

Federal Spending.....

Another year of high level federal government spending appears to be in store, not only for Guam, and the Trust Territory, but for the military services as well, judging from preliminary figures just now floating in from President Nixon's new federal budget.

Included in the record budget is an allocation of \$7.4 million for Guam, almost double the amount of federal grants and loans for last year. Included are \$4.1 million in loans, \$2.3 million in grants and \$1 million to the Economic Development fund.

Until clarification comes from Washington, it would appear that some of this money fits into the "windfall" category, since some of the funding wasn't requested. The \$1 million for economic development is earmarked for the Guam Economic Development Authority, an annual grant. Other funds are possibly for highways, Land Grant at the University, or any of a variety of purposes.

The Trust Territory will receive \$61 million, a figure near the level of spending in Micronesia in recent years, although last year's budget was extremely tight, necessitating having to go back to Washington to ask for a supplemental appropriation.

Both of Guam's major service groups, the Air Force, and the U.S. Navy both did well. The Air Force total budget is \$25.5 billion, up 4.4 percent for the year, but with the allotment for the Strategic Air Command up 26.6 percent. The Navy's budget totals \$26.6 billion, up eight percent from the current year.

It is still too early to tell by the figures received if any funding has been given for the planned renovation of Tinian's air fields, and development of a major base there. Nor has any concrete figures been shown on the Navy's earlier announced plans to develop an ammunition pier at Sella Bay.

Over the next few days and weeks, more and more solid information will be filtering in concerning specific funding of programs. JCM.