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STATEMENT
OF
JOHN A. CARVER, JR. ASSISTANT SECRETARY
FOR PUBLIC LAND MANAGEMENT
BEFORE THE SENATE SUBCOMMITTEE ON THE DEPARTMENT OF THE INTERIOR AND
RELATED AGENCIES APPROPRIATIONS FOR THE FISCAL YEAR 1963

Mr. Chairman and Members of the Committee:

Let me first assure you that I genuinely welcome this opportunity to appear this morning to present the fiscal needs of our territorial activities for Fiscal Year 1963. Among the several activities which I supervise, I can honestly say that none is more rewarding than this one. I suppose that this reaction stems from two things: first, the several territories, each with its own personality, are of such a size that the results of our efforts can be readily identified in measurable progress; second, there is a refreshing challenge in assisting any people who want to help themselves toward a higher standard of living and self-government. I can say with some enthusiasm that in each of our territories the desire for economic and political progress burns brightly. The funds contained in this budget request are intended to foster, encourage and advance that spirit.

These estimates cover the governmental expenses of Guam, American Samoa, The Virgin Islands and the Trust Territory of the Pacific Islands. In addition, funds for power additions and a grant to cover a deficit in the operations of the Virgin Islands are included, happily on a much reduced scale from that which faced us last year.

Funds are also provided for over-all administration through the Office of Territories. Although the fiscal impact is relatively minor, I would also like to note the absence of one item carried in this portion of the Department's program for many years: The Alaska Public Works was officially liquidated at the end of calendar 1961.

The activities which I have enumerated will, if these estimates are accepted, be supported by a total funding program of \$26,569,000. This, of course, does not include the substantive financial programs of Guam and the Virgin Islands which are financed in part from Internal Revenue collections retained in the territories.

Of the direct appropriations requested here, however, 83.4% would be allocated to American Samoa and the Trust Territory. If we exclude the VICORP power grant which is in the nature of a loan, 96% of the total goes to these neglected areas of our responsibility in the Pacific. This puts the matter in sharp focus. It is our judgment that the deficits in education, health services and economic tools are critical in both of these areas--so much so that progress toward decent standards of human dignity and self-sufficiency must be an illusion until corrective measures are taken. Unfortunately, solution to these problems requires long-range attack. We must, therefore, lose no more time in taking the essential first steps.

The situation in Samoa was vividly portrayed last year by its energetic Governor Rex Lee. The Congress responded promptly and generously by appropriating a total of \$9.6 million, most of it in supplemental grants. As a result, we are well on the way toward eliminating the deficiencies of a decade in certain areas. It will be possible for every prepared Samoan child to attend high school this coming fall, although the need for upgrading the standards of secondary education remains as a continuing challenge. We have been able to proceed with replacement of the antiquated, worn out power plant and with rehabilitation of the road between Tafuna Airport (soon to have capacity for jet traffic) and the capital, Pago Pago. Governor Lee is pushing vigorously on many other basic facilities made possible by currently available funds.

Regrettably I cannot inform you that this burden may be cast off. The estimates before you propose a further increase over last year's program in the amount of \$2,569,600. This will permit continuance of the road improvement program and initial steps toward the second increment of the power system. But the major change in spending emphasis next year will be focused on the elementary school system. Its physical plant must be completely replaced if instruction is to be effective; its quality must be upgraded if it is to produce graduates competent to deal with the modern world. In this connection, the Governor has received the advice of experts to the effect that

an educational television system would be an effective, efficient, and economical means of raising educational standards in the shortest period of time.

Turning now to the Trust Territory, I must confess that the program contemplated by this budget does not accurately reflect the urgency of the task which confronts us, even though it proposes an increase of 50% in the funds justified for this year. The program outlined by High Commissioner Goding very properly emphasizes health, education, economic and political development. Some definite advances are contemplated, such as the institution of a post-high school teacher training institute in conjunction with the Pacific Islands Central School and provision for more secondary classrooms.

For the most part, however, the increased estimates result from higher prices, population increases, continuance of a modest hospital and school construction effort begun in 1955, needed airport and harbor improvements, and rehabilitation or replacement of over age plant facilities. We must, of course, maintain these minimal programs and support their increased cost. I would emphasize that up to now it has been the policy to place responsibility for elementary education on the local Micronesian community. The current budget request contemplates no major program change in this critical area, although the shortcomings of this arrangement are quite evident and demand reconsideration. The

medical programs will maintain and perhaps improve the general health level; they do not permit aggressive measures to eradicate those diseases which we know how to control and which impede progress in the islands.

As to the other oversea activities, the Governments of Guam and the Virgin Islands are supported primarily by other fund sources. One further item requires comment here: the Virgin Islands Corporation requests appropriation of \$3.2 million as a Treasury loan to finance expanded power facilities critically needed to sustain the expanding economy of that territory. This represents a revised program for plant augmentation: a 5000 KW steam turbine to be in use by December 1963 on St. Thomas and two 3000 KW diesel generators (one for each island) for operation at the earliest possible date. This schedule requires immediate funding of all three units if serious power shortages are to be avoided during the next two peak load seasons.

Mr. Chairman and Members of the Committee, I have here Mr. Richard F. Taitano, Director of the Office of Territories, Dr. Kenneth A. Bartlett, President of the Virgin Islands Corporation, and certain members of the office staff who will furnish any detailed information the Committee may desire regarding our territorial budgetary programs for the ensuing fiscal year.

Thank you.