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Tom Pitfield →
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Seen by
Vu par
E. M. Pitfield

*This supplements
the memo I sent you
last week.*

June 28th, 1977.

MEMORANDUM FOR MR. ROBERTSON

WHR
29/01/77.

Following is a description of the status of the major items of work in progress in the three areas of responsibility of this secretariat and some general and personal impressions. Messrs. Frazer and White and the new Secretary, IAC, will be able to brief my successor in detail regarding the work but I thought this would serve as a checklist for you and provide points of view which you might want to consider.

Security

1. Draft Cabinet directive on personnel security clearance

The redraft of CD 35 (Personnel Security Clearance) has been considered by the Cabinet Committee and certain amendments were proposed. The pertinent sections are now being redrafted in cooperation with Justice. I think the most difficult problem is to draft a section concerning fairness and frankness for non-public servants requiring security clearance, which will be satisfactory for Ministers. In accordance with the April Cabinet Decision, DSS is working on this aspect.

I would hope that a document will be ready within a few weeks. I think the ICSI would want to look at the revisions, and while this could be done secretarially, I suggest a meeting would be preferable - particularly in conjunction with the work on homosexuality mentioned below, and with the brief from the Public Service Alliance which I have sent you.

2. Draft Cabinet directive on physical security

The draft is still being re-worked by the Security Advisory Committee. This document was through ICSI approximately three years ago but has had to be extensively revised mainly to set out more clearly the role of Public Works.

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I am particularly concerned about the presentation of the "financial implications" of the proposals, which I think is inadequate. I have stressed to Robin Bourne the need to ensure that the homework on this is well done, especially in relation to transfer of some duties from the RCMP to Public Works, before a submission is made.

I would suggest that the draft be reconsidered by ICSI before going to Ministers. I have also suggested to Bourne that, when ready for Ministers, the submission might be sponsored by the Solicitor General (perhaps with the agreement of the Minister of Public Works) rather than by the ICSI as previously done.

I hesitate to be in any way definite or optimistic about this document but I think it will soon be ready for the ICSI.

3. Draft document on homosexuality

The paper on "Homosexuality, the Public Service and National Security" has been considered by ICSI and has been revised to incorporate the changes suggested by the Committee. I have sent the redraft to the Director General of the Anti-Discrimination Branch of the Public Service Commission (at his request) for comment. When he has reacted, the redraft will be sent to you, and when you think it is ready you can decide how to present it to the ICSI (secretarially, or at a meeting). No decision has been reached on whether the document is to be referred to Ministers for consideration and approval, or on how it is to be issued - e.g. to all departments, or on demand. This is another matter which ICSI might address.

4. Protection of sensitive information

The review of the system for classifying or otherwise marking sensitive information is also in the hands of the SAC. This work seems to be proceeding very slowly, but Robin Bourne is well aware of the requirements of the Green Paper on Public Access to Government Information. It is of course closely related to that document - the "exemptions" suggested in the Green Paper will obviously relate closely to the framework of material to be classified and protected.

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5. Quebec referendum

I have suggested to Messrs. Bourne, Dare and Hadwen that planning should be initiated to deal with possible security problems related to the Quebec referendum on independence. This was prompted by a document circulated by Mr. Tellier setting out a number of "scenarios" relating to possible results of a referendum, on which Mr. Teschke had noted that, whatever the outcome of the referendum, there will be security problems, whether from disappointed extremists, or, (should the referendum carry), from a withdrawal of federal policing presence in Quebec.

Intelligence

1. IAC Secretary

The selection of a Secretary to replace Alan Breakspear should be expedited. You have written to Mr. Nixon asking if a suitable Armed Forces officer could be identified and seconded. John Hadwen will be following up on this.

2. IAC assessment staff, and general IAC effectiveness

You will recall that early in 1976 the IAC assessment staff, consisting of three seconded officers, was set up within the IAC Secretariat on a trial basis. (The name of the group was changed, subsequently to IAC Staff.) The Staff concept has worked reasonably well in that it has contributed to better coordination in the production of IAC assessments, and to an improved quality of written product. However, its problems reflect those of the IAC itself, and result from the lack of tasking of the intelligence function by government officials outside the "intelligence community", and from the heavily parochial orientation among members, which fragments and thus weakens the Committee. In my view, the IAC does not really constitute a strong focal point which can provide leadership for and coordination of the Canadian intelligence program. In this respect it seems to compare unfavourably with equivalent American and British organizations. I think that, to be effective, its capabilities and potentialities must be more widely known, so that it can be better tasked by senior officials of the public service generally,

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and by government. If this could be achieved, I think it would then need to have better resources to provide a more effective central assessment staff. Lacking such developments, I expect the IAC will not provide any more effective service than it now does, and it could disintegrate further, through lack of a common goal and unity of purpose. I think John Hadwen recognizes these weaknesses and is trying to correct them.

Emergency Planning

Two policy documents

There are two policy documents which should receive ministerial consideration as soon as possible: "Federal Policy for Emergencies" and "War Planning Policy - Civil". A number of related matters are being held until decisions on these two documents are made. The former was considered by the Interdepartmental Committee on Emergency Preparedness on February 28th. At that meeting, you assigned responsibility for preparing a Cabinet submission to Mr. Rodal of FPRO. When it is ready, I would suggest that it be submitted immediately for Cabinet consideration, even though it would be desirable for the two policy documents to be put forward together. Perhaps an early meeting of the ICEP could be arranged to review the document on War Planning Policy.

General observations

Following are general observations which relate, in most part, to areas of responsibility and organization.

(a) S.I.&E.P. Secretariat and Ministry of Solicitor General

I think that at some point there would be merit in examining with Robin Bourne the relationship between the security responsibilities of the Police and Security Planning and Analysis Branch in the Ministry of the Solicitor General and this secretariat. I suggest there is some overlapping and confusion. When the Ministry of the Solicitor General estimates were presented recently in the Standing Committee on Justice and Legal Affairs, the responsibilities of Bourne's Branch were submitted. These were stated

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to include "The formulation of policy for the protection of personnel, property and equipment in the Federal Government including the security of information". I think this statement (though badly expressed) is right, and Bourne has (or should have) the resources needed. But it does seem to include some, at least, of the tasks commonly understood to be within the responsibilities of this secretariat, and which we have assumed and discharged, in large degree.

(b) Secretariat for the Security
Advisory Committee

As you know, by Cabinet decision, the Privy Council Office provides secretaries for the Security Advisory Committee and the Intelligence Advisory Committee, and the chairmen are located elsewhere (External Affairs for IAC, Solicitor General for SAC). The system has worked well for the IAC because the committee meets physically in PCO, the secretarial work is done here, the secretary devotes his full time to the committee, and is supported by a staff of three officers. In the case of the SAC, the committee meets in the Ministry of the Solicitor General, the secretary operates from the PCO, has other duties here, and there is no one else in PCO to assist with SAC work. The SAC chairman (Bourne) naturally often uses his own people for some of the work, but they do not seem to constitute an effective secretariat either and the situation is often awkward. A solution might be to transfer the secretaryship to the Ministry of the Solicitor General. I realize the importance of a close PCO relationship with the SAC and its work, but I think this is effectively covered by the membership of the head of this secretariat on the committee. I think what is needed is a more structured security secretariat along the lines proposed in the 1969 Royal Commission Report, which could serve SAC (e.g. in projects such as developing proposals for a revised classification system), so that SAC in turn could serve the senior committees more effectively.

(c) Security responsibilities of the
S.I.&E.P. Secretariat

There would be advantage in examining and more formally formulating the security responsibilities of this secretariat. As I see it, the duties were fairly clear (and simple) until recent years. They related

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to communist subversion and, for the most part, seem to have mainly involved personnel security policy and the administration of CD 35. The "threat" situation has obviously changed greatly, and this secretariat, with its limited resources, has had to try to adjust to a more varied and heavier workload. It is called upon to assist in dealing with many and varied problems - hostage takings, hijackings, black lists, police break-ins, document leaks, industrial security clearances, etc. Demands and tasking come from many sources - in the Prime Minister's Office, and in the Privy Council Office, as well as the Ministry of the Solicitor General, the Security Service, External Affairs, and so on. I do realize that other secretariats of the Privy Council Office have similar problems, but I think ours may be compounded by a misunderstanding of our duties. For example, there seems to be an impression that we deal with and are knowledgeable about police matters generally and, in particular, anything relating to the Royal Canadian Mounted Police. As a result, we are assigned tasks that could better be handled by such secretariats as Social Policy or Machinery of Government.

(d) Relocation of Emergency Planning

Consideration might be given to relocating the emergency planning work now being carried out in this secretariat. There is confusion between the responsibilities of the PCO and Emergency Planning Canada (EPC) in the minds of officials of federal and provincial agencies with whom EPC must work. The work done here can be as well, or better, done in EPC, and if it were relocated there, and if the Director General EPC were to report directly to a senior PCO official (at the Secretary or Deputy Secretary level), I think a less confusing and more effective organization would result. In short, I suggest that the emergency planning work now being done in this secretariat be transferred to Emergency Planning Canada, which should report to a senior PCO official. To my mind, the ideal arrangement would be for the Director General EPC to report to the Deputy Secretary to the Cabinet (Plans).

(e) Relocating this secretariat

I recall that, when it was decided that you would continue your responsibilities for security and intelligence (and, subsequently, emergency planning) as Secretary to the Cabinet for Federal-Provincial

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Relations, you mentioned to me that this arrangement was temporary, and that the S&I functions would probably be moved, eventually, to Mr. Pitfield's jurisdiction. Such a relocation might be appropriately effected at the same time as the proposed EPC change. If it were to occur, I would suggest that this secretariat too would fit logically under the direction of the Deputy Secretary to the Cabinet (Plans).

DWH.

D. W. Hall.

Privy Council Office,
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