

DRAFT MEMORANDUM TO THE SECURITY PANELSecurity Policy - Communists in the Public Service

The Security Sub-Panel has noted a discussion by the Security Panel of a problem presented to it by the Security Officer of the Department of Mines and Technical Surveys. The question placed before the Panel was whether or not three employees of that department known to be communists or communist sympathizers could be granted permanency provided they have no access to classified information. The Security Panel was of the opinion that this problem could not be confined to the granting of permanency and that security policy on the employment of known communists or communist sympathizers within the public service (even though they have no access to classified information) should be reviewed. The Panel's discussion and recommendations on this matter were set out in item I of the minutes of the 60th meeting.

2. Since the discussion at the 60th meeting R.C.M. Police, Special Branch, have issued a paper on "Some Implications of the Khrushchev-Mikoyan Speeches" which were made at the 20th Congress of the Communist Party of the Soviet Union. A copy of this paper has been distributed to members of the Panel and an additional copy is now attached for easy reference.

3. After an examination of the more significant passages in these speeches, the paper concludes that it is the policy of the Soviet Union "to force them (NATO countries) to accept a continuation of the struggle for world power in terms of peaceful but stiff competition with Soviet-bloc countries." It is clear from Khrushchev's own words that this "competition" will include the use by the Soviet Union of any technical and scientific knowledge which can be obtained from the capitalist countries, for he said: "Therefore we must study.....the best that the capitalist countries' science and technology have to offer in order to use the achievements of world technological progress in the interests of socialism." This competition will also include a presumably long-term attempt to undermine the structure of western societies under the respectable guise of traditional left-wing parties. Khrushchev said: "The winning of a stable parliamentary majority, based on the mass revolutionary movement of the proletariat and the working people, would bring about for the working class of a number of capitalist and former colonial countries, conditions insuring the implementation of fundamental social transformations."

4. The paper then continues to examine what may be the effect of the new Soviet policy on communist organizations in Canada. It anticipates that now that the Labor-Progressive Party is now free to state publicly that it is formally rid of a commitment to the eventual use of violence it will be able to move forward more easily on a broad socialist front because of a softening of public opinion. It concludes that, with a slackening of tension, the work of the Russian Intelligence Service will become easier and that in particular its problems of recruitment will be less.

5. The Security Sub-Panel has considered the R.C.M. Police paper and some members have studied the Khrushchev and Mikoyan statements in detail. The Sub-Panel has reached the conclusion that, since present security policy is directed almost solely to the protection of classified information, it is now no longer adequate and should be extended in the light of the new Soviet policy to include the dismissal of all communists found within the public service. In reaching this conclusion the Sub-Panel has been influenced by a number of considerations. The first is that if communists are permitted to work in the public service a number will, over a period of time, rise to positions of some importance and responsibility. In such positions, even if they do not have access to classified information, they will to some extent be aware of government policy and in many cases may be able to influence it. In the light of the new Soviet policy this would seem to be a matter of greater concern than it has been hitherto. In addition it seems probable that communists may increasingly seek to enter the public service without any specific commitment to the party to carry out any illegal acts, but rather for the purpose of building up a position of some strength within the service. A number of such persons within the service might play a useful part, during a period of slackening of tensions, in helping to create a new generation of fellow travellers of the kind that emerged from the universities in the 1930's. It should perhaps also be reiterated that from a security viewpoint the presence of communists within government buildings where they must be permitted access to passes, keys, etc., has always been a matter for concern. However, before setting out its recommendations in detail, the Sub-Panel wishes members of the Security Panel to be fully informed of all the points which arose in discussion both for and against such dismissals.

6. The points in favour are these:

(1) Cabinet Directive No. 29 of December 21, 1955, discussing communist party members, persons who believe in Soviet communism or in any other ideology which advocates the overthrow of government by force, states: "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."

This final sentence is in no way mandatory, but clearly envisages the possibility that such persons may be dismissed. A recommendation to this effect would therefore not necessarily be contrary to the existing security directive.

(2) While security policy is specifically directed towards the protection of classified information, it must be recognized that there are other risks of a general security nature. That such general risks do exist seems to be recognized in paragraph 5 of Cabinet Directive No. 29 which deals with security considerations in government organizations controlling means of mass communications. While sabotage is not considered a serious risk in peacetime, and while present Soviet policy makes it even less likely, nevertheless the presence of communists within government installations may, at a later date and after a change in policy, become a matter for grave concern.

There have also been a number of instances in which communists within the public service have obtained or attempted to obtain office in unions or civil service organizations. It is therefore for consideration whether or not the opportunities which employment in the public service offers to communists in the labour field are such that known communists should not be permitted to have access to them.

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(3) Soviet conduct of foreign policy is such that espionage, against which the greater part of Canadian security policy has hitherto been directed, is only one means by which the Soviet Union hopes to achieve its final aims. Other such means are, for example, subversion through the overt and covert activities of national communist parties and their front organizations; the exhaustive efforts of a closely-integrated, world-wide propaganda machine; and the disruption caused by communist influences in the labour movement. Thus it may be argued that a security policy which concentrates on minimizing the efforts of the Russian intelligence service in Canada and largely ignores the efforts of the Labor-Progressive Party, the Canadian Soviet Friendship Society and the International Union of Mine, Mill and Smelter Workers does not provide a real measure of security, and that communists should not be permitted to make any use of the facilities and opportunities which employment in the public service may provide.

(4) It is recognized in Canada that every person has a right to earn a living to the best of his ability, but there does not appear to be any grounds for assuming that that right includes the right to be employed in the public service. If then there are serious grounds for doubting that any communist should be permitted to remain in the public service, it is suggested a decision need not be unduly influenced by considerations of this kind.

(5) It would seem to be relevant to consider whether a minister, employing in his department a person known to be a communist, would not be subject to considerable adverse criticism if the fact were to become known to the public.

7. The points against are these:

(1) It has been an essential part of Canadian security policy that security procedures are primarily directed to the protection of classified information. It is for this reason that departments have been encouraged wherever possible to transfer to innocuous positions rather than to dismiss persons concerning whose loyalty or reliability there are serious doubts. Such a policy seems to imply that there is not necessarily any objection to the continued employment of a communist in the public service provided he does not have access to classified information.

Therefore a decision not to permit the continued employment of a communist in any capacity in the public service would be a considerable extension of a system which has been developed over a period of ten years.

(2) If a decision not to employ communists anywhere in the public service were to be made, it would seem to follow logically that an attempt should be made to determine whether or not any applicant to the public service is a communist. This would require a security screening of all applicants and would place an impossible burden on investigation facilities.

It could, however, be argued that only communists discovered in the public service should be dismissed - i.e. that the government should not knowingly employ a communist, but need not carry out massive investigations on applicants. It is clear, however, that this would lead to unequal standards and inconsistencies.

(3) If the Labor-Progressive Party exists as a legal political entity in Canada, it can be argued that its adherents are recognized as a part of the political structure of Canadian society and that therefore it is illogical to dismiss a communist from the public service provided that he is not permitted to have access to classified information. Indeed it could be maintained that a policy which required such dismissals would imply a weakness in the society which advocated them and would therefore be unacceptable.

8. It is the opinion of the Sub-Panel that the points in favour of a policy to dismiss all known communists in the public service, whether or not they have access to classified information, far outweigh the considerations advanced against such action. The Sub-Panel considers that a security policy must be sufficiently flexible to be adapted to any changes in the form of attack it is designed to prevent. There would now appear to be ample evidence from the mouths of Soviet leaders themselves that methods of penetration will be extended both in quantity and quality. The Sub-Panel therefore wishes to recommend:

- (i) that any communist found within the public service should be dismissed;
- (ii) that any communist ^{discovered} applying to enter the public service should be prevented from doing so; ✓
- (iii) that in both cases above, the person concerned should be told that dismissal or refusal of application has been made on security grounds; and *no*
- (iv) that dismissal or refusal to employ anywhere in the public service should apply only to known communists, but that in cases where there

is only an element of doubt of a person's loyalty or where undesirable weaknesses are present, the policy would remain as at present to deny access to classified information only.

9. In addition to the above, the Security Sub-Panel wishes to make a further recommendation which it believes to be pertinent to the problem. Although the Security Panel asked that this problem be considered in relation to both communists and communist sympathizers, the Sub-Panel has in fact only considered the case of communists. The Sub-Panel feels that in considering dismissal from the public service in cases where there is no access to classified information a clear distinction must be made between communists and those who, while sympathetic, remain uncommitted. The element of serious doubt of a person's loyalty, which reasonably permits a refusal of access to classified information, does not seem to the Sub-Panel to be sufficient grounds to dismiss a person who does not have access to classified information.

10. The Sub-Panel considers that a decision to dismiss persons who have no access to classified information should be limited to persons who are communists, and that persons who are merely sympathetic to communism or some of its aspects, or persons concerning whom there is only an element of doubt should be rigidly excluded from a measure of this kind. The Sub-Panel recognizes that it is frequently extremely difficult to make this distinction, but feels that nevertheless a firm control would have to be exercised - possibly by the Security Panel itself.

11. In this connection the Sub-Panel wishes to put forward a second consideration. If it is a valid argument that special controls should be exercised over any dismissal of a communist who does not have access to classified information, it seems to follow with equal logic that similar controls should be exercised whenever any dismissal on security grounds is made.

12. For this reason the Sub-Panel would again like to recommend to the Panel that it consider the advisability of now instituting a system of interdepartmental review before a dismissal on security grounds is made. After a review system has been in effect for some time, consideration might later be given to the formation of a board of appeal which would permit a person to be dismissed to be given the reasons in general terms and offered, as a principle of natural justice, an opportunity to know in general terms and to answer the grounds on which an action contrary to his interests is being taken.

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

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Ottawa, May 2nd, 1956.

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