

TT May Bar Airline

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SAIPAN -- Although an Air Pacific International official has publicly announced the airline wants to move its headquarters to Saipan and extend its headquarters to Saipan and extend its Trust Territory service beyond the Marianas District, it may encounter a little turbulence en route from the TT government.

According to members of the TT Attorney General's office, the Trust Territory has taken exception to a private opinion Air Pacific obtained from the general counsel of the U.S. Civil Aeronautics Board indicating that the airline does not need TT approval to land in the territory.

Air Pacific announced last week that it hopes to begin flying to Koror, Yap, Ponape and Truk. Its proposed Guam-New Guinea route also reportedly includes a TT stop in Palau. The airline now serves Guam, Saipan, Tinian and Rota, with occasional flights to the Northern Marianas.

The TT has long maintained that, like a foreign country, it has authority to regulate air traffic within the territory, although it asserts this concurrently with the CAB where CAB-authorized routes such as the Honolulu-Guam-Saipan run

through the TT are concerned.

Continental/Air Micronesia, the only other regular air carrier serving the TT, has a franchise from the TT in addition to route authorization from the CAB.

In September the TT asked the Interior Department to intercede with the CAB to obtain clarification of its general counsel's unofficial opinion. The government has asked for either a retraction of the opinion or clarification of the regulatory relationship between the CAB and the TT, which has never been officially sought before, said a TT attorney.

Meanwhile, in October, Continental Airlines President Robert F. Six wrote to High Commissioner Edward Johnston asking him to order Air Pacific to "cease and desist" from evading the terms of its 1969 permit to do business in the Marianas as a foreign corporation.

This permit authorizes Air Pacific "to operate an air taxi service as a compliment to and not in competition with franchise carrier Air Micronesia in the Mariana Islands District of the Trust Territory...."

Air Pacific's business permit is subject to amendment or revocation by the High Commissioner on 10 days' notice.

