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Security Panel Document
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MEMORANDUM FOR THE SECURITY PANEL

Security Screening of Employees and
Applicants for Employment in
Government and Defence Industry

Government

The security screening of government employees requiring access to classified information must depend both upon the degree of protection required by the documents they will see and upon the facilities available to carry out enquiries. Before October 1952 Canadian civil servants who were to see Restricted and Confidential papers were subject to a file check by Special Branch/R.C.M.P.; those who were to see Secret and Top Secret papers were subject to a field check. The names of the former were checked against the subversive files of Special Branch and against the central criminal records at R.C.M.P. headquarters; the names of the latter were referred to the R.C.M.P. divisions where they might have lived for any length of time, and here they were checked against the records of local municipal or provincial police and enquiries were made of their former neighbours and acquaintances.

2. In the fall of 1952 Special Branch reported that it was unable to handle the volume of enquiries referred to it and in some cases investigations were delayed as much as five months. Therefore, since a security policy must be conditioned by the facilities available, the government with some reluctance modified Canadian security standards to what appeared practical. The new policy which is at present in force is set out in Cabinet Directive No. 24 of October 16, 1952. In brief it requires only that the Civil Service Commission, or in some cases Crown Agencies, must be satisfied as to the good character of a person to be given access to Restricted and Confidential papers; a person to be given access to Secret and Top Secret information must be subject to a file check, but need only be given a full field investigation where the particular circumstances seem to call for one.

3. In spite of this modification the backlog of enquiries awaiting attention by Special Branch did not diminish. The problem became so acute that the force called in the Organization and Methods Service of the Civil Service Commission which recommended (among other new procedures which need not concern the

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Panel) that the check against the central criminal records should be abandoned. Unless this were done, it seemed possible that the filing system might break down. The check against the subversive records of Special Branch would, of course, be maintained. This less exhaustive check was put into effect for a trial period of two weeks and resulted in an immediate 40% increase of names processed by the force. Special Branch has therefore recommended that the check against criminal records should be dropped in future. Such action would, however, lower Canadian security standards even further.

4. Information which forms the basis on which a security clearance is given should make it possible for a security officer to assess first a person's loyalty to Canada and second his general reliability. Information on general reliability is equally important. Cabinet Directive No. 24 pays special attention to this aspect of security and states: "Persons who are unreliable from a security standpoint, not because they are disloyal, but because of defects in their character which may lead to indiscretion or dishonesty, or may make them likely subjects of blackmail, must not be employed in any position where they may have access to classified information." It is the opinion of the Security Sub-Panel that, to implement this policy, a knowledge of whether or not a person has a criminal record is essential.

5. In considering this problem in detail the Security Sub-Panel therefore gave thought as to whether the Commissioner of the R.C.M. Police might be asked to consider providing whatever additional staff might be necessary to maintain the check of criminal records. But here a new problem was encountered. It appears that the criminal records maintained on a name index at R.C.M. Police central headquarters contain information only about indictable offences under federal laws other than the criminal code (about 2% of criminal cases handled by the R.C.M. Police) and on almost no criminal cases handled by municipal police forces or by the provincial police of Ontario and Quebec. Records of most criminal offences handled by the R.C.M. Police are maintained at divisional level. Records of similar cases handled by municipal police authorities are held by those authorities and not by the R.C.M. Police. It is therefore clear that the check which has been made against the criminal records in Ottawa does not, and has never, provided the information which in the opinion of the Security Sub-Panel should form an integral part of a security investigation. Present procedures could, for instance, permit the employment in a government position requiring access to Top Secret information of a person with a long criminal record obtained in any municipality maintaining its own police force. The Security Sub-Panel is therefore of the opinion that information bearing on a person's criminal record must be sought by other means.

6. The Security Sub-Panel has made an exhaustive examination of how this information might be obtained.

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It has, for instance, considered the possibility of arranging for the Civil Service Commission and departmental security officers to be placed in direct contact with municipal and provincial police forces, a method which would have the virtue of dispersing the required effort among all the departments and agencies concerned. If only communities with a population of over 1000 were to be involved, arrangements would have to be made with over 700 municipal police authorities. Even if this were possible, nearly 50% of the Canadian population from which government servants might be drawn would remain outside the field of enquiry. In the opinion of the Security Sub-Panel this method would prove entirely impractical. If the arrangement were to be limited to consultation with the municipal police forces of only the larger urban areas, it might be possible to justify it on paper on the grounds that it represented the maximum effort possible with present resources. In fact, the security it might provide would be of little or no value.

7. The Security Sub-Panel, after examining all possible methods, can find no effective alternative, if security standards are to be maintained at the level laid down by present government policy, to a plan under which in future all government employees requiring access to classified information are fingerprinted. The R.C.M. Police acts as a national fingerprint authority and maintains in its headquarters in Ottawa fingerprint records of approximately 95% of all cases of indictable offences handled by all police authorities throughout the country. These records are easily obtained when fingerprints are provided but cannot be obtained with any degree of assurance by a name check. They will provide quickly and accurately part of the information which is required by present security policy.

8. The Sub-Panel is aware that this recommendation may prove distasteful to members of the Panel. However, it wishes to point out that the principle has already been conceded by the government since a number of government departments and agencies have taken fingerprints of their employees for a considerable period of time. The following are the departments and agencies which do so:

- The Department of National Defence - All service men and civilian employees, including all employees of the Defence Research Board.
- Post Office Department - All employees
- National Research Council - All employees
- Canadian Arsenals Ltd. - Employees of three divisions.
- Atomic Energy of Canada - All employees
- R.C.M. Police - All men and civilian employees

The Department of National Defence alone has over one million fingerprints in its tri-service Canadian Armed Forces Identification Bureau, and of the other departments and agencies only the National Research Council reports any objection on the part of employees to

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fingerprinting. These objections were from older members of the staff and were made when the procedure was first put into effect. During the past five or six years no objections have been made, and no other department or agency reports any objection. Fingerprinting is mandatory for all employees of the U. S. government. The Security Sub-Panel, however, does not recommend the fingerprinting of all Canadian government employees but only those who are to be given access to classified documents. Fingerprints after being checked would be returned to the employee and would not be kept on record.

9. In considering the Sub-Panel's recommendation, members may wish to bear in mind that in the past the check of criminal records has not provided the security protection it was assumed to give. Representatives of the Department of National Defence have said that a fingerprint check has shown over a period of time that approximately 10% of all applicants are found to have some kind of criminal record, the percentage being higher in the lower grades. This figure is probably considerably higher than might be expected for civil servants generally and undoubtedly includes many persons who have merely been guilty of youthful indiscretions. Nevertheless, it would seem to indicate that a re-examination of existing security clearances to at least Secret and Top Secret may be desirable. In this connection it has been pointed out that a high percentage of civil servants have served with the armed forces during the war and that therefore their fingerprints are on record at the Canadian Armed Forces Identification Bureau. These could be checked against the fingerprint records of the Identification Branch of the R.C.M. Police and would provide a degree of protection with a minimum of publicity.

Defence Industry

10. In reviewing the Sub-Panel's recommendation, members are asked to consider whether or not it could be applied to employees of defence industry. Since classified information requires security protection wherever it may be, persons working on government contracts which require access to classified information are subject to the same security investigation which is made for government employees. Should fingerprinting be required in the case of civil servants with access to classified information, the procedure should be logically extended to defence industry. The attitude of trade unions to such a requirement will have to be considered.

11. A decision to have fingerprinting in respect of government employees would not require or be dependent on a parallel decision with regard to defence industry if it was not thought practical for it. The considerations in favour of applying the policy to defence industry are substantially the same as for the

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public service. If, however, it were felt that possible reaction by the unions would make such a step undesirable, it might be best to act with regard to the public service and leave defence industry for later decision.

P. M. Dwyer,
Secretary of the Security Panel.

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