

JOINT SECURITY COMMITTEE

Minutes of the 89th Meeting held on Monday,  
25 November, 1957, at 1430 hours in the  
Joint Staff Conference Room, 4813 "A" Bldg.

PRESENT

- Colonel E.S. Tate (Chairman)  
Director of Military Intelligence
- Group Captain A. Walmsley  
Director of Air Force Security
- Commander A.E. Morbey  
Representing the Directorate of Naval Intelligence
- Mr. C.G. Berry,  
Representing the Directorate of Scientific Intelligence

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ALSO PRESENT

- Squadron Leader J.M. Simpson,  
Office of the Judge Advocate General
- Mr. A.R.K. Anderson,  
Director of Civilian Personnel
- Lieutenant-Colonel J.R. Stewart,  
Directorate of Military Intelligence
- Major K.G. McShane,  
Directorate of Military Intelligence

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Executive Secretary,  
Lieutenant-Colonel W.A. Todd

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I. SECURITY PANEL AGENDA

1. The Committee had for consideration the Agenda for the Security Panel meeting to be held on Thursday, November 28 at 3 p.m. consisting of two items as follows:

A. SECURITY POLICY - SECURITY REVIEW COMMITTEE

2. The document attaches a draft Order-in-Council drawn up by the Department (Flag A) of Justice on instructions of the Minister which establishes a Security Review Committee whose function would be to review cases where the department has tentatively decided to dismiss an employee on security grounds. It also attaches two pro forma letters to be used under the procedures and has as an annex a draft (Flag B) security policy similar in some ways to Cabinet Directive No. 29. - Flag D

3. The policy set out in the draft Order-in-Council is very similar to the Review and Appeal system discussed at the Security Panel early this year and dealt with in the Joint Security Committee minutes of 30 January, 1957. It has the same weaknesses and the same disadvantages as the system discussed at that time. The Security Panel was not in favour of the system at that time. These weaknesses and disadvantages are set out in succeeding paragraphs for easy reference.

4. The Committee has been given to understand that the procedures in the Order-in-Council known as the Security Review Order will not be made applicable to uniformed members of the Services. Therefore, to avoid misunderstanding now or in the future, this should be made clear in the Order. The reasons for not including Service personnel in the procedures are as follows:

- a) Service personnel are already covered by Military law and these procedures could conceivably conflict with it;
- b) each Service has review and appeal procedures just as effective as the provisions of this Order;
- c) the dispersion of Service personnel across the country and out of the country would make the procedures difficult, if not impossible, to implement.

5. The wording of the Order, particularly in paragraph 5 and in other paragraphs, if applied rigidly within this department, would interfere with the responsibility given to Chiefs of Staff under the National Defence Act.

6. The disadvantages and weaknesses are as follows:

- a) Experience has shown that the amount of information which could be given to such a person is almost always very limited and it will be generally believed that the information given is all that is available to the department and on that information the man is being discharged. This will lower the confidence of the public in the way security procedures are carried out.
- b) The appeal procedures could not in any way approximate the protection a man would receive in a court of law and accusations of "star chamber" procedures could be made. These cases are carefully considered by departments and so, in a large majority of cases, it could not be expected that the Review Board will recommend reinstatement. There will, therefore, be many dissatisfied applicants and Communists and their sympathizers will probably exploit each case to the full and use the Review Board as a sounding board to express Communist ideology and cause all possible embarrassment to the Government.
- c) The inevitable increase in publicity on this subject would probably cause considerable pressure from both reputable and non-reputable organizations for further protection of civil rights such as the provision of counsel for the accused.
- d) Because of the adverse publicity which would result from not following the advice of an appeal board, its advice would be almost mandatory. In many cases, therefore, a department would feel obliged to accept the advice against its own judgement while retaining the responsibility for any harm which might follow.
- e) The establishment of a board of appeal against discharges might give the implication that continuing employment in government service is a right rather than a privilege which would be contrary to the fact.
- f) Adverse publicity which could happen on an individual case could have serious consequences to the discharged individual when seeking new employment.
- g) Differences of opinion between the appeal board and departments could be publicized and exploited by the Communist Party to demonstrate governmental injustice to workers.

7. The Joint Security Committee consider that any appeal procedures which could be worked out which will guarantee that no injustice is done to the individual while still maintaining security are most desirable. However, since security services cannot disclose information which would compromise their sources and since most of the information which would be used in these cases comes from these sources, the appeal procedures would provide very little if any protection.

8. The Committee feel, therefore, that it would be most undesirable to set up a procedure as described since it will provide little if any protection for the individual, the resulting publicity will do a considerable amount of harm to

security and will be embarrassing to the Government.

9. The Committee recommends that a strong stand be made at the Security Panel against the Security Review Order. However, if the Government decides to proceed with this system the following comments on the Order itself and the annex are offered:

Para 2: The Order should apply to all Government servants as the restrictions to departments named in Schedule A to the Financial Administration Act would exempt such places as Atomic Energy, Canadian Arsenal and many others who hold highly classified information. Some thought should be given to extending this protection to those discharged from industry for security reasons. Trade Unions will probably press for this. Flag  
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Para 4: Locally engaged employees outside Canada where the employees are citizens of another country should be exempted.

Para 5: It should be clarified as to whether this para provides the authority to suspend an employee and whether with or without pay.

Para 8(i)(b): It is suggested that a sentence be added to this paragraph which will limit the amount of information to be given, to the discretion of the security service concerned.

As a general comment on the Annex, it will be noted in paragraph 2 that the discharge of security risks is related to employment in the public service as a whole and not to employment with access to classified information. This is a change from the policy laid down in Cabinet Directive No. 29, although the Cabinet Directive is not too clear on this point.

ANNEX

Para 3: It would be worthwhile to add in to this paragraph a statement dealing with former members of the Communist Party as they are not covered in the criteria in paragraph 2. It would also be worthwhile to add in a sentence about persons having close relations in this country who would fall under the criteria in paragraph 2. These two items are factors in any security clearance analysis.

Para 4: This para should be made more definite. As it is now written it is not clear whether persons with character defects should be handled under the security review system or discharged on other grounds. They should, of course, come under the review procedures or the government could be accused of offering protection to disloyal persons and denying it to loyal Canadians of poor character. In addition, it should deal with cases where the person cannot be given access to classified information because of character defects but where by virtue of his specialized employment, he cannot be transferred to other employment. This is a common occurrence in this department and in most cases there are no other conceivable grounds for discharge.

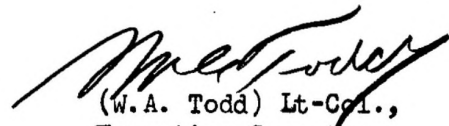
10. The Committee would like to point out that criteria of character defects are just as necessary as the ones listed in paragraph 2 and they can be listed in just as clear-cut a manner. They already exist in this department in the Security of Personnel Order, Paragraph 7. The listing of criteria is about the only way to achieve any uniformity of procedure and there is much less uniformity at present in assessing character defects than subversive records. Flag E

B. SECURITY POLICY - ESTABLISHMENT OF A DIRECTORATE OF SECURITY AND INTELLIGENCE - RCMP

11. This document was prepared by the RCMP to substantiate an increase in establishment of 85 persons to their Directorate of Security and Intelligence.

12. The Committee consider that the RCMP have set out clear and adequate reasons for the increase and recommend that full support be given to it in the

Security Panel. Quite apart from arguments advanced by the RCMP this department among others would gain considerable advantages.

  
(W.A. Todd) Lt-Col.,  
Executive Secretary,  
Joint Security Committee

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