

200
04, 07



THE SENATE
CONGRESS OF MICRONESIA
SAIPAN, MARIANA ISLANDS 96950

COMMITTEE on
JUDICIARY and
GOVERNMENTAL OPERATIONS

STANDING COMMITTEE REPORT NO. 6-201

FEBRUARY 5, 1976

Lazarus E. Salii, Chairman

RE: S.J.R. NO. 6-67

Olympio T. Borja, Vice Chairman
Ambilos Iehsi
Petrus Tun
Wilfred I. Kendall
Nick Bossy

The Honorable Tosiwo Nakayama
President of the Senate
Sixth Congress of Micronesia
Second Regular Session, 1976

Dear Mr. President:

Your Committee on Judiciary and Governmental Operations,
to which was referred Senate Joint Resolution No. 6-67,
entitled:

S.J.R. NO. 6-67, "A SENATE JOINT RESOLUTION RESPECTFULLY
REQUESTING THE UNITED STATES OF AMERICA
TO NEGOTIATE AND CONCLUDE A BILATERAL
AIR TRANSPORTATION AGREEMENT WITH THE
REPUBLIC OF THE PHILIPPINES AUTHORIZING
CERTAIN AIR ROUTES.",

begs leave to report as follows:

The intent and purpose of this resolution is set forth in its
title.

Your Committee need not repeat the essentiality of direct
air transportation to the Trust Territory and to the development
of its economy. We have made it abundantly clear on many
occasions that our economy, based on tourism, agriculture,
and marine resources, requires direct access to markets in
order to be able to flourish. The Congress has, of course,
recognized that Japan is our largest potential market, and
the sine qua non of the development of our economy.

STANDING COMMITTEE REPORT NO. 6-201

FEBRUARY 5, 1976

RE: S.J.R. NO. 6-67

However, as several committees of this Congress have found in periodic missions, the Republic of the Philippines offers a considerable opportunity in this regard. Parts of Micronesia lie closer to the population and industrial centers of the Philippines than to those of any other country. The distance from Koror to Cebu City, for example, is less than eight hundred miles, an easy two-hour jet flight. Yet, the best present service from Palau to Cebu City is a three-plane connecting service, available twice a week, involving a traveling time of approximately twenty-one hours. In fact, all flights to the Philippines from the Trust Territory require an overnight stop at Guam, where Pan American flights leave four days per week for Manila at 4:15 a.m. Travelers to points in the Philippines beyond Manila must make second connections at that city. Nearly 2,000 Filipino citizens live and work in the Trust Territory. Citizens of the Republic of the Philippines constitute the third largest group of visitors to Micronesia, after citizens of the United States and Japan. In calendar year 1975, 1,414 Filipino citizens visited Micronesia, an increase of 34% from the previous year. It goes without saying that further significant increases could be expected if direct air service were instituted.

Your Committee desires to make it clear that it is neither our intent nor the intent of this resolution to endorse any carrier for routes between the terminal points in question. The resolution merely requests the United States Department of State to negotiate a bilateral treaty with the Republic of the Philippines which would give each country the right to designate one carrier to serve points in the Trust Territory and Guam, on the one hand, and points in the Republic of Philippines other than Manila, on the other; and points in the Trust Territory, on the one hand, and Manila, on the other. It is not our intention to seek direct competition with Pan American World Airways over the Guam-Manila route. Logically, the Republic of the Philippines has several carriers which might be interested in the suggested routes, including, without limitation, Philippine Airlines and Air Manila. Similarly, United States carriers which might be interested in the routes are Pan American, which serves Guam and Manila;

STANDING COMMITTEE REPORT NO. 6-201

FEBRUARY 5, 1976

RE: S.J.R. NO. 6-67

Northwest, which serves Manila; and Air Micronesia/Continental, which serves Guam and the Trust Territory. Neither, of course, are we attempting to pass upon the economics of the routes in question; this is a matter for the United States CAB, if and when a bilateral treaty is concluded and a route proceeding instituted. At that point, however, we would be prepared to examine carrier proposals and consider taking a position before the Board, based on such proposals.

In public hearings on this bill, the Administration was represented by the Director of Transportation and Communications, whose position was set forth in a letter dated January 29, 1976, a copy of which is attached to this Report. In his letter, the Director noted, "We are in favor and in support of this resolution." The Deputy Director of Transportation also noted that Philippine Airlines has requested charter authority to Micronesia, and stated his belief that the Republic of the Philippines would be interested in a bilateral treaty. Air Micronesia was represented by Barrie G. Duggan, its Vice President and General Manager, who stated that the airline had already requested the Department of State to include, as part of ongoing negotiations with the Republic of the Philippines, negotiations for routes between Saipan and Manila, and between Koror and Davao. He stated that, if a bilateral treaty were agreed upon and if the Civil Aeronautics Board instituted proceedings to designate a United States carrier, Air Micronesia/Continental would apply for such routes. A representative of Pan American World Airways was in the audience at the hearing, but did not testify. Notice of the hearing was also sent to representatives of Northwest Airlines in Tokyo and St. Paul, but no communication from the carrier was received by your Committee and no representatives appeared to testify.

After the conclusion of the public hearings, your Committee had the privilege of meeting with Mr. Roberto I. Mercado, Foreign Trade Promotion Representative attached to the Consulate General of the Republic of the Philippines at Guam. Mr. Mercado carried a letter from the Honorable Lucio A. Purugganan, Consul General, authorizing Mr. Mercado to represent the Consul General at the hearing. A copy of this letter is

STANDING COMMITTEE REPORT NO. 6-201

FEBRUARY 5, 1976

RE: S.J.R. NO. 6-67

attached to this report. Mr. Mercado presented to the Committee written testimony in support of Senate Joint Resolution No. 6-67. In his communication, the Consul General noted that:

"The establishment of direct air service between the Trust Territory and the Republic of the Philippines has been long overdue, and its salutary effects on the cultural, economic and social relations between their peoples cannot be overemphasized....

"In this connection and in keeping with the spirit of Senate Joint Resolution No. 6-67, we wish to offer the following suggestions:

1. That direct air service between Saipan and the City of Manila be established ...
and
2. That direct air transportation be established between Guam and Cebu City in the Philippines by way of Saipan and Koror, Palau..."

The Consul General further noted that Cebu City was the second city of the Republic of the Philippines, with a population of nearly 400,000, and having an airport described as "the finest in the country". Copies of the written testimony of the Consul General are attached hereto.

Your Committee desires to express its most sincere appreciation to the Consul General of the Republic of the Philippines for his expression of position, and hopes that the close cooperation envisaged by it will be brought to fruition in the near future.

We must, however, express our most sincere disappointment at the attitude of the representatives of the Department of State attached to the Trust Territory Government. Your Committee was informed that under no circumstances would representatives of the Department of State testify before the Congress of Micronesia.

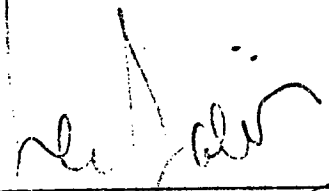
FEBRUARY 5, 1976

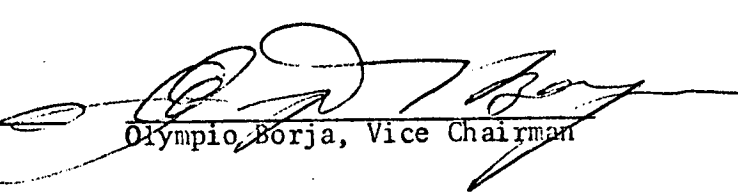
RE: S.J.R. NO. 6-67

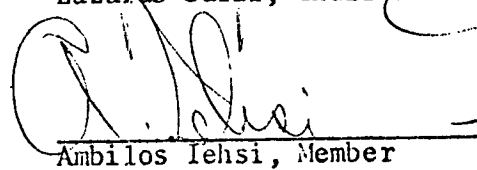
Your Committee believes that such a position is totally inconsistent with the obligation of the United States under the Trusteeship Agreement, and calls upon the Department of State for a serious reappraisal of its attitude toward the supreme legislative body of the Micronesian people. It seems somewhat strange that this Congress traditionally has received far more cooperation from representatives of foreign governments than from those of our own Administering Authority. We can only hope that this resolution will receive more appropriate attention when it is transmitted to the State Department in Washington.

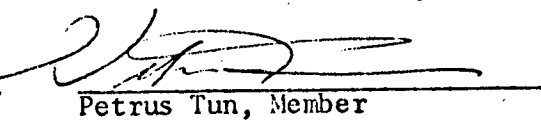
Your Committee is in complete accord with the intent and purpose of Senate Joint Resolution No. 6-67, and recommends its adoption by the Senate.

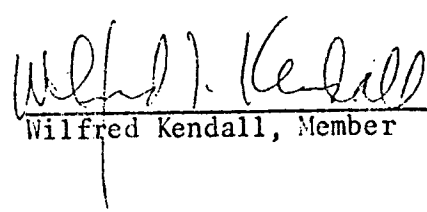
Respectfully submitted,

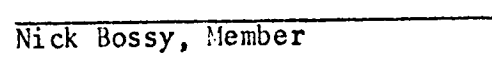

Lazarus Salii, Chairman


Olympio Borja, Vice Chairman


Ambilos Iehsi, Member


Petrus Tun, Member


Wilfred Kendall, Member


Nick Bossy, Member

J + G

17
4,7

SIXTH CONGRESS OF MICRONESIA

SECOND REGULAR SESSION, 1976

S. J. R. NO. 6-67

[DATE 4/15/76]

A SENATE JOINT RESOLUTION

Respectfully requesting the United States of America to negotiate and conclude a bilateral air transportation agreement with the Republic of the Philippines authorizing certain air routes.

1 WHEREAS, the people of the Trust Territory of the Pacific Islands
2 are desirous of developing cultural, economic and social relations with
3 the people of the Republic of the Philippines; and

4 WHEREAS, among the hindrances to such development has been the lack
5 of direct air service linking the Trust Territory with the Republic of
6 the Philippines, the sole service now provided being a thrice-weekly
7 connecting service through Guam to Manila; and

8 WHEREAS, Article 6.1 of the Trusteeship Agreement between the United
9 States and the United Nations obligates the United States, as Administering
10 Authority for the Trust Territory of the Pacific Islands, to "promote
11 the economic advancement and self-sufficiency of the inhabitants, and to
12 this end shall . . . improve the means of transportation and communica-
13 tion"; now, therefore,

14 BE IT RESOLVED by the Senate of the Sixth Congress of Micronesia,
15 Second Regular Session, 1976, the House of Representatives concurring,
16 that the United States of America is respectfully urged and requested to
17 initiate and conclude negotiations with the Republic of the Philippines
18 for a bilateral agreement authorizing the establishment of direct air
19 transportation between (a) points in the Trust Territory of the Pacific
20 Islands, on the one hand, and points in the Republic of the Philippines,
21 on the other, and (b) points in Guam, on the one hand, to points in the
22 Republic of the Philippines other than Manila, on the other; and

23 BE IT FURTHER RESOLVED that certified copies of this Senate Joint
24 Resolution be transmitted to the President of the United States; the
25 President of the Republic of the Philippines; the Director of the Office

J. S. 90

S. J. R. NO. 667

1 of Territorial Affairs of the Department of the Interior; the
2 Governor of Guam; and to the High Commissioner of the Trust Territory
3 of the Pacific Islands.

4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Date: 1/15/76

Introduced by: *[Signature]*

[Signature]
[Signature]
[Signature]
Wilfred J. Keble