

TOP SECRET

Notes on a meeting in Mr. Gill's office on 2 May 1960

Subject: Security Cases involving character weaknesses

Present: Mr. E. W. T. Gill (Chairman)  
 Mr. D. F. Wall (Office of the Privy Council)  
 Mr. C. E. McGaughey, Personnel Division  
 Mr. J. K. Starnes, D. L. (?) Division  
 Mr. J. Timmerman, D. L. (2) Division (Recorder)

The discussion centred on a number of points which it seemed to those present, would be of special interest to the ad hoc group, consisting of the Secretary to the Cabinet, the Under-Secretary of State for External Affairs, the Chairman of the Civil Service Commission and the Commissioner of the RCMP Police, which would be meeting on this subject in the near future.

Application of the existing policy to the  
 Department of External Affairs

2. It was generally agreed that para. 4 of the Cabinet Directive on the security screening of government employees (see note below) had particular significance for the Department of External Affairs because members of that department:

- (a) normally are required to deal with a large and continuous flow of highly classified Canadian/U.K./U.S. material;
- (b) cannot remain anonymous but automatically attract the attention of communist intelligence services upon joining the department;
- (c) are exposed to attack by communist intelligence services while serving abroad to a greater extent than persons employed in sensitive capacities in Canada;
- (d) have important representational and liaison responsibilities which they cannot meet if they become involved in public scandal or if they appear to allied intelligence services to be susceptible to compromise.

3. On the other hand it should be recognized, as the U.S.S.E.A. pointed out at the 68th meeting of the Security Panel, "that a weakness such as homosexuality might exist in an individual of great discretion with a brilliant capacity for public service" and "that in many cases the security dangers of the sexual propensity might well be neutralized by other aspects of the person's character". However, those present concluded that, for the reasons given in paragraph 2 above, there was no permanent place for such individuals in the Department of External Affairs.

. . . 2

Note: "4. It also remains an essential of Canadian security policy that persons who are unreliable from a security standpoint, not because they are disloyal, but because of defects in their character which may lead to indiscretion or dishonesty, or may make them likely subjects of blackmail, must not be employed in any position where they may have access to classified information. Such defects of character may also make them unsuitable for employment on grounds other than security."

Definition of character weaknesses

4. It was agreed that character weaknesses do not lend themselves readily to definition and that cases involving such weaknesses should continue to be dealt with individually on their merits.

5. On the particular problem of homosexuality, it was considered that:

- (a) applicants for employment who, on the basis of reliable information obtained by way of Civil Service Commission interview, medical examination or RCMP investigation are reasonably suspected of being homosexuals or of having strong homosexual tendencies, should be rejected as unsuitable for employment in the government service on classified work.
- (b) probationary members of the Department of External Affairs who, upon being examined by a government psychiatrist or for other sufficient reason, are believed to be homosexuals or to have strong homosexual tendencies, should be considered unsuitable for service abroad and therefore for employment in that department. Such members should be asked to accept a transfer to another government department where they may be employed on non-sensitive work or be advised to resign or, failing either of these, should be dismissed.
- (c) permanent members of the Department of External Affairs about whom reliable information has been received which creates a strong presumption that they are, or during their recent adult life have been, practicing homosexuals should be assisted to obtain a transfer to another department for employment in a non- (or less) sensitive capacity, be requested to resign or be dismissed. If the information about them is of doubtful weight or reliability they should be dealt with as in para. 13 below.

Role of Royal Canadian Mounted Police

6. It was considered that the RCMP should continue to perform the functions described in para. 7 of the Cabinet Directive (see note below).

7. However, there seemed to be a need for the addition of a clause to this paragraph requiring the RCMP to keep government departments and agencies informed, on a continuing and timely basis, of any new adverse information which the RCMP may receive or discover from time to time about government employees who have access to classified information. As in the case of initial investigations for security clearance such RCMP submissions to Departments should take the form of "evaluated factual reports".

. . . 3

Note: "7. The function of an investigating agency is only to provide all the available information pertinent to both loyalty and character in the form of evaluated factual reports; a security assessment and a clearance based upon such reports is the responsibility of the department or agency concerned and is one which must not be taken lightly.

8. The RCMP evaluation of information should continue to be restricted to an assessment as to its reliability, leaving it to the Department to judge the significance of the information.

9. There also might be a need for a further addition to paragraph 7 of the Cabinet Directive instructing the RCMP not to make available to anyone but the employing department any information concerning the suspected or known character weaknesses of a named employee except with the concurrence or prior knowledge of the employing department, and as may be required to further legitimate inquiries or judicial proceedings.

Security Clearances

10. Every effort should be made to discover defects of character in the course of recruitment or while an employee is still on probation.

11. This department, in an effort to achieve the latter, now requires every foreign service employee and officer to undergo psychiatric examination before qualifying as a member of the permanent staff. ~~Since this procedure is new we are not yet in a position to judge its efficacy.~~

12. The failure of the RCMP to detect serious character weaknesses, particularly homosexuality, in the course of security clearance investigations, was discussed at some length (see Appendix "A" attached). Although various suggestions were made no practicable conclusions were reached as to how the results of such investigations might be improved. It was thought, however, that the Ad Hoc group would wish to examine possible ways and means of effecting such an improvement with the expert help of the Commissioner of the RCMP (see also Appendix "B" attached).

Investigation of Cases

13. It was considered that adverse information about the character of a permanent employee having access to classified information normally should be dealt with in the following way:

- (a) such information, in the first instance, should be considered by the employing department from the viewpoint of its significance (as opposed to its truth or reliability);
- (b) if it is decided by the department that the information, if true, would justify the employee's security clearance being withdrawn or modified, the information then should be considered, in consultation with the RCMP, as to its reliability and sufficiency;
- (c) if either or both seem deficient the department, in consultation with the RCMP, may decide that:
  - (i) further investigation by the department or by the RCMP or by both the department and the RCMP should be undertaken to substantiate or disprove the information;

. . . 4

- (ii) the employee should be interviewed by the department or, provided he consents, by the RCMP. It should be for the department to decide whether or not a departmental representative should be present during any RCMP interview with an employee.

Expert Study of the Problem

14. It was decided that a public study of the problem of character weaknesses in the government service would probably do more harm than good. However, a public study of the particular problem of homosexuality might be acceptable if done with a view to amending the Canadian Criminal Law on this subject. On the other hand those present were strongly in favour of a private study of the problem within the service by qualified experts. Mr. Wall indicated that the possibility of getting such a study under way had already been explored with hopeful results.