

Week in Review

SUMMARY OF NEWS OF THE TRUST TERRITORY OF THE PACIFIC ISLANDS
Prepared by Micronesian News Service

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STATUS TALKS END

The Seventh Round of Micronesian Status Negotiations ended last Wednesday after only one week of deliberations. The talks were discontinued because of the failure of the two sides to reach agreement on the financial support question, or on some mutually acceptable formula for continuing the negotiations without such an agreement.

In his closing statement, Senator Lazarus Salii, Chairman of the Congress of Micronesia Joint Committee on Future Status indicated that they were "very pleased that it has been possible for the two sides to agree on the principles for the return of public land". However, "it has been and remains our position that we cannot usefully discuss the remaining details of the proposed Compact of Free Association until it becomes clear that there is a substantial likelihood that we can reach agreement on the question of financial support. At the present time, our positions are very wide apart." Salii continued by stating that the "immediate problem is the vast difference between us on the level of financing to be provided by the United States." He indicated that if the Joint Committee accepted the offer proposed by the United States that they "would contemplate a significant curtailment of the degree of authority to be delegated to the United States in foreign affairs and defense matters under Titles II and III." Salii also indicated that if the United States did not desire to proceed on the basis of reduced involvement in foreign affairs and defense matters, then it should take action necessary to permit the continuance of the negotiations by increasing the level of financial support it had offered.

In his closing statement, Ambassador Franklin Haydn Williams, President Nixon's Personal Representative to the Micronesian Status talks indicated his disappointment in the termination of the Seventh Round of talks due to "wide conceptual differences and in terms of expectations, wide differences with respect to future financial arrangements." Williams explained that based on statements given by the members of the Joint Committee, the United States delegation decided "to continue its support to Micronesia at substantially the same level as during the closing years of the trusteeship" based on "the level of current operations, projected need, and potential sources of income".

As the talks closed, the failure of the two sides to reach agreement on the financial support question remained. Both sides indicated, however, the hope of a continuing exchange of views that will result in an agreement being reached on the issue prior to the next session of the Congress of Micronesia to begin in January of next year.

SENATE BUDGET HEARINGS

The Trust Territory took its argument for an \$8.2 million supplemental budget appropriation for this fiscal year to the subcommittee on Interior of the Senate Appropriations Committee. High Commissioner Edward E. Johnston and members of his program and budget staff, Director of Territorial Affairs Stanley S. Carpenter, Senate President Tosiwo Nakayama and House Speaker Bethwel Henry of the Congress of Micronesia, and James Wilson, Deputy U.S. Representative for the Micronesian Status Negotiations all appeared before the subcommittee.

Senator Nakayama asked the subcommittee to approve an appropriation of \$13 million to bring the TT budget for the current year up to its full authorized ceiling of \$60 million. He stated that the \$8.2 million did not include at least four urgent items, an amount needed to construct the Koror-Airai Bridge in Palau District, an amount to replace two inter-island ships, and an amount to provide additional generators and new school buses for the Marianas. Although money for the school buses had already been approved by the House Subcommittee, Senator Alan Bible, Chairman of the subcommittee seemed particularly interested in the problem of funding the Palau Bridge.

Senator Ted Stevens of Alaska, a member of the subcommittee, asked the High Commissioner about the current energy crisis and its effect on Micronesia. The High Commissioner explained that he has been given assurances by Mobil Micronesia that there will not be any problem during the next six months, but that his administration is monitoring the situation closely and that he intends to keep Interior Department officials responsible for fuel allocation programs informed.

After the Senate Committee makes a decision on the appropriation, the supplemental budget request must be approved by the full Senate and House.

MLSC GRANT REINSTATED

Director of the Office of Economic Opportunity Alvin Arnett officially reinstated the Micronesian Legal Services Corporation funding grant for the current year. In his letter to High Commissioner Johnston, Arnett stated that issues raised by the High Commissioner including wage discrepancies, representing over-income clients, suits against Micronesians, excessive funding and alternate methods for the provisions of service will be fully reviewed through evaluations and investigations.

High Commissioner Johnston, in his statement following receipt of the letter from Arnett, stated that there is a definite need for a strong legal services program for Micronesia's citizens, and that "I have been and will continue to be critical of any program in the Trust Territory which is mismanaged or wasteful of government funds." Johnston also indicated that he will "continue to pursue efforts at the local, regional and national levels to make the legal services program in Micronesia of maximum benefit to Micronesia's citizens at a reasonable cost to the U.S. Government."

In reinstating the grant, the OEO headquarters office also attached a set of specific stipulations including the requirement that a wage comparability study be provided for approval by the Regional Office of Legal Services, that travel outside of Guam and Micronesia must be approved by the Regional Office except in certain cases, that the feasibility of combining the district and Headquarters MLSC offices on Saipan must be reported on to OEO within 60 days, and that MLSC shall cooperate and coordinate with other legal resources and agencies operating in the Trust Territory as it carries out its program.

BRIEFLY, HERE ARE SOME OTHER ITEMS THAT MADE NEWS IN THE TRUST TERRITORY LAST WEEK:

The Third Ponape District Legislature's Special Session officially convened last week in Ponape. Legislature Speaker Itor Harris indicated the session was requested in a petition by members of the legislature to consider the District Administrator's veto of Legislature Bill 112, which would have established the salaries of full time legislators when they convene in January. Also under consideration will be the decision of the U.S. to return public land in Micronesia to local control and the Micronesian Constitutional Convention.

The Board of Directors of Air Micronesia, Inc. authorized execution of profit-sharing for a 50-50 split of profits with Continental Airlines to commence following Continental's recovery of after-tax losses from the operation of the air service sustained to date. The Board of Directors also announced the election of Donald G. Beck as President and Director of Air Micronesia. Beck served as Vice President and General Manager of the company at its Saipan Headquarters from 1972 through 1973.

Acting Director of Resources and Development Eusebio Rechucher returned to the TT last week from Sydney, Australia, where he attended the first Conference of the South Pacific Labor Ministers. He was accompanied by Senator Olympio T. Borja from the Marianas, Charles Domnick from the Marshalls and Legal Counsel Mike White. Included on the agenda were discussions of industrial relations and the employment situation in the South Pacific.

A private research organization, the Carnegie Endowment for International Peace, is undertaking a study of America's foreign policy as it relates to the Micronesian situation. The team is working under the direction of Don McHenry, a former United States State Department official.

Director of Health Services Masao Kumangai announced the appointment of Dr. Robert Shellworth to Palau Dental Health Services. His primary assignment will be in conjunction with the dental nurse training program at MOC.

According to research just completed by the Tourism Branch of the Economic Development Division of Resources and Development, it was revealed that more than 90 percent of all travellers to Micronesia visit only one district, and nearly 40 percent of all visitors resided on Guam.