

PRESS RELEASE



TRUST TERRITORY OF THE PACIFIC ISLANDS

Office of the High Commissioner

Saipan, Mariana Islands

FOR INTERNAL RELEASE
TRUST TERRITORY HEADQUARTERS

JUNE 4, 1965
(DELIVERED MAY 28, 1965)
RELEASE: 56-65

(Opening Statement to Trusteeship Council by The Honorable M. Wilfred Goding, High Commissioner of the Trust Territory of the Pacific Islands.

Saipan, Mariana Islands (June 4)...The following Opening Statement by High Commissioner M. W. Goding to the Trusteeship Council was delivered on May 28, 1965 (New York Time). The Statement is reprinted here in its entirety.

"Mr. President:

It is a privilege to appear again before this body as the Special Representative for the Administering Authority of the Trust Territory of the Pacific Islands. In this fifth appearance as Special Representative of the United States, I am happy to be able to report continuing and accelerated progress in carrying forward our obligations and responsibilities to the people of Micronesia.

In the four years that have elapsed since my first appearance in June of 1961, many eventful changes have come about. A reassessment of needs in the fields of education, in economic development, in public health, in short, reassessment of needs and priorities in all fields of endeavor have led to basic policy changes and to the reshaping and revamping of all programs in the Territory pointed toward accelerated development.

ADMINISTRATION

Our major task the first year of the new approach was to justify to the U. S. Congress the need for vastly increased appropriations to facilitate a more rapid pace of development. Strong support was forthcoming from all levels of government - from the Office of President, the Department of Interior, the Department of State, the Bureau of the Budget, the appropriate Congressional Committees. A sympathetic and generous response from the U. S. Congress was soon forthcoming. Legislation was enacted in 1962 increasing statutory limitation on appropriations from 7 million to a new authorization level of \$17,500,000. Our requests for increased appropriations fell upon receptive ears and for the fiscal years 1963, 1964, and 1965 a total of \$17,500,000 was appropriated by the United States Congress for administration of the Territory. Our budget proposal for the coming fiscal year, 1966, that of \$17,344,000 already has been approved by the House of Representatives and with the approval of the Senate Appropriation Committee now awaits final action by the Congress.

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The increased appropriations have provided for accelerated programs in elementary and secondary education, a tripling of funds for public health services, a vastly increased construction program as well as expansion in all major activities of the Territory. I propose to outline in these introductory remarks the most significant aspects of progress in these expanded programs this year.

Plans for an integrated social security system continue to be studied and we expect to have a top expert in this field visit the Territory later this year to advise us in preparing a workable system. Supplemental beneficial measures for Micronesian workers, however, continued to be instituted on an interim basis. The most significant of these this past year was a change in the annual leave program for Micronesian employees which provides more liberal benefits. Whereas, formerly all Micronesian employees regardless of length of service accrued 13 workdays of leave per year, they will now accrue annual leave on the basis of length of service, the minimum being 13 workdays per year and the maximum 26 workdays, a leave system similar to that provided for the U.S. Civil Service employee. Micronesian employees now are in the same category as are the U.S. Civil Service employees with respect to sick leave and annual leave. The next step and one in which, I hope, the new Congress of Micronesia will take a special interest, is to provide a suitable and workable retirement system for government workers.

A new procedure was implemented during the year which provides that a promotion action for a Micronesian shall represent at the minimum, a two-step within grade salary increase in contrast to a former, one-step increase. An additional pay grade level, A-9, was added to the wage scale for Micronesian trade employees to provide suitable compensation for high level supervisory personnel in the trades. Arrangements also were made to extend workmen's compensation to all Micronesian employees of private contractors who perform work for the Trust Territory government.

The turnover of senior administrative positions to qualified Micronesians continued during the year. Mr. Bailey Olter was appointed Assistant District Administrator for Public Affairs in Ponape District, his appointment being the sixth of this nature. The position of Political Affairs Officer on my staff was filled by a Palauan, Mr. Raymond Ulochong. A Palauan graduate of the George Washington Law School, Mr. Kaleb Udui, was appointed to the position of Assistant Attorney General and, on several occasions during extended absences of the Attorney General, has served capably and well as Acting Assistant Attorney General. Within the past month, a qualified candidate from the Marianas, Mr. Manuel T. Sablan, was appointed to the newly created position of Assistant Director of Public Safety.

An item also worthy of special note was the award of a Parvin Graduate Fellowship in Public Administration to Mr. Leo Falcam, present Assistant District Administrator for Administration, MORE

Ponape District. Mr. Falcam will attend the Woodrow Wilson Graduate School of Public and International Affairs, Princeton University this coming year, specializing in the area of public administration. Upon completion of this advance academic graduate and internship training, Mr. Falcam will have an educational background which will qualify him for almost any senior administrative position now occupied by U.S. staff.

Our scholarship and special training programs now are reaching a level where an ever increasing number of qualified Micronesians are returning to the Territory equipped to take over senior administrative and professional posts. We expect the pace to quicken in replacement from now on.

I am pleased to be able to announce also that the reorganization I described at the 31st Session, that of setting up four major areas of responsibilities, each headed by an Assistant Commissioner, has been completed. The appointment of the remaining Assistant Commissioner, that for Resources and Development, has just been announced and he will be reporting for duty early next month.

A new Director of Budget and Finance also was appointed a month ago and, I feel, we are well on our way to achieving a more effective coordination of efforts in all major activities.

The accelerated program in education continued into its third year. As with all programs involving major changes, planned schedules have not always been maintained. Supply and logistic problems prevented the carrying out of construction of new elementary schools as rapidly as we had hoped in certain of the outlying areas of Truk District and the Marshalls where logistic problems are of considerable magnitude. A readjustment of time tables of construction was necessitated. Nonetheless, during the year, 250 new elementary classrooms were placed in use and 88 additional qualified American classroom teachers joined local elementary school staffs to supplement the U.S. teaching force of 35 elementary teachers employed the previous school year.

There was continued expansion of secondary schools during the year. The 11th grade was added to the high school in Yap and the other five districts added the 12th and final grade of high school. New public high schools came into being in Kusaie and in Ulithi with the institution of the 10th grade to the former junior high schools there.

Three years ago in 1962, the Territory had one public high with a total enrollment of 150 students. This past school year, six district public high schools, grades 9 through 12, and two sub-district high schools up to grade 10, were in operation with an enrollment of 1,980 students. Estimated public high school enrollment for this coming school year is set at 2,500 students. I have not computed the percentage increase but, as the members can easily see, it is one of formidable magnitude.

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Twenty-four additional qualified American teachers were added to the staffs of these high schools this past year. This coming school year we expect to have 72 U.S. teachers in the high schools in addition to a substantial number of qualified Micronesian staff. Construction of additional secondary classrooms, dormitories, and other essential auxiliary buildings are underway or are planned in all districts.

The Micronesian Teacher Education Center moved into its third year of operation and provided training in elementary school methods and general education for 60 Micronesian teachers.

During fiscal year 1964, 196 students were attending institutions of higher learning outside the Territory, some 36 students of this group being official government scholars, and for the coming school year, I have just announced general scholarship awards for 50 students of which 44 will be for initial studies and 16 for advanced degrees. Additionally, 21 new pre-medical and para-medical scholarships have been awarded for the coming year. It is expected that possibly 10 additional government scholarships will be available before the opening of the school year next fall. There will also be 5 new East-West Center degree scholars, some 15 District Congress scholars, as well as a limited number of scholars on grants from outside institutions. Our scholarship program, as can be seen, is a major part of our educational system.

It is anticipated that another 100 students of University level will be attending colleges through their own resources or through a combination of Administration and private assistance.

Specialized short-term or refresher training greatly expanded this past year. Through the Institute for Technical Interchange, over 150 men and women attended refresher courses or specialized training courses at the East West Center in Hawaii or in the Territory. These included medical officers, nurses, hospital administrators, sanitarians, radio broadcast personnel, extension agriculturists, business methods teachers, trainees in commercial cooking, waitress training and trainees of a variety of other skills. We expect a similar amount of refresher training this forthcoming year.

Four leading citizens of the Territory were abroad during the year on United Nations Fellowships; Mrs. Rose Makwelung, Adult Education Supervisor from Ponape was observing community development projects in the Philippines, Ceylon and India; Mr. Yoster Carl, Public Defender's Representative in Ponape, was studying and observing the court system in New Zealand; Mr. Manuel Sablan, Assistant Director of Public Safety of the Attorney General's staff, studied at the International Police Academy in Washington, and other law enforcement groups in the USA; and Mr. Prudencio Manglona of Rota was studying public administration in the Philippines.

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The members of the 1954 Visiting Mission will be pleased to learn that plans are well underway to transform the Literature Production Center into a Trust Territory Printing and Publications establishment. An experienced Literature Production Officer was recruited early in 1954 and this past year completed an analysis of the Territory's printing needs. Plans were drawn up and approved for establishment of a well equipped Trust Territory Printing and Publication Office. Accommodations for the plant already have been provided, some of the basic printing equipment has arrived and budget provision has been made to enable this publication unit to become operational by the end of this calendar year.

Two trainees currently are at the East West Center for printing and graphic art training, some in-service training is being given at Headquarters, and a full scholarship in graphic arts has just been awarded. As soon as the central headquarters facility is operational, further training programs will be offered to meet district needs.

The Council might be interested to know that one of the items that our Publications Office now is working on is a pictorial, and geographically accurate, map of Micronesia showing relations to its Pacific neighbors. By early next year, we hope to be doing the bulk of all our own printing and much of the production will stress the history of Micronesia and its culture. Since I know so many members of past Visiting Missions have expressed special interest in this aspect, I feel it worthy of special mention at this time.

POLITICAL ADVANCEMENT

Without question, the highlight of the year was in the field of political development; the culmination of planning pointing to the formation of the Congress of Micronesia.

The Council is well aware of the step by step development of this Territorial Legislature and I will not go into details of background here. Its predecessor, the Council of Micronesia, devoted almost two years to studying this matter and by resolution in two separate sessions recommended the formation of a two house body.

I might state that the desires of the people of Micronesia with respect to the new Congress as expressed through the elected Council of Micronesia were given every consideration. The Secretarial Order follows closely the recommendations of the Council of Micronesia, not only in establishing a two house body, but in embodying most of the major recommendations of that group. A Secretarial Order was used to establish the Congress because it was felt this would provide the necessary flexibility by which changes could be effected easily and quickly. Special provision was made for the submission to the Secretary of amendments recommended by two-thirds of each House of Congress.

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The Order grants wide legislative authority to the Congress. Among its other provisions, the Order gives the Congress power to levy taxes, requires that legislation twice vetoed by the High Commissioner be referred to the Secretary of Interior for further action, and provides for participation in the review of the annual budget of the Trust Territory prior to its submission to the United States Congress.

Provision was made in the Order for the appointment of a full-time legislative counsel to assist the Congress. I am most pleased to report that I have appointed Dr. Robert R. Robbins, Chairman of the Department of Government and Professor of Government, Tufts University, to serve as Legislative Counsel for the initial Session of the Congress. Dr. Robbins formerly served as alternate U.S. Representative to the Trusteeship Council in 1954, was a member of the U.S. Delegations to the United Nations General Assemblies in 1949, and from 1953 to 1955. He served also as a member of the U.N. Trusteeship Council Visiting Mission to Togoland in 1955. Dr. Robbins' field of speciality is the development of dependent territories toward self-government and I feel we are very fortunate in being able to secure his services at this time. After the first Session of the Congress in July, he will remain with us in the Territory for six months serving as Consultant to the Congress and Advisor on Political Development.

I will be pleased to provide additional details on the new Congress as may be desired by members of the Council. It might be noted here, however, that by special provision, during the first formative years of the Congress, membership is fully open to persons holding positions in the executive branch or the judiciary of the Trust Territory Government. This provision will enable the Congress during its initial stages to draw upon the extensive experience in public affairs of many Micronesians who hold important posts in the Administration. However, after a four year period of time, or to be precise, at the third general election to the Congress, Government officers and employees holding positions as a department head or assistant department head, or as a judge or a member of a District Legislature, may no longer hold office in the Territorial Congress.

I look forward to the first meeting of the new Congress and the early consideration of a sound legislative program.

In all districts the general elections for the Congress of Micronesia were regarded as the most significant political event of the year. The planning and execution of a general election in an area as diffuse as ours was not an easy task and the local election boards are to be commended for the outstanding work they performed. District elections were lively affairs with vigorous campaigning. In Palau District, for example, six candidates vied for the two seats in the House of Delegates and eight candidates campaigned for the three seats in the General Assembly. Palau has two political parties and party affiliation proved to be strong,

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enabling the parties to capture four of the five seats with one seat in the House of Assembly being capture by an independent candidate.

Ponape District also carried on a very lively and aggressive campaign with 23 candidates vying for Ponape's six seats. There five of the six elected Congressmen are young men of high educational qualifications who have gained recognition and reputation in their respective professional fields.

Mr. Bailey Olter, who is here as Advisor on our Delegation, carried out a successful campaign for a seat in the House of Delegates from Hawaii where he was completing academic work at the East West Center. It is a tribute to his local reputation that he not only won his seat but led all the candidates in Ponape by polling the largest vote of any candidate.

And so it went in all our districts. Intense, meaningful campaigns were conducted with candidates presenting their programs by radio, in rallies, and by home visits. Without exception, each of the District Administrators was so impressed with the political maturity of candidates and the democratic procedures carried out by local citizens in choosing their representatives for the new Congress, so as to earmark the elections as the most important single event occurring in the districts during the year.

ECONOMIC DEVELOPMENT

A major economic development event of the year was the signing last month of a contract with a leading economic development consulting firm to undertake a two-year economic development program for Micronesia. This firm will prepare an inventory of assets, liabilities, and opportunities of Micronesia which will be used in preparing a long-range integrated economic development program for the Territory. Formulation of the development program will be carried out concurrently with actual implementation. The President and Senior Associate of this firm have completed preliminary studies in the Territory and the first members of the permanent staff are expected to arrive in Saipan in June. Services of the firm will include assistance in developing immediate action projects, assistance in developing Territory-wide projects, preparation of feasibility studies, land-use analysis, assistance in estimating and securing local and outside capital requirements, technical and managerial assistance to businessmen, technical representation and development training of Micronesians and advisory services to the High Commissioner.

The Van Camp Sea Food Company began commercial operations in the Palau District in August 1964. Total export of fish by Van Camp for this present year is estimated at 4,194 tons, valued at \$291,761. This includes 250 short tons of yellowfin valued at

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\$21,552 and 2,150 short tons of skipjack valued at \$146,510. The Caroline Fisheries Company, a Micronesian-owned firm, also was established in Palau in April 1965. This firm, which utilizes fishing vessels built in Okinawa for off-shore tuna fishing, will sell its catch to the Van Camp Sea Food Company. An appreciable increase in the tonnage of tuna now being exported from Palau is expected as a result of the new firm's operations. The Palauan firm will also sell fish to the Palau Fishermen's Cooperative for local sale. With the arrival of the seven vessels of Caroline Fisheries, there are now 13 tuna fishing vessels operating in Palau waters. Another six vessels are expected to be operated by Van Camp and will arrive within the next month.

Plans are underway to expand commercial fisheries operations in other districts of the Territory. The Van Camp Sea Food Company has completed engineering and feasibility preliminary to construction of a freezing plant and cold storage plant and other necessary shore facilities in Truk. The Company has requested a lease and has indicated its intention of opening fisheries operations in this district. A number of trainees from Truk are presently working on tuna vessels in Palau. Other companies also have expressed interest in opening fisheries operations and have conducted preliminary investigations. The Bureau of Commercial Fisheries, Fish and Wildlife Service in the Department of the Interior, U.S. Government, also is planning to set up a fishery sampling station in Palau with the initial work being directed toward collection of statistics and biological samples in the tuna fisheries. This research will be of great value in planning commercial fisheries expansion for the Territory.

The Palau Boatyard, which was dedicated on September 3, 1964, is equipped to build wooden vessels up to 100 feet. Our Boatbuilding Specialist is training Micronesians to build vessels to meet the growing Territory demand for boats and ships of all types and sizes and approximately 34 small boats have been completed since July of last year. Under construction is a 75 foot Hawaiian type tuna fishing vessel for experimental and training operations in the Palau fisheries.

During the year, the Marshall Islands Import-Export Company took over the operation of the Trust Territory Hotel in Majuro. At the present time construction is proceeding to convert the second floor of their main building in the district center into a modern 20-room hotel facility.

In Saipan, a 10-room, 2-story concrete government hotel will be completed this month and will be leased to private operators by the Government. Another new 10-room hotel is nearing completion in Yap. This brings to a total of three government owned hotels now being operated by Micronesian entrepreneurs or local firms, the others being in the Marshalls and Palau. Four new motels were completed this past year in the Marianas, and three others currently are under construction. Rota has a new 20-bed privately-owned hotel in operation.

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In other business areas, private enterprise expanded operations. Atkins-Kroll Company of Guam opened a branch office on Saipan to engage in business as indent merchants, insurance and steamship agents. Micronesian Underwriters Insurance Company, an affiliate of American Underwriters Insurance of America, was given a charter to conduct business in the Trust Territory. Plans are underway to turn the Micronesian Products Center over to a private Micronesian company in order to increase sales of handicraft.

With the passage of legislation by the U.S. Congress, \$366,000 in a former revolving fund for loans to trading companies was transferred to the Economic Development Loan Fund. This brought the balance of the fund established in 1953 to \$633,000 during the year under review.

In all districts Economic Development Loan Review Committees have been established to review loan applications and submit recommendations to the Development Loan Fund Board.

The current year witnessed an increased development in the field of low-cost housing. In addition to the Marianas and Ebeye Housing Authorities which were established in 1964, the Truk Housing Authority was created in February of this year. As a result of Typhoon Louise which struck Angaur and Peleliu Islands, Palau District, severely damaging over 90 percent of private dwellings, an Angaur Housing Authority was established in February to develop and administer low-cost housing and urban renewal projects in Angaur.

Like other Housing Authorities previously established, the Angaur Housing Authority is a public body corporate with power vested in a five-man Board of Directors. The Authority may discharge its responsibilities by engaging in such activities as purchase and resale of construction materials, and loans or guarantee of loans to individuals, groups, or associations.

This year the Trust Territory Government transferred 50 acres of Government land in Garapan Area, Saipan, to the Mariana Islands Housing Authority on condition that the Authority develop the area in connection with low-cost housing and urban renewal projects. It is planned to build on the Garapan site complete two and three bedroom concrete block houses for approximately 5 and 6 thousand dollars respectively. Each unit will include modern bathroom facilities and hot water heaters.

Tourism development in the Trust Territory has increased during the year. Both the Marianas and the Palau Districts are making efforts to encourage tourism. Plans are underway to provide a complete information and guide service to tourists entering Saipan. Additionally, proposals have been received for building several sizeable tourist type hotels in Saipan and negotiations as to leasing land, etc., currently are underway.

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In Palau, the opening of the 6,000 foot Airai Airfield has greatly increased possibilities for tourism. During the year under review, a special chartered flight was arranged to bring tourists from Guam to Palau for the Annual Fair.

This past year also marked the highest production of copra since 1933, when 14,933 short tons of copra were exported. It is estimated that for fiscal year 1965, 14,000 short tons of copra valued at \$2,523,367 will be Exported.

Due to better marketing procedures and rising world prices, the Copra Stabilization Board was able to grant two price increases during the year in October 1964 and April 1965, bringing the price paid in the districts for Grade I copra to \$130 per short ton. In addition to increasing prices to producers, between July 1964 and April 1965, the capital of the Copra Stabilization Fund was increased by \$53,000 to \$130,561.

The growth and expansion of credit unions and cooperatives was greatly encouraged during the year through the services of the new Headquarters Cooperative Officer and two field Officers. At the end of 1964, there were 27 credit unions operating in the Territory with assets of \$193,000. These popular mutually-owned savings and loan associations had 2,450 members with membership savings of \$137,814 or an average per membership of \$68.00. The entire amount belongs to Micronesians and there are no government funds in these credit unions. During the year, 1149 borrowers obtained loans from their credit unions for some \$166,500 or an average of about \$145. These loans are made exclusively to members for such useful purposes as home improvement, purchasing furnishings for the home, purchasing boats and outboard motors and a variety of other purposes.

Total income (principally from loans to members) aggregated \$16,008 and net earnings, after paying all operating expenses, were \$13,210. After allocating a portion of net earnings to reserves (which totaled \$5,150 at the end of the year), most credit unions were able to pay dividends on shares to their members of from 3% to 6%. One credit union paid an exceptional dividend of 13%. At the end of the year, there were 14 operating cooperative associations in the Trust Territory; 6 copra producers; 2 fishermen's; 3 handicraft producers; 1 housing; 1 boatbuilding; 1 federation. These associations had total membership of approximately 2,500 persons, mostly Micronesians. In 1964, these mutually-owned and operated cooperative associations did total business with their members of about \$1-1/2 million. While figures are incomplete, these associations had estimated net savings (earnings) of about \$75,000 which were available to members as dividends on contributed capital and patronage refunds in proportion to the amount of business each member did with his association during the year.

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Further expansion in the field of fishermen, copra producers, and retail stores, and among farming groups is anticipated.

Coconut planting and rehabilitation continued throughout the Territory with the greatest emphasis being in the Marshall Islands and Ponape Districts. Cacao promotion continued in Ponape, Truk, Palau, and Yap and fifteen tons of cocoa beans will be exported this fiscal year. In the pilot rice project, five thousand pounds of rice were harvested; 9 acres of paddy land were in cultivation; 14 varieties of rice were tested, of which two were found to be quite suitable to local conditions. Twenty-five (100 vine) pepper gardens were established by local farmers at Ponape; 2175 pounds of black and white pepper were processed from the Ponape demonstrational planting. Approximately 10 acres of ramie is now under cultivation in Palau and 2-1/2 tons of ramie fiber were exported.

A Beef Cattle Project was initiated in July 1950 in the Marianas District, and 55 Santa Gertrudis heifers were imported from the U.S. as the foundation breeding stock for this project.

New poultry breeding units were built at Palau, Marianas, Truk, and Marshalls, and new piggery units at Truk, Yap, Marshalls, and Rota were constructed.

New agricultural warehouse and equipment buildings were completed at the Trust Territory Farm Institute, in the Marianas and in the Marshalls. A new building to house coir fiber machinery at Truk and a rice processing building at Ponape were completed.

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Two Micronesians graduated with B.S. degrees in Agriculture; one specializing in Poultry-Husbandry, the other in Agriculture Economics. Both have been employed in their respective fields.

Twenty-four Trust Territory Farm Institute students graduated after nine months basic training in tropical agriculture. Another class for twenty-one students opened in March 1965.

A Headquarters forestry-conservation officer has been hired and will be stationed in the new Plant Industry Branch in Koror, Palau. As one of his first assignments, the new forestry-conservation officer will be charged with setting up a proper forestry-conservation development program for the Palau District. A Trust Territory forestry demonstration and training station will be established at the Nekken Demonstration Center in Babelthiap. Subsequently, the forestry-conservation officer will set up suitable programs of forestry-conservation development for the districts of Yap, Ponape, Marianas and Truk in that order.

Training in various aspects of agriculture was greatly intensified during the year. In cooperation with the East West Center a Coconut Interchange Seminar was conducted at Ponape with 48 participants in attendance for three weeks. Six participants studied Practical Island Horticulture and Plant Quarantine in Hawaii and two Micronesians and the Plant Pathologist are attending a Plant Pathology Training Project in Apia, Western Samoa.

During the year two Ponapeans were sent to Sarawak, Malaysia, for a year's training in Pepper Culture.

A Plant Pathologist from the University of California made a survey for us during the year on a cacao canker disease occurring at Ponape.

An Animal Parasitologist of the University of Hawaii also conducted a five-week study and survey of animal parasites in the Marianas District.

The Oriental Fruit Fly Eradication Program on Tinian and Saipan previously described to the Council and detailed in our Annual Report shows every sign of a successful conclusion by July 1, 1965. This program has been under the direction of the U. S. Department of Agriculture in cooperation with the Trust Territory Agriculture Division.

TRANSPORTATION

In presenting the transportation aspects of this report I am particularly pleased to announce that the formal opening of the Palau Airfield on Babelthiap Island was held on April 16th. Our DC-4 aircraft landed on the 6,000 foot airfield about 11:40 on that morning and hundreds of residents of Palau were on hand to witness the event. The building of the airfield was truly a massive project from the start and I am pleased to report that the field now represents the fifth link in the airfield chain of the Trust Territory of the Pacific Islands.

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Transfer of heavy earth-moving equipment is now underway from Palau to Ponape where preliminary work has begun on the sixth and final airfield serving the District Centers of the Territory. Planning is being directed toward completion to the point where it can be made operational a year from this summer.

Three years ago our air fleet carried approximately 4,000 passengers throughout the Territory and this included both official and revenue passengers. In three short years the passenger lift figure has more than doubled to 8,192 persons. I expect that figure to climb even higher now that the Palau Airfield is completed.

Consideration is being given to the establishment of a commercial airline operation to serve Trust Territory air service requirements. One proposal for the establishment of such a venture has been submitted and is being given study and consideration. Two passenger and cargo carrying charter aircraft companies are now operating between the Guam-Saipan link and a few exploratory flights to Yap and Palau have been made by these companies.

A corollary development of airfield construction in the Trust Territory has been the extension of new roads and the improvement of miles of existing roads, particularly on Babelthuap Island. There an additional six miles of road has been added providing rapid access from the general vicinity of the airfield project to Koror, the administrative center of the District.

As a separate development on Babelthuap Island, a new pioneer road is underway being projected to extend some 27 miles, the length of the island, which will ultimately connect all villages of Babelthuap. A little over a month ago, I drove a small vehicle from the airfield area a distance of 7-1/2 miles north on the projected route averaging 20 miles an hour. This development when accomplished should do much to improve and speed the transportation throughout the island. No longer will people of the island of Babelthuap rely entirely upon water transportation from their villages to the outlet for their agricultural products. Administration officials too will be able to bring the services now enjoyed daily by District Center residents to the people of the interior of Babelthuap with increasing speed and regularity.

A new 18 mile long road on Jaluit in the Marshalls was formally opened a little over two months ago, and roads on practically every large island in the Territory are being extended.

The airfield development on Ponape Island requires that a new 15 mile road be built out from the District Center to the airfield which in itself opens greater areas of the island to homesteading and agricultural development. Ninety-six additional miles of road have been rehabilitated or built in the various parts of the Territory in the past three years.

Coral or crushed rock surfacing material has been laid where heavier vehicular traffic requires it. Plans are being discussed now regarding

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the possible use of a mobile road surfacing crew, complete with modern equipment, which would be loaded aboard ship and transported from District to District to seal and surface primary roads where improved surfacing is justified. Steps have been taken to establish a designated road system throughout the Territory with primary roads as the basic responsibility of the Central Administration. Secondary roads will be designated as those involving District support and municipal or local roads being essentially the responsibility of the local communities. It is planned, however, to continue to work cooperatively with local communities in developing all three types of roads.

Though the Administration is highly pleased with the development of the new airfield network, realistically we do appreciate that the bulk of material tonnage and passengers must continue to be lifted by sea transportation within the Territory and in keeping with that knowledge development of the maritime service has not been overlooked.

Last year before this Council I reported that bid estimates were being secured for a new 65-foot vessel to be used in the large lagoon area of the Truk District while other construction estimates were also being gathered. It is my pleasure to report that the 65-foot Truk Lagoon boat, the M/V FEIOCH has been delivered and placed in service. The FEIOCH is now serving the Truk Lagoon area providing regular passenger and cargo service. Contracts have been awarded and the keels laid for two new 200 gross ton vessels; the M/V YAP ISLANDER and the M/V TRUK ISLANDER. It is expected that these two ships will be placed in service this summer.

Increased cargo capacity also will be provided with the recent conversion of the M/V ERROL which saw the addition of a 36-foot section inserted in this vessel. Renamed the M/V PALAU ISLANDER, this ship, formerly having a 250 ton cargo capacity, now has a lift capacity of nearly 700 tons. The PALAU ISLANDER will provide a scheduled fortnightly service between Guam/Saipan/Yap and Palau, the fastest and most frequent cargo and passenger service ever enjoyed by the latter two districts. It is worthy of note to compare this new fortnightly schedule with the service frequency of from 70 to 90 days which was the best that prevailed a few years ago.

As an index to the growing prosperity of the Territory we need but compare the total revenue tons of material lifted by the Administration ships over the past three years. In 1962, 58,584 revenue tons were lifted and in 1964 that total reached 111,584 revenue tons, and increase of more than 50,000 tons. An appreciable increase is also foreseen for the present year.

The training of Micronesians to assume responsible positions in the Territory's maritime service was advanced this year as four men were selected for advanced sea training at the Honiara Marine School in coordination with the British Solomon Islands Protectorate. Seventeen other Micronesians have been issued Certificates of Competency to serve in an officer capacity aboard Trust Territory vessels. In the new scholarship awards, four nominees were in the field of navigation for the coming year.

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INFORMATION AND RADIO

In the report of the United Nations Visiting Mission to the Trust Territory in 1964 heavy emphasis was laid on the need for imaginative use of the broadcasting facilities in Micronesia. A recommendation of that report called for the selection and training of Micronesians in the field of broadcasting; men and women of wide education, imagination and political sensitivity. In this year under review the Administration feels this goal is being achieved.

Ten young Micronesians attended a three and a half month radio broadcasting training session at the East West Center last year and an additional 12 are scheduled for similar training this coming September. Three men received advanced managerial and operations training at Voice of America facilities in Washington, D.C., last year and have since assumed positions as station managers in three Districts. It is planned that within three years a total of 43 trained Micronesians will be directly employed as radio personnel at all levels within the broadcast system.

The sixth and final district broadcast station, WSZA Yap, is to go on the air next month completing the Administration's goal for physical plant construction. Stations such as WSZB Palau will soon undergo a modernization program which will see increased power outputs so as to reach all area of the districts. Standby generators and transmitters are being installed in this modernization program to provide for such emergencies as typhoons and other disasters.

At this stage of development in the Territory's broadcast system, a uniform plan of operation and goals must be developed. To this end a conference is being called for late this summer which will see all Micronesian station managers and senior announcers gathered to establish a unified and practical set of operating goals. Senior officials of all major program areas of the Territory will also be in attendance to obtain maximum utilization of broadcast facilities.

A few of the stations, such as those in the Marshalls, Truk and Palau, that have been on the air for several years, are making truly impressive progress in programming imaginative and worthy materials for their respective districts. Their ideas and programs are to be freely exchanged through the coming conference.

It should also be pointed out that District stations are striving to use all available talent on a volunteer basis in addition to those people employed fulltime.

The Micronesian employees of the central repository and duplicating center for broadcast material in Saipan will soon be operating modern high-speed duplicating equipment which will do much to resolve the present bottle-neck in copying taped material. Programming material in the central repository is also made available to all schools in the Territory and is quickly becoming an additional educational tool, particularly in the elementary schools.

MORE

GODING

Radio English classes are already an established fact in the Palau District and the adaptation of this successful program is being made by adult education departments of other Districts.

Sessions of the Congress of Micronesia are to be taped and broadcast on all District Broadcast Stations. Equipment to accomplish this is on order and will be installed before the July 12 opening session of the Congress.

The reception and distribution of world news on a daily basis to all broadcast stations has been assured in the Territory with the signing of a service contract with an international news service. Daily transmissions are being copied in all District Centers and broadcast each day on the five stations presently on the air. Yap is also receiving this service and will be broadcasting daily world news with the formal opening of the station.

Other communications advances recorded this year include the establishment of 16 additional small radio stations on remote islands. This brings to a total of 28 such facilities for receiving and transmitting on outer islands. Additional units will be added in the coming years until all major populated islands are radio equipped.

Major communications stations are maintained in each District Center and form a closely integrated network through common radiotelegraph and radio-telephone networks.

A continuing training program in preparing Micronesian communications employees for key positions is conducted through on-the-job training coupled with correspondence courses administered by contract employees. Those men who do well in this program are selected for two-year scholarships in a Honolulu technical school. Graduates from this school have replaced contract employees in the Truk and Palau Districts and eventual replacement of all such contract employees will be made throughout the Territory.

PUBLIC HEALTH

In the field of public health our immunization program continued to be pushed vigorously during the year. As I indicated at the 31st Session, this Territory-wide program was launched in 1964 with special reprogramming of some \$110,000. This past year, another \$100,000 was funded to carry the immunization program forward. Immunization for smallpox, diphtheria, pertussis (whooping cough) tetanus, typhoid, para-typhoid, poliomyelitis, and BCG for tuberculosis will now be given routinely as part of this program. To date, immunization is complete for the Marianas District. Palau District is 95% completed and should be 100% complete by the end of June. The Yap Island area is complete and the out-island area immunization program is slated for completion this July when a special field trip ship will be equipped as an immunization vessel to complete the program for the Yap outer islands. In Truk, 75% of the immunization program is completed. Immunization for the district center and Truk

MORE

GODING

Atoll is finish and the program for out-islands well underway. Ponape is 80% completed, here again a current project is underway in the outer islands. In the Marshalls District Center and in Ebeye the immunization program is completed. Out-island immunization has been delayed in the Marshalls primarily because of the many logistic factors involved in the tremendous spread of the islands.

Future immunizations as described above will be given for all infants, to newcomers to the islands, as booster shots for previous immunizations, and any inhabitants who may have somehow missed the initial series. Expanded training for Micronesian medical and paramedical staff was provided during the year through a combination of resources, Trust Territory of the Pacific Islands, East West Center, and other sources. Refresher training for sanitarians, hospital administrators, medical officers, graduate nurses, nurse-dieticians, laboratory technicians was provided as part of a continuing program with the East West Center. Some 34 medical staff members participated in this program in Hawaii during the year. A jointly sponsored East West Center TTPI followup seminar on sanitation problems was held in Truk where in 1964 a field training center for Trust Territory sanitarians and community development leaders had been carried out. The Micronesian Director of Sanitation served as the TTPI delegate at the South Pacific Commission Seminar on village sanitation held in Villa, New Hebrides.

Various members of the medical staff attended international conferences, such as World Health Organization Conference on Leprosy in the Philippines; a World Health Organization Nutrition Conference in Thailand; a WHO Conference on Communicable Diseases in the Philippines, a WHO-South Pacific Commission Refresher Course in Tuberculosis in Noumea.

The Territory continued to be plagued by outbreaks of influenza and rubella (German measles) this spring in several districts, being particularly severe in Truk and Ponape. Slighter waves of German measles occurred in Yap, Palau and the Marianas.

Ordinary measles were also of wide spread occurrence and programs for better control measures are underway. Emergency assistance, however, had to be extended to Truk in the form of extra nurses, doctors, medical supplies, to combat the measles epidemic there. The senior students of the Territory Nursing School, nurse instructors and two medical officers were flown to Truk to relieve the local staff.

A significant event of the year was the formation of a Micronesian medical association which was founded as a private professional society. Four students graduated from Central School of Medicine in Suva and began internship training program. One student graduated from Fiji in Sanitation and began a one-year field training program.

Two medical conferences were held in Saipan with 10 district Micronesian medical officers-in-charge and district M.D. clinical supervisors in attendance for discussions on district and Territory medical problems.

MORE

GOING

In an attempt to upgrade nursing school applicants, the Department of Public Health and Department of Education have initiated a new pre-nursing program under the auspices of the Education Department in which special training in English will be given this summer to all prospective candidates for entrance to the fall term of Nursing School.

The Medical Scholarship Program was again increased. Last year 10 special scholarships in pre-medical education were awarded - this coming school year this has been increased over 100 to 21 new pre-medical and para-medical scholarships. Additionally, preliminary arrangements were made for acceptance into U.S. medical school for selected Micronesian medical officers who have Suva Medical School training or equivalent training. Just two weeks ago, Dean Bruce Schneider and Dr. Rose of Georgetown Medical School made a trip to the Territory to interview Micronesian medical officers who might be qualified for selection to enter medical school. We hope that from this present investigation it will be possible for some of the present medical officers to enter medical school to receive full M. D. training. This special medical scholarship training will be in addition to the program of scholarships described above for pre-medical and full medical training.

COMMUNITY DEVELOPMENT

Increased emphasis has been placed on the community development approach as a means to improve local communities. Seven pilot projects were underway during the year in selected parts of the Territory.

On the coral atolls of Ulul, Mamonuito, Truk, Jabor and Jaluit, the people have been engaged in road and causeway building in order to provide vehicular transportation of their copra to central warehouses. An eighteen mile road has been completed in Jaluit linking the various islands of that atoll. At Ulithi, (Yap District) emphasis has been on a program of village cleanup. On the five islands inhabited in the Mamonuito area, where a pilot project has been underway, a village cleanliness project also is underway. Palau has an active Youth Corps with three chapters located at Peleliu, Angaur, and Koror. The membership, between 16-20 years of age, consists of young men who have dropped out of school and who are jobless. The main program emphasis in the Youth Corps is employment training and all trainees to date have been placed in one or another agency in Koror where they can receive effective on-the-job training.

At Pingelap Atoll in Ponape District, village planning and encouraging people to move out of a very congested community on the main island will be one of the main initial elements in the community development project there. On Pagan and Agrigan islands in the Marianas, land management, sanitation, and transportation is being emphasized.

A training program is in progress for the District Community Development staff members and special attention is being paid to the needs of problems emerging in and around District Centers.

HOME

GENERAL

A Women's Interest Coordinator has been appointed, the incumbent being a very capable young Micronesian woman. Her office acts as a clearing house for all women's interest activities. A major activity of this unit was a training program in scouting which was conducted for potential women leaders throughout the Territory earlier this month in collaboration with the field office of the Girl Scouts of America.

Training opportunities of very specialized natures also were afforded a number of Community Development staff members. The staff supervisor for the Nan Madol site development in Pohnpei completed training in the management of a an "archaeological-park site" at the City of Refuge National Park in Hawaii. Two men from Jaluit are learning diesel boat maintenance and diversified fishing operations with the fishermen of Ngeremlengui village, Palau; two persons from Mamonuito learned diesel truck maintenance and operation with the Public Works at Meen, Truk; two persons from Jabor Island, Jaluit, are learning how to maintain and administer a small diesel electric power plant for that island; a skilled Marshallese boatbuilder is undergoing a period of observation-instruction with the Palau boatbuilders and Drydocking Association.

LEGAL AND LAND CLAIM EVENTS

During the year, the Territory embarked upon a project designed for thorough review of the Trust Territory Code and two committees, and Advisory Committee comprised of outstanding legal personalities in Guam and the United States and a Working Committee composed of the Chief Justice, Associate Justice, Attorney General and other members of the Trust Territory legal staff recommended several amendments to the Trust Territory Code covering such sections as the Bill of Rights which adopted the language of the U.S. Constitution concerning freedom of religion, speech, press, rights of assembly and petition; declaratory judgements, tampering with mail, and several sections concerning Usury. These were implemented by Executive Order since it was felt that they were urgently required. Other recommendations on Code changes or new additions will, of course, be submitted to the Congress of Micronesia.

I have already noted the addition of a qualified Micronesian as an assistant Attorney General and the appointment of an Assistant Director of Public Safety to the Legal Staff as examples of increasing participation of local inhabitants in this important aspect of the administration. Another event worthy of special note was the award of the annual Attorney General's Award for outstanding contribution to the field of administration of the law of Micronesians to the Public Defender of Truk District, Mr. Andon Amaraich, who appeared before this body in 1963.

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STATUS OF RONGELAPSE

The annual medical survey of the people of Rongelap was conducted again in March 1965 by a Joint AEC-Trust Territory medical team. Reports by AEC officials again found the general health of the Rongelapese to be satisfactory. The analysis and results of a ten year summary of medical survey results are available in official AEC reports and in scientific journals. Mr. Dickenson has informed the Council of the enactment of a \$950,000 compassionate compensation bill for the people of Rongelap. I expect to make payment shortly after I return to the Trust Territory.

REHABILITATION OF EBEE

At the 31st Session, I described preliminary steps being taken with interested U. S. Government departments to develop a major program for the thorough upgrading of all housing, water, power and sewage facilities on Ebeye Island. Agreement was reached with the cooperating departments and rehabilitation of Ebeye has been planned in a number of increments.

This past year, the first increment of rehabilitation included the construction of seven apartment buildings containing four (4) apartments each. These new buildings were accepted for occupancy on October 21, 1964. A complete salt water sanitary sewage system has been installed and is now in use all over the island. Nine central temporary toilet structures were built as interim measures until such time as all future housing units are completed. An electrically powered pumping station and lift stations have been constructed and a new power generator is in operation for pumping sewage far out into the lagoon. The sewage system consists of a main underground line running the length of the island, with laterals running off to the sites of future new housing units, as well as to the temporary toilet structures.

The new housing units all have interior electric wiring but are not yet connected since a complete new power plant is in the subsequent phase of the overall construction plan. All of the new housing will have electricity, water and bathroom facilities. Two new fresh water storage tanks have been constructed. They each have a capacity of 250,000 gallons.

Phase one of the rehabilitation of Ebeye has been completed. The next phase of construction is expected to commence in October 1965 and will continue until all substandard housing on the island is replaced.

In this report, I have touched on briefly what I feel to be the outstanding progress events of the year. Our annual report for fiscal year 1964 which is before the Council for review describes in detail progress and programs of the review period. I am prepared to amplify or clarify any points which Members may wish to raise during the examination period.

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