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CARLOS G. CAMACHO
GOVERNOR

[8/74] received
Sept 10.
file
Guam

TERRITORY OF GUAM
OFFICE OF THE GOVERNOR
AGAÑA, GUAM
U.S.A.

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Y

Mr. Webster Otis
Special Assistant to the
Secretary
U.S. Department of the Interior
Pacific Southwest Region
Box 36098, 450 Golden Gate Avenue
San Francisco, California 94102

Dear Mr. Otis:

We were shocked when we saw your Regional Director's letter dated August 19, 1974 (enclosure 1), to the Honolulu District, Corps of Engineers on our Agaña Sewage Treatment Plant. This letter was in response to the Corps of Engineers' letter to you dated June 10, 1974 (enclosure 2), and your referral to the Regional Director on June 18, 1974 (enclosure 3). Let me review the chronological events that took place and the tribulations we had on this project in the past.

The issue raised in the Fish & Wildlife Service letter is nothing new. As stated by your Regional Office, the same issue was raised in September 1972. After consultation with other key departments, such as the Department of Agriculture (Fish & Wildlife), Land Management, and Public Health and Social Services; the Chief Officer of the Public Utility Agency of Guam wrote to Mr. William Monroe on November 17, 1972 (enclosure 4), clarifying the points raised. On January 3, 1973, Dr. Carpenter, Office of Territorial Affairs, wrote to you on the same subject (enclosure 5) requesting that you reconsider the application in light of the additional information provided.

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U.S. DEPT. OF THE INTERIOR
SEP 10 1974

Mr. Webster Otis
Page 2

You were kind enough to take time in January 1973 (enclosure 6), to go into details of this project and decided that "it appears that the best judgment that can be made now on behalf of the Guam environment is to permit the plant construction to proceed, including the construction of the artificial island for the plant site."

On June 14, 1973, Dr. Carpenter reviewed all the pertinent comments and information and recommended that the Under Secretary approve the island site (enclosure 7). On July 27, 1973, Mr. John G. Whitaker, Under Secretary of the Department of Interior, finally resolved the controversy by approving the dredge and fill application (enclosure 8). This decision was further confirmed by Mr. W. W. Lyons, Deputy Under Secretary of the Department of Interior, on August 14, 1974 (enclosure 9), in a letter to me. Further reinforcing the decision of the Department of Interior, submerged land permit #4 was issued on October 15, 1973, and I accepted the submerged land for the island site on October 30, 1973 (enclosure 10).

Now we are sure that you can understand why we were shocked to see your Regional Director's letter of August 19, 1974. Probably, it was an oversight on somebody's part or the Under Secretary's decision has not filtered down to all concerned. However, a letter from you to the Corps of Engineers will straighten out the matter and would be appreciated very much.

I am sure you are aware of the continued pollution of Agana Bay by raw sewage discharge. Recently, we recorded a cholera death in the territory and isolated cholera organisms in Agana Bay from half a dozen sampling points. Now the Bay has been closed for swimming and fishing. We must treat the wastes as soon as humanly possible. Each day this project is delayed, we are losing \$2,000/day and at the same time subjecting the people of Guam and visitors to Guam to economic, environmental, and health hazards.



Mr. Webster Otis
Page 3

We hope to announce the approval of the Army Corps by the end of this month. This project is delayed only for lack of a favorable response from you.

Your immediate action in issuing a clearance for an Army Corps Permit, preferably by cable, would be appreciated very much.

Sincerely yours,

Enclosures

CC: Mr. Norman Ross
Domestic Council
The White House
Washington, D.C.





UNITED STATES
DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
~~BUREAU OF SPORT, FISHERIES AND WILDLIFE~~

1500 N. E. IRVING STREET
P. O. BOX 3737
PORTLAND, OREGON 97208

Reference: RBS

AUG 19 1974

District Engineer
Honolulu District, Corps of Engineers
Building 96, Fort Armstrong
Honolulu, Hawaii, 96813

Re: 1023-S
Agana, Guam
Agana Sewage Plant

Dear Sir:

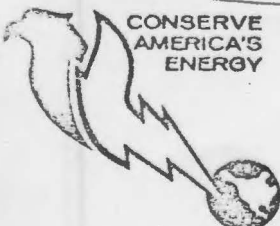
This provides additional comments on referenced public notice for a permit to create a fill for the Agana Sewage Treatment Plant in Agana Harbor, Guam.

Our evaluation of the proposal to create a 7-acre fill within the marine environment for placement of a primary sewage treatment plant has not changed since our initial comments dated September 6, 1972. We cannot condone the loss of this 7-acre marine environment to a non-marine facility; as previously stated, activities of this type can be placed on upland area. However, we do agree a sewage treatment plant is needed.

Of the five selected sites for the treatment plant, Island Site I is the most destructive to the marine ecosystem. This fill and the alterations occurring with the construction of the adjoining boat basin will remove approximately 50 acres of marine environment. We believe this is excessive, especially when the facility can be land based.

Even though Island Site II is not as destructive as Site I, adversities will occur in the marine ecosystem. It appears that the primary reason for selecting the inwater sites is the absence of the land costs associated with the water location.

In reference to the potential problems of odors associated with the Paseo I and II sites, and the Agana Swamp Site, the Environmental Protection Agency has stated, "Properly operated, the facility should release no nuisance odors." In view of this, we believe an upland site should be selected to preserve Guam's valuable and limited marine environment for future marine uses. It is our opinion that the most



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UNITED STATES
DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE

desirable location from a natural resource and esthetic standpoint would be the Agana Swamp, since the natural values of the swamp have been destroyed by previous landfill operations. With the Agana Swamp ruined, approximately 43 acres lost to the proposed Agana Harbor Boat Basin, swimming areas in Tumon Bay dredged, and the more than six marinas recently developed and/or under construction in the Merizo area, it is no wonder that Guam's inshore marine resources are being affected. It is our opinion that the demand for marine areas will continue and that inwater sites must be preserved for legitimate marine-oriented activities.

In summation, the creation of the sewage treatment plant in either of the two marine areas will adversely affect the fish and wildlife resources and result in the gradual long range destruction of Guam's marine environment. We therefore continue to object to Island Sites I and II.

Sincerely yours,

Don Reese

for / Regional Director

cc:
Asst. to Sec., Webster Otis
Dir., Territorial Affairs,
Wash., D.C.
NMFS, Terminal Is. & Honolulu
Attn: J. Naughton
EPA, San Francisco
Governor of Guam.



*Rec'd by Col. Edelstein
LTC. O. O. O.*

UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

PACIFIC SOUTHWEST REGION
BOX 36098 • 450 GOLDEN GATE AVENUE
SAN FRANCISCO, CALIFORNIA 94102
(415) 556-8200

ENCLOSURE 2

6-24

June 18, 1974

Memorandum.

To: Regional Director, Bureau of Sport Fisheries and
Wildlife, Portland, Oregon

From: Special Assistant to the Secretary

Subject: Agana sewage treatment plant, Guam

Attached is an inquiry I received recently from Col. Leonard Edelstein, District Engineer, Corps of Engineers, Honolulu, regarding the Department's final position on the Corps permit for offshore fill for the Agana sewage treatment plant, Territory of Guam.

Since comments on applications for Corps permits are now prepared in your office, please reply to Colonel Edelstein. I would appreciate receiving a copy of your correspondence. Thank you for your assistance.

Webster Otis

Webster Otis

cc: Colonel Leonard Edelstein, Corps of Engineers, Honolulu
Fred Radewagen, Office of Territories, DOI, D.C.



PODCO-O

10 June 1974

Mr. Webster Otis
Secretary's Field Representative
U. S. Department of the Interior
Pacific Southwest Region
450 Golden Gate Avenue
San Francisco, California 94102

Dear Mr. Otis:

Our Public Notice No. PODCO-O 1123-S (copy inclosed) was issued on 26 May 1972 concerning the offshore fill for the Agana sewage treatment plant, Territory of Guam.

I received a letter from your predecessor, Mr. William M. Monroe, dated 15 September 1972, stating that the Bureau of Sport Fisheries and Wildlife objected to the offshore location of the plant. I also received a copy of a letter dated 14 August 1973 from Mr. William W. Lyons, Deputy Under Secretary of the Interior, to Governor Camacho of Guam stating that the permit would be recommended for approval subject to agreement upon stipulations which would mitigate the impact on the shore and marine environment.

I would appreciate being informed of the Department of the Interior's final position on this project and the stipulations for mitigating impact referred to in the 14 August 1973 letter.

Sincerely yours,

1 Incl
As stated

LEONARD EDELSTEIN
Colonel, Corps of Engineers
District Engineer

Copies furnished: wo incl
Bureau of Sport Fisheries and Wildlife, Portland, OR
Bureau of Sport Fisheries and Wildlife, Honolulu, HI



NOV 17 1972



Mr. William H. Munroe
Special Assistant to the Secretary
United States Department of
the Interior
Office of the Secretary
Pacific Southwest Region
Box 36008, 450 Golden Gate Avenue
San Francisco, California 94102

To	Date
Asst. Dir.	
Adm. Serv.	
Ext. Aff.	
Files & Com.	
Gen. Inv.	
Ident.	
Int. Aff.	
Lab.	
Legal Coun.	
Plan. & Insp.	
Rec. Mgmt.	
Tech. Serv.	
Training	
Off. of Cong. & Public Affairs	

X-copy sent to WPC

Dear Mr. Munroe:

Reference is made to your letter dated September 15, 1972, regarding your objection to the location of Agana Treatment Plant on an island-fill in the Agana reef flats.

The Public Utility Agency of Guam is cognizant of your objection and appreciates your concern attributable to an irretrievable and irreversible commitment of resources. This holds true in the continental United States and perhaps to large island republics with vast inland resources. Here on Guam owing to its size (212 square miles) with rugged physical features and the Armed Forces utilizing one third of its total area, (almost all flat lands) we are of the opinion that additional commitment of uplands will be detrimental to the economy of the island.

It is therefore, with due respect to your opinion and/or point of view, that reclamation of the island-site from the sea will have more positive effects rather than negative results to Guam. True, the after-effects of this location may be at odds with some of the island resources, however economic benefits to be derived from it will more than off-set the former.

Other reasons in support of the aforementioned are as follows:

1. A sewage treatment plant located inland will create negative economic value to adjoining lands, thus depriving the long-term productivity of the immediate vicinity;
2. Utilization of available Government land in Agana would expose the city's population, including the Government House and the U. S. Naval Hospital complex, to air pollution - a direct result of unavoidable failure of treatment facilities and effect of the prevailing winds;



3. A location off the greater Agana limits will require excessive use of pumping devices, force mains, a new out-fall, oceanographic studies, and a considerable time delay - the expense of which does not fall within the Agana Treatment Plant's budget;
4. The key to the implementation of "A Plan for the Integrated Wastewater System for Guam" is the Agana Sewage Treatment Plant, without which, will retard Government of Guam's program for up-grading water quality for at least five years.

The aforesaid will result in losing a total project cost of \$7.4 million, should the United States' Environmental Protection Agency (EPA) withdraw approved grants due non-compliance of time commitment.

Further to the foregoing, statements from the Government of Guam's Fish and Wildlife Division of the Department of Agriculture are enclosed herewith for your information.

It is hoped that positive steps may be acted upon in favor of the Agana Treatment Plant's present proposed location.

Sincerely yours,

/S/ JOHN T. SAN AGUSTIN

JOHN T. SAN AGUSTIN
Chief Officer
Public Utility Agency of Guam

Enclosures

cc: Department of the Army
Honolulu District
Corps of Engineers
Building 96
Fort Armstrong
Honolulu, Hawaii 96813
Department of Public Health
and Social Services ✓
Department of Agriculture
Department of Public Works
Bureau of Planning,
Budgeting & Management
Governor of Guam
Engineering U/H



Jose T. Barcinas
DIRECTOR

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PUBLIC UTILITY AGENCY



AGANA, GUAM 96910

ADMINISTRATION
Animal Industry Division
Consumer & Marketing Service
Extension Service Division
Fish & Wildlife
& Forestry Division
Maintenance & Equipment
Service Division
Plant Industry Division
Veterinary Service Division
Farm Loan & Land Lease
Animal Quarantine Station
Guam Farmer's Co-op

772-6866

November 9, 1972

Memorandum

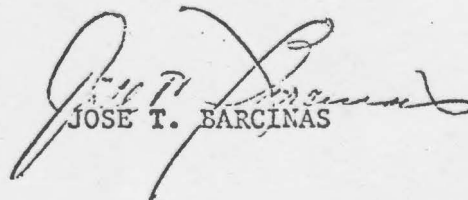
To: Chief Officer, Public Utility
Agency of Guam

From: Director, Department of Agriculture

Subject: Agana Treatment Plant Site

We have reviewed the Department of Interior statement regarding Public Notice PODCO-0-1023-S Application for a Permit to Construct a Primary Treatment Plant in Agana Bay. Attached you will find our rebuttal statement which we have addressed to Mr. John D. Findlay, Regional Director, Bureau of Sport Fisheries and Wildlife, Department of Interior.

If you prefer, we can make changes to the statement so that it would be addressed to you or whoever you would like to have it addressed to.


JOSE T. BARCINAS

Attachment





GOVERNMENT OF GUAM

AGANA, GUAM

November 8, 1972

Mr. John D. Findlay, Director
Region One, Bureau of Sport
Fisheries and Wildlife
P.O. Box 3737
Portland, Oregon 97208

Dear Mr. Findlay:

I am in receipt of your Memorandum addressed to Field Representative, Office of the Secretary, United States Department of Interior, San Francisco regarding Public Notice PODOO-C-1023-S Application by the Public Utility Agency of Guam, Government of Guam, for a Permit to Construct a Primary Sewage Treatment Plant at Agana Bay, Guam (CE, Honolulu).

The statement that you signed (I presume it was prepared by someone from your River Basin Studies Division) has a lot of generalities with practically no specifics dealing with the proposed sewage treatment plant site and the effect that it will have on the ecology of the area. A Mr. Jerald Strochale had visited Guam after we had received your Memorandum on the Agana Sewage Treatment Plant site and he apparently was here to look over the proposed Piti Power Plant site. As far as I know, no one from your office arrived on Guam to check on the Sewage Treatment Plant site. Both as Chief, Division of Fish and Wildlife and as Chairman of the Guam Water Pollution Control Commission, I would normally have had contact with anyone trying to obtain information regarding the treatment plant site.

Before rebutting the contents of your statement, may I say that no matter where we locate the sewage treatment plant, there will be objections to the location either from the ecological point of view or from the point of view of air pollution or from property owners who feel that the proximity of a sewer plant will devalue their property. There are very limited amount of Government land available near Agana that would be suitable. Three alternate on-land sites in Agana were considered. One of the three sites was the Agana swamps, but the proximity of residences and other public facilities downwind of the prevailing wind conditions negated this site. The other two sites were located in a prime recreation area where tennis courts, basketball courts, youth building and baseball field are located. A Government area that is in an upland site overlooking Agana is a historical park site abutting the Governor's

mansion and we have no chance of converting this area into a sewage treatment plant site. Another site located about a mile outside of Agana was considered but this would have entailed the relocation of the Adelup Elementary School.

We could locate the plant (away from Agana) in an upland areas as you suggest if we move away from the Agana area but this will entail designing a new interceptor system, involving pumping stations, force mains etc. that will cost us many millions of dollars extra. We could locate the site about 5 miles away from Agana but this will cost us a minimum of \$2 to \$3 million to relocate. This would be the site near the proposed Piti Power Plant located in a water front area.

All in all, the construction of the Agana treatment plant is the key-stone to the release of funds for sewage systems involving the villages of Yona, Mangilao, Barrigada, Chalan Pago and Yigo. Until the Agana treatment plant is put out to bid, the above named village sewer systems will be held up, resulting in possible pollution of drinking water and holdup or loss of EPA funding. Approximately 40 percent of our proposed Island sewage system plans will be hinging on the Agana Treatment Plant finalization. We are presently only 15 percent complete in the implementation of our sewerage plans for the whole island, military and civilian communities included. As it is true in practically all communities, funding is the major problem.

Rebuttal of Statement by Paragraph:

Paragraph 2:

1st Sentence: The shoreline is at least 64 miles long and the reef areas in most areas are about 1/4 mile wide; the total reef area is estimated to be approximately 12,000 acres.

2nd Sentence: Not all areas harbor numerous marine fishes and organism and not all shoreline areas are a nursery ground, nor ground for feeding or resting. These conditions vary from area to area and has to be checked separately before such a statement can be made. The proposed site has been checked and evaluated and it is not a nursery ground and harbors no unique flora or fauna. The calculated fish standing crop averaged over the last 5 years is 40 pounds per acre. This compares very poorly against one of our more productive reef areas (Ipao) which averages 329 pounds per acre for the same 5 year period.

3rd Sentence: Migratory shore birds do use the shoreline in various areas but the proposed site will cause an increase of shoreline and will produce more areas for birds to seek food rather than detract from it.

4th Sentence: We are in agreement that we may have some adverse effect, if the site is constructed in such a way that fish habitat or ecological conditions are disregarded. Recommendations toward inflicting minimum amount of such damage will be made. Some alteration in the area caused by rip rap and boulders buttressing the causeway and islands will provide fish shelter that presently is very minimal. The engineering plans must provide for adequate circulation of the water and we will insist that this be adhered to.

Paragraph 3:

1st Sentence: Can your writer give us the specifics of what shoreline developments, filling and dredging that he is referring to so that we can agree or disagree with this statement. This statement has the effects of an innuendo.

2nd Sentence: This sentence is generally true and for this very reason we are "trading off" or giving up the minimal production of the proposed site so that other reef areas will be benefited by the treatment plant that is in question.

3rd Sentence: I am not aware that we have available such data from which we can make such a positive statement.

5th Sentence: For your information, due to the detrimental effects of the weirs, we have been purposely cutting down on the number of fish weirs allowed in the reef areas. It is a traditional method of fishing and because of this, we have not been able to totally eliminate this method of harvesting fish in the inner reef areas. We have eliminated more than half of the weirs since 10 years ago. The throw-net fishing has been declining because the younger men are not taking up this technique. They prefer to try their hand at using the spinning reels instead. The surround net has been replaced in part by the cheaper and easier to handle monofilament gill nets. Our latest fish transect data included in the Job Progress Report FW-2-R-3, Job No. F-1 shows a general increase in the standing fish crop in 3 of the 5 stations transected over the period 1963 to 1971. The two transects in the Mexizo area showed an increase up to 1970 and dropped in 1971. This is the general area where 81% of our fish weirs are located. Also, we have had the effects of the Crown-of-thorn starfish disturbing much of the reef habitat and we have no research data available that could help us determine the effects that can be attributed to the damage on the coral reef and the subsequent effects on the fish standing crop caused by the starfish.



Sentence 7: We are not aware of any data that indicates the trend that the writer is referring to. Could your writer quote and supply us with the data on which this statement is based on?

Paragraph 4:

The conclusions reached in paragraph 4, I presume are based on the statements made in paragraph 2 and 3 which we have rebutted and which you should re-evaluate. The rejection of the selected site was made without in-depth investigation of the total problem that we are faced with on Guam. Land is very expensive in Agana, there are no sites available in the upland position behind Agana, and the cost factors of putting in new interceptor systems for the area concerned would put us further back in our quest to improve the environment for man and natural resources as stated in sentence 3 of this paragraph.

In Sentence 2, you state that "Improved water quality, as a result of treatment, will be a benefit to fish and wildlife resources". We have evaluated the Agana Treatment Plant problem and find that there is a minimum amount of damage inflicted on the natural resource but the benefit derived will more than outweigh the loss, if any. I am of the opinion that with proper engineering and construction, we will be able to either maintain the present level of production of the area or increase it.

Sentence 7:

As stated in this sentence, you will very likely endorse approval of the Marina that has been master-planned for this very same area. The request for a construction permit to dredge, fill and construct a causeway for this marina will be forthcoming. The primary reason that prompted the scrutinization of the same area to include a sewage treatment plant was due to the contemplated plans for the creation of this filled area for the construction of the marina and other water oriented facilities in Agana Bay. If the fill area was to be strictly for the siting of a sewage treatment plant, we would have also recommended against it.

Sentence 9:

Many of Guam's villages are located along the seashore and if we are to take advantage of gravity flow of the sewage, it would be very impractical to locate the sewage treatment plants in the upland area as suggested.

The Agana Treatment Plant which will cost approximately \$3.9 million, is the focus for the islands central sewage disposal system. The present collection and interceptor system ends up at pumping stations located on Marine Drive and the outfall was installed about 5 years ago. If we were planning the development of the villages from scratch and the collection and disposal of the human wastes from scratch, it would probably be feasible to locate the plant in an upland area.



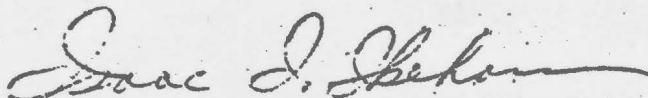
Sentence 13:

The disposal of human wastes on Guam will continue to be a Marine associated development for a long time yet to come and we are cognizant of the effects of untreated wastes on the natural resources of Guam. Whether we like it or not, human waste water will be treated and disposed of into the Marine habitat and by necessity caused by the location of many of the villages near the shoreline, sewage treatment plants would be located generally near the shoreline. We do not anticipate placing any of the other planned treatment plants on tidal lands. The city of Agana treatment plant site problem is a special case. In the city area the cost of land ranges from \$50 to \$75 per square meter. The 5 to 6 acre area needed will cost us at least \$1.4 million; even at this price suitable land is not readily available.

I feel strongly that the benefits to the community far outweigh the minimal environmental damage that is anticipated, especially if we consider the eventual expansion of the Agana Boat Basin into a Marina and hopefully a Marine Aquarium eventually.

I am hopeful that you will re-evaluate the problem in the light of our rebuttal statement. We do hope to hear from you soon for the matter is of an urgency nature.

Sincerely yours,



ISAAC I. IKENHARA
Chief, Division of Fish
and Wildlife
Chairman, Guam Water Pollution
Control Commission



SEP 25 2 57 PM '72

PUBLIC UTILITY AGENCY

21 September 1972

PODCO-O

Chief Officer
Public Utility Agency of Guam
Government of Guam
P. O. Box 3010
Agana, Guam 96910

*For L
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Kobier*

Dear Sir:

Inclosed is the copy of a letter from the Department of the Interior with inclosure dated 15 September 1972 in response to our Public Notice No. PODCO-O 1023-S.

Please furnish the Department of the Interior the information requested and furnish us a copy of your reply.

Sincerely yours,

1 Incl
As stated

David L. Robbins
for EVERETTE A. FLANDERS
Chief, Construction-Operations
Division





UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

PACIFIC SOUTHWEST REGION
BOX 36098 • 450 GOLDEN GATE AVENUE
SAN FRANCISCO, CALIFORNIA 94102
(415) 556-8200

September 15, 1972

Colonel Leonard Edelstein
District Engineer
Honolulu District
Corps of Engineers
Building 96, Fort Armstrong
Honolulu, HI 96813

Colonel Edelstein:

This responds to your Public Notice PODCO-O 1023-S,
an application by the Public Utility Agency of
Guam for a permit to construct a primary sewage
treatment plant at Agana Bay, Guam.

The Department of the Interior endorses the purposes
of this project but objects to the location of the
plant (on an island in the inner reef area to be
constructed by diking and filling). Guam's limited
shoreline resources should not be irrevocably committed
to uses such as this which can and should be located
on land.

Please withhold approval of this permit. If the
applicant can demonstrate that no upland site is avail-
able for the plant, this Department and the Bureau
of Sport Fisheries and Wildlife will reconsider this
application. Please refer to the enclosed memorandum
report of the Regional Director, Bureau of Sport
Fisheries and Wildlife, for additional information
and comments.



Colonel Leonard Edelstein

Page 2

September 15, 1972

Your continuing cooperation in such matters is appreciated.

Sincerely,
William M. Monroe

William M. Monroe
Special Assistant to the Secretary

cc: Assistant Secretary for Program Policy, USDI
Attn: Director, Environmental Project Review
Regional Director, BSF&W, Portland
Supervisor, RBS, BSF&W, Portland
Wildlife Administrator, HINWR, BSF&W, Hawaii
District Chief, USGS, Hawaii
Gen. Supt., NPS, Hawaii
Regional Director, BOR, San Francisco
Regional Administrator, EPA, San Francisco
Dir., Div. of Fish and Game, State Dept. of Land
and Natural Resources, Hawaii
Div. Engr., Pacific Ocean Div., CE, Hawaii
Area Director, NMFS, Hawaii

Enclosure





FISH AND WILDLIFE SERVICE
BUREAU OF SPORT FISHERIES AND WILDLIFE

11 SEP 1973

Initials

Reference: RBS

1500 N. E. IRVING STREET
P. O. BOX 3737
PORTLAND, OREGON 97208

MEMORANDUM

To : Field Representative, Office of the Secretary,
Pacific Southwest Region, USDI, San Francisco

From : Regional Director, BSWF, Portland

Subject: Public Notice PODCO-O 1023-S - Application by The Public
Utility Agency of Guam, Government of Guam, for a Permit
to Construct a Primary Sewage Treatment Plant at Agana
Bay, Guam (CE, Honolulu)

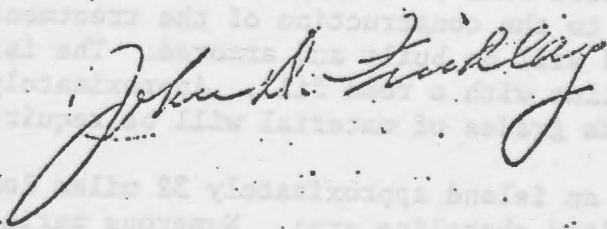
We understand the applicant proposes to construct a primary sewage treatment plant on created fill within the inner reef area of Agana Bay. The project will include primary settling tanks, a flow measuring device, an effluent pumping station, an operation building, and an emergency power generation plant. The existing outfall and diffusion structure will be incorporated into the design of the new facilities. Prior to the construction of the treatment plant, an artificial 5 acre island will be built and armored. The island will be connected to the shoreline with a road fill. Approximately 175,000 cubic yards of various grades of material will be required.

Guam, an island approximately 32 miles long by 4 to 8 miles wide, has a limited shoreline area. Numerous marine fishes and organisms utilize the reef along the shore as a nursery, and for feeding and resting. Migratory shorebirds use the sloping beaches during the nonbreeding season. Any alteration of the natural shoreline or filling within the marine environment will have adverse affects on fish and wildlife resources.

In previous years, Guam's shoreline and inner reef areas have been drastically altered through filling, dredging, and shoreline developments. Untreated sewage and other wastes have added a stress to the reef area by degrading water quality. These environmental changes have and are exhibiting a definite adverse effect on fish and wildlife resources. The effects these inshore alterations are having on the traditional island fishery is of additional concern. Weir, surround net, and throw-net fishing within the inner reef areas were the main methods of obtaining fishery resources. These traditional fishing methods are gradually declining due, in part, to the reduction of fish resources resulting from habitat alterations. If the past trends that have altered the marine environment continue, Guam's inner reef resources will be eliminated.

Applicant's proposal to construct a primary sewage treatment plant is commendable. Improved water quality, as a result of treatment, will be a benefit to fish and wildlife resources. We are definitely in favor of plans and programs that will improve the environment for man and natural resources. However, the selected site location within the inner reef area is not desirable. As previously stated, the marine shore environment is limited in area. We believe the only developments that should be permitted within this zone should be those demonstrating need for a waterfront location. Developments that are in this category would include marinas, drydocks, harbors, and piers. These structures cannot normally utilize upland locations. Activities that do not require an inwater development site would include hotels, residences, supermarkets, parking lots, and sewage treatment plants. These structures can and must be located on upland sites to preserve the valuable, limited marine shore-front for fish and wildlife use and future marine developments. We have previously stated our position on filling in a letter to the Honolulu District Corps of Engineers, dated March 16, 1972. The letter concerned the proposed filling for this treatment plant in relation to the Agana Small Boat Basin Plan. Our position remains the same, as we do not feel filling in waters for nonmarine associated developments is desirable.

In summation, we are in agreement with the proposal that a sewage treatment plant is needed in this general location on Guam. Treatment of sewage will improve water quality. However, we do not believe the plant should be constructed on a created land fill within the inner reef area. We recommend the project be held in abeyance until the applicant relocates the plant site to an upland area.



cc:
RBS, PAO
RBS, Wn., D.C.
Wildlife Admin., Kailua
EPA, S.F.
NMFS, Terminal Is., CA



ENCLOSURE 5

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

Dear Mr. Otis:

As you are aware, the Government of Guam has been planning for a considerable period of time to build a new primary sewage treatment plant for the Agana area of Guam. The most suitable location in the view of the officials of the Governor's staff, including his Chief of the Division of Fish and Wildlife, has been on an island-fill in the Agana reef flats.

On September 15, 1972, based largely on an analysis prepared by the Office of the Regional Director, Bureau of Sport Fisheries, Portland, Oregon, Mr. William Monroe recommended to Col. Leonard Edelstein, District Engineer, Honolulu District, Corps of Engineers, Honolulu, that, while the Department endorsed the proposal, it objected to the reef location and requested that approval of the permit be withheld. A copy of Mr. Monroe's letter is enclosed.

We fully concur here with the general thesis set forth by the Regional Director of the Bureau of Sport Fisheries on the need to conserve Guam's limited shoreline resources. I know that Governor Camacho and his staff hold a similar opinion, and we are grateful to Director Findlay for his general comments. The Island of Guam, however, by nature of its remoteness, has very special problems with respect to analysis of Environmental Impact Statements. Rarely can a team of field men or even individual staff members from various Interior offices make on the spot investigations and the resultant long-distance analyses often do not reflect the special circumstances which may exist on the island of Guam. This was the reason why I had Mr. John E. deYoung, Guam Desk Officer on my staff, meet with you last week in San Francisco to discuss how best to handle "Environmental Impact Statements" from Guam. Mr. deYoung was stationed in Guam for six years and has considerable firsthand knowledge of local conditions. He fully supports the statement of Mr. Ikehara, Chief of the Division of Fish and Wildlife, Government of Guam, prepared in answer to the pertinent questions raised by Director Findlay. A copy of Mr. Ikehara's letter also is enclosed for information.

cc: Hon. Carlos G. Camacho
Governor of Guam
with enclosures

CC: PW - PUA - PIT - LM - OICC

Since Mr. Monroe's letter of September 15, 1972, indicated that the Department and the Bureau of Sport Fisheries and Wildlife would be willing to reconsider the application, I support Governor Camacho's application that reconsideration be given to his original request on this project.

Sincerely yours,

(sgd) Stanley S. Carpenter

Stanley S. Carpenter
Deputy Assistant Secretary
for Territorial Affairs

Mr. Webster Otis
Field Representative
Office of the Secretary
Department of the Interior
Pacific Southwest Region
Box 36098, 450 Golden Gate Avenue
San Francisco, California 94102

Enclosures



UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

PACIFIC SOUTHWEST REGION
BOX 36098 • 450 GOLDEN GATE AVENUE
SAN FRANCISCO, CALIFORNIA 94102
(415) 556-8200

January 23, 1973

Mr. Stanley S. Carpenter
Deputy Assistant Secretary
for Territorial Affairs
U. S. Department of the Interior
Washington, DC 20240

Dear Mr. Carpenter:

Your letter of January 3 regarding the Agana treatment plant arrived at a propitious time. In recent weeks, we have been discussing this project, in the context of reviewing Corps of Engineers Public Notice No. PODCO-O 1023-S, with personnel of the regional office of the Environmental Protection Agency here in San Francisco and with our Bureau of Sport Fisheries and Wildlife field biologists in Honolulu. Then, fortunately, Dr. O. V. Natarajan, Administrator, Guam Water Pollution Control Commission, of the Government of Guam visited San Francisco this week.

We met with Dr. Natarajan and Environmental Protection Agency personnel in my office on January 17. We reviewed the treatment plant project's entire history.

This extends back at least to 1967, when the concept of an offshore sewage plant site was recommended in an extensive Agana Waterfront development scheme which also calls for other artificial islands in the same area for recreation and related public purposes. These are important elements of the Guam outdoor recreation plan published in 1967 by the Territorial Planning Commission. Funds for producing the plan were provided by the Bureau of Outdoor



Recreation. (Incidentally, the original logical site for the plant was on beach property nearby which had been granted or transferred to Guam by Interior for recreation purposes.)

Dr. Natarajan and the Environmental Protection Agency representatives also explained the necessity for moving ahead on the plant to improve sewage treatment systems in the growing Agana area. Costs are rising due to inflation and these are increased by further delay. Lead time is needed to order plant equipment, and there are other funding complications. The other complications include a compliance schedule which the Environmental Protection Agency has directed Guam to comply with.

Mr. Maurice Taylor, Supervisor, River Basin Studies, Bureau of Sport Fisheries and Wildlife, Hawaii is now reviewing the Bureau of Sport Fisheries and Wildlife and Department of the Interior positions opposing the offshore location (letter and memorandum report submitted to Colonel Edelstein on September 15, 1972). Mr. Taylor will forward his comments to Regional Director John D. Findlay, Bureau of Sport Fisheries and Wildlife, Portland, for submission to my office. En route to San Francisco from Guam last week, Dr. Natarajan conferred with Mr. Taylor, so Mr. Taylor has also been informed of the history of the plant's island concept and given additional information useful in re-evaluating our initial objections to the plant.

It appears that the best judgement that can be made now on behalf of the Guam environment is to permit the plant construction to proceed, including the construction of the artificial island for the plant site.

However, Mr. Taylor has the most specific knowledge regarding the project's short and long-range effects, and I will await the memorandum report yet to come from Mr. Findlay's office before submitting further comments on



our position to District Engineer Edelstein. I will forward copies of my letter to you, as well as to Dr. Natarajan or to Mr. Isaac I. Ikehara.

Dr. Natarajan pointed out that clearing the Corps of Engineers permit is only one of two Interior actions needed to move the Agana treatment plant project along. The other action is to provide the submerged land site, by transfer or other device, to the Government of Guam. Please refer to the letter of May 17, 1972 from Governor Camacho to you, copy enclosed, on this question. Please advise if there is any way in which my office may assist you in this action.

Please note in Governor Camacho's letter that Guam is seeking at this time only the offshore land necessary for the sewage treatment plant site. This is important because of the proposed extensive filling for other offshore islands in the adjacent reef areas of the Agana shoreline, as described in the 1967 plan. For example, a draft environmental statement is now being circulated by the Corps of Engineers, Pacific Ocean Division on the proposed Agana Small Boat Harbor. This project includes construction of breakwaters and other works on the adjacent reefs.

Thus, with the exception of the land needed for the Agana treatment plant, I do not recommend transfer of any offshore lands or tidelands in the Agana area until the Department has reviewed specific plans and purposes, and approved them, through the Corps of Engineers permit review program or some other review process. As you know from the situation on the treatment plant permit, the Bureau of Sport Fisheries and Wildlife is very concerned about the commitment of any more reef habitat surrounding Guam, regardless of the public purposes which may be served, until an acceptable shoreline protection and development plan has been developed.



-4-

This same issue came up recently on the Cabras Steam Power Plant project on Guam. This also required an off-shore location, and the sacrifice of reef habitat.

I will reply further to you after receiving Mr. Findlay's memorandum report.

Sincerely,

Webster Otis

Webster Otis
Secretary's Field Representative

ccs: Mr. John Findlay, Regional Director, Bureau of
Sport Fisheries and Wildlife, Portland
Mr. Maurice Taylor, Supervisor, Division of River
Basin Studies, Bureau of Sport Fisheries and
Wildlife, Hawaii
→ Colonel Leonard Edelstein, Honolulu District,
Corps of Engineers, Honolulu
Mr. Paul DeFalco, Jr., Regional Administrator,
Environmental Protection Agency, San Francisco
✓ Dr. O. V. Natarajan, Administrator, Guam Water
Pollution Control Commission, Guam



Hon. Carlos G. Camacho
Governor of Guam
Agana, Guam

Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

GOVERNOR'S
Office

JUN 14 1973

Memorandum

To: The Under Secretary
Through: Mr. W. W. Lyons
Assistant Secretary for Program Development and Budget
Assistant Secretary for Fish and Wildlife and Parks

From: Director, Office of Territorial Affairs

Subject: Guam—(1) Agana Sewage Plant Permit Conflict;
(2) Development Pressures on Reefs and Shoreline

This memorandum sets forth my recommendations on the comments made by the Special Assistant to the Secretary, Pacific Southwest Region, San Francisco, in his memorandum of May 16, 1973, on the internal conflict which has developed on the proposed Agana Sewage Plant.

In earlier memoranda, I have indicated my concurrence with the concern expressed by other units of the Department of the Interior on the need to protect and preserve the reefs and shoreline of Guam. Nonetheless, I feel that the special circumstances of Guam warrant approval of this particular proposal. In view of these circumstances, it is my feeling that the small Agana Harbor area should be treated as a separate entity. There has been dredging work in the past in this relatively small and restricted area to make it suitable for use as a small boat harbor. Last month, on May 23, 1973, the Regional Director, BSWF, Portland, Oregon, recommended that a permit to dredge, fill and construct in Agana Boat Basin be approved subject to certain stipulations to safeguard fish and wildlife resources. On May 31, 1973, Mr. Davoren, Permit Review Officer, Office of the Secretary, Pacific Southwest Region, informed the District Engineer, Corps of Engineers, that the Department of the Interior and the Bureau of Sport Fisheries and Wildlife do not object to the issuance of a permit if it included certain specified stipulations. On the basis of this notification, I am preparing to issue a submerged land permit for the improvement of the Agana Boat Basin.

The proposed Agana Sewage Treatment Plant site is right next to the expansion of the Agana Boat Basin. The site was part of Guam's basic outdoor recreation plan prepared in 1967, with assistance from the Bureau of Outdoor Recreation, and revised in 1971.



In short, I recommend:

1. That the Agana Sewage Treatment Plant site be approved subject to assurance from the Government of Guam that such use of reef areas surrounding Guam would be held to an absolute minimum in the future;
2. Further, that a meeting be convened in the near future of representatives from the bureaus and agencies of Interior involved in land matters in Guam, representatives of the Government of Guam, and other Federal Departments involved in Guam, i.e., Department of Defense, to discuss the current situation and to attempt to work out acceptable procedures for adequately safeguarding the reefs and shoreline of Guam.

(Sgd) Stanley S. Carpenter

Stanley S. Carpenter

CC: Governor Camacho





United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

JUL 27 1973

Memorandum

To: Assistant Secretary - Fish and Wildlife and Parks
Director of Territorial Affairs

From: Under Secretary

Subject: Guam (1) Agana Sewage Plant Permit
(2) Development Pressures on Reefs and Shorelines

The following actions will be taken to begin to resolve long-standing intra-Departmental controversies over developments affecting the shorelines and reefs of Guam.

(1) Agana Sewage Plant Permit: Contingent upon such stipulations as the addressees and the applicant can agree to promptly, with regard to mitigating the impacts on the shore and marine environment, the dredge and fill application for this project is to be approved. We understand that there are already some points of agreement, of the nature of stipulations agreed to for the adjacent Agana Boat Basin project. Any action will of course be contingent on determination of requirement for an environmental impact statement.

(2) Further development of reefs and shorelines: A task force representing addressees above and under the lead of the Director of Territorial Affairs will be organized and start to work at once on the procedures for properly coordinated and expedited review of dredge and fill permit applications, submerged lands permit applications, and environmental impact statements or assessments. Approval on other pending or future applications for shoreline development which require permits will be held in abeyance pending the development of these procedures. It would seem that the work of the task force should be completed by September 30 since the question requires little study but rather a gathering of the principals to resolve issues on which both sides are already delineated.

Should the task force agree at its first meeting that any extension of schedule is needed, please submit a new proposed schedule to me.

The work of the task force should include consideration of status of acceptable comprehensive planning for Guam, and all participants should bend every effort to be sure the government of Guam, the



military and other Federal interests, and the Field Special Assistant in San Francisco are both consulted and kept informed to the greatest extent possible, notwithstanding the short time frame.

SIGNED, JOHN C. WHITAKER

John C. Whitaker

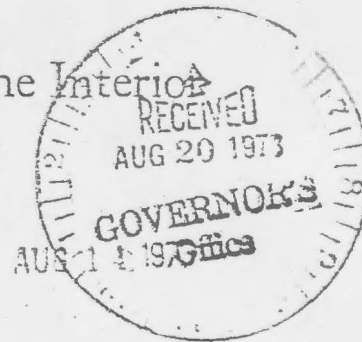
cc: Assistant Secretary - Program Development and Budget
Special Assistant to the Secretary, Pacific Southwest Region
Assistant to the Secretary Royston Hughes





United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240



Dear Governor Camacho:

I regret that a delay occurred in answering your letter of June 19, 1973, on the siting of the proposed Agana Sewage Treatment Plant. This was occasioned by the fact that I had requested a review of the various positions taken on this matter by agencies and divisions within Interior prior to making a final decision.

Following the review of the proposed plant, the dredge and fill permit will be recommended for approval, subject to agreement upon stipulations which will mitigate the impact on the shore and marine environment, similar in nature to those already agreed upon for the adjacent Agana boat basin project which was approved on May 31 of this year.

The specific stipulations will also be included in the submerged land permit to be issued by Mr. Stanley S. Carpenter, Director of the Office of Territorial Affairs, after he consults with officials in the Bureau of Sport Fisheries and Wildlife.

Any action to be taken on the Agana Sewage Treatment Plant will, of course, be contingent upon a determination by the Environmental Protection Agency, regarding the requirement of compliance with the National Environmental Policy Act and an Environmental Impact Statement.

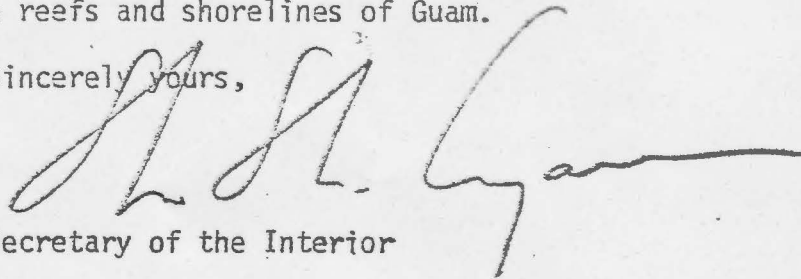
I am also instructing that a task force, made up of representatives of the Office of Territorial Affairs, and representatives from the Bureau of Sport Fisheries and Wildlife, National Park Service, and the Bureau of Outdoor Recreation, be organized to start to work on procedures for properly coordinated and expedited review of dredge and fill permit applications, submerged lands permit applications and environmental impact statements or assessments. This group, under the lead of Director Carpenter, will soon call a meeting of interested principals from other agencies and Departments, including members of your staff to discuss this problem. The task force has been asked to have a report by September 30, 1973.

In view of the work of the task force, approval on other pending or future applications for shoreline development in Guam will be held in



abeyance pending the development of a more acceptable procedure
for adequately safeguarding the reefs and shorelines of Guam.

Sincerely yours,



Deputy Under Secretary of the Interior

Hon. Carlos G. Camacho
Governor of Guam
Agana, Guam 96910



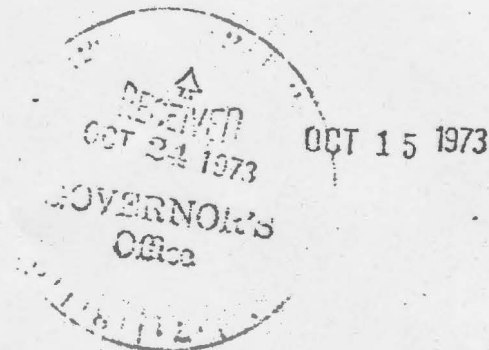
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ENCLOSURE 10

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

VIA AIRMAIL
REGISTERED--RETURN RECEIPT



Dear Governor Canacho:

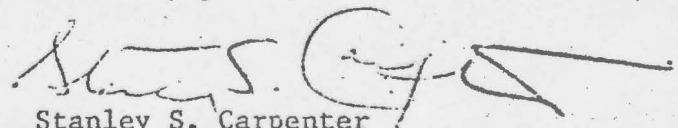
I am pleased to transmit to you the submerged land permit for the Agana Wastewater Treatment Plant. You will note that the permit is subject to certain stipulations, and these are set forth in the permit.

In line with present procedures, there will be no rental for the use of the submerged land since this is a Government of Guam project.

Please note also that the Corps of Engineers must issue a Department of the Army navigation permit, pursuant to Section 10 of the 1899 River and Harbor Act before you can begin construction.

All four copies of this permit should be signed. When the permit has been executed, you should retain two copies and return two copies to my office.

Sincerely yours,


Stanley S. Carpenter
Director of Territorial Affairs

Honorable Carlos G. Camacho
Governor of Guam
Agana, Guam 96910

Enclosures



7. IT IS EXPRESSLY UNDERSTOOD by the parties hereto that title to all land and/or other improvements on federally owned submerged lands resulting from filling and bulkheading, by the Permittee is in the Federal Government, and the Permittee shall have no right of interest therein, of any kind whatsoever, other than such rights as are expressly set forth herein. It is further understood by the parties hereto that this instrument is not a lease.

IN TESTIMONY WHEREOF, the parties herein have hereunto set their hands and seals on the day and year first above written.

UNITED STATES OF AMERICA

Oct 15, 1973
(date)

By Stuart S. Coyne
Director of Territorial Affairs
Department of the Interior
Permitter

GOVERNMENT OF GUAM

OCT 30 1973
(date)

By James S. Sanchez
Permittee



file [8/2/74]
Guam

TWELFTH GUAM LEGISLATURE
1974 (SECOND) Regular Session

Resolution No. 292

Introduced by

P. J. Bordallo
G. R. Salas

Relative to memorializing the Secretary
of State to secure associate membership
for the territory of Guam into the
Economic Commission for Asia and the
Far East.

1 BE IT RESOLVED BY THE LEGISLATURE OF THE TERRITORY OF GUAM:

2 WHEREAS, Guam cherishes its maturing affiliation with the
3 United States; and

4 WHEREAS, the maturation of our political affiliation has
5 been paralleled by a surge of economic development which while
6 establishing Guam as a significant participant in the Pacific
7 basin, has created a compelling need for financial and technical
8 interaction with our Pacific neighbors; and

9 WHEREAS, the national interest is served by Guam's continued
10 and expanding participation in the trade and commercial patterns
11 of this region to the end that Guam serve as a showcase of
12 developing democracy in the Pacific region; and

13 WHEREAS, it is important for Guam to interact with her
14 Pacific neighbors, to promote a spirit of community participa-
15 tion in the economic development of this area, and to cultivate
16 stable, broad-based trade patterns within this region; and

17 WHEREAS, the promotion of Guam's participation in the
18 harmonious growth of the Pacific region is entirely consistent
19 with the United Nations' mandate under the United Nations Charter
20 to insure for territories whose people have not yet attained a
21 full measure of self-government, their economic advancement, to
22 promote constructive measures of development, to cooperate with
23 one another, and when and where appropriate, with specialized
24 international bodies with a view to the practical achievement of
25 social, economic and scientific purposes set forth in Chapter
26 XI of the United Nations' Charter; and



1 WHEREAS, the Economic Commission of Asia and the Far East
2 (ECAFE) is widely known for its outstanding efforts in assisting
3 and in promoting economic development in countries in the Far
4 East and in the Pacific; and

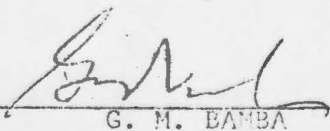
5 WHEREAS, Guam as an island economy, subject to many
6 economic uncertainties, stands to gain a great deal from the
7 kind of expert assistance in the areas of economic guidance and
8 planning, foreign investment planning, currency supply and flow
9 studies, resource potential studies and manpower training which
10 ECAFE membership will bring; now therefore be it

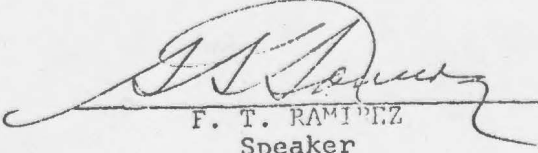
11 RESOLVED, by the Twelfth Guam Legislature that the con-
12 cepts and principles governing the operations and functions of
13 the Economic Commission for Asia and the Far East be and are
14 hereby endorsed as essential for the economic development of
15 Guam; and be it further

16 RESOLVED, that the Twelfth Guam Legislature does hereby
17 request and memorialize the Secretary of State of the United
18 States of America to request the Economic Commission of Asia
19 and the Far East to admit the territory of Guam into their
20 membership as an associate member; and be it further

21 RESOLVED, that the Speaker certify to and the Legislative
22 Secretary attest the adoption hereof and that copies of the
23 same be thereafter transmitted to the Secretary of State, to the
24 Secretary General of the United Nations, to the Secretary
25 General of the Economic Commission for Asia and the Far East,
26 to Guam's Delegate to the U.S. House of Representatives, and
27 to the Governor of Guam.

DULY AND REGULARLY ADOPTED ON THE 2ND DAY OF AUGUST, 1974.


G. M. EAMBA
Legislative Secretary


F. T. RAMIREZ
Speaker



FREDERICK L. IKENSON

ATTORNEY AT LAW

**LAW OFFICES
EUGENE L. STEWART**

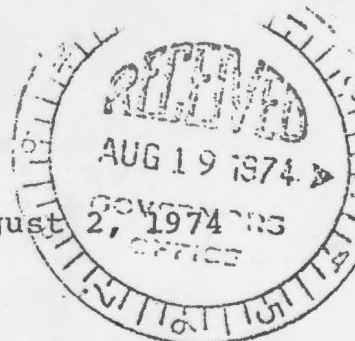
**1001 CONNECTICUT AVENUE
WASHINGTON, D. C. 20036
(202) 785-4185**



DEPARTMENT OF STATE

Washington, D.C. 20520

August 2, 1974



Dear Governor Camacho:

I am replying on behalf of Secretary Kissinger to your telegram of July 11, concerning the visit of your representatives to discuss possible associate membership for Guam in the Economic Commission for Asia and the Far East (ECAFE).

Department of State officers have had useful discussions on this subject with your representatives, Messrs. J. S. Leon Guerrero, Jose Perez, and Edwin Carey. We are glad to have their views on the benefits to Guam and the rest of the United States which they expected might result from ECAFE membership for Guam. Your representatives provided a background paper setting forth arguments for membership. Mr. Guerrero also provided a letter supporting Guam's request that the United States seek ECAFE associate membership for Guam. These papers are being studied by the Department of State.

Your representatives emphasized the desirability of an early response. I must inform you, however, that broad policy implications are involved, which may entail some delay in obtaining a final decision. We shall make every effort to provide you with a timely response.

Sincerely,

Arthur W. Hummel, Jr.
Arthur W. Hummel, Jr.
Acting Assistant Secretary
for East Asian and Pacific
Affairs

Honorable
Carlos G. Camacho,
Governor,
Territory of Guam.





GUAM ECONOMIC DEVELOPMENT AUTHORITY

TELEPHONE: 772-8821

P. O. BOX 3280
AGANA, GUAM 96910

CABLE ADDRESS: GECA GUAM

July 19, 1974

The Honorable Henry A. Kissinger
Secretary of State
Washington, D.C.

Dear Mr. Secretary:

This communication is submitted on behalf of the Executive Branch of the Government of Guam. We are hereby respectfully requesting the Department of State to give Guam its assurance that it will endorse Guam's application to the Economic Commission for Asia and the Far East. The Guam Legislature, through the Chairman of the Committee on Agriculture, Resources and Development, Senator Paul J. Bordallo, has worked closely with Guam's Executive Office in an effort to pave the way toward ECAFE Associate Membership, and it is expected that said Legislature will adopt a resolution within the immediate future requesting you to present Guam's application for Associate Membership. At the time that such a resolution is adopted and brought to your attention, we would further request that a communication containing the substance of the following suggested text be submitted by the appropriate State Department official to the Executive Secretary of the ECAFE Secretariat in Bangkok, Thailand:

I am instructed by the United States Government to inform you, in accordance with Article 5 of the Terms of Reference of the Economic Commission for Asia and the Far East and at the request of the Government of Guam, of the application by Guam for admission as an Associate Member of the Commission. I am further instructed to request that Guam be included within the geographical scope of the Commission, and that the Session accordingly be asked to recommend to the Economic and Social Council that paragraphs 2 and 4 of the Commission's Terms of Reference be appropriately amended.



The Honorable Henry A. Kissinger
July 19, 1974
Page 2

I am enclosing for your information a copy of the pertinent Resolution adopted by the Guam Legislature on _____, 1974.

Accept, Excellency, assurances of my highest consideration.

It is our understanding that an application not filed by September 30 runs the serious risk of escaping consideration by ECAFE at its next meeting scheduled for February, 1975. Accordingly, in order not to postpone the fruits of ECAFE membership, we would appreciate your positive action by the aforesaid September date.

Pursuant to a suggestion contained in a letter of former Assistant Secretary of State Willis C. Armstrong to the Governor of Guam, an analysis has been made in Guam to determine the desirability of ECAFE membership. That analysis has resulted in the conclusion by the Guam Executive Branch that membership in ECAFE would be greatly beneficial to the Territory. As a consequence thereof, a delegation was sent by the Governor of Guam to Washington, D.C., to present Guam's case for membership. The delegation included J.S. Leon Guerrero, Chairman, Guam Economic Development Authority; Jose Perez, Director, GEDA; and Edwin Carey, Economic Consultant. This delegation met with the Deputy Assistant Secretary of State for East Asian and Pacific Affairs, Lester Edmond, and with other key State and Interior Department officials. A position paper entitled "Guam's Case for Associate Membership in ECAFE" was submitted, a copy of which paper is annexed hereto for your ready reference. The Guam Delegation's authority to pursue Associate Membership is contained in a cable to you dated July 11, 1974.

ECAFE has become well-known for the expert assistance it has provided to Far East and Pacific area countries in their efforts at attaining economic development. Under Article 1 of its Terms of Reference, ECAFE may

(a) Initiate and participate in measures for facilitating concerted action for the economic reconstruction and development of Asia and the Far East, for raising the level of economic activity in Asia and the Far East and for maintaining and strengthening the economic relations of these areas both among themselves and with other



countries of the world;

(b) Make or sponsor such investigations and studies of economic and technological problems and developments within territories of Asia and the Far East as the Commission deems appropriate;

(c) Undertake or sponsor the collection, evaluation and dissemination of such economic, technological and statistical information as the Commission deems appropriate;

(d) Perform such advisory services, within the available resources of its secretariat, as the countries of the region may desire, provided that such services do not overlap with those rendered by the specialized agencies or the United Nations Technical Administration;

(e) Assist the Economic and Social Council, at its request, in discharging its functions within the region in connection with any economic problems, including problems in the field of technical assistance;

(f) In carrying out the above functions, deal, as appropriate, with the social aspects of economic development and the interrelationship of the economic and social factors.

Guam, as an island economy, subject to many economic uncertainties, stands to gain a great deal from the kind of expert assistance described in Article 1, in the areas of economic guidance and planning, foreign investment planning, currency supply and flow study, resource potential study, manpower training, etc. Further, we recognize that membership in ECAFE could lead to consideration of membership in the Asian Development Bank. Certainly, Guam's financial needs for its desired infrastructure development are of considerable concern to us and should Guam become an Associate Member in ECAFE, Guam would probably seek to enter into discussions with the appropriate Federal authorities as to the desirability or wisdom of ADB membership for Guam. However, this is not to suggest that Associate Membership in ECAFE is not viewed as a highly desirable end in itself. On the contrary, membership in ECAFE is greatly desired by Guam for the reasons stated previously. Also, Guam's unique location in the Asian-Pacific



The Honorable Henry A. Kissinger
July 19, 1974
Page 4

area provides the United States with a showcase for a developing democracy in the ECAFE region. Thus, Guam strongly believes that its status as an Associate Member would be beneficial to Guam, the United States, and other ECAFE members.

Please accept our profound appreciation for the excellent reception and cooperation accorded us during our brief visit with officials and staff in your Department.

Sincerely yours,

J. S. Leon Guerrero
Chairman, Board of Directors
Guam Economic Development Authority

cc: Hon. Carlos G. Camacho, Governor of Guam
Hon. Kurt S. Moylan, Lieutenant Governor of Guam
Hon. Antonio B. Won Pat, Guam Delegate to Congress
Hon. F. T. Ramirez, Speaker, Guam Legislature
Hon. Paul J. Bordallo, Senator, Guam Legislature
Hon. Lester Edmond, Deputy Assistant Secretary of State
for East Asian and Pacific Affairs, U.S. Department
of State
Hon. Amos Yoder, Chief, Policy Planning Review Division,
Bureau of International Organization Affairs, U.S.
Department of State
Hon. Stanley Carpenter, Director, Office of Territorial
Affairs, U.S. Department of the Interior
Hon. John D. Gilliam, Director of Planning of Guam





TERRITORY OF GUAM
OFFICE OF THE GOVERNOR
AGAÑA, GUAM 96910
U.S.A.

GUAM'S CASE FOR ASSOCIATE MEMBERSHIP IN ECAFE

The purpose of this paper is to present the support for, and explanation of, Guam's petition for associate membership in the United Nations Economic Commission for Asia and the Far East (ECAFE).

I. United States Endorsement of Guam's Membership in ECAFE is Consistent with U.S. Support of United Nations Principles and Goals.

The United States, as a member of the United Nations, subscribes to the goal of "promoting international cooperation in the economic, social, cultural, educational and health fields, and assisting in the realization of human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion."¹ Guam's membership in ECAFE would help promote international cooperation in the areas indicated.

Furthermore, the United Nations Declaration on the Granting of Independence to Colonial Countries and Peoples states: "All peoples have the right to self-determination; by virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development."² Guided by this philosophy, and still working within the guidelines laid down by the U.S. Government, Guam's officials are pursuing what they consider is a good step for economic, social and cultural development -- i.e., associate membership in ECAFE.

¹ See footnotes at end of paper.



Thus, U.S. State Department endorsement of Guam's petition for associate membership in ECAFE is consistent with U.S. support of United Nations principles and goals.

II. Guam's Membership in ECAFE is in the Best Interests
Both the United States and Guam.

Guam is the westernmost U.S. Territory in the Pacific. It is closer to Tokyo, Manila, Hong Kong, Taipei, Saigon, Singapore and Sydney than to Honolulu. Guam is the only U.S. Territory that is part of Asia and the Far East.

The island is a strategic military base. It is the hub of transportation and communications in the Western Pacific, and is an important transshipment, business, and educational center for much of Micronesia. Other islands, and island chains, such as the British Solomons, Gilbert and Ellice Islands, Western Samoa, Fiji, and the Trust Territory of the Pacific Islands are participating in regional economic development activities.

It is basic economic logic that Guam participate in the harmonious growth of this region. Thus, ECAFE membership is in the best interest of both the United States and Guam.

Study of ECAFE's work program³ also indicates Guam can both benefit from, and contribute to, achieving ECAFE goals. Guam's economy is in transition between an under-developed, and a developed, status. It is in our best interests to participate



in efforts to promote orderly expansion of international trade; improvements in transport and communications; economic development and planning; water, agricultural, and social developments; exchange of technical, educational, and cultural activities and services; and the development of social statistics and information systems appropriate to the needs of a unified development strategy for the region.

III. The United Nations is Focusing Increasing Attention on the Pacific Area.

In the near future the name of ECAFE will be changed to the Economic and Social Commission for Asia and the Pacific (ESCAP). This indicates an increasing emphasis on regional cooperation in the Pacific and underscores Guam's need to participate in regional development.

ECAFE has also worked closely with the Asian Development Bank in development activities and it is noted that a new Division was created in the Operations Department of ADB. This new Division was created to cover the smaller and less developed member countries of the Bank in the South Pacific Area.⁴

Discussions with ADB officials in Manila indicate some preference for the organization of a development bank on several of the developing Pacific island economics. This arrangement would be a substitute for the proposed South Pacific Regional Development Bank and ADB would conduct business directly with each of the island development banks. Associate membership in



ECAFE would help Guam secure the advice, assistance, and training needed to establish a development bank. The increasingly significant role which development banks are playing in identifying, organizing, and underwriting projects and entrepreneurs make it imperative that Guam establish a development bank. The Guam Economic Development Authority already provides an organization which could be converted into a development bank.

IV. Guam's Eligibility to Join ECAFE.

Any territory, part or group of territories within the geographical scope of the Commission....may, on presentation of its application to the Commission by the member responsible for the international relations of such territory, part or group of territories, may be admitted as an associate member of the Commission.⁵

Discussion with ECAFE officials in Bangkok confirmed that Guam is eligible for associate membership as long as the United States Government endorses Guam's petition.

Other ECAFE associate members with situations that parallel Guam's include British Solomon Islands, Gilbert and Ellice Islands Colony, Hong Kong, Papua-New Guinea, Singapore, and the Trust Territory of the Pacific Islands.

There appears to be nothing in United Nations principles or in ECAFE rules which implies that associate membership must



lead to complete self-determination for the associate member. In other words, Guam's associate membership in ECAFE holds no implication as to Guam's future political status vis-a-vis the United States.

V. Background Information on Guam's Efforts to Secure International Cooperation and Assistance.

A. During the period of 1971 to 1973 the following activities characterized Guam's efforts to participate in international agency assistance activities:

1. In the 1971 annual meeting of the South Pacific Commission, Guam supported the United Nations Development Program proposal to create a Pacific Region Development Bank. However, in October, 1972 the U.S. State Department Director of Australia, New Zealand, and Pacific Island Affairs informed Guam's Governor that a South Pacific Regional Development Bank is an institution that the United States Government would not support were one established. One of the more preferred alternatives suggested was increased lending activity by the Asian Development Bank.
2. In 1972 the Government of Guam requested technical assistance of the United Nations Development Advisory Team - Pacific. The State Department would not approve the request because the United States was able to provide such assistance.



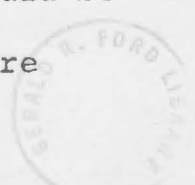
However, the requested assistance (development planning services) has not been provided to Guam.

3. The Government of Guam, at its expense, hosted a regional conference of the World Health Organization in 1972 and participates regularly in regional meetings.
4. The Government of Guam currently maintains membership in the South Pacific Commission.

B. In 1974 Governor Camacho specifically assigned the task of pursuing associate membership in ECAFE to the Guam Economic Development Authority. It is the official position of the Executive Office that ECAFE membership is useful and desirable for Guam. In line with this policy the following events and activities are set forth:

1. A letter from Willis C. Armstrong, Assistant Secretary of State to Governor Camacho stated "....If, however, you perceive that ECAFE membership is desirable on its own merits, I hope that you will not hesitate to communicate with us on this subject."

The letter closes with the statement, "....I understand that Government of Guam representatives are soon to take part in a general review of Guam-federal relations under the aegis of the Interior Department. I think that this would be a suitable forum in which to further explore



this issue, (refers to Guam's membership in ADB) and I am notifying the Interior Department of your interest.

2. Pursuant to the above a meeting was held April 4, 1974 in the Office of Territorial Affairs, U.S. Department of Interior. The subject concerned Guam's efforts to secure associate membership in ECAFE and ADB. The following persons were present:

Howard Lange - Office of Australian, New Zealand, and Pacific Island Affairs,
U. S. State Department

Jose Perez - Director of GEDA

Richard Miller - Staff Economist, Office
of Territorial Affairs

Manuel Cruz - - Office of Territorial Affairs

Edwin L. Carey - Consultant to GEDA

The State Department still opposed Guam's membership in ADB, but encouraged Guam to study the advantages and disadvantages of ECAFE membership. Richard Miller was designated as the liaison for Guam with regard to further consultations between Guam's representatives and the federal agencies concerned. Later, Richard Miller stated it was his official opinion that Guam should seek associate membership in ECAFE and the Office of Territorial Affairs would assist the Government of Guam in so doing should such assistance be requested by Guam.



3. On April 19, 1974 members of the U.S. delegation to the Asian Development Bank meeting (Kuala Lumpur) landed on Guam and were met by Governor Camacho. The then Secretary of Treasury, George P. Schultz headed the U.S. delegation.

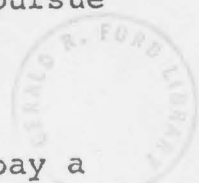
At this meeting the subject of Guam securing associate membership in ECAFE and ADB was discussed. Guam's officials were again encouraged to pursue the matter.

4. As a result of these discussions, Governor Camacho sent two personal representatives (John Gilliam and Edwin Carey) as observers to the annual ADB meeting in Kuala Lumpur, April 23-27, 1974.

Present at this meeting were key officials in the U.S. State and Treasury Departments, ADB and ECAFE officials, and delegates from both member and associate member countries. It was an ideal situation in which to secure additional information, and to discuss Guam's situation with key people.

The Office of the U.S. Ambassador to the Asian Development Bank coordinated meetings between Guam's representatives and U.S. federal agency officials. In the judgment of the representatives, Guam was encouraged to pursue associate membership in ECAFE.

5. Guam's representatives then went to Bangkok to pay a courtesy call at ECAFE headquarters and at the Asian



Institute for Economic Development and Planning.

Asian Institute officials are interested in cooperative educational and technical assistance activities between the Institute and the Pacific Island economies. Guam's strategic location and facilities were recognized as providing a potential center for some of these activities. An Institute economist served as a lecturer at Guam's Fifth Annual Economic Conference in May.

ECAFE headquarters provide a timetable which indicates Guam could gain associate membership at the annual ECAFE meeting in New Delhi, February 25 to March 8, 1975 -- if the following deadlines are met:

July - Secure U.S. federal agency support for Guam's associate membership.

September - Guam's petition, with U.S. Government approval must be in ECAFE headquarters in Bangkok.

October and November - Allow at least six weeks for Guam's petition to go thru the U.N. legal department in New York and return to Bangkok.

December and January - ECAFE headquarters distributes copies of Guam's petition to all ECAFE members for reaction.



While in Bangkok, Guam's representatives also paid a courtesy call on Mr. Roche at the U.S. Embassy and reported on the meetings in Kuala Lumpur and Bangkok.



VI. SUMMARY - Guam's Case for Associate Membership
in ECAFE

- A. United States endorsement of Guam's membership in ECAFE is consistent with U.S. support of United Nations principles and goals.
- B. It is in the best interests of both the U.S. and Guam that Guam participate more fully in the orderly economic, political, educational, and social development of the Pacific region.
- C. The United Nations, as evidenced by both ECAFE and ADB actions, is focusing increased attention on developments in the Pacific region. Guam is a logical and rightful participant in these developments.
- D. Guam is eligible for associate membership in ECAFE, providing the U.S. Government supports Guam's petition. Other dependent territories have been, and are, associate members.
- E. Guam has been engaged in efforts to participate in international agency assistance activities for a considerable period of time, and has acted within the framework and guidelines of United States Government policy.



Footnotes

- ¹ The United Nations and Human Rights, Office of Public Information, United Nations, N.Y. 1973, p. 2.
- ² Ibid., p. 33.
- ³ Economic Commission for Asia and the Far East, Annual Report (28 March 1972 - 23 April 1973), Economic and Social Council, Supplement No. 9, United Nations, New York, 1973.
- ⁴ Asia Development Bank, Annual Report 1973, Manila, 1974, p. 34.
- ⁵ United Nations, Terms of Reference and Rules of Procedure of the Economic Commission for Asia and the Far East, New York, 1960, p.2.



THE WHITE HOUSE
WASHINGTON

8/14/74

TO:

ref
~~NORM ROSS~~

file

Guam



RDL

Robert D. Linder

The White House
Washington

1974 AUG 14 AM 9 02

WN2 76 VIA RCA

GUAM 354P AUGUST 13 1974

NORMAN ROSS

THE WHITE HOUSE

RE: BARRIGADA HEIGHTS SUBDIVISION STORM DRAINAGE EASEMENT

PROBLEM NOY (R)-68843 HYUNDAI OF AMERICAN CONTRACTOR

THE ABOVE REFERENCE IS BEFORE ASSISTANT SECRETARY OF NAVY JACK
L BOWERS FOR HIS APPROVAL WUD APPRECIATE UR ASSISTANCE IN HAVING
EASEMENT APPROVED SO THAT CONTRACTOR CAN BEGIN TO SETL HOUSE LOTS
HAS BEEN PENDING NOW FOR OVER A MONTH URGENT PROBLEM

8/14

AUG 25 1974

*Send Copy to
Ken Mayland Sept. 10*

Dear Mr. Won Pat:

I sincerely appreciate your August 12 letter. The warm message of cooperation and support which you extended, on behalf of yourself and the American citizens of the United States territory of Guam, is of great encouragement to me as I assume the responsibilities of the Presidency.

I want to reaffirm my commitment that I intend to listen to you and my other former colleagues on the Hill. For your constituents, I reaffirm my intention to listen to the people themselves -- all the people. As the Representative of the Territory of Guam, your counsel and advice on behalf of your constituency will be welcome. I look forward to an open line of communication so that we will have a good working partnership. There is much work to be done and with your assistance I am confident we will meet the challenge.

With warm regards,

Sincerely,

JERRY FORD

The Honorable Antonio B. Won Pat
Delegate from Guam
House of Representatives
Washington, D.C. 20515

bcc: Ken Cole w/incoming for appropriate handling
Jim Falk w/incoming-FYI

GRF:WET:EF:VO:mlg

9



43
ANTONIO B. WON PAT, M.C.
TERRITORY OF GUAM

215 CANNON HOUSE OFFICE BUILDING
(202) 225-1188

DISTRICT OFFICE:
P.O. Box 3349
AGANA, GUAM 96910
772-6346
777-8520

Congress of the United States
House of Representatives
Washington, D.C. 20515

8-19
COMMITTEE:
INTERIOR AND INSULAR AFFAIRS

SUBCOMMITTEES:
TERRITORIAL AND INSULAR
AFFAIRS
NATIONAL PARKS AND
RECREATION
PUBLIC LANDS

August 12, 1974

B1
Honorable Gerald R. Ford
President of the United States
The White House
Washington, D.C.

Dear Mr. President:

On behalf of myself and the over 100,000 American citizens of the United States territory of Guam whom I proudly represent in the House of Representatives, I offer you the congratulations and support of your fellow Americans in Guam.

It is said that first impressions count a great deal in our relations with others. From the welcome tone of openness and friendship which you set in your initial statement to the people as President, I am confident that you have taken a major step forward towards healing the divisiveness caused by past problems and have convinced your fellow citizens that your Administration will set the tenor for a better future for America. In this goal, I and my fellow Guamanians stand behind you, ready to assist in any way possible to unite our country behind an effort to resolve the many problems facing us today.

Although the Americans of Guam are unable to express their confidence in you through the usual medium of participation in Presidential elections, except by their votes in Party conventions, I know that their prayers and best wishes for your every success will be with you continuously in the days to come.



- 2 -

May I also assure you, Mr. President, of my personal support for your efforts to bring prosperity and peace to all nations and people of good will.

With continued faith in your ability, I am,

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'Antonio B. Won Pat', written in a cursive style.

ANTONIO B. WON PAT
Member of Congress

Enclosure



would go to Michigan under this bill, if those Federal dollars could get there by any other means, and I expect that my colleagues from every other State would voice the same feelings.

It is certainly time for the Congress to dictate some drastic belt tightening and not allow the contrived and grossly inflated demands of the Pentagon to continue to take precedence over the real needs of the American people.

PITTSBURGHERS PACE U.S. MARBLE TEAM

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 9, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, for those who feel reassured when history repeats itself, take heart: competition between Great Britain and America predates our War of Independence and continues more good naturedly to this day. Not quite as extensive as the War of 1812, but no less significant was the recent U.S. marble team's victory over the reputed world champion, Toucan Terribles of England. Modestly required congressional assistance to expedite the team's passports, something the competitors of yesteryear dispensed with.

Coached by Pittsburgher Walter Lease, and paced by Larry Kokos and Ray Morgan, also constituents of mine, our team was armed with confidence, expertise, and appropriately the Bicentennial spirit, as it won an easy victory in three straight games. Permit me to extend my congratulations and commendation for this fine effort and to include in the RECORD at this time an article from the Pittsburgh Post-Gazette discussing the victory:

U.S. TEAM BEATS ENGLISH: TWO CITY YOUTHS WIN BRITISH MARBLES MATCH

SUSSEX, ENGLAND.—Two Pittsburgh youths paced a U.S. marbles team to a convincing victory here yesterday over the Toucan Terribles, who have claimed to be the best marbles shooters in the world for the past 19 years.

"We skunked them," said Walter Lease, a Southside Pittsburgher who coached the U.S. team. "They've claimed to be the world champs for 19 years and today they got a lesson on how to shoot marbles."

Larry Kokos, 14, the reigning national champion, and Ray Morgan, 18, who won the title in 1970, represented the city and their Lawrenceville neighborhood in the invitational match.

Rick Mawhinney, 17, of Cumberland, Md., and Ray Jarrell, 15, of Whitesville, W.Va., national champs in 1971 and 1972 respectively, rounded out the squad.

The Toucan Terribles, an all-English team ranging in age from 23 to 50, lost three straight games, 25-2, 25-13, and 25-7.

The Terribles had beaten four U.S. teams during their reign but none with the credentials of the current U.S. squad.

A national tabloid newspaper sponsored the trip.

After a sightseeing tour of London today the team is scheduled to fly back to Pittsburgh tomorrow.

PRESIDENT NIXON'S RESIGNATION FROM OFFICE

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, August 9, 1974

Mr. WON PAT. Mr. Speaker, the decision by President Richard Nixon to resign and turn over the reins of Government to his chosen successor, Vice President Gerald R. Ford, has rung down the curtain on one of the most tragic episodes in our Nation's political history.

There is little that can be said to alleviate the shadow under which Mr. Nixon left office. Yet, I do not believe that his return to private life should be an occasion for joy. While it is true that he was charged with many grievous crimes, it is also true that President Nixon will go down in history as a great Chief Executive for his efforts in foreign affairs. During his time in the Nation's highest office, Mr. Nixon left his mark on our relations with Communist China and the Soviet Union. Where we were once at almost total odds with these two giants, America now has opened an avenue to better understanding and, hopefully, to lasting peace with these nations.

Mr. Nixon shall also be long remembered, and honored, for engineering a truce between two old antagonists—Israel and the Arab nations. His efforts in this matter alone brought the Western World back from the brink of war to a situation where both combatants are at least temporarily at peace.

I believe it also only fair to give Mr. Nixon credit for forcing Congress toward assuming greater control in budgetary matters. Through the inability of the Nixon administration to effectively fight inflation, Congress was thus required to come to terms with problems in its own house before it could begin to deal with those of the general economy.

And lastly, but perhaps most important, I salute the President for stepping down and arranging the orderly transfer of power to Gerald Ford. In his previous statements, President Nixon had often refused to resign, despite almost overwhelming demands to do so from those within his own party. After personally hearing the tapes and carefully surveying the facts, however, it appears that he recognized the futility of carrying on any further and chose the course of action least damaging to the country and himself. I realize that many will say he had little choice. Perhaps. Nevertheless, by his act of stepping down, Richard M. Nixon did spare this country further agony—a fact for which we should all be grateful.

In the final analysis, of course, history will be the judge of Richard M. Nixon, as it will be the final judge of how America managed its affairs at this crucial juncture in time.

The fact that we were able to complete an orderly transfer of power without the upheaval often found in other countries, and so often heralded by the prophets of doom in this country, is a lasting tribute to our democratic system of govern-

ment. We have survived one of the most bitter attacks on our political system with our pride intact and our lessons for the future clearly delineated.

No longer can we afford to let one group control the reins of power. No longer can we afford to permit one special interest group to believe themselves above the will of the people and outside of the laws which govern all of our Nation. No longer can we permit even the highest elected officials in our country to ignore the mandate of those who elected them to office. And no longer can our political system afford to permit the moneyed interests to dominate a candidate or party through illegal campaign gifts which amount to pure bribery and a deliberate attempt to undermine the dictates of the people.

If these lessons are indelibly engraved upon our national conscience, then the ordeal we have just gone through will not have been in vain.

In the coming months, President Gerald Ford will have an opportunity to prove that the lessons of the past have, indeed, been learned. As one who knows Mr. Ford personally, I believe that he will set an example of honesty and integrity for us to follow. I wish him every success, as I know my fellow Americans on Guam do also. As your Congressman, I also pledge my support to bring this great country closer to the goals of equality and justice for all. The road ahead will continue to be filled with new perils, as well as the old ones such as inflation. If we are to succeed in overcoming the problems afflicting our Nation, then we must unite as one people. In this goal, I ask your support.

VETERANS' EDUCATION BENEFITS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 9, 1974

Mr. MURTHA. Mr. Speaker, there has been a very lively debate going on in the CONGRESSIONAL RECORD and through communication between House Members on the legislation increasing veterans education benefits.

I would like to add to that debate by inserting into the record some very valuable information provided to me by Mr. Charles F. Yetter, Jr., president of the Veterans Organization of the Pennsylvania State University, University Park, Pa.

I believe these figures well illustrate the importance of the extension of the veterans eligibility provision that would extend benefits from 36 to 45 months.

I thank Mr. Yetter for researching this information and I am pleased to pass it along to the Members of the House, particularly the conference committee members working on this legislation:

Of our veteran population that graduated spring term 33% required an excess of the normal 12 terms to graduate. A review of our entire undergraduate population from

file

September 25, 1974

Dear Mr. Gilliam:

I have received your recent letters requesting Presidential attention to Guam's application for associate membership status in the Economic Commission for Asia and the Far East and I have talked with your counsel Mr. Ikenson and have asked Mr. Norman Ross of the Domestic Council to work with him on this effort.

Thank you for calling this matter to our attention and please give my best regards to the Governor and the Lieutenant Governor.

Sincerely,

James H. Falk
Associate Director
Domestic Council

Mr. John D. Gilliam
Director of Planning
Office of the Governor
Agana
Guam 96910

cc: Norm Ross



Received Sept 25-

EC to
Frohe
12/6

September 27, 1974

Dear Governor Camacho:

The President has asked that I respond to your letter of September 17, regarding United States support for Guam's application for associate membership in the United Nations Economic Commission for Asia and the Far East (ECAFE), now known as the Economic and Social Commission for Asia and the Pacific (ESCAP).

Please be assured that the matter is receiving thorough consideration in the White House. I have been informed by the Departments of State and Interior of the broad policy implications which extend beyond the specific case of Guam, and which therefore require comprehensive evaluation before a decision can be reached. The constitutional requirement that the National Government conduct foreign policy is a basic consideration, compounded by the extent of rights and responsibilities the National Government is legally obligated to exercise vis-a-vis a territory.

We deeply regret that this matter cannot be resolved easily and quickly. Although the necessary review will require more time than you procedural deadlines allow, we are keenly aware of Guam's desire for associate membership in ECAFE. In view of these factors we hope Guam will take advantage of the opportunity to be represented this year as a member of the U.S. delegation to ECAFE. Under these circumstances you, in your capacity as Governor, nominate a representative to the Department of State to serve as an accredited member of the U.S. delegation to the ESCAP plenary.



The President thanks you for your good wishes and warm invitation to visit Guam. Unfortunately his schedule and travel route are such that he will be unable to include a visit to Guam on his forth coming trip to the Far East.

With warm regards,

Sincerely,

Norman E. Ross, Jr.
Assistant Director
Domestic Council

Honorable Carlos G. Camacho
Governor
Territory of Guam
Agana, Guam 96910
United States of America

NEROSS/ee

cc: White House Files





TERRITORY OF GUAM
OFFICE OF THE GOVERNOR
AGAÑA, GUAM
U. S. A.

CARLOS G. CAMACHO
GOVERNOR

SEP 17 1974

Mr. Gerald R. Ford
President of the United States of America
White House
Washington, D.C.

Dear Mr. President:

I am pleased to take this, my first opportunity to correspond with you as President of the United States of America, to wish you and your administration every future success. I am convinced you bring to the Presidency the highest level of integrity, sincerity, and dedication; and I stand ready to assist you whenever you desire.

The purpose of this letter is to seek your assistance in securing associate membership for Guam in the United Nations, Economic Commission for Asia and the Far East (ECAFE). After careful study of the advantages of ECAFE membership the Government of Guam has determined that associate membership would be beneficial to Guam. We also believe Guam's membership would be in the best interests of the United States of America.

As you are aware, the Territory of Guam must have United States Government endorsement of our membership request in the form of a United States-United Nations petition expressing the federal government's desire that ECAFE consider Guam's admission. Both the Executive and Legislative branches of Guam's government have requested favorable United States Government action in this regard. The National Legislative Conference (Albuquerque, New Mexico, August 17, 1974) also urged by resolution the U.S. Department of State to sponsor Guam's entrance into ECAFE.

It is essential that the appropriate State Department endorsement be forthcoming in the very near future if we are to meet procedural deadlines and have associate membership considered at the next annual meeting of ECAFE in New Delhi, beginning February 25, 1975.



However, it is our understanding that State Department officials are having difficulty resolving certain policy issues relative to Guam's application to join ECAFE.

Guam's people are having their own difficulties understanding the State Department's position. Ours is a modest request, particularly since the United States has already sponsored the Trust Territory of the Pacific Islands as associate members of ECAFE. Also, in the political status negotiations with the Northern Marianas, the United States delegation has offered United States support for their membership in regional or other international organizations concerned with economic, cultural, or comparable activities. Other ECAFE associate members with situations that parallel Guam's are the British Solomon Islands, the Gilbert and Ellice Islands Colony, the Cook Islands, Hong Kong B.C.C., Papua-New Guinea, and Singapore.

There appears to be nothing in United Nations principles or in ECAFE rules which implies that associate membership should be denied to the people of Guam. Indeed, United Nations charter principals are interpreted in Guam to endorse such regional participation in the interest of local economic and social development.

In seeking ECAFE membership, Guam wants the opportunity to gain expert assistance from economists, planners, and technicians to help resolve Guam's current economic problems and plan for our island's future. We seek to proceed in this task with the cooperation of other regional members as well as with ECAFE's technical personnel. Such economic assistance is not now available from the United States, and regional cooperation is impeded by our isolation from this forum which now represents most Pacific Basin states. Guam is an island economy subject to many economic uncertainties. We stand to gain considerably from assistance in the areas of economic policy guidance and planning, foreign investment planning, currency supply and flow studies, regional resource development, conservation of energy studies, exchanges of socio-economic information, manpower development assistance, and the like.

We believe Guam's participation in and contribution to these regional programs and cooperative activities would provide the United States with a showcase for economic development in the ECAFE region. Therefore, we believe Guam's membership would be beneficial to Guam, to the United States, and to other ECAFE members. Your personal attention to this



matter in our behalf, resulting in an affirmative decision by 30 September 1974, is therefore respectfully requested.

In closing, I understand you will be traveling with Mrs. Ford to the Far East in the near future. I would hope you are able to include Guam on your itinerary. In behalf of our people I extend you a cordial invitation to visit our beautiful island, and look forward to the day when I may be your host.

Sincerely yours,

/s/ Carlos G. Camacho ,

JDG:fsf
9/16/74

cc: Executive Director of Planning



16 SEP 1974

The Honorable Gerald R. Ford
President of the United States
The White House
Washington, D. C. 20500

Dear Sir:

Transmitted herewith is Resolution No. 298, duly and
regularly adopted by the Legislature.

Sincerely yours,

G. M. BAMBA
Legislative Secretary

Enclosure



TWELFTH GUAM LEGISLATURE
1974 (SECOND) Regular Session

Resolution No. 298

Introduced by

F. T. Ramirez
P. M. Calvo
F. R. Santos
J. F. Ada
V. D. Ada
G. M. Bamba
P. J. Bordallo
A. L. Cristobal
J. R. Duenas
W. D. L. Flores
C. T. C. Gutierrez
F. G. Lujan
A. M. Palomo
J. M. Rivera
G. R. Salas
A. C. Sanchez
A. A. Sekt
R. F. Taitano
E. S. Terlaje
J. U. Torres
A. C. Ysrael

Relative to extending to the Honorable
Gerald R. Ford the best wishes of the
Twelfth Guam Legislature upon his
assumption of the Office of President
of the United States.

1 BE IT RESOLVED BY THE LEGISLATURE OF THE TERRITORY OF GUAM:

2 WHEREAS, the Legislature of Guam is that representative
3 body which is best able to speak for the entire community; and

4 WHEREAS, the people of Guam are proud to be a part of the
5 United States of America; and

6 WHEREAS, the people of Guam look to Washington for leader-
7 ship and guidance in national and international affairs; and

8 WHEREAS, during his 25 years as member of Congress and
9 nine months as Vice-President of the United States, Gerald R.
10 Ford has provided the type of leadership which has won him the
11 highest respect of his colleagues, regardless of party affilia-
12 tion; and

13 WHEREAS, the brief and dramatic rise of Gerald R. Ford
14 to the Presidency of the United States has given him the
15 opportunity to demonstrate to the people of this great nation

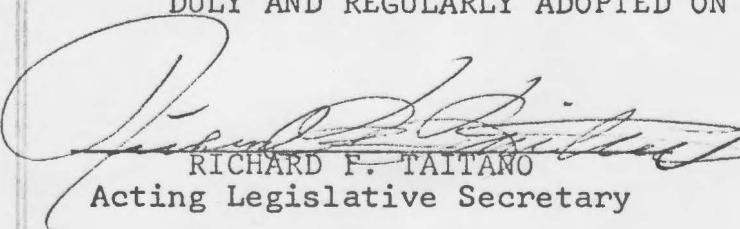


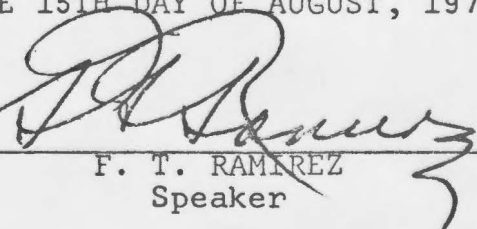
1 that he is capable, while in that office, of continuing the
2 strong, sound, and honest leadership he has shown heretofore;
3 now therefore be it

4 RESOLVED, that the Legislature of Guam, on behalf of all
5 people of the island, does extend to the Honorable Gerald R.
6 Ford its sincere best wishes on the occasion of his assumption
7 of the office of President of the United States; and be it
8 further

9 RESOLVED, that the Speaker certify to and the Legislative
10 Secretary attest the adoption hereof and that copies of the
11 same be thereafter transmitted to the President of the United
12 States and to the Governor of Guam.

DULY AND REGULARLY ADOPTED ON THE 15TH DAY OF AUGUST, 1974.


RICHARD F. TAITANO
Acting Legislative Secretary


F. T. RAMIREZ
Speaker



October 1, 1974

Dear John:

Thank you for your letter of September 17, 1974, concerning Guam's petition for associate membership status in the Economic Commission for Asia and the Far East (ECAFE).

I had a meeting with Mr. Ikenson, who provided me with some useful information. Every consideration is being given to the Territory of Guam to have associate membership into ECAFE. It is hoped that will be accomplished in the very near future.

Sincerely,

Norman E. Ross, Jr.
Assistant Director
Domestic Council

Mr. John D. Gilliam
Director of Planning
Territory of Guam
Agana, Guam 96910

NROSS/pt 10-1-74
cc: WH central files w/cc of incom letter
(Guam)



TERRITORY OF GUAM
OFFICE OF THE GOVERNOR
AGAÑA, GUAM 96910
U.S.A.

September 17, 1974

Mr. Norman Ross
Domestic Council
The White House
Washington, D.C.

Dear Norm:

Governor Camacho and Lieutenant Governor Moylan have asked me to write to you in their behalf transmitting the enclosed letter which was written by Governor Camacho to President Ford requesting the President's assistance in the federal government's review of Guam's petition for associate membership status in the Economic Commission for Asia and the Far East (ECAFE). I have also been asked to advise you that Mr. Frederick L. Ikenson, an associate of the firm, Eugene L. Stewart and Associates, of Washington, D.C. (in his capacity as Special Counsel to the Government of Guam) is authorized to liaison with you on this issue and provide you any information which might be required to clarify the Government of Guam's position.

As always, the Governor and Lieutenant Governor wish you well and asked me to convey to you their kind regards.

Sincerely yours,

JOHN D. GILLIAM
Director of Planning

Enclosure



10-11-74

7-5-4185

To NORM ROSS

OCT 9 1974 5 RECD

f:k

Gum

Robert E. Hampton
Chairman
Civil Service Commission, United States
CSC Bldg., 1900 E. St. N. W.
Washington, D. C. 20413

Dear Mr. Chairman:

Recently a 7% Cost of Living Allowance was provided to certain federal civil service employees living on Guam. Excluded from receiving this allowance were those civil servants with commissary and post exchange privileges and locally hired WL and WS workers.

The justification for the 7% allowance was based upon a 1973 survey conducted by the federal government without our knowledge or input. Those locally hired employees with base privileges were reportedly excluded on the basis of Section 205(b) of Executive Order 10,000 even though all federal employees in Hawaii, Alaska and Puerto Rico receive a full Cost of Living Allowance regardless of base privileges.

When the Guam Consumer Price Index (CPI), operational since FY 1973 is compared with the U.S. CPI, the rate of inflation in Guam has been almost twice that of the Mainland (copy enclosed). We, therefore, feel that a 7% Cost of Living Allowance for federal employees on Guam is grossly inadequate. Furthermore, it is discriminatory to deny the COLA to those federal employees with base privileges, but locally hired.

Our cost of living study, conducted by the 12th Guam Legislature with assistance from our Department of Commerce shows that the cost of living on Guam is 10% higher than Hawaii. Yet federal employees in Hawaii receive a 15% Cost of Living Allowance while only a 7% COLA is given to federal employees on Guam.

Guam, like Hawaii, receives the majority of its food shipped in from the continental United States. In view of the additional distance involved in bringing food items from the U.S. mainland, we fail to see how Guam's cost of living can possibly be less than that of Hawaii.

It is possible that your 1973 survey model and/or method are in error. I therefore, request that the Commission immediately review its decision to permit only a 7% Cost of Living Allowance for Guam's federal employees and,



based upon our enclosed information, implement not less than a 15% COLA for Guam pending a completely new cost of living survey conducted. My cost of living office staff is ready to assist you in this endeavor if you so desire.

I must question, too, why Guam has been singled out and discriminated against with regard to its civil service employees with base privileges. Why are our federal employees base privileges denied rights with federal employees elsewhere under similar circumstances, receive?

A high percentage of Guam's citizens are serving in the United States military or have retired from the military after a full career. Are they or their spouses to be denied equal rights simply because they have earned base privileges?

I request your immediate attention to these important matters and await your reply.

Sincerely yours,

/s/ Carlos G. Camacho

Enclosure

CBacchi:es
10/8/74

cc: Senator Al Israel
Senator William Flores

Congressman A.B. Won Pat
Member of Congress
216 Cannon House Bldg.
Washington, D.C. 20515

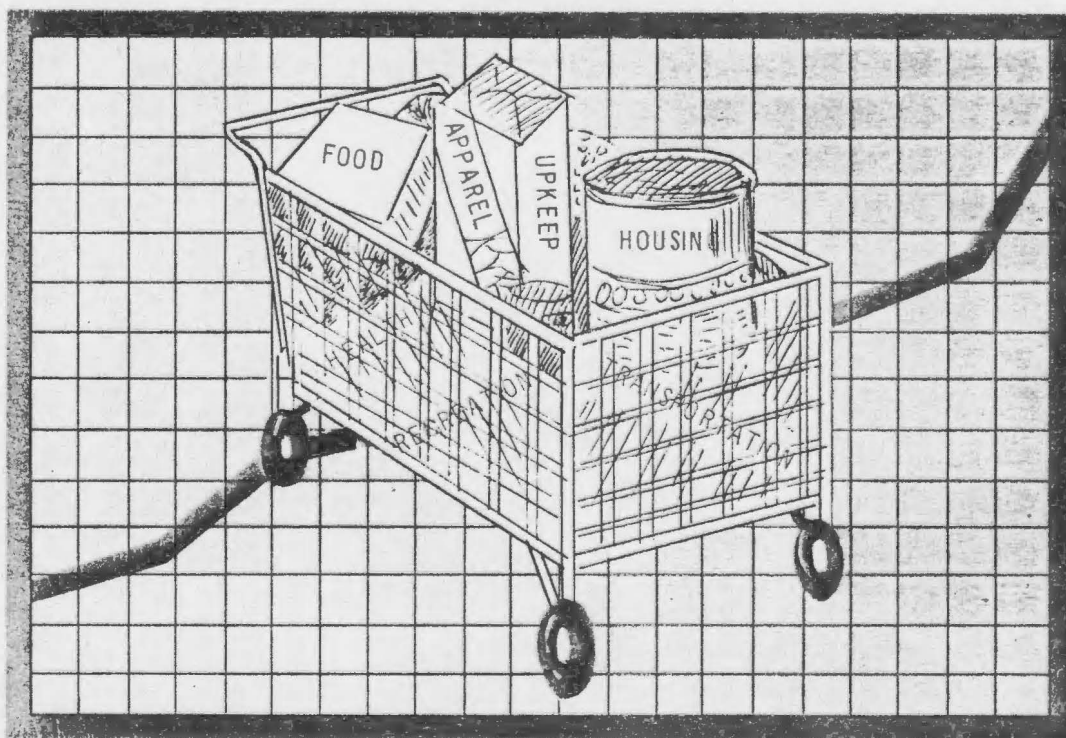
Senator Gale McGee
Chairman
Post Off. & Civil Ser. Committee,
U.S. Senate
Room 344 OSOB
Washington, D.C.

Congressman Thaddeus J. Dulski
Chairman, House Post Office
and Civil Ser. Committee
2312 RHOB
Washington, D. C.

James Falk ✓
Associate Director
Domestic Council
The White House
1600 Ea. Ave. NW
Washington, D.C. 20500



QUARTERLY REPORT
on the
GUAM CONSUMER PRICE INDEX



Fourth Quarter, Fiscal Year 1974, Volume 2, No. 4



QUARTERLY REPORT ON THE GUAM CONSUMER PRICE INDEX

Fourth Quarter Fiscal Year 1974

CARLOS G. CAMACHO
Governor of Guam

JOSE D. DIEGO
Director of Commerce

KURT S. MOYLAN
Lieutenant Governor

SHINKYUNG KIM
Chief Economist

Prepared By
Cost of Living Office

Economic Research Center
Department of Commerce
Government of Guam
Agana, Guam U.S.A. 96910

Volume II, No. 4
August 1974

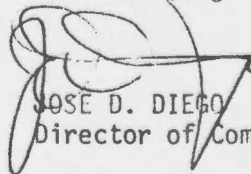


PREFACE

Since its inception in 1913, the United States Consumer Price Index has become one of the most widely used statistical measures in the United States. The Guam Consumer Price Index (CPI) is rapidly achieving the same status within the local community. Our goal remains the same: To provide public and private policy makers and the general public with statistically reliable and meaningful information regarding changes in the prices of consumer goods and services purchased in Guam.

As we approach the first quarter of Fiscal Year 1975, I would like to express my gratitude to the entire community for supporting our efforts to maintain the Guam Consumer Price Index. I am proud to note that several important policy proposals have been formulated based on the CPI.

The Consumer Price Index and its related series are maintained on a quarterly basis and reported to the public through a regular publication entitled Quarterly Report of the Guam Consumer Price Index. This report, seventh in the series, covers the fourth quarter of Fiscal Year 1974. As in the past, the Economic Research Center will make available to the public upon request additional pertinent price information. Requests for this information may be addressed to: Department of Commerce, Post Office Box 682, Agana, Guam 96910.


JOSE D. DIEGO
Director of Commerce



DEFINITION OF THE CONSUMER PRICE INDEX

The Consumer Price Index (CPI) is designed to measure changes in prices of commodities and services normally purchased by the consuming community, both families and single persons living alone. The Guam CPI (like the U.S. CPI) is based on the concept of a representative "market basket," a sample of all goods and services that consumer purchase. A total of approximately 200 items have been selected to represent the price movements of all goods and services that consumers normally buy. These items are divided into major groups and sub-groups, and indices are computed at different levels of aggregation. More than 740 price quotations are collected during the middle month of each quarter for computing the Guam CPI and related sub-indices. The total number of business outlets included in the construction of the CPI is approximately 110, ranging from grocery and department stores to a variety of service establishments.

HOW TO INTERPRET INDEX CHANGES

A price change can be expressed as a percentage change between two periods. It can be expressed as a difference in index points between a given period and a fixed period assigned an index of 100.00. Thus, an index of 103.00 for a given period means the price level has increased by 3% from the fixed base period. It does not mean a 3% change from the immediately preceding period as shown in Example I.



Example I:

Period:	1st Qtr. (base period)	2nd Qtr.	3rd Qtr.
Index:	100.00	102.00	103.00
	└─ 2% change ─┘		
	└─ 3% change ─┘		

Any period, such as the 2nd Quarter in the next example, can be converted to a base period by dividing all indices individually by that period's index, then multiplying the results by 100.

Example II:

Period:	1st Qtr. (base period)	2nd Qtr.	3rd Qtr.
Index:	100.00	102.00	103.00
Period:		2nd Qtr. (base period)	3rd Qtr.
Index:		100.00	100.98
		└─ .98% change ─┘	

In Example II, we dealt with a change in price index from a given quarter to the quarter immediately preceding it--a .98% change from the second to the third quarter. However, many economic statistics are reported on an annual basis; for example, personal income, government revenues, and expenditures. The "equivalent annual rate" is used to determine what the index would be if a price change during a three-month period continues at the same rate for four quarters, a twelve-month period. This annual rate is used to achieve uniformity in statistical expression.

The quarterly change of .98% is equivalent to an annual rate of 4.0%. If prices were to increase .98% each quarter for four quarters,



the annual increase would be 4.0%. Derivation of this figure is shown in Example III.

Example III: $P_n = P_0 (1+i)^n$ where P_n = equivalent annual rate
 P_0 = base index = 100.00
 i = current rate = .98%
 n = number of periods = 4

thus, $1.04 = 100.00 (1 + .0098)^4$

However, the equivalent annual rate should not be interpreted as a projection or price forecast. It is only a standard form for showing price changes that have occurred. The CPI only reports what has happened, while annual projections must be based on factors which determine future price changes.



THE GUAM CONSUMER PRICE INDEX (CPI)
Fiscal Year 1974

The trend in price changes in fiscal year 1974 has been one of continued increase. The dollar of a year ago today is worth \$.89. Prices also rose faster this year than in the previous year. In fiscal 1973, overall price increases for all items in the Consumer Price Index (CPI) was 8.2%, while in 1974 the increase was 12.1%.

However, a rise for the aggregate of all items does not imply a rise in every item. Specifically, prices for poultry, dairy products, prepared and partly prepared food, rent, appliances, girls' apparel, auto parts, and drugs dropped, while prices for auto financing, hospital services, health insurance, and home taxes and insurance held steady.

Price changes can be explained in terms of consumer demand, scarcity of raw material, production costs, and price changes abroad. Since Guam, as a developing island economy with a limited economic base, depends on imports for more than 90% of all goods consumed, economic conditions abroad, as well as at home, affect domestic prices substantially.

Because of the amount of time involved in shipping and handling, consumer price changes here lag behind U.S. wholesale price changes by approximately one quarter. From May 1973 to February 1974, the overall U.S. Wholesale Price Index (WPI) increased 14.4%.

The food index here showed the greatest increase, rising 13.9% in Fiscal Year 1974, from an index of 119.3 to 135.9. A large factor



in this rise is the cereal and grain products sub-index which jumped 65.6%. Bakery products also rose 24.2%. Increased demand for U.S. exports, as a result of widespread crop shortages in foreign countries, is a principal cause for the rise in prices. Shortages in animal feed also placed inflationary pressures on prices of substitute grains. The WPI for grains rose 85.5% between May 1973 and February 1974.

Lifting of the price freeze last July 1973 combined with the rise in feed costs continued sending meat prices soaring as high as 8% per quarter until the early part of 1974 when the effect of strong consumer action in the U.S. began to be felt. Meat prices here actually dropped 4.3% between the third and fourth quarter. U.S. meat prices here may also have been reduced by local merchants because of the presence of lower-priced New Zealand meat in the market.

While the composite index for meats, poultry, and fish increased from 131.64 to 142.00--a jump of 7.9%, poultry prices dropped 5.9% from an index of 136.95 to 128.82. This decrease reflected the WPI for live poultry which peaked last August 1973 at 269.7 (1967 = 100) then fell 33.3% to 179.8 by February 1974.

Food products which are in relatively low demand showed smaller increases. Processed fruits and vegetables, non-alcoholic beverages, and prepared and partly-prepared food experienced substantial price decreases that partly offset increase during the fiscal year. Dairy products also dropped slightly (0.6%) during the fiscal year, because local processing and the use of Australia as an additional source



moderated U.S. wholesale price increases.

Among other food products, fruits and vegetables advanced 15.6% from 116.90 to 135.11, partly due to increased air freight costs. Fruit and vegetable prices dropped in the second and third quarters, respectively, then quickly rose again, as a result of temporary increases in supply from fall harvests. Sugar and sweets went up 24% from 112.84 to 139.96, due to higher prices of cane, beet sugar, corn syrup, and chocolate coating. Overall, food at home rose 14% from 120.22 to 137.02, while food away from home upped 12.5%, from 105.41 to 118.60.

Apparel and upkeep prices advanced 5.6% from 106.67 to 112.64. Men's apparel held steady at 101.55 for the first two quarters, then rose 16.7% to 118.47 by the fourth quarter, while boy's apparel remained at 113.33 until the last quarter, when it jumped 11.1% to 125.92. These, along with jewelry, contributed the most to the apparel price rises. The jewelry category, which included watches, rose 23.4% from 103.61 to 127.89. These increases can be attributed to high textile and precious metal prices, the Japanese inflation, and devaluation of the dollar. Women's and girls' apparel fluctuated up and down slightly over the year, ending the fiscal year with a 4.4% drop, from 109.50 to 104.71. Footwear showed the same fluctuating pattern, but ended with a 2.2% increase of 107.91 over 105.62. The WPI for footwear showed a 4.3% increase in the May-February period.

Transportation continued to climb, due to the high costs of production, raw materials, and fuel. The jump in fiscal 1974 was



15.1%, from 112.46 to 129.41. New auto prices jumped sharply by 6.3% between the first and second quarter from 113.59 to 120.78, following the introduction of new models. Continued strong demand along with the freight rate increase helped bring about the 13.3% rise during the fiscal year, from 113.59 to 128.65. Auto finances did not change over the year, despite rising interest rates elsewhere. As a result of the energy crisis, fuel jumped 43.2% from 110.76 to 158.60. Airplane fares held steady until a fare hike to the Trust Territories in the fourth quarter brought the index up 8.3%, from 105.05 to 113.78.

Housing costs advanced 13.4% from 105.29 to 119.37. All the major categories of this section contributed to this rise--shelter increased by 7.0%; fuel and utilities increased 40.9%; and household furnishings and operation by 3.3%. Rent actually decreased 5.7% from 108.57 to 102.36, probably reflecting the saturation effect of intense residential construction activities. Appliances went down 3.4% from 101.07 to 97.68, possibly due to reduced demand brought on by high utility rates. Purchase and finance went up 7.8%, from 103.80 to 111.88.

The health and recreation index rose 5.1% from 108.04 to 113.51. While drugs decreased 2.1% from 102.88 to 100.70, professional medical services shot up 22.2% from 109.12 to 133.36. Hospital services and health insurance showed no change. Recreational goods rose 5.7% from 119.13 to 125.92, partly due to high inflation in Japanese stereo components. Reading and education advanced 21.1% from 99.56 to 120.57, largely due to the paper shortage which sent newspaper, magazine, and book prices upwards.





Figure 1
Selected Indicators

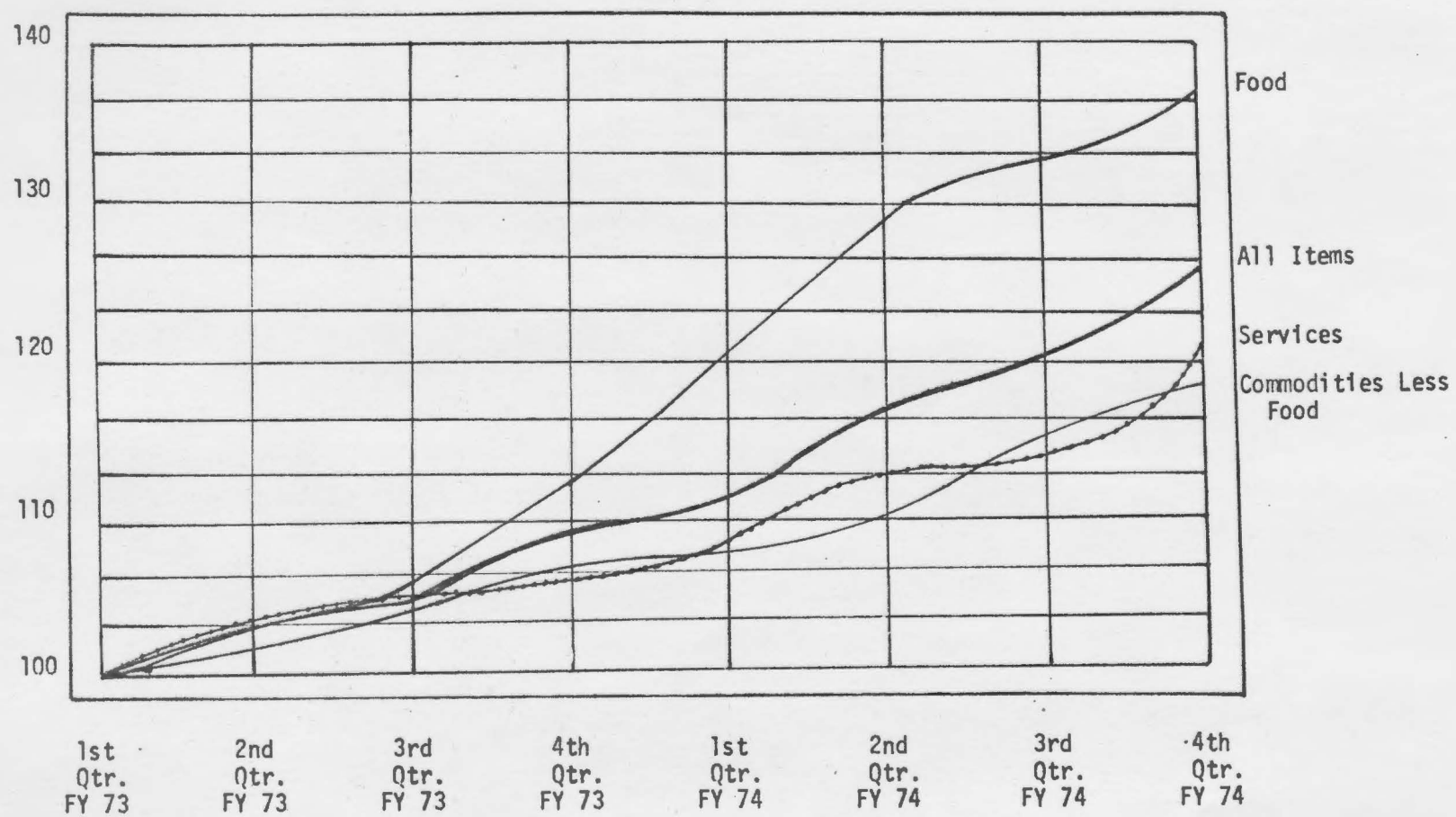


TABLE A
Consumer Price Index: Guam
(First Quarter FY '73 = 100)



GROUP	2nd Qtr. FY '73	3rd Qtr. FY '73	4th Qtr. FY '73	1st Qtr. FY '74	2nd Qtr. FY '74	3rd Qtr. FY '74	4th Qtr. FY '74
All Items	102.52	104.82	108.19	111.35	116.60	119.51	124.87
Food	102.96	106.02	112.08	119.32	128.67	131.88	135.91
Housing	103.26	102.60	104.97	105.29	109.62	109.10	119.37
Apparel and Upkeep	100.06	102.36	98.95	106.67	107.76	108.51	112.64
Transportation	103.33	108.98	113.89	112.46	117.69	125.54	129.41
Health and Recreation	100.25	102.90	103.82	108.04	108.70	112.80	113.51
SPECIAL GROUP							
All Items Less Food	102.33	104.29	106.50	107.88	111.34	114.12	120.07
Commodities Less Food	101.40	103.65	106.42	107.27	109.84	114.46	117.60
Commodities	102.11	104.18	107.23	112.75	118.41	122.40	125.94
Services	103.36	104.58	105.79	108.27	112.53	113.25	120.56
Purchasing Power of Consumer Dollar: (1st Qtr. FY '73 = \$1.00)	\$.98	\$.95	\$.92	\$.90	\$.86	\$.84	\$.80

Source: Cost of Living Office, Economic Research Center, Department of Commerce, Government of Guam.

TABLE B
Consumer Price Index: Guam
(First Quarter FY 1974 = 100)



Group	Relative Importance	Index for 4th Qtr. FY 74	Index for 3rd Qtr. FY 74	% Change from 3rd Qtr. FY 74 to 4th Qtr. FY 74	Annual % Change from 4th Qtr. FY 73	Equivalent Annual Rate from 3rd Qtr. FY 74 ^{1/}
ALL ITEMS	100.00	124.87	119.51	4.5	15.4	119.25
Food	30.34	135.91	131.88	3.1	21.3	112.99
Food at home	28.51	137.02	132.67	3.3	21.8	113.87
Cereals and bakery products	4.16	166.80	145.80	14.4	57.2	117.28
Cereals and grain products	2.31	192.51	153.48	25.4	84.3	247.28
Bakery products	1.85	134.66	136.21	-1.1	24.5	95.67
Meats, poultry, and fish	12.07	142.00	144.41	-1.7	18.1	93.37
Meats	8.52	144.59	151.07	-4.3	17.0	83.88
Poultry	1.97	128.82	123.08	4.7	12.7	120.17
Fish	1.57	144.49	135.05	7.0	31.3	131.08
Dairy products	2.55	111.13	112.17	-0.9	-0-	96.45
Fruits and vegetables	3.60	135.11	113.73	18.8	22.0	199.19
Fresh fruits	.91	133.87	99.02	35.2	26.9	334.12
Fresh vegetables	1.08	170.77	128.43	33.0	43.1	312.90
Processed fruits and vegetables	1.61	112.01	112.27	-0.2	3.8	99.20
Other food at home	6.13	118.88	120.29	-1.2	15.2	95.29
Eggs	1.37	112.14	125.89	-10.9	8.5	63.02
Fats and oil	1.18	126.45	121.93	3.7	25.6	115.64
Sugar and sweets	.70	139.96	124.42	12.5	26.8	160.18
Non-alcoholic beverages	1.59	118.01	124.08	-4.9	15.6	81.79
Prepared and partly prepared food	1.28	108.69	105.88	2.7	5.9	111.25
Food away from home	1.83	118.60	119.62	-0.9	12.4	96.45

(continued)

See footnotes at end of table.

TABLE B - continued



Group	Relative Importance	Index for 4th Qtr. FY 74	Index for 3rd Qtr. FY 74	% Change from 3rd Qtr. FY 74 to 4th Qtr. FY 74	Annual % Change from 4th Qtr. FY 73	Equivalent Annual Rate from 3rd Qtr. to 4th Qtr. FY 74 ^{1/}
Housing	30.10	119.37	109.10	9.4	13.7	143.24
Shelter	19.79	111.92	109.72	2.0	8.5	108.24
Rent	1.61	102.36	103.20	-0.8	-5.7	96.84
Home ownership	18.19	112.76	110.29	2.2	9.8	109.09
Purchase and finance	16.17	111.83	109.44	2.2	9.2	109.09
Taxes and insurance	.48	100.00	100.00	-0-	-0-	100.00
Maintenance and repairs	1.54	126.02	122.41	2.9	18.9	112.11
Commodities	.86	123.14	116.66	5.6	27.6	124.35
Services	.63	129.64	129.64	-0-	9.9	100.00
Fuel and utilities	5.15	157.53	112.69	39.8	40.5	381.97
Gas and electricity ^{2/}	3.27	167.62	119.14	40.7	41.1	391.90
Other utilities	1.76	138.78	100.70	37.8	37.8	360.58
Household furnishings and operation	5.15	109.83	103.11	6.5	4.9	128.65
Textile housefurnishings	.61	124.46	106.06	17.3	19.2	189.32
Furniture	.50	104.63	98.98	5.7	8.8	124.82
Floor coverings	.05	115.33	116.62	-1.1	6.8	95.67
Appliances	1.69	97.68	97.39	0.3	-5.3	101.21
Other housefurnishings	.22	128.72	108.06	19.1	25.6	201.21
Housekeeping supplies	1.53	114.96	104.77	9.7	3.4	144.82
Housekeeping services	.55	113.18	113.18	-0-	13.2	100.00

(continued)

See footnotes at end of table.

TABLE B - continued



Group	Relative Importance	Index for 4th Qtr. FY 74	Index for 3rd Qtr. FY 74	% Change from 3rd Qtr. FY 74 to 4th Qtr. FY 74	Annual % Change from 4th Qtr. FY 73	Equivalent Annual Rate from 3rd Qtr. to 4th Qtr. FY 74 <u>1/</u>
Apparel and Upkeep	5.88	112.64	108.51	3.8	13.8	116.08
Men's and boys' apparel	1.38	120.39	110.54	8.9	14.8	140.64
Men's apparel	1.02	118.47	109.57	8.1	16.2	136.56
Boys' apparel	.35	125.92	113.33	11.1	11.1	152.35
Women's and girls' apparel	2.62	104.71	102.14	2.5	11.5	110.38
Women's apparel	1.65	108.28	104.39	3.7	17.8	115.64
Girls' apparel	.97	98.67	98.32	0.4	1.2	101.61
Footwear	.77	107.91	105.18	2.6	4.2	110.81
Other apparel	1.12	124.99	123.23	1.4	24.7	105.72
Commodities	.97	127.89	125.87	1.6	27.8	106.56
Services	.14	105.25	105.25	-0-	3.9	100.00
Transportation	17.96	129.41	125.54	3.1	13.6	112.99
Private cars	17.65	129.68	125.89	3.0	13.7	112.55
Autos and related goods	15.81	130.16	126.13	3.2	15.0	113.43
Auto purchase	12.39	125.07	119.74	4.5	7.6	119.25
New	8.64	128.65	122.56	5.0	8.6	121.55
Used <u>3/</u>	2.52					
Finance	1.23	100.00	100.00	-0-	-0-	100.00
Gas and oil	2.75	158.60	159.57	-0.6	55.2	97.62
Auto parts	.67	107.44	106.94	0.5	5.6	102.02
Auto services	1.84	125.56	123.81	1.4	3.2	105.72
Public	.30	113.78	105.05	8.3	8.3	137.57

(continued)

See footnotes at end of table.

TABLE B - continued



Group	Relative Importance	Index for 4th Qtr. FY 74	Index for 3rd Qtr. FY 74	% Change from 3rd Qtr. FY 74 to 4th Qtr. FY 74	Annual % Change from 4th Qtr. FY 73	Equivalent Annual Rate from 3rd Qtr. FY 74 ^{1/}
Health and Recreation	15.72	113.51	112.80	0.6	9.3	102.42
Medical care	5.03	118.94	118.67	0.2	18.8	100.80
Drugs and prescriptions	.75	100.70	100.70	-0-	0.1	100.00
Counter	.38	102.13	102.13	-0-	0.3	100.00
Prescriptions	.37	99.21	99.21	-0-	-0.2	100.00
Professional services	1.43	133.36	132.39	0.7	33.4	102.83
Hospital services	.77	100.00	100.00	-0-	-0-	100.00
Health insurance	2.07	122.67	122.67	-0-	22.7	100.00
Personal goods and services	1.83	113.50	106.83	6.2	7.1	127.20
Toilet goods	.69	107.03	104.99	1.9	3.9	107.82
Services	1.14	117.44	107.95	8.8	9.0	140.12
Reading and recreation	2.57	114.31	114.69	-0.3	9.7	98.81
Recreation	1.92	112.18	112.74	-0.5	6.0	98.01
Recreational goods	.76	125.92	127.32	-1.1	9.8	95.67
Recreational services	1.16	103.19	103.19	-0-	3.2	100.00
Reading and education	.65	120.57	120.44	0.1	21.1	100.40
Other goods and services	6.29	108.85	109.08	-0.2	2.7	99.20
Tobacco products	1.02	101.28	103.45	-2.1	2.9	91.86
Alcoholic beverages	.79	101.59	100.56	1.0	1.1	104.06
Personal expenses	4.48	111.86	111.86	-0-	2.9	100.00

(continued)

See footnotes at end of table.

TABLE B - continued



Group	Relative Importance	Index for 4th Qtr. FY 74	Index for 3rd Qtr. FY 74	% Change from 3rd Qtr. FY 74 to 4th Qtr. FY 74	Annual % Change from 4th Qtr. FY 73	Equivalent Annual Rate from 3rd Qtr. to 4th Qtr. FY 74 ^{1/}
SPECIAL GROUP						
All items less food	69.66	120.07	114.12	5.2	12.7	122.48
Commodities less food	38.92	117.60	114.46	2.7	10.5	111.24
Commodities	69.26	125.94	122.40	2.9	17.5	112.11
Services	30.73	120.56	113.25	6.5	14.0	128.65
Purchasing Power of Consumer Dollar:						
First Quarter, FY 1973 = \$1.00		\$.80	\$.84	-4.8	-13.0	\$.66

^{1/} Annual rates should not be taken as projections; rather, the Annual Rate Column represents numerical equivalents of quarterly price changes converted to a twelve-month basis to achieve uniformity in statistical expression.

^{2/} See page 1 of the Quarterly Report on the Guam Consumer Price Index, Second Quarter FY 1973, Vol. 1, No. 1, for technical treatment of power rate increases.

^{3/} Ibid., p. 2.

Source: Cost of Living Office, Economic Research Center, Department of Commerce, Government of Guam.

Figure II
PERCENT DISTRIBUTION OF QUARTERLY PRICE COMPARISONS
BY MAJOR COMMODITY GROUPS

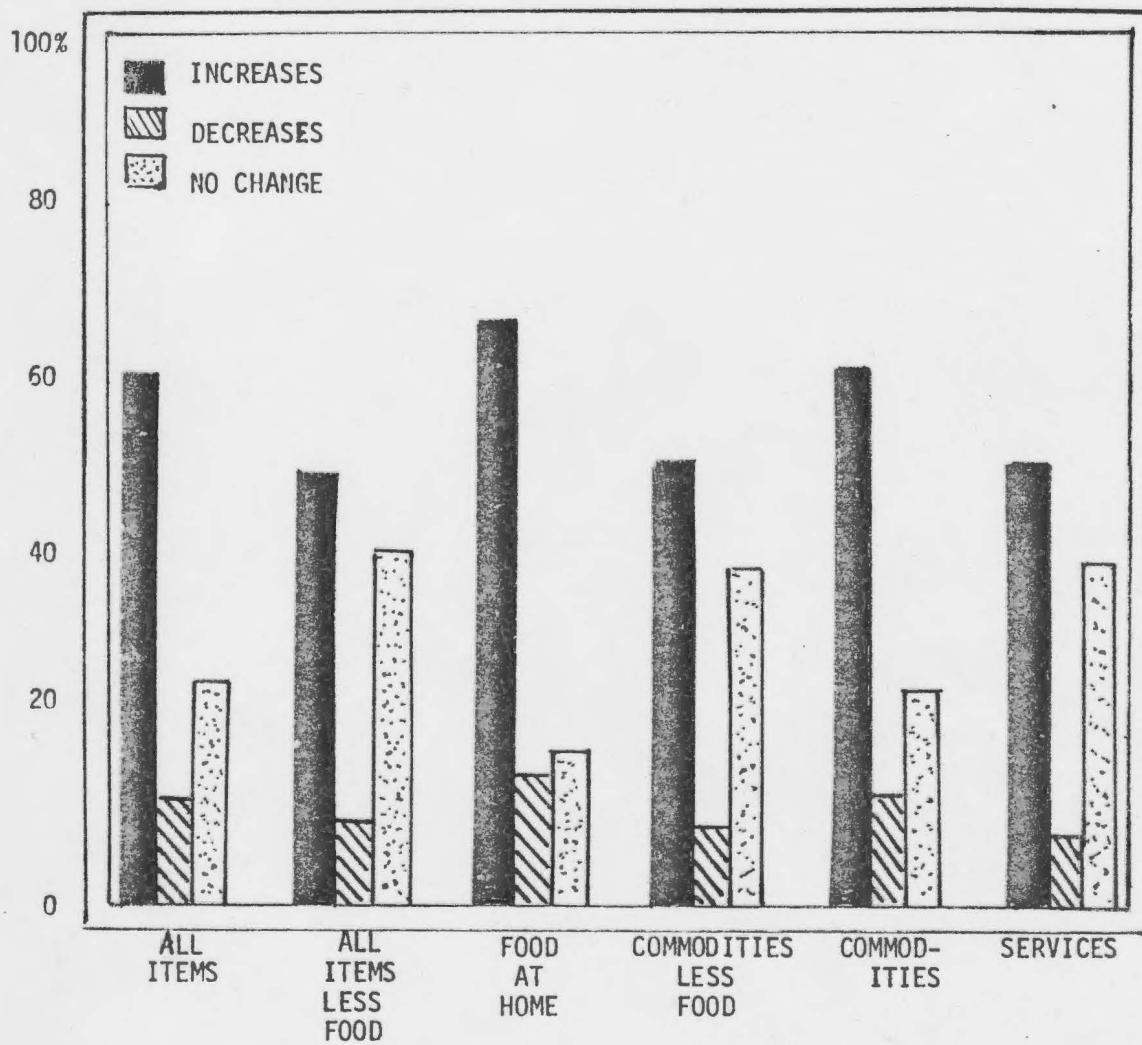




TABLE C
Percent Distribution of Quarterly Price Comparisons
(Diffusion Index)

Item	(Percent of Quotations)							
	from 1st Qtr. FY 73	to 2nd Qtr. FY 73	to 3rd Qtr. FY 73	to 4th Qtr. FY 73	to 1st Qtr. FY 74	to 2nd Qtr. FY 74	to 3rd Qtr. FY 74	to 4th Qtr. FY 74
All items	100%							
Increase		12%	34%	46%	53%	57%	68%	61%
Decrease		3	7	10	7	9	8	13
No Change		85	59	44	40	34	24	26
All items less food	100%							
Increase		5%	17%	28%	34%	39%	47%	49%
Decrease		2	6	10	9	9	9	10
No Change		93	77	62	57	52	44	41
Food at home	100%							
Increase		19%	50%	62%	71%	75%	83%	67%
Decrease		5	8	9	6	8	8	15
No Change		76	42	29	23	17	9	18
Commodities less food	100%							
Increase		4%	15%	33%	33%	42%	49%	52%
Decrease		3	9	15	12	12	11	10
No Change		93	76	52	55	46	40	39
Commodities	100%							
Increase		13%	37%	50%	55%	63%	72%	62%
Decrease		4	8	12	8	9	8	13
No Change		83	55	38	36	28	20	25
Services	100%							
Increase		9%	20%	25%	39%	36%	46%	51%
Decrease		0	0	3	0	4	3	9
No Change		91	80	72	61	60	51	40

Source: Cost of Living Office, Economic Research Center, Department of Commerce, Government of Guam.

TABLE D
Index Changes For
Various Time Periods



From \ To	1st Qtr. FY '73	2nd Qtr. FY '73	3rd Qtr. FY '73	4th Qtr. FY '73	1st Qtr. FY '74	2nd Qtr. FY '74	3rd Qtr. FY '74	4th Qtr. FY '74
1st Qtr. FY '73	100.00	102.52 (110.47)*	104.82	108.19	111.35	116.60	119.51	124.87
2nd Qtr. FY '73		100.00	102.24 (109.27)	105.53	108.61	113.73	116.57	121.80
3rd Qtr. FY '73			100.00	103.22 (113.52)	106.23	111.24	114.01	119.13
4th Qtr. FY '73				100.00	102.92 (112.20)	107.77	110.46	115.42
1st Qtr. FY '74					100.00	104.71 (120.21)	107.33	112.14
2nd Qtr. FY '74						100.00	102.50 (110.38)	107.09
3rd Qtr. FY '74							100.00	104.48 (119.16)
4th Qtr. FY '74								100.00

* All figures enclosed in parentheses are equivalent annual rates.

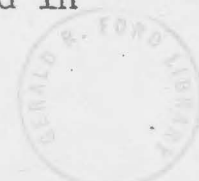
Source: Cost of Living Office, Economic Research Center, Department of Commerce, Government of Guam.

TECHNICAL REPORT
REGIONAL FOOD COST COMPARISONS
GUAM - HONOLULU - LOS ANGELES/LONG BEACH

This paper summarizes the methodology, and procedures used to calculate the dollar value of the Low-Cost Food Plan as defined by the United States Department of Agriculture. The cost of this plan was determined for Guam, Honolulu, and Los Angeles/Long Beach using retail food prices for April 1974.

For more than forty years the U.S. Department of Agriculture (USDA) has estimated the costs of various family food plans for use by public and private agencies. These plans as revised in 1964 provide for a diet acceptable to most families in the U.S. and provide a nutritionally adequate diet. The one used in this study is the Low Cost Food Plan: it uses larger quantities of foods that provide high nutritional returns in relation to cost (potatoes, dry beans, flour, cereal, etc.) and smaller quantities of meat, poultry, and other higher priced items. It is also assumed that users will select the lower-cost items within each food category. The nutritional requirements are those defined by the National Research Council while the nutritive value of the foods are those determined by the USDA.¹

Families can achieve nutritional adequacy from the low cost plan but a 1955 USDA study indicated that about 75% of the families spending dollar amounts equivalent to the cost of the plan did not have nutritionally adequate diets. Foods used in



this plan also require a considerable amount of home preparation.² In short, the diet requires considerable expertise and knowledge to achieve an adequate food consumption level for the family.

Food plans developed by the USDA do not necessarily reflect the actual expenditure patterns of families. Consumers can be expected to adjust their purchases because of regional variations in the availability and cost of commodities. If the price of fish products increase relative to beef, families will tend to purchase less fish and more beef.

The USDA low cost food plan is the same as that utilized in computing the lower level Urban Family Budget by the Bureau of Labor Statistics. The other standard budgets costed annually by the BLS are for a "moderate" and "higher" living standard. The BLS describes the standard budgets as "modest but adequate according to prevailing standards of what is needed for health, efficiency, the nurture of children, and for participation in social and community activities."³

There were a number of reasons for selecting the USDA low cost food plan in conducting this study of food costs. The data and worksheets for manually computing the regional costs were available although the USDA has now computerized their statistical program. It is the same plan utilized by the Bureau of Labor Statistics in the Urban Family Budget studies and this report can therefore serve as a pilot study for replicating the BLS Family Budget program in Guam.



The low cost food plan appears more "realistic" in terms of Guam families' expenditures for food consumed at home based upon available evidence. The weights used for the Guam Consumer Price Index are based upon a survey of Guam Consumer Expenditures conducted by the Economic Research Center.⁴ In May 1974 food consumed at home had a relative importance of 28.5%.⁵ For the BLS Urban Family Budgets, food consumed at home represents 25.9% of the total lower budget, 21.4% of the intermediate budget, and only 17.8% of the higher budget.⁶ If these percentages are comparable, the USDA low cost food plan would seem to more accurately represent food expenditures in Guam in relation to total family expenditures.

The final reason for selecting the low cost food plan and rejecting the other more liberal plans is that the median annual family income in Guam was \$9222 during 1972.⁷ The BLS lower cost budget totaled \$9924 in 1973 for Honolulu, and thus more closely parallels Guam's income level.

The low cost food plan is also the most often used plan by social welfare and public health agencies. But for comparisons of regional differences in food costs, the selection of the appropriate food basket is a normative and arbitrary decision.

Food items are grouped into eleven categories and a family can make its choices within each group thus adapting the plan to specific family preferences. The quantities purchased of each food category will assure that the family achieves the recommended dietary allowances as determined by the National Research Council (NRC). The nutritive values have also been



adjusted to account for losses in cooking and for inedible discards. To also allow for the discarding of edible foods (leftovers), the quantities purchased were increased to provide a calorie allowance 5 to 10 percent above NRC standards for the low cost plan. A description of the food categories follows.

MILK, CHEESE, ICE CREAM: Milk -- whole, skim, buttermilk, dry, evaporated; condensed; cheese; cream; ice cream.

MEAT, POULTRY, FISH: Beef, veal, lamb, pork (includes bacon and salt pork); variety meats such as liver, heart, and tongue; luncheon meats; poultry; fish and shellfish; mixtures mostly meat.

EGGS.

DRY BEANS AND PEAS, NUTS: Dry beans of all kinds; dry peas; lentils; soybeans and soya products; peanuts, peanut butter, and tree nuts; soups mostly legumes.

FLOUR, CEREALS, BAKED GOODS: Flour and meal, cereals, rice, hominy, noodles, macaroni, spaghetti, bread, cake, other baked goods; mixtures mostly grain.

CITRUS FRUITS, TOMATOES: Grapefruit, lemons, limes, oranges, tangerines, tomatoes.

DARK-GREEN AND DEEP-YELLOW VEGETABLES: Broccoli, chard, collards, kale, spinach, other dark greens; carrots, pumpkin, sweet potatoes, yellow winter squash.

POTATOES: White potatoes.

OTHER VEGETABLES AND FRUITS: All vegetables and fruits not included in other groups, such as asparagus, beets, brussel sprouts, cabbage, cauliflower, celery, corn, cucumbers, green lima beans, snapbeans, lettuce, okra, onions, parsnips, peas, peppers, rutabagas, sauerkraut, summer squash, turnips. Apples, avocados, bananas, berries of all kinds, cherries, dates, figs, grapes, melons, peaches, pears, pineapple, plums, prunes, raisins, rhubarb.

FATS AND OILS: Butter, margarine, mayonnaise, salad dressing, salad and cooking oils, shortening.

SUGARS, SWEETS: Sugar, granulated, powdered, brown, maple; molasses; sirup; honey; jams; jellies; preserves; powdered and prepared desserts.

In order to determine the cost of the food plan, average prices for food groups are needed. The cost is then calculated by multiplying the quantity of each category by the average price



for that category and then adding the costs for all food groups. The method used to determine the average prices is that used by the USDA. The task of periodically pricing all items purchased by families is almost impossible -- and unnecessary. A sample of items can instead be used for measuring all prices and the food price data utilized are the prices of 80 items published monthly by the Bureau of Labor Statistics.

The average price is then calculated by multiplying the prices of the sample items by a "price multiplier." The multipliers were computed by the USDA and are shown on the worksheets. The multiplier for each item was determined by (a) a weight based upon the proportion of poundage the given item represents relative to its pricing group and (b) a price adjustment factor. This factor "adjusts" the BLS item price to the same level of prices paid by the survey families as determined in the Household Food Consumption Survey. Because of the price adjustment factor, the price multipliers are not simple weights and therefore do not sum to 1.0. For a complete description of the computational procedures see the Family Food Plans and Food Costs, Bulletin No. 20, USDA, 1962.

In this study the BLS prices were used for computing the costs of the food plan for Honolulu and Los Angeles/Long Beach for the month of April 1974. This is exactly the same procedure used by the USDA. But the prices of eight items included on the worksheet are not published by the BLS. These items are veal cutlets or chops, peanut butter, sweet buns, lemons - limes, canned corn, frozen peas, canned peaches, and hydrogenated vegetable fats (Crisco). It was necessary to use the Guam price

for these items because the prices could not be obtained from the BLS. The result of this deviation is to underestimate the actual difference in the cost of the food plan between Guam and the other two regions.

For Guam, price data were obtained from the Economic Research Center, Department of Commerce. These retail prices for April 1974 generally conform to the specifications defined by the BLS and will be published in cooperation with this agency beginning this summer. However, the ERC could not provide price data for 48 items included in the USDA worksheets. The prices of these items for April 1974 were collected from two supermarkets on Guam, J&G Payless and Sav-Mor. Because large supermarkets have the same or lower price for virtually all items than smaller retail outlets, the retail prices used are almost certainly less than if collected and computed by the ERC because of their larger outlet sample. The list of items priced in this study is given on the next page.

Tables A, B, and C summarize the results of this study. Because the Guam price was used for eight items for Honolulu and Los Angeles and because supermarket average prices were used for Guam, it is certain that food costs differences between the three regions are at least as great as reported herein. Stated differently, the procedures used in computing these costs tend to underestimate the real regional cost differences. For a family of four, the food costs in Guam are at least 37.1% higher than in Los Angeles.



<u>Items Priced on Guam</u>	<u>Purchase Unit</u>
Beef: Steak, porterhouse, club	lb.
Roast, rump	lb.
Pork: Sausage, fresh	lb.
Picnics	lb.
Ham, not canned, whole	lb.
Veal: Cutlets, chops	lb.
Lamb: Chops, steaks	lb.
Variety meats: Liver, fresh,	
frozen	lb.
Poultry: Turkey, fresh, frozen	lb.
Fish: Tuna, canned	6½ oz. can
Sardines	4 oz. can
Baby foods	4½ oz. cn.
Bread, whole wheat	lb.
Buns, sweet	lb.
Pretzels, crackermeal	8-9½ oz.
Mixtures, baby & junior	4½ oz. cn.
Potatoes, dehydrated	7 oz.
Grapefruit, fresh, size 80	one
Lemons, limes	lb.
Orange, citrus juice, citrus	
blends, fresh	qt.
Orange juice, frozen, concentrate-	6 oz. cn.
Lemon, limeade, frozen,	
concentrate	6 oz. cn.
Tomato paste	#303 cn.
Soup (bean)	11½ oz. cn.
Spinach, fresh	10 oz.
Peppers, fresh	lb.
Carrots, fresh	lb.
Lettuce, size 24	Head
Cabbage, fresh	lb.
Celery, fresh	lb.
Cucumbers	lb.
Peas, green, canned	#303 cn.
Beets, canned	#303 cn.
Broccoli, frozen	10 oz.
Peas, frozen	10 oz.
Bananas, plantains	lb.
Pears, canned	#2½ cn.
Peaches, canned	#2½ cn.
Pineapple juice, camed	46 oz. cn.
Soup (bean)	11½ oz. cn.
Baby food, strained	4½ oz. cn.
Relishes, except tomato	12 oz. cn.
Margarine with liquid oil	lb.
Fats, vegetable, hydrogenated	3 lb.
Salad dressing, Italian	8 oz.
Syrup, chocolate flavored	16 oz.
Coffee, instant	6 oz.



REFERENCES

1. "Family Food Plans," Family Economics Review, October 1964, U.S. Department of Agriculture.
2. Three Standards of Living, Bulletin No. 1570-5, U.S. Department of Labor, Bureau of Labor Statistics, March, 1969, p.9.
3. Handbook of Methods, Bulletin No. 1458, U.S. Department of Labor Statistics, October 1966, p. 64.
4. The Guam CPI: A Brief Description, Economic Research Center, Department of Commerce, Government of Guam, March 1973, p.7-8.
5. Quarterly Report, Guam Consumer Price Index, Economic Research Center, Department of Commerce, Government of Guam, May 1974, p. 12.
6. Autumn 1973 Urban Family Budgets, U.S. Department of Labor, Bureau of Labor Statistics News Release, June 16, 1974. USDL: 74-304.
7. Carey, Edwin. Testimony given before the Committee on Consumer Protection in hearings held June 7, 1974.
8. "Family Food Plans," Family Economics Review, October 1964, U.S. Department of Agriculture.



TABLE A
WEEKLY FAMILY AND PER CAPITA FOOD COSTS
LOW COST FOOD PLAN^a APRIL 1974

	GUAM ^c	HONOLULU ^d	LOS ANGELES ^d LONG BEACH
Per Capita ^b	\$13.92	\$12.68	\$10.26
Family of Four	57.94	52.39	42.25
Husband (20-35 yrs)	16.72	15.16	12.19
Wife (20-35 yrs)	14.64	13.00	10.51
Daughter (6-9 yrs)	12.30	11.16	9.02
Son (9-12 yrs)	14.28	13.07	10.53

^a Consumer and Food Economics Institute, Agricultural Research Service, USDA.

^b Based on U.S. Population Weights 1970 Census.

^c Price Data: Economic Research Center and Major Supermarkets.

^d Price Data: Estimated Retail Food Prices by Cities, Bureau of Labor Statistics, Washington, D.C. 20212, April 1974.

TABLE B
REGIONAL FOOD COST COMPARISONS
COSTS AS A PERCENTAGE OF LOS ANGELES/LONG BEACH
LOW COST FOOD PLAN - APRIL 1974

	GUAM	HONOLULU	LOS ANGELES/ LONG BEACH
Per Capita	135.7	123.6	100.0
Family of Four	137.1	124.0	100.0
Husband (20-35 yrs)	137.2	124.4	100.0
Wife (20-35 yrs)	139.3	123.7	100.0
Daughter (6-9 yrs)	136.4	123.7	100.0
Son (9-12 yrs)	135.6	124.1	100.0

Sources: Table A



TABLE C
WEIGHTED COST, MAJOR FOOD CATEGORIES
GUAM - HONOLULU - LOS ANGELES/LONG BEACH

	GUAM	HONOLULU	LOS ANGELES/ LONG BEACH
Milk & milk products, average price per quart equivalent	50.1¢	53.4¢	40.5¢
Meat, poultry, fish - average price per pound	116.1	107.3	93.0
Eggs, average price per dozen	112.5	95.8	61.8
Dry beans, peas, nuts - average price per pound	129.2	134.1	114.9
Flour, cereal, bakery products - average per flour equivalent pound	79.6	74.1	65.5
Potatoes, average price per lb.	31.5	27.8	22.2
Citrus fruits, tomatoes - average price per pound	39.0	28.3	22.9
Other vegetables & fruit, average price per pound	41.4	35.0	24.8
Fats & oils, average price per pound	80.9	62.6	55.7
Sugar, sweets - average price per pound	56.0	48.4	42.5

Computed from Worksheets, Consumer and Food Economics Institute,
Agricultural Research Service, U.S.D.A.



THE WHITE HOUSE
WASHINGTON

October 18, 1974

TO : ROGER SEMERAD

FROM: NORM ROSS *NR*

Per our conversation. Would
you please hold letter until after
the election?



301

*****U N C L A S S I F I E D*****S COPY

ROUTINE
DE RUEHCR #42770 2890455
R 160446Z OCT 74
FM LT GOVERNOR OF GUM

TO: NORMAN ROSS: DOMESTIC COUNCIL WHITE HOUSE

UNCLAS:

NORMAN ROSS
DOMESTIC COUNCIL
THE WHITE HSE
WASH D C

THIS IS IN REFERENCE TO GOVERNOR CAMACHOS SEPT 8 LTR TO ROGER
D SEMERAD CONCERNING OUR EXPANDED H-2 LABOR PROGRAM. I HAVE
BEEN INFORMED UNOFFICIALLY THAT U S LABOR OFFICIALS IN SAN
FRANCISCO HAVE OPENLY OPPOSED OUR PROGRAM AND HAVE THREATENED IN
AN OFFICIAL LTR TO LEONARD GILMAN REGIONAL COMMISSIONER, IMMIGRATION
AND NATURALIZATION SERVICE, SOUTHWEST REGION, THAT IF THE GUM PROGRAM
IS APPROVED, THEY WILL REMOVE GUMS LABOR AUTHORITY AND OPEN THEIR
OWN OPC LIKE THE VIRSEN ISLANDS.

I FURTHER UNDERSTAND THAT THE WHITE HE WILL CORRESPOND DIRECTLY TO
THE GOVERNOR ADVISING HIM THAT OUR NEW LABOR PROGRAM WILL NOT BE
APPROVED.

I ASK THAT YOU HOLD UP THIS LTR OR ANY LTR FOR THAT MATTER ON THE
SUBJ UNTIL AFTER THE ELECTION. AT THAT TIME, A DELEGATION WILL
BE SENT TO WASH TO AGAIN PURSUE OUR CASE. IT IS IMPOSSIBLE FOR
ANYONE FRM HERE TO LEAVE AT THIS TIME.

I WILL CALL YOU. REGARDS.

LT GOVERNOR OF GUM KURT S MOYLAN SENDS

BT



*****HHSR COMMENT*****

ROSS:

PSN:028159 PAGE 01 OF 01 TOR:209/001572 DTG:160446Z OCT 74

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10/16