

P. Hunt
file - ministerial
Briefing notes

S E C R E T
CANADIAN EYES ONLY

September 17, 1985

MEMORANDUM TO THE MINISTER OF NATIONAL DEFENCE

Personnel Security at the
Communications Security Establishment

Just before the summer break, you raised with Peter Hunt the question of personnel security at the Communications Security Establishment, in particular with reference to the issue of homosexuality. You subsequently spoke of the same matter with Mr. Dewar and with Mr. Osbaldeston.

Although CSE is a separate employer and handles particularly sensitive material, personnel security there is governed by government-wide policy on personnel security. As you no doubt know, current government policy is based upon Cabinet Directive 35, which dates from 1963. An essential element of that directive is that the Deputy Head is responsible for security in a government department or agency and, therefore, for granting, withholding or withdrawing security clearances for his employees. The directive defines what types of information should be taken into consideration by the Deputy Head and how they each should be used in arriving at a security assessment appropriate to the individual, the position he holds and the needs of the department. Insofar as personal characteristics are concerned, the overall judgement by the deputy head, not just one characteristic, becomes particularly important. In the case of CSE, which is a distinct agency within the Department of National Defence and a separate employer under the Financial Administration Act, the Chief of CSE exercises this responsibility.

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Loyalty and reliability are regarded as separate questions rather than as two parts of one comprehensive security assessment. CD 35, indeed, enumerates specific and distinct sets of criteria for loyalty and for reliability; it also provides a further set of tests for loyalty but offers no comparable test for reliability.

With the proclamation of the CSIS Act, its references to personnel security must take precedence over CD 35. Managers within the Public Service of Canada must, therefore, read CD 35 in the light of the CSIS Act in so far as it modifies the procedures described in CD 35. The CSIS Act, in defining "security assessment" as "an appraisal of the loyalty to Canada and, so far as it relates thereto, to reliability of an individual" has now established a link between loyalty and reliability. This will necessitate revisions to the approach to personnel security as laid out in CD 35.

The whole issue of security clearances will soon be open for discussion by Ministers at a meeting of the Cabinet Committee on Security and Intelligence. You will recall that, at the meeting of CCSI on June 12, 1985, the Solicitor General was instructed to bring forward a submission on personnel and information security. The proposals, now being developed by the Department of the Solicitor General, take this link between loyalty and reliability as a basic consideration in all aspects of a security assessment including that of sexual orientation. The new policy will apply to the issue of homosexuality in the context of security clearances.

The CCSI will provide an opportunity to examine, inter alia, the question of homosexuality and the extent to which individual homosexuals may pose a threat to national security. We suggest that may be an appropriate occasion to raise the matter, as it pertains to CSE, as part of the discussion of appropriate government-wide personnel security in the conditions applying in the 'eighties.

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Peter Hunt is writing to you, as well, with details as to how the general policy has been applied within CSE. We would, of course, be pleased to meet with you to discuss the issue further, if you so wish.



J.B. Seaborn



D.B. Dewar

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