

UNITED NATIONS VISITING MISSION
MARCH, 1973

19
4,277

Answers Supplied by TT Administration to
Questions from UNVM
(Subjects other than those directly 'status-related')

Q. What role is currently envisaged for the Bank of Micronesia in development financing?

A. The Board of Directors of the Bank of Micronesia has retained Peat, Marwick, Mitchell & Co. to conduct an investigation relative to the type of financial institution which should be established for the Trust Territory. In this regard, the consultants will be evaluating the investment capital needs of the Trust Territory and further assessing the type of financial institution which would best satisfy these needs. Since the study is presently being conducted, the specific structure of the Bank of Micronesia has yet to be determined.

3. In addition to the above questions, the following information was requested on Public Safety:

A. Persons convicted in 1972 (July, 1971 - June, 1972) and major categories of crime. In FY 1972, there were 3,833 persons convicted (including 1,781 minor traffic violations). Out of these, six were convicted of homicide, 11 were convicted of aggravated assault, and 55 were convicted of theft with violence.

Attached herewith is a copy of a report by the Judiciary of the Trust Territory regarding the subject mater.

B. The answers to questions 2, 3 and 4 in the questionnaire are attached.

TRUST TERRITORY OF THE PACIFIC ISLANDS

Office of the High Commissioner, Saipan

TO : Attorney General

DATE: 2/26/73

FROM : Superintendent of Public Safety

SUBJECT: United Nation Mission

Here are the answers to the three questions asked by the United Nation Mission.

PUBLIC SAFETY

BUDGET FY 1972

Headquarters	\$ 173,800.00
Mariana Islands	232,500.00
Palau	142,400.00
Yap	98,400.00
Truk	140,000.00
Ponape	157,000.00
Marshall Islands	<u>105,900.00</u>
Trust Territory-Wide	1,050,000.00

Personnel

Mariana Islands	63
Palau	38
Yap	22
Truk	38
Ponape	46
Marshall Islands	<u>22</u>
	229

Each district has a number of employees under a Federal Manpower grant. Some of these will be brought under regular Trust Territory payroll on July 1, 1973. The rest will be dropped. The figures are as follows:

Mariana Islands	8
Palau	2
Yap	3
Truk	21
Ponape	30

Marshall Islands

15

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Measures Being Taken to Cope with Juvenile Delinquency

The biggest social problem that Micronesia is facing and will be facing for sometimes in the future is juvenile delinquency.

The Division of Public Safety recognizes this problem. Along this line the Division has coordinated and sponsored a one week seminar in 1970 on the topic "juvenile delinquency." This was attended by all Juvenile Officers in the Trust Territory.

Also, in July of last year, the Division of Public Safety, recruited a Juvenile and Detention Specialist to set procedures and standards of a juvenile and for our Juvenile Officers to follow.

The Juvenile and Detention Specialist has visited all the population centers in the Trust Territory with the exception of Kusaie. He recently coordinated and conducted a two weeks training-conference for all District Juvenile Officers.

The Juvenile and Detention Specialist is also working to bring closer together, all governmental and private agencies that have to do with juvenile and youth problems. Some of these agencies are schools, mental health, churches, youth clubs and organizations, and others.

The Juvenile and Detention Specialist is still in the process of planning and exploring areas that can be implemented into our juvenile program. He finds that our main barrier is financial. Because of this, we are unable to hire necessary personnel, and construct the proper facilities. The Juvenile and Detention Specialist is searching for new sources of funding.

A complete proposal of a juvenile justice system for the Trust Territory will be ready at the end of this year. I feel that this will clarify many areas of our juvenile programs as well as procedures and guidelines when dealing with juveniles.



C. A. Lindh

III. JUSTICE

A. MAJOR CRIMES

Number of major crimes committed in each Trust Territory district, July 1971 - June 1972

District	Crime committed				Total
	Homicides	Aggravated assault	Thefts with violence		
Mariana Islands	2	1	-	3	
Marshall Islands	-	-	-	-	
Palau	2	2	8	12	
Ponape	1	-	-	1	
Truk	-	1	38	39	
Yap	1	7	9	17	
Total	6	11	55	72	

B. PROSECUTIONS, ACQUITTALS, AND CONVICTIONS

Number of prosecutions, acquittals, and convictions in High Court, District Court, and Community Court in all Trust Territory districts, July 1971 - June 1972

Type of Court	Number prosecuted		Number acquitted		Number convicted	
	Indig-enous	Nonindig-enous	Indig-enous	Nonindig-enous	Indig-enous	Nonindig-enous
High Court	36	29	3	2	33	27
District Court	3,082	275	113	12	2,969	263
Community Court	636	19	114	-	522	19
Total	3,754	323	230	14	3,524	309

(1) Included 1,781 minor traffic violations

C. CONVICTIONS

Total number of persons convicted, classified by type of offense and type of punishment,
 July 1971 - June 1972

Total convictions by type of offense	Total all ages			Type of punishment ^{1,2}											
	Male	Female	Total	A	B	C	D	E	F	G	H	I	J		
Felonies			145	8	153	22	2	8	41	24	-	2	46	-	6
Misdemeanor under Territory-wide Law, exclusive of minor traffic violations			1,270	71	1,341	70	17	515	53	434	117	10	115	2	8
Violations of district orders			5	11	16	-	-	5	-	11	-	-	-	-	-
Violations of District Legislature Laws			182	25	207	8	20	75	19	63	20	-	2	-	-
Violations of municipal ordinances			311	24	335	61	14	75	6	112	32	27	8	-	-
Violations of local customs			-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,913	139	2,052	161	53	678	119	644	169	39	173	2	14	-	-

1. Type of punishment or treatment: A-Deprivation of liberty; B-Deprivation of liberty and fine; C-Fine; D-Fine and suspended sentence;
 E-Suspended sentence; F-Warning; G-Restitution or compensation; H-Deprivation of liberty and suspended sentence; I-Deprivation of liberty,
 suspended sentence, and fine; J-Deprivation of liberty and restitution and compensation.

Note: There were cases in which more than one punishment or treatment was imposed.

HEALTH

1. How many dispensaries are to be built out of the Hill-Burton system of funding?

- a. as a whole
- b. by district

Answer: Approximately 60 new dispensaires are to be built in the Trust Territory from Hill-Burton funds. These dispensaries will be spread out among the six Districts throughout the territory according to individual district's need.

2. a. How many of the existing dispensaries in the Territory are considered sub-standard?

Answer: Seventy-eight of the existing 154 dispensaries need replacement.

b. What are the plans for replacing them and over how many years?

Answer: Many of the 78 sub-standard dispensaires will be replaced by Hill-Burton funds during the next two years. For the remainder, it is planned that the Trust Territory Government, through its Capital Improvement Program will provide funds for their replacement during the next five years.

3. Apart from Hill-Burton, what are the number of dispensaries to be built in the next two years and for which funds are available?

Answer: During the next two years those dispensaries which will be built will use Hill-Burton funds.

4. Total number of personnel employed broken down:

- a. M.D.
- b. Medical Officers
- c. Health Assistants (aides)
- d. Nurses

Please give also percentage of Micronesians in these categories and the number of Peace Corp Volunteers with their qualifications and functions.

Answer: 12 M.D.'s (None are Micronesian) - 6 vacancies.
39 Medical Officers (all, except one, are Micronesian)
203 Health assistants (all are Micronesians)
175 Nurses (96% are Micronesians)
227 Practical Nurses (96% are Micronesians)
6 Peace Corp registered nurses
1 Peace Corp M.D.

4a. Please provide the following statistical information:

- i) Number of births per 1000 population
Number of deaths per 1000 population
- ii) Infant mortality (deaths under one year per 1000 live births)
- iii) Population growth
- iv) Number of hospital beds
- v) Bed occupancy rate
- vi) Population per bed
- vii) Population per physician

Answer:

- i) 33.9 births registered in 1971 per 1000 population reported on June 30, 1971.
5.4 deaths registered in 1971 per 1000 population reported on June 30, 1971.
 - ii) 38.0 Infant deaths registered in 1971 per 1000 live births registered in 1971.
 - iii) 2.85 percent natural increase of population reported in 1971.
 - iv) 536 Hospital beds FY 1972.
 - v) 66% bed occupancy rate FY 1972.
 - vi) 500 total Micronesian population per hospital bed
 - vii) 2000 Micronesians per physicians
5. How many Micronesian personnel are being medically trained outside the Trust Territory.
- a) Scholarship (specify source of funds)
 - b) Privately

Answer: 44 Micronesians are being medical trained outside the Trust Territory on government scholarships.

52 Micronesians are being medically trained outside the Trust Territory by privately sponsored scholarships.

6. Has thought been given to recruiting expatriate doctors from Asia or other countries where salaries expected are lower than in the U.S.?

Answer: Yes, the Trust Territory has had physicians from other countries such as New Zealand and Australia. Presently we have physician from Taiwan, Philippines, and Great Britian. Others are in process of recruitment.

7. Dental Officers and nurses (by nationality)

- a) in the Territory
b) being trained outside

Answer: a) 23 Dental Officers - 22 Micronesians - 1 Filipino
22 Dental Nurses - All Micronesians .

b) There are 7 Micronesians in pre-dental schools in the U.S.

8. Number of Micronesians in WHO scholarships.

Answer: There are currently 16 Micronesians with WHO-scholarships.

9. Number of Micronesians in in-service training - East-West Center, South Pacific Commission, etc.

Answer: There are currently no Micronesians in this type of training.

10. Number of graduates being turned out annually by the Trust Territory School of Nursing.

Answer: During the last three years in average of 18 graduate nurses have been turned out annually.

11. When will the Ebeye Hospital be completed (scheduled for 1972)?

Answer: The Ebeye Hospital should be completed by June of 1973.

12. What is the programme for new hospital and sub-district hospital construction?

Answer: The Kusaie hospital is under construction and should be completed in one year. The new Ponape District Center hospital is budgeted and in the planning stage and is scheduled for completion by 1976. A new hospital for Yap is being planned for 1976-77.

February 26, 1973

1. Annual Expenditure on Education

a. 1971

\$ 77,530.18	Local govt.
723,825.25	Mission schools
2,128,808.00	Federal Programs
<u>26,867,591.00</u>	T.T. govt.
\$29,797,754.43	Grand Total

b. 1972

\$ 144,250.00	Local govt.
869,191.69	Mission schools
2,495,721.00	Federal Programs
<u>13,541,700.00</u>	T.T. govt.
\$17,050,862.69	Grand Total

2. Planned expenditure on Education

a. 1973

\$ N/A	Local govt.
N/A	Mission schools
2,522,095.00	Federal Programs
<u>15,131,000.00</u>	T.T. govt.
\$17,653,095.00	Grand Total

Percent of TT budget = 25%

b. 1974

N/A	Local govt.
N/A	Mission schools
2,116,189.00	Federal Programs
<u>14,241,000.00</u>	T.T. govt.
\$16,357,189.00	Grand Total

Percent of TT budget = 25%

3. Number of New schools built (by type)

a. Built and in progress since 1970:

(1) Classroom Buildings -----	67
(2) Dormitories -----	17
(3) Cafeteria -----	3
(4) Libraries -----	4
(5) Vocational Shops -----	4
(6) Home-Economics & Other Education Laboratories -----	3

b. Proposed for 1973 - 1974:

(1) Classroom Buildings -----	19
(2) Dormitories -----	13
(3) Libraries -----	2
(4) Vocational Shops -----	2
(5) Home-Economics & Other Education Laboratories -----	2

4. Number of sub-standard classrooms in the TT:

a. Renovated & replaced since 1970 -----	172
b. Plans for renovation 1973-74 -----	4
c. Numbers still to be renovated '74 & beyond --	117

5. Number of new classrooms constructed:

a. Constructed & in progress since 1970 -----	268
b. Planned for 1973-1974 -----	75
c. 1975 N/A - budget not yet established -----	

6. Teaching staff - Public & Non-Public

	<u>Elementary</u>	<u>Secondary</u>
a. Expatriate	136	160
b. Micronesian	1341	226
c. Peace Corps Volunteers	25	127

7. Trust Territory minimum qualifications

- a. Elementary School
- b. High School

7. (continued) this statement:

The minimum requirements needed by a Micronesian to become a teacher in the Trust Territory at either the elementary or secondary level is the possession of a high school diploma. Currently, we have a number of older non-high school graduate teachers who are carried under a "grandfather" provision but who are being replaced each year as they resign or retire. Expatriate teachers must possess a bachelor's degree from a college or university.

8. Breakdown of students outside the Territory by:

- a) institutions of higher learning - N/A
- b) courses (see attachment A)
- c) means of support (see attachment A)
- d) value of scholarships = \$554,100.00

9. Expenditure on Education as a percentage of the TT budget:

- a. 1973 25%
- b. 1975 N/A 1975 budget not yet established.

10. Number of teachers or trainees currently undergoing teacher training:

- a) In the TT
 - b) Outside the TT
- (see attachment H2-66G)

11. Percentage of TT school age population in:

- a) Primary Education 26%
- b) Secondary Education 6%
- c) Further Education 5%

12. Number of candidates being turned out annually by CCM:

approximately 35

024377

13. Federal Programs which have been extended to the TT and total expended for 1972 & 73

See attachment I

14. Have the Administration plans to make use of the Radio for Educational purposes as a supplement to the teaching on the spot.

not at this time

15. Has the Administration applied for assistance in the field of Education from UN sources?

No

Attachment A

TRUST TERRITORY STUDENTS STUDYING ABROAD IN POST-SECONDARY PROGRAM,
1972-73 IN PUBLIC & NONPUBLIC INSTITUTIONS BY TYPE OF SCHOLARSHIP
AND DISTRICT

Type of Scholarship	Marianas	Marshalls	Palau	Ponape	Truk	Yap	Total
T.T. Government							
General	13	12	12	9	12	11	69
Medical	11	4	8	10	7	5	45
Educationa Assistance Grant	45	11	59	58	43	40	256
Agriculture	2	2	4	2	2	2	14
Resources & Development	0	0	0	0	1	0	1
Library Services	0	0	1	1	0	0	2
Transportation	1	0	0	0	0	0	1
Congress of Micronesia	10	11	11	14	19	8	73
District Legislature	15	36	36	4	37	22	150
Air Micronesia	2	2	2	1	1	2	10
Yokwe Yuk Women's Club	2	5	10	4	5	1	27
East-West Center	1	0	2	2	1	5	11
Government of Guam	0	0	1	1	1	2	5
EPDA Graduate Fellowship	0	0	2	0	0	0	2
Mission-Sponsored	0	0	11	0	6	0	17
Privately-Sponsored	8	0	104	16	26	34	188
TOTALS	110	83	263	122	161	132	871

TRUST TERRITORY STUDENTS STUDYING ABROAD IN POST-SECONDARY PROGRAM,
1972-1973 IN PUBLIC & NONPUBLIC INSTITUTIONS

1. Agriculture.....	19
2. Business.....	154
3. Education.....	278
4. Humanities.....	90
5. Law.....	38
6. Medical Sciences.....	101
7. Natural Sciences.....	24
8. Social Sciences.....	63
9. Trades & Technology.....	76
10. Unknown.....	28
TOTAL.....	<u>871</u>

1. Agriculture

Agriculture.....	18
Cartography.....	1
	<u>19</u>

2. Business

Accounting.....	38
Accounting & Management.....	1
Business.....	6
Business & Management.....	1
Business Administration.....	54
Business Management.....	4
Economics.....	7
Hotel Management.....	3
Management.....	1
Public Administration.....	10
Secretarial Science.....	28
Transportation Management.....	1
	<u>154</u>

Language Teaching.....	1
Library Science.....	3
School Administration & Supervision.....	1
Secondary Education.....	56
Secondary Education/Biology.....	1
Secondary Education/Ecology Science.....	1
Secondary Education/English.....	3
Secondary Education/History.....	3
Secondary Education/Mathematics.....	5
Secondary Education/Social Studies.....	1
Secondary Education/Sociology.....	4
Standard English Speakers of the Other Languages or Dialects (SESOLD).....	1
Special Education.....	4
Teacher Education.....	1
Vocational Education.....	3
Vocational Education/Agriculture.....	2
	<u>278</u>

3. Education

Adult Education.....	1
Comparative & International Development Education.....	1
Education.....	71
Education/Agriculture.....	1
Education/Biology.....	1
Education/Business.....	12
Educational Administration.....	8
Elementary Education.....	92
Elementary Education/ Management.....	1

4. Humanities

English.....	2
Humanities.....	1
Journalism.....	3
Liberal Arts.....	73
Music.....	3
Religious Education (Christian).....	2
Theology.....	6

5. Law

Court Reporting.....	1
Criminology.....	1
Law.....	6
Law (Pre).....	18
Law (Pre)/History.....	1
Law (Pre)/Government.....	1
Law (Pre)/Political Science.....	1
Law Enforcement.....	2
Police Administration.....	3
Police Science.....	4
	<u>38</u>

6. Medical Sciences

Dental Laboratory Technology.....	1
Dentistry.....	1
Dentistry (Pre).....	5
Health.....	1
Hospital Administration.....	1
Laboratory Technology.....	3
Medical Lab. Technology.....	2
Medical Preparatory.....	2
Medical Record Administration.....	1
Medical Technology.....	6
Medicine.....	9
Medicine (Pre).....	14
Medicine (Pre)/Chemistry.....	1
Medicine (Pre)/Nursing.....	1
Nursing.....	36
Nursing (Pre).....	2
Nursing/Anesthesiology.....	1
Nursing/Clinical.....	2
Nursing/Public Health.....	2
Optometry.....	1
Pharmacy (Pre).....	3
Physiotherapy.....	1
Public Health.....	2
Sanitary Engineering.....	1
X-Ray Technology.....	1
	<u>101</u>

7. Natural Sciences

Biology.....	8
Biology/Marine.....	1
Biology/Plant Pathology.....	1
Chemistry.....	1
Entomology.....	1

10. Unknown..... 28

Mathematics.....	9
Science.....	3
	<u>24</u>

8. Social Sciences

Anthropology.....	2
Community Development.....	1
Government.....	2
Guidance & Counseling.....	1
History.....	4
Home Economics.....	6
Political Science.....	17
Psychology.....	8
Social Science.....	3
Social Studies.....	1
Social Work.....	2
Sociology.....	16
	<u>63</u>

9. Trades & Technology

Air Conditioning & Refrigeration.....	1
Architectural Drafting.....	1
Architectural Engineering Technology.....	2
Architecture.....	2
Automotive Mechanics Technology.....	2
Carpentry.....	1
Civil Engineering.....	10
Commercial Arts.....	1
Construction Technology.....	11
Cosmetology.....	1
Drafting Technology.....	5
Electrical Technology.....	7
Electricity.....	1
Electronics.....	4
Engineering (Pre).....	1
Engineering Technology.....	2
Industrial Arts.....	5
Industrial Arts/Automotive Mechanics.....	1
Industrial Arts/Construction.....	1
Mechanical Drafting Technology.....	1
Mechanical Engineering.....	1
Naval Architectural Engineering.....	1
Navigation.....	5
Surveying Technology.....	7
Vocational Technology.....	1
Welding Technology.....	1
	<u>76</u>

TRUST TERRITORY STUDENTS STUDYING ABROAD IN POST-SECONDARY PROGRAM,
1972-73 IN PUBLIC & NONPUBLIC INSTITUTIONS BY SUBJECT
AREA AND DISTRICT

Subject Area	Marianas	Marshall	Palau	Ponape	Truk	Yap	Total
Accounting	11	6	7	5	7	2	38
Accounting & Management	1	--	-	-	-	--	1
Adult Education	--	-	-	1	-	-	1
Agriculture	2	2	4	2	4	4	18
Air Conditioning & Refrigeration	-	--	-	-	1	-	1
Anthropology	--	1	-	-	-	1	2
Architectural Drafting	--	-	1	-	-	-	1
Architectural Engr. Tech.	--	-	1	-	1	--	2
Architecture	2	--	-	-	-	-	2
Automotive Mechanic Tech.	--	--	-	1	1	-	2
Biology	1	--	3	-	-	4	8
Biology/Marine	1	--	-	-	-	-	1
Biology/Plant Pathology	--	--	-	1	-	-	1
Business	--	3	-	1	2	-	6
Business & Management	--	--	-	-	1	-	1
Business Administration	6	8	12	11	11	6	54
Business Educationa	2	1	3	3	3	-	12
Business Management	2	1	-	1	-	-	4
Carpentry	--	--	1	-	-	-	1
Cartography	--	--	1	-	-	-	1
Chemistry	--	--	-	-	1	-	1
Christian Education	--	--	2	-	-	-	2
Civil Engineering	4	--	2	1	1	2	10
Commercial Arts	--	--	-	1	-	-	1
Community Development	--	--	-	-	-	1	1
Comparative & International Development Education	--	1	-	-	-	-	1
Construction Technology	--	1	2	1	5	2	11
Cosmetology	--	--	1	-	-	-	1
Court Reporting	1	--	-	-	-	-	1
Criminology	1	--	-	-	-	-	1
Dental Laboratory Tech.	--	--	-	1	-	-	1
Dentistry	--	--	1	-	-	-	1
Dentistry (Pre)	1	--	1	-	2	1	5
Drafting Technology	--	--	2	1	1	1	5
Economics	2	--	-	-	4	1	7
Education	2	6	24	10	20	9	71
Education/Agriculture	--	--	-	-	-	1	1
Education/Biology	--	--	1	-	-	-	1
Educational Admin.	2	1	1	1	1	2	8
Electrical Engineering	4	1	1	1	-	-	7
Electricity	--	--	-	-	1	-	1
Elementary Education	9	6	22	13	28	14	92

Subject Area	Marianas	Marshall	Palau	Ponape	Truk	Yap	Total
Electronics	-	-	-	-	2	2	4
Elem. Ed./Management	-	-	1	-	-	-	1
Engineering (Pre)	-	-	-	1	-	-	1
Engineering Technology	-	-	2	-	-	-	2
English	1	-	-	-	1	-	2
Entomology	-	-	1	-	-	-	1
Government	1	-	1	-	-	-	2
Guidance & Counseling	-	-	1	-	-	-	1
Health	1	-	-	-	-	-	1
History	-	1	1	1	-	1	4
Home Economics	-	-	1	-	2	3	6
Hospital Administration	-	-	1	-	-	-	1
Hotel Management	-	-	1	1	-	1	3
Humanities	-	-	1	-	-	-	1
Industrial Arts	-	1	-	1	-	3	5
Industrial Arts/Automotive Mechanic	-	-	-	-	1	-	1
Industrial Arts/Construction	-	-	-	1	-	-	1
Journalism	1	2	-	-	-	-	3
Laboratory Technology	-	-	-	1	2	-	3
Language Teaching	-	-	-	1	-	-	1
Law	5	-	1	-	-	-	6
Law (Pre)	2	4	4	2	2	4	18
Law (Pre)/History	-	-	-	1	-	-	1
Law (Pre)/Government	-	-	1	-	-	-	1
Law (Pre)/Pol. Science	-	-	-	1	-	-	1
Law Enforcement	-	-	-	1	1	-	2
Liberal Arts	1	1	67	-	2	2	73
Library Science	-	-	1	1	1	-	3
Management	-	-	-	1	-	-	1
Mathematics	-	1	2	-	2	4	9
Mechanical Drafting Tech.	-	-	1	-	-	-	1
Mechanical Engineering	1	-	-	-	-	-	1
Medical Laboratory Tech.	-	-	-	1	-	1	2
Medical Preparatory	-	1	-	1	-	-	2
Medical Record Admin.	1	-	-	-	-	-	1
Medical Technology	1	-	1	-	-	4	6
Medical X-Ray Technology	-	-	-	-	1	-	1
Medicine	1	1	4	-	3	-	9
Medicine (Pre)	2	-	2	4	3	3	14
Medicine (Pre)/Chemistry	1	-	-	-	-	-	1
Medicine (Pre)/Nursing	-	-	-	1	-	-	1
Music	-	-	2	-	-	1	3
Naval Architectural Engr.	1	-	-	-	-	-	1

Subject Area	Marianas	Marshall	Palau	Ponape	Truk	Yap	Total
Navigation	1	1	-	2	-	1	5
Nursing	1	4	13	5	8	5	36
Nursing (Pre)	-	-	-	1	-	1	2
Nursing/Anesthesiology	-	-	1	-	-	-	1
Nursing/Clinical	-	1	-	1	-	-	2
Nursing/Public Health	1	-	-	-	1	-	2
Optometry	1	-	-	-	-	-	1
Pharmacy (Pre)	2	-	1	-	-	-	3
Physiotherapy	1	-	-	-	-	-	1
Police Administration	1	-	-	-	1	1	3
Police Science	3	-	-	-	1	-	4
Political Science	4	3	2	2	1	5	17
Psychology	2	-	5	-	1	-	8
Public Administration	1	1	3	3	2	-	10
Public Health	1	-	-	-	1	-	2
Sanitary Engineering	-	-	-	-	-	1	1
Science	-	-	-	1	1	1	3
School Administration & Supervision	-	-	1	-	-	-	1
Secondary Education	3	8	13	5	15	12	56
Sec. Ed./Biology	-	-	1	-	-	-	1
Sec. Ed./Ecology Science	-	-	-	-	1	-	1
Sec. Ed./English	-	2	1	-	-	-	3
Sec. Ed./History	-	-	2	-	-	1	3
Sec. Ed./Mathematics	1	1	1	1	-	1	5
Sec. Ed./Social Studies	-	1	-	-	-	-	1
Sec. Ed./Sociology	-	1	2	1	-	-	4
Secretarial Science	1	3	7	3	2	12	28
Social Science	-	2	1	-	-	-	3
Social Studies	-	-	-	1	-	-	1
Social Work	-	-	-	2	-	-	2
Sociology	6	-	4	3	2	1	16
Special Education	-	1	1	1	1	-	4
Standard English Speakers of the Other Languages or Dialects (SESOLD)	-	-	-	1	-	-	1
Surveying Technology	2	1	-	1	2	1	7
Teacher Education	-	-	1	-	-	-	1
Theology	-	-	4	-	1	1	6
Transportation Management	1	-	-	-	-	-	1

Subject Area	Marianas	Marshall	Palau	Ponape	Truk	Yap	Total
Unknown	3	2	7	8	-	8	28
Vocational Education	-	1	1	-	1	-	3
Voc. Ed./Agriculture	-	-	-	2	-	-	2
Vocational Technology	-	-	1	-	-	-	1
Welding Technology	-	-	-	1	-	-	1
X-Ray Technology	-	-	-	-	1	-	1
TOTAL	110	83	263	122	161	132	871

GENERAL SCHOLARSHIP

Subject Area	Marianas	Marshall	Palau	Ponape	Truk	Yap	Total
Accounting	-	-	1	1	1	-	3
Agriculture	-	-	-	-	-	1	1
Business Administration	2	1	1	2	3	1	10
Business Education	1	1	-	-	-	-	2
Civil Engineering	1	-	1	-	-	-	2
Drafting Technology	-	-	-	-	1	-	1
Economics	-	-	-	-	1	-	1
Electrical Engineering	-	-	-	1	-	-	1
Elementary Education	1	1	3	2	-	2	9
Elem. Ed./Management	-	-	1	-	-	-	1
Hotel Management	-	-	-	-	-	1	1
Industrial Arts	-	-	-	-	-	1	1
Ind. Arts./Auto. Mechanic	-	-	-	-	1	-	1
Law	4	-	-	-	-	-	4
Law (Pre)	1	-	-	1	1	1	4
Navigation	-	1	-	-	-	-	1
Public Administration	-	-	-	-	1	-	1
Secondary Education	2	2	1	1	3	3	12
Sec. Ed./Biology	-	-	1	-	-	-	1
Sec. Ed./English	-	2	1	-	-	-	3
Sec. Ed./Mathematics	1	1	-	1	-	-	3
Sec. Ed./Social Studies	-	1	-	-	-	-	1
Sec. Ed./Sociology	-	1	1	-	-	-	2
Surveying Technology	-	-	-	-	-	1	1
Vocational Education	-	1	1	-	-	-	2
TOTAL	13	12	12	9	12	11	69

MEDICAL SCHOLARSHIP

Subject Area	Marianas	Marshall's	Palau	Ponape	Truk	Yap	Total
Dentistry	-	-	1	-	-	-	1
Dentistry (Pre)	1	-	-	-	2	-	3
Hospital Administration	-	-	1	-	-	-	1
Laboratory Technology	-	-	-	1	-	-	1
Medical Laboratory	-	-	-	1	-	-	1
Medical Prep.	-	1	-	1	-	-	2
Medical Record Admin.	1	-	-	-	-	-	1
Medical Technology	1	-	-	-	-	3	4
Medicine	1	1	3	-	2	-	7
Medicine (Pre)	2	-	-	2	1	-	5
Med. (Pre)/Chemistry	1	-	-	-	-	-	1
Medicine (Pre)/Nursing	-	-	-	1	-	-	1
Nursing	-	-	3	2	2	1	8
Nursing/Clinical	-	1	-	1	-	-	2
Nursing/Public Health	1	-	-	-	-	-	1
Pharmacy (Pre)	2	-	-	-	-	-	2
Public Administration	-	1	-	-	-	-	1
Physiotherapy	1	-	-	-	-	-	1
Sanitary Engineering	-	-	-	-	-	1	1
Social Work	-	-	-	1	-	-	1
TOTAL	11	4	8	10	7	5	45

EDUCATION ASSISTANCE GRANT

Subject Area	Marianas	Marshalls	Palau	Ponape	Truk	Yap	Total
Accounting	7	1	3	-	2	-	13
Accounting & Management	1	-	-	-	-	-	1
Adult Education	-	-	-	1	-	-	1
Agriculture	-	-	-	-	-	1	1
Auto Mechanic Technology	-	-	-	1	-	-	1
Biology	1	-	2	-	-	-	3
Biology/Marine	1	-	-	-	-	-	1
Business	-	1	-	-	1	-	2
Business Administration	-	1	6	6	5	1	19
Business Education	1	-	-	3	1	-	5
Business & Management	-	-	-	-	1	-	1
Business Management	2	1	-	1	-	-	4
Chemistry	-	-	-	-	1	-	1
Christian Education	-	-	1	-	-	-	1
Civil Engineering	2	-	-	1	-	-	3
Commercial Arts	-	-	-	1	-	-	1
Comperative & International Development Education	-	1	-	-	-	-	1
Construction Technology	-	-	-	-	1	-	1
Criminology	1	-	-	-	-	-	1
Dentistry (Pre)	-	-	1	-	-	-	1
Drafting Technology	-	-	1	-	-	-	1
Economics	2	-	-	-	2	1	5
Education	1	-	3	7	4	3	18
Education/Biology	-	-	1	-	-	-	1
Educational Administration	2	-	1	1	-	1	5
Elementary Education	6	1	8	5	11	5	36
Electrical Engineering	2	-	-	-	-	-	2
Electronics	-	-	-	-	1	-	1
Engineering (Pre)	-	-	-	1	-	-	1
Engineering Technology	-	-	1	-	-	-	1
English	1	-	-	-	1	-	2
Government	1	-	-	-	-	-	1
Guidance & Counseling	-	-	1	-	-	-	1
Health	1	-	-	-	-	-	1
History	-	-	1	1	-	1	3
Home Economics	-	-	-	-	-	1	1
Humanities	-	-	1	-	-	-	1
Industrial Arts	-	-	-	1	-	1	2
Industrial Arts/Construction	-	-	-	1	-	-	1
Language Teaching	-	-	-	1	-	-	1
Law	1	-	-	-	-	-	1
Law (Pre)	-	-	1	1	-	2	4
Law (Pre)/History	-	-	-	1	-	-	1

(Continued)

Subject Area	Marianas	Marshalls	Palau	Ponape	Truk	Yap	Total
Law (Pre)/Government	-	-	1	-	-	-	1
Law (Pre)/Pol. Science	-	-	-	1	-	-	1
Law Enforcement	-	-	-	1	-	-	1
Liberal Arts	1	1	-	-	-	1	3
Management	-	-	-	1	-	-	1
Mathematics	-	1	2	-	2	1	6
Medicine (Pre)	-	-	-	2	1	2	5
Music	-	-	-	-	-	1	1
Navigation	-	-	-	2	-	-	2
Nursing	1	-	4	2	-	2	9
Nursing (Pre)	-	-	-	1	-	-	1
Nursing/Anesthesiology	-	-	1	-	-	-	1
Optometry	1	-	-	-	-	-	1
Police Administration	-	-	-	-	-	1	1
Police Science	2	-	-	-	-	-	2
Political Science	3	1	-	-	1	1	6
Psychology	1	-	4	-	1	-	6
Public Administration	1	-	2	2	-	-	5
Science	-	-	-	1	-	-	1
Secondary Education	-	1	6	4	4	4	19
Secondary Ed./English	-	-	-	-	-	-	-
Secondary Ed./History	-	-	1	-	-	1	2
Secondary Ed./Sociology	-	-	1	-	-	-	1
Secretarial Science	1	-	1	-	-	7	9
Social Science	-	-	1	-	-	-	1
Social Work	-	-	-	1	-	-	1
Sociology	-	-	2	3	-	1	6
Special Education	-	1	1	1	1	-	4
Standard English Speakers of the Other Languages or Dialects (SESOLD)	-	-	-	1	-	-	1
Theology	-	-	-	-	1	1	2
Transportation Management	1	-	-	-	-	-	1
Welding Technology	-	-	-	1	-	-	1
X-Ray Technology	-	-	-	-	1	-	1
TOTAL	45	11	59	58	43	40	256

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AGRICULTURE

Subject Area	Marianas	Marshalls	Palau	Ponape	Truk	Yap	Total
Agriculture	2	2	3	2	2	2	13
Cartography	-	-	1	-	-	-	1
TOTAL	2	2	4	2	2	2	14

RESOURCES & DEVELOPMENT

Subject Area	Marianas	Marshalls	Palau	Ponape	Truk	Yap	Total
Economics	-	-	-	-	1	-	1
TOTAL	-	-	-	-	1	-	1

TRANSPORTATION

Subject Area	Marianas	Marshalls	Palau	Ponape	Truk	Yap	Total
Navigation	1	-	-	-	-	-	1
TOTAL	1	-	-	-	-	-	1

LIBRARY SERVICE

Subject Area	Marians	Marshalls	Palau	Ponape	Truk	Yap	Total
Library Science	-	-	1	1	-	-	2
TOTAL	-	-	1	1	-	-	2

CONGRESS OF MICRONESIA

Subject Area	Marianas	Marshalls	Palau	Ponape	Truk	Yap	Total
Accounting	2	2	-	2	1	-	7
Agriculture	-	-	1	-	1	-	2
Air Conditioning & Refrigeration	-	-	-	-	1	-	1
Arch. Engr. Technology	-	-	-	-	1	-	1
Business Administration	-	-	-	1	2	1	4
Construction Technology	-	1	1	1	2	1	6
Court Reporting	1	-	-	-	-	-	1
Dentistry (Pre)	-	-	-	-	-	1	1
Drafting Technology	-	-	-	1	1	1	2
Educational Administration	-	-	-	-	1	-	1
Elementary Education	1	1	-	1	4	1	8
Electrical Engineering	1	1	-	-	-	-	2
Hotel Management	-	-	-	1	-	-	1
Industrial Arts	-	1	-	-	-	-	1
Law	-	-	1	-	-	-	1
Mechanical Drafting Tech.	-	-	1	-	-	-	1
Mechanical Engineering	1	-	-	-	-	-	1
Medical Technology	-	-	1	-	-	-	1
Naval Architectural Engr.	1	-	-	-	-	-	1
Nursing	-	1	2	1	-	-	4
Nursing/Public Health	-	-	-	-	1	-	1
Pharmacy (Pre)	-	-	1	-	-	-	1
Police Administration	1	-	-	-	-	-	1
Public Administration	-	-	-	1	-	-	1
Secondary Education	-	-	1	-	2	-	3
Sec. Ed./Mathematics	-	-	1	-	-	1	2
Sec. Ed./Sociology	-	-	-	1	-	-	1
Secretarial Science	-	3	1	1	1	2	8
Sociology	1	-	-	-	1	-	2
Surveying Technology	1	1	-	1	1	-	4
Voc. Ed./Agriculture	-	-	-	2	-	-	2
TOTAL	10	11	11	14	19	8	73

DISTRICT LEGISLATURE

Subject Area	Marianas	Marshalls	Palau	Ponape	Truk	Yap	Total
Accounting	2	3	-	-	1	2	8
Agriculture	-	-	-	-	1	-	1
Architecture	1	-	-	-	-	-	1
Anthropology	-	1	-	-	-	1	2
Business	-	2	-	-	1	-	3
Business Administration	-	4	2	-	1	1	8
Civil Engineering	1	-	-	-	-	-	1
Community Development	-	-	-	-	-	1	1
Construction Technology	-	-	-	-	2	-	2
Education	1	5	9	1	5	1	22
Education/Agriculture	-	-	-	-	-	1	1
Elementary Education	-	3	-	1	9	1	14
Electrical Engineering	1	-	-	-	-	-	1
Electricity	-	-	-	-	1	-	1
Electronics	-	-	-	-	1	-	1
History	-	1	-	-	-	-	1
Home Economics	-	-	-	-	-	1	1
Industrial Arts	-	-	-	-	-	1	1
Journalism	1	1	-	-	-	-	2
Laboratory Technology	-	-	-	-	1	-	1
Law (Pre)	1	4	-	-	1	-	6
Law Enforcement	-	-	-	-	1	-	1
Liberal Arts	-	-	21	-	-	-	21
Library Science	-	-	-	-	1	-	1
Mathematics	-	-	-	-	-	2	2
Medical X-Ray Technology	-	-	-	-	1	-	1
Medicine	-	-	-	-	1	-	1
Navigation	-	-	-	-	-	1	1
Nursing	-	3	-	-	1	-	4
Nursing (Pre)	-	-	-	-	-	1	1
Police Administration	-	-	-	-	1	-	1
Police Science	1	-	-	-	1	-	2
Political Science	1	2	-	-	-	-	3
Public Administration	-	-	-	-	1	-	1
Science	-	-	-	-	-	1	1
Secondary Education	-	5	1	-	3	1	10
Secretarial Science	-	-	-	1	1	2	4
Social Science	-	2	-	-	-	-	2
Sociology	3	-	1	-	1	-	5
Theology	-	-	2	-	-	-	2
Unknown	2	-	-	1	-	2	5
Biology	-	-	-	-	-	2	2
TOTAL	15	36	36	4	37	22	150

AIR MICRONESIA

Subject Area	Marianas	Marshalls	Palau	Ponape	Truk	Yap	Total
Accounting	-	-	-	-	1	-	1
Business Administration	2	2	1	-	-	2	7
Unknown	-	-	1	1	-	-	2
TOTAL	2	2	2	1	1	2	10

YOKWE YUK WOMEN'S CLUB

Subject Area	Marianas	Marshall	Palau	Ponape	Truk	Yap	Total
Accounting	-	-	-	1	-	-	1
Biology/Plant Pathology	-	-	-	1	-	-	1
Business	-	-	-	1	-	-	1
Civil Engineering	-	-	1	-	-	-	1
Education	-	1	1	-	-	-	2
Educational Administration	-	1	-	-	-	-	1
Elementary Education	-	-	2	-	1	-	3
Journalism	-	1	-	-	-	-	1
Public Health	-	-	-	-	1	-	1
Secondary Education	-	-	-	-	2	-	2
Sec. Ed./Ecology Science	-	-	-	-	1	-	1
Sociology	1	-	-	-	-	-	1
Unknown	1	2	6	1	-	1	11
TOTAL	2	5	10	4	5	1	27

EAST-WEST CENTER

Subject Area	Marianas	Marshall	Palau	Ponape	Truk	Yap	Total
Civil Engineering	-	-	-	-	-	2	2
Educational Administration	-	-	-	-	-	1	1
Elementary Education	-	-	-	1	-	-	1
Medical Technology	-	-	-	-	-	1	1
Medicine (Pre)	-	-	1	-	1	-	2
Political Science	-	-	-	1	-	-	1
Public Health	1	-	-	-	-	-	1
School Administration & Supervision	-	-	1	-	-	-	1
Secondary Education	-	-	-	-	-	1	1
TOTAL	1	0	2	2	1	5	11

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GOVERNMENT OF GUAM

Subject Area	Marianas	Marshall	Palau	Ponape	Truk	Yap	Total
Elementary Education	-	-	-	-	1	1	2
Liberal Arts	-	-	-	-	-	1	1
Secondary Education	-	-	1	-	-	-	1
Secretarial Science	-	-	-	1	-	-	1
TOTAL	-	-	1	1	1	2	5

EPDA GRADUATE FELLOWSHIP

Subject Area	Marianas	Marshalls	Palau	Ponape	Truk	Yap	Total
Engineering Technology	-	-	1	-	-	-	1
Teacher Education	-	-	1	-	-	-	1
TOTAL	-	-	2	-	-	-	2

Subject Area	Marianos	Marshall	Palau	Ponape	Truk	Yap	Total
Accounting	-	-	3	1	1	-	5
Architectural Drafting	-	-	1	-	-	-	1
Architectural Engr. Tech.	-	-	1	-	-	-	1
Architecture	1	-	-	-	-	-	1
Automotive Mechanic Tech.	-	-	-	-	1	-	1
Biology	-	-	1	-	-	2	3
Business Administration	2	-	2	2	-	-	6
Business Education	-	-	3	-	2	-	5
Carpentry	-	-	1	-	-	-	1
Civil Engineering	-	-	-	-	1	-	1
Construction Technology	-	-	1	-	-	1	2
Cosmetology	-	-	1	-	-	-	1
Dental Laboratory Tech.	-	-	-	1	-	-	1
Drafting Technology	-	-	1	-	-	-	1
Education	-	-	8	2	9	5	24
Elementary Education	1	-	9	3	2	4	19
Electrical Engineering	-	-	1	-	-	-	1
Electronics	-	-	-	-	-	2	2
Entomology	-	-	1	-	-	-	1
Government	-	-	1	-	-	-	1
Home Economics	-	-	1	-	1	1	3
Hotel Management	-	-	1	-	-	-	1
Laboratory Technology	-	-	-	-	1	-	1
Law (Pre)	-	-	3	-	-	1	4
Liberal Arts	-	-	43	-	1	-	44
Mathematics	-	-	-	-	-	1	1
Medical Laboratory Tech.	-	-	-	-	-	1	1
Medicine	-	-	1	-	-	-	1
Medicine (Pre)	-	-	-	-	-	1	1
Music	-	-	1	-	-	-	1
Nursing	-	-	4	-	4	2	10
Political Science	-	-	2	1	-	4	7
Psychology	1	-	1	-	-	-	2
Public Administration	-	-	1	-	1	-	2
Science	-	-	-	-	1	-	1
Secondary Education	1	-	3	-	-	3	7
Sec. Ed./History	-	-	1	-	-	-	1
Secretarial Science	-	-	5	-	-	1	6
Social Studies	-	-	-	1	-	-	1
Sociology	1	-	1	-	-	-	2
Surveying Technology	1	-	-	-	-	-	1
Unknown	-	-	-	5	-	5	10
Vocational Education	-	-	-	-	1	-	1
Vocational Technology	-	-	1	-	-	-	1
TOTAL	8	0	104	16	26	34	188

MISSION SPONSORED

Subject Area	Marianas	Marshalls	Palau	Ponape	Truk	Yap	Total
Christian Education	-	-	1	-	-	-	1
Education	-	-	3	-	1	-	4
Elementary Education	-	-	-	-	1	-	1
Home Economics	-	-	-	-	1	-	1
Liberal Arts	-	-	3	-	1	-	4
Medicine (Pre)	-	-	1	-	-	-	1
Music	-	-	1	-	-	-	1
Nursing	-	-	-	-	1	-	1
Secondary Education	-	-	-	-	1	-	1
Theology	-	-	2	-	-	-	2
TOTAL	-	-	11	-	6	-	17

H.
 (2) Number of students who enrolled in teacher training programs sponsored by the districts in year ending June 30, 1972.

District and Program	Number of Students Enrolled
MARIANA ISLANDS	
Teacher Training Courses	386
Teacher Training Center (9 months)	20
MARSHALL ISLANDS	
Teacher Training Courses	180
Teacher Training Center (9 months)	26
PALAU ISLANDS	
Teacher Training Courses	160
Teacher Training Center (9 months)	29
Extension Courses	20
PONAPE ISLANDS	
Teacher Training Courses	253
Teacher Training Center (9 months)	33
Extension Courses	4
Headstart Training	2
TRUK ISLANDS	
Teacher Training Courses	293
Teacher Training Center (9 months)	33
Headstart Training	4
Other	7
YAP ISLANDS	
Teacher Training Courses	79
Teacher Training Center (9 months)	12

(3) Number of teachers enrolled in Headquarters-sponsored teacher training programs in year ending June 30, 1972.

East-West Center, Educational Administrators (6 months)	23
East-West Center, Teacher Educators (6 months)	14
East-West Center, EFL Administrators Training Project (6 months)	1
Pacific & Asian Language Institute, University of Hawaii (9 months)	11
East-West Center, TESOL Training Project (9 months)	3
University of South Pacific, Fiji, English Teaching Unit (3 months)	6
University of Papua-New Guinea, Graduate TESL (9 months)	2

Number of Students
Enrolled

Mathematics Workshop at:

- Saipan: 7/20 - 7/24	15
- Palau : 8/1 - 8/7	60
- Majuro: 8/23 - 8/28	30

Science Workshops at:*

- Saipan: NSF Conference - 6/5 - 6/9	18
- Saipan: 6/1 - 6/2 & 6/12 - 6/13	15
- Palau : 6/22 - 6/29	30
- Yap : 6/14 - 6/21	30

Special Education Workshop, Guam: 6/9/71 - 8/6/71 47

* Science Workshops will be held in remaining districts after June 30, 1972.

H.
 (4) Number of persons by district and sex who graduated from Community College of Micronesia in the year ending June 30, 1972.

District	M	F	TOTAL
Marianas	2	2	4
Marshalls	5	1	6
Palau	3	3	6
Ponape	9	1	10
Truk	6	-	6
Yap	3	-	3
Total	28	7	35

Plus one (1) foreign student--American.

H.
 (5) Number of persons by district and sex who graduated from Micronesian Occupational Center in the year ending June 30, 1972.

District	M	F	TOTAL
Marianas	8	1	9
Marshalls	42	5	47
Palau	26	5	31
Ponape	37	5	42
Truk	38	5	43
Yap	10	1	11
Total	161	22	183

H.
 (6) Number of students by district and sex who completed Vocational Teacher Training Program (9 months).

Micronesian Occupational Center:	Male	Female	Total
Marianas	2	-	2
Palau	2	-	2
Ponape	2	-	2
Truk	-	1	1
Total	6	1	7

Ponape Agriculture & Trade School:

Palau	3	-	3
Ponape	3	-	3
Truk	2	-	2
Total	8	-	8

G. MAJOR FIELD OF STUDY AT INSTITUTIONS OF HIGHER LEARNING.
 Students in higher education, by sex and field of study as of June 30, 1974.

	Male	Female	Total
Agriculture	19	0	19
Business	79	17	96
Education	109	58	167
Engineering	33	0	33
Health Services	58	37	95
Arts	110	59	169
Legal	29	1	30
Trade and Vocational Skills	56	31	87
Science	16	0	16
Social Science	42	9	51
Other	5	0	5
Unknown	8	2	10
Total	564	214	778

NOTE: Agriculture covers: agriculture marketing, forestry, veterinary medicine, etc.

Business covers: accounting, business administration, hotel management, etc.

Education covers: educational psychology, elementary education, secondary education, elementary and secondary subject matters, etc.

Engineering covers: civil engineering, electrical engineering, mechanical engineering, etc.

Health Services covers: dentistry, hospital administration, medicine, etc.

Arts covers: English, history, psychology, mathematics, theology, etc.

Legal covers: pre-law and law, criminology, police science, court reporting, etc.

Trade and Vocational covers: refrigeration, auto mechanics, electronics, secretarial science, etc.

Science covers: biology, navigation, oceanography, etc.

Social Science covers: sociology, political science, public administration, etc.

Other covers: architecture, journalism, cartography.

Attachment I

Federal Programs for FY 1972 and FY 1973

<u>Title</u>	<u>Abbreviation</u>	<u>Authority</u>	<u>Amount</u>	<u>Use</u>	<u>Contact</u>
1. Adult Basic Education	ABE	Adult Basic Education Act, 1966, as amended	\$81,814	Programs in mathematics and English all six districts. Funds for administration negotiable within allocation. 1972-3: Continuation.	Felix Rabauliman
2. College Work-Study	CWS	Higher Education Act, 1966; Title IV, Part C	\$33,370	Payments for CCM student labor on 80%/20% basis; 20% from TI government. 1972-3: Continuation.	Harold Crouch
3. National Defense Student Loan	NSL	National Defense Education Act; 1958; Title II; amended	\$ 4,500	For use at CCM; Institution must provide 10%. 1972-3: New	Harold Crouch
4. Education Professions Development, B-2	EPDA	Higher Education Act, 1965; Title V; amended	\$25,000	Training elementary school Science instructors at CCM. 1972-3: Discontinued	William Foster
Part F		Higher Education Act, 1965; Title V; amended	\$15,000	Training Vocational Education instructors. 1972-3: New	Neal Baker
5. Education for the Handicapped	EHA	Education Handicapped Act, 1965; Title VI-B; formerly ESEA VI-B; amended	\$80,000	District Programs for educable handicapped; administrative funds within allocation. 1972-3: Continued	Harold Crouch
VI-D	EHA	Education Handicapped Act, 1965; Title VI-B; formerly ESEA VI-B; amended	\$50,000	Training of professional personnel for instructing handicapped 1972-3: Continued.	Harold Crouch

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5.	Library Services and construction (Public libraries)	LSCA	Library Services and construction Act; 1965; amended				
			Title I	\$57,743	Purchase of library needs		Sidney Sinde
			Title II	\$38,310	Library construction		
			Title III	\$10,256	Inter-library cooperation 1972-3: Continued		
7.	Manpower Development and Training	MDTA	Manpower Development and Training Act; 1962; amended	\$82,000	Institutional programs under government and non-profit auspices		Abel Olapai
				\$18,000	Job optional; contracted with private enterprises, salary sharing on 50-50 basis		
				\$59,731	State administration; \$7,805 used for Manpower Advisory Council. 1972-3: Continued (All parts)		
8.	National Defense Education	NDEA	National Defense Education Act; 1958; amended; Title III	\$50,000	Programs for equipment acquisition to improve instruction in Science, Math, Languages, social studies, and industrial arts; Minor remodeling		Harold Crouch
				\$4,000	Administration		
					1972-3: Discontinued		
9.	Special Food Services Program for Children	S.F.S.P.F.C.	Public Law 90-302, Dept. of Agriculture	\$22,323	Food, food handling on Ebeye. Administration amount: \$8,836 included. Assistance 1972 summer to Yap Headstart program: \$3,000		Eunice Zachary
					1972-3: Continued		

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10.	Vocational Education	VEA	Vocational Education Act; 1968; amended	\$266,826	To supplement supplies and equipment at MMC, MOC, and in six districts.	Neal Baker
		Part C	Vocational Education Act; 1968; amended	\$4,900	Discretionary funds, used for Career Education Workshop, Palau.	Bill Braadner
		Part D	Vocational Education Act; 1968; amended	\$14,278	Discretionary funds, used for making film of M.O.C.	
	Manpower Advisory Council		Vocational Education Act; 1968; amended	\$31,964	To fund Manpower Advisory Council	Max Jones
					1972-3: Continued	
11.	Compensatory Education, Elementary and Secondary	ESEA I	Elementary and Secondary Act; 1965; amended	\$1,049,404	Projects to compensate disadvantaged children; English language, language development, teacher training.	Harold Crouch
				\$25,000	Administration.	
					1972-3: Continued	
12.	School Library Resources, and Instructional materials	ESEA II	Elementary and Secondary Act; 1965; amended	\$83,812	85% divided amongst districts on pupil enrollment basis; 5% administration; 10% discretionary.	Daniel Peacock
					1972-3: Continued	
13.	Supplementary Educational Centers and Services; Guidance, Counseling, and Testing	ESEA III	Elementary and Secondary Act; 1965; amended	\$195,972	Projects for developing curriculum in science, mathematics and social studies: Rota bilingual project.	William Foster
				\$50,000	Administration; State Advisory Council of 12 members. Evaluation and needs assessment.	
				\$34,583	Discretionary funds used for pilot projects, introducing Hawaii English Program materials and methods. Consortium with Guam and American Samoa. 1972-3: Continued	Mary Foster

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14. Educational Research and Training	ESEA IV	Elementary and Secondary Act; 1965; amended	\$16,500	Contracted with NIMEL for staff and schoolboard training. 1972-3: Discontinued	Harold Crouch
15. Strengthening State and Local Educational Agencies.	ESEA V (503) (505)	Elementary and Secondary Act; 1965; amended	\$77,935	State level projects in testing, data collection, and curriculum development. 1972-3: Continued	Harold Crouch
16. Bilingual Education	ESEA VII	Elementary and Secondary Education Act; 1968; amended	\$70,000	Discretionary funds used for staff training; consortium with Guam and American Samoa. 1972-3: Continued Evenly divided between bilingual projects in Ponape and Palau. 1972-3: New	Harold Crouch Bethel Oestman
17. Environmental Education	ESEA	Environmental Educational Act, P.L. 91-516; 1970	\$25,500	CCM Instruction and Curriculum. Development: "to investigate part and present conditions of human and natural resource disposition". 1972-3: New	William Foster

1. Total expenditure on community action agencies for fiscal 1972 and 1973.

- (a) OEO Funds
- (b) HEW Funds
- (c) Other e.g. TT budget

(a)	<u>FY 1973</u>	<u>FY 1972</u>
	\$558,757	\$886,108*

* Includes \$153,976 for Ponape Skipjack project which was funded in FY 1972 but will run into FY 1974.

(b)	<u>FY 1973</u>	<u>FY 1972</u>
	\$297,971*	\$357,308

Does not include FY 73 \$76,458 and FY 72 \$74,089, Office of Aging programs funded by HEW to TT Division of Community Development and some of which are in turn delegated to CAAs.

- (c) There is no direct funding from TT sources but agencies are provided certain administrative support such as use of government radio communication facilities, and in the case of the Territorial Economic Opportunity Office, office space, payrolling services, free utilities and miscellaneous other services.

2. Number of Micronesians employed by the agencies. There are about 275 Micronesians employed by the agencies. Of this total, 31 are listed as "Administration" and the others are in the various program areas such as Health Services, HeadStart, Economic Development.

3. Number of Micronesians on scholarships or supported abroad out of agency funds. This question was posed to all district agencies since the answer is not available at Headquarters. Based on partial information it appears that no Micronesians have been granted scholarships to pursue college level, degree-oriented i.e. courses for academic credit, programs. There have been students sent to short-term skill training courses outside the Territory. While not typical, the Marianas CAA has provided such training for about 20 Micronesians.

LOW COST HOUSING PROGRAM

(Functions limited to simple loans to district Micronesian residents with minimum security requirements)

1. Mariana Islands Housing Authority:

Number of loans	126
Amount loaned	\$963,000
Average loan	7,700
Maximum loan permitted	9,000
Interest rate	7 1/4%
Applications on file	200
Available loan funds	\$526,000
<u>Source of funds</u>	
Trust Territory Government	\$174,000
Special Federal Appropriation after Typhoon Jean	775,000
Bank of America loan	300,000
Saipan Land Trust Fund	130,000
	<u>\$1,379,000</u>

2. Palau Housing Authority:

Number of loans	15
Amount loaned	\$105,000
Average loan	7,000
Maximum loan permitted	7,000
Interest rate	3%
Applications on file	128
Available loan funds	\$ 69,000 (1/1/73)
<u>Source of funds</u>	
Trust Territory Government	\$174,000
District Legislature Management Grant, 1972	15,000
	<u>\$189,000</u>

3. Ponape Housing Authority:

Number of loans	32
Amount loaned	\$98,000
Average loan	\$ 3,060
Maximum loan permitted	\$ 5,000
Interest rate	3%
Applications on file	168
Available loan funds	\$76,000 (1/1/73)

Source of funds

Trust Territory Government	\$174,000
District Legislature Management Grant	6,900
	<u>\$180,900</u>

4. Yap Housing Authority:

Number of loans	30
Amount loaned	\$112,494
Average loan	\$ 3,750
Maximum loan permitted	\$ 5,000
Interest rate	3%
Application on file	25
Available loan funds	\$116,000 (1/1/73)

Source of funds

Trust Territory Government	\$174,000
Congress of Micronesia	40,000
District Legislature Management Grant	5,000
Grant-in-Aid	10,000
	<u>\$229,000</u>

5. Truk Housing Authority:

Number of loans	62
Amount loaned	\$222,600
Average loan	\$ 5,000
Maximum loan permitted	\$ 6,000
Interest rate	4%

Source of funds

Trust Territory Government	\$174,000
Special Federal Appropriation after Typhoon Jean	100,000
District Legislature	71,000
	<u>\$345,000</u>

Low-cost housing, continued

H.B. No. 42; E.D. 2, S.D. 2, a bill for an act "To provide housing for middle and low-income families in the Trust Territory. To create a Territorial Housing Commission and to establish District Housing Authorities" was passed by the Congress of Micronesia in February, 1973, but has not as of this date, March 3, 1973, been transmitted in final form to the High Commissioner.

YOUTH PROGRAM EXPENDITURES

Neighborhood Youth Corps Program:

- 131 on-the-job training positions
- Current annual expenditure, \$185,000
(Grant from U.S. Dept. of Labor)

Job Corps Program:

- 60 institutional vocational training positions at Kokohead
- Job Corps Center, Hawaii*
Current annual expenditure is for one-way travel only. \$2,000

Youth Delinquency Prevention Program:

- Boy Scouting organization services
- Current grant from Dept. of Health, Education, Welfare, \$11,300

* Each trainee spends on average of 1 1/2 years in Hawaii at Job Corps expense.

Community Development Plans

The Division of Community Development plans to continue the operation of the following service programs:

Grant-in-Aid	\$455,400
Office on Aging	90,000
Neighborhood Youth Corps	185,000
Women's Interest Programs	35,000
*Job Corps	2,000
Low Cost Housing Program	250,000
Administrative/Technical Services	275,000
HUD Training Grant	30,000
	<u>\$1,322,400</u>

* Provides travel funds for an average of 60 Job Corps Trainees annually at U.S. Job Corps Center, Kokohead, Hawaii.

Q. What percent of the budget of the TT consists of the appropriations made by the U.S. Congress which are not under the control of the Congress of Micronesia?

A. For Fiscal Year 1973, the Trust Territory anticipates funds will be available as follows:

<u>Source</u>	<u>Amount</u>
U.S. Appropriations:	
Trust Territory of the Pacific Islands	\$60,000,000
Other Grant Programs	9,311,000
Local Revenue	<u>4,615,500</u>
Total	\$73,926,500

Local revenue appropriated by and under control of the Congress of Micronesia represents slightly over 6% of the total for FY 1973.

The Trust Territory appropriation of \$60,000,000 is about 81% of the total and other grant programs are about 13% of the total.

While the Congress of Micronesia does not have final control of the \$60 million, they nevertheless have authority to review and make recommendations to the High Commissioner on his budget before it is submitted to the Secretary of the Interior. The High Commissioner is required to adopt such of these recommendations as he shall deem appropriate but he is also required to transmit to the Secretary all recommendations he has not adopted. The High Commissioner has made it policy that he will, to the extent possible, adopt the budget recommendations of the Congress of Micronesia. The Congress of Micronesia does, therefore exercise effective control over the

Trust Territory appropriation as well as over local revenues. Other U.S. appropriations for other grant programs are, for the most part, made on the basis of approved project applications for specific purposes as included in the applicable U.S. Statute, and are not available for general budget support.

Q. Does the Congress of Micronesia consider the budget in detail prior to its submission in Washington and does it discuss the budget in depth with all officials responsible for budgetary matters, including department heads?

A. Yes. The Congress, through its Joint Committee on Program and Budget Planning, has held extensive hearings every year with District Administrators, Department Directors, Division Chiefs and their staffs on both the preliminary five-year plan and the preliminary budget. Each group of hearings has lasted about two weeks. Following an executive session, the Committee has customarily transmitted a report with recommendations to the Congress and to the High Commissioner

Q. What were actual revenue figures for 1972?

A. For the Fiscal Year ended June 30, 1972, actual revenues were:

Income Taxes:	
Micronesian wage tax	\$ 713,223
Non-Micronesian wage tax	1,053,156
Business gross revenue tax	833,832
	<u>\$2,600,211</u>
Import Taxes:	
Cigarettes and tobacco	\$ 219,256
Beer & malt beverages	162,993
Alcoholic beverages	124,379
Food, materials & other	254,376
	<u>\$ 761,004</u>
Export Taxes:	
Copra	69
Scrap Metal	1,372
	<u>\$ 1,441</u>
Fuel Excise Tax	\$ <u>54,161</u>
Other Revenue:	
Court fines, penalties, etc.	47,383
Unimproved land rental	28,426
Other property rental	74,855
Business licenses	29,770
Other licenses & permits	2,732
U.S. grant for Congress salaries	125,000
Miscellaneous	7,973
	<u>316,145</u>
TOTAL:	<u>\$3,732,962</u>

Q. The Mission was informed last January that Japan could accept to pay its contribution to the War damages compensations in cash. Is a recent information available on this matter?

A. We have no knowledge of any new arrangement whereby Japan will pay its contribution under the Micronesian Claims Agreement in cash. Our latest information indicates that only goods and services will be contributed by Japan.

Q. What are the most recent statistics for revenue from income tax?

A. For the seven (7) months ended January 31, 1973, actual collections were:

Micronesian individual wage tax	\$ 599,775
Non-Micronesian individual wage tax	1,096,737
Business Gross revenue tax	<u>771,500</u>
	<u>\$2,468,012</u>

(See also actual revenues for 1972)

Q. Is the rate of tax being reviewed including the institution of a graduated tax scale?

A. Introduced in the First Regular Session, Fifth Congress of Micronesia, were several bills which would, among other things, increase income tax rates and provide for a graduated tax scale. At this time however, it appears that the bills for increased or graduated tax rates were not passed by the Congress of Micronesia .

Question 9: The Trusteeship Council at its 39th Session recommended to the Administering Authority that it give consideration to the methods adopted in other non-self-governing territories for the equalization of salary scales between local officers and expatriates. What has been done by the Administering Authority to solve the problem of a single pay plan?

Answer:

The Administering Authority submitted to the recent Regular Session of the Congress of Micronesia a proposed new pay schedule and system (Senate Bill No. 143), which passed the Senate on February 21, 1973, the 45th day of the Session. The House passed the measure on the final day (February 26, 1973) of the Session. It will now go to the High Commissioner for approval.

The main features of the salary plan contained in Senate Bill 143 are comprised of (1) a base salary schedule for all employees (excluding the 195 remaining American Civil Service employees), and (2) a system of allowances and premiums necessary to attract and retain employees from higher paying labor markets outside of the Trust Territory. Other features of the plan include proposals for the treatment of third-country nationals, local hires, and the phasing out of expatriate contract employees.

The proposed new pay schedule has the following characteristics:

1. A uniform percentage between steps and between levels.
2. A uniform number of steps in each level.
3. A total of 38 levels which equate to the former 28 levels which were used for all jobs - levels 29 through 31 were used only for Department Heads and Deputies and District Administrators and their Deputies.
4. Each level completely spans each equivalent old level.
5. The absolute minimum rate of 61¢ per hour is maintained.
6. The missing levels in the old schedule have been filled in.
7. The adjustment from the old to the new schedule varies with each individual, but the variation is no more than 2%.

8. The overall increase is approximately 8.7%.

The schedule and the plan were developed as a joint enterprise between the Senate Committee on Judiciary and Governmental Operations and the Executive Branch represented by the Trust Territory Personnel Board and the Department of Personnel. In the development of the plan, this group was assisted by two qualified Personnel Consultants, one of whom was retained by the Congress of Micronesia and the other by the Personnel Board and the Department of Personnel.

The Standing Committee Report No. 88 (February 20, 1973) of the Senate Committee on Judiciary and Governmental Operations contains an extensive treatise of the problems and conclusions, with a recommendation for adoption of the measure. The House Standing Committee Report No. 118 (February 25, 1973) also recommended passage.

All parties concerned are in agreement that the proposed plan represents a step in the right direction.



THE SENATE
CONGRESS OF MICRONESIA
SAIPAN, MARIANA ISLANDS 96950

COMMITTEE on
JUDICIARY and
GOVERNMENTAL OPERATIONS

Andon Amoralch, Chairman

Lazarus E. Sallil, Vice — Chairman

Olympio T. Borja

Ambilos Iohal

Petrus Tun

Willfred I. Kendall

STANDING COM. REPT. NO. 88

FEBRUARY 20, 1973

RE: S.B. No. 143

The Honorable Tosiwo Nakayama
President of the Senate
Fifth Congress of Micronesia
First Regular Session, 1973

Dear Mr. President:

Your Committee on Judiciary and Governmental Operations, to which
was referred S.B. No. 143, entitled:

S.B. No. 143, "A BILL FOR AN ACT TO ESTABLISH A BASE SALARY
SCHEDULE PURSUANT TO SUBSECTION (10) OF SECTION
10 OF PUBLIC LAW NO. 4C-49; TO ESTABLISH POLICIES
AND STANDARDS WITH RESPECT TO THE COMPENSATION OF
EMPLOYEES COVERED BY P.L. 4C-49, AND TO PROVIDE
FOR THE IMPLEMENTATION OF THE SALARY PLAN.",

begs leave to report as follows:

The intent and purpose of this bill is to establish a uniform salary
plan for all employees of the Trust Territory Government. As such,
it implements the provisions of Section 10 (10) of Public Law 4C-49,
the Trust Territory Public Service System Act, which provides that
no pay plans may be effective in the Trust Territory Government executive
branch unless enacted into law by the Congress of Micronesia.

A thorough history of the bill and an analysis of its contents were
prepared by the Director of Personnel or by his consultant. We take
the liberty of adopting it here, as follows:

"I. GENERAL STATEMENT

"One of the many problems faced by developing countries is that
of salaries for its Government employees. The problem is
aggravated when it is found necessary to import skills not yet
available in the country. Disparities in salaries between citizens

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and others are the usual result and causes many problems impacting on personnel and budget administration.

"All of us are familiar with the more recent history of salaries and benefits for Government employees in the Trust Territory. In late summer of 1969, the minimum for Trust Territory citizens was 33¢ per hour. The maximum was near \$5.00 per hour. The schedule was increased in September of that year with a new minimum of 50¢ per hour. There were, at that time, three basic schedules for Trust Territory citizens (the A, B, and C Schedules). In addition, there were the United States Federal General Schedule and three other schedules for contract employees in the departments of Education, Health Services, and Public Works. A number of variations of these schedules were also being used for Medical Officers, Nurses, Secretaries, and others.

"The chaos and complexities induced by this situation prompted a series of studies in 1970, aimed at (1) proper identification of TT jobs, and (2) devising a better salary plan for those jobs.

"A consulting firm, Executive Management Service, Inc., was retained for these studies and this resulted in the development of a position classification plan and a new 31-level pay schedule. EMSI recommended that the new schedule apply to all employees (except for U.S. Civil Service employees) with a maximum 50% additional allowance for those recruited from the United States. This latter did not appear feasible at the time; hence, an expatriate schedule of 31 levels was devised following the rates of alternate levels of the U.S. Federal General Schedule in force during that period.

"When these schedules were made effective (July, 1971 and March, 1971), we then had the U.S. Federal General Schedule, the Micronesian Schedule, and the Expatriate U.S. Schedule for contract employees. Local-hires and third-country nationals were paid at 80% of the U.S. contract schedule."

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(At its 1971 Special Session in Truk, the Fourth Congress of Micronesia passed legislation requiring equal pay for equal work and equal qualifications for all employees of the government. This legislation was disapproved by the High Commissioner.)

"This, in brief, was the situation up to the Congress of Micronesia session in Palau last year. The Congress did two things of significance when it passed the Public Service Bill (Public Law No. 4C-49) at that session: (1) it made contract employees subject to its provisions, and (2) it authorized and obligated the Congress to enact a salary schedule for all employees covered by the Bill, and this had to be done by June 30, 1973.

"We, in the Executive Branch, had encountered a number of problems in salary administration since March, 1971. The Congress of Micronesia also voiced a number of concerns with regard to salaries and their application. Both Branches independently concluded that outside objective expertise was needed to assist with solutions to the many problems existent. The two Consultants conducted independent studies aimed at (1) isolating and identifying the problems, and (2) developing solutions to these problems.

"Not surprisingly, their conclusions as to what were the problems were almost identical - the general approaches to solutions were substantially in agreement. [The Report of the Consultant to the Committee, Mr. Philip Malone, has been transmitted to the Congress.] Mr. Carl Lutz, (the Personnel Department's) Consultant, then began an intensive attack on these problems, the result of which, basically, is Senate Bill No. 143.

"In the development of the plans proposed in this Bill, the following problems and concerns had to be considered:

1. What minimum rate should be used?
2. Were there any differences in private industry rates since our last surveys in 1970?
3. What deficiencies existed in the present schedule?
4. How could these be corrected with minimum trauma to employees, funding, and the private sector?

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5. How to treat imported skills, vis-a-vis citizen employees?
6. How to treat third-country nationals?
7. How to treat local-hires?

"Throughout this effort, every attempt has been made to keep key members of the Administration and the Legislature informed. This has been accomplished through meetings, discussions, and written material. The plan presented in Senate Bill No. 143 represents our best efforts at providing the Trust Territory Government with a reasonable salary schedule and plan.

"The proposed plan embodies two main features:

1. A Base Salary Schedule for all employees.
2. A system of allowances and premiums to attract and retain employees from higher paying labor markets.

"Other features include treatment of third-country nationals, local hires, and the phasing out of contract employees.

"The schedule has the following characteristics:

1. A uniform percentage between steps and between levels.
2. A uniform number of steps in each level.
3. A total of 38 levels which equate to the former 28 levels which were used for all jobs - levels 29 through 31 were used only for Department Heads and Deputies and District Administrators and their Deputies.
4. Each level completely spans each equivalent old level.
5. The absolute minimum rate of 61¢ per hour is maintained.
6. The missing levels in the old schedule have been filled in.
7. The adjustment to each individual employee's salary is from 8% - 10% higher.

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8. The overall increase is approximately 8.7%."

"II. ANALYSIS OF THE PLAN

A. MAIN FEATURES OF THE SALARY PLAN

"1. A Single Salary Schedule. The plan to be established by the Base Salary Act envisions a single salary schedule which will provide uniform base salaries for all employees of the Government (excluding United States Civil Service employees) according to the respective pay levels of their positions.

"2. Allowances and Premiums for Expatriate Employees. The plan recognizes the necessity of providing supplementary compensation to certain expatriate employees recruited abroad through a system of allowances and premiums identified as follows:

(a) Tax Relief Allowance. An "equalizer" allowance to compensate for the differences in tax obligations between United States expatriate and Micronesian employees.

(b) Recruitment Premium. A premium calculated to bring the total compensation (base salary, tax allowance, if any, and premium) to a level which will enable the Government to compete for qualified personnel in the labor market of the Country in which recruitment is conducted.

"3. Premium for Advanced Professional Micronesian Employees. The plan also envisions that Recruitment Premium will be appropriate in certain limited cases for Micronesians who have obtained graduate degrees in the higher professions abroad and who may otherwise be tempted to accept opportunities to remain abroad.

"4. Revision of Compensation Basis for Expatriate Local Hires. The plan recognizes that the current level of total compensation for expatriates recruited locally is unjustifiably high and provides for compensation on the basis of base salary and Tax Relief Allowance (for U.S. citizens only) with a progressive reduction of total compensation in future contracts.

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"B. THE SALARY SCHEDULE

"1. Present Salary Schedules. The present three-schedule system has a number of significant weaknesses, including the following: (1) it mixes pay for work done with compensation for conditions; (2) it seems to ignore the principle of like pay for like work; (3) although there are the same number of pay levels in each schedule, the rate structures (relationships among rates) are radically different among the schedules, thus the within-range increments and the differentials between successive ranges are not of uniform percentage among the schedules; and (4) the recruitment premium element buried in the higher rates for "third-country nationals" does not recognize the extremely different economy and living standard levels among different areas of the world.

"Further, the Micronesian salary schedule has the following structural weaknesses: the percentages of increments (between pay steps in range) vary from 5.3% to 6.0%, and the differentials between successive pay ranges vary from 5.3% to 19.0%. The latter are mainly caused by the omission of several ranges to which no classes of positions had been assigned at the time the schedule was adopted. This has caused obstacles in salary administration.

"2. Overall Level of Salaries. The overall level of salaries in the Micronesian salary schedule (to become the Base Salary Schedule) was determined in light of the following considerations: The Trust Territory Government is the predominant employer in the Trust Territory. As such, it occupies a very delicate position with respect to the economy. It must balance its concern for increasing the living standard of the people by leading in the improvement of salaries against the very real dangers of (a) drawing too many of the best workers from the private sector into the Government (the limited skills available are needed in both for the overall good of the Trust Territory), and (b) contributing to excessive inflation. In any situation where there is such a very predominant employer, consumer goods prices in the markets serving concentrations of the employer's work force often increase at the same time and in the same proportion as the wages paid to the worker's; thus, the attempt to improve the living standard of the workers is thwarted.

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"The Trust Territory Government is already paying salaries to the mass of its employees which are significantly higher than those provided in comparable occupations by private employers. The 1970 and 1972 local salary surveys in the private sector bear this out. Nevertheless, there is evidence that private sector salaries have increased in the past two years (around 7%), and this is only to be expected as private employers attempt to be more competitive with the Government in the labor market. However, any excessive increase in Government salary levels now will make their struggle more difficult.

"In the judgment of the administration, the overall level of salaries in the new Base Salary Schedule should be not over 9% higher than at present. This is based on an estimate that private sector salaries in the Territory are increasing at a rate somewhere between 3% and 4% per year, tempered by the fact that Government salaries are already higher than the average in the private sector.

"It is not being proposed that the minimum rate in pay level one be increased; however, this is primarily due to a mechanical feature of the proposed Base Salary Schedule. The adoption of a 5¢ per hour minimum increment in the lower pay levels rapidly increases the rates in pay level 1 to the extent that the maximum of that range is actually 8% higher than the present maximum in level 1. There are very few employees in positions of level 1 and most of them are above the minimum rate, or soon will be. Further, there is no evidence of difficulty in recruiting workers at present minimum rates of the lower pay levels.

"Budgetary considerations were also a factor in determining the overall level of salaries to be provided. It is inconceivable that the budget plan for the next and ensuing fiscal years will allow for more than a 9% increase in salaries without highly undesirable effects on other planned expenditures.

"3. The Proposed Base Salary Schedule. The salary schedule contained in the Bill has the following features:

(a) The schedule was built on the present minimum rate in Pay Level 1 of \$0.61 per hour and extends to cover about the same total span of salaries as the present Micronesian schedule, excluding Pay Levels 29, 30, and 31 which contain only classes which are now exempt from the salary plan. The maximum rate at the top of the span is 10.8% higher than the present maximum rate of Pay Level 28. The

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schedule provides salary rates which, weighted by the number of employees at each level, average an increase of 8.7%. The average increase at the maxima of the ranges is 9%.

(b) The schedule contains step rates within all ranges which are uniformly about 6% (since all hourly rates on which the bi-weekly rates were calculated were rounded to the nearest whole cent, some minor deviations from 6% occur). The exception to this uniform incremental relationship is in the lowest three pay levels where a minimum increment of 5¢ per hour is maintained simply because any salary advance of less than \$2 per week seems inconsequential.

(c) The differentials between successive ranges in the schedule are a uniform 6% throughout the schedule (there are no missing ranges). Again, the exception is in the lowest three pay levels where the differentials are a little larger than 6%, due to the minimum 5¢ per hour increments.

(d) On the basis of the above uniform differentials, 38 pay levels were required to cover the span covered by 28 pay levels in the current schedule.

(e) The salary ranges all consist of seven rates (as in the present schedule).

(f) The schedule is completely integrated, i.e., the same rates appear in successive ranges in different positions, thus providing no more than 44 different rates to cover the total span of salaries.

(g) The salary rates to be officially enacted are the bi-weekly rates since the Government is on a bi-weekly pay basis. To facilitate accounting and payroll processes, the schedule was built upon hourly rates rounded to the nearest whole cent; the official bi-weekly rates then were calculated by multiplying the hourly rates by 80. The schedule in Appendix A shows the hourly rates and the equivalent annual rates (26 times the bi-weekly rates, or 2,080 times the hourly rates, rounded to the nearest dollar). These are for informational and payroll purposes only and need not be shown in the schedule as it appears in the Act. (It should be noted that the actual annual equivalent, based on a 20-year cycle, is 26.1 times the bi-weekly rate; this is one reason why, when the pay basis is bi-weekly, the annual rates should not be the official rates, U.S. Federal Government practices notwithstanding.)

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(h) The schedule has been designed so that, in spite of the irregularities in the current schedule, all new ranges have maxima about the same percentage higher (deviation from the average is only + 1 1/2%) than the corresponding maxima in the current ranges.

(i) The schedule has the very desirable feature that once the current pay levels are matched to corresponding levels in the new schedule, initial salary adjustments to the new rates will be reasonably uniform in amounts. About 80% of the employees will receive increases varying only between 8% and 10%. In view of the irregularities in the present schedule, it was very difficult to achieve this result.

(Appendix A shows that matching of pay levels of the current schedule to levels of the proposed Base Salary Schedule and the salary increases that will be effected at all levels.)

"4. Method of Implementation. It is proposed and so provided in the Bill that upon implementation of the new schedule, each employee's present rate be adjusted to the rate at the step in the new range for his position that corresponds to the step at which he was paid in the old range. This provides the most equitable treatment and preserves the differences in rate among employees established by their seniority in position.

C. SPECIAL COMPENSATION PROVISIONS

"1. Tax Relief Allowance. If all else were equal, some adjustment would be required in any case where some employees in positions of equal value (same pay level) are subject to a substantial tax and others are not. The present U.S. expatriate salary schedule is presumed to recognize this necessity but it buries the tax element in the existing broad gap between it and the Micronesian salary schedule. It may also be presumed that the so-called Local Hire Schedule used to compensate third-country nationals was set at 80% of the U.S. expatriate schedule to recognize that such nationals do not pay the U.S. income tax. However, the U.S. tax paid by a typical family varies considerably in percent of salary at different pay levels.

"Particularly since the Bill proposed that certain Micronesian employees be paid gross compensation which is competitive in the U.S. labor market, it is essential for equity to identify and

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calculate the U.S. tax element of gross compensation in order that these Micronesian employees will not be compensated for a tax they will not have to pay.

"It is only after the tax element is identified and an allowance calculated for the same that the additional premium required to make gross compensation for U.S. expatriates competitive in the U.S. labor market can be determined. To put it another way, one can start with the U.S. prevailing salary for a job, determine the typical tax on that salary (which element would be excluded from compensation paid to employees not subject to the tax) and then the amount between the base salary and the U.S. prevailing salary less the tax is the recruitment premium. (See 2 below.)

"It is proposed to calculate the Tax Relief Allowance on the basis of what amount of tax would be paid by a typical family or average U.S. family with standard deductions and four exemptions. On the average, this will equalize the tax element as between U.S. citizens and others who do not pay the U.S. tax. Of course, it will not equalize the take-home pay among U.S. citizens, but this is not the objective; U.S. citizens are used to a variable tax based on individual deductions, number of dependents, and marital status. It happens that for a given salary, except at the highest levels of income, the tax withheld from the salary of a married employee with four exemptions is just about the average withholding among both married and single taxpayers with from one to nine exemptions.

"Therefore, for any given salary, the Tax Relief Allowance would be the amount withheld for a married employee with standard deductions and four exemptions, rounded for administrative convenience. The table in Appendix C demonstrates the result. For any given total of base salary and Recruitment Premium (see below), the Tax Relief Allowance and the gross compensation can be read from the table. [Appendix B]

"In the case of contract employees who are dependents of U.S. expatriate employees of the Government, their Tax Relief Allowance will be calculated by adding their base salary to the base salary and Recruitment Premium of the head of household, reading the tax allowance for that total from the table and subtracting from that allowance figure the amount of the allowance provided to the head of household.

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"2. Recruitment Premium. The Recruitment Premium is simply the amount that must be added to base salary, after equalizing the tax element, to reach a level of gross compensation that is competitive in the U.S. labor market or in any other labor market from which contract employees are to be recruited. The amount of the premiums can be expected to vary as prevailing rates change, the U.S. income tax rate changes, or the base salary rates change. In fact, recruiting experience, particularly in countries where it is difficult or impossible to obtain prevailing rate data, may cause the need to change the premium at a given pay level or for recruitment in a particular country. Also, ...the premium cannot be of the same percentage at all pay levels, in fact it needs to be different at almost all levels. Therefore, it is necessary for the administration to have some flexibility in determining the standard percentages of base salary for the Recruitment Premium at the several pay levels. However, it is appropriate for the Congress to set the basis for the calculation and impose reasonable limits, as provided in the Bill.

"For U.S. citizens, it is proposed initially to apply the Recruitment Premiums shown in the column headed Proposed Recruitment Premium in the Table in Appendix C. This table also demonstrates how these premiums were determined. The step-by-step procedure was as follows:

(a) To determine the U.S. prevailing rates applicable at the respective pay levels, seventeen common professional classes were selected in the Government classification plan for which salary data are available in published salary survey reports on a regular and continuing basis. These included classes in the Government service at several pay levels between Pay Level 17 and Pay Level 32. Data were available from two sources on most of the occupations: The International Personnel Management Association's semi-annual survey of salaries in local and state governments, and the Bureau of Labor Statistics' annual survey of Professional, Administrative and Technical Salaries in the private sector. Where data were available from both sources on the same classification, the rates were averaged for improved validity.

Based on the data for these seventeen classes, [a] prevailing rate curve...was drawn by plotting the seventeen on [a] graph according to the prevailing rate and the pay level for each, and calculating the line of best fit using the Least Squares

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curvilinear formula. Thus, a prevailing rate could be calculated for every pay level (or read from the curve). These calculated values appear in the second column of the table in Appendix D. (Since the slope of the curve beyond the limits of the pay levels covered by the seventeen classes used becomes unrealistic, straight line extensions were drawn above P/L 32 and below P/L 17.)

(b) To determine the dollar amount of the Recruitment Premium at step 4 of each pay level, the base salary and the tax (calculated on the amount in the second column) were subtracted from the amount in the second column.

(c) The premium dollar amounts were then converted to percentages of the corresponding base salaries; the calculated percentages were then rounded and smoothed into a schematic progression for administrative application.

"The Recruitment Premiums for Third-Country Nationals have not yet been fully determined but it is expected that the premiums will run from 0% to 90% of the U.S. premiums. In certain countries where the minimum wage is substantially below the minimum rate at Pay Level 1 in the Base Salary Schedule, there appears to be no justification for a Recruitment Premium; however, it is not sure that a zero premium is properly applicable in case of an employee with developed skills for a higher level position actually recruited in such countries. When further analyses can be made, it is intended that a percentage will be determined for each Country involved for application to the U.S. premiums for the respective pay levels. These, of course, could be converted to percentages of base salary.

NOTE: It should be noted that the Recruitment Premium system is designed to bring the gross compensation up to, but not above, prevailing rates for similar work in the country of origin. This alone is not enough to induce qualified people to leave their home country. It is standard practice among international employers to provide stateside salary plus 10 - 25% Overseas Premium to employees assigned abroad. Although not mentioned in the Bill because it is firmly established present practice, the furnishing of free housing and utilities to employees recruited abroad provides the appropriate incentive element in their total compensation. Part of this allowance in kind also may be considered as adjustment for the substantially

higher prices the expatriate must pay for the type of food he is accustomed to eating.

"3. Application of Allowances and Premiums. The following table summarizes the application of the allowances and premiums as established in the Bill:

<u>Employment Categories</u>	<u>Allowances and Premiums</u>
Regular Employees, Other Than Advanced Professionals.	Base Salary Only.
Advanced Professional Micronesian Employees.	Base Salary and U.S. Recruitment Premium.
* U.S. Expatriate Employees Recruited Abroad.	Base Salary, Tax Relief Allowance and U.S. Recruitment Premium.
* Third-Country Nationals Recruited Abroad.	Base Salary and a Portion of U.S. Recruitment Premium Depending Upon Country in Which Recruited.
* Locally Hired U.S. Citizens.	Base Salary and Tax Relief Allowance.
* Locally Hired Third-Country Nationals.	Base Salary Only.
(* Contract employees)	

"4. Implementation of Premium and Allowance System. The immediate application of provisions of the proposed Act would substantially reduce the gross compensation of contract employees who are Third-Country Nationals and that of all local hires. Many of these employees have been and are providing valuable services to the Territory and they cannot be readily replaced, either by regular employees or others. The proposed reductions are sound in principle but difficult in practice.

"Therefore, the Bill proposes that, in addition to continuing all present contracts with no reduction in compensation until they expire, the reductions be made on a progressive basis over a [two]-year period from the terminal dates of current contracts.

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It is hoped that some of the current incumbents will be willing to renew at lower compensation; for those that do not, replacements will have to be found. It is anticipated that many of the replacements will be regular employees but there will be the need for time to develop their qualifications.

"It is believed that within a three-year period, the administration can adapt to the new provisions concerning these contract positions without any serious effect on the efficient operation of the Government. A sudden change, however, would be very difficult to cope with."

As noted above, your Committee has participated completely in the formulation of this measure. Thus, we have studied it at great depth, and believe that we can recommend it.

There are, however, three things which we are compelled to point out:

1. The new plan does not provide equal pay for equal work with equal qualifications, except possibly as to specified classes of highly professional employees. This still remains our highest goal. We are, however, faced with the reality of the situation: that as long as the Trust Territory Government is to employ expatriates, salaries sufficient to attract them out of their country's labor market must be paid to them. These salaries are higher than those prevailing in Micronesia. Thus, the choices are two: to raise all salaries up to these levels, which your Committee feels would be an economic and cultural disaster for Micronesia, as well as being totally out of the realm of fiscal possibility; or, as an alternative, to phase out the need for all expatriate employees. The latter alternative is the course which must be followed. When the last expatriate leaves government service, then all workers at the same position with the same qualifications will be paid the same wages. We adopt this position regretfully, but realistically. And, more important, we adopt it in the expectation that a concerted effort will be made by the Administration to develop timetables and implement programs directed toward the replacement of all expatriate personnel with Micronesian citizens.

2. This bill is not intended as a pay raise for any employee. Any raises which employees do receive will be incidental to the conversion from the former, inequitable pay plan to the present, equitable, base salary schedule. All Micronesian employees should, however, receive some increment to salary in the course of the conversion, except those few employees at level 1 step 1, which remains at 61¢ per hour, and those who are presently being paid higher than the highest pay rate

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in the pay level to which their position has been assigned. It is most important that the Department of Personnel, in conjunction with the Trust Territory Personnel Board, convey this to the employees, in order to avoid the gross misunderstandings which resulted from the previous conversion to the pay schedules presently in use in the Trust Territory. The increases to pay which can be expected as result of the conversion average 5.5% at level 1, quickly accelerate to about 8%, and run over 10% at maximum near the highest levels.

3. The new pay plan will not narrow the gap between expatriate salaries and Micronesian salaries. In many cases, this gap will be widened. Although expatriate (U.S.) salaries at the lower end of the pay scale will be lowered, those at the upper end of the scale will be raised upon the expiration of present contracts. It is true that all Micronesian salaries, except as specified above, will be raised, but in most cases these raises will not be as great, dollar-wise, as U.S. expatriate salaries.

In public hearings, your Committee was furnished with some statistics concerning the implementation of the plan. The plan will result in a total raise in salary expenditure of 8%; Micronesian salaries will be raised an average of 8.7%. It will cost approximately \$2.1 million to implement the plan in Fiscal Year 1974; given the cut in the United States Annual Grant, this will restrict CIP funds even more severely. Thus, the bill contains a provision allowing the Personnel Department to delay the effective date of the bill up to three months (October 1), if fiscal requirements so warrant. A one quarter delay would result in a saving to the government of some \$525,000.

✓ Section 12 of the bill, the expiration date, was inserted at the insistence of your Committee. This is done not in the anticipation of any radical changes in the plan at the next session of the Congress, but only to insure that the Congress will be able to implement needed amendments at such session. In this connection, your Committee will continue to study the matter diligently, and will recommend such legislation as may be needed.

Your Committee offers some amendments to the bill, most of which are technical. Substantive amendments would eliminate hiring above step 4 for any employee, and require that the "professional differential" be paid to all holders of an earned doctorate whose positions require it. In addition, there are offered amendments to Public Law No. 4C-49 to bring that law into conformity with the provisions of this bill. ① ②

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The amendments are listed as follows:

1. On page 1, line 19, following the words "of the", the words "United States income" are inserted.
2. On page 2, line 24, following the figure "9", the figure "(1)" is inserted.
3. On page 2, line 25, following the figure "4C-49", the words "except insofar as other provisions of Section 9 make this act specifically applicable" are inserted.
4. On page 5, line 9, the words "a Ph.D." are deleted, and the words "an earned doctorate" are inserted in lieu thereof.
5. On page 6, line 10, the word "would" is deleted, and the word "will" is inserted in lieu thereof.
6. On Page 7, lines 19 through 21, the words ", except for employees covered by Sections 7(2) and 8(2) of this act, as to which this proviso shall not apply" are deleted in their entirety.
7. On page 9, line 24, the word "Section" is amended to read "Sections".
8. On page 9, line 25, following the figure "7", the words "and 8" are inserted.
9. On page 10, line 3, following the word "abroad", a comma is inserted.
10. On page 12, line 4, the word "Amendment" is amended to read "Amendments", and the words "and Repealers" are inserted following such word, followed by the figure "(1)".
11. On page 12, following line 10, new Subsections are inserted to read as follows:

"(2) The designations of Subsections (4) through (13), inclusive, of Section 8 of Public Law 4C-49 are hereby amended to read "(d)" through "(m)", inclusive, respectively."

"(3) Paragraph (b) of Subsection (2) of Section 10 of Public Law 4C-49 is hereby amended to read as follows: "(b) Promotional"

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examinations. Examinations may be promotional examinations; ~~which shall be limited to regular employees in the Public Service~~ whenever in the opinion of the Director the same is practicable and for the best advantage of the Public Service. Ample notice shall be given by the Director of the fact that any promotional examination is to be conducted.

"(4) Paragraph (a) of Subsection (4) of Section 10 of Public Law 4C-49 is hereby amended to read as follows: "(a) Whenever there is a position to be filled, the management official shall request the Director to submit a list of persons eligible. The Director shall thereupon certify a list of five or such fewer number as may be available taken from eligible lists in the following order; first, the ~~promotional~~ reemployment lists; second, the ~~reemployment~~ promotional lists, and third, the open-competitive lists. The management official shall make the appointment only from the list of eligible persons certified to him unless he finds no person acceptable to him on the list certified by the Director, in which case he shall reject the list and request the Director to submit a new list, in which event the Director shall submit a new list of eligible persons selected in like manner; PROVIDED, that the management official states his reasons in writing for rejecting each of the eligible persons on the list previously certified to him.

"(5) Paragraph (c) of Subsection (4) of Section 10 of Public Law 4C-49 is hereby repealed in its entirety.

"(6) Paragraph (a) of Subsection (10) of Section 10 of Public Law 4C-49 is hereby repealed in its entirety.

"(7) The first paragraph of paragraph (d) of Subsection (10) of Section 10 of Public Law 4C-49 is hereby amended to read as follows: (d) Periodic Review. The Director shall periodically conduct necessary and appropriate studies of rates of compensation and compensation practices in all geographic areas from which employees for the Public Service are normally recruited, and shall recommend and transmit the same to the Board for its review. Following such review, the Board shall submit the same, together with its comments and recommendations, to the High Commissioner for review and approval and further transmission to the Congress of Micronesia for its consideration ~~approval in the manner set forth in~~ PARAGRAPH (b) of this subsection In developing such plan and schedules, consideration shall be given to the following:

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"(8) The first paragraph of paragraph (e) of Subsection (10) of Public Law 4C-49 is hereby amended to read as follows: "(e) Differentials and Transfer Allowances. To compensate for unique circumstances of the employment which create hardship or involve additional cost to them, the following differentials are provided Trust Territory Public Service employees; PROVIDED, HOWEVER, that in no case may an employee's combined differentials, as set forth in paragraphs (i) through (iv), inclusive, exceed thirty percent of the ~~current~~ base salary rate provided by law for the employee concerned."

"(9) Subparagraph (i) of paragraph (e) of Subsection (10) of Section 10 of Public Law 4C-49 is hereby amended to read as follows:

"(i) Standby. Employees whose duties require them to remain in a standby status, subject to call to duty at any time, for a regularly scheduled period in excess of a normal forty-four workweek and who, in fact, are frequently called during its period of scheduled standby, shall be entitled to a differential of twenty percent of ~~basic pay~~ the base salary rate provided by law."

"(10) Subparagraph (ii) of Paragraph (e) of Subsection (10) of Section 10 of Public Law 4C-49 is hereby amended to read as follows:

(ii) Hardship Post. Employees assigned to duty stations which present unusual hardship because of such factors as geographic isolation, lack of amenities, lack of availability of shipping, lack of transportation and similar conditions may be paid a differential of twenty percent of ~~basic pay~~ the base salary rate provided by law."

"(11) Subparagraph (iii) of Paragraph (e) of Subsection (10) of Section 10 of Public Law 4C-49 is hereby amended to read as follows: "(iii) Night Work. Employees whose regular tour of duty includes regularly scheduled hours falling between 7:00 p.m. and 6:00 a.m. shall be paid a differential of fifteen percent of the base salary rate provided by law for all those hours which fall during that period.

"(12) Subparagraph (iv) of Paragraph (e) of Subsection (10) of Section 10 of Public Law 4C-49 is hereby amended to read as follows: "(iv) Hazardous Work. Employees whose occupation involves unusual and extreme hazards to their Health and safety shall be paid a differential of twenty-five percent of the base salary rate as provided by law."

STANDING COM. REPT. NO. 88

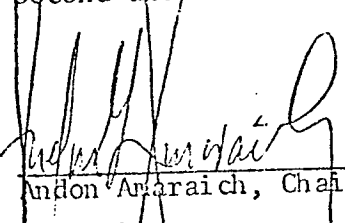
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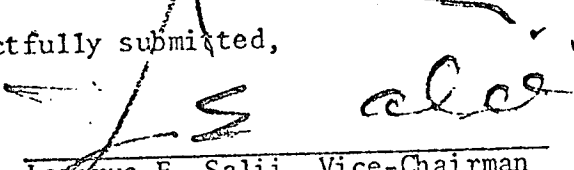
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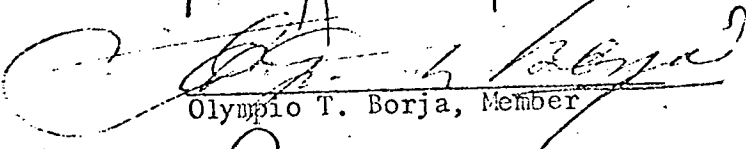
"(13) Subsection (18) of Section 10 of Public Law 4C-49 is hereby amended to read as follows: "(18) Subsections (1), (2), (3), (4), (6)(a), (7), (8), and (13) of this Section shall not apply to personnel employed by contract, except to the extent that the provisions contained in such subsections, or similar provisions contained in other laws, apply to personnel employed by contract by virtue of other laws. and ~~not otherwise excluded by the provisions of Section 9 of this act.~~ Nothing in this act shall be construed as to prohibit the hiring of expatriate personnel by contract by the High Commissioner, or his delegate.

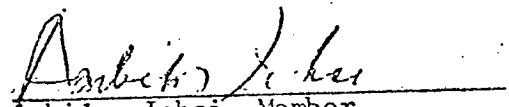
Your Committee is thus in complete accord with the intent and purpose of Senate Bill No. 143, as amended, and recommends its passage on Second and Final Reading in the amended form attached hereto.

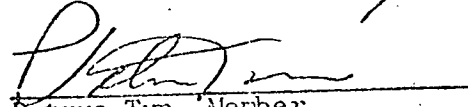
Respectfully submitted,

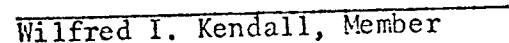

Andon Ararai, Chairman


Lazarus E. Salii, Vice-Chairman


Olympio T. Borja, Member


Ambilos Iehsi, Member


Petrus Tun, Member


Wilfred I. Kendall, Member

A BILL FOR AN ACT

To establish a base salary schedule pursuant to Subsection (10) of Section 10 of Public Law No. 4C-49; to establish policies and standards with respect to the compensation of employees covered by P.L. 4C-49, and to provide for the implementation of the salary plan.

BE IT ENACTED BY THE CONGRESS OF MICRONESIA:

1 Section 1. Short title. This act is known and may be cited as the
2 Trust Territory Salary Act of 1973.

3 Section 2. Statement of purpose. It is the declared purpose of the
4 Congress of Micronesia in establishing a salary plan to provide a single
5 uniform base salary schedule from which shall be derived the base salary
6 to be paid all employees in positions not specifically exempted by Section
7 9 of P.L. 4C-49 regardless of their nationality or form of engagement.
8 The Congress recognizes that so long as the Trust Territory Government
9 employs expatriate personnel, certain premiums and allowances must be
10 provided in addition to base salary in order to attract and retain such
11 personnel; therefore, it is the further purpose of the Congress to establish
12 reasonable standards and limitations for the determination of such premiums
13 and allowances.

14 Section 3. Definitions.

15 (1) Except as otherwise provided in this Section, or unless the
16 context clearly requires otherwise, terms used in this act shall have the
17 meaning ascribed in Section 3 of P.L. 4C-49.

18 (2) "Tax Relief Allowance" is an allowance which, except as otherwise
19 provided, is calculated on the basis of the United States income tax that would
20 be paid by a typical family (husband, wife and two children) of United States
21 citizens on the gross compensation to be received by the individual employee,
22 including base salary, allowances and premiums. The Director of Finance
23 shall be responsible for preparing a table, based on current United States
24 income tax rates, by which the amount of the Tax Relief Allowance shall
25 be determined in each individual case. In no case shall such allowance exceed

1 thirty percent of base salary.

2 (3) "Recruitment Premium" is a premium to be determined by
3 the Director of Personnel with the approval of the Trust Territory Personnel
4 Board and the High Commissioner on the basis of the difference between the
5 prevailing rates for similar occupations in the United States and the
6 amount of base salary and Tax Relief Allowance, except as otherwise provided.
7 The prevailing rates shall be determined at least once every two years from
8 available salary survey data sources with broad coverage in the United States
9 labor market and the Recruitment Premiums may be revised in accordance with
10 changes in the base salary schedule, United States income tax rates, and
11 prevailing rates, as recommended by the Director of Personnel on the basis
12 of his analyses and with the approval of the Trust Territory Personnel
13 Board and the High Commissioner. The premiums shall be established in terms
14 of percentage of base salary at each pay level. In no case shall the
15 Recruitment Premium exceed one hundred and fifty percent of base salary or
16 \$300 biweekly, whichever is the lower.

17 (4) "Base Salary" is the base salary provided in the Base Salary
18 Schedule established by Section 5 of this act.

19 (5) "Contract Position" means a position which is occupied or to
20 be occupied by a person not a citizen of the Trust Territory.

21 Section 4. Applicability. This act shall be applicable to all employees
22 and positions in the executive branch of the Trust Territory Government now
23 existing or hereafter established except those exempt from the Public Service
24 System by the provisions of Section 9 (1), Public Law No. 4C-49, except insofar
25 as other provisions of Section 9 make this act specifically applicable.

1 Section 5. Base Salary Schedule. The Base Salary Schedule
 2 appearing in the following table is hereby adopted to provide the
 3 official biweekly base salary, based on a forty hour regular workweek,
 4 which shall be paid to employees not specifically exempted by this act
 5 in accordance with the respective pay levels assigned to their positions
 6 by the Director of Personnel under Subsection (10) (c) of Section 10,
 7 Public Law No. 4C-49, and their respective terms of service in position.

8 BASE SALARY SCHEDULE

9 of

10 BIWEEKLY SALARY RATES

11		Minimum		Intermediate Rates			Maximum	
12	Pay	Rate					Rate	
13	Level	(1)	(2)	(3)	(4)	(5)	(6)	(7)
14	1	\$ 48.20	\$ 52.80	\$ 56.80	\$ 60.80	\$ 64.80	\$ 68.80	\$ 72.80
15	2	52.80	56.80	60.80	64.80	68.80	72.80	76.80
16	3	56.80	60.80	64.80	68.80	72.80	76.80	81.60
17	4	60.80	64.80	68.80	72.80	76.80	81.60	86.40
18	5	64.80	68.80	72.80	76.80	81.60	86.40	91.20
19	6	68.80	72.80	76.80	81.60	86.40	91.20	96.80
20	7	72.80	76.80	81.60	86.40	91.20	96.80	102.40
21	8	76.80	81.60	86.40	91.20	96.80	102.40	108.80
22	9	81.60	86.40	91.20	96.80	102.40	108.80	115.20
23	10	86.40	91.20	96.80	102.40	108.80	115.20	122.40
24	11	91.20	96.80	102.40	108.80	115.20	122.40	129.60
25	12	96.80	102.40	108.80	115.20	122.40	129.60	137.60

1	13	102.40	108.80	115.20	122.40	129.60	137.60	145.60
2	14	108.80	115.20	122.40	129.60	137.60	145.60	154.40
3	15	115.20	122.40	129.60	137.60	145.60	154.40	164.00
4	16	122.40	129.60	137.60	145.60	154.40	164.00	173.60
5	17	129.60	137.60	145.60	154.40	164.00	173.60	184.00
6	18	137.60	145.60	154.40	164.00	173.60	184.00	195.20
7	19	145.60	154.40	164.00	173.60	184.00	195.20	207.20
8	20	154.40	164.00	173.60	184.00	195.20	207.20	220.00
9	21	164.00	173.60	184.00	195.20	207.20	220.00	233.60
10	22	173.60	184.00	195.20	207.20	220.00	233.60	248.00
11	23	184.00	195.20	207.20	220.00	233.60	248.00	263.20
12	24	195.20	207.20	220.00	233.60	248.00	263.20	279.20
13	25	207.20	220.00	233.60	248.00	263.20	279.20	296.00
14	26	220.00	233.60	248.00	263.20	279.20	296.00	313.60
15	27	233.60	248.00	263.20	279.20	296.00	313.60	332.00
16	28	248.00	263.20	279.20	296.00	313.60	332.00	352.00
17	29	263.20	279.20	296.00	313.60	332.00	352.00	372.00
18	30	279.20	296.00	313.60	332.00	352.00	372.00	396.00
19	31	296.00	313.60	332.00	352.00	372.00	396.00	420.00
20	32	313.60	332.00	352.00	372.00	396.00	420.00	444.00
21	33	332.00	352.00	372.00	396.00	420.00	444.00	472.00
22	34	352.00	372.00	396.00	420.00	444.00	472.00	500.00
23	35	372.00	396.00	420.00	444.00	472.00	500.00	532.00
24	36	396.00	420.00	444.00	472.00	500.00	532.00	564.00
25	37	420.00	444.00	472.00	500.00	532.00	564.00	596.00

1 38 444.00 472.00 500.00 532.00 564.00 596.00 632.00

2 Section 6. Compensation of Trust Territory citizen employees.

3 (1) Employees who are citizens of the Trust Territory shall be
4 provided as compensation a Base Salary, as provided in Section 3 (4) of
5 this act.

6 (2) Notwithstanding the provisions of Subsection (1) of this
7 Section, any employee covered under the provisions thereof who has achieved
8 advanced professional capabilities through obtaining an LL.B. or J.D. degree,
9 a doctorate in medicine, dentistry or veterinary medicine, or ~~a Ph.D.~~ an earned
10 doctorate in any other field, from an accredited United States university
11 or any other university accredited or accepted in the United States, and who
12 is employed in a position having a requirement for such degree, shall receive,
13 in addition to a Base Salary for the position, the United States Recruitment
14 Premium established for the pay level of the position.

15 Section 7. Compensation of employees who are citizens of the United
16 States.

17 (1) Employees who are citizens of the United States and who are
18 recruited and hired in the United States and are under an employment con-
19 tract shall be provided the following compensation:

20 (a) a Base Salary, as provided in Section 3 (4) of this act;

21 (b) a Recruitment Premium, as provided in Section 3 (3) of
22 this act; and

23 (c) a Tax Relief Allowance, as provided in Section 3 (2) of
24 this act;

25 PROVIDED, HOWEVER, that in no event shall the total of the Recruitment

1 Premium and the Tax Relief Allowance exceed one hundred and sixty-one
2 percent of the Base Salary.

3 (2) Employees who are citizens of the United States and who
4 are dependents of employees covered by Subsection (1), above, shall be
5 provided the following compensation:

6 (a) a Base Salary, as provided in Section 3 (4) of this
7 act; and

8 (b) a Tax Relief Allowance; PROVIDED, HOWEVER, that the
9 Tax Relief Allowance for employees covered by this Subsection shall be com-
10 puted in consideration of the fact that the salary of the dependent ~~will~~ will
11 be added to the gross compensation of the head of household, thus making
12 the rate of taxation higher than that indicated by the salary of the
13 dependent.

14 (3) Employees who are citizens of the United States and who
15 are not covered by Subsections (1) and (2), above, shall be provided the
16 following compensation:

17 (a) a Base Salary, as provided in Section 3 (4) of this
18 act; and

19 (b) a Tax Relief Allowance, as provided in Section 3 (2)
20 of this act; PROVIDED, HOWEVER, that the Tax Relief Allowance shall be
21 calculated on the basis of their own salaries only.

22 Section 8. Compensation of third country nationals.

23 (1) Employees who are citizens neither of the Trust Territory
24 nor of the United States and who are recruited from countries other than
25 the United States shall be provided the following compensation:

1 (a) a Base Salary, as provided in Section 3 (4) of
2 this act; and

3 (b) in cases where prevailing rates of pay in the country
4 of recruitment are significantly higher than in Micronesia, a Recruitment
5 Premium; PROVIDED, HOWEVER, that such premium shall be determined by the
6 Director of Personnel, with the approval of the Trust Territory Personnel
7 Board and the High Commissioner on the basis of the difference, insofar as
8 it can be best estimated, between the prevailing rates in the Trust Terri-
9 tory and those in the country of recruitment. In no case shall such
10 Recruitment Premium exceed ninety percent of the Recruitment Premium for
11 an employee recruited in the United States at the same pay level.

12 (2) Employees who are citizens neither of the Trust Territory
13 nor of the United States and who are recruited locally shall be provided
14 as compensation a Base Salary, as provided in Section 3 (4) of this act.

15 Section 9. Entrance salary rate of employees. The initial base salary
16 rate of an employee shall be at Step 1, unless a higher rate shall be
17 necessary to recruit and is appropriate to the qualifications of the appli-
18 cant; PROVIDED, that in no case shall such rate be higher than the Step 4
19 rate of the salary range for the position, ~~except for employees covered by~~
20 ~~sections 7 (2) and 8 (2) of this act as to which this provision shall not~~
21 ~~apply.~~

22 Section 10. Implementation of the salary plan

23 (1) Equating former pay levels to pay levels of the Base
24 Salary Schedule. For the purpose of implementation of the Base Salary
25 Schedule, the former pay levels adopted under the provisions of Section

1 10 (10) (a) of Public Law 4C-49, shall be equated to the pay levels
 2 of the Base Salary Schedule established by Section 5 of this act as
 3 follows:

4	Former	New Pay	Former	New Pay
5	<u>Pay Level</u>	<u>Level</u>	<u>Pay Level</u>	<u>Level</u>
6	1	1	15	15
7	2	2	16	17
8	3	3	17	19
9	4	4	18	22
10	5	5	19	24
11	6	6	20	25
12	7	7	21	26
13	8	8	22	27
14	9	9	23	28
15	10	10	24	30
16	11	11	25	32
17	12	12	26	34
18	13	13	27	36
19	14	14	28	38

20 Upon implementation of the salary plan as set forth in this act, the pay
 21 level designations of all classes of positions shall be renumbered as
 22 indicated above; PROVIDED, that the classes of staff physician, presently
 23 subject to a special salary schedule, shall be assigned to pay levels of
 24 the Base Salary Schedule as follows:

25 Staff Physician I P/L 35

1 Staff Physician II 36
2 Staff Physician III 37
3 Staff Physician IV 38

4 Nothing in the foregoing is intended to prevent the Director of
5 Personnel, after implementation of the plan, from redesignating the pay
6 level of any class under authority granted by Public Law No. 4C-49, as
7 amended.

8 (2) Initial salary adjustments.

9 (a) Trust Territory citizen employees. At the effective
10 date of the salary plan established by this act, each employee who is a
11 Trust Territory citizen and who is not exempt from the provisions of this
12 act shall receive that rate of pay in the Base Salary Schedule which
13 appears at the step corresponding to the step at which he was formerly
14 paid in the corresponding former pay level for his position. An employee
15 whose former salary was above the maximum of the range for his position
16 shall be paid at the maximum rate of the new range or continue at his
17 former rate, whichever would provide the higher salary. No employee's
18 salary shall be reduced upon implementation of the salary plan.

19 (b) Non-Trust Territory citizen employees. Each employee
20 who is not a citizen of the Trust Territory and whose gross compensation
21 would be reduced under the provisions of this act shall continue at his
22 present rate of compensation for the duration of his current contract of
23 employment. All other non-Trust Territory citizen employees shall receive
24 base salary and such allowances and premiums as are authorized by Sections
25 7 and 8 of this act from the implementation of the plan as set forth herein.

1 (3) Compensation for position in future contracts. Each
2 contract position to be filled after the implementation of the salary
3 plan provided for in this act; by a person recruited abroad, shall have
4 the elements of compensation therefor specified in a contract as deter-
5 mined in accordance with Section 7 or 8 of this act. In the case of all
6 other contract positions, the following shall govern the determination
7 of compensation to be provided:

8 (a) Upon completion of the contract in effect upon the
9 implementation of the salary plan provided for in this act, the Director
10 of Personnel shall determine the necessity of continuing the position as
11 a contract position on the basis of the availability of qualified Trust
12 Territory citizen employees to fill the position.

13 (b) If the determination is made that the position should
14 continue as a contract position, the approval of the Personnel Board shall
15 be required. Such approval, if granted, shall remain in effect for two
16 years in case of a position to be filled by recruitment abroad, or for one
17 year in case of a position to be filled by local hire. Upon the expiration
18 of such period, the procedure set forth in this Subsection shall be repeated.

19 (c) When a position is approved by the Board to continue
20 as a contract position, the elements of compensation for the position to
21 be specified in contracts entered into after the implementation of the
22 salary plan provided for in this act shall be determined as follows:

23 (1) The Director of Personnel shall calculate the gross
24 compensation in accordance with the provisions of Section 7 or 8 of this
25 act.

1 (ii) In case such gross compensation is equal to
2 or higher than the gross compensation provided in the contract in effect
3 upon the implementation of the pay plan provided in this act, the position
4 shall be so compensated.

5 (iii) In case such gross compensation is less than
6 the gross compensation provided in the contract in effect upon the imple-
7 mentation of the pay plan provided in this act, the Director may adjust
8 the Recruitment Premium to set the gross compensation at such rate as he
9 considers necessary to retain the incumbent or recruit a new employee but
10 not in excess of the limitations imposed by Section 3 (3), or the following
11 limitations, whichever is less:

12	For the first year under	The rate calculated under
13	a new contract--	(i) above plus seventy-five
14		percent of the difference
15		between such rate and the
16		gross compensation in the
17		contract in effect upon the
18		implementation of the pay
19		plan;
20	For the second year--	The rate calculated under
21		(i) above plus fifty percent
22		of the difference between
23		such rate and the gross com-
24		pensation in the contract in
25		effect upon the implementation

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of the pay plan;

for subsequent years-- The rate calculated under (i)
above.

Section 11. Amendments and Repealers. (1) Paragraph (b) of Subsection
(10) of Section 10 of Public Law 4C-49 is hereby amended to read as follows:

"(b) No salary schedule or changes in any salary schedule, for
employees of the Executive Branch of the Trust Territory Govern-
ment, except those excluded by the provisions of this Subsection,
shall be effective on or after ~~JULY~~ October 1, 1973, unless it
shall have been enacted into law by the Congress of Micronesia."

"(2) The designations of Subsections (4) through (13), inclusive, of
Section 8 of Public Law 4C-49 are hereby amended to read "(d)" through
"(m)", inclusive, respectively."

"(3) Paragraph (b) of Subsection (2) of Section 10 of Public
Law 4C-49 is hereby amended to read as follows: "(b) Promotional
examinations. Examinations may be promotional examinations; ~~which~~
~~shall be limited to regular employees in the public service,~~ whenever
in the opinion of the Director the same is practicable and for the
best advantage of the Public Service. Ample notice shall be given by
the Director of the fact that any promotional examination is to be
conducted."

"(4) Paragraph (a) of Subsection (4) of Section 10 of Public Law
4C-49 is hereby amended to read as follows: "(a) Whenever there is a
positon to be filled, the management official shall request the
Director to submit a list of persons eligible. The Director shall

1 thereupon certify a list of five or such fewer number as may be
2 available taken from eligible lists in the following order; first,
3 the ~~promotional~~ reemployment lists; second, the ~~reemployment~~ promotional
4 lists; and third, the open-competitive lists. The management official
5 shall make the appointment only from the list of eligible persons
6 certified to him unless he finds no person acceptable to him on the
7 list certified by the Director, in which case he shall reject the
8 list and request the Director to submit a new list, in which event
9 the Director shall submit a new list of eligible persons selected
10 in like manner; PROVIDED, that the management official states his
11 reasons in writing for rejecting each of the eligible persons on
12 the list previously certified to him.

13 "(5) Paragraph (c) of Subsection (4) of Section 10 of Public
14 Law 4C-49 is hereby repealed in its entirety.

15 "(6) Paragraph (a) of Subsection (10) of Section 10 of Public
16 Law 4C-49 is hereby repealed in its entirety.

17 "(7) The first paragraph of paragraph (d) of Subsection (10)
18 of Section 10 of Public Law 4C-49 is hereby amended to read as follows:

19 (d) Periodic Review. The Director shall periodically
20 conduct necessary and appropriate studies of rates of compensation
21 and compensation practices in all geographic areas from which employees
22 for the Public Service are normally recruited, and shall recommend and
23 transmit the same to the Board for its review. Following such review,
24 the Board shall submit the same, together with its comments and
25 recommendations, to the High Commissioner for review and approval

1 and further transmission to the Congress of Micronesia for its consideration

2 approval in the manner set forth in Paragraph (b) of this Subsection

3 In developing such plan and schedules, consideration shall be given

4 to the following:

5 "(8) The first paragraph of paragraph (e) of Subsection (10) of

6 Public Law 4C-49 is hereby amended to read as follows:

7 "(e) Differentials and Transfer Allowances. To compensate for
8 unique circumstances of the employment which create hardship or involve
9 additional cost to them, the following differentials are provided
10 Trust Territory Public Service employees; PROVIDED, HOWEVER, that
11 in no case may an employee's combined differentials, as set forth
12 in paragraphs (i) through (iv), inclusive, exceed thirty percent
13 of the ~~current~~ base salary rate provided by law for the employee
14 concerned."

15 "(9) Subparagraph (i) of paragraph (e) of Subsection (10) of
16 Section 10 of Public Law 4C-49 is hereby amended to read as follows:

17 "(i) Standby. Employees whose duties require them to remain in
18 a standby status, subject to call to duty at any time, for a regularly
19 scheduled period in excess of a normal forty-hour workweek and who,
20 in fact, are frequently called during this period of scheduled standby,
21 shall be entitled to a differential to twenty percent of ~~base~~ pay
22 the base salary rate provided by law."

23 "(10) Subparagraph (ii) of Paragraph (e) of Subsection (10) of
24 Section 10 of Public Law 4C-49 is hereby amended to read as follows:

25 (ii) Hardship Post. Employees assigned to duty stations which

1 present unusual hardship because of such factors as geographic
2 isolation, lack of amenities, lack of availability of shipping, lack
3 of transportation and similar conditions may be paid a differential
4 of twenty percent of ~~base pay~~ the base salary rate provided by law."

5 "(11) Subparagraph (iii) of Paragraph (e) of Subsection (10) of
6 Section 10 of Public Law 4C-49 is hereby amended to read as follows:

7 "(iii) Night Work. Employees whose regular tour of duty
8 includes regularly scheduled hours falling between 7:00 p.m. and 6:00 a.m.
9 shall be paid a differential of fifteen percent of the base salary
10 rate provided by law for all those hours which fall during that period.

11 "(12) Subparagraph (iv) of Paragraph (e) of Subsection (10) of
12 Section 10 of Public Law 4C-49 is hereby amended to read as follows:

13 "(iv) Hazardous Work. Employees whose occupation involves unusual
14 and extreme hazards to their Health and safety shall be paid a
15 differential of twenty-five percent of the base salary rate as
16 provided by law."

17 "(13) Subsection (18) of Section 10 of Public Law 4C-49 is
18 hereby amended to read as follows:

19 "(18) Subsections (1), (2), (3), (4), (6)(a), (7), (8), and
20 (13) of this Section shall not apply to personnel employed by
21 contract, except to the extent that the provisions contained
22 in such subsections, or similar provisions contained in other laws,
23 apply to personnel employed by contract by virtue of other laws.

24 And ~~not otherwise excluded by the provisions of Section 9 of this~~
25 act. Nothing in this act shall be construed as to prohibit the

1 hiring of expatriate personnel by contract by the High Commissioner
2 or his delegate.

3 Section 12. Expiration. This act shall expire on June 30, 1974.

4 Section 13. Effective date. Upon its approval by the High Commissioner,
5 or upon its becoming law without such approval, this act shall take effect
6 on July 1, 1973 or such later date up to October 1, 1973 as shall be determined
7 by the High Commissioner in light of availability of funds; PROVIDED, that
8 the initial compensation and adjustments provided therein shall take effect
9 as of the beginning of the first biweekly pay period following such estab-
10 lished effective date of the act.

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12 Date: 2/12/73

Introduced by: /s/ Andon Amaraich
Andon Amaraich
(by request)

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PROPOSED BASE SALARY SCHEDULE

Pay Level	Pay Basis	Intermediate Rates						Pay Level	Minimum	Maximum	Pay Level	Minimum	Maximum	Average
		(1)	(2)	(3)	(4)	(5)	(6)							
1.	Hourly	\$.61	\$.66	\$.71	\$.76	\$.81	\$.86	1	\$	\$	1	\$	\$	
	Bi-Weekly	48.80	52.80	56.80	60.80	64.80	68.80		1260.00	1752.00		1260.00	1752.00	5.5%
	Annually*	1269.00	1373.00	1477.00	1581.00	1685.00	1789.00							8.0%
2.	Hourly	\$.66	\$.71	\$.76	\$.81	\$.86	\$.91	2	\$	\$	2	\$	\$	
	Bi-Weekly	52.80	56.80	60.80	64.80	68.80	72.80		1332.00	1848.00		1332.00	1848.00	6.5%
	Annually	1373.00	1477.00	1581.00	1685.00	1789.00	1893.00							8.0%
3.	Hourly	\$.71	\$.76	\$.81	\$.86	\$.91	\$.96	3	\$	\$	3	\$	\$	
	Bi-Weekly	56.80	60.80	64.80	68.80	72.80	76.80		1404.00	1956.00		1404.00	1956.00	7.3%
	Annually	1477.00	1581.00	1685.00	1789.00	1893.00	1997.00							8.5%
4.	Hourly	\$.76	\$.81	\$.86	\$.91	\$.96	\$ 1.02	4	\$	\$	4	\$	\$	
	Bi-Weekly	60.80	64.80	68.80	72.80	76.80	81.60		1488.00	2064.00		1488.00	2064.00	7.8%
	Annually	1581.00	1685.00	1789.00	1893.00	1997.00	2122.00							8.8%
5.	Hourly	\$.81	\$.86	\$.91	\$.96	\$ 1.02	\$ 1.08	5	\$	\$	5	\$	\$	
	Bi-Weekly	64.80	68.80	72.80	76.80	81.60	86.40		1572.00	2184.00		1572.00	2184.00	8.2%
	Annually	1685.00	1789.00	1893.00	1997.00	2122.00	2246.00							8.6%
6.	Hourly	\$.86	\$.91	\$.96	\$ 1.02	\$ 1.08	\$ 1.14	6	\$	\$	6	\$	\$	
	Bi-Weekly	68.80	72.80	76.80	81.60	86.40	91.20		1656.00	2304.00		1656.00	2304.00	8.4%
	Annually	1789.00	1893.00	1997.00	2122.00	2246.00	2371.00							9.2%
7.	Hourly	\$.91	\$.96	\$ 1.02	\$ 1.08	\$ 1.14	\$ 1.21	7	\$	\$	7	\$	\$	
	Bi-Weekly	72.80	76.80	81.60	86.40	91.20	96.80		1752.00	2442.00		1752.00	2442.00	8.6%
	Annually	1893.00	1997.00	2122.00	2246.00	2371.00	2517.00							9.0%
8.	Hourly	\$.96	\$ 1.02	\$ 1.08	\$ 1.14	\$ 1.21	\$ 1.28	8	\$	\$	8	\$	\$	
	Bi-Weekly	76.80	81.60	86.40	91.20	96.80	102.40		1848.00	2598.00		1848.00	2598.00	8.8%
	Annually	1997.00	2122.00	2246.00	2371.00	2517.00	2662.00							9.3%

CORRELATION OF PRESENT

* 26 x Bi-Weekly, rounded to nearest dollar

#OF Increase in all seven rates of the range

Pay Level	Pay Basis	Intermediate Rates						Maximum Rate (7)	Pay Level	Minimum	Maximum	Percent Increase	
		(1)	(2)	(3)	(4)	(5)	(6)					Average#	At Maximum
9.	Hourly	\$ 1.02	\$ 1.08	\$ 1.14	\$ 1.21	\$ 1.28	\$ 1.36	\$ 1.44	9	\$	\$	8.9%	9.2%
	B1-Weekly	81.60	86.40	91.20	96.80	102.40	108.80	115.20		1956.00	2743.00		
	Annually	2122.00	2246.00	2371.00	2517.00	2662.00	2829.00	2995.00					
10.	Hourly	\$ 1.08	\$ 1.14	\$ 1.21	\$ 1.28	\$ 1.36	\$ 1.44	\$ 1.53	10	\$	\$	9.1%	9.5%
	B1-Weekly	86.40	91.20	96.80	102.40	108.80	115.20	122.40		2064.00	2907.00		
	Annually	2246.00	2371.00	2517.00	2662.00	2829.00	2995.00	3182.00					
11.	Hourly	\$ 1.14	\$ 1.21	\$ 1.28	\$ 1.36	\$ 1.44	\$ 1.53	\$ 1.62	11	\$	\$	9.2%	9.3%
	B1-Weekly	91.20	96.80	102.40	108.80	115.20	122.40	129.60		2184.00	3082.00		
	Annually	2371.00	2517.00	2662.00	2829.00	2995.00	3182.00	3370.00					
12.	Hourly	\$ 1.21	\$ 1.28	\$ 1.36	\$ 1.44	\$ 1.53	\$ 1.62	\$ 1.72	12	\$	\$	9.3%	9.5%
	B1-Weekly	96.80	102.40	108.80	115.20	122.40	129.60	137.60		2304.00	3266.00		
	Annually	2517.00	2662.00	2829.00	2995.00	3182.00	3370.00	3578.00					
13.	Hourly	\$ 1.28	\$ 1.36	\$ 1.44	\$ 1.53	\$ 1.62	\$ 1.72	\$ 1.82	13	\$	\$	9.3%	9.4%
	B1-Weekly	102.40	108.80	115.20	122.40	129.60	137.60	145.60		2442.00	3461.00		
	Annually	2662.00	2829.00	2995.00	3182.00	3370.00	3578.00	3786.00					
14.	Hourly	\$ 1.36	\$ 1.44	\$ 1.53	\$ 1.62	\$ 1.72	\$ 1.82	\$ 1.93	14	\$	\$	9.4%	9.4%
	B1-Weekly	108.80	115.20	122.40	129.60	137.60	145.60	154.40		2588.00	3668.00		
	Annually	2829.00	2995.00	3182.00	3370.00	3578.00	3786.00	4014.00					
15.	Hourly	\$ 1.44	\$ 1.53	\$ 1.62	\$ 1.72	\$ 1.82	\$ 1.93	\$ 2.05	15	\$	\$	9.4%	9.7%
	B1-Weekly	115.20	122.40	129.60	137.60	145.60	154.40	164.00		2743.00	3888.00		
	Annually	2995.00	3182.00	3370.00	3578.00	3786.00	4014.00	4264.00					
16.	Hourly	\$ 1.53	\$ 1.62	\$ 1.72	\$ 1.82	\$ 1.93	\$ 2.05	\$ 2.17					
	B1-Weekly	122.40	129.60	137.60	145.60	154.40	164.00	173.60					
	Annually	3182.00	3370.00	3578.00	3786.00	4014.00	4264.00	4514.00					

Pay Level	Pay Basis	Minimum Rate							Pay Level	Minimum	Maximum	Percent Increase	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)				Average	At Maximum
17.	Hourly	\$ 1.62	\$ 1.72	\$ 1.82	\$ 1.93	\$ 2.05	\$ 2.17	\$ 2.30	16	\$	\$	9.4%	9.5%
	Bi-Weekly	129.60	137.60	145.60	154.40	164.00	173.60	184.00		3082.00	4368.00		
	Annually	3370.00	3578.00	3786.00	4014.00	4264.00	4514.00	4784.00					
18.	Hourly	\$ 1.72	\$ 1.82	\$ 1.93	\$ 2.05	\$ 2.17	\$ 2.30	\$ 2.44	17	\$	\$	9.6%	9.8%
	Bi-Weekly	137.60	145.60	154.40	164.00	173.60	184.00	195.20		3461.00	4907.00		
	Annually	3578.00	3786.00	4014.00	4264.00	4514.00	4784.00	5075.00					
19.	Hourly	\$ 1.82	\$ 1.93	\$ 2.05	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.59					
	Bi-Weekly	145.60	154.40	164.00	173.60	184.00	195.20	207.20					
	Annually	3786.00	4014.00	4264.00	4514.00	4784.00	5075.00	5387.00					
20.	Hourly	\$ 1.93	\$ 2.05	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.59	\$ 2.75					
	Bi-Weekly	154.40	164.00	173.60	184.00	195.20	207.20	220.00					
	Annually	4014.00	4264.00	4514.00	4784.00	5075.00	5387.00	5720.00					
21.	Hourly	\$ 2.05	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.59	\$ 2.75	\$ 2.92					
	Bi-Weekly	164.00	173.60	184.00	195.20	207.20	220.00	233.60					
	Annually	4264.00	4514.00	4784.00	5075.00	5387.00	5720.00	6074.00					
22.	Hourly	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.59	\$ 2.75	\$ 2.92	\$ 3.10	18	\$	\$	9.9%	10.4%
	Bi-Weekly	173.60	184.00	195.20	207.20	220.00	233.60	248.00		4121.00	5843.00		
	Annually	4514.00	4784.00	5075.00	5387.00	5720.00	6074.00	6448.00					
23.	Hourly	\$ 2.30	\$ 2.44	\$ 2.59	\$ 2.75	\$ 2.92	\$ 3.10	\$ 3.29					
	Bi-Weekly	184.00	195.20	207.20	220.00	233.60	248.00	263.20					
	Annually	4784.00	5075.00	5387.00	5720.00	6074.00	6448.00	6843.00					
24.	Hourly	\$ 2.44	\$ 2.59	\$ 2.75	\$ 2.92	\$ 3.10	\$ 3.29	\$ 3.49	19	\$	\$	10.1%	10.6%
	Bi-Weekly	195.20	207.20	220.00	233.60	248.00	263.20	279.20		4630.00	6564.00		
	Annually	5075.00	5387.00	5720.00	6074.00	6448.00	6843.00	7259.00					

Pay Level	Pay Basis	Minimum Rate							Pay Level	Minimum	Maximum	Percent Increase	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)				Average#	At Maximum
25.	Hourly	\$ 2,59	\$ 2,75	\$ 2,92	\$ 3,10	\$ 3,29	\$ 3,49	\$ 3,70	20	\$	\$	10.3%	10.6%
	B1-Weekly	207.20	220.00	233.60	248.00	263.20	279.20	296.00		4907.00	6957.00		
	Annually	5387.00	5720.00	6074.00	6448.00	6843.00	7259.00	7696.00					
26.	Hourly	\$ 2,75	\$ 2,92	\$ 3,10	\$ 3,29	\$ 3,49	\$ 3,70	\$ 3,92	21	\$	\$	10.3%	10.6%
	B1-Weekly	220.00	233.60	248.00	263.20	279.20	296.00	296.00		5201.00	7374.00		
	Annually	5720.00	6074.00	6448.00	6843.00	7259.00	7696.00	8154.00					
27.	Hourly	\$ 2,92	\$ 3,10	\$ 3,29	\$ 3,49	\$ 3,70	\$ 3,92	\$ 4,15	22	\$	\$	10.4%	10.4%
	B1-Weekly	233.60	248.00	263.20	279.20	296.00	313.60	332.00		5513.00	7816.00		
	Annually	6074.00	6448.00	6843.00	7259.00	7696.00	8154.00	8632.00					
28.	Hourly	\$ 3,10	\$ 3,29	\$ 3,49	\$ 3,70	\$ 3,92	\$ 4,15	\$ 4,40	23	\$	\$	10.5%	10.5%
	B1-Weekly	248.00	263.20	279.20	296.00	313.60	332.00	352.00		5843.00	8284.00		
	Annually	6448.00	6843.00	7259.00	7696.00	8154.00	8632.00	9152.00					
29.	Hourly	\$ 3,29	\$ 3,49	\$ 3,70	\$ 3,92	\$ 4,15	\$ 4,40	\$ 4,65					
	B1-Weekly	263.20	279.20	296.00	313.60	332.00	352.00	372.00					
	Annually	6843.00	7259.00	7696.00	8154.00	8632.00	9152.00	9672.00					
30.	Hourly	\$ 3,49	\$ 3,70	\$ 3,92	\$ 4,15	\$ 4,40	\$ 4,65	\$ 4,95	24	\$	\$	10.6%	10.6%
	B1-Weekly	279.20	296.00	313.60	332.00	352.00	372.00	396.00		6564.00	9307.00		
	Annually	7259.00	7696.00	8154.00	8632.00	9152.00	9672.00	10296.00					
31.	Hourly	\$ 3,70	\$ 3,92	\$ 4,15	\$ 4,40	\$ 4,65	\$ 4,95	\$ 5,25					
	B1-Weekly	296.00	313.60	332.00	352.00	372.00	396.00	420.00					
	Annually	7696.00	8154.00	8632.00	9152.00	9672.00	10296.00	10920.00					
32.	Hourly	\$ 3,92	\$ 4,15	\$ 4,40	\$ 4,65	\$ 4,95	\$ 5,25	\$ 5,55	25	\$	\$	10.4%	10.5%
	B1-Weekly	313.60	332.00	352.00	372.00	396.00	420.00	444.00		7374.00	10457.00		
	Annually	8154.00	8632.00	9152.00	9672.00	10296.00	10920.00	11544.00					

APPENDIX A-5

Pay Level	Pay-Basis	Minimum Rate							Intermediate Rates							Maximum Rate		Pay Level	Minimum	Maximum	Percent Increase Average #	At Maximum					
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(1)	(2)										
33.	Hourly	\$ 4.15	\$ 4.40	\$ 4.65	\$ 4.95	\$ 5.25	\$ 5.55	\$ 5.90	\$ 6.25	\$ 6.65	\$ 7.05	\$ 7.45	\$ 7.90	\$ 8.32	\$ 8.72	\$ 9.12	\$ 9.52	\$ 9.92	\$ 10.32	\$ 10.72	\$ 11.12	26	\$ 8284.00	\$ 11749.00	10.6%	10.6%	
	Bi-Weekly	332.00	352.00	372.00	396.00	420.00	444.00	472.00	500.00	532.00	564.00	596.00	632.00	668.00	704.00	740.00	776.00	812.00	848.00	884.00	920.00						
	Annually	8632.00	9152.00	9672.00	10296.00	10920.00	11544.00	12272.00	12900.00	13524.00	14148.00	14772.00	15396.00	16020.00	16644.00	17268.00	17892.00	18516.00	19140.00	19764.00	20388.00						
34.	Hourly	\$ 4.40	\$ 4.65	\$ 4.95	\$ 5.25	\$ 5.55	\$ 5.90	\$ 6.25	\$ 6.65	\$ 7.05	\$ 7.45	\$ 7.90	\$ 8.32	\$ 8.72	\$ 9.12	\$ 9.52	\$ 9.92	\$ 10.32	\$ 10.72	\$ 11.12	\$ 11.52	27	\$ 9307.00	\$ 13201.00	10.8%	11.1%	
	Bi-Weekly	352.00	372.00	396.00	420.00	444.00	472.00	500.00	532.00	564.00	596.00	632.00	668.00	704.00	740.00	776.00	812.00	848.00	884.00	920.00	956.00						
	Annually	9152.00	9672.00	10296.00	10920.00	11544.00	12272.00	12900.00	13524.00	14148.00	14772.00	15396.00	16020.00	16644.00	17268.00	17892.00	18516.00	19140.00	19764.00	20388.00	21012.00						
35.	Hourly	\$ 4.65	\$ 4.95	\$ 5.25	\$ 5.55	\$ 5.90	\$ 6.25	\$ 6.65	\$ 7.05	\$ 7.45	\$ 7.90	\$ 8.32	\$ 8.72	\$ 9.12	\$ 9.52	\$ 9.92	\$ 10.32	\$ 10.72	\$ 11.12	\$ 11.52	\$ 11.92						
	Bi-Weekly	372.00	396.00	420.00	444.00	472.00	500.00	532.00	564.00	596.00	632.00	668.00	704.00	740.00	776.00	812.00	848.00	884.00	920.00	956.00	992.00						
	Annually	9672.00	10296.00	10920.00	11544.00	12272.00	12900.00	13524.00	14148.00	14772.00	15396.00	16020.00	16644.00	17268.00	17892.00	18516.00	19140.00	19764.00	20388.00	21012.00	21636.00						
36.	Hourly	\$ 4.95	\$ 5.25	\$ 5.55	\$ 5.90	\$ 6.25	\$ 6.65	\$ 7.05	\$ 7.45	\$ 7.90	\$ 8.32	\$ 8.72	\$ 9.12	\$ 9.52	\$ 9.92	\$ 10.32	\$ 10.72	\$ 11.12	\$ 11.52	\$ 11.92	\$ 12.32						
	Bi-Weekly	396.00	420.00	444.00	472.00	500.00	532.00	564.00	596.00	632.00	668.00	704.00	740.00	776.00	812.00	848.00	884.00	920.00	956.00	992.00	1028.00						
	Annually	10296.00	10920.00	11544.00	12272.00	12900.00	13524.00	14148.00	14772.00	15396.00	16020.00	16644.00	17268.00	17892.00	18516.00	19140.00	19764.00	20388.00	21012.00	21636.00	22260.00						
37	Hourly	\$ 5.25	\$ 5.55	\$ 5.90	\$ 6.25	\$ 6.65	\$ 7.05	\$ 7.45	\$ 7.90	\$ 8.32	\$ 8.72	\$ 9.12	\$ 9.52	\$ 9.92	\$ 10.32	\$ 10.72	\$ 11.12	\$ 11.52	\$ 11.92	\$ 12.32	\$ 12.72						
	Bi-Weekly	420.00	444.00	472.00	500.00	532.00	564.00	596.00	632.00	668.00	704.00	740.00	776.00	812.00	848.00	884.00	920.00	956.00	992.00	1028.00	1064.00						
	Annually	10920.00	11544.00	12272.00	12900.00	13524.00	14148.00	14772.00	15396.00	16020.00	16644.00	17268.00	17892.00	18516.00	19140.00	19764.00	20388.00	21012.00	21636.00	22260.00	22884.00						
38	Hourly	5.55	5.90	6.25	6.65	7.05	7.45	7.90	8.32	8.72	9.12	9.52	9.92	10.32	10.72	11.12	11.52	11.92	12.32	12.72	13.12						
	Bi-Weekly	444.00	472.00	500.00	532.00	564.00	596.00	632.00	668.00	704.00	740.00	776.00	812.00	848.00	884.00	920.00	956.00	992.00	1028.00	1064.00	1100.00						
	Annually	11544.00	12272.00	13000.00	13832.00	14664.00	15496.00	16328.00	17160.00	17992.00	18824.00	19656.00	20488.00	21320.00	22152.00	22984.00	23816.00	24648.00	25480.00	26312.00	27144.00	27976.00					

By employee strength distribution on one pay

Overall weighted average increase = $\frac{8.7\%}{\#}$

TAX RELIEF ALLOWANCE SCHEDULE

*All rates are bi-weekly. NOTE: This table was prepared for demonstration purposes from 1972 withholding tax tables.

Base Sal. + Rent. Prom.		Tax Relief	Gross Compensation	
From	To	Allowance	From	To
\$ 195	\$ 199	\$ 10	\$ 205	\$ 209
200	204	11	211	215
205	209	12	217	221
210	214	13	223	227
215	219	14	229	233
220	224	15	235	239
225	229	16	241	245
230	234	17	247	251
235	239	18	253	257
240	244	19	259	263
245	249	20	265	269
250	264	22	272	286
265	274	24	289	290
275	284	26	301	310
285	299	28	313	327
300	309	30	330	339
310	319	32	332	351
320	329	34	354	363
330	339	36	366	375
340	349	38	378	387
350	364	40	390	404
365	384	45	410	429
385	404	50	435	454
405	424	55	460	479
425	444	60	485	504
445	464	65	510	529
465	484	70	535	554
485	504	75	560	579
505	524	80	585	604
525	544	85	610	629
545	569	90	635	659
570	594	100	670	694
595	619	110	705	729
620	644	120	740	764
645	669	130	775	799
670	694	140	810	834
695	724	150	845	874
725	749	160	885	909
750	774	170	920	944
775	794	180	955	974
795	814	190	985	1004
815	834	200	1015	1034
835	854	210	1045	1064
855	874	220	1075	1094
875	894	230	1105	1124
895	914	240	1135	1154
915	934	250	1165	1184
935	954	260	1195	1214
955	974	270	1225	1244
975	994	280	1255	1274
995	1009	290	1285	1299
1010	1024	300	1310	1324

(Feb 5, 1973)

DEVELOPMENT OF US RECRUITMENT PREMIUMS
(For application in 1973-74)

APPENDIX C

Level	US Prevail- ing Rates	Stop 4 Base Salary	US Income Tax Typical Family	Recruitment Premium	Premium Base Salary	40%	Proposed Premium	Total Add- ons In %	Present Total "Cap"
38	\$908	\$532	\$162	\$214	40%	40%	70%	73%	
37	877	500	153	224	45	45	76	*	
36	846	472	144	230	49	50	80	79	
35	815	444	135	236	53	55	83	*	
34	784	420	127	237	56	60	85	86	
33	753	396	119	238	60	60	90	*	
32	722	372	111	239	64	65	94	92	
31	691	352	104	235	67	65	97	*	
30	660	332	96	232	70	70	99	98	
29	629	314	89	225	72	70	100	*	
28	598	296	81	221	75	75	102	103	
27	567	279	74	214	77	75	104	106	
26	537	263	67	207	79	80	104	108	
25	509	248	61	200	81	80	106	108	
24	483	234	55	194	83	85	107	111	
23	459	220	51	188	85	85	108	*	
22	437	207	47	183	88	90	111	128	
21	417	195	44	178	91	95	114	*	
20	399	184	41	174	95	100	117	*	
19	383	174	38	171	98	105	120	158	
18	368	164	36	168	102	110	124	*	
17	355	154	34	167	108	115	130	*	
16	344	146	32	166	114	120	136	176	
15	333	138	30	165	120	125	142	194	
14	322	130	28	164	126	130	148	196	
13	311	122	27	162	133	135	155	198	
12	300	115	25	160	139	140	161	199	

(*Applicable to all rates at the respective pay levels; *no comparable pay level in present salary schedule.)

(Feb 5, 1973)

Q. No. 6 What road mileage has been constructed in the last year?

A. In the Marshalls and Marianas Districts, approximately 30 miles of paved roadway was provided. The majority of this paving was put over existing unpaved roadway.

Trust Territory-wide, approximately 50 miles of unpaved roadway was added to the Territory's roadway system.

Q. No. 7 How is the Territorial road construction program being maintained?

A. The Territorial roads are maintained by the respective District Departments of Public Works. The amount of maintenance provided depends upon the amount of funds allocated in the District budget which is prepared by the District Administration and District Legislature.

In answer to the question, the roads are maintained in each District to the extent that the locally prepared budget provides funds. For amplification of the answer to this question, we have enclosed a copy of the applicable section of the Manual of Administration.

Q. No. 8 How are road construction responsibilities now divided between the various authorities?

A. The road construction responsibilities are assigned by the High Commissioner's Definitive Program for Trust Territory-wide Road Construction, memo dated February 9, 1971. A copy of memo is attached.

TRUST TERRITORY OF THE PACIFIC ISLANDS
MANUAL OF ADMINISTRATION

February 23, 1967

Administration
Management

Part 306

Public Works Operation & Maintenance
Roads, Streets & Highways

Chapter 1: TRUST TERRITORY ROAD CLASSIFICATION SYSTEM

306.1

Reference (a): Administrative Directive 65-10, dated February 9, 1965,
Subject: "Trust Territory Road Classification System"

I. INTRODUCTION AND PURPOSE:

Reference (a), approved by the High Commissioner, established the official policy of the Trust Territory Government concerning the system of classifying roads throughout the Territory.

Purpose of this chapter is to incorporate the original Directive as a part of the Manual of Administration.

Reference (a) is hereby cancelled.

II. ROAD CLASSIFICATIONS:

A. Designation of an officially established system of road, streets, and public thoroughfares on all of the major islands of the Trust Territory is necessary for planning purposes and allocation of funds for maintenance and construction. Although most such routes are now public rights-of-way insofar as legal status is concerned, systematic designation is essential to the establishment of specific areas of basic responsibility for construction, rehabilitation and maintenance as between the several levels of government. Additionally, the classification of routes, incorporated into the system will provide a basis for establishing standards for rights-of-way and construction.

B. In order to initiate and facilitate the formal designation of the Territorial Road System the following categories are hereby established:

1. Territorial and Primary Roads: This category will embrace a defined system of key routes linking several communities or providing the principal road arteries on all major islands. The basic responsibility for the establishment and maintenance of the primary system is in the Territorial Government operating through the District Administrations. Certain auxiliary roads servicing facilities of the Trust Territory Government also fall in this category insofar as responsibility for maintenance is concerned and will be appropriately designated. Recognition and establishment of this basic responsibility does not preclude co-operative district or local assistance in creating and maintaining the system.

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306.1

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2. District of Secondary Roads: This category will embrace additional road segments, tributary to the primary system, recognized as having more than immediate local significance. Their establishment and designation as "District Roads" will be predicated on the assumption of basic responsibility for construction and maintenance by the respective District Legislatures. Assumption of this basic responsibility will not preclude grant-in-aid assistance from the Territory or other local assistance through monetary or labor contributions. Execution of the district programs will be the responsibility of the District Administration. Formulas for such grant-in-aid assistance will be approved by the Director of Public Works on the basis of proposals and recommendations submitted by the District Administrator.

3. Municipal or Local Roads and Streets: This category will embrace the streets in established villages, towns or other municipalities which are not otherwise incorporated in the Territorial or District Systems as well as other thoroughfares of essentially local significance. The basic responsibility is in the organized municipality or in the unorganized local community although recognition of this responsibility will not preclude Territorial or District grant-in-aid assistance in appropriate circumstances.

IXI. INSTRUCTIONS PERTAINING TO THE ESTABLISHMENT OF THE DESIGNATED ROAD SYSTEM:

A. Territorial or primary roads will be established on the basis of recommendations of the District Administrators made to the High Commissioner through the Director of Public Works. Designation will be made of specific road segments on a clearly established basis of surveyed or plotted distances from point-to-point. It is not intended that the system be designated at once by general reference to "all the main Japanese roads," etc. Rather, the designed to record the system, and all available data as to the existing roads, such as width, physical condition, road materials, number and placement of culverts, bridges and other structures. All such basic road data will be submitted as a basis for approval by the Director of Public Works for incorporation of the specific road segment in the designated road system; such data when approved will be filed separately in the Headquarters and District Land Offices. Establishment of appropriate standards and routes or designations will be made by the Director of Public Works as the segments are incorporated in the system.

B. Recommendations for appropriate classification of the existing road should be made as expeditiously as possible. Addition of segments requiring complete rehabilitation or new construction will be accomplished as resources permit.

C. Where it is not clear that title to specific roads is in the Government, title determinations in accordance with Trust Territory laws and regulations should be required.

Martin P. Mangan
Martin P. Mangan
Deputy High Commissioner

2/23/52
Release 67-66

306.1

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024430

ATTACHMENT FOR ANSWER TO QUESTION NO. 8

SEF:ecj
Ser: E-71-137
DATE: 9 Feb 1971

TO : All Department Directors
All District Administrators
All Immediate Staff Officers

FROM : High Commissioner

SUBJECT: Definitive Program for TT-Wide Road Construction

The following seven directives are issued as a means to bring the CIP Road Construction Program immediately into proper perspective. Appropriate revisions to the Administrative Manual are to be initiated.

The attached flow diagram is forwarded to provide a guide for the inter-relationship of responsibilities between the Department Directors, the District Administrators, and the Staff Officers.

DIRECTIVE NO. 1

Preliminary planning of roads throughout the Trust Territory shall continue to be included in the comprehensive master plans which have been developed, and which are being developed, for each district.

Conforming to the approved Master Plan, and in close coordination with the District Administrator, the Director of Transportation and Communications shall initiate detailed programming of road construction to include routes within specified limits, priorities of construction increments, degrees of improvements, general determination of rights-of-way, and shall assemble total cost figures from the engineering estimates and other pertinent sources. The detailed roads program shall be subject to review and coordination annually with all Department Directors concerned, and with the District Administrator in the district involved.

Engineering and design shall continue to be the responsibility of the Director of Public Works. Coordination of the entire program between the various departments and the districts shall be the responsibility of the Director of Transportation and Communications.

The Director of Transportation and Communications shall submit each year to the District Administrator for inclusion in the District budget submittals the current cost figures for each increment of the CIP Roads Program, including all categories of overhead, together with definitive descriptions of the work to be performed in each increment.

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DIRECTIVE NO. 2

The McAlister, Newville, Meyer "Road Development Plan" dated October 1970, is adopted as the initial guide for the Trust Territory insofar as it applies to field observations and routing of roads. The standards for construction, design and rights-of-way as proposed in that report are to be revised as appropriate to conform to the needs of the Trust Territory.

DIRECTIVE NO. 3

The Director of Public Works shall establish engineering standards for design and construction of roads under the CIP Road Construction Program. The standards shall generally provide for two lanes of traffic where justified by traffic volume or strategic routing, and for one lane with turnouts elsewhere. All roads, regardless of traffic load, shall be planned, designed and routed for at least 18,000-pound axle loads, such that they may be improved to two-lane asphalt concrete paved at minimum rework when such improvement is considered justified. Rights-of-way shall be held to a minimum width, with 40 feet (or 12 meters) being the minimum standard, plus a minimum setback of 10 feet (or 3 meters) for all new construction. Utility easements, where required, shall be held in the setback wherever possible.

DIRECTIVE NO. 4

Director of Transportation and Communications shall submit the detailed roads design criteria to the Director of Public Works, who shall accomplish the engineering design, including specifications, construction estimates and complete surveys for rights-of-way. The completed rights-of-way drawings, engineering drawings, specifications and construction estimates shall be forwarded to Director of Transportation and Communication for appropriate distribution.

Director of Transportation and Communications shall submit the final drawings for rights-of-way to the District Administrator who shall proceed with land acquisition in accordance with local policies and practices. The Director of Transportation and Communications shall provide coordination as necessary in the event rights-of-way must be shifted or revised, and additional work in engineering design is thus incurred.

DIRECTIVE NO. 5

Where it is necessary to acquire private lands for rights-of-way, the District Administrator is encouraged to promote voluntary contributions. Acquisition costs, if any, shall be set at fair value and shall be deducted from the district budget for road construction.

DIRECTIVE NO. 6

Funds for construction of CIP roads shall be allotted to the Director of Public Works in accordance with established practice for CIP projects; the Director of Public Works shall then initiate the construction through routine procedures for private contract, regardless whether the selected builder is a private contractor or a Government Agency. Administration of the construction shall continue to be at the district level.


Monthly progress payments made to private contractors shall be based on percentage completion in accordance with established practices.

Where the construction is to be performed by a Government Agency, an advance payment may be made to allow for mobilization costs and initial salaries. Thereafter, progress payments shall be made as with private contractors.

Standards of quality control shall be enforced consistently upon all builders; methods and procedures for enforcement are also equally applicable.

DIRECTIVE NO. 7

The basis for classification of all roads in the Trust Territory shall be established during the detailed planning and programming of CIP roads. All roads shall be classified as primary, secondary or tertiary at that time. The classification shall be reviewed annually as the road program itself is reviewed. Responsibility for maintenance, as prescribed in the Administrative Manual, shall conform to the established classifications, with the initial maintenance funds to be budgeted in the fiscal year the construction is initiated.



Edward E. Johnston

Attachment:
Flow Diagram for CIP Road Construction

TRANSPORTATION AND COMMUNICATIONS

1. Questions

What is the ownership status of Air Micronesia? In particular what proportion of the shares are held by Micronesians? What is the Micronesian shareholding on U.M.D.A.?

Answers

The ownership of Air Micronesia is divided among three groups as follows:

- 51% U.M.D.A.
- 29% Continental Airlines
- 20% Aloha Airlines

Under the articles of pre-incorporation U.M.D.A. has a legal option to increase their holding 9% to make a total of 60%, effective December, 1973.

U.M.D.A. ownership is divided as follows:

- *35% owned by Continental Airlines
- 7% by other U.S. citizens
- 58% owned exclusively by Micronesians

*The 35% Continental Airlines participation was an absolute necessity, since it was Continental Airlines financing which made U.M.D.A.'s participation in Air Micronesia possible.

A breakdown of ownership of U.M.D.A. by Micronesian shareholders, as of October 1972, follows:

Marianas	7,461 shares - 69 shareholders
Yap	2,845 shares - 272 shareholders 2,060 shares are held by Yap Co-Op and Yap Shipping. Numerous Micronesians own shares in both these companies, however, the aggregate for these two organizations is counted as 2 shareholders of U.M.D.A.
Palau	8,860 shares - 162 shareholders. Koror Wholesalers own 7,000 shares. Numerous Micronesians own shares in Koror Wholesalers, however, they are counted as 1 shareholder in U.M.D.A.
Truk	13,326 shares - 533 shareholders. Truk Trading Co. owns 11,000 shares. Numerous Micronesians own shares in Truk Trading Co. however they are counted as 1 shareholder in U.M.D.A.
Ponape	1,684 shares - 40 shareholders. A total of four co-operatives own 930 shares numerous Micronesians own shares in these co-operatives; their aggregate holdings are counted as 4 shareholders in U.M.D.A.

Marshalls - 2,540 shares - 187 shareholders.

Marshall Islands Import-Export Company and Kwajalein Importing & Trading Company own 928 shares. Numerous Micronesians hold shares in these two companies; they are counted as two shareholders in U.M.D.A.

2. Questions

What if any training obligations does Air Micronesia have?

Answers

a. The contract with Continental Airlines required:

- (1) Continental agrees to employ local residents of the Trust Territory to the maximum extent feasible in the operations of the proposed air services, and to this end undertakes to establish on a continuing basis an instructional and on-the-job program, of the scope and magnitude as set forth in Continental's Trust Territory Air Service Proposal of July 28, 1967, to train citizens of the Trust Territory in the technical and semi-technical skills required in airline operations with the objective of extending to such citizens the opportunity to become competent in all phases of airline operations.
- (2) Non-citizen contract employees will be subject to replacement at termination of contracts by qualified residents of the Trust Territory, including graduates of the training programs for Micronesians."

b. Air Micronesia employs 100 Micronesians out of a total of 175 employees.

c. Training.

- (1) Twelve Micronesians were sent to Honolulu for two years technical training in aircraft maintenance. Of the 12, two failed to complete the course and two received their FAA A & P license. All ten of these Micronesians are presently employed in Guam, with the eight who failed to obtain their FAA license still undergoing additional training in order to qualify them to retake the examinations.
- (2) Twelve Micronesians were sent to the University of Guam in 1971 for two years training in business administration in order to obtain an associate degree. One student has dropped out of the course at the end of the first year. As in Paragraph 1, these students will be offered employment upon completion of their studies. Total expenditures by the company for both scholarship programs in \$184,000.

- (3) Nine Micronesian hostesses are presently employed by the Company. These girls were trained at Continental Airlines Training Center, Los Angeles. Since the start of the operation in May 1968, a total of 25 Micronesian hostesses have received formal training with Continental.
- (4) All district stations are presently supervised by Micronesian station managers. In Saipan, besides a Micronesian station manager, all three of the assistant station managers are Micronesians. These supervisory level personnel received their training locally from Continental personnel who were assigned to the districts for several months in order to conduct the training program. Two of the Micronesian station management personnel have been sent to Honolulu to participate in a Continental Airlines Supervisors Seminar.
- (5) At the present time training specialists from Continental are on temporary assignment to the Trust Territory to conduct specialized training in various facets of airline operation.

3. Questions

How are decisions on routes for Air Micronesia made? Is the Congress involved?

Answers

Transpacific routes for Air Micronesia, as well as other U.S. related international carriers, are assigned by the U.S. Civil Aeronautics Board subject to the official approval of the President of the United States. Hearings are held by the Civil Aeronautics Board at which any interested party or parties may file briefs and petition to intervene and present testimony. This includes citizens, civic groups or official government bodies from Micronesia.

4. Questions

What are the most recent carriage statistics for Air Micronesia?

Answers

Carriage statistics for Air Micronesia.

Revenue Passenger Miles - 6,358,000. This is an increase of 6.7% over the previous year of 1971.

Available Seat Miles - 19,452,000. This is a 19.7% increase over the previous year of 1971.

Load Factor - 44%. 10.8% less than December 1971. The carrier is now operating two 727 aircrafts and one DC-6 aircraft as compared with one of each a year ago.

5. Questions

Is Micronesia receiving financial assistance under the U.S. Airways and Airport Improvement Act of 1970? What amount has been received? What new construction is envisaged?

Answers

The Trust Territory is in the process of receiving U.S. federal assistance under the U.S. Airways and Airport Improvement Act of 1970. As of this date no actual funds have been received.

The Trust Territory will receive U.S. federal funds of the ratio of 2/3 U.S. to 1/3 Trust Territory towards a planning study now in progress for Truk Airport. \$31,559 is committed by the FAA for this project. It is payable to the Trust Territory as a reimbursable.

At present the Trust Territory is applying for a complete ADAP funding program, which has been approved by a Micronesian congressional resolution, for Isley Field, Saipan. The estimated programmed FAA federal participation is \$349,600 for 1973 and \$3,554,880 for 1974, subject to FAA funding.

A near future program is being formulated for a Yap Airport planning study, which has been approved by the Congress of Micronesia, with federal participation of 2/3 U.S. funds (of \$43,300) to 1/3 Trust Territory funds (of \$21,700).

Questions 6,7 and 8

It is understood that these are being answered by the Public Works Department.

9. Questions

How many islands, permanently inhabited by, say, a minimum of 50 people do not have transmitter/receiver facilities?

Answers

None. All permanently inhabited islands are equipped with transceiver equipment.

10. Questions

What is the present position regarding TRANSPAC ownership and operation. Is the Administration satisfied with its performance?

Answersa. Ownership

TransPacific Lines is owned by 857 shareholders. 210,000 shares or 42% is held in trust by the office of the Attorney General for eventual sale to citizens of Micronesia. 40,000 shares, or 8% are held by non-Micronesians, mostly owners or employees of the previous shipping management organization.

The remaining 250,000 shares or 50% are held directed by Micronesians or Micronesian Companies from the following districts:

Marianas	100,819 shares or 40.3%	
	(25,000 shares are held by Saipan Shipping Company).	
Yap	4,000 shares or 1.6%	
Palau	4,612 shares or 1.8%	
Truk	63,082 shares or 25.2%	
	(60,000 shares are held by Truk Trading Company).	
Ponape	8,627 shares or 3.5%	
Marshalls	17,860 shares or 7.2%	
TT-Wide	51,000 shares or 20.4%	
(incl.	50,000 U.M.D.A.)	

The economic strength and political viability of the company are partially related to the company's prospects of strengthening their TT-wide uniform shareholding ownership. A company with ownership heavily concentrated in one or two districts cannot expect to receive strong support from the other districts when questions of necessary rate adjustments are being decided. Accordingly it is the hope of the administration that when the 210,000 shares are purchased by micronesians that the purchases will result in an equal total distribution of the shares among the six districts.

b. Operations

With no prospect of near-term outside financial assistance, the company has had to accomplish the following during the past eighteen months:

- (1) Maintain lifeline service to eight Micronesian population centers from North America and the Far East.
- (2) Provide regular service using good ships to insure cargo security.
- (3) Restore and maintain the confidence (in the company) of 150 creditors and several hundred shippers when the company had a \$2,500,000 debt in October of 1971, and no immediate prospects of discharging this debt.
- (4) Develop enough financial information related to the Third and Fourth fiscal years (through August 31, 1972) to present an audited statement by mid-February 1973; despite continued lack of financial information cooperation from the former management firm.
- (5) Conduct business in an atmosphere of severe legal harassment and critical business obstruction by the former management firm.

Essentially, the company has won all of its "big battles" during this period and can now embark on a constructive program to give Micronesia regular monthly shipping service at the lowest possible rates.

c. Administration attitude

The administration is satisfied with the company's progress during the past 18 months and is aware that this progress must be maintained through the permanent installation of a capable, cohesive management team at Saipan company headquarters.

11. Questions

When are negotiations to take place with Nauru regarding an extension of the Nauru Line service? What ports are involved.

Answers

Negotiations between the two companies will probably take place in May concerning whether or not the present arrangement with Nauru Pacific Line are providing a net benefit to the citizens of the Trust Territory.

It is possible that an entry port in Western Micronesia may be discussed at that time, but it is more likely that the initial discussion will be concerned with Majuro transshipment and the merits of continuing, any longer, the permission for Nauru Pacific Lines ships to trade into Majuro.

12. Questions

How many ships are available for the field trip service at present? How many need replacing? Is there a program for the acquisition of new replacement vessels?

Answers

Under the approved FY 1973 interisland shipping program here are six (6) ships that can be funded for field trip services in five districts. Additionally, the three northern islands in the Marianas District are serviced every two to four months by the MS NORMAR under voyage charter from the ship's owner, Saipan Shipping Company.

The ships regularly assigned to the other districts are;

- MS RALIK RATAK - Marshalls
- MS MIECO QUEEN - Marshalls
- MS KASELEHLIA - Ponape
- MS RAN ANNIM - Truk
- MS JAMES M. COOK - Yap/Palau
- MS ROBERT A. DEBRUM - standby ship to relieve other ships in event of material casualty; temporarily stationed in Marshalls.

Five ships are held in reserve status, due to budget reductions, at the Transportation Coordination Center, Peloliiu: MS PACIFICA, MS HAPA ADAI, MS MILITOB, MS TRUK ISLANDER and MS YAP ISLANDER. The MS TRUK ISLANDER, and the MS YAP ISLANDER are scheduled to replace the MS RALIK RATAK and MS MIECO QUEEN in the Marshalls during FY 1974.

At present all the ships in the interisland fleet need replacing; the MS KASELEHLIA and the two single propeller ships (MS TRUK ISLANDER and MS YAP ISLANDER) should be replaced as soon as possible.

There is a program for the acquisition of eight (8) new replacement vessels. Construction of the first prototype ship was started during the early part of February, 1973. It is contracted to cost \$1.3 million. The recent dollar devaluation may impair this cost projection. Construction of the other seven ships have been scheduled as follows:

- FISCAL YEAR 1975, two ships
- FISCAL YEAR 1976, two ships
- FISCAL YEAR 1977, one ship
- FISCAL YEAR 1978, one ship
- FISCAL YEAR 1979, one ship

The funds necessary for the indicated construction have been budgeted in the Trust Territory 5 Year Plan. Actual construction will depend on approval of the funding for the plan.

13. Questions

Are all field trip schedules determined in the Districts? Do Districts have a say in the allocation of ships between Districts?

Answers

The responsibility for approval of field trip schedules rests with the District Administrator.

The responsibility for allocation of ships to the districts lies with the Director of Transportation and Communications, in concert with the Congress of Micronesia during their annual budget approval hearings. District Administrators can have a large influence on the assignment of ships to their districts - but they have to be willing to help decide on reductions in other activities in order to ensure that the necessary ship operations funding can be made available.

14. Questions

What has happened to the Sea Transport Home Base Plan referred to on P52 of the Congress Committee report on Economic Development.

Answers

A home base for interisland ships has been developed at Peleliu Island in the Palau District. Budgetary restrictions have required that all progress on this project be funded out of the month-by-month savings that occur with the use of the facility for interisland ship repair (as contrasted with the earlier extensive use of Japanese, Chinese, and Korean shipyards). No capital improvements money has been able to be assigned to this project due to the Congress of Micronesia Program and Budget report of August 1972. An agreement was reached on October 7, 1972 with the citizens of Peleliu for an on-going land lease program that has made available 1000 acres for eventual facility expansion, including the possible development of an air/sea cargo exchange airfield.

Ten of the Trust Territory's 14 ships have visited the TCC, Peleliu during the past nine months and have received varying amounts of repairs and maintenance. Considerable savings in the sea transportation budget has been achieved.

The overall objectives for the development of new income for Micronesia through a "sea transport industry" have been somewhat retarded due to delays in certain key elements of the program.

The Congress of Micronesia passed an Admiralty and Maritime bill on February 26, 1973. - This measure represented one of the 4 key steps (in addition to the Peleliu home base) that have been proposed to get Micronesia moving ahead toward economic self-sufficiency.

The housing and family security program for Micronesian seamen and other marine transport industry personnel is moving ahead slowly with six families participating in its initial phase. Resulting low and moderate cost housing for several thousand Micronesian families is the ultimate objective of this program.

15. Questions

What is planned with regard to the construction of dry dock facilities?

Answer

There are plans to acquire a floating dry dock or marine railway to add to the Transportation Coordination Center facilities in Peleliu after funds can be made available to dredge the channel and harbor area at the site. Acquiring a dry dock will enable the Trust Territory to do complete dry dock and ship repairs on a fleet of 14 ships and other ships that are privately owned. This project might be expected to be one of the most important steps for maritime economic development.

16. Questions

What expenditures are programmed for the improvement of facilities away from district centers?

Answer

Continued expenditures are programmed for the improvement of transportation facilities outside the District Centers in the Trust Territory. Facilities include warehouses docks, and roads. The following is a breakdown of presently approved projects:

Marshall's District:	Ebeye two (2) miles of road	\$75,000.00
	Ebeye Dock Repair	\$13,700.00
Ponape District:	Kusaie roads	\$71,179.00
	Dock/Harbor at Okat and Lelu	\$800,000.00
	Terminal Warehouse	\$25,239.00
Truk District:	Tol and Satawan Warehouse	\$40,000.00
Palau Districts:	Bablethaup Island Bridge (connecting to Koror)	\$1,460,000.00
Marianas District:	Rota Roads	\$46,559.00
		<hr/>
	TOTAL FOR NON-DISTRICT CENTER TRANSPORTATION FACILITIES	\$2,531,677.00

MARINE RESOURCES

Q.1. What is being done to police Micronesian waters against illegal fishing?

A.1. The Trust Territory of the Pacific Islands relies upon the United States Navy to provide the services necessary to police the waters of Micronesia against illegal fishing. In addition, the Trust Territory field trip ship vessels also serve to enforce the regulations against illegal entry by foreign vessels.

Q.2. How many foreign flag vessels illegally fishing in Micronesian waters have been detected, intercepted, arrested, in the past three years?

A.2. Records in the Attorney General's office indicate that during the three-year period, twelve foreign flag vessels have been intercepted and arrested for violating Micronesian waters. A modest number of such vessels have been reported sighted by local authorities during this period.

Q.3. Are all lagoon waters regarded as Micronesian sea?

A.3. In the view of the Department of Resources and Development and the Marine Resources Division, all lagoon waters, banks, and areas within a twelve mile limit are regarded as Micronesian domain.

Q.4. If it is true that there is at present only a three mile territorial sea, is an extension, eg. 3 + 9, contemplated?

A.4. It is true that there is a three mile territorial sea, however, there is also a nine mile conservation area which the Palau Session of the Congress of Micronesia recommended and which was signed into law by the High Commissioner.

Q.5. Does the Administration agree with the recommendation of the Joint Committee on Marine Resources in Congress that fishing cooperatives should be the primary institutions for inshore fisheries development?

A.5. The Department of Resources and Development and the Marine Resources Division agree that district fisheries cooperatives can, and perhaps should well be, the primary institutions for the development of the diverse inshore marine resources of the Trust Territory. However,

A.5. continued.

such developments should not be restricted to operating through district fisheries cooperatives. For example, mariculture operations are showing increasing promise and may well be a means whereby private ownership and capital can assist with the development of inshore fisheries.

Q.6. What steps are being taken to promote such cooperatives - business management assistance, loans, provision of cold storage facilities, etc.?

A.6. The Department of Resources and Development has assisted the districts in obtaining adequate cold storage facilities in a number of ways. Ice and cold storage plants for inshore fisheries have been constructed in Truk and Ponape. A third unit is presently funded for construction in the Marshall Islands and is expected to begin shortly. The ice and cold storage plant which was originally designated for marine resources activities in Ponape, however, has been earmarked for commercial storage in view of the shortage of adequate refrigeration facilities in this area. In addition, the Department of Resources and Development has also located and placed in various districts large reefer barges with a holding capacity of 600 tons. These barges are intended to provide interim cold storage facilities until such time as permanent cold storage facilities can be constructed. Monetary assistance is available through the Marine Resources Economic Development Loan Fund which is administered by the EDLF Board. Business management assistance is available through the office of the Cooperative/Credit Union Advisor.

Q.7. Have priorities been established by the Administration regarding the different sections of marine resources development - inshore fisheries, offshore fisheries, specialized products (trepang, katsuobushi, etc.), and between meeting local demand and developing exports?

A.7. Yes, such priorities have been established.

Q.8. If so, what are they?

A.8. Primary emphasis is aimed at meeting local fish requirements in the various districts, through the encouragement of district fisheries cooperatives and district mariculture activities. Secondary emphasis is aimed at the development of offshore fisheries, which will be facilitated by the recently acquired reefer barges. Attempts to develop markets for trepang and katsuobushi are continuing.

Q.9. What is being done territory-wide to study bait resources and to open up commercial development of these resources?

A.9. The bait resources of Palau have been studied intensively for the past two years in cooperation with the University of Hawaii. In addition, surveys of Truk and Ponape have also been carried out by members of the Marine Resources Division. These reports are soon to be published. The National Marine Fisheries Service has also been conducting periodic surveys of the bait resources of the Marshall Islands. Work conducted by this organization as well as by a Japanese research vessel indicate that the bait resources in the Marshall Islands may be considerable. In view of the great expenses involved in developing commercial off-shore fishing operations, attempts have been made to interest members of the U.S. tuna fishing industry to establish fishing operations in various districts in the Trust Territory. To date, Van Camp has established an operation in Palau. A smaller offshore skipjack fishing operation is now operating in the Truk Islands. The Marshall Islands are presently negotiating with a U.S. firm for the development of their islands' offshore skipjack resources.

Q.10. What does the Administration consider should be done to cope with the problem of traditional claims over lagoon waters, as extant for example in Truk? Can this problem be handled through arrangements, for example through municipality licensing, or through clan-based cooperatives?

A.10. The problem of traditional fishing claims is one that has arisen since the islanders determined that bait fish do have a considerable value. During pre-war years there was no question as to the Japanese and Okinawan vessels being able to bait where ever they so desired. Now that the problem does exist, it will probably have to be solved on an individual case basis, district by district.

Q.11. Has the Administration any plans to install cold storage facilities in any of the outer islands?

A.11. The Marine Resources Division has no budget for the installation and operation of cold storage facilities on any of the outer islands. However, designs for a small, simple freezing and cold storage plant which could be operated under the most primitive of conditions have been started. It is hoped that several of these units can be tested on some of the outer islands to determine how practical they might

A.11. continued.

prove. It is planned to finance these units through loans requested by the particular outer islands.

Q.12. What are the Administration's views on the proposal of the Joint Committee concerning the establishment of District Fishing Associations?

A.12. The Department of Resources and Development and the Marine Resources Division endorse the proposal of the Joint Committee on the establishment of District Fishing Associations. The Department feels that such organizations can have a very positive effect on the development of both the inshore and offshore fishing operations in the districts.

Q.13. And on the recommendations regarding the establishment of a separate Marine Resources Department?

A.13. The establishment of a Department of Marine Resources at this time is premature. The Marine Resources Division is not active in all of the districts and feels that it is more important to establish fishing operations and district programs prior to establishing the division as a separate department.

Q.14. What funds have been allocated for marine resources development for Fiscal Years 1971-1974? What proportion of the budget do these represent?

A.14. FY 1971 - 397,000.
FY 1972 - 485,000
FY 1973 - 493,000
FY 1974 - 580,000

In each case, these sums represent approximately 1% of the total operations budget.

Q.15. What are the export statistics (value) for fish over the past three years?

A.15.	<u>FY 1970</u>	<u>FY 1971</u>	<u>FY 1972</u>
	Trochus - 48,199	Trochus - 26,845	Trochus - 25,827
	Fish - 988,801	Fish - 878,256	Fish - 886,385
	Crab & Lobster - 2,365		Crab & Lobster - 2,559

Q.16. Have Micronesians and the Administration any equity participation in the Van Camp operations?

U. N. Visiting Mission 1973

Agriculture

Exports

Q.1. What surveys have been carried out regarding export potential for such territory products as fruit and vegetables, specialized marine products (lobsters, dried fish, beche de mer, etc.), handicrafts?

A.1. In the area of fruits and vegetables, the Guam and Japanese market has been surveyed and the potentials are great. We have exported up to 861,553 pounds of fresh vegetables and fruit to Guam in FY 1972 valued at \$130,262.00. On the meat products, 182,361 pounds valued at \$101,665.00 was also exported to the same market. During this fiscal year (1973) an increase of 40-50% over last year's export is expected on vegetables and fruit to Guam which will be over 1,000,000 pounds valued at \$180,000.00. Fresh vegetable and fruit demands on Guam amount to a market value of \$2-3,000,000. As for the Japanese market, items such as yam, canteloupes and melon, eggplants, cucumbers, cassava and other winter crops were requested but due to Japanese plant quarantine restrictions we are not able to conform to our current production scale. Volume-wise, the Guam and the Japanese markets are so great that we are not able to meet this demand while fulfilling our domestic needs.

Q.2. What is the present position regarding the U.S. tariff on Micronesian goods?

A.2. All manufactured or processed products from this territory enter the U.S. under tariff.

Q.3. Has marketing of territory products in Hong Kong, China, Korea and Japan been considered?

A.3. Yes, but we do not have the volume to meet the demand. In some cases the shipping cost and the landed price does not seem to meet the receiving country's price and volume.

Q.4. Has any consideration been given to the dispatch of trade missions (with Micronesian Chamber of Commerce representatives included) to appropriate areas?

A.4. Actually there have been such missions although not actually sponsored by this Department. The High Commissioner and the Tourism Specialist were in Japan in July on a Pacific Islands Development Corporation-sponsored mission to Japanese business groups and Chambers of Commerce. The Congress of Micronesia has had several such trips made by their Committees and the Marianas Legislature has sponsored such a mission to foreign nations.

Q.5. Do U.S. representatives (particularly trade representatives in potential Micronesian export areas perform any services for the promotion of Micronesia - exports and tourism in particular?

A.5. Yes, to an ever-increasing degree. The Fisheries Attaches of the American Embassy, Tokyo, has been active in this area. Companies such as Continental/Air Micronesia has done a great deal of advertising and sponsoring of groups in the travel industry. Within the past 2 months a group of top level American businessmen toured the Trust Territory to see what could be done to promote economic development.

Copra and Copra Stabilization Board

Q.1. What is present financial position of the Board?

A.1. An amount of \$300,000 is held in reserve for the Board.

Q.2. What proportion of its funds are invested? Are these in Micronesian enterprises?

A.2. None other than bank deposits and \$30,000 a year ear-marked for the employment and services of an expatriate Agricultural Cooperative Officer (Australian) for the Marshalls District.

2a

Q.3. How does the Board assess the work of its experts in cooperatives?

A.3. Good. This applies to copra exports handled not only by cooperatives but also by trading companies at the district level.

Q.4. Will Micronesia become a member of the Asian Coconut Community after obtaining associate membership of ECAFE?

A.4. Not certain at the present stage.

Q.5. Does the Board see the decline in world prices as likely to continue indefinitely?

A.5. No. In the past month world copra prices have improved tremendously and it is on an upward swing.

Q.6. Is the Board as such concerned with the development of other coconut products?

A.6. Yes. The Board is expanding every avenue for the by-product or diversified income sources such as active carbon from the coconut shell, encouraging greater handicraft production from the coconut palm, sales in the form of husked coconut to the West Coast and Hawaii, coconut chips, coconut candies and others that would be saleable in the market.

Q.7. What are most recent statistics for copra ('71 and '72), acreage planted, exports, value of exports?

A.7.	<u>Copra</u>	<u>1971</u>	<u>1972</u>
	Acreage	73,256	74,256
	Export	10,687.13 s/t	10,739 s/t
	Value	\$1,648,259.95	\$1,317,541.85

Breakdown of one ton of Micronesian copra sold at the world market

	<u>Current Price</u>	
	<u>Grade I</u>	<u>Grade II</u>
Copra producer	\$62.50	\$52.50
Transportation (Outer island to dist. center)	10.00	10.00
Dist. center stevedoring cost	2.50	2.50
Dist. center handling and lighterage cost	4.00	4.00
Dist. center buyer's fee	10.00	10.00
Transportation TT to Japan	16.50	16.50
Insurance, marine/war shore risk	.30 .15	.30 .15
Japanese discharge cost weighing test	.06 .25	.06 .25
Shrinkage loss, 7% or 140#	12.60	12.60
Bank commission or interest	.75	.75
Contractor's commission, 2% of sales plus overhead	6.10	6.10
Total cost	\$125.71	\$115.71
Copra Stabilization Reserve Fund		

The current copra price market has improved from \$92.50 to \$145 and now to \$174.50 in the Japanese market. A year ago, district center market prices were paid at \$110 and lowered to \$100 then down to \$90 and to be prepared for the slide in the market prices, it is now lowered to \$62.50. The Board was covering cost between \$10 to \$15 per ton for every ton of copra that was exported (purchased) out from the territory when market prices were between \$92.50 to \$110 per metric ton.

Agriculture and Forestry

Q.1. What proportion of the budget was devoted/is planned for agriculture in the years FY 1972 through FY 1975?

A.1.	$\frac{1972}{2.3\%}$	$\frac{1973}{2.5\%}$	$\frac{1974}{2.6\%}$	$\frac{1975}{3.0\%}$
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Q.2. What proportion of EDLF loans have gone to the agricultural sector?

A.2. 15.5% of \$1,900,000. 2945000

Q.3. What is being done to develop interest in and knowledge of agriculture in the school system at the elementary and high school levels?

A.3. Agricultural courses are taught in all schools from the sixth grade through advanced trade schools.

Q.4. How many agricultural scholarships are available p.a.?

A.4. 10 - U.S., Philippines, New Guinea

Q.5. What assistance is given to agricultural cooperatives by the administration?

A.5. Technical, financial and administrative assistance is extended.

Q.6. Is it the administration's policy to encourage the development of cooperatives in agriculture?

A.6. Yes, and in some cases through the wishes of group or individual producers in the district.

Q.7. Is the administration seeking to expand its agricultural extension services and to upgrade the training of its extension workers?

A.7. Yes, this is a continual process through on-the-job training, short-term training with the East-West Center, three-year college diplomas and universities.

Q.8. Something, but not much, appears to have been done to develop market facilities in district centers (e.g. Moen). Are districts being encouraged to do this?

A.8. Public market facilities are in operation at all district centers and two sub-districts. Market facilities which have been developed over the past three years are as follows:

Marianas: New public market building with refrigeration facilities completed February 1973.

Public market facility in existence at Rota air port terminal.

Truk: New public market building under construction at district center.

Ponape, Palau, Yap, Marshalls, Kusaie: Each has public market facility built within last three years.

Q.9. What are the latest statistics for production (for sale) of pepper, rice, cacao, fruit and vegetables?

A.9. Production, Plant	FY 1972	
Pepper	12,845#	\$ 6,705.15
Cacao	19,083#	5,724.90
Rice	65,841#	8,900.92
Fruit & vegetables	2,233,829#	339,464.00

Q.10. What are the latest statistics for livestock production - poultry, swine, cattle?

A.10. Livestock, Production	FY '72	
Meat (pork/beef)	317,004#	\$172,097.00
Poultry, eggs	49,579 doz.	55,431.00

Q.11. What is being done (research and development) in connection with local production of animal feedstuffs?

A.11. Studies on sorghum, corn and Sudan grass culture were conducted on Tinian. Koa Haole or Tangan-Tangan is established in the Marianas. Guinea grass, napier and coastal Bermuda grasses were introduced in the Territory. Centrosema, Calopogonium, Kudzu, Beach Vigna, Sesbania, Ischaemum, Para, Pangola, Desmodium, Dallis, Pigeon and Alabang grasses are introduced in most parts of the territory.

Q.12. What is being done to develop a forestry industry? What funds are available for forestry development? What are annual timber imports? What proportion of these is it estimated could be replaced by natural timbers?

A.12. A Forestry Section is established in the Division of Agriculture and the field offices; demonstration areas, nursery propagation areas and extension services are concentrated in the districts of Palau and Ponape. One expatriate Forestry Officer is located in Ponape. A fund of \$75,000 for Ponape and \$53,000 for Palau is budgeted for this operation and 16 Micronesians are employed in both Ponape and Palau.

The annual timber imports (estimate):

Amount: 1,500,000 board feet
Value: \$900,000

Mineral Resources

Q.1. Has any further mineral exploration been undertaken in the past three years?

A.1. No.

Q.2. Are there any plans to survey for mineral resources on the seabed and subsoil of the lagoons?

A.2. Several years ago an intensive survey for phosphate deposits was made in the Palau Lagoon. These findings were negative. At the present time, surveys for precious coral will be conducted in the Northern Marianas during the summer. If beds of precious coral can be located, there is a considerable potential for the development of a very valuable resource.

- Q.3. Is anything being done to exploit clay deposits and/or to establish brick production in the TTPI?
- A.3. No, because clay beds are not extensive and use of concrete blocks have been more successful.
- Q.4. What government funds are spent on research and development in this sector?
- A.4. None.

INDUSTRIES

Q 1. Has consideration been given to giving locally owned firms preference in construction projects under a certain total value?

A 1. Yes. The present policy dictates that only Micronesian firms are eligible to submit bids for small local contracts for construction of capital improvement projects. The District Administrators who supervise and administer local contracts are required to publicly advertise that only Micronesian firms can participate in such contracts.

Q 2. What measures are undertaken to encourage locally owned firms to bid and to assist them in preparing bids and handling contracts?

A 2. The Trust Territory Government has substantially relaxed the requirements for awarding local contracts to citizen owned and operated firms as follows:

1. Performance bond and payment bond are waived for Micronesian contractors who lack the financial capability to post financial and security deposits.

2. The Government no longer assesses liquidated damages to Micronesian contractors in the event that they failed to meet their construction schedule.

3. The Government provides technical and administrative assistance to Micronesian contractors if needed, such as preparation of payroll records, introduction of modern construction techniques, etc.

Q 3. What is done (apart from financing via EDLF or other means) to assist would-be entrepreneurs set up a small scale business and to guide them in its management?

A 3. The Department of Resources and Development has been assisting small entrepreneurs in organizing a small business, setting up simplified bookkeeping and record keeping systems, training of managerial personnel and preparation of loan application. The Department has also been conducting technical feasibility and marketing studies on various business potentials which are disseminated to interested Micronesians. (Copies of these studies are available upon request.)

Q 4. What are the latest statistics for handicraft production(sales) ?

A 4. Approximately \$170,400 worth of handicraft was produced during Fiscal Year 1972. Palau and Marshall District^s were the main handicraft producers.

Industries contd...

Q 5. What is done in regard to quality control for handicrafts?

A 5. In the absence of a Trust Territory-wide handicraft productivity center, the Department of Resources and Development has been providing assistance to local handicraft producers in all aspects of operating including guidance in quality control. Much of this technical assistance is provided on an individual basis.

Q 6. What, if anything, is being done to promote the production of a simple clothing industry?

A 6. No specific promotion is done in this area. However, this is one of the business possibilities which the Department of Resources and Development intends to investigate and to possibly conduct a feasibility study on.

ECONOMIC DEVELOPMENT LOAN FUND

1. Q. What is the present position regarding appropriation of the authorized increase in the fund's capital?

A. The ceiling is \$5 million. We have about \$3 million more to obtain from the U.S. Congress. We anticipate receiving \$1 million in FY 1974.

2. Q. What loan (direct and guaranteed) have been made in the past year?

<u>Purpose</u>	<u>No. Loans</u>	<u>Amount</u>
Fishing	10	\$ 55,480.00
Farming	2	8,000.00
General Merchandise	61	1,099,369.00
Poultry	2	13,000.00
Piggeries	3	17,940.00
Tourism	4	26,000.00
Cattle Raising	2	10,000.00
Taxi	2	14,548.00

3. Q. What % of loans are delinquent?

A. 20%

4. Q. What techniques are used to relate loans to economic development priorities?

A. The following are eligibility criteria which all loan requests must meet one or more:

1. Creation of new employment
2. Replacement of imports
3. Reduction in consumer prices
4. Creation of needed facilities and Services
5. Creation of exports

5. Q. What technical assistance is provided to loan applicants in planning and operating their businesses?

A. The District Economic Development Officers should provide any assistance that applicants might need.

6. Q. What % (if any) of EDLF loans have gone to resident aliens?

A. No loans to non-Micronesians have ever been approved although there have been a number of requests.

2.

7. Q. How will the new Funds established by Congress operate?

A. Loan applications will be prepared at the District Economic Development Office and processed and presented to the District Administrator and District Economic Development Loan Fund Board for review and consideration.

a. The District Administrator may make direct loans up to \$10,000.

b. All loan applications over \$10,000 will be forwarded to the EDLF Board for action.

TOURISM

1. Q Have Tourist Commissions been established in all Districts?

A Yes. District Tourist Commissions have been established in all Districts by the respective District Legislatures. Members were appointed by the District Administrators with the advise and consent of the District Legislature concerned.

2. Q What is the relationship between the Tourism Branch at Headquarters and the Tourist Commission in the Districts? Do the Districts have the final say with regard to tourism development in their areas? In particular, what is their position in regard to hotel construction?

A The goal of the Trust Territory Government is to see that the tourist industry is developed in line with the desires of each district and that the dollar return will be for the benefit of the residents of the Territory. The tourism staff of the Division of Economic Development, Department of Resources and Development, is focusing primarily on developing the capabilities of the district tourist commissions and the general public to understand and plan for controlled growth of the business of tourism. To this end, workshops are conducted in each district and more are planned for the future. The Division has been and will continue to encourage and assist Micronesians in taking an active part in all facets of development. The development of tourism should be in accordance with decisions made by each district. Presently each of the district centers and several of the sub-district centers have master plans which were prepared by Hawaii Architects and Engineers after lengthy consultation with each area. Since the preparation of the plans, some areas have changed their minds as to construction of the facility. However, ultimately the district determines whether or not the facility will be built.

3. Q What measures are in operation or encouraged to promote local participation in the tourist industry?

A The Administration encourages the development of tourist industry only to the extent that such development takes into account the aspirations and desire of the people, the availability of resources (capital, land and manpower) and the total impact such development will have on the community. The headquarters Tourism Branch is mainly responsible in assisting the various District Tourist Commission in their effort to develop the tourist industry. This office provides training, and technical assistance to the District Tourist Commissions and also handles territory-wide publication of informational materials for educational and promotional purposes. Here are a few measures designed to encourage local participation in this area:

1. Maintain educational program, for businessmen, members of tourist commissions, lawmakers and the general public. Explain benefits and shortcomings of tourism, the operation of tourism, and the means for Micronesian participation in its growth.
2. Assist in conducting an impartial study of the probable impact of tourism on Micronesia, measuring potential economic benefits against economic and social costs associated with Micronesia's development of tourism.
3. Assist the District Tourist Commission in establishing district objectives and set goals. Determine how many tourists an area should have in order to provide the best living conditions for its residents (jobs and progress versus beauty, culture and ecology).
4. Develop a blueprint for each district's growth, offering a complete development plan and legislation for putting the program into effect.
5. Draw up legislation necessary for the protection of the island ecology, historic landmarks and artifacts, retention of the island heritage, regulation of visitors and tourist-oriented services.
6. Assist in promoting tax incentives for tourism-related businesses.
7. Provide financial assistance (matching funds?) to district tourist commissions and their activities.
8. Provide financial aid to local communities to provide basic services such as picnic grounds, parking areas at recreation sites, etc. for use by both tourists and residents.
9. Conduct a marketing program to meet the increased growth of accommodations.
10. Encourage the production of handicraft.
11. Establish a system for circulating informational and research materials, including publication of territory-wide literature such as guidebooks, handicraft, etc.
12. Conduct tourism workshops in districts for businessmen, tourist commission members, lawmakers and others interested in tourism as a form of economic development.

4. Q. What training is available for Micronesians in hotel management and other aspects of hotel operations?
- A. The Micronesian Occupational Center (MOC) in Palau and the University of Guam offer courses in various fields of the tourist industry. MOC conducts an 18-month training program for cooks, bakers, waiters, and snack bar food preparation. Approximately 40 Micronesians are enrolled in the program. It is anticipated that roughly 60 persons at a time will be enrolled in this program in the future. Also MOC conducts an 18-month training program for seamstresses, in addition to other related training such as motorboat repair, craft construction, air-conditioning, appliance repairs, etc.
5. Q. What are the most recent statistics on tourism, numbers and expenditure; countries of origin, hotel rooms?
- A. See attached.
6. Q. Are they considered to be relatively accurate?
- A. Yes.
7. Q. What is the proportion of hotel ownership held by Micronesians?
- A. Only five (5) out of the present thirty six (36) hotels have non-Micronesian ownership:

<u>Name of Hotel</u>	<u>Micronesian Ownership Authorized</u>
Truk Hotel Corp. (Maramar)	80%
Eastern Gateway	50%
Royal Taga	40%
Truk Continental Hotel	20%
Palau Continental Hotel	20%

Of the seven (7) hotels under construction, three (3) have non-Micronesian ownership.

<u>Name of Hotel</u>	<u>Non-Micronesian Ownership</u>
lh Corp.	55%
Villa Hotel	50%
Continental Hotel Saipan	20% *

* Charter not yet issue

8. Q What is the ownership proportion held by Micronesians in major tourist related services enterprises?

A	Air Micronesia	51% by UMDA **
	Micronesian Tours	43%
	Truk Recreational Center Inc.	67%
	Marianas General Corp.	51%
	Marianas Rental Corp	60%
	Air Pacific	35%
	Majuro Travel & Booking	75%

** UMDA holds 51% with option to increase to 60%. Continental 29%, Aloha Air 20%.
(UMDA is 58% owned by Micronesians; 35% Continental Airlines
7% owned by other U.S.)

Attachment Tourism "A" V

Country of Origin

Month	Total Visitors	Estimated Expenditures	Country of Origin					Other					
			U.S.	Japan	Okinawa	Philippines	Marshall Islands						
January	1941	145,575	1368	313	6	76	178	1107	166	216	120	166	166
February	2708	203,100	1604	826	15	75	188	1796	150	216	230	203	133
March	4500	337,500	2034	2148	15	68	235	2869	168	295	428	578	162
1st Quarter	9149	686,175	5006	3287	36	219	601	5772	461	727	798	947	461
April	2894	217,050	1586	1052	20	66	170	2028	118	196	201	228	123
May	3595	269,835	2205	1125	X	78	127	2754	130	215	125	254	117
June	3430	259,250	2198	722	X	72	138	2468	163	243	199	226	131
2nd Quarter	9919	744,135	6289	2959	20	216	435	7250	411	654	525	708	371
TOTAL FY 72	36,179	2,715,135	21,466	11,834	166	806	1927	24,676	1798	2485	2381	2999	1860
July	5,366	252,450	2515	504	X	219	118	2056	220	522	275	301	162
August	4007	300,525	2293	1493	X	64	227	2761	206	297	233	272	238
September	2086	156,450	1356	573	X	43	114	1420	97	196	112	197	114
3rd Quarter	9759	709,425	6214	2590	X	136	519	6237	523	815	620	723	541
October	3256	244,200	1802	1243	X	76	135	2246	126	335	135	248	146
November	3103	225,225	1839	1314	X	61	199	2135	127	164	366	81	130
December	4043	303,225	2950	1407	X	128	258	2949	208	273	325	202	186
4th Quarter	10,502	773,650	5521	3864	X	265	592	7230	461	772	806	531	482
Calendar '72	38,829	2,912,385	23,090	16,370	56	836	2147	26,439	1859	2760	2749	2909	1855

Average stay 3 days - Average expenditure \$25 a day

TOURIST/VISITOR ENTRIES INTO THE TRUST TERRITORY BY COUNTRY OF ORIGIN AND DISTRICT OF ENTRY AND ESTIMATED EXPENDITURES DURING FY 1971 - CALENDAR 1971

Month	Total Visitors	Estimated Expenditures	Country of Origin				District of Entry						
			U.S.	Japan	Okinawa	Philippines	Other	Marshall Is.	Palau	Ronapa	Yap		
January	2762	\$207,150	1490	1063	23	60	126	1935	109	191	208	144	175
February	2808	210,600	1565	1093	10	56	84	1928	142	173	216	180	169
March	3436	257,700	1817	1440	12	48	119	2225	164	204	224	251	200
1st Quarter	9006	\$675,450	4872	3596	45	164	329	6088	415	648	648	575	632
April	2465	184,875	1800	482	12	43	128	1551	139	173	204	217	181
May	2305	172,875	1495	630	6	53	121	1377	153	165	229	233	148
June	2599	202,425	1952	578	21	64	84	1667	232	140	269	225	166
2nd Quarter	7469	\$560,175	5247	1690	39	160	333	4595	524	478	702	675	495
TOTAL FY 71	31,891	\$2,391,825	20,691	8825	295	728	1352	21,890	1644	2122	2248	2052	1935
JULY	2774	203,050	2,090	465	8	77	131	1776	128	234	255	227	172
AUGUST	4165	312,375	2,128	1,791	120	48	178	2966	169	250	217	502	281
September	2,091	156,825	1532	562	21	55	124	1323	159	147	154	190	118
3rd Quarter	9030	677,250	5150	2,621	49	180	430	6065	456	611	606	715	577
October	2,304	172,800	1431	633	25	84	131	1522	171	174	119	188	130
November	3,369	177,675	1295	946	17	49	112	1739	145	118	144	125	127
December	3,428	257,100	1715	1388	19	58	218	2328	151	200	239	316	191
4th Quarter	8101	607,575	4431	2947	61	192	461	5589	467	493	472	629	481
Calendar '71	53,666	\$3,530,250	30,220	10,874	194	695	1553	23,537	1962	2230	2428	2594	2155

TRAVEL/VISITOR SERVICES AND THE
EXPENDITURES DURING FY 1970 - CALENDAR 1970

District of Entry

Month	Total Visitors	Estimated Expenditures	District of Entry										
			U.S.	Japan	Okinawa	Philippines	Other	Morshas	Marshall's	Palau	Ponape	Truk	Yap
January	1,952	146,400	1074	725	8	36	109	1414	82	214	37	57	148
February	1,759	131,500	994	648	23	27	77	1225	97	163	96	55	123
March	1,788	154,100	1126	495	10	40	117	1226	137	176	48	73	128
1st Quarter	5,499	\$411,000	3194	1868	41	103	303	3865	316	553	181	185	399
April	1,620	121,500	1007	470	8	73	62	1072	90	165	130	71	92
May	1,952	146,400	1361	428	12	52	99	1556	59	118	113	77	29
June	2,251	168,300	1609	533	6	40	63	1728	76	118	138	92	99
2nd Quarter	5,823	436,700	3977	1431	26	165	224	4356	225	401	381	240	220
TOTAL FY170	23,306	\$1,376,100	14659	6341	386	890	1030	17640	1064	1850	779	766	1207
July	2,416	181,200	1954	359	9	62	132	1445	173	240	203	209	146
August	2,612	195,000	1967	494	25	64	62	1872	69	221	159	64	227
September	1,684	126,300	1187	275	19	62	141	1109	113	172	92	95	103
3rd Quarter	6,712	503,400	5108	1028	53	188	335	4426	355	633	454	368	476
October	3,521	264,075	2204	1074	96	51	96	2910	166	120	139	120	66
November	2273	170,475	1506	612	21	71	63	1782	80	99	116	89	107
December	2910	218,250	1754	825	41	94	196	2689	104	144	189	225	159
4th Quarter	8704	652,800	5464	2511	150	216	355	6781	350	363	444	434	352
Calendar 170	26738	\$2,604,700	17733	6838	278	672	1217	10428	1246	1950	1460	1227	1427

TOURIST/VISITOR ENTRIES INTO THE TRUST TERRITORY BY COUNTRY OF ORIGIN AND DISTRICT OF ENTRY AND ESTIMATED EXPENDITURES DURING CALENDAR YEAR 1969

Month	Total Visitors	Estimated Expenditures	Country of Origin				District of Entry						
			U.S.	Japan	Okinawa	Philippines	Other	Karagans	Marehalla	Paleau	Portape	Truk	Yap
January	1,412	\$ 62,200	866	486	12	32	16	1175	23	116	9	19	70
February	1,291	57,000	886	346	9	18	32	1039	47	99	22	14	70
March	1,320	58,200	901	1,355	6	24	34	1125	58	56	2	32	47
1st Quarter	4,023	\$ 177,400	2653	1187	27	74	82	3339	128	271	33	65	187
April	1,570	69,000	1019	479	8	22	42	1216	48	115	29	36	126
May	1,421	62,500	1035	310	11	32	33	1039	57	79	24	61	161
June	1,602	70,000	1243	270	10	50	29	1211	49	150	3	76	165
2d Quarter	4,593	\$201,500	3297	1059	29	104	104	3466	154	352	56	175	390
July	2,153	94,732	1347	490	77	178	61	1740	110	160	23	42	76
August	3,021	132,924	1967	704	85	132	133	2293	158	290	29	91	160
September	1,805	79,420	1082	423	105	142	53	1504	62	111	31	48	49
3d Quarter	6,979	\$ 307,076	4396	1617	267	452	247	5537	330	561	83	181	287
October	1,740	76,560	1000	505	15	80	60	1397	67	93	42	49	92
November	1,537	67,628	861	564	21	41	50	1273	46	63	40	60	55
December	1,728	76,320	1161	356	16	40	146	1212	80	179	52	51	154
4th Quarter	5,005	\$ 220,508	3100	1425	52	170	256	3002	193	335	134	160	301
TOTALS 1969	20,600	\$1,906,484	13,446	5,280	375	800	699	16,224	805	1519	206	591	1165

14,609
14,609
not available
1339
184
3,231
10,109
149
22 no data

Attachment Tourism "A" V

TOURISTS ENTRIES TO THE TRUST TERRITORY BY DISTRICT AND BY COUNTRIES OF ORIGIN FOR 1971

	MARIANAS	MARSHALLS	PALAU	PONAPE	TRUK	YAP	TT-WIDE
U.S.	12,185(54%)	1,399(75%)	1,516(68%)	1,808(75%)	1,804(70%)	1,598(74%)	20,300(61%)
Japan	8,846(40%)	152(8%)	512(23%)	438(18%)	516(20%)	428(20%)	10,892(32%)
Philippines	500(2%)	39(2%)	22(1%)	30(1%)	64(2%)	40(2%)	695(2%)
Others	806(4%)	272(15%)	180(8%)	152(6%)	210(8%)	99(4%)	1,719(5%)
TOTAL	22,337(100%)	1,862(100%)	2,230(100%)	2,428(100%)	2,594(100%)	2,155(100%)	33,606(100%)
DISTRICT %	66%	6%	7%	7%	8%	6%	100%

PERCENTAGE DISTRIBUTION OF TOURIST ENTRIES ACCORDING TO COUNTRY OF ORIGIN FOR 1971

	MARIANAS	MARSHALLS	PALAU	PONAPE	TRUK	YAP	TT-WIDE
U.S.	60%	7%	7%	9%	9%	3%	100%
Japan	81%	1%	5%	4%	5%	4%	100%
Philippines	72%	6%	3%	4%	9%	6%	100%
Others	47%	16%	10%	9%	12%	5%	100%

TOURIST HOTELS IN MICRONESIA

January 1, 1973

	<u>Existing Rooms</u>	<u>Under Construction</u>
<u>MARIANAS DISTRICT</u>		
<u>Saipan</u>		
Abel's Apartments	10	
Hafa Adai Hotel	59	
Hamilton's Apartments		10
Marianas Hotel	10	
Royal Taga Hotel	82	
Monte Carlo Hotel	5	
Continental Hotel		200
Villa Hotel		150
	<hr/> 166	<hr/> 360
<u>ROTA</u>		
Blue Peninsula Hotel	13	
Rota Hotel	13	
	<hr/> 26	
<u>TINIAN</u>		
Fleming Hotel	4	
Tinian Hotel	4	
Cruz Travelodge Motel	5	
	<hr/> 13	
	<hr/> <hr/> 205	<hr/> <hr/> 360
<u>MARSHALLS DISTRICT</u>		
Eastern Gateway Hotel, Majuro	16	
Mieco Hotel, Majuro	14	
Un-Name		6
Ebeye Hotel, Ebeye	14	
	<hr/> 44	<hr/> 6
<u>PALAU DISTRICT</u>		
Blue Lagoon Hotel	8	
Continental Hotel	56	
Paradise Hotel	16	
Royal Palauan Hotel	22	
Melekiobs Apartment	5	
	<hr/> 107	

<u>YAP DISTRICT</u>	<u>Existing Rooms</u>	<u>Under Construction</u>
Rai View Inn	10	
ESA Hotel	8	8
John Mangefel's		
	<u>18</u>	<u>8</u>

<u>PONAPE DISTRICT</u>	<u>Existing Rooms</u>	<u>Under Construction</u>
Hotel Pohnpei, Kolonia	9	
Appollo Inn, Kolonia	4	
Blue Rose's Inn, Kolonia	5	
Cliff Rainbow Motel, Kolonia	29	
C & M Inn, Kolonia	6	
Kaselehlia Inn, Kolonia	10	
Kawaii Inn, Dolonier	11	
Namiki Hotel, Kolonia	8	
Ioana's Inn, Sokehs Islands	4	4
Ginger House, Nett	8	14
Nan Madol Hotel, Sokehs Road		25
Uh Corporation, Uh		
	<u>94</u>	<u>43</u>

<u>TRUK DISTRICT</u>	<u>Existing Rooms</u>	<u>Under Construction</u>
Hotel Maramar	18	
Christopher Inn	31	
Kristy's Hotel	34	
Bayview Hotel	4	
Continental	55	
	<u>142</u>	

<u>SUMMARY</u>	<u>Rooms Existing</u>	<u>Under Construction</u>	<u>Proposed</u>
Marianas District	205	60	2,000
Marshalls District	44	6	113
Palau District	107	10	47
Ponape District	94	43	17
Truk District	142	-	-
Yap District	18	16	34
	<u>610</u>	<u>135</u>	<u>2,211</u>
GRAND TOTAL	<u>610</u>	<u>135</u>	<u>2,211</u>

ESTIMATED VISITOR ENTRIES INTO THE
TRUST TERRITORY
FOR CALENDER YEARS 1973 - 1975

1973

<u>DISTRICTS</u>	<u>NO. OF HOTEL ROOMS</u>	<u>60% OCCUPANCY AT 3 DAYS AVERAGE STAY</u>
		* 30,160 Note: Boeing Projection
Majuro	30	2,190
Ponape	114	8,395
Truk	142	10,220
Yap	42	2,920
Palau	107	7,665
Marianas	205	*30,160 Note: Boeing forecast
TOTAL	637	61,550

TOTAL TOURIST ENTRIES FORECAST FOR 1973 is-----62,000

1974

Majuro	83	6,205
Ponape	137	9,855
Truk	142	11,315
Yap	62	4,380
Palau	139	10,220
Marianas	605	44,165
TOTAL	1168	86,140

TOTAL PROJECT FOR 1974 is -----86,000

1975

NO OF HOTEL ROOMS

60% OCCUPANCY AT 3 DAYS AVERAGE STAY

DISTRICTS

Majuro	163	12,000
Ponape	157	11,315
Truk	142	12,045
Yap	62	5,475
Palau	154	11,315
Marianas	1,265	92,345
TOTAL	1,943	144,495

TOTAL PROJECTED FOR 1975 is 132,000

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