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Meeting 1/77 of the Security Advisory Committee (SAC) was held at 2:00 p.m. on Tuesday January 25, 1977, in the PSPG Conference Room, 340 Laurier Avenue West, Ottawa.

PRESENT

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|---|---|
| Mr. R.P. Bourne (Chairman)
(Ministry of the Solicitor General) | Mr. D.W. Hall
(Privy Council Office) |
| Mr. M.R. Dare
(RCM Police) | Mr. S.M. Jenkyns
(Department of Supply & Services) |

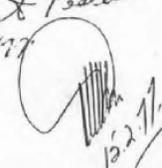
ALSO PRESENT

- | | |
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| Mr. R.G. Warren
(Department of Communications) | Col. R.T. Grogan
(Department of National Defence) |
| Mr. L.V. Chambers
(Communications Security Establishment) | Asst. Commr. J.B. Giroux |
| Mr. V.J. Walton
(Emergency Planning Canada) | Mr. A.M. Barr
Supt. F. Fedor
(RCM Police) |
| Mr. F.A.E. Ward
(Department of External Affairs) | Mr. G.H. Powell
Mr. L. Cloutier
Mr. R. Côté
(Ministry of the Solicitor General) |
| Mr. E.R.M. Griffiths
(Department of Justice) | Mr. R.E. Knox
(Department of Supply & Services) |
| Mr. N.S. Fontanne
(Department of Manpower & Immigration) | Mr. S.T. Grant
(Ministry of Transport) |

Mr. G.F. Frazer, Secretary
(Privy Council Office)

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6/1 DPP
crisis handling - (committee) + (turn of ref)
Ok Sec Systems.
 ① *Agree - time table*
 ② *Physical Security*
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1. SAC Working Group on Crisis Handling: Proposed Terms of Reference and Membership

The Committee had for consideration a document from the Chairman on this subject dated January, 1977.

The Chairman said that the departments and agencies concerned favoured the establishment of a standing working group which could address itself to problems of interdepartmental coordination in crises. The suggestion was that the proposed working group would be established as a standing committee of the SAC, to give advice to the lead department involved in the crises. Problems in this area often involved federal-provincial consultation, and Emergency Planning Canada would play an important role.

The Committee noted that:

- (a) the working group, once established, would develop an appropriate expertise, and to this end a continuing membership was desirable; it was also desirable that members be able to speak for their departments;
- (b) consideration might be given to the subject of emergency communications in the context of the proposed working group, or in the context of Vital Points;
- (c) it would be useful if the Department of Justice had membership; other departments could join the Working Group if required;
- (d) nominations should be made to the Chairman, who would then inform the SAC of the membership.

The Committee agreed:

- (a) to approve the terms of reference and membership of the working group on crisis handling, as proposed in the Chairman's document dated January 1977, with the addition of the Department of Justice;
- (b) that members should provide the Chairman with their nominations for membership as soon as possible.

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2. SPUR Work Program

The Committee had for consideration a memorandum from the Chairman dated January 21, 1977, submitting, in accordance with the agreement reached at SAC meeting 7/76, an outline of work required to complete the SPUR project.

The Chairman reported the comments which had been made by the Chairman of the Interdepartmental Committee on Security and Intelligence (ICSI) concerning the SAC document "Policy for the Designation of Information and Material" dated December 2, 1976. Mr. Robertson had expressed the view that more work would need to be done on the subject before a submission could be made to the ICSI. He had stressed the need, if a system were to be developed outside the "national Security" context, to have a careful definition of the

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term "national security". Would "national security" relate only to the kind of information traditionally dealt with by National Defence, the RCMP, and External Affairs, (e.g. concerning defence, crime, espionage, and relations with foreign powers), or would it extend beyond this to cover subjects such as terrorism, and internal subversion? Similarly, if a new basis for protection of information was to be proposed, this area too would need to be carefully defined, e.g. the precise application of "the principles of risk management" would need to be made clear. The proposals would also need to be clearly related to the new procedures for handling Cabinet documents, and also to the work underway on access to federal government documents, particularly the proposed exemptions to access. One of the most difficult aspects, where precision was necessary, was the setting out of authority for classifying or designating information. It would be important to avoid a situation in which it would appear that anyone had authority to designate or classify. Mr. Robertson had also suggested that, initially at least, the work should concentrate on information rather than on material. With respect to the method of presentation, Mr. Robertson favoured proceeding unilaterally with the proposals on information, and considered that this work should not be delayed for presentation in a comprehensive directive.

The Committee noted that the proposed work outline would need to be adjusted to accommodate the remarks of the ICSI Chairman.

The Committee also noted that early submission of legislation concerning access to federal government documents did not appear likely, and presentation of a green paper on the subject seemed to have higher priority. Members commented on the difficulty of setting out a time frame for the SPUR exercise. It seemed desirable that the SPUR groups should continue with their work as far as possible, even in the absence of policy decisions. Progress could be made particularly in those areas covered by the draft directives on physical and personnel security clearance. Approval of the draft directive on physical security by 1st April 1978 was essential in view of related budgetary arrangements being made by the RCM Police.

There was discussion of the possibility of including, in the context of a Cabinet directive on personnel security clearance, provision to assist departments in situations where they find it necessary to terminate employment of individuals on security grounds. It appeared that in Britain the onus for finding alternate employment rested to a greater extent than in Canada with the body responsible for the civil service. It was pointed out however that a mechanism did exist in Canada for the Public Service Commission to assist in such situations. The problem was, that it was not always possible to find suitable alternate places for people involved. It seemed doubtful that a provision in a personnel security clearance directive would be very helpful. The British approach would perhaps be difficult in Canada because of the degree of delegation to departments of the responsibilities of the Public Service Commission.

The Committee agreed that:

- (a) work on the SPUR project, particularly the work relating to the draft Cabinet directives on

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physical and personnel security clearance, should continue on an urgent basis, and effort should be made to establish a time frame for the work involved;

- (b) the Protective Policing Directorate, RCMP, should develop a time table for the SPUR project;
- (c) effort should be made to achieve early decisions with respect to the draft Cabinet directives on physical security and personnel security clearances;
- (d) work should continue on a priority basis on the draft Cabinet directive on protection of sensitive information as a project separate from the other security directives.

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3.

Security Guard Research Project

The Committee had for consideration a document dated January, 1977, provided by the Chairman, and summarizing an interim report on the security guard research project.

The Chairman outlined the background to the project, which was undertaken as a result of a situation which existed some three or four years ago, when the Canadian Corps of Commissionaires had difficulty in providing sufficient guards, and, contracts were undertaken for private guard service, which had resulted in service which was not entirely satisfactory. It was hoped that the research project would point up the need for better security guard service, would propose a suitable course, and would be useful in making a presentation to the Treasury Board. It appeared, however, that the project had not yet come to grips with the basic question - should the Government provide its own guard service, or purchase such service through contract? The recommendations arrived at so far related to the need for further research and more studies. Mr. Bourne proposed that the researchers be asked to produce a position paper, to assist in deciding on a future course. Further expenditure for additional research did not seem warranted. When the requested position paper had been examined, "P" Directorate could be asked to make proposals for consideration.

The Committee noted that the situation had changed for the better since the project had been undertaken. The Canadian Corps of Commissionaires was now attracting suitable candidates and had a surplus of well qualified people wanting to serve. On the other hand, contracted guard service had not greatly improved.

It was pointed out that a number of departments and agencies - e.g. External Affairs, the National Museums, the Post Office, and the Mint, were arranging their own guard service.

The Committee noted:

- (a) the desirability of achieving approval of the Cabinet directive on physical security as an aid to solving security guard problems;
- (b) the problems and anomalies concerning the security clearance of guards;

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- (c) the remarks of the Chairman concerning the security guard research project, and his intention of requesting a position paper on the subject.

4. Draft Cabinet Directive on Physical Security

The Committee had for consideration a draft dated January 12, 1977, prepared by the Working Group on Physical Security, and submitted under cover of a note from the Secretary dated January 17, 1977.

The Chairman proposed that detailed consideration be reserved for the next meeting.

Mr. Hall, the Chairman of the Working Group, explained that re-drafting had been done as a result of concern expressed by a group on departmental roles identification headed by officials of the Privy Council Office and the Treasury Board Secretariat. It was desirable that representatives of the Department of Public Works and the Treasury Board Secretariat be present when the SAC examined and reached a decision concerning the document.

The Committee noted that the Department of External Affairs intended to comment on the document. Several other members also indicated they would propose amendments.

Mr. Bourne requested that members submit their proposals in writing and forward them to the Secretary.

The Committee noted the revised text of the draft Cabinet directive on physical security dated January 12, 1977, and agreed that:

- (a) any proposals for further revision should be forwarded to the Secretary; and
- (b) the Department of Public Works and the Treasury Board Secretariat should have an opportunity to be represented for further discussion and decision-making concerning the document.

5. Other Business

(a) Censorship Planning Function

The Committee noted the remarks of Mr. Griffiths.

(b) Homosexuals

At the request of the Chairman, Mr. Hall outlined the work that had been done, at the request of the ICSI Chairman, in the matter of employment of homosexuals in sensitive positions in the public service. Consideration of this matter had seemed timely, particularly in view of the demands of human rights groups and gay associations, and the publicity given to them.

The Committee noted the provisions in CD 35, and in the proposed revision thereof, relating to sexual behaviour in the security context, and the approach of American and British authorities to the problem.

Mr. Hall said examination was being made of the possibility of providing guidelines for

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departments which might give them more precise direction than was provided in the Cabinet directive. A number of departments had been asked to comment on the first draft. In some cases no comments had yet been received. When further work had been done it was intended to submit the draft to the SAC and then to the ICSI.

The Committee noted the difficulty, in view of the public climate, of justifying any restrictive policy in this matter.

It was pointed out that the Department of External Affairs was preparing a position statement concerning employment of homosexuals in that department for use in relation to recruiting in the universities. There had been cases, in this context, when pro-gay representatives had been present with tape recorders. External Affairs representatives indicated clearly, during recruiting, that it was unlikely that known homosexuals could be offered employment with the Department.

Mr. Hall said there had been some indication that, in view of the particular problems of individual departments, further general guidance might not be feasible, and any guidelines might better be provided by departments themselves.

It was noted that a number of departments not represented on SAC might be able to provide useful information and views, e.g. Transport, Industry Trade & Commerce, National Health & Welfare.

(c) Human Rights Legislation

The Committee noted the remarks of the Chairman concerning possible criticism of the exemptions included in the draft human rights legislation. It seemed likely that the draft bill might receive early second reading, and officials of the Ministry of the Solicitor General, in consultation with the Department of Justice, were preparing material to assist the Minister. The criticism was most likely to arise during committee consideration of the legislation.

(d) Listing of Classified Security Equipment in Catalogues of the Department of Supply & Services

The Committee noted the remarks of the Chairman and Mr. Jenkyns, and that care was being taken to ensure that improper disclosure of classified information would be prevented.

(e) CSE COMSEC Program Forecast

The Committee noted that the 1978/79 COMSEC Program Forecast would likely be submitted for SAC consideration about the beginning of March.

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