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(HOUSE TACKELS REVENUE SHARING)

SAIPAN, AUGUST 5 (MNS) ~~24~~ ATTENTION FOCUSED THIS WEEKEND ON THE HOUSE OF REPRESENTATIVES, AS MEMBERS ONCE AGAIN ATTEMPTED TO COME TO GRIPS WITH WHAT HAS BECOME PROBABLY THE MOST CONTROVERSIAL PIECE OF LEGISLATION EVER CONSIDERED BY THE CONGRESS OF MICRONESIA.

DURING A SUNDAY EVENING SESSION THAT SAW THE PASSAGE OF THREE OTHER BILLS, MEMBERS VOTED TO ONCE AGAIN BRING TO THE FLOOR A MEASURE THAT WOULD RETURN FIFTY PER-CENT OF ALL TAX REVENUES COLLECTED UNDER THE IT INCOME AND GROSS RECEIPTS TAX LAW TO THE DISTRICTS WHERE THE REVENUES WERE COLLECTED (HB 229). THIS REVENUE SHARING BILL WAS THE SUBJECT OF BITTER DEBATE WHEN THE CONGRESS LAST MET, IN JANUARY AND FEBRUARY, AND ONCE AGAIN SUNDAY HOUSE MEMBERS WERE UNABLE TO COME TO AN AGREEMENT ON IT.

THE BILL HAS ALREADY PASSED FIRST READING. REPRESENTATIVE CHARLES DOMNICK (MARSHALLS), ONE OF THE STRONGEST SUPPORTERS OF THE MEASURE, MOVED ITS PASSAGE ON SECOND READING, BUT DURING DEBATE ON THE MOTION REPRESENTATIVE RAYMOND SETIK (TRUK) PROPOSED SEVERAL AMENDMENTS. HE SUGGESTED THAT THE FIFTY PER CENT SHARE TO BE RETURNED TO THE DISTRICTS BE REDUCED TO FIFTEEN PER CENT, AND THAT THE EFFECTIVE DATE OF THE BILL BE CHANGED TO JULY 1 1977, REASONING THAT THE CONGRESS IS ALREADY CONSIDERING BILLS WHICH WILL COMMIT ITS FUNDS FOR THE NEXT YEAR OR TWO.

REPRESENTATIVE EKPAP SILK (MARSHALLS) OPPOSED THIS DATE, SAYING THE CONGRESS WILL HAVE AMPLE TIME BY NEXT YEAR "TO THINK ABOUT OTHER MEANS OF GETTING MORE FUNDS..." HE POINTED OUT THAT THE MARSHALL ISLANDS NITIJELA WILL MEET AGAIN IN MARCH OF NEXT YEAR, AND THAT IT WILL WORK A HARDSHIP ON THEM IF THEY HAVE TO WAIT STILL ANOTHER YEAR OR MORE FOR THE TAX REVENUE TO BE MADE AVAILABLE.

REPRESENTATIVE LUKE TMAN (YAP) URGED THE MEMBERS TO OPEN THEIR MINDS AND ATTEMPT TO REACH SOME SORT OF COMPROMISE ON THE ISSUE. HE SUGGESTED THAT THE MEMBERS OF WAYS AND MEANS AND APPROPRIATIONS COMMITTEES WORK OUT A COMPROMISE OR, IF NECESSARY, THAT THE ENTIRE HOUSE MEET IN AN EXECUTIVE SESSION TO RECONCILE THEIR DIFFERENCES.

ANOTHER MARSHALLESE CONGRESSMAN, ATAJI BALOS, SAID HE WOULD NOT ACCEPT ANY FIGURE LESS THAN THE ORIGINAL FIFTY PER CENT. "I WAS DIRECTED BY THE PEOPLE OF THE MARSHALLS AND THE DISTRICT LEGISLATURE TO ASK FOR FIFTY PER CENT," HE SAID. "I WILL NOT ACCEPT THIS FIFTEEN PER CENT,"

THE SUNDAY SESSION ENDED ABRUPTLY WHEN, ON MOTION FROM REPRESENTATIVE SASAUO HARUO, THE MEMBERS ADJOURNED IN MID-DEBATE.

THEN MONDAY MORNING, THE DISCUSSION RESUMED, BUT THIS TIME A COMPROMISE MEASURE WAS INTRODUCED. A SINGLE HOUSE RESOLUTION AUTHORIZING THE SPEAKER TO APPOINT A SPECIAL COMMITTEE OF SIX MEMBERS TO "... STUDY AND EVALUATE ALL MEASURES ON REVENUE-SHARING PENDING IN THE HOUSE AND TO SUBMIT A REPORT WITH ITS RECOMMENDATIONS AS TO THEIR DISPOSITION WITHIN TWO DAYS..." AUTHOR OF THE MEASURE WAS REPRESENTATIVE LUKE TMAN.

THE RESOLUTION WAS ADOPTED, AND SPEAKER BETWEL HENRY (PONAPE) THEREUPON APPOINTED REPRESENTATIVES TIMOTHY

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OLKERIIL (PALAU), ENDY DOIS (TRUK), FELIPE ATALIG (MARIANAS), LUKE TMAN (YAP), RESIO MOSES (PONAPE) AND ATAJI BALOS (MARSHALLS), TO THE COMMITTEE.

(SESSION IN 14TH DAY)

SAIPAN, AUGUST 5 (MNS)---THE CONGRESS OF MICRONESIA MOVED INTO THE 14TH DAY OF ITS CURRENT SPECIAL SESSION ON SAIPAN MONDAY (AUGUST 5), AND WITH ONLY ONE DAY REMAINING A GREAT DEAL OF WORK STILL FACED THE LAW MAKERS.

THE CONGRESS LEADERSHIP, RECOGNIZING THAT IT WILL BE DIFFICULT FOR THEM TO COMPLETE THEIR AGENDA IN THE FIFTEEN DAYS ORIGINALLY ALLOTTED FOR THE SESSION, OFFICIALLY ASKED HIGH COMMISSIONER EDWARD E. JOHNSTON MONDAY AFTERNOON TO EXTEND THE SESSION UNTIL FRIDAY, AUGUST 9. BY MID-AFTERNOON HE HAD NOT MADE A DECISION ON THE REQUEST.

THE HOUSE OF REPRESENTATIVES WAS THE MORE ACTIVE OF THE TWO HOUSES, HOLDING A SUNDAY EVENING SESSION, ANOTHER MONDAY MORNING, AND SCHEDULING STILL ANOTHER MEETING FOR MONDAY EVENING. BY CONTRAST, THE SENATE MET ONLY MONDAY MORNING, AND RECESSED FOLLOWING A BRIEF SESSION UNTIL TUESDAY MORNING.

IN ADDITION TO A LENGTHY DEBATE ON REVENUE SHARING THAT SPANNED TWO SESSIONS (SEE PREVIOUS STORY), HOUSE MEMBERS PASSED FOUR BILLS ON SECOND READING DURING THEIR SUNDAY EVENING AND MONDAY MORNING SESSIONS. A MEASURE AMENDING THE CONSTITUTIONAL CONVENTION LAW TO PROVIDE FOR A CREDENTIALS COMMITTEE AND ADJUST THE COMPENSATION TO BE PAID TO CONVENTION DELEGATES WAS PASSED (SB 347), BUT IT WAS RETURNED TO THE SENATE WITH SEVERAL HOUSE AMENDMENTS.

THE APPROPRIATION BILLS WERE ALSO PASSED. THEY INCLUDE: A \$215,530 APPROPRIATION FOR THE PAYMENT OF SALARIES AND PERSONNEL BENEFITS OF EMPLOYEES AND FOR THE CONTINUANCE OF THE HOSPITAL FEEDING PROGRAM OF THE DEPARTMENT OF HEALTH SERVICES (HB 347); A \$35,000 APPROPRIATION TO PROVIDE FUNDS FOR THE TERRITORIAL HOUSING COMMISSION (HB 296); AND A MEASURE APPROPRIATING \$102,000 FOR CERTAIN PUBLIC PURCHASES AND PROJECTS ON KUSAIE ISLAND (HB 325). ALL THREE OF THESE BILLS HAVE BEEN SENT TO THE SENATE FOR FURTHER ACTION.

ONE BILL WAS FILED SUNDAY EVENING, A MEASURE THAT IN ESSENCE DUPLICATES THE SENATE BILL CONCERNING A CREDENTIALS COMMITTEE FOR THE CONSTITUTIONAL CONVENTION (HB 351).

A JOINT RESOLUTION COMMENDING THE HONORABLE JULIA BUTLER HANSEN, U.S. CONGRESSWOMAN FROM WASHINGTON, FOR HER WORK IN BEHALF OF THE PEOPLE OF MICRONESIA, AND CONGRATULATING HER UPON HER RETIREMENT, WAS ALSO ADOPTED BY THE HOUSE (HJR 151), AND SENT TO THE SENATE FOR ACTION.

DURING THE SENATE'S BRIEF SESSION MONDAY THERE WAS NO FINAL FLOOR ACTION. THE SESSION WAS HIGHLIGHTED BY AN ADDRESS FROM SENATOR JOHN MANGEFEL (YAP) CONCERNING THE STATE OF MICRONESIA'S ECONOMY (SEE FOLLOWING STORY).

NEW LEGISLATION INTRODUCED IN THE SENATE MONDAY INCLUDED ONE JOINT RESOLUTION AND ONE BILL. THE RESOLUTION, OFFERED BY SENATOR PETRUS TUN (YAP), WOULD EXPRESS THE "UNEQUIVOCAL" OPPOSITION OF THE CONGRESS OF MICRONESIA TO THE SEPARATE ADMINISTRATION OF ANY PART OF THE TRUST TERRITORY BEFORE RESIDENTS OF THE ENTIRE TERRITORY HAVE HAD A CHANCE TO VOTE IN A PLEBISCITE AND REFERENDUM ON THE FUTURE POLITICAL STATUS OF MICRONESIA, AND THE SENSE OF THE CONGRESS THAT SUCH SEPARATE ADMINISTRATION WOULD CONSTITUTE A VIOLATION OF

THE OBLIGATIONS OF THE ADMINISTERING AUTHORITY UNDER THE CHARTER OF THE UNITED NATIONS AND THE TRUSTEESHIP AGREEMENT (SJR 131). THE MEASURE IS SEEN AS AN ATTEMPT TO HEAD OFF THE POSSIBLE SEPARATE ADMINISTRATION OF THE MARIANA ISLANDS DISTRICT BY THE UNITED STATES AS SOON AS THE SEPARATE STATUS TALKS WITH THE MARIANAS ARE CONCLUDED.

THE NEW BILL INTRODUCED MONDAY WOULD APPROPRIATE \$62,000 TO DEFRAY CERTAIN EXPENSES OF THE DISTRICT DELEGATIONS TO THE MICRONESIAN CONSTITUTIONAL CONVENTION (SB 371).

ONE NEW BILL TWO JOINT RESOLUTIONS WERE OFFERED DURING THE HOUSE SESSION MONDAY MORNING. THE BILL WOULD AMEND THE CONSTITUTIONAL CONVENTION LAW TO PROVIDE FOR AN ADDITIONAL \$120,000 APPROPRIATION, TO PROVIDE FOR AN ALLOCATION OF THIS SUM BY THE DISTRICT LEGISLATURES (HB 365).

THE RESOLUTIONS WOULD ASK THE TRUST TERRITORY AUDITOR TO AUDIT THE FINANCES OF THE MARSHALL ISLANDS IMPORT-EXPORT COMPANY (MIECO) (JHR 152), AND TO AUDIT THE FINANCES OF THE MARSHALL ISLANDS DEVELOPMENT AUTHORITY (MIDA) (HJR 153). BOTH MEASURES WERE INTRODUCED BY REPRESENTATIVE JOHN HEINE (MARSHALLS, WHO INDICATED BY HIS SIGNATURE THAT HE WAS INTRODUCING THE RESOLUTIONS "BY REQUEST."

THE SENATE IS IN RECESS UNTIL TEN TUESDAY MORNING. THE HOUSE WILL HOLD A SECOND SESSION MONDAY EVENING AT SEVEN. (NOTE TO EDITORS AND NEWS DIRECTORS: MICRONESIAN NEWS SERVICE WILL HAVE A SECOND DISPATCH MONDAY COVERING THE EVENING HOUSE SESSION, PLUS ANY LATE AFTERNOON CONGRESSIONAL DEVELOPMENTS FROM MONDAY.)

(ALL USERS: PLEASE CREDIT CONGRESS OF MICRONESIA)  
(HARUO ON ECONOMIC DEVELOPMENT)

SAIPAN, AUGUST 5, (CONGRESS RELEASE)---REPRESENTATIVE SASAUO HARUO, CHAIRMAN OF THE HOUSE COMMITTEE ON RESOURCES AND DEVELOPMENT, TOOK THE FLOOR OF THE HOUSE OF REPRESENTATIVES MONDAY TO SPEAK ON THE SUBJECT OF MICRONESIA'S ECONOMIC DEVELOPMENT, WHICH HE SAID "UNDERLIES VIRTUALLY" EVERY ITEM UNDER CONSIDERATION DURING THE CURRENT SPECIAL SESSION.

NOTING THAT ECONOMIC DEVELOPMENT IS RELATED TO THE CONSTITUTIONAL CONVENTION, THE EMPLOYMENT OF CONTRACT EMPLOYEES, APPROPRIATIONS, THE RETURN OF PUBLIC LANDS, AND MICRONESIA'S FUTURE POLITICAL STATUS, THE IRUK REPRESENTATIVE STATED THAT THE ISLANDS CANNOT ACHIEVE A SATISFACTORY FUTURE STATUS "UNTIL WE BEGIN TO ACHIEVE ECONOMIC SELF-SUFFICIENCY".

"AN ECONOMICALLY DEPENDENT MICRONESIA MUST BEG" HE SAID.

IN HIS REMARKS, HARUO OUTLINED A NUMBER OF REASONS FOR THE FAILURE OF MICRONESIA'S ECONOMY TO DEVELOP. HE SAID THAT LANDS THAT FORMERLY PRODUCED RICE, SUGAR CANE, PINEAPPLES AND OTHER CROPS DURING PRE-WAR DAYS REMAIN UNCULTIVATED TODAY "HELD 'IN TRUST' BY THE AMERICAN ADMINISTRATION, ON TINIAN, SAIPAN, BABELTHUAP, AND ELSEWHERE, FOR REASONS THAT HAVE ONLY BECOME CLEAR AS MILITARY PLANNERS HAVE REVEALED THEIR LAND REQUIREMENTS" TO THE CONGRESS IN RECENT YEARS. HARUO SUGGESTED THAT AFTER 30 YEARS OF "UNPRODUCTIVE TRUSTEESHIP," HE BELIEVES THAT LONG-RANGE MILITARY NEEDS WAS ONE OF "THE REAL REASONS WHY COMMERCIAL AGRICULTURE IS PRACTICALLY NON-EXISTENT AND WHY OUR ADMINISTRATION DOES NOT HAVE A SINGLE SUCCESSFUL PROJECT TO ITS CREDIT."

HARUO ALSO CRITICIZED CERTAIN PARTS OF AN ADMINISTRATION

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PROPOSED BILL TO RETURN PUBLIC LANDS TO THE DISTRICTS, WHICH HE POINTED OUT WOULD ALLOW THE HIGH COMMISSIONER TO RETAIN AUTHORITY OVER CERTAIN PUBLIC LANDS.

"WHY?" HE ASKED.

"AFTER 30 YEARS OF RECORDED FAILURE TO DEVELOP OUR LANDS AND RESOURCES, I SEE NO REASON WHATSOEVER TO JUSTIFY CONTINUED CONTROL OVER ANY SMALL PART OF ANY OF OUR ISLANDS... WITHOUT THE FULL CONSENT OF THE DISTRICTS INVOLVED."

ANOTHER AREA WHERE MICRONESIA'S RESOURCES HAVE BEEN EXPLOITED, HE SAID, WAS UNLAWFUL POACHING AND PLUNDERING OF THE ISLANDS' OCEAN RESOURCES BECAUSE OF INADEQUATE PATROLLING WHICH HE CALLED "PROBABLY ONE OF THE MOST MAGNIFICENT FAILURES OF OUR ADMINISTERING AUTHORITY DURING THE PAST 30 YEARS."

"THE FACT THAT THE MOST POWERFUL AND TECHNOLOGICALLY ADVANCED NATION IN THE HISTORY OF HUMANKIND CANNOT KEEP FOREIGNERS FROM STEALING OUR RESOURCES REMAINS TO ME A BASIC ABSURDITY," HE DECLARED. INDICATING THAT A BILL TO HELP SOLVE THIS PROBLEM BY CONFISCATING INTRUDING FISHING VESSELS FAILED TO PASS THE CONGRESS IN ITS PAST SESSION BECAUSE IT WOULD PRESENT INTERNATIONAL PROBLEMS FOR THE UNITED STATES, HARUO SAID HE HAD "NO SYMPATHY FOR THIS SORT OF ATTITUDE."

"IT IS NOT A MATTER OF INTERNATIONAL RELATIONS," HE STATED. "IT IS A PROBLEM WHICH AFFECTS OUR PRESENT AND FUTURE ECONOMY"...AND ALSO A PROBLEM FOR THE UNITED STATES AS THE ADMINISTRATOR OF OUR SO-CALLED "SACRED TRUST".

THE TRUK CONGRESSMAN SAID IF MICRONESIA'S RESOURCES CANNOT BE PROTECTED AND DEVELOPED, "MICRONESIA WOULD BE LIKE SO MANY CASES IN A VAST THREE MILLION SQUARE MILE DESERT."

TURNING FROM THE SUBJECT OF ILLEGAL POACHING TO "LEGALIZED LOOTING AND EXPLOITATION", HARUO DECLARED THAT HE WAS "ASTONISHED" TO LEARN FROM A NEWSPAPER STORY RECENTLY THAT THE TRUST TERRITORY EXECUTIVE BRANCH HAS REACHED AGREEMENT WITH OTHER AMERICAN PACIFIC TERRITORIES TO DEVELOP THE SKIPJAP FISHING INDUSTRY IN THE PACIFIC. UNDER THE PLAN, MICRONESIA WOULD PARTICIPATE WITH GUAM, HAWAII AND AMERICAN SAMOA AND THE AMERICAN TUNA FISHING INDUSTRY UNDER THE AUSPICES OF THE PACIFIC ISLANDS DEVELOPMENT COMMISSION (PIDC).

HARUO CHARGED "NOT ONLY WAS THE CONGRESS NOT CONSULTED, BUT THE OBVIOUS OBJECTIVE OF THIS PLAN IS TO LET BIG BUSINESSES IN THE UNITED STATES EXPLOIT OUR RESOURCES."

HARUO POINTED OUT THAT ANY PLAN, PARTICULARLY IF FINANCED PARTIALLY BY AMERICAN TUNA COMPANIES, COULD HAVE BINDING "STRING ATTACHED" AND THAT THE TRUST TERRITORY MIGHT HAVE SIMPLY BEEN LUMPED-IN WITH AMERICA'S OTHER PACIFIC COLONIES FOR EXPLOITATION."

NOTING THAT HIGH TARIFFS NOW IN EXISTENCE MAKE MICRONESIA FISHERY PRODUCTS UNCOMPETITIVE ON THE AMERICAN MARKET, HARUO SAID MICRONESIA COULD NOT BENEFIT BY PARTICIPATING IN ANY UNITED STATES-SPONSORED FISHING ENTERPRISE UNDER THE PRESENT CIRCUMSTANCES.

"PARTICIPATING IN PIDC," HE SAID, "MEANS TO ME PERMITTING OTHERS TO CATCH AND CAN OUR FISH SO THAT THESE FOREIGN COMPANIES CAN SELL OUR FISH BACK TO US AT HIGH COSTS." TO PROVE HIS POINT, HARUO SAID THAT TUNA PRESENTLY CAUGHT IN PALAU DISTRICT BY VAN CAMP IS EXPORTED, CANNED AND IMPORTED BACK INTO MICRONESIA AND SOLD FOR \$1.10 PER CAN.

HARUO NOTED THAT THE TRUST TERRITORY'S UNILATERAL AGREEMENT WITH PIDC ALSO OVERLOOKED THE CONGRESS OF MICRONESIA'S RECOMMENDATIONS CONCERNING WAYS TO DEVELOP INSHORE FISHERIES TO SATISFY LOCAL NEEDS FOR FRESH FISH. HE SAID LAST YEAR ALONE MICRONESIA IMPORTED OVER FIVE TIMES AS MUCH CANNED FISH AS FISHERMEN CAUGHT LOCALLY.

"IT IS MY CONCLUSION THAT OUR ADMINISTRATION, BOTH HERE AND IN WASHINGTON, D.C., PREFERS TO 'CONTAIN' OUR ECONOMY, ASSIST BIG AMERICAN COMPANIES IN EXPANDING IN THE PACIFIC INSTEAD OF HELPING THE PEOPLE OF MICRONESIA DEVELOP OUR RESOURCES AND HELP US BUILD OUR OWN MICRONESIA FISHING INDUSTRY," HE SAID.

"AS THE SITUATION STANDS TODAY, FOR THE PAST 30 YEARS WE HAVE BEEN NEGLECTED, MAL-ADMINISTRATED, OUR ECONOMY IS BANKRUPT, AND NOW UNDER THE WINGS OF PIDC FOREIGN FISHING COMPANIES WOULD BE PERMITTED TO EXPLOIT OUR RESOURCES."

HARUO SAID IF THIS IS ALLOWED TO HAPPENED, THEN MICRONESIA IS HEADED TOWARDS A SITUATION "WORSE THAN COLONIALISM." HE ADDED THAT NO FOREIGN BUSINESS PERMITS OUGHT TO BE ISSUED BY THE GOVERNMENT WITHOUT "FULL CONSULTATION AND APPROVAL BY THE DISTRICTS."

"FOREIGN BUSINESS PERMITS ISSUED BY THE TRUST TERRITORY HEADQUARTERS, UNILATERAL AGREEMENTS WITH ORGANIZATIONS THAT 'FRONT' FOR LARGE FOREIGN CORPORATIONS ARE NOT IN THE SPIRIT OF THE UNITED NATIONS TRUSTEESHIP AGREEMENT," HE SAID.

"THESE ACTIONS BY OUR ADMINISTRATION MERELY LEGALIZE POACHING AND LOOTING OUR RESOURCES, AND THIS CONGRESS MUST DO EVERYTHING IN ITS POWER TO STOP SUCH ABUSES," HE URGED.

(MANGEFEL ON ECONOMY)

SAIPAN, AUGUST 5 (MNS)---YAP'S SENATOR JOHN MANGEFEL TOLD HIS SENATE COLLEAGUES MONDAY (AUG.5) THAT THE RECORD OF THE ADMINISTRATION IN ECONOMIC DEVELOPMENT IS "PRETTY LOUSY."

MICRONESIA, HE SAID, IS STILL LARGELY DEPENDENT ON OUTSIDE GOODS AFTER NEARLY THIRTY YEARS OF U.S. ADMINISTRATION, AND DESPITE THE EFFORTS MADE BY THE CONGRESS OF MICRONESIA IN THE PAST NINE YEARS THE SITUATION HAS NOT IMPROVED MUCH. "THEREFORE," HE SAID, "I THINK OUR RECORD IS PRETTY LOUSY TOO."

THE SENATOR SAID THOUSANDS OF MAN-HOURS HAVE BEEN SPENT IN THE ECONOMIC AREA BY THE ADMINISTRATION AND THE CONGRESS, AND YET LITTLE HAS BEEN ACCOMPLISHED. "THE PICTURE IS NOT ALL NEGATIVE, OF COURSE," HE CONTINUED. "I BELIEVE THAT THE CONGRESS IS ON THE RIGHT TRACK IN FUNDING SUCH PROGRAMS AS THE DISTRICT FISHING AUTHORITIES, AND THE COPRA PRODUCTION AUTHORITY. THESE ARE BOTH GOOD STARTS, BUT MUCH MORE NEEDS TO BE DONE, AND I THINK IT IS PRETTY CLEAR THAT IT NEEDS TO BE DONE FIRST, OR STARTED, BY THE GOVERNMENT."

THE YAP LAWMAKER POINTED OUT THAT THE KIND OF DEVELOPMENT NEEDED RIGHT NOW IN MICRONESIA, SUCH A FISHING FLEETS, A TUNA CANNERY, OR A LARGE COPRA PROCESSING PLANT, TAKES MILLIONS OF DOLLARS TO LAUNCH. THIS MEANS EITHER LETTING FOREIGN INVESTORS COME IN, BUILD SUCH PROJECTS, AND CONSEQUENTLY TAKE MOST OF THE PROFIT, OR LETTING THE GOVERNMENT START THE BUSINESS, AND THEN GRADUALLY LET THE PUBLIC BUY UP STOCK UNTIL IT IS A MICRONESIAN CONCERN.

"I FAVOR THE LATTER COURSE," SENATOR MANGEFEL STATED. "SUCH BUSINESSES SHOULD BE STARTED TO FIRST REPLACE THOSE COMMODITIES WHICH WE IMPORT, AND TO HELP THIS. WE SHOULD

PROBABLY RAISE THE IMPORT TAX ON THOSE THINGS WE DO NOT PRODUCE OURSELVES, BUT ARE ABLE TO PRODUCE. SECOND, ONCE WE HAVE ACHIEVED SELF-SUFFICIENCY, THEN WE WOULD BEGIN TO EXPORT COMMODITIES TO OTHER AREAS IN THE PACIFIC OR TO COUNTRIES OUTSIDE THE PACIFIC."

SENATOR MANGEFEL, WHO CALLED HIS SPEECH THE "JOHN MANGEFEL BANA SPEECH," SAID THERE ARE MANY PROSPECTS FOR THE SORT OF APPROACH HE ENVISIONS. THESE WOULD INCLUDE BEEF AND PORT PRODUCTION, MILK, CANNED TUNA FISH, SALT AND SMOKED FISH, SOAP AND COOKING OIL, SALT, SUGAR, VEGETABLES, COFFEE AND SEAFOOD OF ALL KINDS.

AND BANANAS. "WHILE WANDERING THROUGH ONE OF THE STORES ON SAIPAN THE OTHER DAY," MANGEFEL SAID, "I NOTICED THEY WERE SELLING BANANAS IMPORTED FROM A FOREIGN COUNTRY. THAT ALONE, IS ENOUGH TO DRIVE ANY ECONOMIST 'BANANAS' WHO KNOWS MICRONESIA..

"BOTH THE LEGISLATIVE AND EXECUTIVE BRANCHES OF THE GOVERNMENT HAVE...SPENT A LOT OF TIME AND EFFORT WHICH HAS RESULTED IN VIRTUALLY NO PROGRESS," SENATOR MANGEFEL CONCLUDED. "WE BOTH HAVE TALKED AND THOUGHT A LOT ABOUT ECONOMIC DEVELOPMENT IN THE PAST 30 YEARS. LET'S STOP TALKING, AND START DOING SOMETHING."

(ALL USERS: PLEASE CREDIT CONGRESS OF MICRONESIA)  
(UTIRIK PAYMENT AUTHORIZED)

SAIPAN--AUGUST 5, 1974--(CONGRESS RELEASE)--THE PEOPLE OF UTIRIK ISLAND IN THE MARSHALL ISLANDS DISTRICT WILL BE RECEIVING IN THE NEAR FUTURE AN "INCONVENIENCE PAYMENT" PROMISED SINCE 1970 FROM THE ATOMIC ENERGY COMMISSION FOR THE EXPOSURE AND REMOVAL OF THE UTIRIKESE IN 1954.

ACCORDING TO SENATOR OLYMPIO T. BORJA, WHO IS CHAIRMAN OF THE CONGRESS OF MICRONESIA'S SPECIAL JOINT COMMITTEE CONCERNING RONGELAP AND UTIRIK ATOLLS, \$18,212 HAS BEEN RECEIVED BY THE TRUST TERRITORY DEPARTMENT OF FINANCE FOR DISTRIBUTION TO THE PEOPLE OF UTIRIK.

BORJA SAID THAT ACCORDING TO THE DEPARTMENT OF FINANCE INDIVIDUAL CHECKS AMOUNTING TO \$116.00 EACH FOR THE 157 PEOPLE ORIGINALLY EXPOSED AND REMOVED FROM UTIRIK BECAUSE OF THE FALLOUT FROM THE MARCH 1, 1954 "BRAVO" H-BOMB BLAST AT BIKINI WILL BE SENT TO THE MARSHALL ISLANDS DISTRICT FOR DISTRIBUTION SOMETIME THIS WEEK.

SENATOR BORJA SAID THAT SINCE THE SPECIAL JOINT COMMITTEE WAS CREATED IN 1972, IT HAS DISCOVERED THAT THE AEC -- AT THE URGING OF DR. ROBERT A. CONARD--HAD MADE AVAILABLE ABOUT \$15,000 OR ROUGHLY \$100 PER PERSON AS AN, "INCONVENIENCE PAYMENT" TO THE UTIRIKESE. (THE RONGELAPESE, HE EXPLAINED, HAD RECEIVED COMPENSATION OF APPROXIMATELY \$10,000 EACH IN 1955 FOR THEIR EXPOSURE IN 1954.)

HOWEVER, WHEN THE PEOPLE OF UTIRIK LEARNED OF THE MONEY, DISAGREEMENT DEVELOPED OVER THE AMOUNT, WHICH THEY FELT WAS TOO SMALL, AND ALSO THE WAY IN WHICH IT WOULD BE DISTRIBUTED AS A RESULT, THE MONEY WAS NEVER GIVEN OUT, ALTHOUGH THE OFFER FROM THE AEC WAS STILL GOOD.

"DURING OUR MEETINGS WITH THE PEOPLE OF UTIRIK, WE ASKED THEM IF THEY WOULD LIKE TO GET MONEY IF IT WAS UNDERSTOOD THAT RECEIVING THE PAYMENT WOULD NOT RELEASE THE AEC OR THE U.S. FROM FUTURE CLAIM," SAID BORJA.

THEIR RESPONSE WAS POSITIVE, AND SINCE THAT TIME WE HAVE TRIED TO CLEAR UP THE RED TAPE AND THE COMMUNICATIONS

PROBLEMS BETWEEN THE TRUST TERRITORY AND THE AEC TO GET THE PAYMENT TO THE PEOPLE," HE ADDED.

THE MARIANAS SENATOR NOTED THAT LAST YEAR AT THE REQUEST OF THE DEPUTY HIGH COMMISSIONER, PETER T. COLEMAN AND REPRESENTATIVE CHARLES DOMNICK, THE COMMITTEE HAD SENT A LETTER TO COLEMAN SAYING THAT THE PEOPLE WANTED THE MONEY AND ALSO ASKING THAT IT BE INCREASED BY AT LEAST 10 PERCENT DUE TO THE TIME LAG INVOLVED.

FINALLY, HE RELATED, SENATOR WILFRED KENDAL ALONG WITH REPRESENTATIVE JOAB SIGRAH AND CONGRESS STAFF BRIAN FARLEY MET WITH AEC AND DEPARTMENT OF INTERIOR OFFICIALS IN WASHINGTON AFTER THE TRUSTEESHIP COUNCIL HEARINGS IN NEW YORK.

ONE OF THE RESULTS OF THIS MEETING WAS THAT THE TRUST TERRITORY FINALLY OFFICIALLY BILLED THE AEC FOR THE AMOUNT, AND A CHECK WAS SENT TO THE TRUST TERRITORY.

SENATOR BORJA NOTED THAT WHILE THE PAYMENT OF \$114 WAS "VERY SMALL" IT WAS IMPORTANT AS AN INDICATION OF THE WILLINGNESS OF THE AEC TO HELP THE PEOPLE FOR DIFFICULTIES CAUSED OVER 20 YEARS AGO. HE ALSO SAID THAT THE SPECIAL JOINT COMMITTEE HAD STUDIED THE RECEIPT FORM AND WAS SATISFIED THAT IT IN "NO WAY LIMITS THE PEOPLE FROM MAKING FUTURE CLAIMS FROM THE UNITED STATES. IT IS NOT A WAIVER, IT IS A RECEIPT." SAID BORJA.

BORJA NOTED THAT THE SPECIAL JOINT COMMITTEE HAD RECOMMENDED IN ITS LAST REPORT THAT THE PEOPLE OF UTIRIK RECEIVED AN ADDITIONAL "INCONVENIENCE PAYMENT" FOR THEIR EXPOSURE AND REMOVAL OF \$1,000 EACH AND THAT THIS, AND ADDITIONAL COMPENSATION FOR THE PEOPLE OF RONGELAP, WERE BEING WORKED ON NOW.

THE MARIANAS SENATOR ALSO SAID THAT THIS WEEK THE COMMITTEE WOULD BE REVIEWING A DRAFT EXECUTIVE AGREEMENT BETWEEN THE TRUST TERRITORY OF THE PACIFIC ISLANDS AND THE AEC IN WHICH THE AEC WOULD PROVIDE MONEY TO REIMBURSE THE TRUST TERRITORY FOR CERTAIN MEDICAL EXPENSES OF THE PEOPLE OF RONGELAP AND UTIRIK AS OUTLINED IN PUBLIC LAW NO. 5-52, AS AMENDED.

"WE ARE HOPEFUL THAT AFTER OUR REVIEW AND THAT OF THE ADMINISTRATION, THE AGREEMENT CAN BE SIGNED IN THE NEAR FUTURE," HE CONCLUDED.

THE SPECIAL JOINT COMMITTEE CONCERNING RONGELAP AND UTIRIK ATOLLS WAS CREATED BY P.L NO. 4C-33, AND ITS LIFE EXTENDED TO MARCH 31, 1975 BY H.J.R. NO. 73 OF THE FIRST REGULAR SESSION, FIFTH CONGRESS.

THE COMMITTEE'S MEMBERS ARE: SENATOR OLYMPIO T. BORJA, REPRESENTATIVE TIMOTHY OLKERIIL OF PALAU AND REPRESENTATIVE ATAJI BALOS OF THE MARSHALL ISLANDS DISTRICTS.

(MARIANAS DISTRICT LEGISLATURE CONVENES)

SAIPAN, AUGUST 5 (MNS)---THE FOURTH REGULAR SESSION OF THE MARIANAS DISTRICT LEGISLATURE CONVENED MONDAY (AUGUST 5) WITH OPENING REMARKS BY LEGISLATURE PRESIDENT VICENTE N. SANTOS.

AMONG THE MAJOR ISSUES SANTOS COVERED WAS THE ANNOUNCEMENT OF THE FORMATION OF A JOINT COMMITTEE ON REPARATIONS BETWEEN THE MARIANAS AND PALAU DISTRICT LEGISLATURES. THE COMMITTEE, TO BE CO-CHAIRLED BY SANTOS AND THE SPEAKER OF THE PALAU DISTRICT LEGISLATURE ITEL BANG LUI, WAS FORMED TO ASSIST MICRONESIANS TO RECEIVE FULL REPARATION FOR DAMAGES CAUSED

DURING WORLD WAR II.

OUTLINING THE MAIN AREAS OF CONCERN FACED BY THE DISTRICT LAW MAKERS. SANTOS CITED THE ESTABLISHMENT OF STRICTER CONTROLS OVER THE USE OF SLOT MACHINES, AN INCREASE IN THE RATE OF JUVENILE DELINQUENCY, THE WAR CLAIMS PROBLEMS, INCREASED SCHOLARSHIP ASSISTANCE FOR POST-SECONDARY EDUCATION, DIFFICULTIES RESULTING FROM THE "IMPORTATION OF LARGE NUMBERS OF ALIEN WORKERS," AND METHODS TO INCREASE LOCAL AGRICULTURAL PRODUCTION.

THE SESSION WILL LAST FOR 30 CALENDAR DAYS.

(PEACE CORPS CHANGES)

SAIPAN, AUGUST 5 (MNS)---SEVERAL PERSONNEL CHANGES HAVE OCCURED. RECENTLY INVOLVING PEACE CORPS/MICRONESIA, ACCORDING TO AN ANNOUNCEMENT THIS WEEK FROM ACTING COUNTRY DIRECTOR STAN DRUBEN ON SAIPAN.

ROSENDO ANDREW HAS BECOME THE SECOND MICRONESIAN APPOINTED AS A DISTRICT PEACE CORPS REPRESENTATIVE. HE IS SERVING AS HEAD OF THE ORGANIZATION'S PROGRAM IN THE MARSHALL ISLANDS. ANDREW, WHO WAS BORN IN PALAU DISTRICT, IS A GRADUATE OF XAVIER HIGH SCHOOL IN TRUK AND ATTENDED CHAMINADE COLLEGE IN HONOLULU.

DENNIS PENLAND, A FORMER PEACE CORPS VOLUNTEER IN PAKISTAN, HAS BEGUN TRAINING IN WASHINGTON, D.C. FOR THE POSITION OF PEACE CORPS/MICRONESIA PROGRAM OFFICER. PENLAND COMES TO THE POSITION FROM A JOB AS PROGRAM ANALYST WITH THE OFFICE OF ECONOMIC OPPORTUNITY.

ALSO IN WASHINGTON, SANDRA WOJAHN HAS BECOME PEACE CORPS/MICRONESIA'S NEW DESK OFFICER. A NATIVE OF OKLAHOMA, MS. WOJAHN WAS A VOLUNTEER IN MALAYSIA, TAUGHT ELEMENTARY SCHOOL IN NORTH CAROLINE AND SINGAPORE, AND SERVED AS A STAFF MEMBER FOR PEACE CORPS/MALAYSIA TRAINING PROGRAM SHE IS EXPECTED TO MAKE AN ORIENTATION VISIT TO MICRONESIA DURING SEPTEMBER, DRUBEN SAID.

(SAIPAN GIRL SCOUTS BEGIN PROJECT)

SAIPAN, AUGUST 5 (MNS)---THE SENIOR GIRL SCOUTS OF SAIPAN'S TROOP 18 ARE ABOUT TO TURN WISHPUL THINKING INTO ACTIVE ACCOMPLISHMENT, WITH THE ASSISTANCE OF A READER'S DIGEST FOUNDATION GRANT, WHICH THEY RECEIVED IN MARCH, THE GIRL SCOUTS ARE LAUNCHING A SPECIAL COMMUNITY SERVICE PROJECT UNDER THE LEADERSHIP OF MRS. MARY H. BERMUDEZ.

USING THE \$280 READER'S DIGEST GRANT, THE SAIPAN SCOUTS ARE STARTING A SEWING PROJECT THROUGH WHICH THE GIRLS WILL IMPROVE THEIR SEWING SKILLS AS WELL AS HELP TEACH YOUNG RILS IN THE TROOP TO USE A SEWING MACHINE AND DEVELOP THEIR SEWING SKILLS.

TROOP 18 QUALIFIED FOR THE GRANT BY SUBMITTING AS APPLICATION EXPLAINING ITS SERVICE PROJECT WHICH INCLUDED A DETAILED ACTION PLAN AND A DOCUMENTED STATEMENT TO SUPPORT THEIR FUNDING NEEDS. AN ITEMIZED BUDGET INCLUDED WITH THE APPLICATION INDICATED HOW THE FUNDS WOULD BE SPENT.

GRANT AWARDS ARE MADE BY A GROUP OF NATIONAL VOLUNTEERS AND STAFF MEMBERS OF GIRL SCOUTS OF THE USA ON THE BASIS OF COMMUNITY NEEDS AND THE VALUE OF THE PROPOSAL IN HELPING TO MEET THOSE NEEDS.

THE SAIPAN TROOP CONSULTED WITH COMMUNITY MEMBERS AND GROUPS IN DEVELOPING AND ORGANIZING THEIR PROJECT.



THIS IS THE ELEVENTH YEAR THAT READER'S DIGEST FOUNDATION GRANTS HAVE BEEN AWARDED TO SENIOR GIRL SCOUTS IN THE UNITED STATES AND THE TRUST TERRITORY TO SUPPORT SERVICE PROJECTS. SENIOR GIRL SCOUTS IN MICRONESIA HAVE RECEIVED 13 READER'S DIGEST FOUNDATION GRANTS SINCE 1970 IN THE TOTAL AMOUNT OF \$3,409.50.

(NOTE TO EDITORS AND NEWS DIRECTORS: THIS IS A SECOND MNS DISPATCH FOR MONDAY, AUGUST 5, COVERING LATE DEVELOPMENTS CONCERNING THE CONGRESS OF MICRONESIA SPECIAL SESSION.)

File

(HICOM EXTENDS SESSION)

SAIPAN, AUGUST 5 (MNS) <sup>24</sup>---TRUST TERRITORY HIGH COMMISSIONER EDWARD E. JOHNSTON HAS GRANTED THE REQUEST OF THE CONGRESS OF MICRONESIA LEADERSHIP FOR A THREE-DAY EXTENSION OF THE CURRENT SPECIAL SESSION ON SAIPAN.

THE SESSION, WHICH BEGAN ON JULY 23, WAS ORIGINALLY SET TO END ON OR BEFORE MIDNIGHT TUESDAY, AUGUST 6. BUT FOLLOWING A FORMAL REQUEST FOR AN EXTENSION FROM HOUSE SPEAKER BETHWEL HENRY AND SENATE PRESIDENT TOSIWO NAKAYAMA, AND FINDING THAT IT WOULD BE IN THE PUBLIC INTEREST, THE HICOM LATE MONDAY AFTERNOON SIGNED AN AMENDMENT TO HIS SPECIAL SESSION PROCLAMATION, "EXTENDING THE ADJOURNMENT DATE...TO MIDNIGHT, AUGUST 9, 1974."

IN ADDITION, THE HICOM ALSO AMENDED THE ORIGINAL CALL BY DELETING THE WORD "PENDING" FROM ITEM FOUR OF THE CALL, TO ENABLE THE CONGRESS TO CONSIDER AND ENACT NEWLY INTRODUCED APPROPRIATION BILLS, RATHER THAN ONLY "PENDING APPROPRIATION BILLS."

THE EXTRA THREE WORKING DAYS WILL ENABLE THE LAWMAKERS TO DEVOTE MORE TIME TO CONSIDERATION OF SUCH LENGTHY AND COMPLICATED LEGISLATION AS THE ADMINISTRATION'S PROPOSED NEW DRUG CONTROL LAW, SEVERAL AMENDMENTS TO THE CONSTITUTIONAL CONVENTION LAW, AND LEGISLATION ON THE RETURN OF PUBLIC LANDS.

THUS FAR IN THE SESSION, ONLY ONE BILL HAS COMPLETED FINAL ACTION IN BOTH HOUSES AND BEEN SENT TO THE HIGH COMMISSIONER FOR HIS ACTION (SEE FOLLOWING STORY).

(FIRST BILL TO HICOM)

SAIPAN, AUGUST 5 (MNS)---THE FIRST BILL TO PASS BOTH HOUSES DURING THE CURRENT SPECIAL SESSION OF THE CONGRESS OF MICRONESIA IS ON ITS WAY TO HIGH COMMISSIONER EDWARD E. JOHNSTON FOR HIS ACTION FOLLOWING AN EVENING SESSION OF THE HOUSE OF REPRESENTATIVES MONDAY (AUG. 5).

THE BILL IS AN APPROPRIATION MEASURE, EARMARKING AN ADDITIONAL \$27,000 TO COVER THE EXPENSES OF THE JOINT COMMITTEE ON LAW OF THE SEA FOR THE REMAINDER OF CALENDAR YEAR 1974 (SB357). THE MEASURE WAS ADOPTED UNANIMOUSLY FOLLOWING A SPEECH BY YAP CONGRESSMAN LUKE TMAN, A MEMBER OF THE JOINT COMMITTEE, WHO STRESSED THE IMPORTANCE OF THE COMMITTEE'S WORK (SEE FOLLOWING STORY).

THE FUNDS APPROPRIATED UNDER THE BILL WILL COVER THE COSTS OF HAVING THREE ADDITIONAL COMMITTEE MEMBERS, APPOINTED BY THE PRESIDING OFFICERS, PARTICIPATE IN THE CURRENT WORLD CONFERENCE ON LAW OF THE SEA, NOW TAKING PLACE IN CARACAS, VENEZUELA.

ONE OTHER BILL PASSED SECOND AND FINAL READING DURING MONDAY EVENING'S BRIEF HOUSE SESSION. IT IS A BILL TO APPROPRIATE \$77,211.35 TO DEFRAY THE ADMINISTRATIVE EXPENSES OF THE VARIOUS DISTRICT HOUSING AUTHORITIES (HB 316), AND IT NOW GOES TO THE SENATE FOR FURTHER CONSIDERATION.

ONE NEW BILL WAS INTRODUCED, \$10,000 APPROPRIATION FOR THE FUNDING OF ADDITIONAL STAFF, FOR COMPENSATION, AND FOR RELATED EXPENSES OF THE FOOD DISTRIBUTION PROGRAM IN THE MARIANA ISLANDS DISTRICT COMMUNITY DEVELOPMENT OFFICE (HB 366).

IN THE ONLY OTHER ACTIVITY OF THE EVENING, VICE-SPEAKER

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ENDY DOIS (TRUK) ANNOUNCED THAT REPRESENTATIVE TIMOTHY OLKERIIL (PALAU) HAS BEEN SELECTED CHAIRMAN OF THE SIX-MEMBER HOUSE COMMITTEE THAT WILL STUDY AND EVALUATE PENDING REVENUE SHARING LEGISLATION. THE COMMITTEE WAS APPOINTED EARLIER IN THE DAY BY SPEAKER BETHWELL HENRY.

THE HOUSE AND SENATE OF THE CONGRESS OF MICRONESIA WILL MEET AGAIN AT TEN TUESDAY MORNING, WHICH WILL BE THE 15TH DAY OF WHAT HAS NOW BECOME AN 18-DAY SPECIAL SESSION, FOLLOWING ACTION BY THE HIGH COMMISSIONER TO EXTEND THE SESSION BY THREE DAYS AT THE REQUEST OF THE CONGRESSIONAL LEADERSHIP..

(ALL USERS, PLEASE CREDIT THE CONGRESS OF MICRONESIA)  
(TMAN URGES LOS COMMITTEE SUPPORT)

SAIPAN, AUGUST 5 (CONGRESS RELEASE)---REPRESENTATIVE LUKE TMAN HAS CALLED ON THE CONGRESS OF MICRONESIA TO PUT GREATER EMPHASIS ON SEEKING INTERNATIONAL CONTROLS FOR PROTECTING THE ISLANDS' OCEAN RESOURCES BY URGING PASSAGE OF AN APPROPRIATION BILL FOR THE JOINT COMMITTEE ON LAW OF THE SEA IN A SPEECH IN THE HOUSE OF REPRESENTATIVES MONDAY (AUG. 5).

THE YAP LAWMAKER, WHO RECENTLY RETURNED FROM THE UNITED NATIONS SPONSORED CONFERENCE STILL UNDERWAY IN CARACAS, VENEZUELA, SAID THAT IT WAS HIS "HABIT" TO ONLY SPEAK WHEN NECESSARY, AND THAT "TODAY REPRESENTS SUCH A TIME," REFERRING TO CONSIDERATION IN THE HOUSE OF A BILL WHICH WOULD APPROPRIATE AN ADDITIONAL \$27,000 FOR THE COMMITTEE'S WORK.

CONGRESSMAN TMAN SAID THAT SINCE MICRONESIA IS AN UNDERDEVELOPED ISLAND NATION DEPENDENT UPON THE SEA, THE IMPORTANCE OF THE COMMITTEE'S WORK, CHAIRED BY SENATOR ANDON AMARAICH, "IN MY OPINION EQUALS THE WORK OF OUR JOINT COMMITTEE ON FUTURE STATUS, SINCE POLITICAL CONTROL IN THE LONG RUN IS MEANINGLESS WITHOUT ECONOMIC CONTROL AND VIABILITY."

HE STATED THAT THE ISSUE INVOLVED "GOES BEYOND ANY DISTRICT LOYALTIES OR REGIONAL INTERESTS" SINCE IT WAS IN THE INTERESTS OF "ALL OUR PEOPLE" AND THAT IT RANKED IN PRIORITY ABOVE NORMAL REQUESTS FOR DISTRICT APPROPRIATIONS.

"MORE TO THE POINT, IT IS A QUESTION OF THIS: WHO WILL TAP THE RICHES LYING ON THE THE BOTTOM OF OUR SEAS, AND WHO WILL HARVEST THE FISH IN OUR OFFSHORE WATERS, AND WHO MR. SPEAKER, WILL PROTECT OUR RESOURCES?", HE ASKED.

"THE ANSWER IS SIMPLE," HE ANSWERED, "WE MUST DO IT OURSELVES, AND WE MUST SUPPORT OUR JOINT COMMITTEE ON THE LAW OF THE SEA."

"AN APPROPRIATION FOR THEIR ACTIVITIES, IN MY OPINION, IS AN INVESTMENT IN OUR ECONOMIC FUTURE. IT WILL HELP PREVENT A NEW STYLE OF EXPLOITATION--ECONOMIC COLONIALISM-- WHICH NOW FACES EACH AND EVERY NATION IN ASIA AND THE PACIFIC.

"THEREFORE," CONGRESSMAN TMAN CONCLUDED, "I URGE THE HOUSE TO GIVE ITS UNANIMOUS SUPPORT."

THE BILL WAS LATTER PASSED BY THE HOUSE.