to the Canadian Security and Intelligence Service concerning the conduct of security screening assessments and the provisions of these policies. These directives are attached for your information (see attachment #1).

The policies replace the 1956 Privy Council Office document, "Security of Information in the Public Service of Canada" and Cabinet Directive 35 of 1963 relating to security screening.

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2. Purpose

The purpose of the policies is to prescribe a security ^{regime} system for the Government of Canada that will effectively protect information and assets classified in the national interest from unauthorized disclosure, destruction, removal, modification or interruption. The policies are also intended to safeguard other sensitive government information and other assets and prevent improper classification.

An equally important goal is protection of the employer and national interests by providing a reasonable level of assurance that all individuals engaged by the Public Service, meet the standards of reliability, trustworthiness and loyalty as required by the nature of their duties or tasks.

For purposes of these policies, the national interest is considered to concern the defence and maintenance of the social, political and economic stability of Canada and thereby the security of the nation. Injury to the national interest is defined by the specific sections of the Access to Information and Privacy Acts set out in Section 5 of Chapter 423, Administrative Policy Manual (attachment #2).

The major problems which have ^{grown} out of the previous security policy were the extension of the ^{scope} classification system to information and assets outside the national interest area; improper and over-classification of information and assets, and, as a result, the need to conduct unnecessary security clearances.

In order to address these problems and meet the objectives, the policies

- a) establish a system for the classification and protection of information and assets which are sensitive in the national interest and for declassification when protection is no longer required;
- b) provide an enhanced level of protection for sensitive information and valuable assets lying outside the national interest;

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- c) reaffirm a base level of protection reflecting good management practices for all other government information and assets;
- d) require a security clearance at the appropriate level for individuals with access to information or assets classified in the national interest, or who by reason of their ^{presence or} access to ^{people or places critical to the national interest} essential persons;
- e) make a basic reliability check mandatory for all persons engaged to perform tasks for or within the Public Service, and by requiring an enhanced check where tasks have been identified as requiring a greater degree of trust;
- f) make institutions responsible for detecting breaches of security in relation to their information and assets and for applying appropriate sanctions;
- g) direct institutions to develop their own security practices and procedures within the provisions of these policies and subsequent directives, and to assign internal accountability for their implementation.

3. Application

These policies apply to government institutions listed as departments and agencies in Schedules A and B of the Financial Administration Act; to branches designated as departments for purposes of the Act; and to selected agencies in Schedule CI of the Act, as listed in Part I in Appendix A of the policies. In the case of selected agencies in Schedule CII of the Act and other government institutions, as listed in Appendix A, Part II of the policies, only the national interest portions of these policies apply. These institutions shall, however, establish equivalent procedures with respect to a base level of protection for sensitive information and for a basic reliability check.

4. Accountability

Deputy heads of departments and heads of agencies, have full authority, within the provisions of these policies and related

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directives for the administration of all aspects of security in their institutions. They are, at the same time, accountable to the Treasury Board for the implementation of these policies, which are based on the principle of managerial discretion and accountability.

5. Implementation

- a) Except as noted in 5 b), these policies are effective immediately. Deputy heads shall appoint a senior official to co-ordinate their implementation and notify one of the name, title and telephone number of this individual by May 1, 1986. A briefing will be held detailing the implementation requirements of these policies on May 15, 1986.

Specific implementation instructions are included in Section 12 of the Administrative Policy Manual, Chapter 423 (attachment #2) and in Section 8 of the Personnel Policy Manual Chapter (attachment #3). Institutions shall develop by February 1, 1987 a detailed plan for implementing these policies. Implementation plans must be reviewed with Treasury Board officials to ensure completeness and effectiveness. Where appropriate, departmental plans will be shared with other institutions through the best practices exchange arrangements.

*a dept's plan
by Nov 1*

- b) -The Central Index at the Public Service Commission of employees released or dismissed from the Public Service is in the process of being established. Institutions will be informed when it is operative, and its use referred to in the policies will come into effect at that time.
- The Reliability screening and performance reporting requirements of departments with respect to referals from the PSC and CEIC will come into effect immediately upon the issuance of specific procedures and forms by those agencies.
- The new provisions relating to reliability and security clearances in regard to contractors will require amendments

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to clearance procedures in contracting policies contained in the Administrative Policy Manual. These amendments will be made in the near future and institutions informed of them.

-TBS will review all relevant existing forms for necessary amendments and issue new ones, as required by the policies.

-Instructions for a conducting of criminal records and security index name checks as part of the basic reliability checks will be issued under separate cover and will become effective at that time.

6. Other

7. Review and Evaluation

Treasury Board has responsibility for assessing effectiveness of this policy, monitoring compliance and examining the efficiency with which it is implemented. Treasury Board is also responsible for reviewing operation and management of these security policies and for reporting to Ministers every two years on the results of this review.

8. Reporting Requirements

Government institutions may be required to report to Treasury Board from time to time on implementation of these policies.

The Treasury Board will report on implementation of the policies on a government-wide basis.

9. Enquiries

All enquiries regarding administrative aspects of this policy are to be directed to Information Policy, Administrative Policy Branch, Treasury Board.

All enquiries regarding the personnel aspects of these policies are to be directed to Policies and Procedures Group, Personnel Policy Branch, Treasury Board.

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Enquiries on matters falling within the government-wide role of institutions set out in these policies should be directed to the institution concerned.

Secrétaire,
Secrétariat du Conseil du Trésor

J.L. Manion,
Secretary,
Treasury Board of Canada Secretariat.

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