

c. Most field maintenance at Fort Sill, Okla., is performed by contract.

Approximately one-third of the Continental Army Command's maintenance dollar goes for contract maintenance.

VI

In oversea areas we have established a reasonably effective aircraft-maintenance facility at Sandhofen, near Mannheim, in Germany, but have otherwise been forced to lean heavily on indigenous contractors. With the increasing emphasis on the unfavorable balance of payments, however, we are now bringing most of the expensive components back to CONUS for overhaul.

The major problem is "contracting out" overseas for aircraft maintenance has been in supplying the required parts on a timely basis and accurate forecasting of requirements.

VII

All in all, the Transportation Corps has enjoyed a highly successful program of contract maintenance of Army aviation equipment. This has followed our similar experience in railway and marine equipment for many years.

We feel that, with the availability of our new facility at Corpus Christi and our long list of competent contractors, we can successfully perform our mission in any emergency.

We feel that the costs that we have experienced have been reasonable and that we have been particularly successful in keeping the Army's investment in tools and facilities to a bare minimum consistent with our military responsibilities.

(The chart attached to the statement is as follows:)

Depot maintenance (CONUS) accomplished and cost—Air equipment

	Inhouse		Contract	
	Quantity	Cost	Quantity	Cost
Fiscal year 1958:				
Aircraft.....	10	\$314, 207	422	\$1, 868, 221
Engines.....	15	95, 770	1, 492	2, 380, 550
Components.....	2, 952	141, 039	7, 481	1, 442, 896
Total.....		551, 016		5, 691, 667
Fiscal year 1959:				
Aircraft.....	0	0	445	5, 150, 243
Engines.....	7	87, 949	963	2, 909, 692
Components.....	7, 716	611, 157	10, 221	4, 333, 595
Total.....		699, 106		12, 393, 530
Fiscal year 1960:				
Aircraft.....	0	0	484	7, 287, 000
Engines.....	532	2, 065, 000	1, 318	3, 859, 000
Components.....	13, 913	2, 296, 000	11, 067	5, 355, 000
Total.....		4, 361, 000		16, 501, 000
Fiscal year 1961 (4th quarter estimate):				
Aircraft.....	88	264, 000	72	1, 133, 000
Engines.....	800	3, 352, 000	2, 036	9, 276, 000
Components.....	1, 031	400, 000	32, 110	10, 324, 000
Total.....		4, 016, 000		20, 733, 000