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DIARY NOTES

DD/S *W Jgd*

10 January 1964

1. Paul Borel telephoned to protest stoppage of work which would move certain DD/I components to the first floor. He said that he understood work had been stopped because the Foreign Installations Branch (successor of the Industrial Register) was being considered for movement out of the Headquarters building. He said that this office simply could not be such a candidate, and even if DD/I had to move some element it would not be the Foreign Installations Branch. (I asked [redacted] to look into this and to get it settled without delay.)

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2. I talked to Bob Fuchs about telephone economy, and we agreed to eliminate his "call director."

3. I had lunch with John Clarke, during which time he solicited my views on hiring [redacted] of the Bureau of the Budget at grade GS-16 to be the Agency's Budget Officer. I told him that I had a high regard for Frank and that, while I would much prefer to see him come aboard at grade GS-15, if we had to give him a grade GS-16 to get him I would endorse this action.

25X1A9a

4. John Clarke and I met with Bob Amory and Don Smith at the Bureau of the Budget to discuss our proposal to build a printing plant on Headquarters grounds. Bob approved. *H*

a. During this meeting Bob asked what we were going to do about the Director's limousine. I said that I considered it completely unsatisfactory from the security point of view for the Director not to have a glass partition between his chauffeur and him and the Cadillac limousine is the only way to provide this. Bob agreed with this position, and we have an informal understanding that we can keep the Director's limousine. There is to be no exchange of correspondence on this subject, and the limousine is not to show in any reports. If a problem ever arises, Bob has agreed to accept full responsibility for the Bureau of the Budget in approving this exception on security grounds. He said, however, that he would expect the Agency to comply with the remainder of BOB Circular No. A-22 dated 19 December 1963, subject: "Limousines, heavy sedans, and medium sedans in agencies of the executive branch." I told him that we expected to comply but were not going to take any immediate action to dispose of our cars. We might wait a few months and see what happens. I think he endorsed this position; certainly he did not object to it.

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b. We then talked about personnel ceilings, and John Clarke told Bob that the Agency was not going to volunteer any further reductions. Bob said that he thought this was shortsighted and that, if we did not volunteer something, we might get an arbitrary cut. He smiled when he said, "of about 10 percent." He said that the Agency for International Development with 7,000 employees was being cut 1,000 and that he felt we might have to take some further reductions. I pointed out that, if we did, our attrition would not take care of the situation and that we would have to resort to some kind of a reduction in force.

c. We talked about our Executive Pay Scale, which Bob referred to as our "super supergrades." He said that, if and when Congress passes the new pay bill, he did not feel that the Agency could expect to retain all of these positions which we now have. He said that the pay bill is supposed to provide comparable pay for comparable work and that if grade GS-18 went to \$24,500 or thereabouts, we certainly were not going to be able to have very many positions above that. He volunteered that he had no reservations at all about Deputy Directors or others who except for security reasons would be Presidential appointees at the Assistant Secretary or slightly lower level, but he thought that there ought to be very few of these. He said that we would have to obtain Presidential approval for all of these positions, that he would screen them at the Bureau, and that we could expect a very rough time if we did not cut down substantially on the number.

d. John Clarke is preparing an official Memorandum for the Record of this meeting.

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25X1A5a1 5. Jim Garrison advised me that the team negotiating a settlement with [REDACTED], is still on the West Coast and negotiations are still progressing. The chief of our team told Jim that from casual remarks being dropped at [REDACTED] he gathered that the personnel intended to continue this kind of work under a different company. He passed along the names of two companies which he had heard mentioned; one is [REDACTED] and the other is [REDACTED]. I have passed this along to both Tom [REDACTED] and Jack Earman, who said positively that they were not to continue under any other company.

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Note: Extract of pars. 1 and 4.a. to D/L on 15 Jan 64.

Extract of par. 4.c. to D/Pers on 15 Jan 64.

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