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PRIVY COUNCIL OFFICE

BUREAU DU CONSEIL PRIVE



SECRET

Ottawa, February 3rd, 1961.

Commissioner C.W. Harvison,
Royal Canadian Mounted Police,
O t t a w a.

Dear Commissioner Harvison:

I attach two copies of a memorandum for the Prime Minister and the Minister of Justice entitled "Security Cases Involving Homosexuality", which has been prepared on the basis of the discussions held by the committee of the Security Panel which has been considering this problem during the past few months. Copies have now been sent to the Prime Minister and the Minister of Justice, together with a suggestion that they meet with the committee in the near future with a view to determining how this problem might best be dealt with. I will be in touch with you again when final arrangements for such a meeting have been made.

Yours sincerely,

D. F. Wall

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

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PRIVY COUNCIL OFFICE



BUREAU DU CONSEIL PRIVÉ

SECRET

Ottawa, February 2nd, 1961.

Hon. E.D. Fulton,
Minister of Justice,
Justice Building,
O t t a w a.

Dear Mr. Fulton:

I attach a copy of a memorandum entitled "Security Cases Involving Homosexuality", which has been prepared by a special committee of the Security Panel which has been studying this problem for some months. The report sets out a number of conclusions and recommendations upon which the committee wishes to have Ministerial guidance.

I believe you will recall the suggestion that you and the Prime Minister meet with the committee to discuss this problem and attempt to determine lines along which we might properly proceed. I have shown a copy of the paper to the Prime Minister, who has read it. I hope it will be possible to arrange a meeting on the subject within the next week or so.

Yours sincerely,

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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 Iron Curtain country, and the attempt was unsuccessful, as the employee refused to cooperate with the Soviets, and reported the blackmail attempt to his superiors. The employee consequently resigned his position with the department.

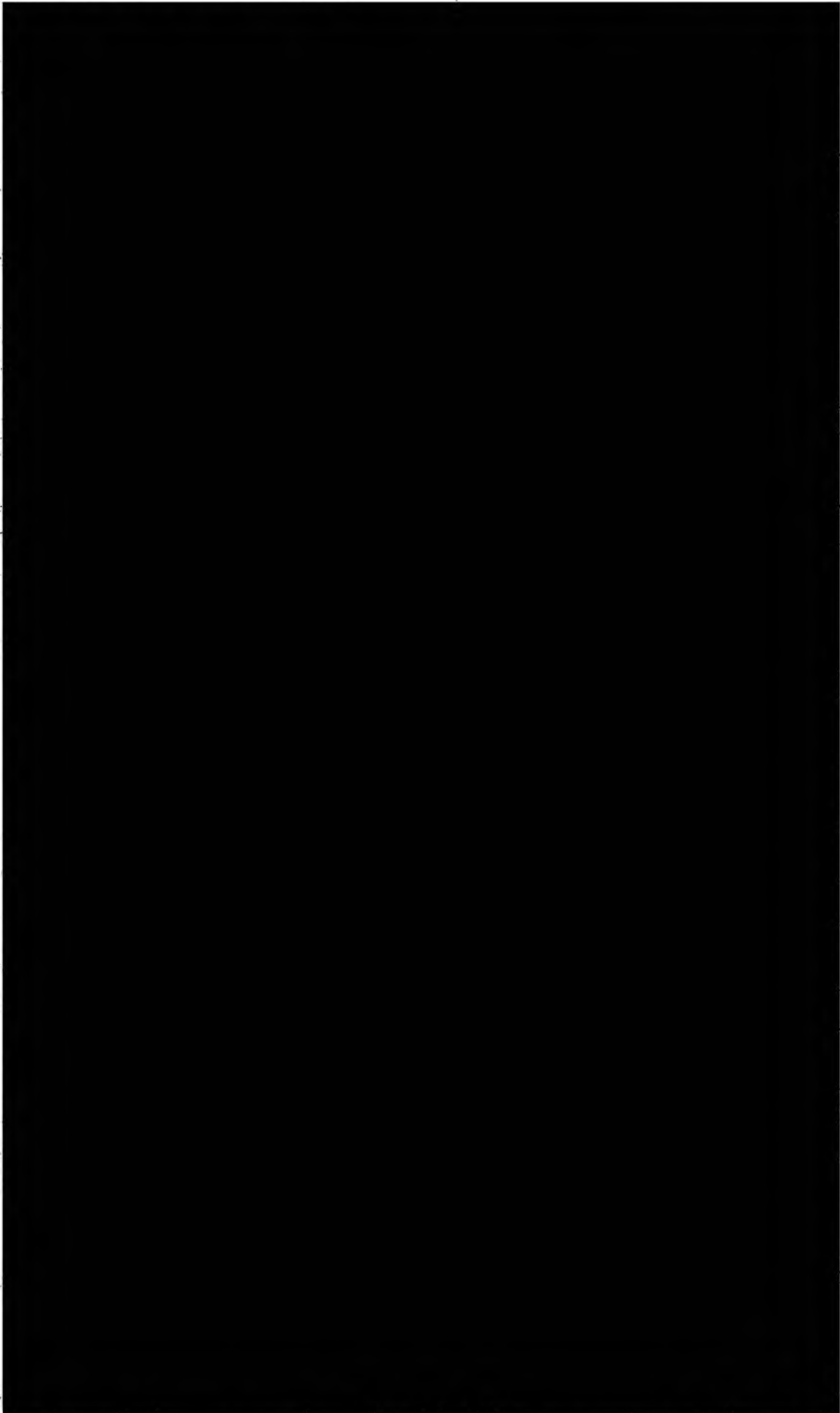
6. There have been two other cases, one quite recent, in which the Soviet intelligence authorities have attempted to blackmail Canadian officials or their close relatives, again at our posts in Iron Curtain countries. In the most recent case, which is still under investigation, the Russians appear to have met with some success. The blackmail action in these cases, however, was based on illicit heterosexual rather than homosexual activity. The earlier attempt, which involved the wife of a Canadian official, was unsuccessful, as it was reported to the official's superiors and appropriate action was taken to remove the security risk.

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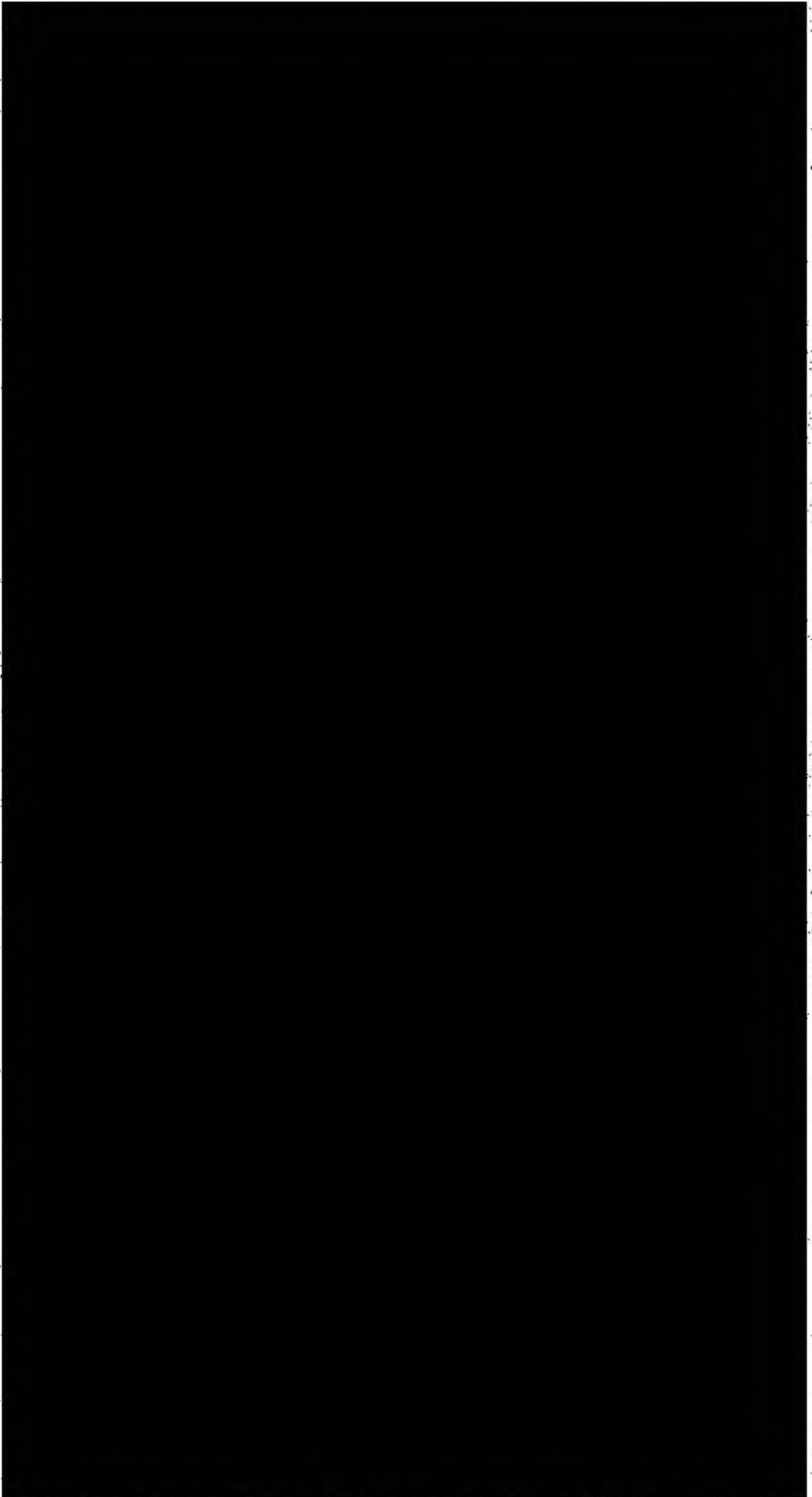
Conversely, a passive attitude towards this character weakness could also lead to criticism directed at the government, existing security policies and the R.C.M. Police.



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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.



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

Privy Council Office,
January 26th, 1961.

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