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WORKING SESSION - FEBRUARY 8, 1975 - 10:00 a.m.

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(Not a Verbatim Transcript)

Missing: Danny Muna (late)
Mitch Pangelinan
Oscar Rasa
Felix Rabauliman

Pangelinan: Hope to complete our work this session including signature of the Covenant. I would like to have some of our new members ask some questions first. Do you have any comments, Mr. Ambassador?

Ambassador: Greetings and wish to welcome new members (reads paper)
Suggest we take up Covenant and Technical Agreement.
Afterwards we should discuss Plebiscite, Transition and Separate Administration.

Pangelinan: For your information, the Commission distributed over 1,000 copies of the Covenant and held public hearings on Tinian and Rota. I would like to introduce Mr. Manny Sablan and John DLG Cabrera.

M. Sablan: I would like to discredit a news story that said I am here to delay negotiations. I can assure you that I am here to help. If we can agree I believe we should all explain the Covenant.

I have some specific questions to ask. I do not want to go over old material that has been extensively covered by negotiations. In Article VII, I have a question on establishing a debt ceiling and appropriations. If the Congress appropriates the money, can we place it in interest bearing accounts?

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Ambassador: Concerning your question about appropriations, the Congress will look upon the appropriations as a debt. The U. S. will live up to its word. Of course, you have the right to take any problem in this area to the courts. On your second point, the Congress says you cannot place this money in interest bearing accounts.

M. Sablan: I am more interested in the Economic Development Loan Fund. Can this be deposited in interest bearing accounts?

Ambassador: I believe that the Treasury would give the money quarterly and as it is drawn down additional money would be given.

P. Tenorio: I would like to talk about Sec. 704. Money given in one year and held over until the next year, would this be in addition to the second year's appropriation?

Ambassador: Yes.

P. Tenorio: Can the U. S. be flexible in moving money from one category to another?

Ambassador: If there is good reason, I believe the U. S. could be flexible.

P. Tenorio: Can an individual refuse to be either a citizen or national of the United States?

H. Marcuse: No, he will owe allegiance to the United States and automatically be a national.

P. Tenorio: Concerning War Claims Commission. Is there any way either the Act can be amended or benefits speeded up? Many people are getting old. There is serious concern here.

Pangelinan: I don't want to use this forum for other matters but since the Acting DOTA is here, can a new release be issued?

E. Rice: A new release has been made which meets all objections and should now be in use. I will, however, check on this and advise you on this..

Ambassador: War Claims is outside my authority, however I am interested and will follow it.

Ben Santos: War Claims issues are very important. We would like very much for you to play a role in this matter.

E. Rice: The Jackson Committee will meet this March. Perhaps this would be a better forum to discuss war claims - at the Oversight Hearings. There is a time limit that adjudication must be completed.

Ben Santos: There should be more attention given to Micronesian Claims. About 95% of the people injured during the World War II will be dead in five years.

M. Sablan: Concerning war claims, could the Marianas take court action to expedite war claims after we signed the Covenant?

Ambassador: We have been criticized for many things but we do not prevent dissent. After you sign the Covenant you will have full rights to air your grievances.

Pangelinan: Could the Acting DOTA get together with some of our local leaders to discuss war claims?

Ambassador: Outside the status talks, I will take a personal interest in war claims.

Pangelinan: We still have questions on the Covenant.

M. Sablan: What is opinion of the Northern Marianas being involved in regional organizations strictly dealing with economics?

Ambassador: Puerto Rico's involvement in the Caribbean Bank is as a donor, not a recipient. Your membership in the Asian Development Bank would be different. It will therefore be handled on a case by case basis.

M. Sablan: I think our interest in regional organizations would be to obtain technical assistance and to be in a forum where similar problems are discussed.

Ambassador: To be frank, the Northern Marianas will not qualify for technical assistance. Under the United Nations there is a cut-off of \$500 per capita. We are providing you under the Covenant with more than \$1,000 per capita. The U. S. is a major donor to most of these nations.

M. Sablan: I see it that we need to exchange ideas with our neighbors. The ability to draw labor and skills from other districts is necessary so that we do not have to go all the way to Washington to do this. There should be an arrangement where we can get together and discuss problems.

Ambassador: It is clear that the U. S. is committed to promote regional cooperation, especially in private areas. There are no barriers, it is up to your own initiative. However, to have separate membership in an international organization is not possible.

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M. Sablan: In reference to Washington Representative, what will be his role in obtaining appropriate legislation for the Northern Marianas? Does he have a role in the new government?

Ambassador: Won Pat does not have a role in the Government of Guam. The future Washington Representative will want to know all the members of the Interior Subcommittee. Mr. Won Pat would be looked upon as a friend but he will have no role in the Northern Marianas.

M. Sablan: Income tax: Why are the same tax laws applying to Guam also applying to the Northern Marianas? Mr. Won Pat was very much against having a separate law for the Northern Marianas. I am interested in how the tax laws will be applied.

Ambassador: Guam will have no voice in the interpretation of the income tax law in Guam.

M. Sablan: Could the Northern Marianas have an associate non-voting member of Guam?

Ambassador: This is not a closed issue.

M. Sablan: Assuming in the future we reach a greater population.

Ambassador: The evolution of representation in the Congress will not stop now. This is still not a closed issue.

M. Sablan: I am still interested in how these tax laws are applied and interpreted. Some people resent having the tax laws apply the same as to Guam. Do you have any objections to changing the words "in Guam" to "in the other territories"?

Ambassador: You can't do it because the other territories are different and the laws will apply as in Guam.

J. Wilson: The reason the other territories are different is a historical accident, and this is a complex issue.

P. Tenorio: Concerning the role of Won Pat. Can he change the mutual consent provision in the Covenant to obtain integration of the Marianas and Guam. Guam appears envious of what we are doing. Administratively it would be more convenient to have one territory.

Ambassador: Won Pat can't do it. It would have to be done by the people of the Marianas and Guam.

Pangelinan: What kind of majority vote is required by the United Nations?

Ambassador: Trusteeship Agreement does not provide for procedures for termination. Some have been terminated without plebiscite and some with a single yes/no vote. There is no necessary percentage vote.

Pangelinan: Has the U. S. given thought to what options should be on the ballot?

Ambassador: We would like your views on this matter.

M. Sablan: When does termination take place, in 1981?

Ambassador: We have been talking about 1980 as our target date.

M. Sablan: Before we become U. S. citizens, will we be free to move into the U. S. freely, take jobs, etc.

Ambassador: The laws presently in effect will apply.

J. Cruz: Would the U; S. impose any objections to including in the Covenant the requirement for a bi-cameral legislature?

Ambassador: We would like more time to consider this. How do the other members of the Commission feel about this?

Pangelinan: The Commission is unanimous.

B. Manglona: I have sent you a copy of the Resolution approved by the Rota Municipal Council. We strongly feel that we need assurances of a bi-cameral Congress in the Covenant. The Commission has given us their blessing to amend the Covenant to include the requirement for a bi-cameral congress.

Ambassador: I would like to take more time to think about this.

D. Muna: Concerning citizenship of the Northern Marianas from the date the Covenant is approved to the date the Trusteeship is terminated: Would free entry to the United States begin at the time Sec. 304 became effective?

H. Marcuse: This section protects citizens of the Northern Marianas from being discriminated against by the States and does not apply to Federal law or immigration.

H. Willens: This section does not purport to give U. S. citizenship in advance of termination of the Trusteeship.

J. Cruz: Do you have any objections to amending the Covenant to include minimum wage?

Ambassador: What are the feelings of the Commission?

Pangelinan: The Commission is still considering the question.

H. Willens: I talked to Mr. Wilson on six issues, one of which is the bi-cameral legislature. The other five issues are Sec. 105. We wish to use the original language of "May".

Ambassador: Our proposed language was not to change the substance of the Act. We would be willing to go back to the original language.

H. Willens: Sec. 505, the U. S. proposed dividing it in two sections. What is the current U. S. position?

Ambassador: We will come back to this later.

H. Willens: Sec. 502(d), the Commission is concerned about applicability of these laws to any contractors. What is the U. S. thinking on this question?

Ambassador: We have attempted to draft language which would make the Jones Act inapplicable in the Marianas until the Trusteeship ends and afterwards only if Congress makes it so. We cannot change the problem of contractors.

M. Sablan: We feel that it may be very difficult to register our ships under the U. S. flag. What about "Buy American"?

Ambassador: "Buy American" is not applicable for private contractors. These are mainly military.

P. Tenorio: If there is a strike on the West Coast, the Jones Act will hurt us.

Ambassador: Only if the U. S. Government is involved. It can come in on other flags.

J. Wilson:

Ambassador: What alternatives are you proposing?

P. Tenorio: Would like the Jones Act now to apply in the whole Pacific area. My other question concerns Sec. 502. What happens to transshipping things from Guam to Saipan.

H. Willens: U. S. law requires that U. S. ships be owned by U. S. citizens and during transition the Marianas will be ineligible.

J. White: Would it be possible to limit 502 (d) to eliminate contractors?

Ambassador: The intent was to cover contractors in both cases. If you have alternate language we will consider it.

J. Cruz: If the Saipan Shipping Company cannot qualify as a U. S. bottom during transition we will lose money. We would like the U. S. to be flexible in this matter.

M. Sablan: During transition since the Marianas Government is not a U.S. instrumentality, would a shipping firm formed by the government be eligible?

Ambassador: Congress is not very sympathetic to exceptions to its shipping laws.

H. Willens: No, a corporation would not qualify unless 75% of the stockholders are citizens.

Sec. 606. The Commission was concerned about the apparent exception to military and civilian employees of the U. S. Government. Mr. Wilson and I suggest the following formulation:

"or on the personal property ... pursuant to the contract or orders assigning them to or from the Mariana Islands"

The last item is Sec. 803 (e) concerning the Memorial Park. The question concerns the word "American" in front of the word Memorial Park since Marianas people would be included. I would appreciate your opinion.

Ambassador: The Park has been described as an "American Memorial Park" and there is a certain sentiment attached to the name. Certainly the use of the park by the people is welcomed.

Pangelinan: Any questions?

J. Cruz: We will be Americans at that time, not Japanese, so we are included under the term American Memorial Park.

L. Cabrera: The two million dollar trust fund can be used for other purposes?

Ambassador: The money is primarily intended for use on this park. However, as time goes by, the money can be used for other purposes.

Meeting Ended