

MEMORANDUM FOR THE PRIME MINISTER  
AND THE MINISTER OF JUSTICE

Security Cases Involving Homosexuality

1. During the past few months a special committee of the Security Panel consisting of the Secretary to the Cabinet, the Chairman of the Civil Service Commission, the Commissioner of the Royal Canadian Mounted Police, and the Under-Secretary of State for External Affairs, have been considering 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. It has been the purpose of the Committee to determine, in the light of recent experience, how our present policies and procedures might best be adapted to meet the problem.

2. The existing policy statement on this matter, as set out in Cabinet Directive No. 29 of December 21, 1955, is as follows:

"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 have access to classified information. Such defects of character may also make them unsuitable for employment on grounds other than security."

3. It will be recalled that, at the Prime Minister's direction, a lengthy study was made early in 1959 to determine whether it was possible to modify existing policy in order to draw a clearer distinction between cases involving character weaknesses, particularly homosexuality, and those involving ideological beliefs. On the basis of information and advice available at that time, the Security Panel concluded that it could not recommend any useful change in the policy as set out in Cabinet Directive No. 29.

4. During 1959 the R.C.M. Police accelerated their program of investigating public servants about whom allegations of homosexuality had been made, and obtained Ministerial authority to proceed with investigation in both sensitive and non-sensitive departments and agencies. As part of these investigations, known and suspected homosexuals were interviewed by the R.C.M. Police, and in the process the names of other known or suspected homosexuals were obtained. The Commissioner of the R.C.M. Police has explained that for a number of reasons the scope of these investigations was further expanded to include the investigation of homosexuals who were not employed in the government service on classified work or who were employed outside the government service entirely. In the early stages it became evident that the homosexual, irrespective of employment, was the most productive source in identifying and providing factual information on other homosexuals employed in or by the government. Employees not having access to classified information were included in the expanded investigation on the assumption that they could obtain access at some future date through promotion or change of employment. Homosexuals outside the government service were investigated and interviewed

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because existing security screening policies were interpreted as precluding any extensive interviewing of homosexual government employees on the grounds that as the subject of a security investigation they, as individuals, should not be made aware of the reason for any subsequent action taken against them. Another reason for investigating homosexuals outside the government service was based on the possibility that they could be used by a foreign intelligence service to identify and perhaps otherwise assist in the compromising of homosexuals employed in the government on classified work.

5. During the course of these investigations, the R.C.M. Police have identified some 460 public servants as confirmed, alleged or suspected homosexuals. Of these, about one-third have since left the service through resignation or dismissal. In only one of the cases investigated has there been evidence that an attempt has been made to blackmail any of these persons for intelligence purposes. This case involved a Canadian official at a diplomatic post in an

[REDACTED] The employee consequently resigned his position with the department.

6. There have been two other cases, one quite recent, in which [REDACTED] have attempted to blackmail Canadian officials or their close relatives, again at our posts in [REDACTED]. In the most recent case, which is still under investigation, [REDACTED]

7. As a result of this intensive program of investigation, a number of problems have arisen and have been discussed in detail by the Committee. The R.C.M. Police, who consider it important to continue these investigations and interviews both within and outside the public service, have found that the program has placed a very considerable strain on their investigative facilities. In addition, the Force has been faced with the difficult question of deciding whether or not to report to departments and agencies allegations of homosexuality made about persons who are not employed in sensitive positions. They consider that, if such allegations are not reported to the employing department when they are made, the department may later be embarrassed should the employee be promoted to a senior or sensitive position prior to a security check being made. Other members of the Committee, however, considered it unnecessary, and probably damaging to the employee, to report such allegations where the employee was not in a sensitive position. They considered that, in cases of promotion to a senior or sensitive position, it was the department's responsibility to have a security check made beforehand, at which time the R.C.M. Police would forward such information as they had, and the department would decide whether or not the promotion should be made.

8. A further difficulty which the Committee foresaw in the extensive investigations being made at present lay in the probable public and public service reaction were it to become known that such widespread investigations were being made. It was considered that the resultant misunderstanding, scandal, distorted publicity and demands for prosecution could result in serious criticism of the government and its security policies, as well as of the R.C.M. Police.

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Conversely, a passive attitude towards this character weakness could also lead to criticism directed at the government, existing security policies and the R.C.M. Police.

9. Bearing in mind these and other related problems inherent in present policy and procedures, the Committee set out to determine arrangements which would be directed more specifically to the purpose of minimizing risks to the national security, without placing an undue administrative burden either on the R.C.M. Police or the departments and agencies concerned, or unnecessarily interfering with the careers or reputations of the individual employees involved. After detailed discussion of all aspects of the problem, the Committee arrived at the following general conclusions:

- (a) that our investigations of homosexuality should not be widespread, but 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.

10. Based on these general conclusions, the Committee agreed that Ministerial approval should be sought for the following proposed courses of action:

First Priority

- (a) that the Security Panel ask those departments with missions abroad to classify 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;

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- (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 any employee, with any character weakness, being subjected to blackmail or other method of compromise 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;
- (f) that, in cases where security is not a factor, the R.C.M. Police will not be required to report allegations of homosexuality to the employing department; and
- (g) that, in cases where continued investigation is essential to establish the validity of allegations, but where it is also necessary to inform the department concerned, the Secretary of the Security Panel ask the department to withhold action until the investigation has been completed.

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;
- (c) 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. It is hoped that such tests might aid in the identification of homosexuals already employed in the government service, and eventually might assist in the selection of persons who are not homosexuals for service in positions considered vulnerable to blackmail for intelligence purposes. (The Commissioner of the R.C.M. Police feels that these tests should be extended to prevent, where possible, the initial engagement of homosexuals in the government service on the grounds that they are usually practising criminals under Sections 147 and 149 of the Criminal Code of Canada.)

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11. A separate but related problem which arose during the Committee's discussions concerned the question of possible public scandal resulting from the government's appointing to a senior post a person who was eventually found to have engaged in homosexual activity. The Committee felt that this was a problem of policy which would require the government's consideration quite apart from the question of security.

12. The Prime Minister and the Minister of Justice are asked to consider the conclusions and recommendations set out above, with a view to discussing them with the special committee considering this problem.

*R. B. Bryce*

R. B. Bryce,  
Chairman of the Security Panel.

*We are sending a copy to Mr Fulton.*

Privy Council Office,  
January 26th, 1961.