

CONFIDENTIAL

SECURITY SUB-PANEL

The 21st meeting of the Security Sub-Panel was held on Friday, June 8th, 1956, at 10:00 a.m. in Room 135, East Block.

PRESENT

Mr. P.M. Dwyer (Chairman)  
Privy Council Office

Mr. G.G. Crean  
Department of External Affairs

Colonel E.S. Tate  
Department of National Defence

Superintendent K.W.N. Hall  
Royal Canadian Mounted Police

Mr. L.C. Cragg  
Department of Defence Production

Mr. J.K. Abbott  
Department of Citizenship & Immigration

Mr. D.F. Wall (Secretary)  
Privy Council Office

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I. Security Policy

The Chairman reminded members that at the last meeting of the Sub-Panel it had been agreed that members would discuss individually with their deputy ministers a number of alternative methods of dealing with communists and communist sympathizers within the government service. Members were invited to set before the Sub-Panel the results of these discussions.

(Item II, para. 6(b) of the minutes  
of the 20th meeting refer).

2. Superintendent Hall stated that, in the view of the Commissioner of the R.C.M. Police, no person proven to be a communist should be retained in the public service, and that a firm distinction should be maintained between dismissing communists or communist suspects who had access to classified

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information and those who did not, as the evidence in the latter case would have to be much stronger before dismissal could be considered. He also stated that the Commissioner considered screening all successful applicants for positions in the public service to be too cumbersome to be practical, and suggested that consideration be given to questioning applicants on past or present communist affiliations and making any false answer grounds for dismissal.

3. Mr. Crean stated that the Under-Secretary of State for External Affairs was prepared to have the alternatives set out in Annexes II and V to Security Sub-Panel Document SSP-72 submitted to the Security Panel for their consideration. He stated further that, if the establishment of a review system were to be considered, his department would wish the members of the review board to be highly competent people who would devote their full time to such review, and that they should have the full confidence of the government and of the principal Civil Service organizations.

4. Colonel Tate stated that the Deputy Minister of National Defence felt that the situation could be met if present security policy were strengthened merely by permitting departments, if they so desired, to dismiss communists and communist sympathizers from positions in which they did not have access to classified information, as well as those in positions in which they did have access. He added that there was a need for flexibility in whatever policy was eventually decided upon in order that department heads could deal with cases to the best of their judgement without automatic reference to a rigid system of procedures.

5. Mr. Cragg stated that the Deputy Minister of Defence Production was not prepared to accept the dismissal of communists and communist sympathizers without reference to an appeal board which would permit the employee to present his own defence. He stated further that his Deputy Minister felt that, in the majority of the cases with which his department had to deal, an appeal board with a quasi-judicial approach might be unable to recommend dismissal. He was, however, prepared to have the alternatives set out in Annexes III and IV to Security Sub-Panel Document SSP-72 submitted to the Security Panel for consideration.

6. Mr. Abbott said that the Deputy Minister of Citizenship and Immigration was not in favour of dismissing communists and communist sympathizers from positions in which they had no access to classified information, but wished rather to prevent as many of these persons as possible from entering the public service. Those found within it, he felt, should be carefully watched and their actions controlled as much as possible by the employing department.

7. The Chairman stated that, in the view of the Secretary to the Cabinet, the problem of preventing political penetration of the public service by communists and communist sympathizers was more subtle than that of protecting classified information, and could not be dealt with entirely by preventive measures. He felt that, as there was no existing legislation by which persons could be denied employment in the public service on political grounds, the present Cabinet Directive on security might be modified to recognize the necessity of denying communists and communist sympathizers employment in positions in which they might influence or have access to matters of policy or management

decisions. The Secretary to the Cabinet had further suggested that this problem might be put to a number of senior personnel officers in departments other than those represented on the Sub-Panel in order to have the benefit of various points of view.

8. The Chairman stated in summary that while it did not appear possible to reconcile entirely all the points of view expressed by the deputy heads concerned, there appeared to be a certain area of agreement. This area of agreement seemed to him essentially to be that the present Canadian system of departments exercising judgement on all individual cases where classified information was concerned might logically be extended to similar individual consideration of cases of communists and communist sympathizers occupying positions in which there was no access to classified information. This exercise of judgement would be primarily concerned to keep communists and communist sympathizers from occupying positions in which they can influence or have access to matters of policy or management decisions. Such an approach to the problem would appear to be consistent with the spirit of Canadian security policy and could be controlled by a detailed guidance paper. The Chairman then invited members of the Sub-Panel to consider how Cabinet Directive No. 29 might be modified in the most satisfactory manner.

9. After a lengthy discussion of the question, the Sub-Panel agreed:

- (a) that the final sentence in paragraph 2 of Cabinet Directive No. 29 which read "It is a matter for consideration in such cases as to whether it is desirable to remove such persons (i.e. communists and communist sympathizers found within the public service) from the public service", might be amended to read "It is a matter for serious consideration in such cases as to whether it is desirable to retain such persons in the public service";
- (b) that the significance of this modification would lie in placing the emphasis in departmental consideration of these cases on the advisability of removal rather than the possibility of retention;
- (c) that this modification might be submitted to the Security Panel in a memorandum setting out the Sub-Panel's reasons for recommending this shift in security policy;
- (d) that the memorandum should be accompanied by a draft guidance paper to departments and agencies explaining that the decision whether or not to retain a communist or communist sympathizer within the public service must be a matter of judgement which would be governed by the following conditions:
  - (i) where classified information was involved, reasonable doubt as to the employee's reliability must be resolved in favour of the state;

- (ii) where classified information was not involved, reasonable doubt may be resolved in favour of the individual; and
  - (iii) the main purpose of this shift in policy should be to prevent communists and communist sympathizers from occupying positions where they can influence or have access to matters of policy or management decisions; and
- (e) that because the decisions required by the shift in policy recommended above would be increasingly difficult, the memorandum to the Security Panel should also include a request for approval in principle of a plan to increase the government's emphasis on the selection and training of departmental security officers, with the understanding that detailed recommendations would be submitted at a later date.

## II. Official List of Communist Organizations

10. Superintendent Hall informed the Sub-Panel that it had recently been decided among departments concerned that Canadian visas should be denied to Soviet citizens whose proposed visits to Canada were sponsored by communist or communist-front organizations. He explained that, in order to carry out this policy, Canadian visa-issuing offices abroad would have to be supplied with an approved list of such organizations in Canada, and requested the Sub-Panel's views on the means by which such a list might be approved for the necessary circulation.

11. After discussion, the Sub-Panel recommended:

- (a) that a list of communist and communist-controlled organizations in Canada, and a list of the executive personnel of these organizations, together with brief explanatory notes on each, should be agreed by the departments concerned;
- (b) that the list should then be submitted to the Security Panel for whatever action they might wish to recommend; and
- (c) that a representative of the Department of Justice be asked to attend the Security Panel's discussion on this question.

D.F. Wall,  
Secretary of the Security Sub-Panel.