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CONFIDENTIAL

Ottawa, February 25th, 1963.

Sgt. J. McLeod,  
Royal Canadian Mounted Police,  
Emergency Planning,  
"A" Division,  
O t t a w a.

Dear Sgt. McLeod:

In compliance with your verbal request of February 22nd concerning the origin and development of the Security Panel and Sub-Panel, the following information may be of interest to you:

The Security Panel was formed as the result of a Cabinet Defence Committee decision of April 16th, 1946, by which an interdepartmental committee under the auspices of the Privy Council Office was established. The Panel was to be advisory rather than executive in character and the intent of its activity was to improve security generally and particularly to achieve some degree of uniformity in all departments and agencies with regard to their security procedures. One of the fundamental aspects of the decision was that security activity was to be treated separately from intelligence activities. The Panel was to be chaired by the Secretary to the Cabinet and at that time its members were the Directors of Intelligence of the three armed services, the Director General of Defence Research and representatives from the Department of External Affairs and from the R.C.M. Police. The terms of reference were:

- (i) to advise on the coordination of the planning, organization and execution of security measures which affect government departments and,
- (ii) to advise on such other security questions as may be referred to it.

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As a result of a decision by the Cabinet Committee on Emergency Measures, subsequently approved by the Cabinet, on April 9th, 1953 the Security Panel was reconstituted with representation to be at the level of Deputy Minister and at the same time the Security Sub-Panel was created to deal with the detailed problems of security and to advise the members of the Security Panel. As of this date the Security Panel was to be chaired by the Secretary to the Cabinet and its members were to be the Under-Secretary of State for External Affairs, the Commissioner, R.C.M. Police, and the Deputy Ministers of the Department of National Defence, the Department of Defence Production and the Department of Citizenship & Immigration with the secretary provided from the staff of the Privy Council Office. The terms of reference remained unchanged, that is the Security Panel would concern itself mainly with major policy decisions in the security field.

The Security Sub-Panel at that time was to be chaired by an Assistant Secretary to the Cabinet and its membership included the head of Defence Liaison (2) Division in the Department of External Affairs, the head of Special Branch, R.C.M. Police, the Chairman of the Joint Security Committee, Department of National Defence, the Director of Industrial Security, Department of Defence Production, the Director of Immigration of the Department of Citizenship & Immigration and the Secretary to the Security Panel. The Secretary of the Security Sub-Panel was to be a member of the staff of the Privy Council Office. The terms of reference of the Sub-Panel were "To have full authority to deal with all interdepartmental security problems other than those involving major policy decisions or particularly difficult security cases." Members of the Security Sub-Panel were to act as advisors to members of the Security Panel itself at meetings and at other times as required. It was thought at this time that, as the line of demarkation between matters to be handled by the Sub-Panel or the Panel may not always be too clear, the Chairman of the Security Sub-Panel should consult directly with the Chairman of the Security Panel for guidance on marginal cases or where he felt that recommendations of the Security Sub-Panel might require confirmation. Provision was made that, in cases of urgency, Security Sub-Panel papers might be referred to Cabinet or to the Cabinet Committee on Emergency

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Measures on the authority of the Chairman of the Security Panel (Secretary to the Cabinet).

With effect from March 12th, 1957, the membership of the Security Panel was expanded to include the Chairman of the Civil Service Commission.

Meetings for both the Panel and the Sub-Panel take place as items of concern occur, although at the outset the Panel met on a regular basis. As an indication of the type of item considered by each, the Security Panel has within the last several years considered the desirability of a Security Review Committee; Policy with respect to Communists in the Public Service; Problems of the application of the U.S. Security Regulations to Canadians in Canada; the Desirability of Revising the Cabinet Directive concerning the security screening of government employees; security policy with respect to immigration; security policy in Canada with regard to procedures established by the North Atlantic Treaty Organization; and particularly difficult security cases brought before the Security Panel by departments or agencies seeking guidance. The Security Sub-Panel has been engaged over the past several years in, for example, a survey of government buildings containing classified material; the desirability of security clearances for Corps of Commissionaire personnel employed as security guards; the security screening arrangements for personnel in defence industry; exploitation of social contacts by communist officials for intelligence purposes; the exchange of unclassified information between Canadian government departments and Soviet bloc countries; a revision of the present personal history form; new methods of destroying classified waste; problems arising from private travel to Soviet bloc countries by Canadian public servants; the changing nature of the communist threat; and individual security cases brought forward by departments or agencies which were not so complex as to require reference to the Security Panel itself for decision.

The Security Panel secretariat, that is the Secretary of the Panel and of the Sub-Panel, are both members of the staff of the Privy Council Office and are the first point of contact for departments and agencies seeking advice from the Panel. Generally speaking, problems referred to the Panel secretariat will be treated by the secretariat directly unless they are of

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sufficient complexity to merit being placed on the agenda of the Sub-Panel. If this is done, and if it is the view of the Sub-Panel that a policy decision is required in order to effect whatever change is necessary, the recommendations of the Sub-Panel on the particular problem will become an item on the agenda for the Security Panel. Departmental security officers as they are appointed by departments require to be listed with the Secretary of the Security Panel and at that time liaison is established with new security officers who are briefed as required and urged to consult either of the secretaries on any problems in the field of security which may engage their attention.

While this is a very brief outline of the activity of the Panel and Sub-Panel I hope that it will be of some assistance to you.

Yours sincerely,

ORIGINAL REPATCHED  
AND SIGNED BY

D. Beavis,  
Secretary of the Security Sub-Panel.

Attachment: Current Membership

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