

HEARINGS FIVE-PRONGED

These hearings will cover the following areas:

One, the adequacy of repairs made by AID contractors on excess property.

Two, the effectiveness of AID's controls over repairing contractors' operations.

Three, whether the large increase in the excess property program is justified in the light of the real needs of recipient countries and their capability of utilizing and maintaining the equipment.

Four, whether AID's overall management of the program has been adequate.

Five, the extent to which changes in basic policies involving repair standards, inspection procedures, personnel, and organization of AID's overseas offices are required in the interest of economy and efficiency.

TESTIMONY TO COVER S. 1974

At these hearings, testimony will be taken from Agency witnesses and other interested parties with regard to S. 1974, which has been referred to the subcommittee. ~~There is no justification for subsidizing aid . . .~~

First, however, I want to refer to a statement which has been given the subcommittee by the Department of the Army relating to the cost of handling AID's excess property. The Army performs a number of functions for AID, including receiving, storing, packing excess property, and arranging for shipment to foreign governments. Because the subcommittee staff study indicated the likelihood that the Army was not obtaining full reimbursement from AID, I asked the Depart-