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Ottawa KIA OA3
September 28, 1971.

SECRET

Mr. John Starnes,
Director-General,
Security Services,
Royal Canadian Mounted Police,
1200 Alta Vista Drive,
O t t a w a.

Dear Mr. Starnes:

I refer to your IP 8-3-Q-13 dated August 6th, in which you propose a plan to implement the last part of the Royal Commission on Security's recommendation made in paragraph 298(d) of the Report.

Although you have in past months introduced the practice of commenting on the validity, relevance and importance of the information provided in adverse cases, a practice which has proven very useful, the question of making a formal recommendation on whether or not clearance should be granted can only be considered usefully after a policy decision has been taken in relation to the first and basic part of the recommendation which says that:

"Departments and agencies should remain responsible for granting clearance, but the Security Service should assist by providing information on individual cases as fully as possible, rather than in the form of abbreviated reports."

This recommendation relates very closely, of course, to the requirement set in paragraph 11 of Cabinet Directive 35 which reads as follows:

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"The functions of an investigative agency are to conduct promptly and efficiently such investigations as are requested by departments or agencies to assist them in determining the loyalty and reliability of the subject of investigation; and to inform departments and agencies of the results of their investigations in the form of factual reports in which the sources have been carefully evaluated as to the reliability of the information they have provided."

On the basis of such reports, paragraph 12 of Cabinet Directive 35 says that:

"...the employing department or agency will arrive at a considered judgement of the person's loyalty and reliability and of the degree of confidence that can be reposed in him to carry out safely and efficiently the duties to be performed".

Neither the Report or Cabinet Directive 35 makes a distinction between a favorable or adverse case, although paragraph 94 of the Report probably indicates a more serious concern with the decision making process in adverse cases. However, in paragraph 92, the Commission affirms the basic principle, equally applicable to favourable as well as adverse cases, that:

"In general, one of the most important functions of the Protective Security Branch of the Security Service should be to ensure that all relevant information is made available to departments in as complete a form as possible."

Considering that the current standards of security clearance investigations normally require field enquiries only for clearance to the TOP SECRET

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level, and for the lower levels only when traces appear in your records or when a department wants clarification in regards to the subject's life, character or associations, and the fact that the Commission has not seen fit to recommend changes in regards to our practices as they are related to clearances to the level of CONFIDENTIAL and SECRET, we might, for all practical purposes, confine ourselves to the consideration of what departments require to discharge their role as decision-makers in cases where an employee requires access to TOP SECRET information, and what the Security Service must do to enable departments to make such major decisions.

It seems to be the view of the Commissioners that a simple confirmation by means of a rubber stamp on a Personal History Form or a two-line letter which says that the investigation was conducted to TOP SECRET (including S.A.) standards was not enough information on which to base such an important decision. This would appear to bring us back to the points and principles which were raised by this office in a letter dated December 18th, 1962, and a reply under file G 639-66 dated February 5th, 1963.

We cannot but agree with the Commission that if we are to respect the responsibility of departments and agencies to make decisions regarding the reliability of their key personnel, that sufficient relevant information should be supplied to them. I am sure that you have already noted that this point is brought up in Security Panel Document SP-238, which has not yet been considered by the Panel.

The second point in SP-238 on which a decision is also required concerns the one which you have raised in your letter, i.e. the making of a formal recommendation. Our view at this time is that this is already being met to some extent by the most useful comments that are currently being made on the validity, relevance and importance of the information submitted in adverse briefs. It seems to us that, in the light of publicly stated policy by successive governments, the question of a formal recommendation by the Security Service as

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to the granting or denial of a security clearance is one which the Security Panel, the Cabinet Committee on Security and Intelligence, and the Cabinet itself will wish to consider with some care. It is my hope that this matter, together with the many other recommendations concerning personnel security, will be considered at the next meeting of the Security Panel.

Yours sincerely,

ORIGINAL DESPATCHED
AND SIGNED BY.

D.F. Wall,
Assistant Secretary to the Cabinet.

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