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8/29 10:55

ER 62-6320
DDJ 62-4255

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

Washington 25, D. C.

Aug 28 1962

Lt. Gen. Marshall S. Carter, USA
Acting Director
Central Intelligence Agency
Washington 25, D. C.

Dear General Carter:

I have your letter of August 25 in which you advise that the Director of Central Intelligence has authorized supergrades for the Central Intelligence Agency. 25X9A2

This 90 per cent increase above your existing total of supergrades comes as a distinct shock, particularly as it is unaccompanied by any supporting data or analysis. Moreover your Agency has acted at a moment when the President's Federal Pay Adjustment Act is in the final stages of consideration by the Congress. The adjustments called for in this Act will radically alter the pay scale, not only of supergrades but GS-15s, and will relatively enhance the pay of Civil Service people as compared to military officers. Your action therefore appears questionable as a matter of timing as well as of substance.

I request that you defer further implementation of this action until the Bureau has had a chance to examine your analysis in the light of whatever legislation may be enacted by the Congress in response to the President's pay reform proposal.

Sincerely yours,

/s/

David E. Bell

Director

SECRET

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