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DD / S R E G I S T R Y

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16 July 1964

MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Government of China Report on Crash of CAT C-46

1. Mr. Grundy called Mr. Doole this morning to advise that the Chinese CAA had released to the press its accident investigation report of the crash of the CAT C-46 on 20 June 1964 in Taiwan. The report states that the accident was caused by faulty maintenance and pilot error. It states that there was a worn trim control cable and a pilot error in turning left and stalling the plane.

2. Ambassador Wright informed Mr. Grundy that the report of the two U.S. representatives of the Civil Aeronautics Board (CAB) participating in the investigation found that there was no conclusive evidence as to the cause of the accident, that the flight was conducted in a satisfactory manner, and that the wreckage revealed no clues or reasons why the plane crashed. It appears that the CAB report was made available to the Chinese CAA and after the two U.S. representatives left the island the Chinese changed the report to its present format of faulty maintenance and pilot error. It is believed that this is entirely a political action in order for the Chinese Government to escape the criticisms leveled as a result of the plane crash.

3. Mr. Grundy has been in consultation with Ambassador Wright this morning. Grundy will issue a statement that CAT has not found the reason for the crash and that the investigation is continuing. It is felt that this statement is the best that can be made under the circumstances wherein the findings of the Chinese Government are not accepted and yet the veracity of the Government report is not specifically challenged.

4.

[Redacted]

There is no indication that the Chinese CAA is taking any corrective measures nor that the airline will be grounded. If such action

(b)(1)
(b)(3)

GROUP 1
Excluded from automatic
downgrading and
declassification

Accidents

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were taken, it would equally affect China Air Lines and the Far East Air Transport and this would result in criticism of the Chinese Government. The report of the Chinese Government implies negligence on the part of CAT and this will have a bearing on claims and suits leveled against the airline. The company carries insurance with Lloyd's of London up to \$50,000 for each passenger. There is a Chinese regulation limiting carrier liability in accidents to \$500, however, this regulation is not considered a serious barrier to any suit for damages.

5. Prior to the above developments, Mr. Grundy, the Ambassador, the Deputy Chief of Mission, [redacted] had a lengthy discussion on the CAT situation vis-a-vis Chinese Government attitudes and actions toward CAT resulting from the air crash. [redacted]

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(b)(3)

(b)(1)
(b)(3)

(b)(3)
(b)(6)

[redacted]
R. L. Bannerman
Assistant Deputy Director
for Support

cc: General Counsel
DDCI (Mr. Knoche)

[redacted]

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(b)(1)
(b)(3)

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