



OFFICE OF THE VICE PRESIDENT  
WASHINGTON

June 17, 1966

*File  
Territories*

MEMORANDUM

TO: Harry McPherson

FROM: John Stewart

As I recall, Lee White was looking into the poverty conditions on Guam shortly before he left. If you inherited this problem, I thought you'd be interested in the attached letter.



# Territory of Guam

U.S.A.

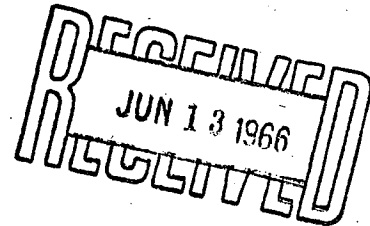
OFFICE OF GUAM'S REPRESENTATIVE IN WASHINGTON  
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WASHINGTON, D. C. 20242

June 10, 1966

TELEPHONE:  
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A. B. WON PAT  
REPRESENTATIVE

Honorable Hubert H. Humphrey  
The Vice President of the United States  
Room 5121  
New Senate Office Building  
Washington, D. C.



My dear Mr. Vice President:

I am writing in behalf of the people of Guam to ask your support in persuading the Senate to liberalize the quotas recommended by the Committee on Finance in its proposed amendment to H. R. 8436.

We are of course grateful for the direction taken by the Committee toward correcting the discriminatory action of the House of Representatives, whose bill would have the effect of killing the watch-assembly industry on Guam while allowing the same operations to expand on the Virgin Islands. As passed by the House, that measure provided for elimination of the existing tariff exemption for goods assembled in the insular possessions of the United States, but made a special exception of the Virgin Islands.

Now, with no public hearings, the Finance Committee recommends that, instead of dropping the exemption entirely, a quota system be invoked that would limit the territories to 1,500,000 watch movements annually. Guam's share of that total has been suggested as 330,000 watches, or 22%.

Actually, there are five companies operating on Guam in this field, employing 150 Guamanian women and giving us the beginnings of the viable economy for which we have so long aspired that would some day make us independent of the fluctuations of military activity, which today dominates the economy of our island.

The largest of our watch companies already is producing 2,500 watches a day and is geared for further expansion. The other companies are programmed for similar capacities. Even for that one company, its present annual rate is 600,000 and to be given only a recommended quota of half that number would mean dropping a number of employees and shutting down some of

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the equipment in which the companies have invested.

The original intentions of the exemptions provided by law for the island possessions were to encourage appropriate economic development in these areas. Moreover, this type of light industry is cited as one of the major recommendations of the economic study of Guam called for in Public Law 170 of the 88th Congress. It is difficult to believe that the Senate Committee would wish to propose action counter to the program set up in P. L. 170.

With our own limited industrial activity, these figures loom much larger on Guam than they might appear here in the Capital, where we are accustomed to larger perspectives, and they are equally important to our people as promises for the future.

We shall appreciate greatly any assistance you can provide toward remedying this difficult situation and in supporting an improved Senate version in the conference with the House of Representatives.

With best personal regards,

Sincerely,

A. B. Won Pat  
Washington Representative

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