Op-23D1 **A3-1/NDM** CONFIDENTIAL Serial 02268P23 / Downgrade to .....

Unit: NCIU 2-2

20 DEC 1945

From: To:

Chief of Naval Intelligence. District Intelligence Officer,

Eleventh Naval District.

Subject:

Post-war Intelligence Organization - Maintenance of.

References:

(a) Conf. Memo from DIO-11ND to CNI, dated 27 Nov. 1945, same Subj., Ser. DIO-4980.

Reference (a) sets forth the difficulties being experienced in the Eleventh Naval District in the procurement of qualified investigative personnel and suggests certain modifications which may be desirable.

- The Chief of Naval Intelligence appreciates these suggestions and concurs fully in the comment contained in paragraph 4 of Reference (a), that the highest possible caliber of personnel should be sought for the Naval Intelligence Service. Concerning the comments in paragraph 5 of Reference (a), the following observations appear pertinent to each of the respective points as itemized therein:
  - (a) A contract agent who gives reliable service need have no misgivings as to the tentre of his service as long as the Naval Intelligence Service engages in investigative activities.
  - (b) There need be no uncertainty of advancement for contract personnel. Recommendations for salary advances or periodic increases are usually approved when submitted by the District Intelligence Officer. In the event any recommendation does not appear justified, the District Intelligence Officer is invited to submit further facts in support of the recommendation, if he so desires.
  - (c) The same comment in (b) applies. A contract agent being appointed in the District, it is the responsibility of the District Intelligence Officer to recommend salary increases. He is in a better position to evaluate the merits and experiences of each agent under his cognizance. For normal service rendered, a recommendation may be submitted to correspond to within-grade promotions of Civil Service. In other specially merited cases, the District Intelligence Officer may desire to recommend greater increases which under the Civil Service may be denied under its fixed procedures.

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- There is no reason why the pay offered a contract (d) agent cannot compare favorably with the salaries of other government agencies and possibly private enterprise. The Office of Naval Intelligence endeavors to establish an initial salary commensurate with a man's ability and experience. In those cases where service personnel are interested in civilian employment as agents, an attempt is made to arrive at an equitable adjustment of salary differences. In the case of high ranking officers, it is considered that an average pay between the lowest and highest grade of service would be appropriate and sufficiently substantial to permit such an individual to give the matter of civilian employment serious thought. With respect to officers in the lower bracket, other Districts have recommended, and the Chief of Naval Intelligence has approved, compensation approximately equivalent to their service pay with allowances.
- (e) While no retirement features are incorporated into a personal service contract such as used by the Naval Intelligence Service, attention is called to the fact that much private employment is also lacking in retirement benefits. If salaries are adequate, it is believed that an individual can provide for his own future through the purchase of an annuity with any insurance concern of his choosing which handles such matters. There is no reason why regular monthly payments which would constitute but a small percentage of his monthly pay could not be made by him.
- 3. Every effort should be made to point out to qualified officer personnel who have had the benefit of war-time experience in the Naval Intelligence Service, the attractiveness of continuing their employment on a civilian contract basis. The type of contract in its present modified form provides more desirable features than heretofore. While the Civil Service system has certain recognized advantages, it also has certain salary and grade restrictions which, along with procedural requirements, may often be found cumbersome and to the disadvantage of a District Intelligence Officer. A Civil Service grade is dependent upon the position rather than the person occupying it, and due to the flexibility of the present type of contract appointments, the District Intelligence Officer is in a position to recommend a salary which he considers equitable and justified, taking all factors and local conditions into consideration.
- 4. The comments contained in paragraph 6 of Reference (a) have been noted with interest and will be borne in mind for such future consideration as may be possible. The Office of Naval Intelligence is

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exploring every means of improving the administration of investigative personnel and is pleased to receive the benefit of any observations which might contribute to a better functioning organization.

J. W. Whitfield, By direction.

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