

Question 8

HOW MUCH MONEY IS IN THE BUDGET FOR PAYMENT TO CONTRACT EMPLOYEES? SOME OF THE PEOPLE WHO HAD RELATIONSHIP TO THE CIA AND WHO WERE INVOLVED IN THE WATERGATE BURGLARY WERE SAID TO BE CONTRACT EMPLOYEES. IS THIS THE CASE? TO WHAT EXTENT ARE THE SAME CONTROLS PLACED ON YOUR CONTRACT EMPLOYEES AS ARE PLACED ON REGULAR STAFF EMPLOYEES?

Proposed Reply

The CIA budget for 1975 includes ²⁴(\$279.5 million) for the salaries and benefits of ²⁴(14,000) staff employees (end-of-year ceiling) and ²⁴(\$32.6 million) for the same expenses for ²⁴(2,348) contract employees.

With respect to the relationship to the CIA of the seven individuals involved in the Watergate burglary, one of them at the time of the break-in was a part-time contract employee (Martinez), one was a former full-time contract employee (Barker), two were retired staff employees (Hunt and McCord). The remaining individuals (Liddy, Sturgis and Gonzalez) were never connected with CIA in any capacity. (See attached sheet for details on these seven individuals). These facts have been set forth previously in the testimony of _____ before _____ and we believe _____ members of the Appropriations Committee are fully aware of all significant developments in this area.

Not all contract employees have the same type of contract. Some are subject to all the controls that are placed on regular staff employees. Others, however, are employed for a specific purpose, generally limited in time, for the use of their talents and/or disciplines in meeting a particular need of the Agency, and these are not all subject to all the controls which apply to full-time staff employees. Both Barker and Martinez were in this latter category of contract employees. The obligations of such contract employees are as stated in their contracts.

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