

RADIO FREE EUROPE  
MUNICH

INCOMING CIPHER MESSAGE

TO: 5

APR 15 18:49

**EYES ONLY**

**EYES ONLY**

NYC79 15 APR 66

TO: OTT COPY HANMER

FM: RICHARDSON COPY KINYON

1150AM **EYES ONLY**

I LEARNED FROM FISCHER AND SCHNEIDER THAT THE DAG HAS FORMALLY FILED THEIR DEMANDS FOR THE FORTHCOMING NEGOTIATIONS AND THAT THE SALARY DEMAND IS 8 0/0. SINCE PREVIOUS EXPERIENCE INDICATES THAT WE ARE USUALLY ABLE TO SETTLE FOR LESS THAN THE ORIGINAL DEMAND, DO YOU THINK IT APPROPRIATE TO REVISE OUR BUDGET ESTIMATE DOWNWARD AND APPLY THE DIFFERENCE ELSEWHERE TO EASE THE SITUATION?

ALSO I WOULD APPRECIATE KNOWING WHETHER COST OF LIVING TRENDS STILL SEEM TO REQUIRE THE 2 0/0 PROVIDED FOR A COST OF LIVING INCREASE. MY IMPRESSION IS THAT THEY MAY NOT.

END MSG.