

The Trust Territory of the Pacific Islands

*Statement by M. Wilfred Goding
U.S. Special Representative in the Trusteeship Council¹*

It is a privilege to appear again as Special Representative of the United States to report on the principal events that have occurred in the progress of the administration of the Trust Territory of the Pacific Islands since July 1, 1961. This is the second time I have had the pleasure and honor of serving in this capacity, and I look forward to receiving the benefit of the views and recommendations of the members of the Council.

The Council may recall that in my opening statement of last year² I commented that we were then reassessing our needs in the territory with the aim in mind of reshaping and revamping our programs where necessary for more rapid development. I am pleased to be able to report that this reassessment has resulted in significant major policy changes and in the adoption of new procedures, many of them along the lines recommended by the 1961 visiting United Nations mission. These policy changes and significant accomplishments of the past year I shall outline only briefly in this presentation, but I shall be pleased to amplify any points or present any additional information that members of this body may desire.

Administration

Among the most important events of general administrative significance was the unification of the administration of the territory under a single civilian authority. On May 7, 1962, President

¹ Made at the opening session of the U.N. Trusteeship Council on May 31 (U.S./U.N. press release 3999). Mr. Goding is High Commissioner of the Trust Territory of the Pacific Islands.

² BULLETIN of July 31, 1961, p. 201.

Kennedy signed an Executive order³ placing the Saipan District under the jurisdiction of the Department of the Interior. Thus on July 1, 1962, all the territory shall be consolidated under the administrative authority of the High Commissioner. Since the matter of unification of the administration of the territory has been one which the Council regularly has recommended, I know that all members will be as pleased as I am that this unification has been achieved.

With the integration of the Saipan District into the rest of the territory, it will now be possible to achieve the consolidation of Rota Island with the rest of the Marianas. On July 1, 1962, a new district, the Mariana Islands District, will officially come into existence by amalgamating the present Rota District with that of the present Saipan District. This amalgamation, I might note, long has been desired by the people of Rota and is one recommended on numerous occasions by this Council.

Equally important and perhaps even more significant from a long-range point of view has been the designation of Saipan as the provisional capital of the Trust Territory of the Pacific Islands. On July 1, 1962, when the people of Saipan formally join the rest of the territory under one administration, they also will have the privilege of seeing the flag of their High Commissioner raised in the first headquarters located within the territory. Over one-half of the staff members already have moved to the new headquarters site on Saipan, and the rest of the departments and staff will be moving between now and June 30. We believe

³ For text, see *ibid.*, May 23, 1962, p. 837.

that the transfer of the headquarters to a site within the territory will facilitate closer cooperation among the people of the territory and will, as previous visiting missions have suggested, stimulate greater political cohesion.

With the establishment of the headquarters and provisional capital on Saipan, we shall consolidate many headquarters activities now scattered throughout the territory. The central communications unit, the nursing school, the dental school, and public-health activities such as sanitation and health statistics will be consolidated with other headquarters activities, resulting in a more efficient operation.

The establishment of headquarters within the territory also will enable us to intensify the program of training and to meet our aim of utilizing to the maximum extent qualified Micronesians on the headquarters staff. Joining us at our new headquarters will be a Trukese director of sanitation, a Yapese and a Palauan information officer, a Trukese and a Saipanese assistant medical supply officer, a Ponapean assistant political affairs officer, a Palauan interdistrict finance officer, and numerous Micronesians in other positions. The general administrative goal of replacing American staff with qualified Micronesians will be greatly accelerated. Forty-seven headquarters positions in the secretarial, clerical, supply, and other fields, now held by Americans, will be filled by Micronesians after July 1, 1962, in our new headquarters on Saipan.

In the districts during the year, our replacement program also was accelerated. Among the important replacements worthy of mention were the promotion of Mr. David Ramarui to the position of District Director of Education of Palau District, the appointment of Mr. Carl Dannis of Ponape as Assistant Director of Sanitation, and the promotion of Dr. Moonfel of Yap, Dr. Michi Kolios of Truk, and Dr. José Chong of Saipan to full-fledged District Directors of Public Health.

During the past year two Micronesians served with distinction on several occasions as acting district administrators. Mr. Takeo Yano of Palau and Mr. Prudencio Manglona of Rota, in the temporary absence of the District Administrator, assumed full responsibility for the operation of their districts and performed their tasks with confidence and ability.

A number of studies now are underway with

respect to the wage levels incorporated in the Micronesian title and pay plan. A preliminary cost-of-living survey has been conducted, and recommendations as to possible revision of wage scales will be available for review before the close of this fiscal year. In an attempt to establish a more realistic and equitable prevailing wage scale in the Kwajalein area, the District Administrator of the Marshalls was requested to study conditions there and submit a revision of present wage scales for that area. During the year also some 85 top employees were promoted to the senior professional and executive wage classification which was established last year, and others are currently being considered for promotion. The scope of this new classification has been broadened considerably. Individuals promoted to these salaried positions during the year ranged from district directors of public health, senior medical officers, educational administrators, finance officers, supervisors of teacher education, administrative aides, land title officers, social development officers, PICS [Pacific Islands Central School] teachers, and economic and political affairs officers.

Training programs in the districts and at headquarters were accelerated. Each month, for example, has seen on the average some five to six Micronesians in special fields receiving inservice training at our headquarters. Additionally, as shall be described later, there was intensification of formal postgraduate training sessions in such fields as medicine, dentistry, nursing, and sanitation.

Political Development

The past year saw a number of significant developments in the field of political growth. A political affairs officer was added to the headquarters staff and a Micronesian assistant political affairs officer, a young Ponapean with a degree in political science, was also appointed. These two political affairs officers will work with municipal councils, with district legislatures, with legislative committees, and local officials advising and assisting them in political development.

On August 1, 1961, the Council of Micronesia came into being. This was a step of major importance since previously only an Inter-District Advisory Committee to the High Commissioner was in existence. Noteworthy among the Council of Micronesia's actions was the election for the first

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time of a Micronesian chairman, who presided at all meetings. It may be of interest to this body to learn that the first elected chairman of the Council of Micronesia was Mr. Dwight Heine of the Marshalls, who has appeared before the Trusteeship Council on several occasions. The Council of Micronesia also for the first time established drafting committees which prepared official recommendations for the Council to consider. The Council also voted to adopt a territory flag and currently is holding flag-design contests in all districts.

A third major holdover subcommittee of the Council, the Political Development Subcommittee, was formed and, along with the Economic and Social Development Subcommittees, met during the year in the various districts to study and report on problems in these three important fields. As each subcommittee passes through headquarters enroute to the districts, the members meet with me and my staff advising on problems as they see them. These meetings I find extremely valuable and rewarding.

The popular election of delegates to the Council of Micronesia has been instituted. All district congresses this past year had bills under consideration for popular election of delegates, and two districts, Palau and the Marshalls, already have conducted elections for their delegates. It is anticipated that by next month all district congresses will have adopted legislation providing for popular election of delegates to the Council of Micronesia and our 1962 meeting will see a Council whose members have been elected by popular vote by the people of Micronesia. These elections are on a basis of universal adult suffrage.

This fall the Council will meet in Palau as guests of the Palau Congress in the new Congress Building now under construction there. This will be the first meeting of the Council within the territory, and I look forward with anticipation to the forthcoming meeting. In my opinion the Council has made significant strides in 1961 toward its eventual conversion into a true territorial legislative body. The activities of the Council committees and the serious and dedicated manner in which the Council members have attacked common problems permit me at this time to reiterate my statement of last year that by 1965 or earlier a territorial legislative council should be in existence.

On the district level, political development continued to advance. All district congresses met

during the year, and they were in session longer than at any previous sessions. An important measure passed by the various district congresses was revision of the present alcoholic beverages acts. These revisions permitted the importation and sale, subject to local option, of spirituous liquors and imposed a liquor-tax framework under which all liquor imported into the territory is subject to tax levy. Thus the point of tax exemption on liquor for nonindigenous groups noted by the 1961 visiting mission as somewhat of an anomaly no longer exists. In three districts the new alcoholic beverage laws already are in operation, and in the other districts final action and approval is expected prior to July 1 of this year or shortly thereafter.

Our program of chartering municipalities continues, and political development teams in all districts have been strengthened. One of the major tasks of the political affairs officer and the assistant political affairs officer will be to expedite this municipal chartering program in order that all municipalities of the territory may be formally chartered as soon as possible. Our target goal of chartering on an average of 10 municipalities a year has been met, and I envision a more rapid pace in the next few years with the concentrated attention that is to be placed on this chartering program by district political development teams and the headquarters political affairs staff.

Economic Development

An important part of our reassessment this past year was in the area of economic development. Here some very basic policy changes were made and a new attack has been launched on the long-standing economic problems which have faced the people of Micronesia.

An economic unit has been added to the headquarters staff consisting of an economic development officer, a business analyst, and a marketing and cooperative officer. Additionally, a senior economist from the resources planning staff of the Department of the Interior was loaned to us for 3 months this spring to aid in the preparation of a long-range economic plan for the territory. For the first time a specialized economic unit or task force is available on our staff to deal exclusively with economic matters.

Plans are now underway to provide for outside capital participation in economic enterprises

stabilized prices to the producer through the Copra Stabilization Fund.

Agriculture

almost completed and will be in use shortly after July 1, 1962.

Aspects of the agriculture program such as coconut rehabilitation and replanting are pro-

presently beyond the capacity of local investors. As the Council will note, this is a major change from the previous policy which held that outside capital should be excluded from the territory. Capital investment of this nature, however, will be subject to controls that will provide for maximum participation by the Micronesian people. Currently negotiations are underway with a number of major United States commercial fisheries companies for the establishment of large-scale commercial fisheries operations in the Palau and Truk Districts. Other enterprises which may require outside capital participation and which we are currently investigating are fabricating and manufacturing industries, i.e. clothing enterprises, food processing, and eventually commercial transportation and travel facilities.

A Micronesian economic development fund has been proposed, and we have requested \$100,000 in our budget for 1963 as an initial increment for this fund. It is planned to augment the fund capital by providing for a percentage allocation of the existing processing-tax revenues. It is hoped that small business and business development will be greatly accelerated through loans from this fund. During the year expanded use was made of our present loan fund, now limited by law to loans to chartered trading companies. Loans were made from this fund for a boatbuilding enterprise, for capital investments of a copra and cacao cooperative, for expansion of trading company activities, for a slaughterhouse operation, and for fisheries cooperative activities.

Through a new policy established within the last several months, the Administration has guaranteed bank loans to small private businessmen to enable them to invest in productive economic enterprises. Within the last month, for example, through such a loan guarantee procedure a private taxi company, as well as a private bus company, was organized in the Truk District. Similar small private businesses, we trust, can be started in other districts through loan guarantee procedures.

Through the combined services of the new economic development unit and our agricultural extension service, a commercial soapmaking enterprise was launched in the territory. One local entrepreneur in Palau now has a contract to supply Trust Territory boarding schools, hospitals, and territory hotels with locally made coconut-oil toilet soap. In other districts, coconut-oil soap is being made for home consumption.

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A Micronesian products center has been established in Guam under the joint auspices of the Trust Territory economic unit and our new community development office. Largely devoted to the sale of handicraft at the present time, this Micronesian products center should in time develop into a territory-wide marketing cooperative capable of servicing a wide variety of producers cooperatives in the various districts.

The 1961 visiting mission in its report⁴ listed 11 measures it felt desirable for consideration in economic development. This past year all 11 measures either have been accomplished or are in the process of implementation in some form or other. Much remains to be done, but we feel that we have accomplished a significant breakthrough on the economic front. I am confident that this coming year will see even greater progress.

Bank expansion has continued. An additional branch bank opened in Palau during the year, making banking facilities available in four of the six major districts. Plans now are being formulated for the opening of a branch bank in Ponape District this coming year.

Interest in credit unions and cooperatives is high. Some six new credit unions came into existence during the year, bringing the total credit unions to 11 throughout the territory, and others have submitted charters for consideration. A number of cooperative producing and marketing units also were formed in the year under review. These ranged from a cacao-copra producers unit, a fishermen's cooperative, and a boatbuilding association to a housing cooperative. We expect to devote major emphasis this coming year to the expansion of cooperatives in the territory. Four staff members are now attending a postgraduate training course in cooperatives in Fiji and on their return to the territory will conduct a series of cooperative training courses throughout the territory.

A brief summary also might be given of the annual production progress of our major economic resources. In the first 10 months of the present fiscal year some 11,215 short tons of copra have been produced, and we anticipate that the total copra production this year will exceed 13,000 tons. In spite of the unfavorable world market for copra during the past year we have maintained

⁴ U.N. doc. T/1582.

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aircraft between Majuro-Ponape-Truk, linking that section of the territory to the DC-4 service which for the time being will terminate at Truk. As we reassess our

The people of Yap, likewise, have decided that roads and bridges are essential to economic and social development. We are providing some funds

stabilized prices to the producer through the Copra Stabilization Fund.

Agriculture

Vegetable produce and fish export revenue continued to show appreciable increases as compared to the previous years. Fish export revenue, for example, rose from \$19,000 in 1959 to \$78,000 last year. If local and interdistrict sales are included, fish revenue totaled over \$150,000 for fiscal year 1961.

Interest in cacao development continued to be high. Even though the majority of cacao beans harvested are still being purchased by the Administration for seedling purposes, some 5½ tons of cacao were sold on the world market. This we hope to increase fivefold this coming year. Cacao trees are now coming into bearing in Truk, Ponape, and Palau, and within the next few years cacao export should assume a significant place in the economic potential of the territory. The demand for seedlings by local farmers still exceeds the supply being grown by our agricultural stations. In Ponape District alone over 500,000 cacao seedlings were planted by local farmers during the year. In Truk some 230,000 seedlings were planted. Approximately 1 million cacao trees now are planted in the territory. On a basis of one pound of dry beans per tree production, by 1970 we should have a cacao production of at least 500 tons annually, even though no more cacao trees were to be planted. If the planting program continues, as we feel it will, our eventual production will be vastly greater. The cacao subsidy program, which started in 1958 and called for 100,000 trees, has been completed, and 10 percent of these trees are already in production.

It is our hope that one or more large-scale commercial fishery ventures will be in operation in the territory in the very near future. These enterprises should bring sizable income to the local people. At the same time we propose to increase the scope of our own fisheries operation. Considerable progress was made during the year in our pilot fisheries development project in Palau. The fisheries training school was opened in Koro, a boatbuilding cooperative was sponsored there, and a training program in tuna-fishing methods was instituted for Micronesian trainees in Honolulu. The pilot refrigeration plant project in Palau is

almost completed and will be in use shortly after July 1, 1962.

Aspects of the agriculture program such as coconut rehabilitation and replanting are progressing satisfactorily. A farm institute will be opened next month in Ponape to train Micronesian agriculture extension workers. Scholarships for training in tropical agriculture were increased this past year.

The typhoon rehabilitation program in Ulithi progressed very satisfactorily, with the replanting aspects of that atoll being completed this past month. The people of Ulithi are to be commended for the hard and persevering work they have done to rehabilitate their devastated islands.

Transportation Improvements

Major transportation improvements were instituted. A new field-trip ship, built to specific field-trip needs, was placed in operation in the Truk District. The Truk dock was completed and the Truk harbor dredged. The completion of this major harbor improvement project provides Truk with modern and efficient harbor facilities.

A motor vessel, the *North Star*, was acquired from the Department of the Interior as an additional major logistic vessel. This new ship will provide extra logistic and passenger service to all districts and will aid in our economic expansion program.

The acquisition of a DC-4 aircraft and institution of its service as of July 1 this year will materially improve our air service. This new plane, which will carry 40 passengers and appreciable cargo tonnage, will remove many of the problems now found with the operation of the amphibious S-16 aircraft, which can carry a maximum of 14 passengers and has very limited cargo capacity.

The airfield on Yap Island was reconstructed during the year and is expected to be in operation by July 1, 1962. Construction work also was started on the reconstruction of a former airfield on Babelthup, Palau. Until this airfield is ready, we propose to use the airfield on Angaur Island, Palau, in order to make maximum use of the new DC-4 aircraft. Site studies were also made for airfield construction on Ponape Island, and it is hoped that construction of an airfield on Ponape can be started this coming year. In the meantime we propose to operate the amphibious

aircraft between Majuro-Ponape-Truk, linking that section of the territory to the DC-4 service which for the time being will terminate at Truk.

As we reassessed our economic problems it became increasingly apparent that one of the key points to be solved was not only more frequent and better ship transportation but equally so better land transportation. Those of us who think in terms of a coral atoll as a small entity whose contiguous islands can easily be reached by boat, or a high island like Ponape as a small island that can be traversed easily by foot or car, soon have this impression shattered upon firsthand experience. The 1961 visiting mission will recall that when it was in Majuro Atoll last year some of the members visited Majuro Island, which is across the lagoon from the island where the District Center is located. Though within sight, this major island of the atoll could be reached only by a trip of well over 4 hours by motorboat across the lagoon. The trip was a major undertaking, as I am certain that the visiting mission members who made it will recall, and the round trip took all day to accomplish.

One week ago today a 35-mile road from the District Center to the island of Majuro was opened. I am proud to state that the accomplishment of building the 35 miles of road which now links the entire atoll was done by the community effort on the part of the people of Majuro Atoll aided partially by their Administration. A new policy was initiated this past year which provided for the free use of Trust Territory Government construction equipment for community development projects. Previously communities had to pay rent for the use of such equipment, and their limited municipal budgets did not permit much development work to be done. In Majuro the people, led by their District Administrator, decided that with minimum aid and support from the Administration the entire atoll could be linked by a road. This involved not only road construction but building causeways between contiguous islands. The Administration loaned equipment and gave technical advice. The people of Majuro provided the labor. Today the entire atoll is linked together. The next visiting mission to Majuro need not spend 8 hours on a boat to visit an island they can see from our District Center. They will be able to drive to that island in less than an hour.

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The people of Yap, likewise, have decided that roads and bridges are essential to economic and social development. We are providing some funds and equipment; they are providing the hard work and spirit of willingness. In the past 6 months the people of Yap have rehabilitated and improved nearly 14 miles of road on their island. Yap Island also in the near future will no longer be dependent upon the mercy of the tides, waves, and weather for communication from one part of the island to another.

An important start has also been made in opening up and improving roads on Ponape Island and on Babelthuap Island in the Palau District. In each district some 6 miles of roadway are currently being opened, leading out from the district centers in connection with airfield and communications projects.

Through this new policy of providing the use of equipment and minimum aid, local communities are building roads, bridges, schools, and municipal buildings. This new joint enterprise will have a major effect on the economy of our islands, and I feel it is one of the outstanding achievements of the past year.

Radio broadcast station facilities were expanded considerably during the year. Two new Government-sponsored broadcast stations were established, one in Saipan and one in Palau, and equipment for a Government-operated broadcast station in Yap was procured. The Yap station should be in operation within the next several months. The first privately owned commercial radio broadcasting station in the territory went on the air several months ago in Truk District. Plans also call for a Government-sponsored broadcast station to open in Truk this coming year. All major districts now, except Ponape, have local radio broadcast stations in operation. Future plans call for a vastly increased expansion of local radio broadcasting, since it is felt that such a program will speed up our educational, social, economic, and political development in the territory. During the year also seven additional Government-owned and -sponsored outer-island radio stations were installed to connect remote areas by radio to the district centers. Fourteen outer-island radio stations of this nature now are in operation.

Master planning of district centers as total communities rather than simply as Administration

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bases was initiated during the past year. In collaboration with the local government bodies the Administration now is drawing up plans for long-range development which will provide for suitable zoning for residences, for business establishments, roads, public parks, hospitals, etc., and to provide adequate health and sanitation safeguards for our developing urban centers. The lack of such master planning in the past resulted in a somewhat hodgepodge conglomeration of buildings and functions in our district-center areas. The local government bodies are taking an active interest in this master-plan program, and already several municipal councils and district congresses have passed zoning regulations.

Education

All aspects of education in the territory have been subject to close scrutiny and analysis this past year. The recommendations of the Council of Micronesia, the recommendations of the 1961 visiting mission, the views of our educational staff, American and Micronesian, and the opinions and desires of the people of Micronesia have been carefully considered. Out of this reevaluation has come a reassessment of educational needs in the territory, and, as a result, basic policies formerly underlying our educational system have been modified or changed. Since these are major changes which affect not only the philosophy of educational needs but actual implementation of our educational program in the territory, I wish to list them in some detail at this point.

Elementary Schools

First, a policy of aiding in the subsidizing of elementary school teacher salaries was instituted. For the first time in the history of the Administration, funds were budgeted to permit the Trust Territory Government to assist the districts in payment of elementary school teacher salaries. This new joint approach, we hope, will make it possible to provide more adequate salaries for qualified teachers than has been possible by local taxation in the past. Communities will still help support their schoolteachers, but they will no longer stand alone.

The Code of the Trust Territory was changed to lower the elementary school entrance age from 8 years to 7 years. The Council will recall that the 1961 visiting mission recommended a lowering to

6 years. The present 7 years was based partly on recommendations made by the Council of Micronesia and partly on the capability of local schools at this time to absorb larger groups of school-children. We will continue to examine this aspect with the view to further lowering the age of admission when conditions are favorable.

This Administration is in agreement with the view that at the present stage of development it is unrealistic to expect local communities to bear complete financial responsibility for their elementary schools. Accordingly this past year we have budgeted for a program to provide elementary schools with school furniture, basic supplies, and materials. The grant-in-aid program for school buildings, which has been unusually successful, was placed on a formal basis with the institution of the first formally budgeted grant-in-aid program. Previously, grants-in-aid were made out of extra funds garnered from miscellaneous administrative sources. We now expect that the grants-in-aid will be further increased through a program of budgeting and long-range planning.

A major and far-reaching change was the adoption of a new policy establishing English as the medium of instruction at the elementary school level, in contrast to the former educational policy which held that all elementary instruction be conducted in the vernacular. This change was made in conformance with the desire of the Micronesian people as expressed at the Council of Micronesia and by Micronesian teachers and students. This does not mean that all elementary classes will be conducted in English immediately. It does mean, however, that English will be used as the medium of instruction in any grade of elementary school where there are teachers capable of teaching it.

To make this change in policy one of actuality, an English-language teaching program to train Micronesian teachers to teach in English has been launched. Special training sessions for Micronesian and American teachers already have been instituted in Truk, Ponape, and Palau Districts, and a 2-month training session will start in the Marshalls next month. A linguist position has been added to the headquarters educational department, and the primary function of this specialist will be to expand and expedite the teaching of English in our elementary schools.

As a corollary project, we have established a literature production training center, where pri-

mary emphasis will be on production of teaching materials in English for the elementary school level. Training courses in literature production already have been conducted in two of the districts, and the program calls for sessions of this nature in the rest of the districts this coming year.

A community development officer has been appointed to the headquarters staff to supervise the literature production center as well as to organize adult education programs and to work on other aspects of community development. The new community development officer will give special attention to the development of an adult literacy program.

Intermediate School Construction

Significant progress on new intermediate school construction has been achieved. A 6-classroom addition to the intermediate school in Palau was completed during the year and work begun on a new vocational classroom building. The first increment of the new intermediate school on Truk, consisting of a 94-bed boys' dormitory and a 62-bed girls' dormitory, also was completed. Work has begun on the new 8-classroom building for the Truk intermediate school. In the Marshalls District, two 64-bed boys' dormitories and one 30-bed girls' dormitory were completed and work started on the new classroom building and on the school administration building.

High School Program

Another major and significant step forward in higher education was the decision to provide full secondary school programs in all districts by expanding the present intermediate schools into full junior-senior high schools. Funds have been budgeted to initiate this program in September 1962 by adding 10th-grade classes to the intermediate schools in the major districts. Additional classes will be added each year until each district will have a full-fledged high school of its own. A certain number of students from each district, however, for the time being will still go to our central high school at PICS in Ponape. The decision to establish public high schools in each district has meant a replanning of building needs, since it is proposed, as noted above, to build a consolidated junior-senior high school plant instead of simply a junior high school. The establishment of district public schools will enable more

students in each district to have the opportunity of acquiring a high school education.

The proposal also will mean that the present Pacific Islands Central School in the future will become a consolidated high school for Ponape District with a postgraduate program of teacher training for students from all the districts. Vocational education, especially in agriculture, carpentry, boatbuilding, and home economics, will be an important part of the curriculum in all the consolidated junior-senior high schools.

Continued emphasis has been given to the field of higher education. The Administration is constructing a \$100,000 dormitory for scholarship students this year on the campus of the College of Guam. During the year, air fares were greatly reduced on Trust Territory planes to enable private Micronesian students to take advantage of high schools and college opportunities on Guam. A full-time student counselor was added to the headquarters staff to handle problems of high school and college students in Guam. Room accommodations were provided for district congress scholars in the temporary dormitory facilities in the Trust Territory area in Guam. One hundred and thirty-three students were studying in institutions of college level in Guam and abroad during the year.

Public Health

The safeguarding of the health of the people of Micronesia is one of the most important aspects of our overall programs. I am pleased at this time to report that, with the appointment this past year of a Saipanese physician to the post of District Director of Public Health in the Mariana Islands District, all of our districts now have qualified Micronesians in charge of district public-health programs. During the year also, other qualified Micronesian public-health staff moved into positions of greater responsibility. These included a Ponapean who was appointed Assistant Director of Sanitation for the territory, a number of medical officers who were promoted to the "C" schedule, our top professional salary-scale classification, and an assistant to our medical supply officer.

Construction of new hospital facilities was expedited. A new hospital opened in Palau. A new hospital plant is nearing completion in Saipan and will be ready for occupancy shortly after

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Congress Authorizes Increase in Funds for Trust Territory of Pacific Islands

Statement by President Kennedy

White House press release dated July 20

It gives me great pleasure to sign the enrolled bill, S. 2775, which provides authorization for a substantial increase in funds for the continued administration by the United States of the Trust Territory of the Pacific Islands.

We have a great and challenging responsibility for the development of the peoples and resources of the Trust Territory, and, by the passage of this legislation, the Congress has taken the first step toward providing the means whereby a new and vital phase of development may be instituted. This administration has recognized the fundamental changes that are taking place in the outlook of the people in this area, and we intend to meet this challenge with accelerated economic and social programs commensurate with the responsibilities of our stewardship.

The accelerated program that is contemplated will place great emphasis upon education for, in our opinion, education is the key to all further progress—political, economic, and social. It is our hope that, with this authorization, funds will be made available to meet the urgent need for the immediate initiation of programs leading to striking improvement of education at all levels in the Trust Territory, upgrading education to a level comparable to the level which has been taken for granted in the United States for decades. At the same time, we intend to move forward as rapidly as possible and with the cooperation and the full participation of the citizens of the Trust Territory in all other areas requiring development.

The people of the Trust Territory, I am sure, will mark this day as the beginning of a new era of progress for the Trust Territory and its inhabitants.

July 1 of this year. The new hospital plant for the Marshalls now is half completed. Hospital plants for Truk and Ponape Districts are to be started this coming fiscal year. New hospital plants with modern facilities will be a reality in all districts by the end of 1965, and plans are being made for additional medical facilities at out-island locations.

Postgraduate training for Micronesian doctors, nurses, and dentists was carried out at the U.S. Army hospital and the Navy dental clinic in Guam this past year. Four medical officers completed postgraduate work in surgery and general medical

fields, while two completed specialized training in anesthesia. Thirteen dental officers completed postgraduate training at the Navy dental clinic in Guam, and one dental officer currently is in graduate school at the Dental College, University of Michigan. Five sanitarians received refresher courses at the Guam Memorial Hospital, and a special postgraduate course for Micronesian head nurses was conducted at the naval hospital. This postgraduate training is part of an intensified program of refresher courses for our Micronesian medical staff. Plans call for continuation and expansion of this training in public medical and health institutions in Guam, in the Philippines, and in the United States. A very significant decision in public-health training was made to the effect that starting this June all future Trust Territory applicants for medical and dental scholarships will qualify for full-fledged medical and dental university work. Although during the past year five candidates were sent to the Fiji medical school, they are the last Trust Territory candidates to enroll for the 5-year Suva medical school course. From now on, all medical and dental candidates will start university work leading to the doctorate degree in medicine or dentistry. This June two additional candidates will be sent to premedical school, bringing the number of our premedical students now studying in universities to six.

Land and Claims Settlement

The program of releasing public-domain land to the Micronesians has been accelerated, and the issuance of homestead deeds was greatly expedited this past year. In Ponape District alone some 276 quitclaims through the homestead program were issued, and every attempt is being made to push the homestead program vigorously. Additional personnel has been authorized for land and claims sections in various districts in order to expedite necessary surveying. Homestead requirements were waived on land held by Micronesians on former Japanese leases, and 162 quitclaims giving complete title to these leaseholders have been issued this past year. A land and claims administrator position is being established on the headquarters staff, and we hope to have the position filled shortly after July 1 of this year.

As reported at last year's session, the only major land claims of significance unresolved in the terri-

Indonesia

Agreement amending the agricultural commodities agreement of February 10, 1962, as amended (TIAS 4962 and 5054). Effected by exchange of notes at Djakarta July 11, 1962. Entered into force July 11, 1962.

tory are those involving the use of Kwajalein Atoll and certain portions of Majuro Atoll. For our part, during the year we have attempted to reach a satisfactory settlement with the principals involved. It is with regret that I must report that such agreement has not yet been reached. Negotiations are continuing, and it is our earnest hope that a mutually satisfactory settlement of this longstanding problem will soon result. If settlement is not possible, provision will be made to resolve the question through judicial proceedings.

Status of Displaced Marshallese

The general readjustment and condition of the people of Kili, Ujelang, and Rongelap remains satisfactory. The income of the trust funds of the people of Kili and Ujelang provides more than ample cash supplement to their subsistence crops and their income from the sale of copra. On Rongelap the people now have become completely self-supporting from the standpoint of local subsistence and additionally are producing considerable amounts of copra for export. The periodic annual medical reexamination was conducted 3 months ago by a team composed of Trust Territory medical staff and Atomic Energy Commission medical experts. This report indicates that the general health of the Rongelapese remains satisfactory and that no further discernible aftereffects of the fallout were found. Legislation has been submitted to the Congress for settlement of claims.

War-Damage Claims

The matter of the settlement of war-damage claims received the highest priority during the year. A special survey team was designated to visit the territory and to evaluate the extent and nature of legitimate claims of this nature. The results of that survey have been forwarded to our State Department to provide the basis for official representations to the Japanese Government.

Conclusion

Within the limits of the budget resources available to us this past year, I feel that we have made significant progress. Our reassessment of educational needs, of construction needs, of economic development needs, and of public-health needs highlighted the obvious fact that at this crucial stage in the territory's development a more rapid

pace of development is required. Accordingly, we presented to the Congress of the United States a budget of \$10 million for the fiscal year 1963 beginning July 1, 1962, an increase of 65 percent over the budget of \$6,304,000 for the current year. At the same time we requested the Congress to raise the ceiling which is set at \$7½ million. Favorable action on the ceiling bill is required for consideration of our increased budget. Should favorable action occur, our Administration will be able within the next several months to appreciably accelerate all of our important substantive programs.

I am deeply grateful for this opportunity to present this brief report. I shall attempt to provide any additional information the members of the Council may desire on our recent developments or on the annual report* for the year 1961, which is before this body for review.

TREATY INFORMATION

Current Actions

MULTILATERAL

Automotive Traffic

Convention on road traffic, with annex. Done at Geneva September 19, 1949. Entered into force March 26, 1952. TIAS 2487.

Notification received that it considers itself bound: Malagasy Republic, June 27, 1962.

Customs convention on temporary importation of private road vehicles. Done at New York June 4, 1954. Entered into force December 15, 1957. TIAS 3943.

Accession deposited: Finland, June 21, 1962.

Aviation

Convention for unification of certain rules relating to international transportation by air and additional protocol. Done at Warsaw October 12, 1929. Entered into force February 13, 1933. 49 Stat. 3000.

Notifications received that they consider themselves bound: Congo (Brazzaville) (with a statement), January 5, 1962; Ivory Coast, February 7, 1962; Lebanon, February 10, 1962; Niger, February 20, 1962.

Adherence deposited: Mongolian People's Republic, April 30, 1962. Protocol to amend the convention for unification of certain rules relating to international carriage by air signed at

* Trust Territory of the Pacific Islands, 1961 (Department of State publication 7362); for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. (\$1).

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Warsaw October 12, 1929 (49 Stat. 3000). Done at The Hague September 23, 1955.¹

Notifications received that they consider themselves bound: Congo (Brazzaville) (with a statement), January 5, 1962; Ivory Coast, February 7, 1962; Niger, February 20, 1962.

Protocol relating to amendment of article 50(a) of the Convention on International Civil Aviation to increase membership of the Council from 21 to 27. Approved by the ICAO Assembly at Montreal June 21, 1961.

Ratification deposited: Austria, July 17, 1962.
Entered into force: July 17, 1962.

Germany

Agreement on the abrogation of the convention on the rights and obligations of foreign forces and their members in the Federal Republic of Germany, the agreement on the tax treatment of the forces and their members, and the finance convention, all signed at Bonn May 26, 1962, as amended by the protocol of October 23, 1964, on the termination of the occupation regime in the Federal Republic of Germany (TIAS 3425). Signed at Bonn August 3, 1959.
Ratifications deposited: France, January 24, 1962; United Kingdom, July 5, 1962.

Laws

Declaration on the neutrality of Laws, and protocol. Signed at Geneva July 23, 1962.

Signatories: Burma, Cambodia, Canada, People's Republic of China, France, India, Laos, Polish People's Republic, Thailand, Union of Soviet Socialist Republics, United Kingdom, United States, Republic of Vietnam, and Democratic Republic of Vietnam.
Entered into force: July 2, 1962.

Postal Services

Universal postal convention with final protocol, annex, regulations of execution and provisions regarding air mail with final protocol. Done at Ottawa October 3, 1961. Entered into force at Ottawa October 3, 1962.
Ratification deposited: Austria, May 23, 1962.
Entered into force: Cyprus, March 23, 1962.

BILATERAL

Argentina

Agreement for cooperation concerning civil uses of atomic energy, and related notes. Signed at Washington June 22, 1962.

Entered into force: July 27, 1962.

Bolivia

Agreement amending the agricultural commodities agreement of February 19, 1962, as amended (TIAS 4962), effected by exchange of notes at La Paz July 11, 1962.

Indonesia

Agreement amending the agricultural commodities agreement of February 19, 1962, as amended (TIAS 4962 and 5064). Effected by exchange of notes at Jakarta July 11, 1962. Entered into force July 11, 1962.

Pakistan

Agreement relating to the establishment of a Peace Corps program in Pakistan. Effected by exchange of notes at Karachi May 31, 1962. Entered into force May 31, 1962.

Portugal

Agreement amending the agreement of July 21, 1955, as amended (TIAS 3317, 3890, and 4519), for cooperation concerning civil uses of atomic energy. Signed at Washington May 28, 1962.

Entered into force: July 20, 1962.

PUBLICATIONS

Department Publishes Third Volume on U.S.-GATT Tariff Negotiations

Press release #77 dated July 25

The Department of State on July 23 published the third volume of its analysis of the U.S. negotiations in the 1960-61 tariff conference, held under the auspices of the Contracting Parties to the General Agreement on Tariffs and Trade (GATT) in Geneva, Switzerland.

Volume III contains an analysis of all reciprocal agreements between the United States and Cambodia, Haiti, India and Japan, as well as a consolidated schedule of the new concessions granted by the United States in all the reciprocal tariff negotiations concluded in the course of the conference. A summary by commodity group of the concessions granted by the United States is also included in this volume. A subsequent volume will contain the Common External Tariff of the European Community, which is the result of the Geneva negotiations.

The Geneva tariff conference, which began on September 1, 1960, originally lasted only 11 months, but was extended to July 1962. It was the longest and most intensive tariff negotiations since the end of World War II.

Agreement regarding the suspension of tolls on the Welland Canal. Effected by exchange of notes at Ottawa July 3 and 13, 1962. Entered into force July 13, 1962.

Ceylon

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 455; 7 U.S.C. 1701-1709), with exchange of notes. Signed at Colombo July 19, 1962. Entered into force July 19, 1962.

¹ Not in force.

² Laos signed only the protocol.

¹ For background, see BULLETIN of Apr. 2, 1962, p. 561.

² *General Agreement on Tariffs and Trade: Analysis of United States Negotiations*, Volume III (Department of State publication 7408); for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.; price 45 cents. Also available from the Superintendent of Documents are volume I (Department of State publication 7349, price \$1.25) describing the agreements with the EEC and the reciprocal agreements for new concessions, and volume II (Department of State publication 7350, price 35 cents) describing the compensatory negotiations.

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410 7/23 Suspension of Welland Canal tolls.
*471 7/23 U.S. participation in international conferences.
472 7/23 Volume III of analysis of 1960-61 GATT tariff conference released.
473 7/25 Rusk: 18-Nation Committee on Disarmament.
*474 7/25 Visit of Lao Prime Minister.
475 7/24 Turkey credentials (rewrite).
476 7/24 Malaya credentials (rewrite).
477 7/27 Consultations between U.S. and International Tin Council.
478 7/27 Air talks with Chile.
479 7/27 Meetings with Argentine Minister of Economy.
480 7/27 Bowles' visit to Colombia.

*Not printed.

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