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28 Feb. 1963

A meeting of a special group of the Security Panel was held in the Office of the Minister of Justice, Justice Building, on Thursday, February 28, 1963, at 2:30 p.m.

PRESENT:

The Honourable Donald M. Fleming Minister of Justice	(Chairman)
Mr. R. B. Bryce Secretary to the Cabinet	
Commissioner C. W. Harvison Royal Canadian Mounted Police	
Mr. Paul Pelletier Civil Service Commission	
Mr. N. A. Robertson Under-Secretary of State for External Affairs	
Mr. D. F. Wall Privy Council Office	(Secretary)

ALSO PRESENT:

Mr. J. J. McCardle
Department of External Affairs

Deputy Commissioner G. B. McClellan
Royal Canadian Mounted Police

1. The meeting had for consideration the following documents:

(a) a memorandum for the Prime Minister and the Minister of Justice entitled "Security Cases Involving Homosexuality" dated January 26, 1961, setting out a number of proposals for dealing with cases of this kind;

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- (b) a report prepared by the Secretary entitled "United States Security Procedures" dated December 12, 1962, setting out a number of general proposals concerning Canadian security policies and procedures; and
- (c) a related report prepared by Dr. F. R. Wake proposing a programme of research to devise means of detecting homosexuality.

2. At the Chairman's request, the Secretary to the Cabinet outlined briefly the circumstances leading to the preparation of the reports under consideration. He stated that in 1958 the Prime Minister had asked the Security Panel to examine the question of homosexuality as it related to security in Canada, with a view to devising more flexible means of dealing with cases involving this and other human frailties. While earlier studies had not proved to be particularly helpful, more recent experience and examination indicated that certain modifications in policy and procedure could usefully be made. To this end, a number of proposals had been set out in the memorandum of January 26th, 1961, by the small committee of the Security Panel which had been established to study the matter.

3. In the intervening time, the Secretary of the Security Panel had made a study of United States security procedures, particularly their means of dealing with human frailties such as homosexuality, and Dr. F. R. Wake had been asked to examine the possibility of arranging a series of tests which might assist in detecting homosexuality or other personal characteristics which could make the occupants of certain sensitive positions in the public service vulnerable to blackmail for intelligence purposes. As a result of these studies a number of further proposals were set out in the other two reports referred to above.

4. The Commissioner of the R.C.M. Police, in describing the present situation regarding investigations into homosexuality in the public service, stated that a relatively large number of homosexuals had been identified in the Ottawa area, both within and outside the public service. Such identifications, usually made through following up allegations, and often confirmed through interviews with the persons themselves, had fallen off considerably in recent months. He added that the three or four employees who had been identified as homosexuals within the R.C.M. Police had been discharged.

5. Commissioner Harvison said that the Russian Intelligence Services had in the past few years concentrated on the exploitation of human frailties to gain their intelligence ends, and expressed the view that homosexuals were particularly vulnerable to this kind of pressure, as well as to criminal blackmail, because of their usual reluctance to reveal their sexual propensity or to have it discovered. He considered that, because of their vulnerability to a variety of pressures, and because of the undesirable contacts which many homosexuals appeared to make, efforts should be made to prevent their entering the public service in any capacity. In this respect, he found some difficulty in understanding what he considered to be a

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[REDACTED] as described in the report on security procedures in that country.

6. The Under-Secretary of State for External Affairs stated that, because of the requirement to rotate members of his department among a variety of posts including those behind the Iron Curtain, where the danger of security compromise was greatest, and because of possible damage to the representational function of the department through scandal, it was not feasible to employ persons with homosexual tendencies in the Department of External Affairs. A number of such persons had been discovered

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within the department, and each ^{case} had been dealt with privately and on its merits, some resulting in resignations, and others in transfers to less sensitive positions in the public service. Mr. Robertson pointed out that there had in fact been more attempts to blackmail employees at posts abroad for reasons of illicit heterosexual rather than homosexual behaviour, and that in the one major case involving a homosexual, the person had voluntarily come forward and reported the situation, without succumbing to pressures of blackmail. He added that, even though the problem appeared in recent months to have been reduced in terms of numbers, it would continue to exist in relation both to security and to scandal, and that serious efforts would have to be made to improve our present methods of dealing with it.

7. It was Mr. Robertson's view that we would be well advised to adopt some of the measures described in the report on United States security procedures, [REDACTED]

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[REDACTED]

He pointed out that, while the Department of External Affairs had in recent years improved its methods of training and indoctrination, particularly of persons being posted to Soviet Bloc countries, there was an obvious need to begin the educative process at a much earlier stage, probably during recruiting. He considered that many of our worries about security should be brought out openly and frankly, in order to gain the understanding and cooperation both of persons entering the service and of the public in general.

8. Mr. Pelletier expressed the view that, as public understanding of the problem of homosexuality increased, the possibility of blackmail would decrease. He considered it important that the significance of homosexuality in the public service should not be exaggerated beyond the actual security risk or risk of

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scandal which was involved, and did not feel it was the committee's function to consider the legal or moral aspects of the problem as such. In describing the Civil Service Commission's selection procedures relative to this problem, Mr. Pelletier stated that considerable care was taken to avoid appointing homosexual persons to vulnerable positions in the public service, but that the question of how far to carry prudence in this matter had to be considered. While the Commission would not appoint a blatantly obvious homosexual to any position in the service, it was his view that there were positions to which discreet and circumspect homosexuals could usefully and safely be appointed.

9. The Secretary to the Cabinet stated that careful study of this matter had indicated that the real threat lay not in homosexuality but rather in the blackmail of homosexuals or others who were vulnerable to pressure, and that the risk of blackmail being attempted was far greater abroad, particularly in Iron Curtain countries, than it was in Canada. He considered that, bearing in mind the possibility of security compromise as well as that of scandal, all facets of personality should be considered in making appointments, and that the Civil Service Commission was probably under an obligation to examine very closely appointments made to vulnerable positions, such as those in the Department of External Affairs. To this end, it would be very useful to have departments and agencies identify those positions considered vulnerable to a threat of this kind, in order that particular care might be taken in making appointments to them.

10. As to the more general problems of security which had arisen over the past number of years, Mr. Bryce considered that it would now be appropriate to revise the existing Cabinet Directive on Security in the light of more recent experience, with a view to making it public. Such a document, setting out the basic policy instructions which the government had given to departments and

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agencies, supported by an explanatory statement in the House of Commons, could be of considerable value in achieving the much-needed understanding and support of the general public in these matters. In addition, departments and agencies themselves could, without further governmental direction, begin to establish a more frank and open approach to candidates and employees in relation to these problems by increasing their awareness of the nature of the problems and the means of dealing with them.

11. The Minister of Justice [REDACTED]

[REDACTED]

12. During the general discussion, the following additional points emerged:

(a) [REDACTED]

[REDACTED]

(b) that, in order to relate matters of personnel security more closely to other aspects of general suitability, it would be necessary over the coming

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years to develop a high level of competence and expertise among senior personnel officers in all areas of personnel selection and management; and (c) that, while there was obvious value in dealing more frankly with employees about their security status, it would always be necessary to conceal sensitive sources of information which had been developed by the R.C.M. Police.

13. After further discussion, the Committee agreed that the Security Panel be asked:

- (a) to draw up an appropriate revision of the present Cabinet Directive on Security with a view to making it public;
- (b) to prepare an extensive statement to be made in the House of Commons by the Minister of Justice, explaining the existing and foreseeable dangers to Canada through espionage and subversion, and setting out in such detail as is possible the means by which the government considers it must meet these dangers; and
- (c) to consider, with a view to making appropriate recommendations to the Civil Service Commission and to departments and agencies, means by which candidates for and employees in positions of trust in the public service might best be made aware of the risks and dangers involved in concealing from their employers personal characteristics which might make them vulnerable to blackmail.

14. The Committee further agreed that the approval of the Treasury Board be sought for the allocation of \$10,000 to an appropriate vote of the Defence Research Board for the

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purpose of conducting in the fiscal year 1963-64 a programme of research such as that outlined in Dr. F.R. Wake's report of December 12th, 1962.

D. F. Wall,
Secretary.

Privy Council Office,
March 8th, 1963.

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