

Security Panel Document
SP - 163 F

DRAFT CABINET DIRECTIVE

Security Screening of Government Employees

This directive supersedes Cabinet Directive No. 24 of October 16, 1952.

POLICY

1. Security in the public service of Canada is essentially a part of good administration, and therefore it is a departmental and agency responsibility. The security, and hence the good administration of a department or agency, may be placed in jeopardy either by persons who are disloyal or by persons who are unreliable because of defects in their character.
2. Loyalty to our system of government is expected of any person employed in the public service of Canada. Therefore it remains an essential of Canadian security policy that a person who is a member of a communist party, which is substantially subservient to the dictates of a foreign power, or a person who by his words or actions consistently shows himself to believe in Soviet communism, or in any other ideology which advocates the overthrow of government by force, should not when known be permitted to enter the public service. Such persons discovered within the public service must not be allowed access to classified information. It is a matter for consideration in such cases as to whether it is desirable to remove such persons from the public service.
3. There is always doubt as to the loyalty of a person who was previously a member of a communist party or who at one time by his words or actions showed himself to believe in an ideology which advocated the overthrow of the government by force.
4. It also remains an essential of Canadian security policy that 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. Such defects of character may make them unsuitable for employment on grounds other than security.
5. In addition it must now be recognized that in government organizations controlling means of mass communications and in some other related fields, there are even in peace time security risks involved in the misuse of such facilities even where there is no access whatsoever to classified information. Because of the difficulty of determining the extent of the risk and of estimating the damage that may be caused by a disloyal person in such circumstances, departments and agencies should not dismiss persons in cases where there is no access to classified information without previously obtaining the advice of the Security Panel. Although consideration is always to be given as to whether any persons who may be unreliable or disloyal should be permitted to continue in government service, the government wishes to ensure that action in these cases is limited to areas where security is an important consideration.

6. To carry out their responsibility, departments and agencies must first obtain information about persons who are to be given access to classified information according to procedures set forth below. The object of the enquiries which must be made is to ensure that disloyal or unreliable persons do not obtain access to classified information, or when known, enter the government service. Where it appears that information concerning a person's loyalty or reliability is likely to lead to a decision which will be adverse to him, the decision can only be made with justice after a careful examination of all the available information pertinent to both loyalty and character in the form of evaluated factual reports provided by an approved investigating agency. When, after such an examination, a serious or continuing doubt of loyalty or reliability remains in the mind of a reasonable man and when national security is involved, that doubt must be resolved in favour of the state.

7. In future an additional safeguard to the individual will be provided. The government wishes that, other than for casual labour or locally employed staff abroad, no recommendation for dismissal from the public service on security grounds after the probationary period should be acted upon finally without the advice of a quorum of at least three members of the Security Panel, who will examine all the pertinent information in conjunction with the deputy minister of the department concerned. The final decision in any case, however, will remain a departmental or agency responsibility. Because of the procedures of discipline and review within the armed forces and the R.C.M. Police, however, the Department of National Defence and the R.C.M. Police need only bring cases involving uniformed personnel to a quorum of the Security Panel when they may wish to consult.

8. The loyalty and reliability of persons given access to information classified "Secret" or "Top Secret" remains of paramount importance. Therefore the following procedures by which this policy is to be implemented are designed to provide that the most careful screening available from present investigative facilities be given to persons who will have access to the higher categories of classified information. It is the continuing responsibility of each government department and agency to ensure that its security remains unimpaired. The function of an investigating agency is only to provide all the available information pertinent to both loyalty and character in the form of evaluated factual reports; a security assessment and a clearance based upon such reports is the responsibility of the department or agency concerned and is one which must not be taken lightly. When advice is needed, departments and agencies are urged to consult the Security Panel or the Security Sub-Panel as appropriate.

PROCEDURES

9. Security screening of applicants to the public service will be initiated by the Civil Service Commission, or by departments and agencies in the case of persons not employed under the Civil Service Act. Where persons already employed are to be given access to classified information security screening will be initiated by the department or agency concerned.

10. The Civil Service Commission has agreed that, when it appears necessary for the Commission to reject an applicant on security grounds, it will, when appropriate, consult with the interested department with a view to reaching a joint agreement as to what action may finally be taken.

11. The Civil Service Commission has also agreed that when it appoints to a department a new employee who has been the subject of a security screening, it will send forward to the department all the pertinent information and documentation relating to the security screening.

12. A security assessment and clearance will be made by the following means. These represent security criteria and procedures which are consistent with present investigative facilities available interdepartmentally; they are minimum standards, and do not limit in any way the right of the armed forces to conduct field checks through their own resources of personnel employed with or on behalf of the Department of National Defence.

(i) Persons to have access to Secret and
Top Secret information

- (a) Before a person is employed in a position requiring access to Secret or Top Secret information his name must be checked against the subversive records of the R.C.M. Police, and he must be the subject of a fingerprint check by the R.C.M. Police. Both these procedures are mandatory.
- (b) Before a person is employed in a position requiring access to Secret or Top Secret information he must provide the names of three persons who will be asked to give references, one of whom will be his last employer if applicable. The other two must be persons of repute in their community, such as a minister of the church, a police official, a banker, a doctor, a teacher, a member of parliament, a member of the provincial legislature, an officer of the armed forces or a senior government official. The referees given should if possible have known the person for a period of three years, and they will be consulted as to the character of the person. Except where a field check is to be made, this procedure is mandatory. However, in cases where there is undue delay in obtaining replies from one or more referees and where information from other sources is negative, departments and agencies may at discretion grant a security clearance before all the references are received. In addition departments and agencies are reminded when appropriate to consult personnel files in their departmental and agency records.
- (c) When the Chairman of the Civil Service Commission or the deputy head of a department or agency, or a security officer appointed by them, considers that the information provided by the means set out in paragraph 12(i)(a) and (b) may be clarified by an investigation in the field, or that such an investigation is necessary to satisfy him as to an applicant's or employee's loyalty, integrity or discretion, he may request that an enquiry be made of a

person's background by a field investigation to be carried out by the R.C.M. Police. Where it appears that requests from a department or agency exceed what seems to be a normal requirement, the R.C.M. Police may ask the Security Panel to allot priorities, provided that if the R.C.M. Police is unable to carry out such checks it will report the facts to the Security Panel as well as to the department or agency concerned.

- (d) The deputy head of a department or agency will be responsible for granting or withholding an appropriate security clearance and will assume a continuing responsibility for a person's access to Secret or Top Secret information.
- (ii) Persons to have access to Confidential information but not to Secret and Top Secret information
- (a) Before a person is employed in a position requiring access to Confidential information he must be the subject of a fingerprint check by the R.C.M. Police. This procedure is mandatory.
 - (b) Before a person is employed in a position requiring access to Confidential information he must provide the names of two persons who will be asked to give references, one of whom will be his last employer if applicable. The other must be a person of repute in his community, such as a minister of the church, a police official, a banker, a doctor, a teacher, a member of parliament, a member of the provincial legislature, an officer of the armed forces or a senior government official. The referees given should if possible have known the person for a period of three years, and they will be consulted as to the character of the person. Except where a field check is to be made, this procedure is mandatory. However, in cases where there is undue delay in obtaining replies from one referee and where information from other sources is negative, departments and agencies may at discretion grant a security clearance before all the references are received. In addition departments and agencies are reminded when appropriate to consult personnel files in their departmental and agency records.
 - (c) When the Chairman of the Civil Service or the deputy head of a department or agency, or a security officer appointed by them, considers that the information provided by a fingerprint check should be supplemented by a check against the subversive records of the

R.C.M. Police, or that a supplementary check is necessary to satisfy him as to an applicant's or employee's fitness to have access to Confidential information, he may request that a person's name be checked against the subversive records of the R.C.M. Police. Since the facilities for checks of this kind are limited and must be concentrated primarily on persons who are to have access to the higher categories of classified information, the decision as to whether or not such additional checks can be made will rest with the R.C.M. Police.

- (d) The deputy head of a department or agency will be responsible for granting or withholding an appropriate security clearance and will assume a continuing responsibility for a person's access to Confidential information.

13. The procedures set forth in paragraph 12, except those relating to fingerprinting, apply equally to persons employed in defence industry and certain services related to defence who may be required to have access to classified information which is the property of the government of Canada or for the security of which the government is responsible. In defence industry and certain services related to defence the procedures will be administered by the Department of Defence Production.

14. Before a person is appointed to a permanent position in the public service he will normally be made the subject of a fingerprint and file check by the R.C.M. Police. However, in the case of persons in positions where they are unlikely ever to have access to classified information, this requirement should wherever possible be waived with the approval of a deputy minister or head of agency.

15. The numbers of all persons who for security reasons are removed from eligible lists by the Civil Service Commission, or refused access to classified information by departments or agencies for security reasons, will be sent quarterly to the Secretary of the Security Panel in order that the Panel may from time to time review the number of persons or the type of cases involved, and assess the extent of the security problem in the public service. The figures provided should be broken down into the following general categories: Persons dismissed, persons permitted to resign, persons transferred to non-sensitive posts, persons denied access to classified information, persons denied employment. In addition the figures should indicate whether the action was taken on grounds of disloyalty or unreliability. Figures should not include persons who are no longer given access to classified information because of a change in duties or other similar administrative reasons.

16. It is the responsibility of each deputy head, or head of an agency, to nominate a competent senior official to act as Security Officer, and to notify the Secretary of the Security Panel of the appointment and of any subsequent change. The person so named will be responsible to the deputy head or head of an agency for ensuring that all regulations relative to security are carried out within the department or agency. It will

also be the responsibility of the departmental Security Officer to maintain close liaison with the government agencies responsible for security policy and procedures. It is important that wherever possible Security Officers should be persons who may be expected to continue their work over a long period of time, since effective security is difficult to maintain without considerable experience in a specialized field.

17. In future to carry out these routine procedures for obtaining information concerning their employees, departments and agencies will deal directly with the R.C.M. Police.

Privy Council Office
Ottawa, December 10th, 1954.