<u>S E C R E T</u> G 369-66

TO: The Deputy Commissioner (Operations)

FROM: The D.S.I.

Sir:

To his letter of 19 December 1962 (tabbed) the Secretary of the Security Panel has appended two rather lengthy documents. One sets out Mr. Wall's observations and conclusions on the security screening procedures used in the United States, specifically in relation to character defects, and how they might be adapted to our particular needs. The second document is a report by Dr. F.R. Wake covering both the clinical methods used in the United States security screening procedures to detect character weaknesses and certain other clinical or technical methods which are still in the experimental stage.

Although the contents of the two documents tend to complement each other we must not lose sight of the fact that Mr. Wall's submission has a more far-reaching effect on our security screening policies than Dr. Wake's. This is perhaps best illustrated by the respective Terms of Reference covering their activities in the U.S.A. At the request of the Security Panel Dr. Wake spent half of his 1961-62 sabbatical leave making a study at a number of institutions in the United States of the various tests and other techniques by which it might be possible to detect homosexuality in male or female persons, with a view to adapting the most effective and acceptable of these techniques to the process of selecting the most suitable people to serve in those positions in the Canadian public service in which the incumbents might be subjected to blackmail or other pressures by Soviet intelligence services. The purpose of Mr. Wall's two visits to the United States was to examine the processes by which security policies and procedures are formulated and to study the methods by which persons are selected to serve in sensitive positions, from a security viewpoint, in the United States public service. In the light of these Terms of Reference Dr. Wake's submission deals specifically and exclusively with clinical tests and techniques which might be adapted for use in pre-screening applicants for sensitive positions in the federal government service. On the other hand Mr. Wall's submission, while using the problem of homosexuality as a base, sets out a variety of suggestions to change the entire structure of our present security screening procedures.

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- Neither Dr. Wake nor Mr. Wall expresses any personal opinion as to whether or not the homosexual represents a poor security risk however their attitude may be inferred from the comment which each makes in his submission. At paragraph 62, page 14, Dr. Wake states, "Although some agencies feel that evidence of homosexuality is sufficient reason to refuse employment to the applicant or to dismiss the person at work, such decisions are not taken lightly". At page 9, paragraph 3, Mr. Wall states, "While opinions differed on the feasibility of employing, say, a practicing homosexual even in a position where the possibility of blackmail was remote, it was generally agreed that each case had to be considered on its merits, and all relevant factors taken into account before final action was taken".
- Thave studied both documents and have prepared a summary of each, attached hereto as Appendix "A" and "B". It is somewhat disappointing to note that neither document contains any suggestions or material to assist us in securing the Terms of Reference we requested from the Security Panel for our investigation of homosexuals in May 1960. A copy of the Terms of Reference we originally requested together with the counter-proposal made by the Special Committee of the Security Panel on December 19, 1960 is attached as Appendix "C".
- your attention is invited to paragraph A (a) of Appendix "C" wherein we requested authority to interview any person whom we considered likely to be able to provide information of value to our overall investigation of homosexuals. Our reason for this request was primarily to obtain authority to interview those homosexuals employed in the Federal Government on other than sensitive work. Our interest in these persons was not in their security status but in the knowledge they would likely have of homosexuals who are employed in sensitive positions.
- 6. This view was not concurred in by the Special Committee of the Security Panel. It will be noted at paragraph B (a) of Appendix "C" that the Committee agreed our investigation should not become too widespread, but should be restricted to persons in vulnerable positions. On the strength of this agreement the recommended proposals, as set out in paragraph B (2) (a) to (g) of Appendix "C", do not include our request for authority to interview homosexuals in non-sensitive government employment.
- 7. Even if these recommended proposals receive government sanction, and to our knowledge they have not been accepted as yet, they will not permit us to pursue our investigation in the manner we consider necessary. At present we have some

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fifteen to twenty potential sources, homosexuals employed in non-sensitive positions, that we believe could provide information of value but who we do not have authority to interview. This problem was drawn to the attention of the Minister of Justice in September 1962 who indicated that he would take the matter up with Mr. Bryce, the Chairman of the Security Panel.

8. Since the Reports by Dr. Wake and Mr. Wall have already been made available to the Prime Minister and the Minister of Justice with the suggestion that the Special Committee of the Security Panel meet with our Minister within the next few weeks I am having each Report examined further with a view to preparing comments on the various points mentioned.

(J.R.W. Bordeleau),
Assistant Commissioner,
D.S.I.

OTTAWA, Ont. 7-1-63