BY HAND

G 15-9-GEN (2)

November 20, 1957.

SECRET

Dear Mr. Bryce:

The Directorate of Security & Intelligence of the R.C.M.P. has been endeavouring with limited manpower facilities to cope with a continually increasing burden.

- 2. The Security Panel is asked to examine the problems involved as listed below and lend its support to a request for an increase in establishment for 1958-59.
- 3. In order that the Panel may be in a position to properly consider this request we wish to set forth for the Panel what we believe to be the responsibilities of the Directorate of Security and Intelligence. These are as follows:
 - (1) The collection of intelligence regarding subversive activities against the State of individuals and organizations in Canada.
 - (2) The protection of the Government Service against penetration by foreign agents or internal subversive agents.
 - (3) Security investigations regarding personnel employed by the Government in classified positions and others as required.
 - (4) To advise the Government, through the Minister of Justice, of subversive activities in Canada.
 - (5) Co-operation with Canadian intelligence organizations, both service and civilian, in matters concerning the internal security of the State.
 - (6) Co-operation with Commonwealth Security and Intelligence Services and those of friendly powers in matters concerning the internal security of the State.
- 4. In September, 1954, because of the necessity of concentrating with limited manpower on selected high priority targets it became necessary to temporarily deactivate 17,750 files on subversive individuals. In doing this we took a calculated risk and deactivated what were considered to be the less important files on subversive individuals.

Mr. R.B. Bryce,
Chairman, Security Panel,
Privy Council Office,
East Block,
O T T A W A, Ontario.

.....2

- 5. The deactivation of these files should not be allowed long to remain in effect, for we have a direct responsibility to fully investigate all subversive suspects in order that the country shall receive the best possible protection, and to ensure that no individual will suffer by having his name included in our subversive indices without his case having been fully investigated.
- The reactivation and full investigation of 17,750 files will be an extensive undertaking since these files are not up to date and in some cases contain very limited information. After identities are definitely established it becomes a matter of careful investigation in order to bring the files up to date and to determine the exact position of each individual in the subversive movement and the organization with which he is associated. It is anticipated that full investigation will result in many of these files being cancelled, as the individuals will be cleared; conversely many files will also be reclassified upward. Furthermore the active investigation of individuals not infrequently leads to other subversives previously unknown to the Security Service.
- 7. In addition to the necessity for reactivating the files now held in abeyance the demands on the field in dealing with counter espionage enquiries and surveillance are increasing steadily. The problem of identifying agent-running officers of Iron Curtain diplomatic missions and also locating and identifying foreign intelligence officers operating in Canada outside the legal cover of diplomatic missions is a difficult task of utmost importance. Visits by personnel of Iron Curtain missions to numerous points across Canada are frequent and this means that field Divisions must concentrate their limited available personnel on these individuals as high priority targets when they are in their area. As an example, identified Russian agent running personnel alone made 250 trips to Montreal and Toronto during January 1 to July 31, 1957. When field investigators are concentrating on this task, then their other work, to a great degree, must remain unattended.
- 8. In order that the problem may be presented in proper prospective, one must have some understanding of the number of subversive individuals in this country who require investigation. Including actual Communist (LPP) Party members, members of Communist-controlled mass language organizations, members of affiliated organizations or front groups and active supporters of the Party, we estimate that the total of all these is 42,000. Because of dual membership, and in some cases, triple membership, we cannot break down this figure precisely.
- Although there has been a decrease in actual Party membership, resulting from internecine strife following the denunciation of Stalin at the 20th Congress of the C.P.S.U. and the subsequent revelations of anti-semitism in the Soviet Union, most, if not all, of those who ceased activity or dropped Party membership still require investigation and surveillance. In other words, it cannot be accepted that they no longer retain subversive intention simply because they have had a disagreement with one aspect of Party policy. As a matter of fact because of their separation, in some instances, our task has been made more difficult.
- 10. The present total of investigators including only regular members is 218; taking the estimated strength of Communist Party and Supporters as 42,000 we get a ratio of 192 files per investigator.

.....3

If we add 45 Special Constables and Employed Civilian investigators we get a total of 263 investigators and a ratio of 159 subversive files per investigator; the latter figure is misleading as many of the Special Constables and Employed Civilians although shown on the strength as investigators, are not employed in active investigations but in supporting roles.

- 11. Experience has shown that for efficient operation an experienced investigator can handle not more than 100 files; this figure is supported by enquiries made of Security services of other countries.
- 12. We have asked for an imrease in our investigators establishment of 85 which would bring the total number to 347 or a ratio of 121 files per investigator. The figure of 121 files per investigator while still well over the desirable figure has been arrived at because 85 members represents the limit of our ability to recruit and train.
- 13. The basis of our submission to Treasury Board is not that we should request the maximum number that is required to reach peak efficiency in the internal Security field, but rather that we have the number of personnel available to provide the minimum acceptable security for Canada as we see it.

Yours very truly,

(L. H. Nicholson), Commissioner.