

Airline Head Assails End Of His Cambodia Rice Lift

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WASHINGTON, April 15—

Edward J. Daly, the controversial president of World Airways, is in a dispute again with the United States Government—this time over termination of his contract to fly relief missions in Indochina.

Yesterday, he sent cablegrams from Saigon to President Ford, the Cabinet, Congress and 50 Governors, denouncing American "incompetents" for ending his contract to fly rice to Phnom Penh, the besieged capital of Cambodia.

Administration officials said today that contracts with World Airways and three other air transport operators had been terminated because they lacked the capacity to drop supplies to Phnom Penh.*

Mr. Daly charged in his cablegrams that "over \$22-million worth" of air transports belonging to him had been stranded in Saigon "without insurance coverage," "without any compensation" and "without any guarantee for the safety of the equipment."

4 Planes Under Contract

This was believed to refer to World Airways' DC-8, which was one of four transports contracted for by the United States military airlift command last winter to fly rice and other supplies to Cambodia.

As recounted by Administration officials, the latest of Mr. Daly's brushes with authority—he was involved in a controversy over flying refugees out of Da Nang and Saigon at the beginning of the month—began last Friday. 11 APR

The situation of Cambodian Government forces defending Phnom Penh and its airport deteriorated last Friday to the point where all flights to and from the capital were endangered.

Mindful of this, the airlift command halted the delivery of rice from Saigon. A Defense Department spokesman said the four transports, including Mr. Daly's DC-8, were retained on call at Saigon until yesterday when the contract was terminated.

for International Development.

According to news agency reports, as cited by the Pentagon, Mr. Daly had an altercation with an air attaché of the United States Embassy in Saigon last night.

Mr. Daly, who had flown his own Boeing 727 to South Vietnam, allegedly demanded to fly his Vietnamese employees out of the country with him. The air attaché reportedly told him this would be illegal since the employees lacked passports and proper visas. The news agency reports said Mr. Daly had asserted that the air attaché threatened to have him "shot down" if he attempted to fly out with the Vietnamese.

Left Saigon for Tokyo

Washington officials said that after he had filed his cablegrams to President Ford and the others, Mr. Daly flew in his 727 to the United States air base at Yokota, Japan, accompanied by the World Airways' DC-8.

His cablegram apparently composed in some haste, contained what appeared to be an error. It said: "Within hours of my forecast of the fall of Saigon." Mr. Daly evidently meant "the fall of Phnom Penh."

Asked about this, a World Airways public relations aide in Oakland replied: "I'd like to help you, but I can't. Daly said he'll do all the talking. He is issuing these communiqués and he told me not to comment on them. I think he's in Tokyo now, but he's moving fast and I don't know his plans."

Mr. Daly's cablegram to President Ford—it was not his first—concluded:

"Mr. President, I strongly urge that you get the incompetents out of here immediately and appoint someone with the intelligence, competency and guts to get the job done. You don't have days or weeks—you have only minutes."

pu 4th add Airlift
A Pentagon spokesman said this apparently related to Mr. Daly's demand to "continue the rice lift on his own and fly out orphans and refugees" from Cambodia. He said that the DC-8 was not equipped to drop supplies, a task that was being done over Cambodia by C-130 transports of the Bird Air Company, another private charter line.

The spokesman said he did not have any reports of supply drops over Cambodia today.

Neither the White House nor the State Department had any comment on Mr. Daly's charges.

Rejecting Mr. Daly's contentions, the spokesman said the contract had stipulated continuance of insurance and payments for ferrying the planes back to their home bases which for World Airways is Oakland, Calif.

The Defense Department acts only as a go-between for the relief Mission contracts, which are administered and paid for the State Department's Agency