

SECRET

SECURITY PANEL DOCUMENT

SP-126

CABINET DIRECTIVE

Security Investigation of Governmental Employees

Cabinet Directive No. 4 of March 5, 1948, which was supplemented by Cabinet Directive No. 4A of April 6, 1948, set forth the policy of the government on the security of government employees. Experience has shown that some modification of policy and procedure is necessary. The present directive supersedes Nos. 4 and 4A.

I. POLICY

1. Loyalty to the government is an essential qualification for employment by the government. Therefore a person who is a member of the Communist Party, or who by his words or actions shows himself to believe in Marxist-Leninism, or any other ideology which advocates the overthrow of government by force, must not be permitted to enter the Public Service. Such persons discovered within the Public Service must not be allowed access to classified information, and their continued employment by the government may be undesirable. *Blue ink Canada*

2. There must always be serious doubt as to the loyalty of a person who was previously a member of the Communist Party or who at one time by his words or actions showed himself to believe in an ideology which advocated the overthrow of the government by force. In such a case all the relevant circumstances must be examined. Where a reasonable doubt remains, and where national security is involved, that doubt cannot be resolved in favour of the individual who therefore must not be permitted to enter the Public Service and, if discovered within it, must not be allowed access to classified information. *Should not*

3. Some persons must be considered unreliable from a security standpoint, not because they are disloyal, but because of defects in their character which may lead to indiscretion or dishonesty, or may make them likely subjects of blackmail. Such persons may not be employed in any position where they may have access to classified information. *are*

4. The loyalty and reliability of persons given access to information classified "Secret" or "Top Secret" is of paramount importance. In security investigations the most careful screening available must be given to persons who will have access to the higher categories of classified information and this access must be granted only on a basis of the need to know.

A0785172_1-000141

5. Because certain departments and agencies deal with a much larger proportion of the higher categories of classified information than other departments and agencies, it follows that the risk of unauthorized disclosure from those departments is proportionately greater. Therefore these departments are designated as "Vulnerable". Since the facilities available for the security screening of personnel are limited, vulnerable departments and agencies will receive a higher priority in the use of these facilities. These priorities will be established by the Security Panel.

6. In addition there are in other departments and agencies certain divisions, sections or positions which deal with highly classified information. These divisions and sections will be similarly designated as "Vulnerable" by the Security Panel or on the recommendation of the deputy head and with the approval of the Security Panel. They will if necessary be given a priority for the use of personnel screening facilities.

7. To implement this policy the following procedures will be carried out. It is the continuing responsibility of each government department and agency to ensure that these procedures are put into effect, and that the security of their staff remains unimpaired. The function of an investigative agency is only to provide information; a security clearance based upon such information can be made only by the department concerned. In difficult cases where doubt arises, a department should consult the Security Panel.

II. PROCEDURES

New Employees

8. Under the terms of the Civil Service Act, the Civil Service Commission is required to satisfy itself as to the character and habits of all persons appointed by them to positions in the Public Service. Crown Agencies must similarly satisfy themselves when appointing new employees.

9. Security clearances of new employees in both the Public Service and Crown agencies will be subject to the following rules:

(i) Persons with access to Secret and Top Secret Information

(a) Before employment in a position requiring access to Secret and Top Secret information persons must be made the subject of a file check by the R.C.M. Police. This is the minimum security requirement.

A0785172_2-000142

(b) Where the deputy head of a department or agency, or an officer appointed by him, considers that the information provided by a file check may be clarified by an investigation in the field or that such an investigation is necessary to satisfy him as to an applicant's loyalty, integrity and discretion, he may request a field check by the R.C.M. Police - provided that the number of such requests remains within the capabilities of the R.C.M. Police. In the event of the police being repeatedly asked by a department to carry out more investigations than they can competently handle, the requests will be referred to the Security Panel for a decision. This does not limit in any way the right of the armed forces to conduct field checks through their own resources of personnel employed with or on behalf of the Department of National Defence, excluding any persons employed by other government departments.

(c) When any person has already had 5 years consecutive satisfactory service in the Public Service, a Crown Agency or the Armed Forces he need not be made the subject of a field check.

(d) Information provided by the above procedures must be examined by a deputy minister, or an officer appointed by him, who will then decide whether or not to grant security clearance and assume responsibility for a person's employment on the basis of the information provided.

(ii) Persons with access to Restricted and Confidential Information but not to Secret and Top Secret Information

*What is the position
- Ed. for
Rep. 1. lower*
(a) Before employment the Civil Service Commission or Crown Agency must be satisfied as to the good character of these persons. The deputy minister or an officer appointed by him may then decide whether or not to grant security clearance and will assume responsibility for a person's employment.

(b) It will be the responsibility of the Civil Service Commission to initiate the necessary action in the cases of government employees, and the responsibility of Crown Agencies in cases of their own employees.

10. Persons already employed

All persons already employed in any government department or Crown agency who fall into any of the categories set out in para: 9 above, and who have not as of the date of this directive been given the security clearance required therein, must be cleared for security in accordance with the procedures outlined above. It will be the responsibility of the employing department to initiate the necessary action.

A0785172_3-000143

11. Before a person is appointed to a permanent position in the Public Service he must be made the subject of a file check by the R.C.M. Police if this has not already been done. Information so provided must be examined by a deputy minister or an officer appointed by him who may then advise the Civil Service Commission that there is no security objection to the granting of permanency on the basis of information so provided. It will be the responsibility of the department concerned to initiate the necessary security checks for persons recommended for permanency.

12. Liaison with the R.C.M. Police

In the case of large departments and agencies such as National Defence, the priority according to which security investigations will be carried out may be agreed between the department or agency concerned, the Civil Service Commission (where applicable) and the R.C.M. Police.

13. Normally, the Civil Service Commission will provide the necessary liaison between departments operating under the Civil Service Act and the R.C.M. Police, both in initiating enquiries and in distributing reports. However, this does not preclude direct contact between Deputy Heads (or departmental Security officers acting on their behalf) and the R.C.M. Police for discussion of individual cases reported upon.

14. Agencies not under the jurisdiction of the Civil Service Commission (e.g. Crown Companies and Service personnel) may deal directly with the R.C.M. Police when initiating security enquiries.

15. It is the responsibility of each deputy head, or head of an agency, to nominate a competent senior official to act as Security Officer, and to notify the Secretary of the Security Panel, of the appointment and of any subsequent change. The person so named will be responsible to the deputy head or head of an agency for ensuring that all regulations relative to security are carried out within the department or agency. It will also be the responsibility of the departmental Security Officer to maintain close liaison with the government agencies responsible for security policy and procedures.

16. Departments and agencies, and the Civil Service Commission, if required to state reasons for transfers or dismissals which may at any time be effected under the policy stated in this directive, should not relate action taken to security grounds.