

Colonel NELSON. Yes, sir.

Mr. MONAGAN. The replacements we would have to buy?

Colonel NELSON. The replacements we would have to buy out of U.S. money. We have to pay for maintenance and overhaul and upkeep. In rail equipment we must meet the German or French standards otherwise they will not pull the car, so we must keep them up.

Mrs. HECKLER. Do they inspect this equipment frequently?

Colonel NELSON. Yes. This item is scheduled for rebuild or overhaul at the end of 15,000 kilometers or so much time, and it has to be run through and tested before we can operate it.

Mr. MONAGAN. Were we able to utilize this in our movement from France?

Colonel NELSON. The bulk of this is POL tankers.

Mr. MONAGAN. What about the flatcars?

Colonel NELSON. They are primarily tied up. The bulk came out of the 37 group, which is a highway group. Here, again, it is a question of the dollar tradeoff, where do you run that car.

CHART NO. 19—FOREIGN EXCESS PERSONAL PROPERTY INVENTORY

This chart shows our foreign excess personal property inventory. I think the significance of this chart is to show the steady decline in inventory since last April to date. The conclusion I draw from this is that there was a heck of a lot of property dumped in property disposal, at least as far as that under my control was concerned.

Mr. MONAGAN. That does not include property that is disposed of otherwise than by sale?

Colonel NELSON. No.

Mr. MONAGAN. AID property is not included?

Colonel NELSON. It is excluded. This falls under the category of redistribution.

Mr. MONAGAN. This is \$5 million worth of property in the month of April acquisition cost?

Colonel NELSON. That is the acquisition cost, sir.

Mr. MONAGAN. How much of it is sold as scrap, would you say?

Colonel NELSON. Gerry, do you have any figures on that?

Mr. MANNING. No, sir.

Mr. MONAGAN. Let me ask you this: Take the month of January in 1967. You committed about \$5 million worth. How much do you get for that?

Colonel NELSON. What we usually term committed is that we prepare the necessary lists of materiel, submit it to Kastel or the Air Force. All this says is that this is out someplace in the bid cycle.

Mr. MONAGAN. Do you have any experience of what is returned?

Colonel NELSON. We have been running between 5 and 6 or 7 percent this year of acquisition value on usable property.

Mr. MONAGAN. Is this property screened by other Government agencies and AID prior to its designation for this program?

Colonel NELSON. Yes, sir.

Mr. MONAGAN. So this is property they don't want?

Colonel NELSON. Actually, the way it works is that this property is screened for other governmental agencies before it is actually put in property disposal channels. Once we get a directive to ship an item