

During the staff visit to Thailand in 1967, the situation was largely unchanged, and top mission personnel pleaded with us to do what we could to keep 608 excess property out of the country. And similar reports have been made by other missions over the years.

AID SHIPMENTS MADE "AS IS"

The October 1966 Harbridge House study of the excess property program for AID reported that—

Because AID's excess property personnel are much more "sales oriented" than "service oriented," complaints by the AID missions of defective equipment are dismissed with the assumption that whatever went wrong happened after shipment and that resulting problems are strictly the mission's responsibility. While on occasion mission protests have been honored, the general awareness of the report included the top management of AID, including the assistant administrators, the deputy administrator, and the AID administrator.

Senator GRUENING. Continue, please.

SUBCOMMITTEE DIRECTS ATTENTION TO JAPAN AIRCRAFT CO.

Mr. LIPPMAN. In order to ascertain the extent of contractor responsibility for the defective equipment received by AID missions, the subcommittee staff directed its attention to Japan Aircraft Co., the major rebuild contractor in the Far East.

A visit to the plant in Yokohama disclosed that Japan Aircraft Co. had recently undertaken the repair of vehicles to be paid for by the Government of Korea out of its own funds but utilizing AID acquired excess property. The AID mission in Korea, to insure the adequacy of repairs, had insisted on independent final inspections by U.S. Army personnel. At the time of the staff visit, the Army inspectors had just completed their inspection and we were able to discuss their findings with them.

SECTION II WORK ACCOMPLISHED

Repair organization/activity; Japan Aircraft Mfg. Co., Ltd.
Location; No. 3175 Tomiokapcho, Kanazawapku, Yokohama, Japan.

[Total man-hours 256; total man-hour cost \$427.52; total parts cost \$295.13]