



S-100-1

SECRET

PRIVY COUNCIL OFFICE

CABINET SECRETARIAT

OTTAWA, January 21st, 1949.

MEMORANDUM FOR MR. HEENEY; (through Mr. Gill)

I have now received the figures from the R.C.M. Police on which to base an up-to-date loyalty report for the government as directed at the last meeting of the Security Panel.

I am not at all satisfied that the circumstances on which adverse reports are based are satisfactory criteria of loyalty and I feel that, before we proceed with the report for the government, the question of what is meant by an adverse report must be clarified.

The adverse reports as made out by the R.C.M. Police, include anything in a person's record which could be considered as a mark against him and has really only a very vague connection with his loyalty to the government. A minor brush with the law committed during a person's youth justifies an adverse report in exactly the same way as would a person's active affiliation with a Communist organization. This results in a relatively high percentage of adverse reports, many of which have no connection whatever with the purpose for which the loyalty checks were instituted.

It is probably quite true that the decision as to whether a person with a very minor criminal record should or should not be engaged in classified work rests with the deputy minister or head of his department and that, therefore, from the point of view of departmental action, the present system is satisfactory. It is equally true to say that to use these reports as the basis of a report to the government on the amount of disloyalty in the government service would be giving a most distorted picture and lay both the Security Panel and the R.C.M. Police open to a considerable amount of criticism.

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A further point which might have dangerous implications is the reaction if it became known that a procedure authorized by the government to check on a person's "loyalty" was, in fact, being used to report to deputy ministers every minor fall from grace of employees, both before and since they entered the government service.

To take specific cases, one adverse report is based on the fact that an unfortunate, young unmarried woman had a baby during the war years, another young man was prosecuted for non-payment of a debt when unemployed during the depression.

I would therefore recommend, for your consideration, that this question of adverse reports be further studied by a sub-committee of the Panel to consist of a representative of the Privy Council Office, a representative of the R.C.M. Police and a representative of the Civil Service Commission, and that a system be devised to differentiate between persons who are really doubtful "security" risks and those others who are merely minor infringers of our moral or criminal code.

*F.W.T. Lucas*

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