

SECRET

November 12, 1953.

MEMORANDUM TO: THE UNDER-SECRETARY OF STATE  
FOR EXTERNAL AFFAIRS

50207-6-4
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Subject: Meeting of the Security Panel

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The original Security Panel was re-organized so that there is now a Security Sub-Panel (virtually the actual membership of the meetings as formerly held) which deals with all routine; and also a senior Security Panel whose meetings are to be attended by the Deputy Heads of the Departments concerned. This meeting, which has been fixed for November 20, is the first meeting of the new body and has three major and one minor question before it. The following are a few suggestions about the items on the Agenda:

1. Great Lakes Seamen Security Regulations:

The paper prepared by the Secretary to the Panel seems to be a complete explanation and I agree with the conclusions. We were never convinced that there was any real security reason for imposing this screening but adopted it under pressure from the United States. I believe that the decision to do so was from that point of view a correct one and that we should find some means of continuing the process under other legislation. Incidentally, the effect of the regulations has been that few if any Communist seamen apply.

2. Security Screening of Employees, etc.:

This long paper is an excellent analysis of the problem. I wish, however, to add a somewhat prolonged footnote to it. Some four or five years ago it became apparent that the Special Branch of the RCMP was too small to deal with the flood of requests for security investigations

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that poured in as a result of the new desire of the Government and Departments to have a general system of security clearances. Under the old system all persons appointed to vulnerable positions required field investigations by the RCMP. The number, however, was so large that the Police got about a year behind, with the result that they were using quite unsuitable personnel and with the further result that the building up of their files was being affected. Mr. Robertson and I agreed with the then head of the Special Branch that there should be a severe curtailment of field investigations in order to make it possible both to divert more manpower to construction of the essential files and to expedite investigations. We believed that a good file check done quickly was under the circumstances better than an indifferent field investigation done months after actual employment.

A quota system was then established so that, for example, in this Department only people associated with one or two unusually classified subjects have more than a file check. Recently the RCMP, without consulting the Security Panel, changed their system completely so that now they keep no files except on persons against whom there is subversive evidence. This means, for example, that if you wish to make a further enquiry or to check on a case on which you have had no answer, they have no means of telling you the answer. They merely have to start all over again. What is perhaps more serious, and the point of this particular item on the Agenda, is that long after field investigations had been cut back we found that we were getting checks only on subversive files and not on criminal indices. They now tell us that the only way they are prepared to, or able to, do criminal checks is by having fingerprinted all persons about whom enquiries are to be made.

I suggest that this question be not examined too simply on the point as to whether fingerprinting is or is not desirable. I believe that we must think of it first from the point of view of security standards. As far as I can make out, Canada now has the dubious distinction of having the lowest personnel security standards of any serious country. It is in my opinion quite wrong that we should appoint to responsible positions persons who may turn out to have committed various types of crimes and were therefore either untrustworthy or subject to blackmail.

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I am afraid that the RCMP have their vision fixed too narrowly on the single problem of whether or not the person has Communist sympathies. The history of security problems suggests that this is only one of the tests that need to be made.

We in this Department have always supported the view that the Canadian security service should be in the RCMP. We have argued that this was the right pattern but added that the Special Branch was too small, had too few properly trained persons, and should be developed. This in fact has not occurred. In many fields of responsibility, including personnel enquiries and counter-espionage, they are, in my opinion, quite incapable of dealing with the problem in its present magnitude. We have in the past made practical suggestions, one or two of which have been accepted, but broadly the Special Branch is a small Division of the RCMP with changing and largely untrained officers. In my opinion this situation should not be allowed to continue. I am surprised that the Commissioner has made the changes he has in this particular connection without consultation with either the Privy Council Office or the Departments mainly concerned. We have in the past done all that we could to facilitate the work of the RCMP and I think have been at times helpful.

I do not suggest, of course, that this general problem can properly be discussed, at least at the present time, in the Security Panel. I do, however, feel that it is one which has to be faced and that it should be borne in mind as a background to the discussion of this item on the Agenda. What the RCMP are in fact doing is asking us to adopt an unattractive expedient to get them out of a position in which they never should have allowed themselves to be placed and one which was not known to the Security Panel, which is the only governmental authority on security.

### 3. United States Immigration and Naturalization Service:

The Secretary's document is in fact a paper drafted in this Department and agreed to by the RCMP. I am afraid that the U.S. immigration people have run wild in Canada and I suspect that they are still not following

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the rules. As you know, there is a general understanding that Canadian and United States officials do not under any circumstances do independent intelligence work in the other's country. Of the two suggestions found in para. 5, the first is the one which I would support. The second is the alternative suggested by the RCMP. I must confess that I do not like the second suggestion since to a degree it takes away the point of the whole operation. Here again I think we must agree that either there is or is not a federal police service adequate to accomplish the task properly placed on it. If we allow the U.S. officials to make enquiries, e.g. of the Quebec Provincial Police or the Toronto Municipal Police, they will be dealing with people who are not professionals in the security field and we shall have more cases of exclusion of Canadians than if more balanced information were given by the only federal agency we have.

#### 4. Cosmic Security:

This is little more than a housekeeping item. The suggestions in the paper are intended simply to deal with the situation as it now exists. At one time it was supposed that all Cosmic papers came through the Department of National Defence. It is obvious now that they do not. It is therefore neither fair nor practical to expect National Defence to control papers which they never see and in a Department which is not enthusiastic about inviting their inspection of its own registries.