

# Editorial Construction Woes.....

Will the construction industry on Guam—one of the island's economic mainstays—wind down in the years immediately ahead? One thing is fairly certain, rising prices, shortages, and an uncertain Japanese investment climate will have a large, but unknown effect on construction. The 25 to 30 percent growth in gross island income over the past five or six years has brought about a need for huge investments in construction. Six or seven major hotels, dozens of large commercial buildings, hundreds of smaller buildings, thousands of homes, and a large number of governmental buildings were built during the past six years at a cost of millions of dollars.

Currently, there are many large construction jobs either in progress, or in the planning stages. They include the Reef Hotel, the International Trade Center, the Medical Center of the Marianas, the Cabras Power Plant, the Town House, along with other shopping centers, and apartment complexes, and several large home subdivisions. Even without a new start the total of all these jobs should keep thousands of construction workers busy throughout the year.

Beyond that, Guam's Housing Corporation director Joe Rivera sees this year as a "bumper loan year," with some \$4 million in loans going out to local residents—almost twice as many as last year.

We feel, as do many in the construction industry, that while the boom may be over, the industry will merely slow down to a more normal growth rate. Iler Ogasawara, vice-president of Black Construction Co. is optimistic about the situation and doesn't think that his firm, one of the island's largest—has much to worry about. "We're definitely going to have our ups and downs during the coming year, but this has always been a part of the construction game. The people on Guam, however, aren't going to see a real crash."

Another company, Kaiser Hawaii Kai, is greatly concerned with two factors, fuel and transportation costs. Another official, Vance Hood, of Island Building Systems is concerned mostly with rising costs of steel. He said that a year ago a ton of rebar went for \$188, while now he has to pay \$535 per ton—which is quite a rise. Donovan MacFarlane, just beginning the Town House sub-division in Tamuning said that since June of last year prices on most construction materials have gone up 100 percent.

Shortages in materials might be another bugaboo for local construction. Last year the island ran completely out of the most basic requirement, cement. Now some firms, especially the smaller ones, face oil shortages for running their equipment. Hawaiian Rock, a mainstay for construction here, says that asphalt paving material, made out of AP3 oil, is out completely, although more is expected this month.

Some of the major contractors, worried about increasing costs, and the shortages are looking to GovGuam for relief. Finner McCurdy, general manager of Hawaiian Rock summed up most of the feelings now being expressed: "We're going to definitely approach the government as a group and ask for some sort of relief."

# Voice Of The People

Dear Editor:  
I should like to comment on Senator Ysrael's *Minority Report*, printed in the PDN of Sunday, Jan. 6, in which he takes Guam's teachers to task for the shortcomings of our educational system.

Although Mr. Ysrael should be commended for his continuing concern for improving the schools, he may be looking a little too hard at the *teaching* aspect while neglecting the impediments to *learning* which militate against academic success and interfere with the teaching/learning process.

The educational situation on Guam is much more complex than even the most dedicated layman might suspect. Teacher negligence is certainly not the main issue. There are far more serious obstacles preventing scholastic achievement on the island. The principal one is poor communication—the language barrier in the classroom.

In this connection and apropos Mr. Ysrael's observation on "Guam's continual lagging behind stateside" test results, it should perhaps be mentioned that comparable failure in attaining national norms occurs on the mainland, in New Mexico, for example, where a bilingual pattern of Spanish-English prevails within a single European culture context. New Mexico, with its relatively simple two-language and culture predicament, has as much difficulty as Guam with its enormously more complicated, ethnic and linguistic make-up.

Indeed at almost any grade breaks down, and the teacher's time and energy are consumed in maintaining order. Now what to do about it? First of all, help the teachers by reinstituting the ESL (English Second-Language) program in the schools so that all pupils with gross deficiencies in the language of instruction can be removed from the regular classroom. Secondly, expand the SE/SOLD (Standard English for Speakers of Other Languages and Dialects) program at the University of Guam so that prospective teachers at primary and secondary levels may be better prepared for the ESL and special communication problems they will meet in the Guamanian schools. Thirdly, do not expect our Pacific culture children, with English as a second language or dialect (this includes Chamorros), to perform as well as Anglo-Americans on tests designed for the latter or only further invalidated (for the indigenous students) by local attempts at adaptation. Fourthly, let us as educators be aware that Guam and Micronesia, as part of Oceania, lack a litteate, scholarly tradition to propel them into a passion for learning. How much effect this has on learning itself may not be easy to gauge but it undoubtedly has some responsibility for shaping community as well as student attitudes toward scholastic achievement as an end in itself. We need, therefore, to encourage teachers so that they can motivate students to a

who felt offended for terming his Subcommittee's visit to Guam, a "junket."

I am one of the many thousands who are grateful for the many contributions that the good Congressman from California has made to make Guam what it is today—vibrant, progressive and full of hope. For this reason, I would like to express the sentiments of his many admirers, our deep and sincere regrets over the Daily News' use of the word "junket," a term that is anathema to politicians and an insult to the honor and dignity of honest and sincere public officials when taken in the context of its unsavory connotation.

Taken in that context, Congressman Burton has every reason to be indignant. But I would like to reassure him and the members of his Subcommittee that the people of Guam including the editor of this paper, do not look upon their official visit to Guam as a "junket." As used, the term is meant to be more of a compliment than criticism. Let me explain:

In Guam, it has been my honest observation that for politicians to go on "junkets" at a great public expense is a political virtue of the highest order. The more money spent on junkets, the better their chances of getting re-elected. This only shows the kind of attitude that our voters have on the subject which in my opinion the paper merely articulated. It was more or less a dart aimed not to any member of the Subcommittee, but to our

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the feelings now being expressed: "We're going to definitely approach the government as a group and ask for some sort of relief. I don't think we're going to have much trouble getting it because the economy of Guam is dependent on this industry." That it is.

Of course, Guam isn't alone in this present situation. In Hawaii rising prices, short supplies, and the need in the construction industry for fixed bids on single jobs are putting contractors in a bind that can be expected to worsen as 1974 progresses. Several experts in that state say unchecked spiraling prices are causing a swing from a tradition of price protection that has allowed the practice of fixed competitive bidding. Those spiraling prices mean suppliers can't promise a single price for a single job to subcontractors. Subcontractors, in turn, can't promise general contractors a single price on services or materials. Then General Contractors won't be able to make promises on prices to land developers or government agencies.

The result will be, as those experts see it:

1. Long-shot gambling by general contractors who are caught in the fixed bidding game and who must guess on future cost increases and build "contingencies" into their bids.
  2. The use of "escalator" clauses in either negotiated contracts or fixed bids—clauses that will allow the passing along of certain "justifiable" costs.
- Long-shot gambling may prove a boon to the contractors who are lucky enough to guesstimate lower than their competitors and still manage to submit bids which more than cover price hikes. But it could prove fatal to those who guess too high, and lose the jobs, or guess too low, and loses his shirt.

Another worry is delivery, always a problem here. But if deliveries on certain items fail, as they well might in these fuel-short times, the contractors will be forced to air freight—again sending costs soaring. Labor costs are bound to rise too, because we are in an inflationary era. The lowest laborer will have to get at least 10 percent increases, just to keep up with the cost of living.

The end effect is that the average person simply won't be able to afford a home at the prices the contractors are going to have to charge. Already, the high costs of land on Guam has made home building almost prohibitive. We can see a trend towards more sub-divisions, where the costs are slightly reduced because of mass production; along with more apartment dwelling, and more governmental programs to assist lower income families to build.

Construction, Guam's largest local industry, is, indeed, in a bind. But that bind is the same one for all of the people of the island. Rising prices, shortages, energy crisis, labor problems all will tend to slow down construction here, although not spectacularly. And we're all going to feel it in our pockets. JCM.

## Pacific Daily News

ROBERT E. UDICK Publisher  
JOSEPH C. MURPHY Editor

PUBLISHED ON GUAM, WHERE AMERICA'S DAY BEGINS  
Daily except Sunday at Agaña, Territory of Guam, U.S.A.

P.O. Box DN-Agana, Guam 96910  
PHONE: 777-9711

Entered as Second Class Matter at the Post Office, Guam  
Under Act of Congress March 3, 1879  
Published by Guam Publications, Inc.  
A Member of the Gannett Group

enormously more complicated ethnic and linguistic make-up.

Indeed, at almost any grade level, the teacher is confronted by a multilingual, multicultural group of students composed of a sprinkling of Filipino, Korean, Chinese, Japanese or other non-English mother-tongue speakers, mixed in with children of Chamorro or other island origins, plus statesiders. Of course not all classes are so heterogeneous as to include all of these but, on the other hand, few, if any, are entirely homogeneous in either language background or proficiency level.

Teachers, either local hire or contract, are seldom prepared to cope with the cross-cultural problems of such a polyglot group. In addition, the wide range of pupil proficiency in English, the language of instruction, presents an almost insurmountable barrier to effective teaching. Where so many students are beyond the periphery of communication, their attention is difficult to hold, classroom discipline

we need, therefore, to encourage teachers so that they can motivate students to a greater appreciation of the rewards of scholarship and the liberating effect of the liberal arts.

In conclusion, I must remark, even though I am not a member of the teachers' union, on the *Minority Report's* linking of the ten-year decline in results on the S.A.T. with the "ascendancy" of the union movement in education. Would it were that simple! Perhaps the S.A.T. is itself at fault. It may be outdated for use in what Marshall McLuhan has called "The post-literate era."

/s/ Monika Kehoc  
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Dear Mr. Editor:

This letter is addressed to the good will and understanding of Congressman Phillip Burton, Chairman House Subcommittee on Territorial and Insular Affairs

was made to pass a bill which not to any member of the Subcommittee, but to our Gov'tiam officials who have squandered tens of thousands of dollars on junkets with little to show for it.

I agree with Cong. Burton that the American system of government is the greatest institution ever created by the wisdom of man and the Grace of God. But given enough time, our local politicians too may perfect a better system the like of which will surpass those he will find in the fifty states of the Union. In the mainland for example, the legislature appropriates the money first before spending it. Here we already have developed the technique of spending the money first and then asking for appropriations later. Gov'tiam spends more money than its budget authorizes without legislative authorization—a virtue that no state government even possesses.

Illegal and irresponsible spending is not confined to the executive department, but extends to the legislature as well, where the enormous amount of money spent on "junkets" is but a "service charge" to the overall wild cost of running our local government. And this could be a reason why in the demand for more local autonomy, some politicians find the presence of a federal controller here to be untenable and inconsistent with the so-called principle of self-determination. Hence, if fiscal responsibility is to prevail, as a guard against uncontrolled and wasteful spending in all areas of government, it behooves upon Congressman Burton and the U.S. Congress to strengthen the power and duties of the office of the federal controller as a check against unrestrained abuses.

Sincerely yours,  
/s/ Manuel L. Jose

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