

Association, in Mr. Sandweg's office. Mr. Shafer happened to be in the city at our request on matters pertaining to the oversea dependents' schools. He was familiar with the Kwajalein contracting-out practices and concurs with me in my views expressed on the Kwajalein situation as we understand them.

After conferring with Mr. Sandweg, it seems clear that I should submit to you some remarks with the suggestion that these might be included as part of the official record of your committee. However, because our information about conditions on Kwajalein is limited, I have not prepared a formal statement as I would ordinarily have done, and I am not requesting to appear before the subcommittee to present testimony. These remarks, and the attached statements from teachers on Kwajalein, concern conditions in the program and the administration of the school on Kwajalein operated for the dependents of military personnel and others stationed on the island. The school formerly was operated by the U.S. Navy, under the direction of the Department of Defense. Now all the military installations and those of the school on the tiny atoll are operated under contract from the Federal Government by the Texas Transport Co. of Corpus Christi, Tex.

Briefly the correspondence from the two former educators on Kwajalein maintains that the Texas Transport Co., after taking over the Kwajalein installation, markedly raised the rents and other living costs to the teachers and instituted unprofessional demands upon the teaching staff there, seriously lowering teacher morale. We first heard about these things in a letter from a teacher dated December 1, 1959; a copy of this letter is enclosed. We had some interim correspondence with the writer, and recently, following my letter to you of March 27, 1961, we sought to obtain more current information about the situation. I am enclosing a copy of a letter written in response to this request by another teacher from Kwajalein on June 12, 1961, while he was still on duty on Kwajalein. Names of the writers of these letters can, I believe, be made available to the committee. It would appear that while the educational program has been improved somewhat since we first heard in late 1959, the personnel program has, if anything, deteriorated.

The details of the changed conditions are contained in the two letters. We have no other direct information from Kwajalein itself about the situation. Yet, from informal discussions with officials in the Department of Defense, it is my feeling that the Navy Department desires to take back this school into their overseas dependents' schools system. From what I have been able to learn here in Washington, when the contract was written, costs of operating the school program were inadvertently omitted, and therefore the company apparently has felt it must institute practices which would conserve its expenditures. I also understand that the contract company has levied a tuition charge upon the service personnel and upon the civilian parents whose children go to school on Kwajalein in order to attempt to further recover the costs of operating the school on Kwajalein. Paradoxically, if the school had remained as part of the oversea dependents' school system, working conditions and salaries would have been improved by Public Law 86-91, a law passed in 1959 at our request to bring about needed beneficial changes in the personnel practices of the oversea dependents' schools.

When the contract was written, provisions should have been made for properly funding the school's operations. If this had been done, I feel that the alleged conditions which seemed to have occurred since the Texas Transport Co. took over the operation of the school would not have occurred at all. Despite the fact that the two teachers from Kwajalein believe that the educational program, from the evidence of the results of standardized tests, seems not to have been adversely affected, I cannot help but feel that the quality of the teaching continues to be limited because of the serious morale problems which apparently still exist, according to our latest information.

I feel that whenever the Federal Government proposes to contract out the operation of oversea installations on which children will be attending school, that the funding and operation of the schools should be carefully planned and adequately provided for so that the program for the children and the personnel policies for the teachers will be continuously maintained and strengthened, just as if the school had been kept under the wing of the Department of Defense. I hope that your committee can use this example as an indication of what might happen if contracting-out practices are not carefully instituted.