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SECURITY SUB-PANEL

The 17th meeting of the Security Sub-Panel was held in the Privy Council Committee Room, East Block, on Tuesday, March 20th, 1956, at 10:00 a.m.

PRESENT

Mr. P.M. Dwyer (Chairman)
Privy Council Office

Mr. G.G. Crean
Department of External Affairs

Captain M.H. Ellis
Department of National Defence

Asst. Commissioner C.W. Harvison
Royal Canadian Mounted Police

Miss P.L. Hawkes
Department of Defence Production

Mr. C.E.S. Smith
Department of Citizenship & Immigration

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

① So Sec
② DDNI *g/m 10/11*
③ ADNI *DD*
④ DNI
⑤ A/sosec

ALSO PRESENT

Mr. S.B. Kayes
Department of Trade and Commerce
(for Item I)

Mr. J. Timmerman
Department of External Affairs

I. Security Arrangements at Posts Abroad (NSC 1952-3)

The Chairman explained to the Sub-Panel that the draft booklet entitled "Security of Information in the Public Service of Canada", at present awaiting approval by the Security Panel, had in effect overtaken the paper prepared by the Security Sub-Panel entitled "Security at Canadian Posts Abroad". Since it appeared that the booklet might usefully be sent to

Canadian posts abroad, the Sub-Panel had for consideration a supplementary paper entitled "Security at Canadian Posts Abroad" which contained a number of points of guidance, extracted from the original paper, concerning the security problems peculiar to Canadian posts and missions abroad. Appended to this paper were a memorandum setting out the categories into which Canadian posts abroad would fall for purposes of security coordination, an annex setting out certain points of technical guidance on the maintenance of security equipment, and a glossary of technical terms.

(Security Sub-Panel Document SSP - 66 refers).

2. The Sub-Panel was asked to consider the advisability of sending these papers, together with the booklet on security, to all Canadian posts abroad in order to assist heads of missions in obtaining consistent minimum security standards at all government offices outside Canada.

3. Mr. Crean questioned the advisability of sending material containing complete government guidance on security procedures to all Canadian posts abroad, in that the security booklet was intended to be merely a basis upon which departments and agencies would draw up departmental security regulations, and contained much that would be irrelevant to most of the smaller posts. He suggested further that there might be a security risk in sending such complete information to Canadian posts situated in Iron Curtain countries. On the other hand, Mr. Crean felt that it would be a useful measure to send the security booklet to the larger Canadian posts abroad in order that they might be fully informed of security procedures approved by the government in discussions which they may have with officials of other governments.

4. Mr. Kayes agreed that his department would be reluctant to send all of these documents to certain of its smaller posts abroad, and suggested that the original paper on security at Canadian posts abroad, with its various attachments, would appear to be a more suitable kind of guidance to be given generally to Canadian posts abroad.

5. After further discussion, the Sub-Panel recommended:

- (a) that the original paper entitled "Security at Canadian Posts Abroad" should be revised in the light of the new security booklet, and should be sent with its attachments to all Canadian posts abroad;
- (b) that, in addition, the booklet might be sent to certain of the larger and more secure posts abroad;
- (c) that paragraph 8 of the paper under consideration, concerning locally engaged staff, should be included in the paper to be sent to all posts abroad;
- (d) that departments should be asked to co-ordinate the distribution of the papers in an attempt to avoid unnecessary duplication; and

- (e) that a note be added to the annex on locks and combinations warning posts that locks and combinations should only be repaired or serviced by qualified technicians.

II. Standards of Security Equipment -
Safe File Cabinets and Safes

(NSC 1952-5)

6. The Sub-Panel had for consideration a memorandum to security officers setting out a revised list of safe file cabinets and safes, together with approximate prices, which have been examined and given a comparative security rating by the R.C.M. Police Laboratory on behalf of the Security Panel.

(Security Sub-Panel Document SSP-63 refers).

7. The Sub-Panel approved the memorandum for distribution to security officers.

III. Standards of Security Equipment -
Padlocks and Door Locks

(NSC 1952-5)

8. The Sub-Panel had for consideration a memorandum to security officers setting out a revised security rating list of padlocks and a new list of door locks, prepared by the R.C.M. Police Laboratory on behalf of the Security Panel.

(Security Sub-Panel Document SSP-64 refers).

9. The Sub-Panel approved the memorandum for distribution to security officers.

IV. Security Policy - Permanency in the Civil Service

(NSS 1950-12)

10. At its 60th meeting the Security Panel discussed the cases of a number of communist sympathizers within the Civil Service who were to be granted permanency without access to classified information. The cases had been referred by the Security Officer of the Department of Mines and Technical Surveys. As a result of this discussion, the Panel agreed that these cases provided an opportunity for consideration as to whether or not communists or communist sympathizers, if known, should be permitted to remain in the public service under present security policy, and referred the question to the Security Sub-Panel.

11. The Sub-Panel therefore had for consideration a draft paper prepared by the Secretary and the Secretary of the Security Panel setting out certain points for and against the

dismissal of such persons from the public service, whether or not they had access to classified information, together with certain general considerations including a recommendation that the Security Panel consider the advisability of instituting a system of review or appeal to control decisions to dismiss persons on these grounds.

(Security Sub-Panel Document SSP-65 refers).

12. During discussion the following points emerged:

- (a) that in view of statements made at the 20th Congress of the Communist Party of the Soviet Union which appeared to indicate a number of changes in the tactics of Soviet foreign policy, the question of the employment of communists and communist sympathizers in the public service could probably no longer be considered a matter of security alone, but was increasingly a matter of political significance;
- (b) that any consideration of a modification of present Canadian security policy should take fully into account recently announced Soviet intentions;
- (c) that for a number of years we might expect communist tactics to be to a much greater extent within the bounds of legality, calculated to appeal to the greatest possible number of people in the Western world, and extremely difficult to detect and counter; and
- (d) that, as there did not appear to be any government body particularly fitted to deal with the problem in all its ramifications, it could most appropriately be considered by the Security Panel, who would make whatever recommendations might seem appropriate to them.

13. The Sub-Panel approved the above points and agreed:

- (a) that the Secretary of the Security Panel, the Officer-in-Charge, Special Branch, R.C.M. Police, and members of the Department of External Affairs be asked to meet for discussions with a view to preparing a draft paper for the early consideration of the Security Panel, setting forth appropriate recommendations concerning the employment of communists in the public service;
- (b) that the draft paper should take into account the adequacy of present Canadian security policy in the light of the present strategy and tactics of Soviet foreign policy;

- (c) that if the paper were to include a recommendation to dismiss communists or communist sympathizers found in the public service, it should also include a recommendation for the institution of a board of review as a measure of control over the dismissal of such persons;
- (d) that the ad hoc group be asked to consider methods of categorizing adherents to communism within the public service, in order that fair and proper distinctions might be made in implementing any recommended policy of dismissal; and
- (e) that the Secretary, during his forthcoming visit to the United Kingdom, be asked to discuss with the appropriate United Kingdom officials the wider security significance of recent developments in the tactics of Soviet foreign policy, and also to discuss other matters generally related to the question of dismissal of communists from the public service in that country.

14. With regard to the three cases in the Department of Mines and Technical Surveys, upon which the Sub-Panel's consideration of the wider problem was based, the Sub-Panel recommended:

- (a) that the Security Officer of that department be asked to withhold action on these cases until the questions of policy could be given further consideration; and
- (b) that, if the resultant delay became a source of embarrassment to his department, he should be asked to seek interim advice from the Sub-Panel.

V. A Security Case in the Department of Defence Production (NSB 1950-12)

15. Miss Hawkes raised verbally the question of an employee of a firm holding a classified contract for the construction of the mid-Canada radar warning line who had recently been released from penitentiary after a homosexual offense. The employee had falsified his Personal History Form by suppressing this information in making application to the firm, but had written privately to the Director of Industrial Security, giving all the facts of his case and requesting that the information be withheld from his employers for his own protection. Copies of the letter had also been sent to the John Howard Society, an Ottawa magistrate, and a personal friend employed in the Canadian Broadcasting Corporation. The advice of the Sub-Panel was requested.

16. During discussion, the Sub-Panel noted:
- (a) that the employee in question had placed the Department of Defence Production in a most difficult position;
 - (b) that the security risk here involved did not appear to be extensive; and
 - (c) that, in the light of the employee's frank approach to the Director of Industrial Security, an attempt should clearly be made to assist him in rehabilitating himself, as far as this might be possible without jeopardizing the good relations that obviously must exist between the Department of Defence Production and the firms with which it deals.

17. After further discussion, the Sub-Panel recommended:
- (a) that the Director of Industrial Security write to the John Howard Society, stating fully the position in which his department had been placed, and asking the Society how this situation might be handled with the least damage to the individual, either by the Society seeking appropriate alternative employment or, failing that, by the Society discreetly placing the facts before the person's employers and asking that his case be given sympathetic consideration.
 - (b) that a copy of the letter to the Society be sent to the person in question;
 - (c) that the Director of Industrial Security be asked to withhold informing the person's employers until an appropriate reply had been received from the John Howard Society; and
 - (d) that the Director of Industrial Security also be asked to assess the security risk involved in this person's continued employment on the radar project, in the event that the firm in question agreed to keep him on strength.

D.F. Wall,
Secretary of the Security Sub-Panel.

Privy Council Office,
Ottawa, March 22nd, 1956.

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