

(AIR MIKE HIKES FARES)

SAIPAN, DECEMBER 6 (MNS) ⁷⁴CONTINENTAL/AIR MICRONESIA HAS ANNOUNCED PLANS TO INCREASE FARES BY AN AVERAGE OF 12.5 PERCENT EFFECTIVE JANUARY 15, 1975, TO OFFSET CONTINUING INCREASES IN THE COST OF FUEL AND OTHER OPERATING EXPENSES.

THE NEW RATES WILL ALSO INCLUDE A TWO DOLLAR PER TICKET CHARGE ON ALL ONE-WAY FARES, REGARDLESS OF COST. A SPOKESMAN FOR THE AIRLINE SAID THIS IS A "MILEAGE ADJUSTMENT" CHARGE INTENDED TO BALANCE OUT THE FARE INCREASES OVER THE ENTIRE ROUTE CHARGE INTENDED TO BALANCE OUT THE FARE INCREASES OVER THE ENTIRE ROUTE STRUCTURE.

IN A BRIEF FILED WITH THE U.S. CIVIL AERONAUTICS BOARD (CAB) LAST MONTH, THE AIRLINE ALSO INDICATED ITS INTENTION TO INCREASE FREIGHT RATES BY A MINIMUM OF TEN PERCENT, AND TO MAKE SEVERAL CHANGES IN SUCH SPECIAL CATEGORIES AS STUDENT, MISSIONARY, AND CHILDREN'S FARES.

STUDENT FARES WILL GO UP FROM 50 PERCENT OF THE APPLICABLE ONE-WAY FARE TO 75 PERCENT. CHILDREN'S FARES ARE CHANGED FROM 50 PERCENT TO 66 AND TWO-THIRDS PERCENT OF THE ONE-WAY FARE, AND MISSIONARY FARES GO UP TO 75 PERCENT FROM THE CURRENT 50 PERCENT. THE AIRLINE ALSO PLANS TO BEGIN CHARGING STRETCHER CASE MEDICAL PATIENTS FOR THE THREE SEATS OCCUPIED INSTEAD OF THE SINGLE ONE-WAY FARE PRESENTLY CHARGED.

AIR MICRONESIA LAST RAISED ITS FARES IN MARCH OF THIS YEAR. HOWEVER, THE AIRLINE SAID THIS INCREASE WAS NOT ENOUGH TO OFFSET COST ESCALATION EXPERIENCED DURING 1974. THE NEW FARES WILL HOPEFULLY ENABLE CONTINENTAL TO REALIZE A SMALL PROFIT ON ITS TRUST TERRITORY SERVICE IN 1975, THE FIRST SINCE THE SERVICE WAS BEGUN IN MAY, 1968.

"CONTINENTAL'S ACCUMULATED LOSSES IN ITS MICRONESIAN OPERATION THROUGH THE END OF THIS YEAR WILL EXCEED TEN MILLION DOLLARS," THE AIRLINE'S BRIEF STATES. THE PRE-TAX LOSS FOR 1974 IS EXPECTED TO BE 2.1 MILLION DOLLARS, HIGHER THAN THE 1.6 MILLION THAT HAD BEEN FORECAST WHEN THE MARCH FARE INCREASE TOOK EFFECT. THIS IS DUE ENTIRELY TO STEADILY INCREASING COSTS, THE BRIEF POINTS OUT.

"IT IS NOW ESTIMATED THAT THE 1974 COSTS PER AVAILABLE TON MILE WILL BE 40.7 CENTS, VERSUS THE 28.54 CENTS REALIZED IN 1973, OR AN INCREASE OF 42.6 PERCENT," STATES THE RATE INCREASE JUSTIFICATION.

OF THIS INCREASE, HIGHER FUEL COSTS ACCOUNT FOR 74 PERCENT. "VIEWED IN ANOTHER FASHION," THE BRIEF DECLARES, "FUEL NOW ACCOUNTS FOR 30 PERCENT OF THE 1974 TOTAL OPERATING EXPENSE, PROBABLY THE HIGHEST RATIO FOR ANY SEPARATELY IDENTIFIED RATE-MAKING AREA EXPERIENCED BY U.S. CARRIERS ANYWHERE IN THE WORLD."

THE NEW FARE INCREASE WILL MAKE THE COST OF A ONE-WAY TICKET BETWEEN GUAM AND SAIPAN, THE MOST HEAVILY TRAVELED OF AIR MIKE'S ROUTES, \$23.90, AS COMPARED WITH THE PRESENT \$19.50. OTHER SAMPLE FARES, WITH THE CURRENT RATE FOLLOWING, ARE: GUAM-YAP, \$34.40/\$73.20; GUAM/PONAPE, \$151.60/133; MAJURO-TRUK, \$190/\$167.10; AND GUAM-HONOLULU, \$311.40/\$275.

THE AIRLINE WILL MAKE SEVERAL CHANGES IN ITS FREIGHT RATE STRUCTURE AS WELL. ALL 100 POUND MINIMUM WEIGHT GENERAL COMMODITY RATES WILL BE CANCELLED, WITH THE RATE PER POUND APPLYING TO ALL SHIPMENTS. THE PER POUND RATE FROM HONOLULU TO ALL OTHER POINTS WILL INCREASE BY 30 PERCENT, WHILE THE PER POUND RATE FROM GUAM TO ALL OTHER POINTS WILL GO UP 15 PERCENT. THE APPLICABLE RATE PER POUND BETWEEN ALL OTHER POINTS, AND FROM ALL POINTS, TO HONOLULU AND GUAM, WILL INCREASE BY TEN PERCENT.

ALL SPECIFIC COMMODITY RATES FROM HONOLULU TO GUAM, AND FROM GUAM TO ALL POINTS, WILL BE CANCELLED EXCEPT FOR NEWSPAPER COMMODITY RATES. ALL OTHER SPECIFIC COMMODITY

RATES WILL INCREASE BY TEN PERCENT.

THE MINIMUM CHARGE PER SHIPMENT WILL ALSO GO UP, FROM FIVE TO SIX DOLLARS.

"BY STANDARDS, MICRONESIAN FREIGHT RATES STILL REMAIN THE BEST BARGAIN IN THE AREA," THE AIRLINE SAYS IN ITS BRIEF. A TABLE OF COMPARISONS ATTACHED SHOWS THAT IT FREIGHT RATES ON AIR MICRONESIA ARE LOWER BY HALF OR MORE THAN OTHER PACIFIC AREA RATES OVER SIMILAR DISTANCES.

"SINCE IT HAS ALREADY SUFFERED MORE THAN A TEN MILLION DOLLAR PRE-TAX LOSS AND HAS REALIZED A 53.06 PERCENT NEGATIVE RATE OF RETURN ON ITS INVESTMENT IN THE PAST SIX AND ONE-HALF YEARS, CONTINENTAL IS COMPELLED TO ACT NOW TO PRECLUDE FURTHER LOSSES IN 1975," THE CAB RATE INCREASE JUSTIFICATION FILED BY THE AIRLINE STATES.

"THE FARE AND RATE INCREASES SOUGHT WILL PRODUCE \$1.952 MILLION DOLLARS ON A CONSTANT TRAFFIC BASIS, ALMOST AN EXACT OFFSET AGAINST THE \$1.870 MILLION DOLLARS OF ALREADY EXPERIENCED COST ESCALATION CONTAINED IN THE 1975 FORECAST. IT IS ONLY THROUGH THE LOAD FACTOR IMPROVEMENT ANTICIPATED THAT CONTINENTAL CAN EXPECT TO TURN ITS LONG SERIES OF LOSSES INTO A SMALL PROFIT NEXT YEAR."

"THE TARIFF CHANGES...ARE SUBSTANTIAL," THE AIRLINE CONCEDED IN CONCLUDING ITS BRIEF, "BUT THEY ARE BASED ENTIRELY ON INFLATION EXPERIENCED IN 1974; THE NEW PRICES WILL STILL BE LOW IN COMPARISON WITH OTHER INTRA-PACIFIC FARES AND RATES; AND THEY CAN BE EXPECTED TO PRODUCE ONLY A VERY MODEST PROFIT IF INDEED ONE RESULTS AT ALL BECAUSE OF THE STILL VERY TENUOUS BALANCE BETWEEN ANTICIPATED REVENUES AND EXPENSES."

IF THE CAB DOES NOT OBJECT TO THE PROPOSALS, THE INCREASES WILL TAKE EFFECT ON JANUARY 15 AS FILED.

(CALL USERS PLEASE CREDIT THE CONGRESS OF MICRONESIA)
(TRADITIONAL AND ELECTED LEADERS CONCLUDED SAIPAN MEETING)

SAIPAN, DECEMBER 6, 1974 --- (CON) --- MICRONESIAN TRADITIONAL AND ELECTED LEADERS CONCLUDED A MEETING WITH THE CONGRESS OF MICRONESIA LEADERSHIP WEDNESDAY (DEC. 4) AFTER DISCUSSING THE SUBJECT OF RETURN OF MICRONESIAN PUBLIC LANDS.

THE TWO DAY MEETING, HELD AT THE INVITATION OF THE CONGRESS OF MICRONESIA LEADERSHIP, BEGAN ON TUESDAY, DECEMBER 3. DURING THE CONFERENCE, THE ISSUE OF A PROPOSED DEPARTMENT OF THE INTERIOR ORDER DISCUSSED.

THE FIRST DAY OF THE MEETING WAS DEVOTED TO BRIEFING THE DISTRICT LEADERS BY THE LEADERSHIP CONCERNING THE BACKGROUND OF THE LEGISLATION VETOED BY THE HIGH COMMISSIONER WHICH WOULD HAVE RETURNED PUBLIC LANDS TO THE DISTRICTS AND ALSO THE IMPLICATIONS OF THE PROPOSED DEPARTMENTAL ORDER.

IN THE SECOND DAY OF THE MEETING, WEDNESDAY, THE VIEWS AND RECOMMENDATIONS OF THOSE ATTENDING WERE HEARD, AND IN ONE DECISION, IT WAS THE CONSENSUS OF THE PARTICIPANTS THAT THE MEETING WITH THE DIRECTOR OF TERRITORIAL AFFAIRS STANLEY S. CARPENTER, SHOULD TAKE PLACE IN HONOLULU.

ALSO DURING THE MEETING, CHIEF FRANCISCO LUKTUN SPEAKING FOR THE YAP DELEGATION, ASKED THAT ANY STATEMENTS OR DISCUSSIONS CONCERNING THE RETURN OF PUBLIC LANDS INCLUDE THE RETURN OF WATERS WHICH ARE PRESENTLY CONTROLLED BY THE GOVERNMENT.

THIS RECOMMENDATION WAS APPROVED BY THE VARIOUS DISTRICTS WITH NO OBJECTION.

AT THE CONCLUSION OF THE MEETING, IT WAS DETERMINED THAT THE HIGH COMMISSIONER WOULD FUND THE TRAVEL TO HONOLULU FOR NINE PARTICIPANTS, AND THAT THE CONGRESS OF MICRONESIA WOULD FUND FIVE REPRESENTATIVES FROM EACH

OF THE SIX DISTRICTS. THE PARTICIPANTS THEN AGREED THAT THEY WOULD MEET AGAIN IN HONOLULU TO DISCUSS FURTHER THE SUBJECT BEFORE MEETING WITH CARPENTER AND OTHER REPRESENTATIVES OF THE DEPARTMENT OF THE INTERIOR.

PARTICIPATING IN THE MEETING WERE: TRADITIONAL LEADERS AND REPRESENTATIVES OF LEGISLATURE OF PONAPE., YAP DISTRICT, TRUK DISTRICT, AND ACTING CHIEF REKLAI WHO AFTER CONSULTING WITH CHIEF IBEDUL BROUGHT HIS VIEWS TO THE CONFERENCE; PUBLIC AFFAIRS OFFICER DAVID R. MARATITA ALSO OBSERVED THE FIRST DAY OF THE MEETING REPRESENTING THE MARIANAS DISTRICT ADMINISTRATION.

(SALII QUESTIONS PALAU LEGISLATURE ACTION)

SAIPAN, DECEMBER 6 (MNS)---SENATOR LAZARUS SALII OF PALAU, THE CHAIRMAN OF THE CONGRESS OF MICRONESIA'S JOINT COMMITTEE ON FUTURE STATUS, HAS QUESTIONED THE RECENT ACTION TAKEN BY THE PALAU DISTRICT LEGISLATURE REGARDING THE RETURN OF PUBLIC LAND.

THE ACTION WAS TAKEN THIS WEEK, WHILE A MEETING WAS IN PROGRESS ON SAIPAN TO FORMULATE A UNIFIED MICRONESIAN POSITION ON THE PUBLIC LAND QUESTION. THE ACTION HAD THE EFFECT OF REVERSING THE PALAU LEGISLATURE'S EARLIER POSITION ON THE SAME SUBJECT, AND PROMPTED SENATOR SALII TO ASK FRIDAY (DEC. 6), "WHAT DOES THE PALAU LEGISLATURE REALLY WANT?"

"LESS THAN TWO MONTHS AGO," SENATOR SALII SAID IN A PREPARED STATEMENT, "THAT LEGISLATURE UNANIMOUSLY ADOPTED A STRONGLY WORDED RESOLUTION CONDEMNING THE USE OF AN EXECUTIVE ORDER AS A VEHICLE FOR THE RETURN OF MICRONESIAN PUBLIC LANDS. YET A FEW DAYS AGO, ON DECEMBER 4, 1974, THE VERY SAME LEGISLATURE, WITH ONLY ONE DISSENTING VOTE, ADOPTED ANOTHER RESOLUTION REVERSING ITS POSITION COMPLETELY AND NOW ENDORSES THE USE OF AN EXECUTIVE ORDER TO RETURN LANDS."

THIS COMPLETE TURNABOUT HAS ONLY CONFUSED THE PEOPLE OF MICRONESIA, AND PARTICULARLY OF PALAU, ABOUT WHAT THE LEGISLATURE WANTS, SENATOR SALII CONTENDED.

"IT IS ALSO INTERESTING TO NOTE," THE SENATOR CONTINUED, "THAT THE AUTHOR OF THE RESOLUTION DURING THE SESSION OF THE PALAU LEGISLATURE IN OCTOBER CONDEMNING THE USE OF AN EXECUTIVE ORDER WAS NO LESS A PALAUAN LEADER THAN THE IBEDUL HIMSELF. AT THE SAME TIME, ACTING HIGH CHIEF REKLAI TERMETEET, DURING THE DEBATE ON THE MEASURE, STRONGLY SUPPORTED THE RESOLUTION."

BY CONTRAST, SAID SALII, IT IS ALSO INTERESTING TO NOTE THAT THIS WEEK'S ACTION WAS TAKEN WHILE BOTH HIGH CHIEF IBEDUL AND ACTING HIGH CHIEF REKLAI WERE AWAY FROM PALAU. BOTH MEN WERE ATTENDING THE MEETING ON SAIPAN.

"DURING THE RECENT CONFERENCE OF TRADITIONAL CHIEFS IN TRUK, HIGH CHIEF IBEDUL YUTAKA GIBSON AND ACTING HIGH CHIEF REKLAI TERMETEET STRONGLY URGED THE LEADERS FROM THE OTHER DISTRICTS TO CONDEMN THE USE OF AN EXECUTIVE ORDER TO RETURN PUBLIC LANDS BY THE ADMINISTERING AUTHORITY, AND URGED THAT LEADERS FROM ALL OVER MICRONESIA UNITE IN SEEKING A SATISFACTORY SOLUTION TO THE LAND PROBLEM IN MICRONESIA," SENATOR SALII POINTED OUT.

"THIS ACTION BY THE LEGISLATORS IS NOTHING LESS THAN A SLAP IN THE FACE OF THESE TWO HIGHEST TRADITIONAL AUTHORITIES IN PALAU," THE SENATOR ADDED.

"IT IS CLEAR," HE SAID, "THAT MEMBERS OF THE LEGISLATURE HAVE TAKEN A POSITION EXACTLY THE OPPOSITE OF THAT TAKEN BY THE TRADITIONAL CHIEFS ON THIS IMPORTANT QUESTION." SENATOR SALII SAID THE THE QUESTION NOW BECOMES, WHICH POSITION DO THE PEOPLE OF PALAU SUPPORT?

SALII DESCRIBED THE LEGISLATURE'S ACTIONS AS "WISHY-WASHT, INDECISIVE AND CONFUSED," AND LIKENED IT TO THEIR ACTIONS DURING THE RECENT SAIPAN-JAPAN ROUTE CASE. "ON THAT QUESTION," HE SAID, "THE LEGISLATURE REVERSED ITSELF SO MANY TIMES, SUPPORTING ONE AIRLINE AT ONE TIME AND REVERSING ITSELF TO SUPPORT THE OTHER AIRLINE, AND THEN REVERSING ITSELF AGAIN, THAT IN THE END THE MOST THAT COULD BE CONCLUDED BY ANYBODY WAS THAT THE LEGISLATURE DID NOT REALLY KNOW WHAT IT REALLY WANTED."

SENATOR SALII SAID HE IS "VERY SORRY" THAT THE DELEGATION FROM PALAU WHICH WILL MEET NEXT WEEK IN HONOLULU WITH STANLEY S. CARPENTER, DIRECTOR OF THE OFFICE OF TERRITORIAL AFFAIRS, ON THE LAND QUESTION MUST TRAVEL UNDER THESE CONFUSED CIRCUMSTANCES.

"THEY GO WITHOUT A UNITED FRONT, BUT WITH A TERRIBLY DIVIDED ONE," HE SAID. "UPON WHOSE POSITION WILL MR. CARPENTER CHOOSE TO BASE HIS ACTION?"

(MICRONESIAN DANCERS TO LA)

SAIPAN, DECEMBER 6 (MNS)---EIGHT SAIPANESE LOCAL DANCERS LEFT SAIPAN FOR LOS ANGELES THURSDAY MORNING (DEC. 4) TO PERFORM AT THE CONTINENTAL AIRLINES MARKETING MEETING AT THE MARRIOTT HOTEL.

ACCORDING TO JOSEPH SMITH, MANAGER OF GOVERNMENTAL AFFAIRS FOR CONTINENTAL/AIR MICRONESIA, THE DANCERS WILL BE IN LOS ANGELES FOR TWO-DAYS. MS. JONNA HICKOX, AND BARRIE DUGGAN, GENERAL MANAGER OF AIR MICRONESIA, ACCOMPANIED THE GROUP ON THEIR TOUR.

MS. HICKOX TRAINED THE GROUP FOR TWO-MONTHS BEFORE LEAVING FOR LOS ANGELES. THE DANCERS HAVE PREPARED AN OUTSTANDING PROGRAM OF DANCES FROM ALL THE DISTRICTS OF MICRONESIA. SMITH TOLD MNS.

THE ULTIMATE IDEA, EXPLAINED SMITH, IS TO GET A LARGE GROUP TOGETHER AND TRAIN THEM SO THEY WILL BE ABLE TO PERFORM AT VARIOUS CONFERENCES SUCH AS THE PACIFIC AREA TRAVEL ASSOCIATION (PATA) CONFERENCE, FOR TOUR SHIPS, LARGE TRAVEL GROUP AND OTHER CONFERENCES WHICH THE TRUST TERRITORY IS PARTICIPATING.

THE LOCAL DANCERS ARE: REMY C. CABRERA, FRANCES I. CAMACHO, VICENTE I. SABLAN, FRANCISCO I. LINES, EMERENCIANA PETERS, JESUS I. TEREGEYO, TERRY W. TORRES AND IGNACIO I. WOBOL. THEY WILL BE IN CALIFORNIA FOR ABOUT TWO-WEEKS.
(AMBASSADOR WILLIAMS STATEMENT ON LAND ISSUE)

SAIPAN, DECEMBER 6 (MNS)---AMBASSADOR FRANKLIN HAYDN WILLIAMS MADE THE FOLLOWING STATEMENT TO THE PRESS FRIDAY (DEC. 6) REGARDING THE UPCOMING CONFERENCE IN HONOLULU BETWEEN THE INTERIOR DEPARTMENT AND THE TRUST TERRITORY ON THE TRANSFER OF PUBLIC LANDS.

"I DO HOPE THAT RELATIVELY UNIMPORTANT ARGUMENTS AND SIDE ISSUES WILL NOT STAND IN THE WAY OF IMPLEMENTING SECRETARY NORTON'S WILLINGNESS TO TRANSFER TITLE TO PUBLIC LANDS TO THE DISTRICTS NOW TO BE HELD IN TRUST FOR THE PEOPLE OF MICRONESIA. THIS POLICY IS ONE THAT WAS REQUESTED AND IS IN RESPONSE TO THE WISHES OF THE PEOPLE OF MICRONESIA AS CONVEYED TO WASHINGTON. CLEARLY THE U.S. SEEKS THE ADVICE AND COOPERATION OF IMPORTANT MICRONESIAN TRADITIONAL AND ELECTED AND OTHER LEADERS AT THE CONGRESS OF MICRONESIA AND DISTRICT LEVELS AS IT PROCEEDS TO IMPLEMENT THE WISHES OF THE PEOPLE OF THE TRUST TERRITORY FOR THE RETURN OF PUBLIC LAND TO LOCAL AND CONTROL OWNERSHIP. I THEREFORE, EXTEND TO THE PRESIDENT OF THE SENATE, THE SPEAKER, THE CHAIRMAN, THE DISTRICT ADMINISTRATORS AND ALL OTHERS WHO WILL BE ATTENDING THE CONFERENCE WITH MR. STANLEY CARPENTER AND HICOM

JOHNSTON IN HONOLULU MY VERY BEST WISHES FOR A SUCCESSFUL
MEETING."