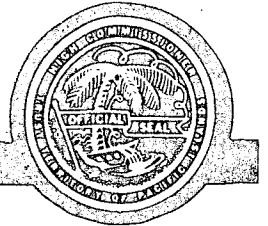


# PRESS RELEASE



## TRUST TERRITORY OF THE PACIFIC ISLANDS

Office of the High Commissioner

Saipan, Mariana Islands

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Marianas

### INTERIM COMMITTEES REVIEW CONSTRUCTION AND ECONOMIC PROGRAMS

Saipan, Mariana Islands, Trust Territory of the Pacific Islands, Feb. 24 . . . The Interim Committees of the Congress of Micronesia continued their hearings this week with representatives of Resources and Development and Engineering and Construction testifying.

Yap

Assistant Commissioner for Resources and Development Paul L. Winsor and members of his staff appeared before the Interim Committees on behalf of the Trust Territory administration's economic development program. The Committees were concerned with the practice of marketing copra in Japan when other buyers were offering better prices. Mr. Winsor said that while there are markets in the United States, South America and Europe it was still advantageous to sell in Japan due to the lower freight rates from Trust Territory ports to Japan.

Ponape

Marshalls

Yap

The Committees noted that the Territory is presently purchasing copra at three different price levels and requested an explanation for this policy. In reply, Eusebio Rechucher, Chairman of the Copra Stabilization Board, told the Congressmen that the three-price policy is to encourage Micronesian producers to produce high premium copra. Thus far, Trust Territory copra has been sold on the world market at premium prices.

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Palau

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In reply to a question regarding the sources of money for the Copra Stabilization Fund, Mr. Winsor explained that it was made up of that part of the earnings retained from the sale of copra after selling expenses and distribution to the copra producers at the purchase price established by the Board. In the same manner, the Board absorbs the losses incurred when the market is down. He also suggested to the Congressmen that they might wish to consider the impact on revenues available to them before contemplating a reduction in the copra export tax from 10% to 5%.

The Interim Committees continued their concern with economic development in the Territory by raising the possibility of transferring portions of the Economic Development Loan Fund to the districts. Economic Development Loan Fund Executive Secretary Crawford Bates stated that although some delays in the processing of loans have been experienced in the past, new policies and procedures have been established to rectify this situation. The limited size of the fund and the lack of qualified personnel in the districts to administer loans prevent the transfer from being made at this time.

Testifying for the Department of Agriculture, Leo Migvar gave a brief summary of agriculture activities throughout the Trust Territory. After summing up the agriculture programs conducted in each district, Mr. Migvar informed the Committees members that his department has been active in sending Micronesians for training in different aspects of agriculture.

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Later in the day, the Interim Committees turned their attention towards the Territory's Construction program. Chief Engineer Howard Waite answered questions ranging from construction of Ponape Airfield to building a causeway between Maap-Rumung and Tomil Municipalities in Yap and a bridge between Airai and Koror in Palau.

In reply to the question as to why the Metalanim airfield construction site in Ponape was abandoned in favor of the present site after so much money had been expended, Mr. Waite said that because Federal Aviation Agency authority did not officially extend to the Trust Territory, the Government's primary concern was the quickest and cheapest airport construction. Later, however, when the final cost of the Metalanim site became known, and the opinion of Federal Aviation Agency was of more concern to the Trust Territory, the present site of Takatik was selected; Federal Aviation Agency having already approved this site. He gave  $1\frac{1}{2}$  to 2 years as a probable time for the completion of the airfield due to the small dredge being used at present, provided funds for project continuation are available. A bigger dredge, he said, could finish the job in the neighborhood of 9 months to a year, but there are no funds at present for its purchase.

A bridge and causeway to connect Maap-Rumung and Tomil in Yap might cost approximately \$200,000; the money has not been allotted according to Mr. Waite.

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Commenting on the possibility of building a bridge between Airai and Koror, Mr. Waite said the channel was too deep to bridge within reasonable cost. Since the channel should be left open for navigation reasons, a better ferryboat system is all that could be considered at the present time.

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