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Ottawa, December 20th 1960.

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

Dear Commissioner Harvison:

I have your letter of November 28th, 1960, in which you enquire what progress has been made in following up the suggestions made by the committee of the Security Panel studying the security problems arising from the employment in the public service of persons with homosexual tendencies.

Concerning the possibility of setting up an effective research program, discussions have been held with Dr. G.D.W. Cameron, Deputy Minister of National Health and Welfare, with a view to finding advisory personnel with appropriate training and experience who might assist us in research and the development of testing techniques. Dr. Cameron has suggested that, in addition to Dr. F.R. Wake of Carleton University, we consider obtaining the services of Dr. J.P.S. Cathcart, for many years psychiatric advisor to the Department of Veterans Affairs, and possibly Dr. Rhodes Chalke of Ottawa University, who also has a psychiatric practice in Ottawa. To assist in the program generally from the public service point of view, Dr. Cameron suggests that we include Dr. R.G. Ratz, Director of Medical Advisory Services in the Department of National Health and Welfare.

Unless you see any objection to these proposals, it would be useful if you could have your staff make, for the record, discreet enquiries concerning the loyalty and reliability of these persons. When this has been done, Mr. Wall will arrange a meeting with them and a representative of your Force and the Department of External Affairs to discuss means of initiating the necessary research.

2369-66 Vol 13 20.12.60..2

With regard to the questions of government policy and procedures which our committee has been studying, a report has been prepared as a basis for discussion with the Prime Minister and the Minister of Justice, and a copy is attached. If you are in agreement, arrangements will shortly be made for our committee to meet with the Prime Minister and Mr. Fulton with a view to making necessary modifications in existing policy and procedures.

Yours sincerely,

R. B. Boyce

9369-66 Vol 12 20.12.60

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.

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;
- (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;

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- (e) that, should any case come to light in which there are indications of a (homosexual) employee being subjected to blackmail 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

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- (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, in order that such persons would not be appointed to positions considered vulnerable to blackmail for intelligence purposes.

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,
Chairman of the Security Panel.

Privy Council Office,
December 19th, 1960.

