

June 4, 1959.

SECURITY SECTION

The present organization and responsibilities of this section are described in the chart attached at Appendix "B".

2. As you are aware, Mr. Agnes, who is an Administrative Officer Grade 2, is now covering position Ext.1429/FS023. Mr. Agnes has filled this position most capably and to our complete satisfaction.

3. However, it seems quite clear to me that if this section is to function properly and to fulfill its responsibilities adequately, some upward revision of its establishment is essential.

4. In the following sub-paragraph I shall attempt to describe briefly the scope and volume of the section's work and to give some idea of where and how it is deficient in meeting its responsibilities:

(a) Personnel Security

(i) The work under this head comprises inter alia the processing of routine security clearance cases concerning applicants for entry to the Department. In 1958 these totalled 384. Another 167 security clearance cases relating to Athlone and NATO Fellowships and Scholarships and non-departmental experts and officials nominated to represent Canada at international and special conferences were dealt with by the Section in the same year. Special clearances, clearances for permission to marry and reviews totalled 261. Many of these clearances entailed careful study and exchanges of views with the RCMP, the Civil Service Commission and Personnel Division.

(ii) In addition there were a considerable number of difficult, complex and delicate personnel security problems to deal with during the year both at home and abroad, each of which demanded many days of work and close attention by the head of the section. Responsibility in this important and sensitive field cannot, of course, be delegated to a junior officer.

(iii) A good deal of work and study has also been devoted by the head of the section in his capacity as Departmental member of the Security Sub-Panel to the review of personnel security policies and procedures (in particular the study of character weaknesses in relation to security and the establishment of an appeals procedure for persons denied or dismissed from employment on security grounds).

(iv) There is in my opinion an urgent need for a deeper study (involving much research and close consultation with Canadian and other authorities such as the United Kingdom, United States and NATO) to be made with regard to our policy, methods and procedures for dealing with matters of personnel security.

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Local Security

(i) The Department now occupies space in seven different buildings in Ottawa. Each of these buildings poses security problems of a physical and internal procedural nature peculiar to itself. This wide dispersion of Departmental activities also, quite obviously, creates problems of a more general but none the less vexing security nature. Responsibility in this field has been delegated to the Deputy Departmental Security Officer who has been designated as Local Security Officer. His duties comprise, inter alia, evolving safe procedures for the circulation and distribution of sensitive documents to widely dispersed sections of the Department by safe hand of messenger, the physical security of buildings and the supervision of the five security guards and four commissionaires employed in Ottawa directly under our control and liaison with the Mounted Police on the duties of the 12 commissionaires employed on the East Block, Daly and New Post Office buildings. He is responsible also for ensuring that combination settings throughout the Department in Ottawa are changed regularly, that arrangements for the collection and disposal of classified waste are adequate and satisfactory, that divisions maintain adequate records and control of keys to sensitive offices and that infractions of the regulations relating to the security of offices, papers, etc., are suitably dealt with. During 1958 over 280 infractions were discovered by security guards and reported to heads of division and the Local Security Officer.

(ii) I am seriously concerned about the adequacy of our security arrangements and procedures in Ottawa and consider that if necessary improvements are to be effected and a high standard of security maintained there is enough work to justify the appointment of a full time Local Security Officer. An added reason why we should in my opinion have such an officer is that we have not been able to devote sufficient attention to security arrangements for and the protection of the increasing number of international conferences and meetings of a sensitive nature taking place in Ottawa and elsewhere in Canada. An example of what I have in mind here is the arrangements which were made for the Commonwealth Trade & Economic Conference held in the Queen Elizabeth Hotel in Montreal last year and which occupied the time of the Local Security Officer for a full six weeks.

NATO and Allied Security

(i.) At the moment we are not fulfilling our obligations to NATO under the NATO Security Regulations to which Canada has subscribed. For example this Department, since it operates the Senior Civil Cosmic Registry in Canada, is responsible not only for the proper distribution, protection and accounting for documents circulating within the Department but for the despatch of such documents and their proper handling in Cosmic sub-registries established in other Canadian departments of Government. The regulations stipulate that an annual inspection of each main and sub-registry will be done by the head of the Security Section in his capacity as Cosmic Control Officer. Because of pressure of work it has been impossible to comply with this requirement which would take a full two weeks to complete.

(ii) The number of international treaties and agreements concerning the sharing of national secrets in the field of defence, atomic research, etc., are growing and NATO security standards and procedures are constantly being reviewed and improved. These matters entail considerable study and work by the Security Section, consultation with other government departments and interested divisions, and advice to our Delegation representative on the NATO Security Committee.

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Security Training

(i) It is perfectly apparent that the Security Section should devote a great deal more time than it is at the moment able to give to the education in security matters of both Departmental personnel and members of other Departments posted to our missions abroad. As you may be aware, a programme has been worked out for this to be done in connection with the provision of a properly designed and equipped security briefing room. However, unless additional help is given the section it will not be possible to exploit these new facilities to the best advantage.

(ii) A major project under this heading is the preparation of a comprehensive Departmental Security Manual. This work is well advanced but has been held up by a lack of time in which to clear a number of difficult points outstanding and to revise and produce the Manual in final form.

Security Abroad

(i) One of the more important tasks of the Security Section is periodically to visit and inspect the security arrangements of our posts abroad. The value of such inspections cannot be overestimated. Responsibility for the inspection of European posts now rests with the Regional Security Officer, with the help of Mr. Barker in London. Pressure of work has precluded the inspection of Middle Eastern, Far Eastern, and South American posts by the Departmental Security Officer.

(ii) In addition to the by no means inconsiderable task of catering to the numerous and widely divergent security needs of over 60 posts abroad (which includes amongst other things trying to evolve and encourage posts conscientiously to observe sound security procedures tailored to local conditions and their individual needs and to raise to acceptable standards the physical security arrangements of posts) the Security Section is required to advise on the layout of offices and the provision of built-in security features in connection with major building projects or the acquisition of new premises. Cases in point are Kuala Lumpur, Tehran, Prague, Paris, Geneva, Rome New Delhi, Canberra and Moscow. In addition, major structural alterations, with the object of improving the physical security of chancery premises, have been initiated or projected in Warsaw, Belgrade, Brussels, Bonn and Tel Aviv. Having regard to the fact that, in stark contrast to the practice of Communist countries in matters of this kind, most of our posts are now housed in offices in business blocks and other types of physically insecure or vulnerable accommodation, it is clear that a great deal of work remains to be done by the Security Section in this sphere of its responsibility.

(iii) Our security guard programme, now comprises over 80 security guards serving abroad. It is likely to expand. To ensure that these guards are employed effectively and to the best advantage by posts entails a good deal of advice and guidance to posts from the security section. The administration of the guard programme in collaboration with Personnel Division also imposes a considerable work load.

(iv) On the technical side also the work of the Security Section is increasing. For example, during the past 12 months we have experienced four lockouts of Taylor safes, one lockout of a Chubb vault and one lockout of a Chubb safe filing cabinet plus a number of minor lockouts abroad, and two lockouts in the Department in Ottawa. Three of the Taylor safe lockouts required the Technical Officer to visit the post to deal with the matter.

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The others required exchanges of letters and telegrams, long-range diagnosis of the difficulty and advice to the posts which in most cases resulted in the trouble being remedied and access being gained to the defective cabinet without the infliction of permanent damage and with a consequent saving in costs. In addition, the Technical Officer of the section has been engaged in the testing of new locks and other protective equipment, research on shredding and other machines for the destruction of classified waste, and in devising improved methods for dealing more economically with lockouts. For example he is now experimenting with a method of opening the locked Taylor safe returned from Prague which, if successful, will effect a saving of approximately \$1,000 in repairs to the safe and enable us to deal with future lockouts far less expensively than in the past. Revised methods of procurement and purchase of S&G security equipment has already saved the Department many hundreds of dollars. There is, however, still much scope for improvement and for savings, providing the necessary time for research and exploration is made available.

5. The importance of the work of the Security Section and the need for better security in the Department at home and abroad can only be appreciated in the light of the ever increasing and highly skilled efforts being made by the Soviet and Satellite intelligence organizations to penetrate our security and the damage which would be done to our national interests and our relations with NATO and other allies if we were found to be deficient in matters of security.

6. I strongly recommend, therefore, that to enable the Security Section to meet its present responsibilities more adequately, that its establishment be revised to provide one FSO 3 ^{A03} ~~or 4~~ _{position} to act as Deputy Head of the Section (and as acting head during the absence of the Departmental Security Officer on inspections or to deal with specific security problems at posts abroad as they arise) and one administrative officer to deal principally with local security matters. If this increase of one officer is approved one additional typist or stenographer will be required also to deal with correspondence, reports, etc. A suggested reorganization and allocation of duties of the section is shown in the chart attached at Appendix "C".