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CABINET DIRECTIVE
(drafted so it can be published)

Security of Employees in the Public Service of Canada

POLICY

1. Security of employees in the public service of Canada is essentially a part of good personnel administration, and therefore it is a departmental (or agency) responsibility. The security of secret and confidential information in the possession of a department or agency may be placed in jeopardy either by persons who may be disloyal to Canada and her system of government or by persons who are unreliable because of defects in their character.

2. Loyalty to Canada and our system of government is required of any person employed in the public service of Canada. Therefore it is an essential of Canadian security policy that persons described in paragraph 3 below must not, when known, be permitted to enter the public service, and must not if discovered within the public service be permitted to have access to classified information. If such a person is in a position where he has access to classified information, he must at least be transferred to a less sensitive position in the public service. It may also be necessary, where it appears to the Minister concerned to be in the public interest, to dismiss him from the public service, subject to the conditions set out at paragraph 16 below.

3. The persons referred to in paragraph 2 above are:
(a) a person who is a member of a communist party
or an organization affiliated with a communist
party and having a similar nature and purpose;

- (b) a person who by his words or his actions shows himself to support a communist party or an organization affiliated with a communist party and having a similar nature and purpose;
- (c) a person who, having reasonable grounds to understand its true nature and purpose, is a member of or supports by his words or his actions an organization which has as its real objective the furtherance of communist aims and policies (commonly known as a front group);
- (d) a person who is a secret agent of or an informer for a foreign power, or who deliberately assists any such agent or informer;
- (e) a person who by his words or his actions shows himself to support any organization which publicly or privately advocates the overthrow of constitutional government by force.

4. It must be borne in mind that there may be reason to doubt the loyalty of a person who at some previous time was a person as described in paragraph 3 above, even though this doubt may not be confirmed by recent information about him.

5. It is also an essential of Canadian security policy that reliability is required of any person who is to be given access to the secrets of Canada and her allies. Therefore persons described in paragraph 6 below may not be permitted to have access to classified information, unless after careful consideration of the circumstances, including the value of their services, it is judged that any risk that may be involved appears to be justified. It is also to be noted that a person described in sub-paragraph 6(a) below may be unsuitable for employment on grounds other than security.

6.

The persons referred to in paragraph 5 above are:

- (a) a person who is unreliable, not because he is disloyal, but because of features of his character which may lead to indiscretion or dishonesty, or make him a likely subject of blackmail;
- (b) a person who, through family or other close continuing relationship with persons who are persons as described in paragraphs 3(a) to (e) above, may be induced, either knowingly or unknowingly, to act in a manner prejudicial to the safety and interest of Canada; and
- (c) a person who, though in no sense disloyal or unreliable, is bound by close ties of blood or affection to persons living within the borders of such foreign nations as may cause them to be subjected to intolerable pressures.

7.

In addition it must be recognized that there may be a serious risk to security in employing or permitting to be employed persons such as those described in paragraphs 3 or 6 above:

- (a) in positions in industrial firms engaged in contracts with the government for the production of secret defense equipment which requires security protection; or
- (b) in positions in government organizations, engaged in work of a nature vital to the national security which, although they do not normally involve access to classified information, may afford their incumbents opportunities to gain unauthorized access to such information (? or otherwise to misuse publicly owned facilities to the detriment of the national security?).

8. To carry out their responsibility for the safekeeping of the secrets of the government of Canada and her allies, departments and agencies must first obtain sufficient information about persons to be given access to these secrets that a reasonable judgement might be made as to his or her loyalty and reliability. In making this administrative judgement, it must always be borne in mind that, while the interests of the national security must take precedence where there is a reasonable doubt, the safeguarding of the interests of the individual are essential to the preservation of the society we seek to protect. It is the policy of the government that, whenever it is necessary to transfer or dismiss an employee on grounds of security, every effort will be made to protect his interests. Information bearing on the security status of an employee will be treated as confidential.

PROCEDURES

9. The following procedures by which this policy is to be implemented are designed to provide that the most careful screening available from present investigative services be given, particularly to persons who will have access to highly classified information. It is the continuing responsibility of each government department (or agency) to ensure that its security remains unimpaired.

10. Information about persons who are to be given access to classified information must be obtained from the persons themselves, from referees named by the persons, and from investigations conducted by authorized investigative agencies. Departments and agencies will undertake to inform persons who are to be granted access to classified information of the reasons for seeking background information about them, and to explain to them the dangers to themselves as well as to the national security in their attempting to conceal any information which may have a bearing on their loyalty or reliability.

11. The functions of an investigative agency are:

- (a) to conduct promptly and efficiently such investigations as are requested by departments or agencies to assist them in determining the loyalty and reliability of the subject of investigation; and
- (b) to provide departments and agencies with all the information, favourable and unfavourable, resulting from these investigations in the form of factual reports in which the sources have been carefully evaluated as to the reliability of the information they have provided.

12. On the basis of these reports and such other pertinent information as has been obtained from the person concerned, from his referees, and from such other sources of information as may have been utilized, the employing department or agency will arrive at a carefully considered judgement of the person's loyalty and reliability, and of the degree of confidence that can be reposed in him to carry out safely and efficiently the duties to be performed.

13. If a favourable determination is made, the department or agency may grant a security clearance to the level required for the efficient performance of the duties of the position concerned. If, on the other hand, there is in the judgement of the deputy minister of the department or the head of agency concerned a reasonable doubt as to the loyalty or reliability of the subject, the granting of a security clearance will be delayed until the doubt has been resolved to the satisfaction of the deputy minister or the head of agency.

14. Where an applicant for employment, as opposed to a person already employed in the public service, is being considered for appointment to a position requiring access to classified information,

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the following courses of action may be taken with a view to resolving doubts that may have been raised as to his loyalty or reliability, and therefore his suitability for employment requiring security clearance:

- (a) further specific investigation may be requested of an authorized investigative agency; or
- (b) the department or agency may at any time seek the advice of the interdepartmental Security Panel.

In addition, where doubts have been raised about the loyalty or reliability of a person who is already employed in the public service, a senior officer appointed by the deputy minister or head of agency may, after appropriate consultation with the investigative agency or other source of the information which raised the doubt, interview the subject and inform him, to the extent that is possible without jeopardizing sensitive sources of security information, of the reasons for the doubt, and give the subject an opportunity to resolve it to his employer's satisfaction.

15. Should none of the possible courses set out above result in a satisfactory resolution of the doubt concerning a government employee, the employing department or agency shall deny the subject a security clearance and shall consider:

- (a) whether the subject might safely and usefully be appointed to a less sensitive position in the department or agency or elsewhere in the public service, with his knowledge and consent to the fullest degree possible under the circumstances;
- (b) if appointment elsewhere is not possible, whether he should be asked to resign his position in the department or agency; or

- (c) if he refuses to resign, whether it should be recommended to the Minister responsible that the person be dismissed from the public service.

16. Should a recommendation for dismissal be made, no action shall be taken on such recommendation until

- (a) the deputy minister or head of agency has personally made a complete review of the case, including the results of any interview or interviews with the subject as described in paragraph 14 above, in a further attempt to resolve any reasonable doubt as to his loyalty or reliability; and failing a satisfactory resolution,
- (b) the advice of the Security Panel has been sought;

and

- (c) the Minister concerned has considered whether any remaining substantial doubt might be resolved by requesting that a confidential inquiry be made under the Inquiries Act by an appropriate person outside the public service, who would make his advice available confidentially to the Minister on the basis of views and information developed during his inquiry.

17. Should a confidential inquiry as described above be made, the Minister shall again consider his tentative decision in the light of the advice given him by the person who has conducted the inquiry, but the Minister is not bound to act on such advice in making his final decision.