VIENTIANE, Laos, May 25 (AP)—An American airline company on contract to the United States Government closed its doors today and another was down to one-third of its former size as the hasty dismantling of American interests in Laos continued.

More than 500 Americans, most of them women and children, have been evacuated in the last week, with about 80 leaving today. Some 400 to 500

Americans remain.

A United States Embassy spokesman said Bird Air, which had provided the United States mission here with six Bell helicopters, flew out its equipment and about 10 American employes and closed its operation.
Bird Air, with headquarters

in Oakland, Calif., has been under contract to the United States Government in various parts of Southeast Asia and was one of the commercial airlines that flew supplies into Phnom Penh before the Communist take-over last month.

Larry Joseph, an official of Continental Air Services, said his company was down to two fixed-wing aircraft from the original six that were on contract to the United States Mission. Mr. Joseph said that Continental had no immediate plans to shut down and that the United States Embassy had asked it to keep two planes in Laos for service in possible emergencies.

The embassy spokesman said the mission no longer needed large-scale air support since its field operations in Laos had ended after student demonstrations and intensified Pathet Lao

activity.

Students joined the police in searching the luggage of Americans leaving aboard embassy aircraft. The students said they wanted to stop Americans from taking out items that they say belong to Laos.

The students at the airport, who communicated over American field radios with colleagues elsewhere, said they had confiscated some items but refused to show them to newsmen.

The students said employes

American officials have denounced such searches as well as the student seizure of the agency's compound in Vientiane as a violation of diplomatic immunity but have been unable to stop these actions.

The students searched only the luggage of those Americans flying out aboard embassy aircraft, but mose of the Americans who were leaving for Bangkok on chartered jets were subject to searches by regular custom officials.

Besides one Royal Air Lao charter flight today, an embassy C-47 aircraft took out a few Americans and a C-46 brought out equipment belonging to Continental, the embassy spokesman said.

The pace of the evacuation has slowed somewhat because many passports and documents of those scheduled to leave were in safekeeping in the agency compound when it was seized by students Wednesday.

A consulate official said substitute passports were being issued as fast as possible.

Student protesters along with some top Laotian Government leaders, while demanding a speedy dissolution of the aid mission, have stressed that Laos would welcome direct aid from the United States.

"We want aid, but without political strings, without any conditions attached," a student leader said in an interview. "U.S. aid went to certain generals and not to the people." Our deputies, for example, should be for the people, but instead they are for dollars."

Bountteng Heavangsavath, student president at the Dong Dok teachers training school, said. "U.S. aid did not help the people. Now it is a struggle of the proletariat with the bourgeoisie.

"We think that the U.S. Government now knows that the Lao students have finally woken up. It would not have been courageous to remain asleep."

A United States Embassy ofof the American Agency for Inficial said that in the fiscal year 1975 the United States ternational Development — the has given almost \$30-million in prime target of recent demon-strations—had illegally appro-million in economic aid. It is priated aid funds and had pur-chased items for their own use. to the country will be severely The students also said goods slashed next fiscal year, but duty-free by the Americans and still being discussed in Wash-should have been subject to ington, as is the size of the U.S. Mission in Vientiane.

were brought into the country sources said exact figures are