

TOP SECRET

Feb. 2, 1961

S-1-6(4)

Memorandum for discussion with the Minister
on February 3, 1961

.....

Re: CBC Program "Inquiry" on Security
Screening

1. The Minister and several of his predecessors have taken the stand in the House when replying to questions on security, that an open discussion would not be in the public interest.
2. The present, and all governments since the Gouzenko espionage cases, have followed a similar policy insofar as the release of information to the press and public is concerned.
3. As a result of this policy, very few people in or out of government, have accurate or reliable knowledge on which to judge the need for security screening or for an intelligence service. The time is not opportune for a television series such as proposed, nor does a television program seem to be the medium through which the House and the public would become aware of a change of policy.
4. If the policy that has maintained in the past is basically sound, its soundness is not altered by the desire of the CBC to broadcast an interesting -- and highly controversial -- program. The first step in reaching a decision regarding participation in the proposed CBC series would appear to be, therefore, an examination of the existing policy and of the advisability of changing that policy, and the possible effects of any such changes.
5. The present policy stems from the hard fact that a full discussion of security and intelligence would be impractical, harmful, and indeed, because of international agreements, impossible. Since full public discussion is not possible, the tendency has been to avoid the subject.
6. The vacuum thus created has been filled by well-intentioned but poorly informed critics and by Communist-inspired propaganda. It would be difficult indeed to make a convincing defence of security screening in one hour in an atmosphere that has been in the making for fifteen years. This is particularly so in that many of the arguments for screening could not be used publicly.
7. For example, a TV broadcast would not seem the appropriate medium for an announcement that the government knows of over thirty espionage cases in various stages of development in Canada, or that the government is aware that all Iron Curtain countries are operating spies in Canada, or that the Communists recently recruited an employee of a Canadian Embassy abroad and secured important information from him and that they have attempted to blackmail other Embassy employees into their espionage network.
8. It would be difficult too, to advance as a reason for screening, the fact that it is known that Party members are employed by several Government departments, or that a disturbing number of homosexuals have been found in the Government service and that screening is necessary in order to prevent those now employed moving into more sensitive areas and

... 2

009117

AGC-1141_0001

TOP SECRET

- 2 -

in an attempt to prevent the recruitment of other subversives and persons suffering from character weaknesses.

9. If the foregoing reasons for a screening program were not used, the person defending screening would be very short of convincing arguments.

10. To return to the existing policy of withholding almost all information regarding intelligence and security from the House and from the public, it is suggested that some changes are possible and necessary.

11. A considerable degree of reticence must be exercised by an Intelligence Service and by the Government employing that Service if it is to carry out its work with any efficiency. The very nature of counter-espionage work dictates the need for some secrecy, but the secrecy need not be absolute or near absolute as at present. The concern occasioned by the CBC request points up the opinion that too much secrecy breeds misunderstanding and suspicion.

12. Quite often information develops which would be interesting and informative for the public and the release of which would not hinder the Intelligence Service, interfere with screening, or give comfort or assistance to subversives and espionage networks. While the interest and concern of other departments, such as External Affairs, may dictate against the release of such information, the entire matter of policy in this regard is worthy of consideration in order that the best possible balance between various interests and objectives may be achieved. As examples:

- (a) During the past several years --- cases have been developed in which members of Iron Curtain country Embassy staffs have been discovered engaging in espionage work and in which it has been decided that the investigation should be brought to a conclusion. The release of information regarding these cases would have kept the public aware of the need for counter-intelligence activities, would have done something toward preventing apathy in this regard and, to that extent, would have assisted our work. Other considerations apparently dictated against the release of the information and the opinion that security precautions are unnecessary continued to spread. The Embassy employees involved were simply declared persona non grata and left the country.
- (b) We are aware of over thirty espionage cases in various stages of development in Canada. An announcement containing details would disrupt our counter-intelligence work, uncover persons assisting us, and visit hardship on their relatives behind the Iron Curtain. Careful study under a new policy might, however, discover means by which the public would be made aware of these activities in a manner that would not harm either the inquiries or the persons assisting us. Probably an official announcement could be developed -- toned more in sorrow than in anger -- saying that Canada is aware of widespread espionage activities and, without mentioning countries or persons, appealing in the interest of mutual trust and peace, for an end to such activities. Such an announcement and appeal would let the public

... 3

009118

AGC-1141_0002

- 3 -

know that such activities are being carried out in Canada, would do no harm to the inquiry except probably to increase the already considerably able, evasive tactics of the spy-runners. There is little hope, however, that such an appeal would result in any falling off of espionage activities.

- (c) Recently the R.I.S. recruited an employee of a Canadian Embassy and used him in at least two countries. He has given a complete statement in which he admits his recruitment and payment by the R.I.S. and admits having handed over to them some valuable documents and information. Prosecution may be possible in this case. If this does not develop, at least some publicity could be given this particular case.

Other examples could be found wherein some advantage could be taken of information reaching the Government in connection with security screening and intelligence matters. The pursuance of such a policy would bring about a change in public attitude toward security, to a point where participation in a program such as suggested by CBC might be helpful rather than the cause for deep concern.

Consideration might also be given the possible advisability of supplying members of the Government and the House with information regarding the activities of the Communist Party of Canada and the Iron Curtain espionage networks in confidential meetings and, to a limited extent, in the House.

My recommendation is strongly against official participation in the proposed program in the near future or until such time as some information has been given to the House and to the public by means other than a TV program. I am not, therefore, commenting on the outline of the proposed program other than to say that the sequences seem slanted against security screening and that the choice of commentators, persons interviewed and critics would be entirely at the discretion of the persons organizing the series, who can have little knowledge of intelligence and security work but who probably have a desire to stage a contentious and controversial program.

(C.W. Harvison),
Commissioner.

Ottawa,
2 February 1961.

009119

AGC-1141_0003