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OF THE FOLLOWING STORY, PLEASE CREDIT THE CONGRESS

(S)

COMMITTEES WANT TRANSPAC FRANCHISE ENDED)

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SAIPAN JANUARY 18 (CONGRESS RELEASE)--THE HOUSE AND SENATE COMMITTEES ON RESOURCES AND DEVELOPMENT OF THE CONGRESS OF MICRONESIA RECOMMENDED TO HIGH COMMISSIONER EDWARD E. JOHNSTON TODAY THAT THE FRANCHISE OF TRANSPACIFIC LINES, INC., THE TRUST TERRITORY'S EXCLUSIVE SHIPPING COMPANY, BE TERMINATED, AND THAT A BETTER AND MORE DEPENDABLE SHIPPING ARRANGEMENT BE INSTITUTED. THE DECISION WAS MADE PUBLIC DURING A SPEECH AS TRUK REPRESENTATIVE, SASAOU HARUO, CHAIRMAN OF THE HOUSE RESOURCES

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THE DEVELOPMENT COMMITTEE, PRESENTED THE REPORT TO THE CONGRESS AND SPOKE OF "BLUNT ECONOMIC FACTS" THAT NOW FACE MICRONESIA, HE SAID THE CONGRESS DECISION, ALTHOUGH HARD TO MAKE, TOOK INTO ACCOUNT MANY DOCUMENTED CHARGES AGAINST THE COMPANY. THEY

- NON-ADHERENCE TO PUBLISHED SHIPPING SCHEDULES;
- 18 DAY SERVICE TO THE EASTERN DISTRICTS HAS TURNED OUT TO BE 20 OR 30 DAY SERVICE, IF THERE WAS SERVICE AT ALL;
- THE 18 DAY SHUTTLE BETWEEN KOROR, YAP, GUAM AND SAIPAN IS NON-EXISTENT;
- DIRECT WEST COAST SERVICE HAS BEEN DISCONTINUED AND MICRONESIA-BOUND CARGO NOW RIDES PIGGY-BACK ON ANOTHER LINE'S SHIPS FOR TRANS-SHIPMENT AT GUAM;
- DIRECT SERVICE FROM THE FAR EAST IS IRREGULAR AND UNPREDICTABLE;
- TRANSPACIFIC'S DEBT IS OVER \$2 MILLION AND CANNOT BE RETIRED IN THE REMAINING 5 YEARS OF THE FRANCHISE;
- THERE IS LOSS OF CONFIDENCE IN TRANSPAC BY THE PUBLIC AND ITS CREDITORS;
- AND THAT TOGETHER, WITH ALL THESE REASONS, TRANSPAC CONTINUES

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TO BE MISMANAGED) BILLS OF LANDING ARRIVE WITH NO CARGO, CARGO IS STILL OFF-LOADED AT THE WRONG PORTS, AND THE NONE PAYMENT OF CLAIMS CONTINUE.

"THE LIST IS ENDLESS," SAID HARUO.

IN HIS SPEECH, REPRESENTATIVE HARUO QUOTED HIGH COMMISSIONER,

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EDWARD E. JOHNSTON'S STATE OF THE TERRITORY ADDRESS GIVEN BARELY AN HOUR EARLIER FRIDAY MORNING IN WHICH THE HICOM PROMISED THE CONGRESS SUPPORT OF THE EXECUTIVE BRANCH IN ATTEMPTING TO FIND A PERMANENT SOLUTION TO THE SHIPPING PROBLEM FOR THE MAXIMUM BENEFIT OF THE CITIZENS OF MICRONESIA.

"THIS CONGRESS ADOPTED A REPORT ON SHIPPING NEARLY FOUR YEARS AGO," SAID HARUO. "IF THE RECOMMENDATIONS HAD BEEN FOLLOWED BY THE SHIPPING COMPANY, PERHAPS, WE WOULD HAVE A VIABLE SHIPPING SERVICE TODAY."

REFERRING TO THAT SAME REPORT, REPRESENTATIVE HARUO RECALLED THE TITLE OF ONE OF THE SECTIONS, CALLED "THE PROMISE AND THE FAILURE."

"THIS DESCRIBES EXACTLY THE HISTORY OF THE SAD STATE OF SHIPPING SERVICES FOR THE PAST 5 YEARS," HE TOLD HIS COLLEAGUES. "WE HAVE BEEN MADE MANY PROMISES, BUT WE HAVE ONLY SEEN FAILURES."

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"THE COMPANY HAS PROMISED AND PROMISED, AND IT HAS FAILED--AND FAILED MISERABLY. WE HAVE HAD MANY PROMISES FROM THE ADMINISTRATION TO HELP SOLVE THE PROBLEM, BUT THEY TOO HAVE FAILED TO DO ANYTHING, OR HAVE FAILED TO BRING SOLUTIONS," HE STATED.

DESCRIBING THE RECOMMENDATIONS OF THE HOUSE AND SENATE COMMITTEES AS "NOT AN EASY DECISION," HE NONETHELESS STATED IT REPRESENTED "THE BLUNT ECONOMIC FACTS" OF TODAY'S SHIPPING SITUATION IN THE TRUST TERRITORY.

"IT IS OUR BELIEF THAT TRANSPACIFIC CAN NEVER IN ITS PRESENT FORM AND WITH ITS PRESENT DEBT OPERATE AT A PROFIT WITH REASONABLE RATES FOR OUR PEOPLE--EVEN WITH THE ADVANTAGE OF AN EXCLUSIVE FRANCHISE."

HE SAID, HOWEVER, THAT THE RECOMMENDATIONS WOULD ALLOW FOR A SMOOTH TRANSITION FROM THE PRESENT SITUATION TO A MUCH BETTER ONE--INCLUDING A REQUEST THAT THE HIGH COMMISSIONER ATTEMPT TO INSURE THAT MICRONESIAN EMPLOYEES OF THE COMPANY WILL BE PROTECTED AND BE ABLE TO FIND EMPLOYMENT IF TERMINATION OF THE FRANCHISE IS CONSUMATED.

"THE TIME FOR CORRECTIVE ACTION IS PAST," SAID HARUO, "IT IS

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NOW TIME TO TAKE A DECISIVE ACTION AND MAKE A FRESH START. WE HAVE MADE TOO MANY STUDIES, RECOMMENDATIONS AND INVESTIGATIONS. WE CAN NO LONGER DREAM THAT OUR WISHES MIGHT BECOME REALITIES."

IN THIS CONNECTION, REPRESENTATIVE HARUD CONCLUDED HIS SPEECH WITH A THOUGHT TAKEN FROM THE CONGRESS'S 1970 REPORT, A SECTION DEALING WITH THE FORMER COMPANY'S OPERATIONS:

HE SAID: "IF YOU LIE TO ME ONCE, AND I BELIEVE YOU, SHAME ON YOU. BUT IF YOU LIE TO ME AGAIN AND I BELIEVE YOU, SHAME ON ME."

(HICOM DELIVERS MAJOR ADDRESS)

SAIPAN, JAN. 15 (1973)--TRUST TERRITORY HIGH COMMISSIONER EDWARD E. JOHNSON DELIVERED HIS ANNUAL STATE OF THE TERRITORY ADDRESS FRIDAY MORNING (JAN. 16) BEFORE A JOINT SESSION OF THE CONGRESS OF MICRONESIA. AND SEVERAL DOZEN SPECTATORS, THE OPEN-AIR SESSION WAS HELD UNDER SLIMY SAIPAN SKIES, ON THE TERRACE OUTSIDE THE CHAMBER OF THE HOUSE OF REPRESENTATIVES.

DURING THE SPEECH, THE HICOM CITED THE MAJOR AREAS OF PROGRESS AND ACCOMPLISHMENT IN MICRONESIA DURING THE YEAR JUST PASSED, AND SET FORTH SEVERAL AREAS IN WHICH HE HOPES THE CONGRESS WILL PASS IMPORTANT LEGISLATION BEFORE THE END OF THE CURRENT

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SESSION, HE PLEDGED THE FULL COOPERATION OF THE EXECUTIVE BRANCH IN WORKING FOR THE REALIZATION OF THE MICRONESIAN CONSTITUTIONAL CONVENTION, AND SAID LEGISLATION NOW BEING PREPARED FOR CONSIDERATION BY THE ADMINISTRATION WOULD ACCOMPLISH THE INITIAL STEPS IN THE RETURN OF PUBLIC LAND IN MICRONESIA TO THE DISTRICTS AS SET FORTH IN THE U.S. POLICY STATEMENT OF NOVEMBER, 1973. THE HICOM ALSO NOTED THE SUCCESSFUL COMPLETION OF THE 1973 TERRITORY-WIDE CENSUS, AND SAID DATA FROM THE CENSUS WILL BE MADE AVAILABLE TO THE CONGRESS FOR REAPPORTIONMENT PURPOSES IN EARLY FEBRUARY. THE HICOM ALSO ANNOUNCED THAT THE ADMINISTRATION INTENDS TO SUBMIT TO THE UNITED STATES CONGRESS A REQUEST FOR A SECOND SUPPLEMENTAL BUDGET APPROPRIATION

FOR THE CURRENT FISCAL YEAR, SAYING THE CONGRESSMEN WOULD BE HEARING FURTHER ABOUT THIS IN THE NEXT FEW WEEKS.

AS HE DID LAST YEAR, THE HIGH COMMISSIONER AGAIN PRESENTED A

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SUPPLEMENTARY DOCUMENT TO THE CONGRESS THIS YEAR TO ACCOMPANY HIS MESSAGE. THE SUPPLEMENT SETS FORTH IN CONSIDERABLE DETAIL THE VARIOUS PROGRAMS OF THE GOVERNMENT DURING 1973, AND IS INTENDED TO SERVE THE LAWMAKERS DURING THE SESSION AS A REFERENCE AS THEY CONSIDER LEGISLATION THAT MAY RELATE TO CERTAIN OF THESE PROGRAM AREAS.

THE CENSUS PROGRAM, SAID THE HICOM, WAS COMPLETED LATE LAST
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