

1974

(TRANSPAC SITUATION UNCLEAR)

SAIPAN, FEBRUARY 21 (MNS)---THE SHIPPING SITUATION IN THE TRUST TERRITORY REMAINED A CONFUSED ONE THURSDAY (FEB. 21), AS ANOTHER DAY PASSED WITH TRANSPACIFIC LINES, INC., IN A SORT OF LIMBO, TECHNICALLY IN RECEIVERSHIP BUT WITHOUT AN ACTIVE RECEIVER AND WITH THE STRONG POSSIBILITY THAT THE TRUST TERRITORY GOVERNMENT INTENDS TO PUT THE SHIPPING COMPANY UNDER NOTICE OF DEFAULT ON ITS EXCLUSIVE FRANCHISE, OPENING THE TRUST TERRITORY UP TO OTHER COMMERCIAL SHIPPING COMPANIES.

THE RECEIVER SITUATION REMAINED THE PRINCIPLE SOURCE OF CONFUSION THURSDAY. DAVID M. SABLAN, THE SAIPAN BUSINESSMAN NAMED AS RECEIVER BY DEPUTY HIGH COMMISSIONER PETER T. COLEMAN LAST WEEK WHEN TRANSPAC WAS DECLARED INSOLVENT, REMAINS TECHNICALLY IN THE POSITION ALTHOUGH HE INFORMED THE HIGH COMMISSIONER ON TUESDAY OF HIS RESIGNATION. IT HAS BEEN DETERMINED THAT SAPLAN CANNOT RESIGN UNTIL A SUCCESSOR IS CHOSEN AND RECOGNIZED BY THE TRUST TERRITORY HIGH COURT, AND THIS HAS NOT YET BEEN DONE. ONE APPOINTMENT OF A "SUCCESSOR RECEIVER" WAS MADE, BUT THE MAN SELECTED, FORMER TRANSPAC MANAGER OF OPERATIONS AND TRAFFIC MICHAEL J. OREMUS, RESIGNED THE APPOINTMENT AFTER BEING NOTIFIED OF THE GOVERNMENT'S INTENTION TO PLACE THE COMPANY IN DEFAULT ON THE FRANCHISE.

A LETTER GIVING NOTICE OF DEFAULT WAS SELIVERED TO OREMUS LATE TUESDAY AFTERNOON, SHORTLY AFTER HE WAS NAMED THE NEW RECEIVER. HE DECLINED TO SIGN IT TO ACKNOWLEDGE RECEIPT, HOWEVER. THUS THE QUESTION OF WHETHER TRANSPAC IS UNDER NOTICE OF DEFAULT OR NOT REMAINS UNCLEAR. A SPOKESMAN FOR THE TRUST TERRITORY ATTORNEY GENERAL'S OFFICE SAID "NO COMMENT" THURSDAY WHEN ASKED WHETHER THE GOVERNMENT HAS OFFICIALLY NOTIFIED TRANSPAC THAT IT IS IN DEFAULT.

TRANSPAC GENERAL MANAGER WILLIAM PENROSE, WHO REMAINS ON THE JOB AT THE SPECIFIC REQUEST OF RECEIVER DAVID SABLAN, TOLD MNS: "AS FAR AS I AM CONCERNED THE FRANCHISE IS NOT IN DEFAULT, AND WE HAVE RECEIVED NO NOTICE OF DEFAULT." PENROSE SAID HE WAS TOLD BY SABLAN THAT HE HAD ALSO NOT RECEIVED ANY NOTICE OF DEFAULT.

IN THE EVENT THE GOVERNMENT DOES PLACE TRANSPAC ON NOTICE OF DEFAULT, THE COMPANY WOULD HAVE THIRTY DAYS IN WHICH TO RESOLVE THE SPECIFIC DEFICIENCIES CITED IN THE LETTER.

PENROSE ALSO SAID HE LEARNED THURSDAY THAT PLANS ARE BEING MADE BY THE DAIWA COMPANY, A JAPANESE SHIPPING FIRM, TO BRING ONE OF ITS SHIPS, THE "PONAPE MARU," INTO SAIPAN FROM THE FAR EAST ON MARCH 4. A REQUEST FOR APPROVAL OF ENTRY OF THE SHIP, WHICH ACCORDING TO PENROSE WOULD BE A VIOLATION OF THE FRANCHISE AGREEMENT, HAS BEEN RECEIVED BY TRUST TERRITORY IMMIGRATION CHIEF QUIRINO MENDIOLA, WHO HAS ASKED THE ATTORNEY GENERAL FOR A RULING ON WHETHER THE FRANCHISE IS STILL IN EFFECT BEFORE HE TAKES ANY ACTION ON IT.

MEANWHILE, TT ATTORNEY GENERAL RICHARD I. MIYAMOTO WAS ON GUAM THURSDAY TO MEET WITH AN ADMIRALTY LAW SPECIALIST, JOHN MEADOWS, WHO IS ON HIS WAY TO SAIPAN TO ADNISE THE TT GOVERNMENT AND THE TRANSPAC RECEIVER ON SOME OF THE MANY LEGAL PROBLEMS THAT HAVE ARISEN OUT OF TRANSPAC'S CURRENT DIFFICULTIES.

(TERRITORIAL HOUSING COMMISSION REPORT)

SAIPAN, FEB. 21 (MNS)---THE FIRST REPORT OF THE TRUST TERRITORY HOUSING COMMISSION WAS COMPLETED LAST MONTH AND COPIES HAVE BEEN SENT TO THE HIGH COMMISSIONER, THE LEADERSHIP OF THE CONGRESS OF MICRONESIA AND THE SIX DISTRICT LEGISLATURES, AS WELL AS TO OTHER AGENCIES OF THE GOVERNMENT AND OTHER

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INTERESTED PERSONS, ACCORDING TO WILLIAM ALLEN, CHIEF OF COMMUNITY DEVELOPMENT AND CHAIRMAN OF THE NEWLY ESTABLISHED COMMISSION.

THE 31-PAGE REPORT HIGHLIGHTS THE PAST TWELVE MONTHS' ACTIVITIES AND ACHIEVEMENTS OF THE TERRITORIAL HOUSING COMMISSION AND THE DISTRICT HOUSING AUTHORITIES, IN THE COORDINATION AND IMPLEMENTATION OF A LOW-COST HOUSING PROGRAM FOR THE CITIZENS OF THE TRUST TERRITORY.

THE COMMISSION WAS ESTABLISHED BY THE "COMMUNITY HOUSING ACT OF 1973," PASSED BY THE CONGRESS OF MICRONESIA WHICH CALLS FOR A HOUSING DEVELOPMENT PROGRAM FOR MICRONESIA.

IN FINALIZING ITS REPORT, THE COMMISSION SAYS THAT THE MOST CRITICAL FACTOR IMPEDING HOUSING DEVELOPMENT IN THE TRUST TERRITORY IS MONEY. CHAIRMAN ALLEN SAID MORE MONEY IS NEEDED TO CREATE A REVOLVING FUND TO ASSIST BORROWERS, SOME OF WHOM ARE UNSOPHISTICATED, IN CHOOSING DESIGNS, ARRANGING FOR CONTRACTORS, AND PROCURING MATERIALS.

THE COMMISSION WILL WORK HAND-IN-HAND WITH THE ALREADY ESTABLISHED HOUSING AUTHORITIES IN THE DISTRICTS, ASSISTING THEM WITH THE OVER-ALL PLANNING AND IMPLEMENTATION OF A LOW-COST HOUSING PROGRAM FOR THE CITIZENS OF MICRONESIA.

CHAIRMAN OF THE COMMISSION ALLEN NOTES THAT AT THIS POINT, THE COMMISSION IS PLAGUED WITH A LACK OF SUFFICIENT FUNDS TO IMPLEMENT THE COMMISSION'S POLICIES. HE SAID, HOWEVER, THAT A BILL HAS BEEN INTRODUCED IN THE CURRENT SESSION OF THE CONGRESS OF MICRONESIA FOR THE NECESSARY FUNDS TO FINANCE THE COMMISSION'S OPERATIONAL ACTIVITIES AND OTHER RELATED FUNCTIONS.

ALLEN NOTES THAT EVEN WITH THE CONGRESSIONAL APPROPRIATIONS, MORE MONEY IS STILL NEEDED FOR CREATING A HOUSING DEVELOPMENT LOAN FUND FOR THE WHOLE TRUST TERRITORY. DURING ITS LAST MEETING ON SAIPAN, ACCORDING TO ALLEN, THE COMMISSION STUDIED THE FEASIBILITY OF BORROWING FROM THE TRUST TERRITORY SOCIAL SECURITY FUND TO SUBSIDIZE PART OF ITS OPERATIONS REQUIREMENTS.

IN ADDITION TO THE PROBLEM OF FUNDING, THE COMMISSION REPORT NOTES "WITH DISMAY" THAT SEVERAL DISTRICT HOUSING AUTHORITIES ARE FACED WITH A CRISIS IN MANAGEMENT FUNDING. THE REPORT SAYS AT LEAST TWO HOUSING AUTHORITIES, YAP AND TRUK, MAY REQUIRE IMMEDIATE ASSISTANCE FROM THE CONGRESS TO HELP THEM THROUGH THEIR CURRENT FINANCIAL SQUEEZE.

THE COMMISSION EXPRESSES THE HOPE THAT THE VARIOUS DISTRICT LEGISLATURES, WHICH "SHOULD BE COMMENDED FOR FINANCING THE AUTHORITIES," WILL CONTINUE TO SUPPORT THE HOUSING PROGRAM IN THE FUTURE.

MEANTIME, THE COMMISSION SAYS IT WILL ATTEMPT TO SEEK A HIGHER LEVEL RELIEF WHICH WILL PERMIT THE INTEREST RETURN ON THE INVESTMENT OF LOW-COST HOUSING FUNDS TO BE UTILIZED FOR MANAGEMENT PURPOSES. ACCORDING TO THE COMMISSION, THIS WILL PROVIDE SOME PARTIAL RELIEF TO THE AUTHORITIES, BUT "CERTAINLY WILL NOT FULFILL THEIR OPERATIONAL FUNDING NEEDS." THE COMMISSION'S LONG-RANGE GOAL IS "THE ACHIEVEMENT OF MANAGEMENT SELF-SUFFICIENCY, ALREADY ATTAINED BY THE MARIANA ISLANDS HOUSING AUTHORITY."

THE REPORT SAYS THE COMMISSION IS COMMITTED TO THE GOAL OF DEVELOPING AND IMPROVING THE MANAGEMENT CAPABILITY OF THE SIX HOUSING AUTHORITIES. MOREOVER, IT IS EXPLORING WAYS AND MEANS TO PROVIDE EXPERT AND OTHER TECHNICAL ASSISTANCE, INCLUDING TRAINING OF EMPLOYEES OF THE HOUSING AUTHORITIES. "THE COMMISSION IS PLEASED TO NOTE THAT THE CONGRESS HAS INITIATED LEGISLATION UPON REQUEST WHICH, IF SIGNED INTO LAW, WILL ASSURE THE TERRITORY'S PARTICIPATION IN THE UNITED NATIONS DEVELOPMENT PROGRAM," THE REPORT SAYS.

THE COMMISSION INTENDS TO CLOSELY MONITOR THE VARIOUS ACTIVITIES OF THE AUTHORITIES IN HELPING MICRONESIANS BUILD NEW OR IMPROVED HOUSES. REQUISITIONING, WAREHOUSING, STOCK-PILING AND PREFABRICATING SYSTEMS WILL BE EVALUATED FROM THE STANDPOINTS OF LOW COST TO THE BORROWER AS WELL AS GENERATING LOCAL BUSINESS ACTIVITY AND EMPLOYMENT. THEREFORE, THE COMMISSION WISHES TO EXPLORE THE GREATER UTILIZATION OF LOCALLY PRODUCED CONSTRUCTION MATERIALS, WHICH HAS OBVIOUS ECONOMIC DEVELOPMENT AS WELL AS COST SAVING POTENTIAL."

TWO AREAS OF REMAINING CONCERN RELATE TO THE EXTENSION OF THE PROGRAM BEYOND THE DISTRICT CENTERS, AND TO GREATER PARTICIPATION BY THE LOWER INCOME FAMILIES. IT IS EXPECTED THAT THESE MATTERS WILL BE DISCUSSED THOROUGHLY AND SOLUTIONS PROPOSED AT A JOINT TEN-DAY COMMISSION-HOUSING AUTHORITY WORKSHOP WHICH IS PLANNED DURING THE MONTH OF JUNE, UNDER THE COMMUNITY DEVELOPMENT "TITLE EIGHT" SPONSORSHIP.

IN SUMMARY, THE COMMISSION SAYS THE HOUSING PROGRAM HAS MADE MEASURABLE PROGRESS OVER THE YEAR DESPITE GREAT FUNDING LIMITATIONS AND SCARCE HUMAN RESOURCES. NEVERTHELESS, "THE PROGRAM IS FATED TO REMAIN A RELATIVELY SMALL OPERATION WITH ONLY RESTRICTED CAPACITY TO MEET THE HOUSING NEEDS OF OUR POPULATION UNTIL THERE IS A NOTABLE INFUSING OF CAPITAL AND CONCOMITANT IMPROVEMENT IN LOCAL MANAGEMENT ABILITIES."

"OUR UNIQUE ADVANTAGE," THE COMMISSION POINTS OUT, "IS THAT THE PROGRAM HAS BEEN INITIATED AND IMPLEMENTED, BY AND LARGE, FROM THE GROUND LEVEL BY MICRONESIANS, A PRECEDENT WHICH WILL NOT BE ABANDONED. THE COMMISSION REMAINS CONFIDENT THAT THE HOUSING PROGRAM CAN CONTINUE TO BE BUILT UPON MICRONESIAN SHOULDERS, IF ITS PLANS AND SUGGESTIONS FOR FUNDING AND TRAINING CAN BE REALIZED."

(MICRONESIA SPORTS COUNCIL)

SAIPAN, FEB. 21 (MNS)---FELIX RABAULIMAN, WHO CHAIRED THE FIRST MICRONESIA OLYMPIC GAMES COMMITTEE, SAID THIS WEEK ON SAIPAN THAT THERE IS A GREAT DEAL OF INTEREST AMONG MICRONESAIAN YOUTH IN ATHLETIC COMPETITION.

IN RESPONSE TO THIS INTEREST, RABAULIMAN NOTED THAT LEGISLATION IS NOW PENDING BEFORE THE CONGRESS OF MICRONESIA FOR THE CREATION OF A MICRONESIA-WIDE SPORTS COUNCIL WHICH WOULD PROMOTE AND ORGANIZE ATHLETIC COMPETITION IN THE TRUST TERRITORY.

AT PUBLIC HEARINGS HELD LAST WEEK BEFORE THE SENATE COMMITTEE ON EDUCATION AND SOCIAL AFFAIRS CHAIRED BY SENATOR PETRUS TUN OF YAP MEMBERS OF THE FIRST MICRONESIA OLYMPICS COMMITTEE TESTIFIED ON SENATE BILL NO. 299 ALONG WITH GUAM'S SENATOR JOSEPH ADA, WHO IS CHAIRMAN OF THE ORGANIZING COMMITTEE OF THE FIFTH SOUTH PACIFIC GAMES COUNCIL, AND MRS. MERLYN CARLSON, THE COUNCIL'S SECRETARY.

THE BILL, WHICH WAS INTRODUCED BY SENATOR ANDON AMARAICH OF TRUK, CALLS FOR THE ESTABLISHMENT OF MICRONESIA SPORTS COUNCIL WHOSE MAJOR TASK WOULD BE TO GUIDE MICRONESIA'S ENTRY IN THE FIFTH SOUTH PACIFIC GAMES, TO BE HELD ON GUAM IN AUGUST, 1975.

MRS. CARLSON INDICATED THAT THE MICRONESIAN SPORTS COUNCIL AS PROPOSED BY THE BILL "WOULD CLEARLY BE QUALIFIED TO BE RECOGNIZED BY THE FIFTH SOUTH PACIFIC GAMES COUNCIL" TO REPRESENT MICRONESIA FOR PURPOSES OF THE FIFTH SOUTH PACIFIC GAMES.

RABAULIMAN SAID THAT IF THE CONGRESS FAILS TO PASS THE BILL THIS SESSION, A MICRONESIA ENTRY IN THE GUAM GAMES WOULD BECOME A MUCH MORE DIFFICULT TASK.

TESTIMONY HEARD LAST WEEK ON THE BILL EXPRESSED FULL SUPPORT FOR PASSAGE OF THE LEGISLATION, AS WELL AS FOR A MICRONESIAN ENTRY IN THE FIFTH SOUTH PACIFIC GAMES.

THE BILL WAS PASSED BY THE SENATE THIS WEEK AND IS NOW BEFORE THE HOUSE FOR ACTION.