

Message from Gov. Camacho

Guam

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STATE OF THE TERRITORY MESSAGE - JANUARY 30, 1973

MR. SPEAKER, MEMBERS OF THE TWELFTH GUAM LEGISLATURE, HONORED GUESTS, LADIES AND GENTLEMEN: IT IS WITH PLEASURE THAT I ADDRESS THE OPENING SESSION OF THE TWELFTH GUAM LEGISLATURE.  
CONGRATULATIONS

LET ME TAKE THIS OPPORTUNITY TO CONGRATULATE ALL TWENTY-ONE MEMBERS OF THIS NEW LEGISLATURE. THE PEOPLE'S CHOICE THIS YEAR, WILL, I BELIEVE, PROVE JUSTIFIED AND FRUITFUL. THE ELECTION RESULTS DEMONSTRATE THAT OUR PEOPLE ARE NO LONGER VOTING ARBITRARILY ALONG PARTY LINES. THE RECORD SHOWS THAT THEY HAVE BECOME SELECTIVE IN THEIR CHOICE OF REPRESENTATIVES. IT CAN BE SAID THAT THIS ELECTION YEAR THE PEOPLE HAVE CHOSEN MEN OF ACTION, INDIVIDUALS WHO HAVE DEMONSTRATED SINCERE CONCERN FOR PUBLIC ISSUES.

POLITICAL STATUS

IN THE COURSE OF PREPARING MY REMARKS BEFORE YOU TONIGHT, I HAVE GIVEN LONG AND SERIOUS CONSIDERATION TO THE POLITICAL STATUS OF THE TERRITORY IN THIS CALENDAR YEAR 1973. DURING THE PAST FEW YEARS, IT IS TRUE, WE HAVE GAINED A GREATER MEASURE OF AUTONOMY. WE HAVE BEEN GRANTED THE RIGHT TO ELECT OUR OWN GOVERNOR. WE HAVE WON REPRESENTATION FOR GUAM IN THE CONGRESS OF THE UNITED STATES. THESE ARE PROGRESSIVE STEPS TOWARDS DEMOCRACY.

AND LET ME MAKE IT PERFECTLY CLEAR FOR THE RECORD, GENTLEMEN, BEFORE I GO ON TO DISCUSS OUR POLITICAL STATUS: I BELIEVE I SPEAK FOR ALL OF US WHEN I SAY WE ARE PROUD TO BE AMERICAN CITIZENS. YOU COULD NOT FIND A MORE PATRIOTIC COMMUNITY ANYWHERE IN THE

UNITED STATES, OUR SACRIFICES DURING THE SECOND WORLD WAR, AND DURING THE VIETNAM WAR, ARE TESTIMONY TO THIS FACT, WE, ON GUAM, ARE STAUNCHLY PRO-AMERICAN.

THE PRINCIPLES OF TRUE DEMOCRACY, HOWEVER, HAVE NOT YET BEEN FULLY APPLIED TO GUAM. IT HAS BEEN SAID THAT GUAM IS THE SHOWCASE OF DEMOCRACY IN THE FAR EAST. LADIES AND GENTLEMEN, THAT IS OUR GOAL. BUT AS OF THIS DAY IT IS NOT A REALITY. GUAM IN THE YEAR 1973 IS STILL ONLY A TEST-TUBE IN THE GREAT LABORATORY OF DEMOCRATIC TRADITIONS. WE HAVE A LONG WAY TO GO BEFORE IT CAN TRULY BE SAID THAT GUAM SHARES IN A GOVERNMENT OF THE PEOPLE, BY THE PEOPLE, FOR THE PEOPLE.

I, FOR ONE, AM NOT SATISFIED WITH GUAM'S LIMITED MEASURE OF SELF-GOVERNMENT. AS AN INDICATION OF OUR GOVERNMENT'S PRESENT LIMITATIONS AND HANDICAPS, CONSIDER THE FOLLOWING:

..WE ARE PROUD TO SERVE IN THE UNITED STATES ARMED FORCES. WE HAVE LOST 71 LIVES IN THE VIETNAM WAR, NOT TO MENTION THE 24 GUAMANIAN WHO HAVE BEEN DISABLED IN COMBAT. YET WE ARE STILL NOT PRIVILEGED TO VOTE FOR THE PRESIDENT OF THE UNITED STATES WHO DECIDES WHETHER OR NOT WE SHALL GO TO WAR.

..GUAM IS GOVERNED BY U.S. IMMIGRATION LAWS WHICH ARE CLEARLY INAPPROPRIATE TO A SMALL ISLAND. GUAM IS ALSO CRITICALLY SHORT OF LABOR, YET WE ARE NOT FREE TO IMPORT THE NUMBERS AND KINDS OF WORKERS WE NEED TO SUPPORT A GROWING ECONOMY. IN ORDER TO CONTROL ECONOMIC TRENDS AND SOCIAL INFLUENCES ON GUAM, WE SHOULD BE GIVEN A VOICE IN THE DRAFTING OF IMMIGRATION AND LABOR LAWS MORE SUITED TO OUR NEEDS.

..IN ORDER TO DEVELOP OUR TRADE AND COMMERCE, WE SHOULD BE FREE TO NEGOTIATE AND ENTER INTO TRADE AGREEMENTS WITH NEIGHBORING ISLANDS. LACKING THE APPROPRIATE AUTHORITY, HOWEVER, WE ARE UNABLE TO DO THIS.

..GUAM IS DEPENDENT UPON SHIPS AND AIRCRAFT TO SERVE HER NEEDS. YET WE ARE IN NO POSITION TO INFLUENCE CARRIER ROUTES, POLICIES, RATES OR REGULATIONS. THESE MATTERS ARE DETERMINED BY THE FEDERAL GOVERNMENT AND CIVIL AERONAUTICS BOARD IN ACCORDANCE WITH U.S. MAINLAND INTERESTS.

..GUAM'S ECONOMIC GROWTH DEPENDS UPON A MODERNIZED, EXPANDED INFRASTRUCTURE. WE NEED ADDITIONAL HIGHWAYS, UTILITIES AND PUBLIC FACILITIES. WE NEED LARGER PORTS TO SERVE OUR AIRCRAFT AND SHIPPING. YET WE SEE SOME OF OUR ESSENTIAL PROGRAMS DELAYED OR CURTAILED BY FEDERAL ACTIVITIES.

..MY ADMINISTRATION HAS RECENTLY JUSTIFIED A FOURTEEN MILLION DOLLAR CAPITAL IMPROVEMENTS LOAN FROM THE FEDERAL GOVERNMENT FOR FISCAL YEAR 1974, OR A FORTY-FIVE MILLION DOLLAR LOAN OVER THE NEXT FIVE YEARS TO EXPAND OUR FACILITIES. PLANNED ECONOMIC EXPANSION DEMANDS AN INFUSION OF CAPITAL FROM EXTERNAL SOURCES. YET WE HAVE BEEN INFORMED BY THE DEPARTMENT OF THE INTERIOR THAT WITH THE EXCEPTION OF GRANT-IN-AID FUNDS, NO NEW FUNDS WILL BE AVAILABLE TO GUAM FOR CAPITAL IMPROVEMENTS FOR FISCAL YEAR 1974.

GUAM IS, IN EFFECT, MARKING TIME WHILE SURROUNDING COUNTRIES OUT HERE IN THE PACIFIC CONTROL THEIR OWN DEVELOPMENT BY ENTERING

INTO MUTUAL TRADE AGREEMENTS WITH THEIR NEIGHBORS, BY BORROWING FUNDS FROM FOREIGN BANKS, OR FROM ORGANIZATIONS ESTABLISHED SPECIFICALLY TO AID SMALL, BACKWARD COUNTRIES.

STATE DEPARTMENT POLICIES, ON THE OTHER HAND, RENDER GUAM INELIGIBLE FOR FOREIGN FINANCIAL ASSISTANCE. GUAM HAS ALSO BEEN DECLARED INELIGIBLE FOR UNITED NATIONS ECONOMIC OR TECHNICAL AID, EVEN THOUGH WE ARE FULL-FLEDGED MEMBERS OF THE SOUTH PACIFIC CONFERENCE, A UNITED NATIONS ORGANIZATION ESTABLISHED SPECIFICALLY TO DEVELOP THE ECONOMY OF THE ISLANDS.

### POLITICAL ADVISORY COMMITTEE

IN THIS CALENDAR YEAR 1973, I BELIEVE THE TIME IS RIPE FOR GUAM TO REASSESS HER POLITICAL STATUS. GUAM SHOULD EVALUATE THE IMPACT AND IMPLICATIONS OF EXISTING FEDERAL LAWS AND REGULATIONS UPON HER DEVELOPMENT. FOR OVER SEVENTY YEARS NOW, SINCE THE TREATY OF PEACE WAS SIGNED IN PARIS ON DECEMBER 10, 1898, THE PEOPLE OF GUAM HAVE INHABITED A POLITICAL NO-MANS-LAND, DESPITE THE ASSURANCE IN THE TREATY OF PEACE THAT THE UNITED STATES WOULD DETERMINE THE ULTIMATE POLITICAL STATUS OF THE PEOPLE OF GUAM. IT IS TIME THAT OUR POLITICAL STATUS WAS FINALLY DETERMINED. CONTROL OF OUR DESTINY IS OUR BIRTH-RIGHT. FULL ACCESS TO ALL HUMAN AND NATURAL RESOURCES TO BUILD THE KIND OF GUAM WE WANT FOR THE FUTURE -- THIS, LADIES AND GENTLEMEN, THIS IS THE IMAGE THAT SHOULD BE SEEN THROUGH ANY SHOWCASE OF DEMOCRACY.

WE MUST TAKE THE INITIATIVE. WE SHOULD FORMULATE WHATEVER MEASURES ARE CONSIDERED NECESSARY IF GUAM IS TO PROCEED FURTHER IN THE DIRECTION OF A FULLY-FLEDGED STATE -- WHETHER IT BE TO SEEK

THE INTERIM STATUS OF A COMMONWEALTH, AN INCORPORATED TERRITORY, OR ANY OTHER POLITICAL STATUS. APATHY OR DELAY ON OUR PART AT THIS LATE DATE IN SECURING OUR FULL POLITICAL RIGHTS WILL CONSTITUTE A BETRAYAL OF OUR CHILDREN. IT WILL SEE US ULTIMATELY LAGGING FAR BEHIND POLITICAL AND ECONOMIC DEVELOPMENTS IN MICRONESIA.

I THEREFORE PROPOSE TO APPOINT A POLITICAL ADVISORY COMMITTEE CONSISTING OF REPRESENTATIVES FROM THE THREE BRANCHES OF GOVERNMENT AND MEMBERS OF THE COMMUNITY-AT-LARGE. THIS COMMITTEE WILL BE REQUIRED TO TAKE STOCK OF THE LIMITED POWERS OF OUR GOVERNMENT, TO EVALUATE EXISTING FEDERAL LAWS AND POLICIES, AND TO ASSESS OUR IMMEDIATE NEEDS. THE COMMITTEE WILL FURNISH A REPORT CONTAINING ITS FINDINGS AND MAKING RECOMMENDATIONS RELATIVE TO AN APPROPRIATE POLITICAL STATUS. I SHALL PRESENT LEGISLATION DESIGNED TO ESTABLISH THIS COMMITTEE AND TO PROVIDE THE FUNDS NECESSARY TO SUPPORT ITS ACTIVITIES.

#### PRESERVE BALANCE OF POWERS

IN THE COURSE OF PREPARING MY STATE OF THE TERRITORY MESSAGE, I HAVE ALSO REFLECTED ON THE QUALITY OF THAT DEGREE OF SELF-GOVERNMENT WHICH WE HAVE SO FAR BEEN GRANTED. WITH THE SAME PATIENCE AND LONGING WE ONCE SOUGHT TO ELECT OUR OWN GOVERNOR, WE SHOULD NOW APPLY OURSELVES TO PROTECT THAT DEGREE OF SELF-GOVERNMENT WHICH WE HAVE ALREADY WON. OUR SYSTEM OF GOVERNMENT WILL FAIL IF WE TURN A BLIND EYE, OR CONDONE THE ENROACHMENT OF THE POWERS OF ONE BRANCH OVER THE LEGITIMATE POWERS OF THE OTHER. OUR DEMOCRATIC SYSTEM OF GOVERNMENT, WHEREBY THE BALANCE OF POWERS IS EQUALLY DIVIDED AMONG

THE THREE BRANCHES, HAS AT TIMES IN THE PAST BEEN STRAINED AT THE SEAMS. YOU AND I, THEREFORE, MUST BE THE KEEPERS AND CONSCIENCE OF OUR DEMOCRACY. WHEN PROBLEMS ARISE, WE MUST AVOID THE TEMPTATION TO TABLE THEM, OR TO TAKE UNILATERAL ACTION AND THEREBY OVERSTEP THE BOUNDARIES OF OUR SEPARATE POWERS.

### JOINT WORKING COMMITTEES

FOR TOO LONG THE LEGISLATIVE AND EXECUTIVE BRANCHES HAVE BEEN DEADLOCKED OVER BASIC ISSUES - THE DISPOSITION OF THE TELEPHONE SYSTEM, THE SELECTION OF A SITE FOR A NEW HOSPITAL, THE CREATION OF A PUBLIC UTILITY COMMISSION, THE CREATION OF A CONSUMER PROTECTION BUREAU, DISTRICT REPRESENTATION AND GAMBLING - TO MENTION ONLY A FEW. MEANWHILE THE PEOPLE OF GUAM ARE LEFT WANTING. THE PEOPLE NEED A NEW HOSPITAL NOW. THE PEOPLE WANT A WORKABLE TELEPHONE SYSTEM NOW. THEY WANT PROTECTION FROM ECONOMIC EXPLOITATION NOW.

MY ADMINISTRATION WILL ONCE AGAIN SUBMIT LEGISLATION TO RESOLVE THESE PROBLEMS AND I HAVE RENEWED FAITH THAT THE MEMBERS OF THE TWELFTH GUAM LEGISLATURE WILL RISE TO THE CHALLENGE AND WORK WITH ME TOWARDS AN ACCEPTABLE SOLUTION.

IF, ON THE OTHER HAND, WE FACE CONTINUED DEADLOCKS, I SHALL PROPOSE A SYSTEM OF JOINT WORKING COMMITTEES COMPOSED OF REPRESENTATIVES FROM BOTH BRANCHES OF GOVERNMENT. THESE COMMITTEES SHOULD SIT IN CONTINUOUS SESSION UNTIL OUR DIFFERENCES ARE RESOLVED. THE TIME TO ACT ON MANY OF THESE PROBLEMS WAS YESTERDAY. THE TIME TO SET PARTISANSHIP ASIDE AND VOTE ON THE MERITS OF THE ISSUES IS TODAY. I MAY NOT HAVE A HENRY KISSINGER ON MY STAFF, GENTLEMEN, BUT I ASSURE YOU THAT THIS YEAR I HAVE DELEGATED COMPETENT ASSISTANTS

TO WORK IN CLOSE COOPERATION WITH THE TWELFTH GUAM LEGISLATURE - THEIR MISSION TO ESTABLISH A CONTINUOUS AND FRUITFUL DIALOGUE BETWEEN THE TWO BRANCHES OF GOVERNMENT.

### AUTONOMOUS AGENCIES - COMMERCIAL PORT

REVIEWING THE GROWTH AND DEVELOPMENT OF OUR GOVERNMENT DEPARTMENTS AND AGENCIES, YOU WILL OBSERVE THERE HAS BEEN A TENDENCY FOR AN INCREASED NUMBER OF AGENCIES TO SEEK AUTONOMY. THE STATUS OF AGENCY AUTONOMY HAS ITS ADVANTAGES. AUTONOMY HAS ENABLED SOME OF THE AGENCIES TO ACQUIRE CAPITAL, EITHER THROUGH BANK LOANS OR THROUGH THE SALE OF BONDS - CAPITAL THEY COULD NOT OTHERWISE HAVE OBTAINED.

THE COMMERCIAL PORT OF GUAM CURRENTLY RANKS AS A SEMI-AUTONOMOUS AGENCY. I SHALL, HOWEVER, INTRODUCE LEGISLATION TO CREATE A PORT AUTHORITY. THIS WILL ENABLE THE PORT TO ISSUE BONDS AND RAISE CAPITAL FOR THE CONSTRUCTION OF FACILITIES TO COPE WITH OUR RAPID ECONOMIC EXPANSION. THE PORT AUTHORITY'S TARIFF RATES, CHARGES, STANDARDS OF SERVICE AND SAFETY REGULATIONS SHALL, HOWEVER, LIKE THOSE OF OTHER AUTONOMOUS AGENCIES, BE MADE SUBJECT TO THE REVIEW AND APPROVAL OF THE PUBLIC UTILITY COMMISSION. SHOULD AN AIRPORT AUTHORITY ALSO BE ESTABLISHED SOME TIME IN THE FUTURE, ITS RATES AND CHARGES, TOO, SHOULD BE SUBJECT TO THE APPROVAL OF THE PUBLIC UTILITY COMMISSION.

### PUBLIC UTILITY COMMISSION

ALTHOUGH THERE ARE BENEFITS TO BE DERIVED FROM CREATING AUTONOMOUS AGENCIES, WE SHOULD BE WARY OF BREEDING A SITUATION WHEREIN MORE AND MORE AGENCIES ARE GIVEN COMPLETE FREEDOM TO CHARGE

WHATEVER RATES THEY CHOOSE. THE ESSENCE OF GOVERNMENT IS, AFTERALL, THE CONDUCT OF PUBLIC BUSINESS IN THE PUBLIC INTEREST. IT IS PARTICULARLY IMPORTANT, THEREFORE, THAT WE ENACT LEGISLATION TO ESTABLISH A PUBLIC UTILITY COMMISSION, WHOSE PRIME FUNCTION WILL BE TO SUPERVISE THE RATES, CHARGES, STANDARDS OF SERVICE, AND SAFETY REGULATIONS - NOT ONLY OF THE PUBLIC UTILITY AGENCY, BUT OF ALL AUTONOMOUS AGENCIES WHO CHARGE THE PUBLIC FOR THEIR SERVICES.

### PLANNING AGENCY

WE ASPIRE, GENTLEMEN, TO DEMOCRACY ON GUAM, BUT YOU WILL AGREE THAT NO IDEAL WAS EVER ACHIEVED WITHOUT THE IMPLEMENTATION OF A SOUND PLAN OF ACTION. AT THE PRESENT TIME, WE HAVE A DOZEN AGENCIES INDEPENDENTLY FORMULATING LONG-RANGE PLANS, WHICH ARE FREQUENTLY INCOMPATIBLE WITH EACH OTHER. THIS ADMINISTRATION HAS THUS RETAINED CONSULTANTS WHO ARE NOW DRAFTING AN INTEGRATED, LONG-RANGE GUAM MASTER PLAN FOR THE PHYSICAL, SOCIAL AND ECONOMIC DEVELOPMENT OF THE ISLAND. WHEN THE GUAM MASTER PLAN IS COMPLETED TO OUR SATISFACTION, IF IT IS NOT TO SIT IN THE DUST ON THE SHELVES, WE ~~MUST~~ DESIGNATE A PLANNING AGENCY TO COORDINATE THE PLAN'S IMPLEMENTATION. THE AGENCY WOULD ALSO COORDINATE THE IMPLEMENTATION OF THE LONG-RANGE FINANCIAL PROGRAM I MENTIONED EARLIER. IT WOULD ALSO REPORT DEVELOPMENTS IN THE PRIVATE SECTOR OF THE COMMUNITY, AND BRING MAJOR ISSUES TO MY ATTENTION. THE AGENCY WOULD ENSURE THAT FUTURE PLANS FOR PUBLIC FACILITIES ARE COORDINATED WITH EXPANSION IN THE PRIVATE SECTOR.

A GOVERNMENT IN THE TWENTIETH CENTURY WITHOUT A CENTRALIZED PLANNING AGENCY IS, I ASSURE YOU, LIKE A SHIP WITHOUT A COMPASS,



SAILING IN NO PARTICULAR DIRECTION. I SHALL THEREFORE ESTABLISH A CENTRAL PLANNING AGENCY WITHIN MY OFFICE, AND OUR BUDGET SUBMISSION FOR FISCAL YEAR, 1974, WILL INCLUDE FUNDING FOR THAT AGENCY.

### LAND USE

AN INTEGRAL PART OF THE GUAM MASTER PLAN WILL BE A FUTURE LAND USE PLAN. AT THE PRESENT TIME, LAND SPECULATION IS RIFE. THE AVERAGE FAMILY ON GUAM CAN NO LONGER AFFORD TO PURCHASE A LOT.

THE OLD 1966 MASTER PLAN FOR GUAM HAS PROVEN INADEQUATE TO COPE WITH TODAY'S ECONOMIC GROWTH. THE NEW LAND USE PLAN WILL ENABLE US TO CHANNEL FUTURE GROWTH INTO CAREFULLY PLANNED ZONES. STRICT ZONING REGULATIONS BACKED BY LAW WILL HELP TO STABILIZE THE PRICE OF LAND. IN THE MEANTIME, I WILL INTRODUCE LEGISLATION THAT WILL REQUIRE DEVELOPERS TO PROVIDE RECREATION AND SCHOOL SITES WITHIN THEIR SUBDIVISIONS. THIS MEASURE WILL ALSO REQUIRE A PROVISION FOR GREENBELTS BETWEEN VARIOUS URBAN USES.

### GEDA

CONCERNING THE GUAM ECONOMIC DEVELOPMENT AUTHORITY, GEDA HAS ~~DONE~~ A CREDITABLE JOB TO DATE OF STIMULATING ECONOMIC ACTIVITY ON GUAM.

I AM AWARE, HOWEVER, THAT SOME BUSINESSES CURRENTLY RECEIVING TAX SUBSIDIES ARE MAKING EXCESSIVE PROFITS DURING THEIR FIRST YEARS OF OPERATION. THE TIME IS NOW RIPE TO RE-EVALUATE GEDA'S TAX ABATEMENT POLICIES.

I SUGGEST THAT TERMS FOR TAX SUBSIDIES IN FUTURE BE CONSIDERABLY REDUCED FROM THE PRESENT MAXIMUM OF TWENTY YEARS. THIS IS NOT INTENDED TO DETER NEW INDUSTRIES FROM ENTERING GUAM. THE

INTENT IS TO PROVIDE TAX SUBSIDIES ONLY TO THE EXTENT NECESSARY, AND ONLY WHEREVER THEIR BENEFITS CLEARLY OUTWEIGHT THE COSTS. WE CANNOT AFFORD TO GRANT TAX SUBSIDIES TO AN UNLIMITED NUMBER OF BUSINESSES FOR AN EXTENDED PERIOD OF TIME, AND AT THE SAME TIME FINANCE ALL THOSE GOVERNMENT SERVICES UPON WHICH EACH BUSINESS DEPENDS. THE ACCUMULATED DRAIN UPON OUR RESOURCES WILL ULTIMATELY EXCEED ANY BENEFITS WE MIGHT OTHERWISE DERIVE.

MY ADMINISTRATION WILL THEREFORE REVIEW THE FACTS AND SUBMIT AMENDING LEGISLATION TO THE GEDA LAW.

### THE ECONOMY

ON THE ECONOMIC SCENE, DURING THE PAST FEW YEARS WE HAVE WITNESSED REMARKABLE EXPANSION IN CONSTRUCTION ACTIVITIES, IN TOURISM, TRANSPORTATION, IMPORTS AND IN FINANCIAL INSTITUTIONS. IN THE LATTER AREA, GUAM APPEARS TO BE WELL ON THE WAY TO BECOMING A FINANCIAL CENTER IN THIS PART OF THE PACIFIC. MOREOVER, I AM TOLD OUR LOCAL PEOPLE HAVE EXCEPTIONAL TALENT AS HOSTS, AND THAT GUAM IS ALSO WELL ON THE WAY TO BECOMING A POPULAR CONVENTION CENTER. ALL OF WHICH PORTENDS HAPPINESS AND PROSPERITY FOR THE FUTURE.

THE CHALLENGE PRESENTED TO US BY A RAPIDLY EXPANDING ECONOMY, HOWEVER - MOST RECENTLY ESTIMATED TO BE EXPANDING IN THE BUSINESS SECTOR AT THE RATE OF 35% PER ANNUM - IS ONE OF CONTROL AND DIRECTION. THAT IS WHY IT IS SO ESSENTIAL AT THIS STAGE OF OUR DEVELOPMENT THAT THE PEOPLE OF GUAM BE GIVEN THE TOOLS - THE POLITICAL STATUS AND THE LEGAL AUTHORITY - TO MOLD THIS TERRITORY INTO THE SHAPE WE WANT FOR FUTURE GENERATIONS.

I WOULD BE PRIVILEGED, HOWEVER, TO DISCUSS OUR ECONOMY AT GREATER LENGTH IN A SEPARATE STATE OF THE ECONOMY ADDRESS, WHICH I PROPOSE TO PRESENT TO YOU LATER THIS YEAR.

### HIGH COST OF LIVING

THE HIGH COST OF LIVING ON GUAM IS A MATTER OF DEEP CONCERN TO ALL OF US. SHIPPING STRIKES CAUSE SHORTAGES IN THE STORES. PRICES VISIBLY RISE, AND THEY REMAIN HIGH.

I, MYSELF, DO NOT PRETEND TO KNOW THE BEST SOLUTION TO THE PROBLEM AT THIS TIME. WE ARE EXPLORING THE LEGALITY OF IMPOSING PRICE AND RENTAL CONTROLS. HOWEVER, BEFORE SUCH DRASTIC MEASURES CAN BE TAKEN, WE MUST COMPILE EXHAUSTIVE DATA COVERING MANY FACETS OF THE ECONOMY. WE HAVE ALREADY ESTABLISHED A CONSUMER PRICE INDEX. BUT SEVERAL OTHER INDICES AND STUDIES MUST BE PERFORMED BEFORE WE HAVE A SUFFICIENT BASIS ON WHICH TO JUSTIFY THE IMPOSITION OF PRICE CONTROLS. OTHER ALTERNATIVE SOLUTIONS TO THE HIGH COST OF LIVING ARE ALSO CURRENTLY UNDER SERIOUS CONSIDERATION.

BEFORE ANY ACTION IS TAKEN, I ASSURE YOU, GENTLEMEN, THAT ITS FULL IMPLICATIONS WILL BE STUDIED CAREFULLY. AT THE SAME TIME, I URGE THE MEMBERS OF THE TWELFTH GUAM LEGISLATURE TO WORK IN CLOSE UNISON WITH MY ADMINISTRATION TO HELP RESOLVE THIS PROBLEM. LET US ALSO DETERMINE THAT THIS YEAR WE WILL ENACT LEGISLATION TO ESTABLISH A MUCH-NEEDED CONSUMER PROTECTION BUREAU.

### THE HOUSING PROBLEM

THE HOUSING SITUATION ON GUAM IS YET ANOTHER AREA OF DEEP CONCERN TO ALL OF US. THE HIGH COST OF NEW HOUSING HAS PLACED ALL HOPES OF OWNING A HOME BEYOND THE REACH OF MANY. NOR AM I

SATISFIED THAT GOVERNMENT OF GUAM LOW-COST HOUSING PROGRAMS HAVE BEEN COMPLETELY SUCCESSFUL. THE DESIGN AND QUALITY OF HOUSING CONSTRUCTED ON FORMER GOVERNMENT LAND, AND THE INCREASING COST OF THESE HOMES LEAVES MUCH TO BE DESIRED.

IN FISCAL YEAR 74, THEREFORE, I PROPOSE TO IMPLEMENT A NEW HOUSING PROGRAM DESIGNED TO PROVIDE BETTER HOMES FOR OUR TRULY LOW-INCOME FAMILIES. THIS CAN BE ACCOMPLISHED, HOWEVER, ONLY IF THE GOVERNMENT OF GUAM RETAINS FIRM CONTROL OVER THE UTILIZATION OF ITS LAND, OVER CONSTRUCTION, OVER COSTS - AND, OF COURSE, OVER OCCUPANCY. THAT IS, WE ARE BUILDING HOUSES FOR OUR LESS FORTUNATE BRETHREN, NOT FOR THOSE WHO CAN AFFORD TO BUILD OR PAY FOR THEIR OWN HOMES, AND CERTAINLY NOT FOR SPECULATORS.

THE GOVERNMENT OF GUAM, THROUGH THE GUAM HOUSING CORPORATION, WILL CONDUCT THE SITE PREPARATION OF GOVERNMENT LAND FOR HOUSING DEVELOPMENT. THIS WILL NECESSITATE AN APPROPRIATION OF FUNDS BY THE TWELFTH GUAM LEGISLATURE FOR THE CONSTRUCTION OF ROADS AND THE INSTALLATION OF UTILITIES. TO THIS EXTENT THE COST OF HOUSING FOR LOW-INCOME FAMILIES WILL BE SUBSIDIZED BY THE GOVERNMENT. THE CONSTRUCTION OF THE HOUSES WILL BE PLACED OUT ON BID TO PRIVATE DEVELOPERS - TO BE CONSTRUCTED IN STRICT ACCORDANCE WITH GOVERNMENT DESIGN AND SPECIFICATIONS. THE GUAM HOUSING CORPORATION ITSELF, IN LIEU OF THE BANKS, WILL SCREEN APPLICANTS FOR FHA INSURED LOANS. LOANS TO LOW-INCOME FAMILIES COULD BE ELIGIBLE FOR INTEREST SUBSIDIES AND ASSISTANCE PAYMENTS BY HUD - DEPENDING ON LEVEL OF INCOME. THIS TIGHTLY CONTROLLED PROGRAM SHOULD RESULT IN BETTER HOUSING AT A LOWER COST TO OUR PEOPLE.

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THIS DOES NOT, HOWEVER, RESOLVE THE SERIOUS HOUSING PROBLEMS OF MANY OF OUR MIDDLE-INCOME FAMILIES WHO FACE MARKET COMPETITION AND INFLATED PRICES. THE TIME HAS COME FOR ALL OF US TO POOL OUR RESOURCES TO TAKE WHATEVER ADDITIONAL MEASURES ARE NECESSARY TO ALLEVIATE OUR GROWING HOUSING PROBLEM.

### MASS TRANSIT SYSTEM

YET ANOTHER AREA OF CONCERN IS THE CONGESTED CONDITION OF OUR HIGHWAYS. WITHIN THE PAST TWO YEARS, TRAFFIC ON MARINE DRIVE BETWEEN AGANA AND TAMUNING, HAS INCREASED SIXTY PERCENT. THE RECORDS ALSO SHOW THAT WE HAVE APPROXIMATELY 2.5 PERSONS PER MOTOR VEHICLE ON GUAM. THESE FIGURES REPRESENT THE HIGHEST IN THE UNITED STATES.

THE SOLUTION TO OUR HIGHWAY PROBLEMS IS NOT ONLY THE CONSTRUCTION OF MORE HIGHWAYS. WE DO PLAN TO BUILD NEW HIGHWAYS. HOWEVER, MORE HIGHWAYS CONSUME OUR PRECIOUS LAND. AN ADDITIONAL SOLUTION IS THE OPERATION OF A MASS TRANSIT SYSTEM. THE CHOICE IS CLEAR, EITHER WE CRISSCROSS THE ISLAND WITH ROADS TO ACCOMMODATE AN UNLIMITED NUMBER OF CARS OR WE REDUCE THE NEED FOR SO MANY CARS BY PROVIDING PUBLIC TRANSPORTATION. IF WE CHOOSE THE LATTER WE COULD SAVE OUR LAND FOR OTHER PURPOSES, AND SAVE MILLIONS OF DOLLARS THAT WOULD OTHERWISE BE CONSUMED IN UNLIMITED HIGHWAY CONSTRUCTION.

I SHALL THEREFORE ONCE AGAIN PRESENT LEGISLATION TO APPROPRIATE THE FUNDS NEEDED TO MATCH A FEDERAL GRANT WHICH HAS BEEN OFFERED GUAM TO CONDUCT A FEASIBILITY STUDY FOR A MASS TRANSIT SYSTEM.

### CONTROL OF CRIME

FINALLY, THERE HAS BEEN AN ALARMING RATE OF INCREASE IN

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CRIME ON GUAM, PARTICULARLY IN CRIMES INVOLVING FIREARMS. STATISTICS ARE UP ON HOMICIDE, ACCIDENTAL SHOOTING, ARMED ROBBERY, FORCIBLE RAPE, SUICIDE AND VANDALISM.

MODERN SOCIETY HAS LEANED BACKWARDS IN RECENT YEARS TO PROTECT THE RIGHTS OF THE ACCUSED. THIS, HOWEVER, HAS TOO OFTEN RESULTED IN THE FAILURE TO PROTECT THE LAW ABIDING CITIZEN. IT HAS FREQUENTLY LED TO THE EXPOSURE OF THE PUBLIC TO FURTHER CRIME AND ABUSE. PERMISSIVENESS AT HOME, LENIENCY IN THE COURTS, THE GLAMORIZATION OF VIOLENCE ON TELEVISION AND LAX FIREARM LAWS - ALL THESE FACTORS HAVE CONTRIBUTED TO THE SITUATION WE FACE TODAY. THE TIME HAS COME TO ASSERT THE PUBLIC'S RIGHTS TO SECURITY AND PEACE OF MIND.

THE ADMINISTRATION WILL CONSCIENTIOUSLY IMPLEMENT THE RECENTLY ENACTED LEGISLATION PROVIDING FOR THE MORE EFFECTIVE CONTROL OF FIREARMS. I ALSO RECOMMEND THAT THE COURTS IN FUTURE BE REQUIRED BY LAW TO IMPOSE MANDATORY, MINIMUM SENTENCES ON LAW VIOLATORS. MY ADMINISTRATION IS PREPARED TO WORK IN CLOSE HARMONY WITH THE TWELFTH GUAM LEGISLATURE TO ENACT WHATEVER MEASURES ARE NECESSARY TO PROTECT OUR PEOPLE FROM THE ARBITRARY AND SAVAGE ASSAULTS OF CRIMINALS.

BRIGHT FUTURE - ENDING

THERE ARE MANY OTHER IMPORTANT ITEMS OF LEGISLATION MY ADMINISTRATION WILL BE PRESENTING TO THE LEGISLATURE DESIGNED TO EASE THE BURDEN OF THE HIGH COST OF LIVING, TO IMPROVE OUR STANDARD OF LIVING, AND TO REMEDY EXISTING INEQUITIES.

BUT LET ME END MY MESSAGE TO YOU TONIGHT BY REMINDING YOU

THAT THE FUTURE POLITICAL AND ECONOMIC PROSPECTS FACING THIS ISLAND COMMUNITY ARE FAR RICHER AND FAIRER THAN THOSE BESTOWED UPON MANY OTHER COMMUNITIES. WE HAVE BEEN BLESSED WITH A TEMPERATE CLIMATE AND PHYSICAL BEAUTY SUFFICIENT IN THEMSELVES TO GENERATE PROSPERITY. WE HAVE ACQUIRED EXPERIENCE IN GOVERNMENT SUFFICIENT TO GIVE US AN ADVANTAGE OVER MANY OF OUR ISLAND NEIGHBORS. AT THE SAME TIME WE ARE IN A FAVORABLE POSITION TO LEARN FROM HISTORY, SO THAT WE COULD AVOID THE MISTAKES MADE BY COMMUNITIES WHO HAVE JOURNIED BEFORE US DOWN THE ROAD OF PROGRESS.

THE PHYSICAL SCALE OF GUAM IS SUCH THAT IT COULD BE SCULPTURED INTO A MODEL STATE. WE ARE NOW AT THAT CRITICAL POINT IN OUR GROWTH WHERE WE MUST PERCEIVE THE EDEN THAT COULD BE OURS. WE SHOULD BE WILLING TO BRUSH ASIDE ALL PETTY CONSIDERATIONS WHICH WILL FRUSTRATE OUR SUCCESS.

THIS, LADIES AND GENTLEMEN, IS AN EXCITING PERIOD IN GUAM'S HISTORY TO SHOULDER THE RESPONSIBILITIES OF GOVERNMENT. TO ANYONE INTERESTED IN GUAM'S DEVELOPMENT, I SAY THE OPPORTUNITIES TO CONTRIBUTE ARE ABUNDANT AND THE TIMES ARE FULL OF CHALLENGE.

THANK YOU.

END

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