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UNITED STATES

DEPARTMENT of the INTERIOR

OFFICE OF TERRITORIES

For Release on Receipt

SIGNIFICANT PROGRESS MADE IN AMERICAN TERRITORIES IN FISCAL 1963

Fiscal 1963 was notable for progress in all the territories of the United States, the Department of the Interior's Annual Report for the fiscal year 1963 noted today.

Important progress in American Samoa has been achieved, the report states. The rehabilitation program is well on the road toward completion and the territory now boasts a new terminal facility at the jet airport. Last year was the first time that the Territory had public high school space for all high school age children, and more than 50 small schools are being consolidated into 20, with the new buildings designed for use of the new educational TV station for both children and adults. A highlight of progress was the passage by the Samoan Legislature of a new tax reform measure which adopted as a Samoan tax the United States Federal Income Tax Schedules.

In the Virgin Islands, an important step was taken by the territorial legislature in the enactment of a new Election Code establishing primary elections for the first time in the history of the islands and facilitating the establishment of a two-party system of government. Another important forward step was the opening of the College of the Virgin Islands on July 1, 1963. The college will serve not only the needs of the citizens of the Virgin Islands, but the Caribbean area as a whole. Tourism, industrial development and commerce were at a record high in the Virgin Islands, and bank deposits reached a new high of \$52,000,000. Revenues also showed a marked increase.

The development of the economy of Guam was given impetus during the year with the lifting by the President of the security requirements formerly in effect with respect to the entry into Guam of United States and foreign nationals. However, Guam's economy suffered a serious setback shortly thereafter as a result of

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two highly destructive typhoons which left damages to the civilian economy of well over \$100 million and caused the President on both occasions to declare Guam a major disaster area. The Department's efforts during the year were concentrated on a major program of rehabilitation from the effects of the typhoons, and at the close of the year the Congress had under consideration a request submitted by the Department for the establishment of a \$45,000,000 Federal loan and grant fund to speed restoration activities.

At the outset of the fiscal year, the civilian administration of the Trust Territory of the Pacific Islands was unified with the transfer of the Saipan District from the Navy Department to the Department of the Interior. At the same time, the capital of the Trust Territory was established on the island of Saipan. During the year, a major program to improve educational, economic, health and political development in the islands was inaugurated. Priority was given to the recruitment of teachers and new school construction for the elementary school system.

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