

(CAPITAL BILL PASSED CONGRESS)

Aug 5 1976

KOLONIA, PONAPE, AUGUST 1 (GNS) ~~74~~ - THE CONGRESS OF MICRONESIA SUNDAY (AUGUST 1) PASSED AND SENT TO THE HIGH COMMISSIONER SIX MORE BILLS FOR HIS ACTION.

ONE OF THEM WAS A CONTROVERSIAL BILL -- TO DESIGNATE PONAPE DISTRICT AS THE PERMANENT SITE OF THE CAPITAL OF MICRONESIA, AND TO AUTHORIZE THE APPROPRIATION OF SUCH SUMS AS MAY BE NECESSARY FOR PERFORMING THE FEASIBILITY STUDIES, MASTER PLANS, COST ESTIMATES AND RELATED WORK NECESSARY FOR THE CONSTRUCTION OF THE PERMANENT CAPITAL OF MICRONESIA, (SB 6-277).

THE BILL WAS ONE OF THE MOST CONTROVERSIAL DURING THE SECOND REGULAR SESSION OF THE SIXTH CONGRESS WHICH HELD ITS MEETING ON SAIPAN. THE SENATE AT THAT SESSION PASSES THE BILL WITHOUT MUCH DEBATE. IT WAS A DIFFERENT STORY, HOWEVER, IN THE HOUSE OF REPRESENTATIVES AS MEMBER KEPT POSTPONING ACTION EVERYTIME IT CAME UP FOR FINAL READING. IT WAS ALSO DURING THAT SESSION THAT THE PALAU DELEGATION ASKED THAT THEIR DISTRICT SHOULD NOT BE CONSIDERED FOR THE SITE AFTER THEY FELT THAT PONAPE WAS THE CHOICE OF THE APPROPRIATIONS COMMITTEE WHICH CONSIDERED THE BILL.

DURING SUNDAY'S SESSION, THE PALAU DELEGATION ASKED THAT THEY SHOULD NOT PARTICIPATE DURING THE VOTING OF THE BILL, AND THEN GOT UP AND LEFT THE HOUSE CHAMBER. LED BY POLYCARP BASILIUS, ALL THREE HOUSE MEMBERS WERE OUTSIDE THE CHAMBER DURING THE VOTING.

VICE SPEAKER OF THE HOUSE, EKPAP SILK OF THE MARSHALLS, SPOKE IN FAVOR OF THE BILL. HE SAID THAT ALTHOUGH THE MARSHALLS HAVE DIFFERENT ASPIRATIONS FROM THE REST OF MICRONESIA, THE PEOPLE OF HIS DISTRICT WISH TO ACKNOWLEDGE THE FRIENDLY RELATIONS IT HAS WITH PONAPE AND THEREFORE THEY ARE SUPPORTING THE BILL.

FLOOR LEADER LUKE M. TMAN SAID IT IS "VERY UNFORTUNATE" THAT THE PALAU DELEGATION WERE UNABLE TO PARTICIPATE DURING THE ACTUAL VOTING OF THE BILL BUT HIS DELEGATION FROM YAP IS SUPPORTING THE BILL.

MARSHALL REP. ATAJI BALOS TOLD THE HOUSE THAT SINCE THE MARSHALLS DISTRICT HAVE TAKEN STEPS TO SEEK SEPARATE POLITICAL STATUS, HE SAID IT WOULD NOT BE WISE FOR HIM TO COST HIS VOTE ON THE ISSUE.

THE CONFERENCE COMMITTEE, COMPOSED OF MEMBERS FROM THE SENATE AND HOUSE HEADED BY REP. RAYMOND SETIK, REPORTED THAT THE ISSUE OF WHERE THE FUTURE CAPITAL OF MICRONESIA SHOULD BE LOCATED HAS ALSO BECOME IMPORTANT TO THE U.S. CONGRESS AND THE DEPARTMENT OF THE INTERIOR FOR BUDGETARY PURPOSES. IT REPORTED THAT UNDER THE FISCAL YEAR 1977 GRANT APPROPRIATIONS FROM THE U.S., AN AMOUNT OF \$200,000 HAS BEEN EARMARKED FOR SITE STUDY, PRELIMINARY ARCHITECTURAL AND ENGINEERING WORK AS WELL AS THE ROUGH DESIGN AND COST ESTIMATES.

ACCORDING TO THE CONFERENCE COMMITTEE, THE DEPARTMENT OF THE INTERIOR HAS TENTATIVELY ALLOWED \$1 MILLION IN FY 1978 BUDGET AND HAVE INDICATED THEY WILL REQUEST AUTHORIZING LEGISLATION AT LATER DATE, "PROBABLY WHEN A NEW LOCATION IS SELECTED.

"THE JOINT COMMITTEE HAS RECEIVED A WHITE HOUSE COMMITMENT THAT THE U.S. GOVERNMENT WILL PARTICIPATE IN THE PLANNING AND CONSTRUCTION OF OUR NEW CAPITAL," SETIK'S COMMITTEE POINTED OUT.

THE OTHER MAJOR BILL WHICH WAS APPROVED ON SECOND READING AND TRANSMITTED TO THE SENATE WAS A BILL WHICH WOULD PROVIDE FOR A GRADUATED TAX ON WAGES AND SALARIES, AND TO INCREASE THE TAX ON GROSS RECEIPTS OF BUSINESSES FROM ONE PERCENT TO

TWO PERCENT.

THE PALAU DELEGATION, AGAIN LED BY REP. POLYCARP BASILIUS, IMMEDIATELY ATTACKED THE BILL. HE SAID THERE ARE "OTHER WAYS" ON WHICH THE CONGRESS CAN GET FUNDS FOR CERTAIN PROJECTS FOR VARIOUS DISTRICTS. HE SUGGESTED THAT THE CONGRESS SHOULD REVIEW ALL THE PROJECTS IT HAS FUNDED AND SEE IF SOME FUNDS CAN BE REVERTED BACK INTO THE CONGRESS' GENERAL FUND. HE ASKED THAT THE MEASURE BE POSTPONED UNTIL THE NEXT REGULAR SESSION.

ANOTHER PALAUAN CONGRESSMAN, ISIDORO RUDIMCH, SAID PASSAGE OF THE TAX MEASURE AT THIS TIME IS LIKE "PUTTING THE CART BEFORE THE HORSE." EXPLAINING THAT WHILE HE WAS NOT AGAINST ANY TAX "PER SE", RUDIMCH SAID THERE ARE CERTAIN AVENUES WHICH THE CONGRESS COULD RAISE SOME FUNDS. THAT IS, HE SAID, BY REDUCING THE COST OF THE CENTRAL GOVERNMENT. HE SAID THAT THE CONGRESS SHOULD FIRST ADOPT THE FIVE YEAR INDICATIVE DEVELOPMENT PLAN BEFORE ENACTING SUCH A MEASURE.

AT THIS POINT, REP. IWAN INTERJECTED AND ASKED THAT THE MEMBERS "SHOULD NOT PROCRASTINATE ON THE BILL" BUT SHOULD RATHER DISPOSE OF THE MATTER. "IF YOU WANT IT TO PASS, LET US DO IT NOW," HE DECLARED.

REP. KUNIWO NAKAMURA ALSO SPOKE AGAINST THE BILL. HE SAID THE BILL SHOULD NOT PASS "BECAUSE WE STILL DON'T KNOW GOVERNMENT WE WILL HAVE (IN THE FUTURE). YET, WE ARE COMMITTING OURSELVES TO NATIONAL PROGRAMS, PROJECTS AND ACTIVITIES."

THE BILL PASSED BY A VOIE OF 11-6.

THE OTHER BILLS THAT PASSED AND WERE SENT TO THE HIGH COMMISSIONER WERE:

---CALLING FOR A CONFERENCE OF MICRONESIAN LEADERS TO FORMULATE AND DEVELOP A UNIFIED POSITION ON THE LAW OF THE SEA, (SB 6-412);

---TO ALLOW THE FUNDS PREVIOUSLY APPROPRIATED UNDER PUBLIC LAW 5-125 TO BE EARMARKED FOR A DELEGATION VEHICLE INSTEAD OF OFFICE REPAIRS, (SB 6-413);

---TO HAVE THE MICRONESIA DEVELOPMENT BANK ACQUIRE THE LIABILITIES OF THE ECONOMIC DEVELOPMENT LOAN FUND AS WELL AS THE ASSETS, (SB 6-397); AND

---TO LINK PONAPE AND TRUK WITH YAP IN AN AIR TRANSPORTATION NETWORK PROVIDING EMERGENCY MEDICAL EVACUATIONS, AIR/SEA SEARCH AND PASSENGER SERVICES TO AND FROM THE OUTER ISLANDS, (SB 6-391).

THE HOUSE MEMBERS ALSO PASSED 10 BILLS AND SENT THEM TO THE SENATE FOR FURTHER CONSIDERATION. THEY WOULD:

---APPROPRIATE \$250,000 TO CLEAR WORLD WAR II DEBRIS, AND REHABILITATE CERTAIN ISLANDS IN THE MARSHALLS DISTRICT, (HB 6-424);

---EARMARK \$100,000---CONTINGENCY UPON AVAILABILITY OF FUNDS---FOR THE IMPROVEMENT AND REALIGNMENT OF ROADS AND GRANT-IN-AID TO PONAPE DISTRICT, (HB 6-523);

---ENCOURAGE THE GROWTH OF MANUFACTURING AND INDUSTRY IN MICRONESIA, AND EXEMPT FROM IMPORT TAXES RAW MATERIALS AND SEMI-FINISHED COMPONENT PARTS DESTINED FOR USE BY THE IMPORTER IN MANUFACTURING, (HB 6-613);

---TRANSFER THE SUM OF \$500,000 AS APPROPRIATED UNDER PUBLIC LAW 5-72 FROM THE MICRONESIAN COCONUT PROCESSING AUTHORITY TO THE DEVELOPMENT BANK OF MICRONESIA AND TO THE MARSHALLS ISLANDS DEVELOPMENT AUTHORITY (MIDA), (HB 6-605);

---APPROPRIATE \$150,000 AS A SUPPLEMENTAL APPROPRIATION

FOR THE COMMISSION ON FUTURE POLITICAL STATUS AND TRANSITION FOR FISCAL YEAR 1977, (HB 6-598);

---SET ASIDE \$210,000 --- CONTINGENT UPON AVAILABILITY OF FUNDS --- FOR CERTAIN PUBLIC PURCHASES AND PROJECTS IN YAP DISTRICT, (HB 6-466);

---ESTABLISH THE PONAPE TRANSPORTATION AUTHORITY AS A PUBLIC CORPORATION, (HB 6-580);

---DELEGATE EXCLUSIVE AUTHORITY TO LEVY AND COLLECT SCRAP METAL EXPORT TAXES TO THE DISTRICT GOVERNMENTS, (HB 6-607); AND

---A BILL RELATING TO THE REORGANIZATION OF THE TRUST TERRITORY EXECUTIVE BRANCH, (HB 6-588).

IN THE SENATE, THE FOLLOWING BILLS WERE APPROVED ON SECOND READING AND TRANSMITTED TO THE HOUSE;

---ESTABLISH THE POSITION OF PLANNING, BUDGET AND STATISTICS OFFICER ON THE STAFF OF THE HIGH COMMISSIONER, (HB 6-554);

---TO PROVIDE THAT IT WILL BE UNLAWFUL FOR ANY PERSON TO HAVE IN HIS POSSESSION, OR REMOVE FROM ITS LOCATION, WITHOUT PROPER AUTHORITY ANY PROPERTY OF THE U.S. AND IT GOVERNMENTS, (SB 6-414);

---TO AUTHORIZE SEVERAL DISTRICT LEGISLATURES TO CHARTER ITS OWN GOVERNMENT, (HB 6-597);

---TO PROVIDE FOR ALTERNATE MEMBERSHIP ON THE COMMISSION ON FUTURE POLITICAL STATUS AND TRANSITION, (SB 6-410); AND

---A SENATE VERSION OF THE BILL WHICH WOULD REORGANIZE THE TRUST TERRITORY EXECUTIVE BRANCH, (SB 6-392).

(KABUA & TNETUCL CRITICIZE PUBLIC WORKS DECENTRALIZATION)

KOLONIA, PONAPE, AUG. 1 (CON)---SENATOR AMATA KABUA SHARPLY CRITICIZED THE PROGRAM OF DECENTRALIZATION WHICH WAS IMPLEMENTED BY THE OFFICE OF TERRITORIAL AFFAIRS OF THE INTERIOR DEPARTMENT, IN A SPEECH BEFORE THE SENATE OF THE CONGRESS OF MICRONESIA SUNDAY NIGHT.

KABUA CHARGED THAT THE U.S. ADMINISTRATION'S DECENTRALIZATION PROGRAM IS, IN HIS WORDS, "MORE RHETORIC, NOT GOVERNMENT ACTION."

"RATHER THAN A GRADUAL DEVOLUTION OF POWER, RESPONSIBILITIES AND FUNCTIONS TO THE DISTRICTS, WE ARE WITNESSING POWER AGRANDIZEMENT (POWER GRAB) AND A CONTINUATION OF THE PATERNALISTIC ATTITUDE THAT ONLY WASHINGTON, D.C., CAN DECIDE WHAT IS BEST FOR THE MICRONESIAN PEOPLE," KABUA STATED.

THE MARSHALL SENATOR SAID THE DECENTRALIZATION PROGRAM---THE TRANSFER OF HEADQUARTERS FUNCTIONS OF POLICY-MAKING AND DECISION-MAKING TO THE DISTRICTS---WAS SUPPOSED TO BE DONE TO PREPARE THE PEOPLE OF MICRONESIA IN THE DISTRICTS FOR SELF-GOVERNMENT. KABUA QUOTED AN ADMINISTRATION REPORT ON THE SUBJECT WHICH SAID THAT DECENTRALIZATION WOULD: "...HELP MAKE GOVERNMENT MORE RESPONSIVE, WILL HELP LEADERS AND PEOPLE MAKE THEIR OWN DECISIONS, TO DECIDE WHAT THEIR OWN GOVERNMENT SHOULD BE LIKE, TO MAKE CHOICES AS TO THE PRIORITIES OF PROGRAMS, AND WHERE THE MONEY SHOULD BE SPENT," UNQUOTE."

KABUA CHARGED, HOWEVER, THAT SINCE ZEDER, THE DIRECTOR OF TERRITORIAL AFFAIRS, TOOK OFFICE, THAT "VERY LITTLE POWER AND RESPONSIBILITY, IF ANY, HAS BEEN TRANSFERRED TO THE DISTRICTS."

"IN FACT," KABUA DECLARED, "POWERS AND RESPONSIBILITIES THAT WERE ONCE IN HEADQUARTERS (ON SAIPAN) NOW RESIDE IN

WASHINGTON, D.C."

TO PROVE HIS POINT, SENATOR KABUA ~~SAYS THE CAPITAL~~

IMPROVEMENT PROGRAMS (CIP) HAVE BEEN TURNED OVER TO THE U.S. NAVY ON GUAM AND THAT SPENDING, PROJECT PRIORITY, AND RE-PROGRAMMING ARE CONTROLLED BY WASHINGTON. HE SAID THE DEPARTMENT OF PUBLIC WORKS HAS ALSO BEEN CENTRALIZED, THAT HIRING AND RE-EMPLOYMENT OF AMERICAN AND MICRONESIA EMPLOYEES ABOVE PAY LEVEL 21 MUST BE APPROVED BY WASHINGTON. HE ADDED THAT THE OFFICE OF TERRITORIES HAS ALSO "REVERSED DECISIONS" OF THE TRUST TERRITORY GOVERNMENT, THE IT DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS IN PARTICULAR AND GRANTED PERMISSION TO NEW SHIPPING COMPANIES TO BEGIN SERVICE TO CERTAIN AREAS OF THE TERRITORY.

KABUA DESCRIBED THE PROGRAM OF DECENTRALIZATION AS "GRANDILOQUENT LANGUAGE." HE SAID "RATHER THAN A GRADUAL SHIFT OF POWER TO THE DISTRICT," NOW "ONLY WASHINGTON, D.C., CAN DECIDE WHAT IS BEST" FOR MICRONESIA.

KABUA SAID IT APPEARS THAT ZEDER "HAS RETRACTED HIS PROMISE MADE TO THE CONGRESS OF MICRONESIA" AT THE OPENING OF THE SPECIAL SESSION TWO WEEKS AGO. KABUA QUOTED ZEDER AS SAYING THAT QUOTE: "DECENTRALIZATION IS NOT RUN BY THE INTERIOR DEPARTMENT. IT IS RATHER AN AGREED PROGRAM BEING IMPLEMENTED BY THE TRUST TERRITORY GOVERNMENT IN CONSULTATION WITH THE CONGRESS OF MICRONESIA AND OTHER IMPORTANT LEADERSHIP ELEMENTS IN MICRONESIA," UNQUOTE.

"I AM NOT AWARE OF ANY CONSULTATION, APPROVAL, OR OTHER COMMUNICATION BY THE CONGRESS OF MICRONESIA ON THIS SUBJECT." KABUA STATED. "NOR AM I AWARE THAT THE DISTRICT ADMINISTRATORS OF MICRONESIA, THE PERSONS DIRECTLY RESPONSIBLE FOR THE OPERATIONS OF GOVERNMENT IN THE DISTRICTS, WERE CONSULTED WITH OR HAVE APPROVED THIS ORGANIZATIONAL CHANGE."

KABUA SAID THE FUNCTIONS OF THE PUBLIC WORKS DEPARTMENT "REPRESENTS THE PULSE OF THE DISTRICTS' WATER, POWER, TELEPHONES, ROADS, SANITATION, AND SO ON." HE SAID THESE ACTIVITIES MUST BE CONTROLLED BY THE DISTRICTS THEMSELVES.

"CENTRALIZED PROGRAM OF PUBLIC WORKS." HE SAID, "WILL NEVER WORK."

KABUA SAID IF THE UNITED STATES HAS SET 1981 AS THE TENTATIVE DATE TO TERMINATE THE TRUSTEESHIP AGREEMENT, THEN "SERIOUS RECONSIDERATION" SHOULD BE GIVEN TO THE SO-CALLED PROGRAM OF DECENTRALIZATION.

"IF IT IS TO BE ANYTHING MORE THAN EMPTY PLATITUDES (REMARKS)...DECISIONS MUST BEGIN TO BE MADE AT THE DISTRICT LEVEL...CAN THE OFFICE OF TERRITORIAL AFFAIRS BE THAT UNREASONABLE?" IN THAT IT MAY NOT RECONSIDER THE MATTER?" HE QUESTIONED.

LATER DURING THE SUNDAY NIGHT CONGRESS SESSION, SENATOR ROMAN IMETUHL PRAISED KABUA'S REMARKS AND ADDED HIS OWN THOUGHTS ON THE SUBJECT OF DECENTRALIZATION.

HE SAID ZEDER "...CAN ORGANIZE, REORGANIZE, TRANSFER, REDISTRIBUTE SHUFFLE, CENTRALIZE, AND DECENTRALIZE ALL HE WANTS, BUT EFFECTIVE ADMINISTRATION OF A FUNCTION OF GOVERNMENT WILL NOT BE ATTAINED UNTIL ABLE ADMINISTRATORS ARE HIRED.

THE PALAU SENATOR SAID THE SUCCESSFUL OPERATION OF ANY PROGRAM "IS NOT SO MUCH DEPENDENT ON THE STRUCTURE OF THE ORGANIZATION, AS IT IS ON THE QUALITY OF THE INDIVIDUALS WORKING IN THAT ORGANIZATION."

THEIUCHL QUESTIONED HOW ANY "CHANGES ON PAPER," AS HE PUT IT, WILL MAKE THE PUBLIC WORKS DEPARTMENT MORE EFFICIENT AND IF IT CAN HELP PROTECT AND MAINTAIN PUBLIC PROPERTY ANY BETTER.

"DRAMATIC CHANGES IN ORGANIZATION WILL NOT SOLVE OUR PROBLEM," HE SAID. WHAT WE NEED ARE CHANGES IN PERSONNEL AS BOTH HEADQUARTERS AND DISTRICT LEVELS, NOT THE IMPOSITION OF A NEW ORGANIZATIONAL SCHEME FROM WASHINGTON, D.C."

(NAKAMURA WANTS MORE STUDY ON UNDP HEALTH POLICY)

KOLONIA, PONAPE, AUG. 1 (CCY)---REP. KUNIWO NAKAMURA OF PALAU HAS ASKED THE CONGRESS OF MICRONESIA TO RE-EXAMINE PART OF THE FIVE YEAR INDICATIVE DEVELOPMENT PLAN RELATING TO HEALTH SERVICES. HE SAID A MORE COMPREHENSIVE ANALYSIS SHOULD BE CONDUCTED BEFORE THE CONGRESS APPROVES A NATIONAL DEVELOPMENT POLICY IN THIS AREA.

"THE PROGRAM OF HEALTH SERVICES IN THE TRUST TERRITORY IS A GOVERNMENT FUNCTION WHICH AFFECTS EACH AND EVERY INDIVIDUAL IN MICRONESIA PERSONALLY," NAKAMURA SAID IN A STATEMENT INSERTED INTO THE JOURNAL OF THE HOUSE ON SATURDAY.

"UNLIKE EDUCATION, TO WHICH WE CAN SPEAK OF THE LEVEL OF LITERACY AND THE VALUE OF HIGHER EDUCATION IN RELATIVE TERMS TO THE PROGRESS OF ECONOMIC DEVELOPMENT, THE HEALTH OF OUR CITIZENS IS AN AREA IN WHICH WE CANNOT BARTER." NAKAMURA SAID ANY REDUCTION IN THIS SECTOR MAY BE PAID FOR "IN THE COST OF LIVES."

HE SAID A THOROUGH ANALYSIS OF THE SITUATION MAY REVEAL THAT THE COST OF THESE SERVICES MUST GO UP, NOT DOWN, AND ENVISIONED IN THE PROPOSED DEVELOPMENT PLAN.

NAKAMURA SUGGESTED THAT BETWEEN NOW AND THE NEXT SESSION OF THE CONGRESS IN JANUARY 1977, THE DEPARTMENT OF HEALTH SERVICES, THE CONGRESS'S COMMITTEE ON HEALTH MATTERS, AND UNITED NATIONS DEVELOPMENT PROGRAM REPRESENTATIVES UNDERTAKE ON-THE-SPOT INVESTIGATION TO DETERMINE IF MICRONESIA IS EQUIPPED WITH ADEQUATE HEALTH SERVICES TO MEET THE CHALLENGES OF THE FUTURE.

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