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The 71st meeting of the Security Panel was held in the Privy Council Committee Room, East Block, on Friday, June 28th, 1963, at 2:15 p.m.

PRESENT:

Mr. R.B. Bryce
Secretary to the Cabinet (Chairman)

Mr. N.A. Robertson
Under-Secretary of State
for External Affairs

Mr. R.G. Robertson
Deputy Minister of Northern
Affairs and National Resources

Mr. E.B. Armstrong
Deputy Minister of National Defence

Mr. G.W. Hunter
Deputy Minister of Defence Production

Mr. T.D. MacDonald
Asst. Deputy Minister of Justice

Deputy Commissioner G.B. McClellan
Royal Canadian Mounted Police

Mr. J.S. Cross
Department of Citizenship & Immigration

Mr. D.F. Wall
Privy Council Office (Secretary)

ALSO PRESENT:

Mr. J.J. McCardle
Department of External Affairs

Superintendent W.H. Kelly
Royal Canadian Mounted Police

Mr. L.C. Cragg
Department of Defence Production

Mr. D. Beavis
Privy Council Office

I. Security Review Order

1. The Panel had for consideration a revision of a draft memorandum to the Cabinet Committee on Security and Intelligence which had been considered at the 70th meeting and redrafted in light of the Panel's comments.

(Security Panel Document SP-207 refers.)

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2. The Chairman said that it might be desirable to include in the memorandum the reasons for excluding cases of homosexuality and scandal from the review and appeal system. He pointed out that failings of this nature could usually be established as matters of fact and thus did not lend themselves to a formal review procedure. In any event, it seemed unlikely that the public would be as concerned with these as with cases involving ideology or association with communists or communist organizations. He noted that, if the Government decided to implement the draft Order in Council, it would be necessary for the Panel to review the precise terms in the Order to include fascists and others in the definition of communists, as had been done in Britain, but that the Order should not include provision for appeal in cases of improper disclosure of information by civil servants to the political opponents of the administration of the day. He said that appeal of dismissals covered by the Order was limited to cases in which the department had judged the likelihood of disclosure of classified information by the employee, rather than the broader problem of actual disclosure of other information for domestic political reasons.

3. Mr. Bryce also said that the draft Order was designed to cover only dismissals and that considerations of practicability and expense would probably preclude the appeal system being extended to include denial of employment if an individual's name were removed from an eligible list and he were aware or assumed that his lack of success in the competition had to do with security.

4. The Assistant Deputy Minister of Justice expressed the view that, the many arguments against it notwithstanding, it should be possible to devise some form of review, perhaps less formal than that envisioned in the draft Order, which would be satisfactory to Ministers and to the public. He expressed some concern that the draft Order was not intended to cover cases of denial of employment on security grounds, and considered that the Civil Service Commission's present system of denial in such cases on grounds of "personal unsuitability" was in the long run unsuitable. Mr. Macdonald felt that the limitations in the use of the system under consideration should be brought to the attention of the Ministers concerned.

5. Deputy Commissioner McClellan pointed out that a major argument against permitting appeal in cases of denial of employment on security grounds was that the communists would use it to test our knowledge of their activities and the effectiveness of our screening programme, and that this could also lead to the identification of R.C.M. Police agents within the Party organizations.

6. After further discussion the Panel agreed that:

- (a) the draft memorandum to the Cabinet Committee on Security and Intelligence should be amended in light of the discussion; and

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(b) in the amended version the following specific points should be made:

- (i) the limited application of the Order should be made clear to Ministers,
- (ii) the reasons for excluding cases of homosexuality and scandal from the appeal system should be given, and
- (iii) it should be suggested to Ministers that, if the government decided to implement the Order, the Panel should make a detailed review of the wording and substance of the 1959 draft.

July 23, 1963

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