

## Appendix A

to Security Panel Document

SP-196

## CABINET DIRECTIVE

50207 - 40

Security of Employees in the Public Service of CanadaPOLICY

1. Security in the public service of Canada is essentially a part of good administration, and therefore it is a departmental and agency responsibility. The security, and hence the good administration, of a department or agency may be placed in jeopardy either by persons who may be disloyal because, for purposes prejudicial to the safety and interest of the State, they are members of or consistently support organizations directly or indirectly subservient to the dictates of unfriendly foreign powers or by persons who are unreliable because of defects in their character.

2. Loyalty to our system of government is required of any person employed in the public service of Canada. Therefore it is an essential of Canadian security policy that persons described in paragraph 3 below must not, when known, be permitted to enter the public service; must not if discovered within the public service be permitted to have access to classified information; and may, where it appears to the minister concerned to be in the public interest, be dismissed from the public service subject, where applicable, to the provisions of Order in Council P.C. \_\_\_\_\_ of \_\_\_\_\_, which establishes a Security Review Board.

3. The persons referred to in paragraph 2 above are:

- (a) a person who is a member of a communist party or an organization affiliated with a communist party and having a similar nature and purpose;
- (b) a person who by his words or his actions shows himself to support a communist party or an organization affiliated with a communist party and having a similar nature and purpose;
- (c) a person who, having reasonable grounds to understand its true nature and purpose, is a member of or supports by his words or his actions an organization which has as its real objective the furtherance of communist aims and policies (commonly known as a front group);
- (d) a person who is a secret agent of a foreign power; or
- (e) a person who by his words or his actions shows himself to support any organization which publicly or privately advocates the overthrow of constitutional government by force.

4. It must be borne in mind that there may be reason to doubt the loyalty of a person who at some previous time was a person as described in paragraph 3 above, even though this doubt may not be confirmed by recent information about him.

5. It is also an essential of Canadian security policy that reliability is required of any person who is to be given access to the secrets of Canada and her allies. Therefore persons described in paragraph 6 below may not be permitted to have access to classified information, unless after careful consideration of the circumstances, including the value of their services, it is judged that any security risk that may be involved appears to be justified. It is also to be noted that a person described in sub-paragraph 6(a) below may be unsuitable for employment on grounds other than security.

6. The persons referred to in paragraph 5 above are:

- (a) a person who is unreliable, not because he is disloyal, but because of defects in his character which may lead to indiscretion or dishonesty, or make him a likely subject of blackmail;
- (b) a person who, through familial or other close continuing relationship with persons whom he may be presumed to know are persons as described in paragraphs 3(a) to (e) above, may be induced, either knowingly or unknowingly, to act in a manner prejudicial to the safety and interest of the State; and
- (c) a person who, though in no sense disloyal or unreliable, is bound by close ties of blood or affection to persons living within the borders of unfriendly foreign powers and who therefore may be subjected to intolerable pressures.

7. In addition it must be recognized that, in government organizations controlling means of mass communications and in some other related fields, there are certain positions in which persons described in paragraphs 3 or 6 above would represent a security risk because they might be induced to misuse the facilities for a purpose prejudicial to the safety and interest of the State. Therefore no persons described in paragraphs 3 or 6 above may be permitted to occupy, in a government organization controlling means of mass communications, any positions which in the judgement of the minister concerned are positions described in this paragraph.

8. To carry out their responsibility, departments and agencies must first obtain information about persons who are to be given access to classified information according to procedures set forth below.

#### PROCEDURES

9. The loyalty and reliability of persons given access to classified information is of paramount importance. Therefore the following procedures by which this policy is to be implemented are designated to provide that the most careful screening available from present investigative facilities be given particularly to persons who will have access to information classified "Top Secret" or "Secret". It is the continuing responsibility of each government department and agency to ensure that its security remains unimpaired.

10. Information about persons who are to be given access to classified information must be obtained from an authorized investigative agency. The function of an investigative agency is to

provide all the available information pertinent to both loyalty and character in the form of evaluated factual reports. A security assessment and a clearance based upon such reports are the responsibility of the department or agency concerned, and must not be taken lightly.

11. Security screening of applicants to the public service will be initiated by the Civil Service Commission in the case of persons employed under the Civil Service Act, or by the employing agency in all other cases. Where persons already employed are to be given access to classified information, security screening will be initiated by the department or agency concerned.

12. When it appears necessary for the Civil Service Commission to reject an applicant on security grounds, it will, when appropriate, consult with the interested departments with a view to reaching a joint agreement as to what action may finally be taken.

13. When it appoints to a department a new employee who has been the subject of a security screening, the Civil Service Commission will send forward to the department all the pertinent information and documentation relating to the security screening. When an employee is being transferred from one department or agency to another, or is being lent or seconded to another department or agency, appropriate information relevant to the employee's security status shall be sent to the department or agency in which the employee will be situated.

14. A security assessment and clearance will be made by the following means. These represent security criteria and procedures which are consistent with present investigative facilities available interdepartmentally; they are minimum standards, and do 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.

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

- (a) Before a person is employed in a position requiring access to Top Secret or Secret information his name must be checked against the subversive records of the R.C.M. Police, and he must be the subject of a fingerprint check by the R.C.M. Police. Both these procedures are mandatory.
- (b) When the Chairman of the Civil Service Commission or the deputy head of a department or head of agency, or a security officer appointed by him, considers that the information provided by the means set out in paragraph 14(i)(a) may be clarified by an investigation in the field, or that such an investigation is necessary to satisfy him as to an applicant's or employee's loyalty, integrity or discretion, he may request that an enquiry be made of a person's background by a field investigation to be carried out by the R.C.M. Police. Where it appears that requests from a department or agency exceed what seems to be a normal requirement, the R.C.M. Police may ask the Security Panel to allot priorities.

- (c) The deputy head of a department or head of agency will be responsible for granting or withholding an appropriate security clearance and will assume a continuing responsibility for a person's access to Top Secret or Secret information.

(ii) Persons to have access to Confidential information but not to Top Secret and Secret information

- (a) Before a person is employed in a position requiring access to Confidential information his name must be checked against the subversive records of the R.C.M. Police, and he must be the subject of a fingerprint check by the R.C.M. Police. Both these procedures are mandatory.
- (b) The deputy head of a department or head of agency will be responsible for granting or withholding an appropriate security clearance and will assume a continuing responsibility for a person's access to Confidential information.

15. In addition, departments and agencies are reminded that the taking of references can sometimes provide useful supplementary information about a person's character. References may therefore be obtained when it appears that a useful purpose would be served by so doing.

16. When derogatory information has been brought to light concerning an employee's loyalty, departments and agencies are to note that any action taken on the basis of such information must not be related to security without first consulting the Security Panel. If it is considered, in the light of the advice of the Security Panel, that the information about the employee could result in his dismissal on security grounds, the employee may be interviewed by a senior officer designated by the minister concerned, and may be given, as far as is possible without compromising sensitive sources of security information, an opportunity to answer what has been said about him. If he is not able satisfactorily to answer the allegations, the minister may wish to consider his dismissal, in which case the provisions of the Security Review Order, where applicable, will be brought into action. A copy of the Security Review Order is attached.

17. In cases where an employee has requested a review of his case by the Security Review Board, and the advice of the Board has been received by the minister concerned, and after careful consideration of all available pertinent information, including the advice of the Security Review Board, there remains in the mind of the minister a significant doubt as to the loyalty of the employee, that doubt must be resolved in favour of the security of Canada.

18. Comparable procedures set forth in paragraph 14, except those relating to fingerprinting, apply equally to persons employed in defence industry and certain services related to defence who may be required to have access to classified information which is the property of the government of Canada or for the security of which the government is responsible. In defence industry and certain services related to defence the procedures will be administered in an appropriate manner by the Department of Defence Production.



19. A temporary employee being appointed to a permanent position in the public service will not normally be made the subject of security screening. But, whenever a person to be appointed to such a position is, in the opinion of the deputy minister or head of agency concerned, likely to be required eventually to have access to classified information, that person shall before being given a permanent appointment, be made the subject of a fingerprint and file check if this has not already been done.

20. The numbers of all persons who for security reasons are removed from eligible lists by the Civil Service Commission, or refused access to classified information by departments or agencies for security reasons, will be sent quarterly to the Secretary of the Security Panel in order that the Panel may from time to time review the number of persons or the type of cases involved, and assess the extent of the security problem in the public service. The figures provided should be broken down into the following general categories: persons dismissed, persons permitted to resign, persons transferred to non-sensitive posts, persons denied access to classified information, persons denied employment. In addition the figures should indicate whether the action was taken on grounds of disloyalty or unreliability. Figures should not include persons who are no longer given access to classified information because of a change in duties or other similar administrative reasons.

21. It is the responsibility of each deputy head or head of agency to nominate a competent senior official who has been the subject of a satisfactory file and field investigation 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 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 organizations responsible for security policy and procedures. It is important that wherever possible security officers should be persons who may be expected to continue in such duties for a reasonably long period of time, since effective security is difficult to maintain without considerable experience in what is becoming an increasingly specialized field.

22. To carry out the routine procedures for obtaining information concerning their employees, departments and agencies will deal directly with the Directorate of Security and Intelligence, R.C.M. Police.

Privy Council Office,  
Ottawa, January 19th, 1959.