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A meeting of a special group of the Security Panel was held in the Privy Council Committee Room, East Block, on Tuesday, September 20th, 1960, at 2.30 p.m. The meeting was continued on Thursday, September 29th, 1960, at 2.30 p.m.

PRESENT:

R.B. Bryce,  
Secretary to the Cabinet. (Chairman)

Commissioner C.W. Harvison,  
Royal Canadian Mounted Police.

Hon. S.H.S. Hughes,  
Chairman, Civil Service Commission.

Mr. N.A. Robertson,  
Under-Secretary of State for External Affairs.

Mr. D.F. Wall,  
Privy Council Office. (Secretary)

ALSO PRESENT:

Superintendent W.H. Kelly,  
Royal Canadian Mounted Police.

Mr. Paul Pelletier,  
Civil Service Commission. (On September 20th)

Mr. J.K. Starnes,  
Department of External Affairs. (On September 29th)

1. The meeting had for consideration a memorandum prepared by the Secretary entitled "Security Cases Involving Homosexuality", in which a number of proposals were made concerning means of minimizing risks to the national security arising through homosexuality on the part of government employees in positions where their weakness might be effectively exploited for intelligence purposes.

2. The Chairman suggested that the Committee consider the proposed courses of action, and invited the views of the members.

3. The Commissioner of the R.C.M. Police considered that the proposed courses of action gave some promise of dealing with the matter in an orderly way, but raised two points upon which the R.C.M. Police would require specific guidance from the government as to how to proceed. On the first point, concerning the extent of investigations being made, the Commissioner reiterated that it would not be possible to limit R.C.M. Police investigations and interviews to persons in vulnerable positions within the public service. He felt that, in order to accumulate all the available information on cases which had a direct bearing on the national security, it would be necessary to investigate and occasionally interview persons in non-sensitive positions and also persons outside the public service, as well as those whose security status was directly concerned.

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4. Concerning the second point, that of whether or not the R.C.M. Police should report to departments information indicating homosexuality on the part of employees in positions which were not considered vulnerable to blackmail, Commissioner Harvison felt that the R.C.M. Police could not be asked to withhold such information without a specific directive from the government.

5. The Chairman of the Civil Service Commission did not consider that the R.C.M. Police should volunteer information concerning an employee's alleged homosexuality when the employee was not required to have access to sensitive information. Mr. Hughes felt that a clear distinction should be drawn between the obvious need to report on any employee whose loyalty was in doubt, and the desirability of reporting on employees with character weaknesses.

6. The Under-Secretary of State for External Affairs expressed concern at the difficulty of deciding what weight should be given to information relating to an employee's activities of some years past, and to information which was often sketchy and incomplete, and emphasized the necessity for the most careful assessment of such information before taking action concerning the employee. It was his view that, as it would be impossible to eliminate all persons with homosexual tendencies from the public service, some risks would have to be accepted and efforts would have to be made to balance possible risks to security against the loss of valuable public servants through forced resignation or dismissal. He pointed out that, in addition to the risks to security, his department had also to consider the danger of scandal as it might affect the representational function of his department. As to whether all senior government appointments should be subjected to a check for homosexuality for the purpose of avoiding scandal, Mr. Robertson considered this to be a serious question of policy for the government quite apart from the security question under consideration. In dealing with the problem of homosexuality in the security context, Mr. Robertson did not consider it possible to establish rigid rules, but felt that within general lines of guidance, such as those set out in the paper under study, cases should be dealt with on their merits.

7. The Chairman considered that further study would have to be given to the question of how far investigations should proceed beyond persons in positions vulnerable to blackmail, and suggested that a report on the proposals made so far be prepared for consideration by the Prime Minister and the Minister of Justice. While he did not consider it the function of the R.C.M. Police either to volunteer or to destroy derogatory information concerning employees in non-sensitive positions, he agreed that the R.C.M. Police would require ministerial guidance in this matter.

8. Mr. Bryce felt that it would be useful, wherever possible, to inform the employees concerned of the reasons for departments removing them from vulnerable positions and considered that it would be necessary in the future to be much more frank with employees generally concerning the dangers inherent in this particular weakness. He agreed that there should be a degree of flexibility in dealing with cases as they arose.

9. Concerning the question of making character checks prior to government appointment for the purpose of avoiding scandal, Mr. Bryce considered that the responsibility for requesting a check lay with the person or persons making the appointment, and suggested that the Committee merely raise this question in a report to the Prime Minister and the Minister of Justice.

10. Mr. Hughes did not consider that the Civil Service Commission should be asked to check senior appointments for the possibility of scandal, and felt that the question of scandal generally should rest on the good sense of the community and on enquiries that are normally made of reputable persons on a casual basis prior to appointment. If the possibility of scandal arose as a result of these enquiries, consideration might then be given to having a formal check made.

11. Commissioner Harvison suggested that consideration be given to the government's setting up a body of experts to consider the feasibility of devising tests which would assist in the selection of persons to be appointed to positions considered vulnerable to blackmail. It was his view that, with competent psychiatric assistance, it should be possible to arrange a system of identifying persons with homosexual tendencies prior to such appointments being made. The Commissioner also raised the general question as to whether homosexuals should be considered desirable employees of the government in any capacity.

12. After further discussion of the tentative conclusions set out at page 5 of the memorandum under study, the conclusions were amended to read as follows:

- (a) that our investigations of homosexuality should not be indiscriminate, but should be limited to those persons who were vulnerable to effective exploitation by foreign intelligence services, except in cases where further investigation was necessary to establish the validity of information concerning employees in vulnerable positions;
- (b) that there did not appear to be a security objection to informing persons whose security status was being questioned on grounds of homosexuality that the inquiry was related to security;
- (c) that the most careful consideration should be given in each case to the nature and timing of informing departments whose employees were involved, and to assessing the validity and significance of the information, in view of the possible effect on the employee and on the service;
- (d) that the government be asked to give the R.C.M. Police a clear directive to the effect that, where security was not a factor, the R.C.M. Police were not required to report allegations of homosexuality to the employing department; and
- (e) that, in cases where continued investigation was essential to establish the validity of allegations, but where it was also necessary to inform the department concerned, the Secretary of the Security Panel might ask the department to withhold action until the investigation was completed.

13. After further discussion the Committee agreed that a report should be prepared as a basis for discussion with the Prime Minister and the Minister of Justice, setting out the following proposed courses of action:

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First Priority

- (a) that the Security Panel ask those departments with missions abroad to categorize according to risk those positions whose nature and location is such that their incumbents might be subjected to pressure for intelligence purposes;
- (b) that these departments, with whatever assistance the R.C.M. Police are able to provide, make a careful study of the incumbents of these positions to ensure, insofar as possible, that they are not susceptible to blackmail, either through homosexual activity or other indiscreet behaviour;
- (c) that, concurrent with this study, the incumbents of the vulnerable positions be made fully aware of the nature of this threat, both to themselves and to the security of their departments;
- (d) that, in cases where the incumbent of a vulnerable position is found to be a homosexual, departments be asked to consult the Secretary of the Security Panel before any action is taken concerning the employee;
- (e) that, should any case come to light in which there are indications of a homosexual employee being subjected to blackmail for intelligence purposes, the R.C.M. Police should inform the Secretary of the Security Panel, who would request the department to take no further action concerning the employee other than that required to avoid an immediate breach of security, and to turn the case over to the R.C.M. Police for such further investigation as they deem necessary.

Second Priority

- (a) that the special group of the Security Panel working on this subject, in consultation with the departments and agencies concerned, consider the extent to which positions other than those abroad are vulnerable to this kind of exploitation;
- (b) that efforts be made to improve the present system of having employees report to their security officers the nature and extent of their social contacts with Soviet Bloc officials;
- (d) that consideration be given to setting up a program of research, with appropriate psychiatric assistance, with a view to devising tests to identify persons with homosexual tendencies, in order that such persons would not be appointed to positions considered vulnerable to blackmail for intelligence purposes.

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14. It was further agreed:

- (a) that the Secretary would consult with appropriate officials of the Department of External Affairs, the R.C.M. Police and the Department of National Health and Welfare to explore the possibility of setting up an effective research program such as that referred to in (c) above; and
- (b) that a meeting with the Prime Minister and the Minister of Justice be arranged in the near future to consider the report referred to in paragraph 13 above.

D. F. Wall,  
Secretary of the Security Panel.

Privy Council Office,  
Ottawa, Ontario.

October 19th, 1960.