

CONFIDENTIAL

DB-434

OTTAWA, July 16, 1956.

The Secretary,
Security Panel,
Privy Council Office,
O t t a w a.

I wish to submit herewith the report required by paragraph 17 of Cabinet Directive No. 29 of December 21, 1955, concerning security screening of Government employees, for the first two quarters of 1956.

In the first quarter of 1956 one person was permitted to resign on grounds of unreliability and one person dismissed because of unreliability; three persons were denied employment on the grounds of disloyalty and nine on the grounds of unreliability.

In the second quarter one person was dismissed because of unreliability and one person was denied employment on the grounds of disloyalty.

As this is the first occasion on which this Department has submitted this report, I should like to comment on the requirement of paragraph 17 that we should indicate whether action was taken in such cases "on grounds of disloyalty or unreliability". "Unreliability" is something which can be easily understood. "Disloyalty", it seems to us, has too narrow and harsh a meaning to be applied appropriately to certain types of cases with which this Department has to deal. Under the description of "disloyalty" in the preceding paragraph we have included persons denied employment on the grounds that they or their parents were born in the Soviet Union, and also persons merely known to have had a close association with members of the Communist Party. Neither type of case,

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particularly not the first, could appropriately be classified, as presumably the Cabinet Directive requires, under the heading "disloyalty", at least as defined by the Oxford dictionary.

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