

TELEX
ECT
TELEX
ECT

V
AMEMBASSY BSB#
TLXGRAMA B BLM

TLX-003/BSB DEC 03

AMCONSUL BELEM
AV. OSVALDO CRUZ, 165
BELEM PARAHA

URGENTE

12/3/73

ACTION: AMCONSULS RIO, SAO PAULO, RECIFE, SALVADOR 242, PORTO ALEGRE 245, BELEM 244.

FM AMEMBASSY BRASIL 8162.

E. O. 11652: N/A. TAGS: AFSP. SUBJECT: NECESSITY FOR COST-REDUCTIONS. 1. STATE DEPARTMENT OPERATIONS IN BRAZIL ARE UNDERFUNDED FOR THE CURRENT FISCAL YEAR BY APPROXIMATELY \$400,000. THE PROBLEM IS PARTICULARLY ACUTE IN THE FIRST TWO QUARTERS AND WILL BE RESOLVED ONLY BY APPORTIONMENT SHIFTS FROM THE THIRD AND FOURTH QUARTERS. IMMEDIATE PERSONAL ATTENTION OF THE PRINCIPAL OFFICERS TO IDENTIFY AND EFFECT COST REDUCTIONS IS REQUIRED. SOME POSTS HAVE BEEN INSTRUCTED

TO IDENTIFY AMERICAN OR LOCAL POSITIONS OR BOTH TO BE ABOLISHED. THE PROSPECTS FOR THE NEXT FISCAL YEAR ARE MORE PROMISING. THEREFORE, WE MUST LOOK FOR COST REDUCTIONS WHICH WILL BE CONTINUED INTO THE NEXT FISCAL YEAR. 2. THE REQUESTED REVIEW OF AREAS WHEREIN COST REDUCTIONS CAN BE EFFECTED IS A CONTINUING OBLIGATION BUT CERTAIN AREAS REQUIRE IMMEDIATE ATTENTION AND A TELEGRAPHIC REPORT NOT LATER THAN NOON TUESDAY, DECEMBER 4 IS REQUESTED. THESE ITEMS ARE IDENTIFIED BY THE SYMBOL IR (IMMEDIATE REPORT).

3. IN REVIEWING YOUR OPERATIONS THE FOLLOWING AREAS SHOULD BE REVIEWED ALONG WITH ANY OTHERS YOU MAY IDENTIFY. A. BECAUSE A REDUCTION IN FORCE IS CONTEMPLATED IN CERTAIN POSTS (WHICH HAVE ALREADY BEEN INFORMED) OBVIOUSLY NO EXISTING VACANCIES SHOULD BE FILLED WITHOUT PRIOR APPROVAL OF THE EMBASSY. B. HIRING OF TEMPORARY AMERICAN OR LOCAL EMPLOYEES WILL LIKEWISE REQUIRE PRIOR APPROVAL AND WILL BE LIMITED TO AREAS SUSCEPTIBLE TO SEASONAL FLUCTUATIONS I. E., VISA ISSUANCE AND PROTECTION WORK. C. OVERTIME SHOULD BE SUBSTANTIALLY REDUCED. (IR) D. FIELD TRAVEL MUST BE REDUCED BUT THIS IS A JUDGMENT BEST MADE BY THE PRINCIPAL OFFICER. (IF YOU ARE NOT ALREADY REQUIRING IT, ALL TRAVEL REQUESTS SHOULD HAVE YOUR PRIOR APPROVAL BEFORE GTR'S ARE PURCHASED. E. ALL CONTRACTS SHOULD BE EXAMINED WITH A VIEW TO REDUCING THEIR SCOPE OR CANCELLING, IF FEASIBLE, (THE BULK OF CONTRACTS ARE IN BRASILIA, RIO AND SAO PAULO AND INSTRUCTIONS WILL BE SENT TO RECIFE SUBSEQUENTLY). (IR) F. NO SEMI-ANNUAL REQUISITION OF EXPENDABLE SUPPLIES SHOULD BE PROCESSED BETWEEN NOW AND JUNE 30, 1974. WE BELIEVE THAT PRESENT COUNTRY-WIDE STOCKS ARE ADEQUATE. ALL PERSONNEL SHOULD BE REMINDED TO CONSERVE SUPPLIES. G. WHERE POSSIBLE, TEMPORARY QUARTERS FOR NEW ARRIVAL SHOULD BE PROVIDED TO AVOID EXPENSIVE PAYMENTS FOR TEMPORARY LODGING IN HOTELS. H. NO FURNITURE EQUIPMENT AND RELATED COSTS WILL BE FUNDED. ANY PURCHASES OF THESE ITEMS WILL BE MADE FROM PROCEEDS OF SALES WHICH HAVE BEEN GENERATED ON A COUNTRY-WIDE BASIS. POSTS SHOULD SEND LISTS OF THEIR NEEDS IN ORDER OF PRIORITY TO EMBASSY FOR CONSIDERATION IN THE USE OF PROCEEDS OF SALE GENERATED COUNTRY-WIDE. I. PETTY PURCHASES SHOULD BE SCRUTINIZED CLOSELY TO ELIMINATE DEFERABLE OR UNNECESSARY ITEMS. ACQUISITION LISTS OF PERIODICALS AND NEWSPAPERS SHOULD BE EXAMINED AND TRIMMED

TELEX TELETYPE

ОСТА

OK?RRRR+
AMEMBASSY BSB
T EGRAMA B BLM