

(SPEECHES ARE ONLY ACTIVITY)

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SAIPAN, FEB. 12 (MNS)---THE CONGRESS OF MICRONESIA MET ONLY BRIEFLY IN FORMAL SESSION AGAIN TUESDAY (FEB. 12), THE THIRTIETH DAY OF THE 50-DAY SESSION ON SAIPAN. NEITHER THE HOUSE OF REPRESENTATIVES NOR THE SENATE HAD ANY LEGISLATION ON THEIR CALENDARS FOR FINAL ACTION, AND THE ONLY ACTIVITY CONSISTED OF SPEECHES DELIVERED BY SENATOR JOHN MANGEFEL (YAP) AND CONGRESSMAN MACHINE O'SONIS (TRUK).

SENATOR MANGEFEL CALLED THE ATTENTION OF HIS COLLEAGUES TO THE WIDE DISPARITY THAT EXISTS UNDER THE PRESENT GOVERNMENT EMPLOYEES SALARY PLAN BETWEEN THE LOWEST-PAID MICRONESIAN GOVERNMENT WORKER, AND THE HIGHEST. THE RANGE IS FROM LESS THAN \$2,000 A YEAR TO MORE THAN \$16,000 A YEAR, AND SENATOR MANGEFEL NOTED THAT SOME MICRONESIANS HOLDING EXEMPT POSITIONS EARN AS MUCH AS \$24,000 A YEAR. IT IS INCUMBENT UPON THE CONGRESS OF MICRONESIA TO CLOSE THIS GAP, HE SAID, AND ADDED THAT IN HIS OPINION IT SHOULD BE DONE BY TAKING MONEY FROM THOSE AT THE TOP OF THE PAY SCALE AND INCREASING THE SALARIES OF THOSE AT THE BOTTOM.

CONGRESSMAN O'SONIS SPOKE CONCERNING THE LIFTING OF THE SO-CALLED "MOST FAVORED NATION CLAUSE" OF THE TRUSTEESHIP AGREEMENT, WHICH INTERIOR SECRETARY ROGERS C.B. MORTON ANNOUNCED LAST MONTH WILL BE INTERPRETED TO PERMIT INVESTMENT IN THE TT FROM ANY COUNTRY BEGINNING APRIL 1. (NOTE: SEE FOLLOWING CONGRESS RELEASE FOR FURTHER COVERAGE OF BOTH SPEECHES.)

OTHER THAN THE SPEECHES, THE ONLY ACTIVITY DURING THE SESSION WAS THE INTRODUCTION OF NEW LEGISLATION. SIX BILLS AND A JOINT RESOLUTION WERE INTRODUCED IN THE SENATE, WHILE TWO NEW BILLS AND TWO JOINT RESOLUTIONS WERE OFFERED IN THE HOUSE.

THE NEW SENATE BILLS ARE: A MEASURE ABOLISHING THE DIVISION OF OPERATIONS AND MAINTENANCE WITHIN THE HEADQUARTERS DEPARTMENT OF PUBLIC WORKS, ON THE GROUNDS THAT THIS FUNCTION IS MORE PROPERLY PERFORMED BY THE SEVERAL DISTRICT PUBLIC WORKS DEPARTMENTS (SB 294); A BILL TO PROVIDE THAT EMPLOYEES OCCUPYING GOVERNMENT HOUSING SHALL BE REQUIRED TO PAY A FAIR RENTAL FOR THOSE UNITS, AS WELL AS FOR UTILITIES, SUCH AS ELECTRICITY, AND WATER, SUPPLIED TO THE HOUSE (SB 295); AN ADMINISTRATION BILL THAT WOULD FACILITATE THE TRANSFER OF PUBLIC LAND TO THE VARIOUS DISTRICTS, AS SPELLED OUT IN THE U.S. POLICY STATEMENT ON PUBLIC LAND ISSUED LAST YEAR (SB 296); ANOTHER BILL RELATED TO GOVERNMENT HOUSING, WHICH WOULD REQUIRE THE GOVERNMENT TO SELL ALL SUCH HOUSING UNITS TO TT CITIZENS NOT LATER THAN JANUARY 1, 1975, WITH LEASE ARRANGEMENTS TO BE WORKED OUT SO THAT GOVERNMENT EMPLOYEES MAY CONTINUE TO OCCUPY THE HOUSES, AND WITH A PROVISION PROVIDING FOR HOUSING ALLOWANCES EQUAL TO THE COST OF RENTING SUCH HOUSES (SB 297); A BILL TO ESTABLISH THE ADMINISTRATIVE DISTRICT OF KUSAIE (SB 298); AND A MEASURE TO ESTABLISH A MICRONESIAN SPORTS COUNCIL AND APPROPRIATE MONEY FOR ITS ACTIVITIES, ONE OF WHICH SHALL BE ORGANIZATION AND SUPERVISION OF THE TRUST TERRITORY'S ENTRY IN THE SOUTH PACIFIC GAMES (SB 299).

THE JOINT RESOLUTION WOULD ASK THE DEPARTMENT OF INTERIOR TO AMEND SECRETARIAL ORDER 2918 TO SPECIFICALLY AUTHORIZE THE CONGRESS OF MICRONESIA TO BORROW MONEY (SJR 93).

IN THE HOUSE, THE NEW BILLS OFFERED TUESDAY ARE: A BILL APPROPRIATING \$1000,000 FOR THE STUDENT LOAN FUND (HB 301); AND A BILL THAT WOULD PROHIBIT ALL SERVICE CONTRACTS BETWEEN MEMBERS OF THE CONGRESS OF MICRONESIA AND THE TRUST TERRITORY GOVERNMENT (HB 300).

THE JOINT RESOLUTIONS INCLUDE A MEASURE REQUESTING THE U.S. GOVERNMENT TO DISPENSE WITH THE REQUIREMENT OF VISAS FOR TT CITIZENS ENTERING THE UNITED STATES FROM THIRD

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COUNTRIES (HJR 112); AND A MEASURE EXPRESSING APPRECIATION TO FATHER WILLIAM J. WALTER, S.J. FOR HIS WORK IN THE OUTER ISLANDS OF YAP DISTRICT AND DECLARING HIM AN HONORARY CITIZEN OF MICRONESIA (HJR 113).

BOTH HOUSES OF THE CONGRESS ARE IN RECESS UNTIL TEN WEDNESDAY MORNING.

(ALL USERS: PLEASE CREDIT CONGRESS OF MICRONESIA)
(MANGEFEL CRITICIZES PAY SCHEDULE)

SAIPAN, FEB. 12 (CONGRESS RELEASE)---SENATOR JOHN MANGEFEL OF YAP SPOKE AGAINST THE PRESENT MERIT SYSTEM AND PAY PLAN IN A SPEECH HE DELIVERED TUESDAY (FEB. 12) DURING A BRIEF SESSION OF THE SENATE. THIS IS THE SECOND TIME IN TWO YEARS THAT MANGEFEL HAS AIRD HIS DISCONTENTMENT OVER THE INEQUITIES INVOLVED IN THE CURRENT PAY SCHEDULE.

THE YAP SENATOR NOTED AS HE HAD ONE YEAR AGO THAT THE MERIT SYSTEM IS TOO COSTLY AND IS ALSO "PERPETUATING THE WIDENING GAP BETWEEN LOW PAID MICRONESIANS AND THE MICRONESIAN ELITE" WHO ARE MAKING AROUND \$24,000 ANNUALLY.

MANGEFEL SAID THAT THE GAP BETWEEN THE TWO IS "UNJUSTIFIABLY GREAT." HE POINTED OUT, "IT IS THE HIGH PAID CLASS OF GOVERNMENT EMPLOYEES THAT ALSO RECEIVE ADDITIONAL BENEFITS WHICH ARE DENIED TO THE POORER MICRONESIANS, FOR ALONG WITH THEIR HIGH SALARIES, THEY ALSO HAVE FREE GOVERNMENT HOUSES, FREE WATER AND ELECTRICITY, AND THE GOVERNMENT ALSO PAYS FOR THEIR TRANSPORTATION."

SENATOR MANGEFEL NOTED THAT HE DOES NOT SUPPORT THIS KIND OF "INEQUITY" AND WHAT CONCERNS HIM MOST IS THAT WHEN THE SAME MAN EARNING \$24,000 AND THE MAN EARNING \$2,000 GO TO THE STORE THEY BOTH PAY THE SAME AMOUNT OF FOR ESSENTIAL GOODS. "EXPERIENCE TELLS US THAT IT IS THE POORER PERSON WHO HAS A LARGER FAMILY," HE POINTED OUT.

MANGEFEL DECLARED: "I WOULD RATHER SEE THE PEOPLE AT THE BOTTOM INCREASED AT THE EXPENSE OF THE PEOPLE AT THE TOP. IF WE DO NOT DO THIS, THEN NOT ONLY WILL WE BE LEGALIZING ECONOMIC INJUSTICE BUT WE WILL BE FAILING OUR DUTIES AND RESPONSIBILITIES TO THE PEOPLE WHO ELECTED US."

THE YAP SENATOR ALSO RELATED THE PAY SCHEDULE TO THE PRESENT GOVERNMENTAL SET-UP AND SAID: "WE ARE CURSED WITH A GOVERNMENTAL STRUCTURE WHICH IS TOP HEAVY WITH BUREAUCRATS WHO HAVE NO DUTY OR OBLIGATION TO THE PEOPLE OF MICRONESIA. WE HAVE A GOVERNMENT WHICH IS VIRTUALLY WITHOUT DIRECTION OTHER THAN THAT INHERENT IN FIVE YEAR BUDGETARY PLANS."

MANGEFEL INDICATED THAT MICRONESIA HAS A GOVERNMENT "WHICH IS NOT RESPONSIVE TO THE PEOPLE EITHER AT THE HEADQUARTERS OR DISTRICT LEVEL AND WHICH IS BASED ON AN EQUALLY INEFFICIENT AND UNWORKABLE MODEL OF THE UNITED STATES GOVERNMENT."

THE YAP SENATOR FURTHER POINTED OUT THAT MICRONESIA HAS A GOVERNMENT SIMILAR TO A WELL-KNOWN ANALOGY OF A COCONUT--"IT IS BROWN OUTSIDE, BUT WHITE INSIDE--IT MAY BE MANNED MOSTLY BY MICRONESIANS, BUT THE DIRECTION AND DECISIONS ARE BEING MADE BY AMERICANS FROM THE SECRETARY OF THE INTERIOR DOWN TO THE DIVISION LEVEL, AND LOWER." HE SAID MICRONESIA HAS A GOVERNMENT "WHICH IS TOO BIG, AND UNRESPONSIVE. FILLED BY PEOPLE WHOSE LOYALTY IS NOT TO THE PEOPLE OF MICRONESIA, BUT RATHER TO THEIR PAYCHECKS WHICH COME FROM THE UNITED STATES TREASURY."

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(ALL USERS PLEASE CREDIT THE CONGRESS OF MICRONESIA)
(O'SONIS SPEECH)

SAIPAN, FEBRUARY 12 (CONGRESS RELEASE)---TRUK
REPRESENTATIVE MACHIME O'SONIS TOLD THE HOUSE OF REPRESENTATIVES
TUESDAY (FEB. 12) THAT THE CONGRESS OF MICRONESIA SHOULD
CONSIDER ASKING INTERIOR SECRETARY ROGERS MORTON TO POSTPONE
LIFTING RESTRICTIONS AGAINST FOREIGN INVESTMENT "UNTIL A
JOINT COMMITTEE OF THIS CONGRESS AND DISTRICT LEGISLATURES
CAN HAVE MORE TIME TO FORM NEW POLICIES ON A DISTRICT-BY-
DISTRICT BASIS."R

"OUR ISLANDS NEED DEVELOPMENT," HE SAID IN A PREPARED
STATEMENT, "BUT CONTROLLED DEVELOPMENT."

CONCERNING MORTON'S DECISION TO LIFT THE BAN ON FORIGN
INVESTMENT APRIL 1, AND OTHER POLICIES CURRENTLY BEING
INITIATED IN MICRONESIA, O'SONIS SAID THAT MICRONESIAN
PARTICIPATION IN THE DECISION-MAKING PROCESS WAS STILL
LACKING. ALTHOUGH THE DECISIONS ARE BEING MADE "...PRESUMABLY
FOR THE BENEFIT OF MICRONESIANS."

"WE SHOULD BE THE ONES TO DECIDE WHAT CHANGES SHOULD BE
MADE, AND WHEN THEY SHOULD GO INTO EFFECT," HE SAID.

O'SONIS EXPLAINED TO HIS COLLEAGUES THAT WHILE SENRETARY
MORTON'S RECENT DECISION TO LIFT THE BAN WAS IN AGREEMENT WITH
PAST REQUESTS FROM THE CONGRESS OF MICRONESIA, THE SUDDEN
ANNOUNCEMENT, MADE WITHOUT ANY ADVANCE NOTICE, HAS CAUSED
SOME PROBLEMS.

O'SONIS EXPLAINED: "NOW THAT THE BAN HAS BEEN LIFTED,
WITHOUT ANY ADVANCE WORD TO THIS CONGRESS OR TO THE PEOPLE
OF MICRONESIA. WE ARE CAUGHT IN A DILEMMA. WE ARE UNPREPARED."

O'SONIS SAID NOW THAT RESPONSIBILITIES OF THE DISTRICT
FOREIGN INVESTMENT BOARDS WILL BE INCREASING AS A RESULT OF
INCOMING FOREIGN BUSINESS APPLICATIONS, MORE REPRESENTATION
AND GUIDELINES WILL BE REQUIRED BY THE LOCAL BOARDS, ALONG
WITH SAFEGUARDS FOR EXISTING MICRONESIAN-OWNED BUSINESSES. HE
SAID: "I FEEL THAT THIS CONGRESS AND THE DISTRICT BOARDS AND
LEGISLATURES NEED MORE TIME TO PREPARE FOR THESE CHANGES AND I
SUGGEST THAT THIS CONGRESS MAY WISH TO PETITION THE SECRETARY
OF INTERIOR TO POSTPONE LIFTING THESE RESTRICTIONS."

O'SONIS ALSO TOOK EXCEPTION TO REMARKS MADE BY SECRETARY
MORTON WHICH EMPHASIZED TOURISM AS A MEANS TO DEVELOP
MICRONESIA'S ECONOMY. NOTING THAT MORTON SAID NOTHING
CONCERNING DEVELOPMENT OF MICRONESIA'S NATURAL RESOURCES,
O'SONIS SAID THAT PRESENT-DAY FISH EXPORTS ARE ONLY 15
PER CENT OF WHAT THEY WERE IN 1937.

"ALL THE WHILE," HE SAID, "OUR VAST AND RICH OCEAN
RESOURCES ARE A CONSTANT TEMPTATION TO FOREIGN INVESTORS AND
EXPLOITATION OF THESE NATURAL RESOURCES BY FOREIGN INTERESTS
WOULD BE EXTREMELY HARMFUL TO OUR DESIRES FOR A SELF-SUFFICIENT
ECONOMY. MY POINT IS THIS," HE TOLD THE CONGRESS, "IT HAS
BEEN PROVED THAT THESE ISLANDS CAN BE DEVELOPED, YET WHY DOES
OUR ADMINISTERING AUTHORITY CONTINUE TO EMPHASIZE TOURISM,
WHICH DEPENDS SO HEAVILY ON FOREIGN INVESTMENT, IMPORTS AND
A HEALTHY OVERALL WORLD MONETARY SITUATION?"

O'SONIS SAID WITH DEVELOPED FISHERIES AND AGRICULTURE,
MICRONESIA WOULD ONLY HAVE TO DEPEND UPON ITSELF.

IN CONCLUDING HIS SPEECH, THE TRUK CONGRESSMAN
EXPRESSED CONCERN OVER THE FACT THAT ALTHOUGH MICRONESIANS
ARE ASSUMING MORE IMPORTANT POSITIONS IN THE TRUST TERRITORY
GOVERNMENT, "WE MICRONESIANS ARE NOT IN THE POSITIONS THAT
MAKE THE CRITICAL DECISIONS.

"I AM DISTURBED THAT MANY OF THE EXPATRIATES WHICH
MICRONESIANS ARE SUPPOSEDLY REPLACING HAVE BEEN MERELY

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PROMOTED TO WHAT I WOULD CONSIDER TO BE "SUPER CABINET"
LEVEL POSITIONS WHERE THEY INSULATE THE HIGH COMMISSIONER
FROM MICRONESIANS AND STILL SET GOVERNMENT POLICY.

"WHILE I BELIEVE THAT SECRETARY MORTON'S ANNOUNCEMENT
TO US IS INTENDED TO REPRESENT FULFILLMENT OF OUR ADMINISTERING
AUTHORITY'S COMMITMENT TO MICRONESIA IN THE AREAS OF FOREIGN
INVESTMENT AND ECONOMIC DEVELOPMENT, CLOSE SCRUTINY WILL REVEAL
THAT DECISIONS ARE STILL BEING MADE BY AMERICANS, BOTH IN
WASHINGTON AND SAIPAN, WITHOUT ADEQUATE MICRONESIAN
PARTICIPATION IN THE DECISION-MAKING PROCESS," HE CONCLUDED.

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(NOTE TO EDITORS AND NEWS DIRECTORS: THE FOLLOWING STORY WAS RECEIVED TOO LATE TO BE INCLUDED IN THE REGULAR MICRONESIAN NEWS SERVICE DISPATCH FOR TUESDAY, FEBRUARY 12.)

(TRANSPAC MANAGING DIRECTOR RESIGNS)

SAIPAN, FEB. 12 (MNS)---THE MANAGING DIRECTOR OF THE PROBLEM-PLAGUED TRANSPACIFIC SHIPPING LINES, INC., C. DOUGLAS ECHOLS, HAS RESIGNED. ECHOLS SUBMITTED HIS RESIGNATION TO A MEETING OF TRANSPAC SHAREHOLDERS ON SAIPAN LATE TUESDAY AFTERNOON (FEB. 12).

A SPOKESMAN AT THE MEETING TOLD MNS THAT ECHOLS RESIGNED BECAUSE "HE COULD NOT GET THE SUPPORT FROM THE TRUST TERRITORY GOVERNMENT THAT HE FEELS IS NECESSARY TO SUCCESSFULLY OPERATE THE COMPANY."

TRANSPAC HAS FACED A MOUNTING LIST OF PROBLEMS IN RECENT WEEKS, MOST OF THEM INVOLVING CREDITORS AND THE TREMENDOUS DEBT LOAD WHICH THE COMPANY IS TRYING TO RETIRE. BUT POLITICAL PRESSURE HAS ALSO INCREASED, PARTICULARLY FROM THE CONGRESS OF MICRONESIA, MANY MEMBERS OF WHICH FEEL THE TT GOVERNMENT SHOULD CANCEL TRANSPAC'S VIRTUALLY EXCLUSIVE TRUST TERRITORY SHIPPING FRANCHISE.

AT A MEETING LAST WEEK IN HONOLULU, U.S. AND TT GOVERNMENTAL REPRESENTATIVES, INCLUDING HIGH COMMISSIONER EDWARD E. JOHNSTON AND DIRECTOR OF TERRITORIAL AFFAIRS STANLEY S. CARPENTER, MET TO FORMULATE A GOVERNMENT POSITION ON THE TRANSPAC SITUATION, AFTERWARD IT WAS ANNOUNCED THAT NO DECISION WOULD BE FORTHCOMING FOR ANOTHER TWO WEEKS.

THE TRANSPAC SPOKESMAN SAID IT WAS THIS DELAY THAT MADE ECHOLS DECIDE TO RESIGN. "HE FELT IT WAS IMPERATIVE THAT TWO THINGS SHOULD HAVE OCCURED ON A POSITIVE BASIS AT THE HAWAII MEETING," THE SPOKESMAN STATED. "ONE, THERE SHOULD HAVE BEEN AN INFUSION OF WORKING CAPITAL FROM THE GOVERNMENT, OR THE ESTABLISHMENT OF GOVERNMENT-GUARANTEED LINE OF CREDIT AT A LOCAL FINANCIAL INSTITUTION. TWO, THERE SHOULD HAVE BEEN A POSITIVE STATEMENT OF ASSURANCE THAT COULD BE GIVEN TO CREDITORS THAT THE TRUST TERRITORY GOVERNMENT STANDS BEHIND ITS SHIPPING LINE." NEITHER OF THESE CAME OUT OF THE MEETING.

THE SPOKESMAN ADDED THAT ECHOLS FELT THAT TO WAIT TWO WEEKS FOR THE GOVERNMENT TO MAKE UP ITS MIND WAS NOT POSSIBLE. "ECHOLS FELT THE COMPANY WOULD BE OUT OF BUSINESS IN TWO WEEKS," THE SPOKESMAN TOLD MNS.

THE SHAREHOLDERS MEETING, WHICH WAS STILL IN PROGRESS LATE TUESDAY AFTERNOON, WAS BEING CHAIRED BY SAIPAN BUSINESSMAN ERNIE MILNE, WHO WAS ELECTED CHAIRMAN AFTER NO CORPORATE OFFICER APPEARED TO TAKE CHARGE OF THE MEETING.