

Budget Doubles Guam's Allocation

Gannett News Service

WASHINGTON — President Nixon's new budget almost doubles the amounts of federal loans and grants to Guam—raising the allocation to \$7.4 million—while the request for the Trust Territory will be \$61 million; a figure near the level of spending in Micronesia in recent years.

Included in the request for Guam are \$4.1 million in loans, \$2.3 million in grants and \$1 million to the Economic Development Fund.

Local officials say they have had no specifics on the budget request for Micronesia, although the largest share is expected to be spent on education in the territory.

Last year the budget for Micronesia totaled \$57.8 million. An appropriation of \$1.4 million for payment of

Micronesian war claims is included in the request. An estimated 11,000 claims for World War II death and damage benefits are pending before the Foreign Claims Settlement Commission.

The Department of Interior's Office of Territories is anticipating an outlay of \$5 million in claims payments during the coming year, according to the text of the budget.

War claims money is processed through a complex arrangement involving the Foreign Claims Settlement Commission, which judges the claims, and the Office of Territories, which pays out the money.

The U.S. Congress authorized \$20 million for the war claims but appropriated only \$5 million of that. Japan is matching U.S. payments, not in

cash, but in goods and services as part of an agreement for repaying Micronesians who lost relatives or property during the war.

The \$61 million for the Trust Territory is earmarked mostly for grants—\$12.8 million for education, \$7.7 million for health services, \$8 million for public works and utilities, \$3.3 million for transportation and communications, \$9 million for capital improvements and \$7.7 million for resources and development.

The request also includes \$1 million for an economic development loan fund and increases in the budgets for the high commissioner, the judiciary and the federal comptroller.

The comptroller's office would have its allocation tripled, from \$75,000 to \$225,000, under the new budget, reflecting a change in

the law last year which requires the U.S. Comptroller in Guam to expand his jurisdiction to include the Trust Territory.

The High Commissioner's office would receive a budget increase from \$440,000 in the current fiscal year to \$468,000 and the judiciary budget would go from \$402,000 to \$428,000.

GovGuam officials had little information about most of the \$7.4 million budgeted, according to a government source yesterday.

The \$1 million for economic development is earmarked for the Guam Economic Development Authority—an annual grant—but the other money "appears to be a windfall" since none of the directors contacted said the funds were requested, according to the sources.

There will be a clarification later, the source said.

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