

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO
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PDM

FROM
De

PSP/J.G. Hadwen/cmd

REFERENCE
RéférenceSUBJECT
Sujet

Special Security Committee Meeting - Monday, January 24,
12:30 - Cercle Français - 453 Laurier Ave. E.

SECURITY
Sécurité SECRETDATE
January 21, 1977NUMBER
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FILE	DOSSIER
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ENCLOSURES
Annexes

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I have discussed with Don Hall the sort of subjects which you may decide to raise yourself, or which may be raised by others, at the Special Security Committee meeting on Monday, January 24 at 12:30 at the Cercle Français. I believe the next meeting, after this one, would be held in our building with yourself as host. You may wish to check this out with the others before the luncheon is over.

2. I hope you would be willing to consider raising the following issues:

(1) CD-35

CD-35 was issued in 1963 and is the basic tool for making judgments about security clearances for employees and for dealing with employees on matters relating to security. It sets down a procedure whereby action can be taken against an employee on security grounds. The culmination of this procedure provides for separation from the Public Service by Order-in-Council on security grounds.

Since 1963 CD-35 never has been invoked formally and the procedures described therein followed to completion. In fact many of the procedures described in CD-35 are now obsolete in that the Financial Administration Act also sets out the procedures for dealing with a security case. For example, the Financial Administration Act provides for the appointment of a Commissioner to review a case if a decision is taken by a department to seek the separation of an individual from the Public Service. CD-35 does not refer to this. There seems to be no procedure laid down detailing how, and by what method, a request is made for the appointment of a commissioner. PCO has suggested, in a recent case, that it might be necessary to seek Cabinet authority before requesting the appointment of a commissioner. In short, there are no guidelines beyond those in CD-35 detailing how a department should proceed if a decision is taken to formally seek separation of an employee on security grounds.

In addition, CD-35 and the Financial Administration Act have not been tested in the courts. Given the discrepancies that exist between the procedures described in CD-35 and the procedures set out in the Financial Administration Act, a question could arise as to the legal procedures, should an individual decide to fight dismissal.

[REDACTED]

These questions have practical application in that there is an individual within the Department who may choose to fight dismissal and who has not so far chosen to resign voluntarily, even though at this stage, the judgment of the Department is that a security clearance is no longer possible.

Finally, there should be an examination with the Public Service Commission as to the role it can play in security cases. If a department such as External Affairs were to declare that an individual no longer can hold a security clearance, and thereby can no longer be employed within the Department of External Affairs, would it be possible for the Public Service Commission, as a matter of routine, to accept responsibility for the individual and place him elsewhere in the Public Service in a position not requiring a security clearance.

[REDACTED]

(2). Personal Safety Programme

Dangers posed to Canadian Government employees serving abroad have increased rapidly in the past few years. These dangers emanate from a variety of sources, i.e., the growth of international terrorism, urban decay in many parts of the world combined with increased criminal activity, political volatility.

The Department considers it mandatory that, in these circumstances, efforts must be made by the Government to provide a reasonable sense of personal safety to those employees who are posted abroad. There are at least two major imperatives for this. First, given that diplomatic missions increasingly have become "targets" for terrorists, criminal and political activity, the Government obviously would wish to be in a position to demonstrate to Parliament, and the Canadian public, that responsible and reasonable measures have been taken to provide for a level of safety for Canadians serving abroad and, as necessary, for Canadians travelling abroad. The second imperative relates to staff relations. It is in Canada's interests to maintain as high a level of quality as possible among its employees in the career foreign service or others serving abroad. To this end, it is important that we are able to motivate and attract employees of calibre. Those employees, in turn, must feel that there is real concern within the Government as to their personal safety, and that steps are taken that respond to dangerous situations abroad and that enhance their safety.

For these reasons, the Department of External Affairs is now developing a programme for personal safety for our missions around the world. We anticipate that the programme will involve a cost of \$5,000,000 over the next three years. This programme is being developed on the basis of bringing our posts, particularly those in dangerous areas, up to a minimum acceptable standard of personnel safety on the basis of the criteria described above.

I would suggest that you comment as above for the information of other members of the group. You will remember the jurisdictional problem we faced in respect to the Minister's safety with the Protective Branch of the RCMP. The programme we have had under discussion for some time now (and which I hope will result in a memo to TB agreed by all departments involved in the very near future) is one which I believe has support interdepartmentally. We will in any case be going out to all the other ICER departments for support, but there is some value in taking out insurance in this group by describing our programme so that no one can claim they were not kept in the picture.

(3) Revision of RCMP Terms of Reference

At the IAC meeting this week, Wednesday, January 19, Mike Dare mentioned that he would be negotiating changes in the terms of reference for the Security Service. Subsequently, I asked Don Hall for further background and he reports that very tentative proposals have been made and that there were some points which could have implications for foreign policy. It is likely that Dare may himself initiate a discussion of these terms of reference (of which I have no details) but if he does not, I think it would be appropriate for you to mention our interest. This interest can be put positively. We are indeed in favour of improved terms of reference for the RCMP Security Service.

You should be aware that while I was in London I had extensive discussions with [redacted] based to some extent on your meeting with [redacted] in Ottawa. In these discussions the question of cooperation with [redacted] was reviewed. I do not want to create a major debate now until I have looked into the matter further, but there is a possibility that the RCMP consider all its liaison officers abroad as entitled to cooperate in any way they think fit with [redacted]. There are obviously very real dangers in this. An example of the kind of situation we may have in front of us was [redacted]

[redacted]

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[REDACTED] The RCMP has, of course, agreed to take out these references but a very real possibility exists that RCMP officers who go abroad (and the level of their capacity is being increased sharply) will be given these kind of tasks [REDACTED]

[REDACTED] whether we have approved or not. It was my feeling (and it is not more than this at this stage) that [REDACTED]

[REDACTED] However, I am not yet completely sure of my ground and would hope to have the subject out with the RCMP in the near future. In the meantime, however, this Department is deeply interested in any changes in the RCMP terms of reference for the Security Service which might cover these fields.

(4) Post-Mortem of Cuban Current Case (CCC)

I would not propose that you initiate any recriminations or even a full discussion of the CCC at this meeting. However, without being provocative to the other members there are a couple of points which you could mention:

- 7 (a) Cooperation between External and the RCMP throughout this case was good. The difficulties over handcuffs in Montreal and over barring newsmen from the plane were the result of ad hoc decisions by individual officers; contrary to the spirit of our agreements with the RCMP. The case does however underline the urgency and importance of a close and continuing relationship between the RCMP and ourselves under which we get as much advance warning as possible of likely problems. Another recent case [REDACTED] who was becoming involved in unacceptable activities) reveals that for both the RCMP and ourselves there are advantages to close consultation in the hope of taking preventive action. However, there might be some advantage to underlining at the meeting on Monday, the significance of the foreign policy aspect of incidents like the CCC or [REDACTED] [REDACTED] might lead the RCMP to conclude that they could interview and warn local diplomats in respect of their activities without necessarily consulting the Department. I think you might be able during the meeting to make it clear that anything involving the handling of diplomats should be discussed with this Department.
- (b) Another item of the Cuban case that gave difficulty was the process within MANDI under which decisions were taken interpreting the national security interest without apparently full consultation with ourselves or the RCMP in respect of the Cuban non-diplomatic nationals. I think we are within our rights to note the dangers of this kind of decision making. It relates very closely to the dangers of which we were aware during the drafting of the Immigration Bill.

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- (c) In the case of terrorist incidents in Canada it is recognized that the Ministry of the Solicitor General has a lead role. It would be for consideration whether it would not be wise to make it clear to all departments involved that this Department has the lead responsibility for any action taken against foreign diplomats on security or other grounds and that we must also be consulted in respect of the national security implications arising from action taken against foreign private nationals.
- (d) In respect of publicity the Ministry of the Solicitor General favours a "forthcoming line" on security matters. This Department's tradition on intelligence and security matters has been
- (i) to attempt to protect our security machinery (including the RCMP Security Service);
 - (ii) to avoid unnecessary retaliation against Canadians abroad; and
 - (iii) to prevent unnecessary international political losses by avoiding comments other than those required to protect the government's good name and reputation.

more public comment

The British and Americans maintain a similar posture to that of this Department on the grounds that in intelligence and security matters, whatever information is provided, leads to pressures of an insatiable kind for more that can only lead in the long run to serious problems. The dangers for the Government in releasing security and intelligence information are progressively serious. If the Solicitor General wants to provoke on behalf of the Government a more open line, this could of course leave this Department very much exposed. You might wish to question Mr. Tassé as to his preliminary views on this matter.

(5) International Terrorism - Interdepartmental Coordination of Press Guidance

It may be that the Ministry of the Solicitor General has the authority to coordinate statements to the press during a terrorist incident in Canada, but not on a continuing basis in respect of the Government's terrorist policy in general. We would support an extension of the Solicitor General's mandate in this way. We would expect, of course, to have the same kind of mandate in respect of terrorist incidents abroad since, as already agreed, we are the lead Department in that field.

(6) Separatism

You may want to ask your colleagues if there has been any development in respect of a governmental position on the handling of separatists within the Public Service.

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(7) Homosexuality

We have done a lot of departmental thinking on this subject. I may have available for you, for possible distribution to the committee members a preliminary draft background paper on homosexuality which draws on our conversations with the British and the Americans. Whether you decide to distribute the paper or not (and we have been delayed by other pressures in producing it) I am confident you will at least want to raise the issue. If we have the paper ready I will discuss it with you on Monday morning.

(8) Visits

The only current item is that Mr. Peter Lougheed of Alberta is currently contemplating a visit to the Soviet Union for the late spring 1977.



J.G. Hadwen,
Director General,
Bureau of Security and Intelligence Liaison