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GUAM

Working paper prepared by the Secretariat

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GUAM 1/

I. GENERAL

1. Guam, a Non-Self-Governing Territory administered by the United States of America, is the southernmost and largest island of the Mariana archipelago. The island is 48 kilometres long, ranges from 8 to 14 kilometres in width and has a total land area of 540 square kilometres. Guam lies about 2,400 kilometres east of Manila. Agana is the capital city. 2/

2. Guam is composed of two distinct geological areas of about equal size. The northern part of the island is a high coralline limestone plateau and contains the northern water lens, capable of supplying fresh water far in excess of the Territory's present needs. The southern region is mountainous. Apra Harbour, which is located on the central western side of the island, is one of the largest protected harbours in the Pacific and is considered to be the finest deep water port between Hawaii and the Philippines. <u>2</u>/

3. In 1521, the explorer Ferdinand Magellan, sailing under the Spanish flag, reached Guam during his circumnavigation of the globe. Later, in 1565, Spain claimed Guam and the rest of the Mariana islands, but did not begin colonization until 1668, when the native Chamorro population of the Mariana archipelago was estimated at 50,000. As a result of harsh treatment by the colonizers and the introduction of new diseases, the Chamorros were reduced to less than 2,000 by 1700. Following its defeat in the Spanish American War in 1898, Spain ceded Guam to the United States.

4. Guam was under the administration of the United States Navy from 1899 to 1950, except for a period during the Second World War when the island was occupied by Japan.

5. In accordance with the 1950 Organic Act of the United States Congress, Guam became an unincorporated Territory. Administration of the Territory was transferred to the Department of the Interior.

6. Guam's population is growing at an accelerating rate, increasing from 105,979 in 1980 to an estimated 133,152 in 1990, or by 25.7 per cent. If the current rate of growth remains constant, the Territory's population will double by 2010. Population density is about 235 per square kilometre, much higher than the average in the United States. Of the total inhabitants, 19,468 are United States military personnel and their dependants. 3/ Exclusive of military personnel, about 47 per cent of the inhabitants are Chamorro; 25 per cent are Filipino; 15 per cent migrated from the United States mainland; and 13 per cent are Korean, Chinese, Japanese, Micronesian and Indian. 3/

7. At its 642nd meeting, on 1 May 1992, the Subcommittee on Small Territories, Petitions, Information and Assistance of the Special Committee was provided additional information by the Organization of People for Indigenous Rights of Guam with regard to the ethnic composition of Guam.

8. The Organization drew attention to the <u>1990 Census of Population and</u> <u>Housing: Social, Economic and Housing Characteristics - Guam</u>, according to which over half the population was not born in the Territory and, of that proportion, 63 per cent had arrived after 1985. <u>4</u>/ The Organization expressed concern that the Chamorro population was becoming a minority owing to the continued application to Guam of federal immigration regulations. <u>5</u>/

9. Press reports indicate that approximately 1,300 more United States Navy personnel and their dependants, a total of 2,500 persons, are expected to move to Guam during 1992 as a result of the closing of the Subic Bay Naval Base and Cubi Point Naval Air Station in the Philippines. 6/ It will be recalled that in 1989, approximately 1,300 military personnel were moved from Guam owing to the closure of the B-52 base at Anderson Air Force Base. With the expected redeployment, the total number of military personnel in the Territory would return to the 1989 level. 5/

10. At present, about half of the population lives in the most northerly part of the Territory. In 1940, only 8 per cent of the total population resided there. The population shift resulted from the development of infrastructure and employment opportunities in the north in connection with the construction, maintenance and operation of military bases. 7/

II. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. <u>General</u>

11. As provided for by the Organic Act of 1950, the Government of Guam consists of separate executive, legislative and judicial branches.

12. Universal adult suffrage with respect to local elections applies to Guamanians 18 years and older. As Guamanians are nationals rather than citizens of the United States they are not eligible to vote in the United States presidential elections while resident in the Territory.

13. Since 1972, the Territory has had a non-voting delegate in the United States House of Representatives. Mr. Ben Blaz, a Republican, is currently serving his fourth two-year term in that capacity.

Executive

14. Executive power is vested in a Governor who, together with a Lieutenant-Governor, is elected for a term of four years. The Governor is responsible for the general supervision and control of the executive branch and submits to the Secretary of the Interior an annual report on the transactions of the Territory's Government for transmission to Congress. The Governor may issue executive orders and regulations, recommend bills to the Legislature, make his views known to that body and veto legislation. In 1990, Governor Joseph F. Ada (Republican) was re-elected for a second term.

<u>Legislature</u>

15. Legislative power is vested in a unicameral body composed of 21 senators elected by legislative districts for two-year terms. The Legislature may override the Governor's veto.

16. Under the Organic Act of 1950, the United States Congress reserves the authority to annul any law enacted by the Guam Legislature.

Judiciary

17. The Federal District Court of Guam has jurisdiction over all cases arising under the United States Constitution, as well as under United States treaties and laws. The Superior Court of Guam handles cases arising under the laws of Guam.

18. On 14 April 1992, the United States Court of Appeals for the Ninth Circuit affirmed the ruling of a federal district court, which declared a territorial law on abortion unconstitutional. The statute, which outlawed the procedure except to save a woman's life or prevent grave injury, was considered to be the most sweeping anti-abortion statute in any jurisdiction of the United States. <u>8</u>/

19. The unanimous decision by the three-judge panel of the Court of Appeals upheld the ruling of the federal district judge who had blocked the law's enforcement in March 1990, four days after it took effect. $\underline{8}/$

B. Future political status

20. In a political status referendum held on 30 January 1982, Guamanian voters were asked which of the following seven alternatives they would prefer as "the ultimate goal of the Territory of Guam": (a) statehood; (b) independence; (c) free association; (d) the status of incorporated Territory (i.e., with a local constitution); (e) commonwealth status; (f) the status quo; or (g) other.

21. Commonwealth status received 4,914 votes (49.5 per cent), just short of a simple majority, followed by statehood, 2,547 votes. The majority of voters in every village on the island opted for commonwealth status.

22. In a run-off referendum held in September 1982, a large majority of Guamanian voters expressed preference for commonwealth status. Subsequently, in February 1984, the Guam Legislature established an eight-member Commission on Self-Determination to prepare a draft commonwealth agreement which, if acceptable to the people, would be submitted to the United States Congress for consideration.

Draft Commonwealth Act

23. In May 1986, the Commission on Self-Determination completed a draft Commonwealth Act, which, after a public-education campaign, was submitted to an article-by-article vote on 8 August 1987. Thirty-nine per cent of the 35,846 registered voters participated. They approved 10 of the 12 articles by majorities ranging from 51 to 61 per cent and rejected articles 1 and 7 by small margins.

24. Article 1, which spelled out the envisaged political relationship between the United States and Guam, also contained provisions that would recognize the Chamorro people (defined as those born on Guam before 1 August 1950 and their descendants) as a distinct group with certain privileges. Article 7 would transfer control over immigration from the federal Government to Guam.

25. A second vote on articles 1 and 7, as revised by the Commission on Self-Determination, was held on 7 November 1987 and brought out 20,000 voters, or 56 per cent of all those registered. Each article was approved by about 11,400 votes, notwithstanding continuing criticism that the articles still contained provisions that were actually or potentially discriminatory and were thus contrary to the United States Constitution.

26. The major provisions of the draft Commonwealth Act may be summarized as follows: Guam would become a fully self-governing Commonwealth of the United States under a locally adopted constitution, which would recognize, and be consistent with, the sovereignty of the United States over Guam and the supremacy of the provisions of the United States Constitution, as well as treaties and laws of the United States applicable to Guam. The Guam constitution would provide for a republican form of government, with separate executive, legislative and judicial branches and a bill of rights. No federal laws passed after adoption of the act would apply to Guam without its consent, and a joint commission would regularly consult with the United States and Guam on all matters affecting the relationship between them. The United States would be required to consult with Guam with respect to any plan to increase or decrease activities of the Department of Defense in the Territory and would pay rent on land used by the military.

27. The draft Commonwealth Act also provided that the Congress of the United States would recognize the inalienable right to self-determination of the Chamorro people, for which provision would be made in the Guam Constitution. The United States Government, together with the Commonwealth of Guam, by means of additional federally funded programmes, might promote: (a) the maintenance and preservation of the Chamorro language, culture and traditions; (b) the enhancement of economic, social and educational opportunities for Chamorros; and (c) the training of Chamorros as professionals, skilled workers and leaders in business and industry. Also under the draft Act, the Government of Guam would establish, for the benefit of the Chamorro people, a "Chamorro Land Trust" comprising certain lands returned by the United States before and after the effective date of the Act. The draft Act specified that, notwithstanding the above provisions, no qualified resident of Guam could be deprived of the right to vote in any plebiscite or referendum held to ratify the draft Commonwealth Act and that the continued eligibility of members of minority groups for benefits would not be affected.

28. Under the draft Commonwealth Act, Guam would have greater control over immigration matters than exercised by any of the 50 states or other United States Territories, as well as veto power over federal laws and regulations. It would establish a 200-mile exclusive economic zone. Further, the draft Act would restrain the United States from utilizing the waters surrounding Guam for the dumping or storage of nuclear waste and would oblige the United States to clean up all chemical waste sites used by the military.

29. The draft Act was submitted to Congress for its consideration in February 1988.

30. A Federal Interagency Task Force report released in August 1989 concluded that some provisions of the draft Commonwealth Act were unconstitutional, particularly those relating to the exercise of self-determination by the Chamorro people. $\underline{9}/$

31. In his state of the Territory address of 14 January 1992, Governor Ada reiterated that passage of the draft Commonwealth Act would enable the Territory to increase trade with, and accept assistance from, foreign countries and enable it to control its own marine resources. He reiterated the territorial Government's demand for access to unused land being held by the federal Government. $\underline{10}/$

32. In a testimony submitted on his behalf to the House Subcommittee on Insular and International Affairs on 6 February 1992, Governor Ada called upon Congress to enact the draft Commonwealth Act as submitted, as early as possible. He stated that the change of political status would enable the people of the Territory to chart their own future development as well as guarantee that the United States would maintain a stable strategic presence in the Pacific. <u>11</u>/

33. In her testimony to the House Subcommittee on Insular and International Affairs on 6 February 1992, Stella Guerra, Assistant Secretary of the Interior for Territorial and International Affairs, stated that discussions on a number of subjects, including Guam's commonwealth proposal, had taken place during 1991 between Federal officials and those of the Territory. Tentative agreement had been reached on two thirds of the major provisions of the draft. A new round of discussions on the remaining outstanding issues was expected to be concluded by April 1992 and a report would be submitted to Congress on the outcome. $\underline{12}/$

34. Press reports indicate that, at talks held at Washington in February 1992, progress was made in reaching agreement on some trade issues, but not on control over the exclusive economic zone or the participation of the Territory in regional and international organizations. <u>13</u>/

35. At talks held in Guam in April 1992, the two sides were unable to reach agreement on the question of "mutual consent" over the application of federal laws to Guam and the right to self-determination of the Chamorro people. <u>14</u>/

36. Press reports indicate that Congressional review of the draft Act could take several years to complete.

Position of the United States

37. In a statement to the Subcommittee on Small Territories of the Special Committee on 29 July 1991, the representative of the United States said that the people of Guam were pursuing their right to self-determination at their own chosen pace and had repeatedly expressed the desire to retain a close relationship with the United States in accordance with the principles set out in General Assembly resolution 1541 (XV) of 15 December 1960. The representative reviewed developments concerning the draft Commonwealth Act, noting that progress had been made between the two sides on several key points. <u>15</u>/

Action taken by the General Assembly

38. On 11 December 1991, the General Assembly adopted resolution 46/68, an omnibus resolution on 10 Non-Self-Governing Territories, including Guam. In part A of the resolution, which contains the general principles applicable to all the Territories concerned, the Assembly, <u>inter alia</u>, reaffirmed that it was ultimately for the people of those Territories themselves to determine freely their future political status in accordance with the relevant provisions of the Charter of the United Nations, the Declaration on the Granting of Independence to Colonial Countries and Peoples and the relevant resolutions of the General Assembly. The Assembly called upon the administering Powers, in cooperation with the territorial Governments, to facilitate programmes of political education in the Territories in order to foster an awareness among the people of the possibilities open to them in the exercise of their right to self-determination, in conformity with the legitimate political status options clearly defined in Assembly resolution 1541 (XV).

39. Furthermore, the General Assembly reiterated that it was the responsibility of the administering Powers to create such conditions in the Territories as would enable their people to exercise freely and without interference their inalienable right to self-determination and independence.

40. In part B, section VI, of the resolution, which concerns Guam, the General Assembly, <u>inter alia</u>, called upon the administering Power to ensure that the presence of military bases and installations in the Territory should not constitute an obstacle to the implementation of the Declaration nor hinder the population of the Territory from exercising its right to selfdetermination and independence in conformity with the purposes and principles of the Charter of the United Nations.

41. The General Assembly also called upon the administering Power, in cooperation with the territorial Government, to expedite the transfer of land to the people of the Territory and to take the necessary steps to safeguard their property rights.

42. The Chairman of the Special Committee, Mr. Renagi Renagi Lohia of Papua New Guinea, met with the Governor of Guam on 2 April 1992, at Agana. The two parties exchanged views on a range of issues concerning Guam's future status and United Nations action in that regard.

III. ECONOMIC CONDITIONS

A. General

43. Until the Second World War, the majority of Guamanians were involved in subsistence agriculture. After the War, employment was generated mainly by the presence of United States Department of Defense military bases, which provided jobs mostly in the construction and servicing sectors. The formation of a territorial Government in 1951 provided further employment in non-agricultural sectors, in particular in the public service.

44. Guam's economy was based for several years on federal expenditures (mostly military), which in 1990 amounted to \$895 million (or \$6,882 per person). $\underline{16}/$

45. Since the 1970s, the dramatic increase in tourism and the related construction, retail and service sectors have been the effective force in the economy's growth (see paras. 72-79).

46. The <u>1990 Guam Annual Economic Review</u> described Guam's economic outlook as "very promising", ascribing the rapid growth and near-full employment to the tourism and construction sectors. The <u>Review</u> added that in addition to being one of the most populated and advanced islands in the western Pacific, Guam had an ideal geographical location and a stable banking community and it offered liberal incentives for investments. Continuing efforts were being made to promote the development of small-scale light manufacturing and to establish Guam as a financial, educational and administrative centre in the western Pacific.

47. Guam's economy has also been experiencing a rapidly escalating rate of inflation. The Territory's consumer price index has averaged twice the national levels of the United States. 17/ Between 1985 and 1990, per capita income was reported to have risen by 47 per cent and the average household income by 44 per cent. The Government gave all its employees, one fifth of the total work force, a \$5,440 salary increase for 1990, amounting to an average increase of 20 per tent per worker. Reflecting the rapid rise in incomes, the number of food stamp recipients fell from 23,900 in 1985 to under 11,000 in 1990. 18/

48. Guam imports almost all of its requirements. The United States has been the traditional supplier, currently selling goods valued at \$250 million to Guam annually. The Territory's exports to the United States are valued at \$10 million. <u>18</u>/

B. Public finance

49. The territorial Government's revenue for fiscal year 1990 amounted to \$547.7 million and expenditures equalled \$363.1 million. The Government therefore recorded a surplus balance of \$184.6 million. <u>19</u>/

50. The Territory receives funding from a number of departments of the federal Government. During 1993, Guam will receive \$50 million out of a total federal insular budget of \$317 million. Of this sum, \$48.5 million will be for federal income tax rebates (an increase of \$1.5 million compared with 1992). <u>20</u>/

51. Territorial officials requested an increase in federal payments for "Impact Assistance", meaning expenses associated with the effect on Guam of the Compact of Free Association between the United States and the Federated States of Micronesia and the Republic of the Marshall Islands, especially expenditures incurred due to open immigration from the Freely Associated States estimated to be \$27.9 million for 1989 to 1991. For 1990-1991, Guam received \$1 million which was shared with the Commonwealth of the Northern Mariana Islands and \$1.5 million for 1992-93. The Territory receives additional lending from various federal agencies. <u>20</u>/

52. Territorial leaders have drawn attention to the fact that the Territory's economy is increasingly interdependent with the countries of the Pacific Rim, in particular Japan. The Government is currently drafting its own income tax code to replace the Internal Revenue Code. The new code would be designed to reflect economic conditions of the Asia-Pacific region and offer better incentives to offshore investors. 21/

53. In August 1991, the Guam Senate unanimously adopted a resolution requesting that the authority of the Inspector General of the Department of the Interior be limited to auditing programmes directly funded by federal grants. Only 10 to 15 per cent of the Territory's programmes are federally funded. At the close of the Pacific Basin Development Council Conference held in Hawaii on 5 February 1992, the Governors of Guam, American Samoa, Hawaii and the Commonwealth of the Northern Mariana Islands passed a joint resolution, in which they reiterated the position of the Guam Senate. <u>22</u>/

C. Land tenure

54. Approximately 30 per cent of the land in Guam is reserved for the Department of Defense, 1 per cent is used by the federal Government for non-military purposes and 19 per cent belongs to the Government of Guam.

About 50 per cent is privately owned. There are approximately 10,000 landowners, 94 per cent of whom own less than two hectares of land each (see A/AC.109/1069, para. 42).

55. According to the <u>1990 Guam Annual Economic Review</u>, there were 35,000 land parcels on Guam with a total appraised value of \$1.1 billion.

56. As previously reported (see A/AC.109/1017, para. 55, and A/AC.109/816/Rev.1, para. 34), in the mid-1970s, some 1,400 Guamanians who believed that they had not been adequately compensated for land appropriated by the United States military after the Second World War brought a class-action suit in United States federal courts seeking damages of up to \$300 million. In 1984, the majority of plaintiffs decided to accept an out-of-court settlement of \$39.5 million, which had been ruled fair by a federal district judge. Since then, because urban and rural landowners have been unable to agree among themselves upon a formula for apportioning the settlement, few disbursements have been made. In November 1988, it was reported that disbursements totalling \$1.1 million had been distributed to almost 100 landowners.

57. According to the Guam Commission on Self-Determination, the majority of litigants have not accepted the settlement and are pursuing separate legal action against the federal Government.

58. In a related development, in 1977, in response to expressions of dissatisfaction by Guamanians, the Department of the Navy, in cooperation with the Department of the Air Force, prepared a study known as the Guam Land Use Plan, recommending the release of 2,100 hectares of surplus land held by the military so that it could be developed. The Department of Defense agreed to release 1,416 hectares.

59. The Navy transferred to the territorial Government 190 hectares of land on Cabras Island, as well as the land used for airport expansion at the Naval Air Station, several parcels at Apra Harbour and 84 hectares of land and facilities at the Hotel Wharf.

60. In a statement to the Special Committee's Subcommittee on Small Territories on 29 July 1991, the representative of the United States stated that, during 1990 and 1991, 150 hectares of excess federal lands had been transferred to the Government of Guam to be used for the construction of a waste water treatment facility, a new high school and a new campus for the Guam Community College. In addition, 8 hectares of submerged lands off the south-east coast of Guam had been transferred for use as part of the Cocos Island Public Park. <u>15</u>/

61. Recent press reports indicate that legislation has been introduced in the United States Senate that would authorize the transfer of 1,214 hectares more of excess defence land to the territorial Government upon its institution of a land-use programme. During 1992, the territorial Government conducted public hearings to initiate such a land-use programme. <u>23</u>/

62. In testimony submitted on behalf of the Governor of Guam to the House Subcommittee on Insular and International Affairs on 6 February 1992, concern was voiced regarding the federal Government's financial commitment for the completion of the War in the Pacific National Park, which is to be a memorial to victims of the Second World War.

63. When originally designed, the boundaries of the park included several parcels of private lands whose owners were to be compensated for their condemned properties. The owners have been waiting for several years now for a final settlement on their properties. The territorial Government has stressed the importance of a solution to the problem.

D. Agriculture and fisheries

Agriculture

64. Today, Guam's agricultural sector is the smallest sector in the economy, utilizing about 162 hectares of land and employing only 310 persons out of a total work force of 59,130. The average annual earnings of these workers is reported to be \$9,552, far below the average wage for the Territory. In 1988, the total value of agricultural produce amounted to just over \$7 million. 24/

65. Guam has relatively poor natural conditions for commercial agriculture. Rainfall can be torrential and is often accompanied by destructive winds. The soil lacks minerals and nutrients needed for satisfactory agricultural production.

66. Furthermore, the small size of plots is an obstacle to the use of machinery and, in many cases, deters farmers from purchasing capital equipment. Transport, storage and processing facilities for agricultural products have, until recently, been almost non-existent and marketing efforts fragmented.

67. To increase output, the Government's Agricultural Development Services has begun a programme of leasing land owned by the territorial or the federal Government that is neither required for public use nor reserved for other purposes. About 227 hectares are reported to have been leased to 52 farmers throughout the Territory. <u>25</u>/

<u>Fisheries</u>

68. Guam is considered a natural location for a major fishing industry by virtue of its excellent harbour and port operations; infrastructure for freezing, storage and handling of fish; an adequate fuel supply; and ship repair facilities. Nonetheless, it serves mainly as a tuna transshipment centre. Other activities are small scale.

69. In 1990, a total of 12,073 metric tons of tuna was transshipped from Guam. Yellow fin and bigeye tuna comprised 96 per cent of the total catch.

Of the total, 75.3 per cent, or 9,101 metric tons, was caught by Japanese longliners and the remaining by longline vessels from Taiwan Province of China. The reported value of the catch was \$15.2 million. 26/ The small-scale fishing harvest by local residents accounted for a total of 301,548 kilograms. 27/

70. Guam is a member of the Pacific Fisheries Development Foundation, a regional organization which assists members in the management, development and conservation of tuna resources, and of the Western Pacific Regional Fishery Management Council which advises on management within the exclusive economic zone to prevent overfishing and to encourage economic development.

71. An Ad Hoc Committee on Fisheries Projects and Programmes headed by the Guam Department of Commerce and composed of government and private-sector counterparts has been established. In 1990, its main focus was on enforcement issues in the exclusive economic zone, in particular the limiting of longline and purse seiner vessels and of drift-net fishing.

E. <u>Tourism</u>

72. Tourism continued to be the main factor in the economy's growth. There were an estimated 850,000 visitors in 1990 and 918,535 in 1991. <u>28</u>/ In 1991, visitors from Japan accounted for over 80 per cent of the total number of tourists. Those from the Republic of Korea, Hong Kong and Taiwan Province of China increased considerably following a trade mission by the territorial Government in 1990 and owing to increased direct air service to Taipei and Hong Kong. <u>29</u>/

73. Despite a slump caused by the situation between Iraq and Kuwait, the hotel occupancy rate was recorded to be almost 80 per cent in 1991, compared with 90 per cent in 1989. At the end of 1991, Guam had a total of 5,975 hotel/motel rooms, an increase of 14.6 per cent over 1990. An estimated 6,000 new rooms are scheduled for completion between 1992 and 1994. <u>30</u>/

74. Hotel occupancy taxes amounted to \$15.8 million in 1991, compared with \$14.6 million in 1990 and \$11.8 million in 1989. <u>31</u>/

75. The development of the tourism industry is estimated to be the main factor in the increase of retail sales to over \$1 billion in 1990. <u>28</u>/

76. The territorial Government is in the process of designing a strategic marketing plan to encourage the development of new tourist attractions.

77. In exchange for allowing developers to build tourist hotels, the Government has sought contributions to the island's infrastructure. While in the past those contributions were on an ad hoc basis, the Governor has now proposed to the Legislature the imposition of a 5 per cent impact fee.

F. Industry and commerce

78. The small-scale manufacturing sector includes firms engaged in woodcarving, bag-making, boat-building, water-bottling and in the production of greeting cards, chocolate, clocks, surf boards and tourist souvenirs. Largerscale activities include a milk processing plant, printing plants, bread and pastry factories, a watch company and a textile factory. The sector currently accounts for only 3 per cent of the total employment in the Territory. <u>32</u>/

79. In 1989, income generated from the retail sector contributed \$1.1 billion of the \$4.1 billion total gross business receipts. The wholesale sector generated \$73.5 million. 33/ During 1990, these two sectors represented 21 per cent of the total payroll and employed 12,590 persons out of a labour force of 59,130. 33/

80. During meetings between the Guam Commission on Self-Determination and the Federal Inter-Agency Task Force at Washington, agreement was reached on trade policy, which stipulated that Guam would remain outside the United States customs zone and maintain duty-free entry into the United States except in the areas of health and national security. It was also agreed that a fixed standard would be established for Guam products. <u>34</u>/

81. Headnote 3 (a) of the United States Tariff Code permits local manufacturers to import raw materials tariff-free provided that at least 30 per cent of the value of the final product is added in Guam. Headnote 3 (a) also permits exports to United States markets free of tariffs.

82. Under the Generalized System of Preference, Guam may benefit from preferential rates for its exports to the United States, Australia, Japan and Canada and the States members of the European Economic Community.

G. Transportation and communications

83. Guam is serviced by a number of international airlines: Continental, Air Micronesia, Northwest Airlines, Japan Air Lines, All Nippon Airlines, Hawaiian Airlines, Air Nauru, Korean Air and Philippine Airlines. Air Micronesia, Express and Freedom Air fly commuter flights to the outer islands. Approximately 25 flights arrive daily in Guam.

84. During 1990, the Guam Airport Authority earned \$17.6 million in revenues, a 15.3 per cent increase over 1989. Operating costs and expenses were \$11.5 million. Net earnings were \$5.7 million. <u>35</u>/

85. Since July 1991, officials of the Territory and those of the Defense Department have been engaged in negotiations aimed at transferring land of the United States Naval Air Station to Guam's civilian airport. At present, the civilian airport shares facilities with the naval air station. The transfer would allow for the expansion of Guam's commercial airport operations. <u>15</u>/

86. Apra Harbour is a major port in the western Pacific. Ten shipping lines provide direct service to Hawaii, mainland United States, Asia and the western Pacific. In 1990, 3,073 vessels called at the port. <u>35</u>/

87. Public bus transport is provided to all 19 villages throughout the Territory by the Guam Public Transit System, an autonomous agency of the Government of Guam. $\underline{15}/$

88. Telephone installations increased from 34,657 primary lines in 1989 to 37,787 primary lines in 1990. $\underline{15}$ /

89. Guam has telephone connections to North America via transpacific submarine cable installed by Fiber Optic Communication. The Guam telephone authority has a five-year plan to lay fiber optic cable throughout the island. International telegram and telex, telecopy and data transmissions services are also available.

IV. SOCIAL CONDITIONS

A. <u>Housing</u>

90. The 1990 preliminary census states that there are 35,277 housing units in Guam, representing an estimated 25 per cent increase over 1980, to keep pace with the population growth. Construction of both private houses and condominiums, as well as of businesses and hotels, is expected to continue to increase. During 1990, the Guam Department of Public Works issued 557 new residential permits valued at \$66.9 million and 49 permits for apartments and dormitories valued at \$41.5 million, an increase of 16.7 per cent over 1989. 36/

91. The Guam Housing Corporation, which finances housing for low and moderate income families, issued 75 loans valued at over \$5 million during 1990. <u>36</u>/

92. Guam was not too badly damaged by typhoon Yuri, which hit the western Pacific and southern Guam with winds up to 200 miles an hour in November 1991. Damage to homes, businesses and public infrastructure was estimated at \$29.3 million. The Government of Guam assumed the loss incurred by all crop damage, estimated to be \$1.3 million, as well as 25 per cent of the cost of reconstruction of private homes. <u>37</u>/

B. Public health

93. Medical care is generally of a high standard and health conditions are good. The 158-bed, government-owned Guam Memorial Hospital was opened in 1976. In September 1989, the hospital began a \$20.6 million improvement project which, according to press reports, is nearing completion. In addition, there is the United States Naval Hospital and some 17 medical and 7 dental clinics. The Department of Public Health and Social Services maintains

a pharmacy, a nursing section, a maternal child health and family planning centre and a paediatric clinic. A new mental health facility is under construction.

94. Some 140 physicians practise on Guam in several fields of specialization. There are over 30 dentists.

95. A shortage of doctors was reported in all areas of health care. The doctor-to-population ratio for 1991 is reported to be 13.1 per 10,000, or a little better than half that in the United States in 1987 (21.4 doctors per 10,000). 38/

96. At the Second Governor's Conference on Health held in October 1991, 114 health professionals from government, military and private sectors identified 13 areas that needed improvement and attention, including: control of communicable diseases, protection from hazardous and toxic materials, access to comprehensive health care services, environmental protection, reduction of drug and alcohol abuse, and maternal and child health. <u>39</u>/

97. Reports indicate that 5 per cent of the population in Guam are carriers of hepatitis B, which is endemic to the region. The Center for Disease Control in Atlanta reported that the region in general and Guam have registered a very low incidence of acquired immune deficiency syndrome (AIDS) cases (only 10 identified cases). The public, however, has been made aware of the disease. <u>40</u>/

C. Labour

98. In September 1991, the total civilian labour force was reported to be 46,970, exclusive of non-resident aliens and members of the United States Armed Forces and their dependants. There were a total of 10,316 non-immigrant aliens as of December 1991, mainly from the Philippines, Japan, the Republic of Korea and China. <u>41</u>/ The majority of the labour force is employed in the private sector. The federal and territorial Governments employed 18,500 in 1991. The unemployment rate has been 2.5 per cent for several years. <u>42</u>/

99. According to several press reports, during 1991 and 1992, a significant number of complaints were registered regarding widespread abuse of alien workers by contractors and brokers. In response to the complaints, labour officials conducted on-site inspections at construction sites and labour camps, and issued a large number of citations of violations and penalties to the businesses concerned. 43/

D. Law and order

100. During 1990, the number of violent crimes increased to 382 from 267 reported for the previous year. Other crimes, including burglary, larceny and theft, rose from 4,304 in 1989 to 4,622 in 1990. <u>44</u>/ During 1991, however,

the reported overall crime rate fell by 7 per cent and the Territory reported a 100 per cent conviction rate in prosecuted cases. <u>45</u>/

V. EDUCATIONAL CONDITIONS 46/

101. Education is compulsory for children between 6 and 12 years of age. The Territory has established an extensive public and private educational system. The public educational system includes 24 elementary schools, 6 middle schools and 5 high schools, the University of Guam, and the Guam Community College. Private schools are operated by the Catholic, Episcopalian and Seventh Day Adventist churches. There are also two private business colleges.

102. Total school enrolment in 1990/91 was 31,304, of whom 25,942 attended public schools and 5,293 attended private schools. A total of 1,287 pupils graduated from high school in 1990.

103. The Guam Community College reported that in 1989/90, 1,095 high school students and 2,097 adult post-secondary students were enrolled in vocational courses, which included apprenticeship in the contruction and in the hotel/ restaurant industries. Foreign student enrolment was reported to be 314. Over 50 students were enrolled in the United States Naval Apprentice Programmes in 1989. There were 25 graduates.

104. The University of Guam which is accredited by the Western Association of Schools and Colleges of the United States offers graduate programmes in education and public administration and operates a marine research laboratory. The University has a Micronesian Area Research Center which has an extensive collection of historical documents.

105. For the academic year 1989/90, the University of Guam reported an enrolment of 1,499 full-time students and 886 part-time students. Of this number, 281 were students from the Trust Territory of the Pacific Islands.

<u>Notes</u>

1/ The information contained in the present paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United States of America under Article 73 \underline{e} of the Charter of the United Nations on 7 April 1992 for the period 1990-1992.

<u>2</u>/ <u>1990 Guam Annual Economic Review</u>, Department of Commerce, Guam, p. 2.

3/ United States Department of the Interior Fact Sheet, August 1991.

4/ Ibid.; <u>1990 Guam Annual Economic Review</u>, p. 9, table 2; <u>1990 Census</u> of Population and Housing: <u>Social</u>, <u>Economic and Housing Characteristics</u> -<u>Guam</u>, United States Department of Commerce, table 49.

Notes (continued)

5/ United Nations press release GA/COL/2833, 1 May 1992.

6/ Pacific Daily News, 8 February and 26 and 27 April 1992.

7/ 1990 Guam Annual Economic Review, p. 15.

8/ The New York Times, 17 April 1992; Washington Post, 20 April 1992.

9/ Pacific Daily News, 1 September 1989.

10/ State of the Territory address by Mr. Joseph F. Ada, Governor of Guam, delivered on 14 January 1992, p. 14.

<u>11</u>/ Testimony before the House Subcommittee on Insular and International Affairs, submitted on behalf of Mr. Joseph F. Ada, Governor of Guam, 6 February 1992, p. 4.

12/ Statement of Ms. Stella Guerra, Assistant Secretary of the Interior for Territorial and International Affairs, to the Subcommittee on Insular and International Affairs, regarding the President's fiscal year 1993 budget for insular affairs, 6 February 1992, p. 3.

13/ Pacific Daily News, 9 and 11-14 February 1992; The Washington Pacific Report, 15 February 1992, vol. 10, No. 11 and 1 March 1992, vol. 10, No. 11.

14/ The Washington Pacific Report, 15 April 1992, vol. 10, No. 14, pp. 3 and 4.

15/ United Nations press release GA/COL/2804, 29 July 1991.

16/ 1990 Guam Annual Economic Review, p. 3; United States Department of the Interior Fact Sheet, August 1991.

<u>17</u>/ <u>1990 Guam Annual Economic Review</u>, p. 143; <u>An Economic Assessment of Guam</u>, Bank of Hawaii, Spring 1991, pp. 8 and 9.

18/ Pacific Daily News, 12 February 1992; and state of the Territory address by the Governor of Guam.

19/ 1990 Guam Annual Economic Review, p. 3.

20/ Testimony before the House Subcommittee on Insular and Territorial Affairs, submitted on behalf of Mr. Joseph F. Ada; <u>Pacific Daily News</u>, 6 and 8 February 1992.

<u>21</u>/ Statement of the Guam Chamber of Commerce to the Pacific Business Opportunities Conference, Honolulu, Hawaii, 16 January 1991.

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Notes (continued)

22/ Pacific Daily News, 8 February 1992.

23/ Ibid., 8 April 1992.

24/ 1990 Guam Annual Economic Review, pp. 51 and 52.

<u>25</u>/ Ibid., p. 53.

26/ Ibid., p. 64.

27/ Ibid., p. 67.

28/ An Economic Assessment of Guam, p. 4.

29/ Ibid., p. 11; state of the Territory address by the Governor of Guam, p. 10.

30/ An Economic Assessment of Guam, p. 13.

<u>31</u>/ <u>Quarterly Economic Review of Guam</u>, vol. 13, No. 4, October-December 1991, p. 28.

32/ 1990 Guam Annual Economic Review, p. 72.

33/ Ibid., p. 74.

34/ Pacific Daily News, 12 February 1992.

35/ 1990 Guam Annual Economic Review, p. 41.

36/ Ibid., pp. 17 and 70.

37/ Testimony before the House Subcommittee, delivered on behalf of the Governor of Guam, 6 February 1992.

38/ Pacific Daily News, 21 July 1991.

39/ Ibid., 12 June 1991.

40/ Ibid., 21 and 22 September and 27 December 1991.

41/ Quarterly Economic Review of Guam, p. 3.

42/ 1990 Guam Annual Economic Review, p. 21; An Economic Assessment of Guam, p. 4.

43/ Pacific Daily News, 1, 4, 7, 9 and 15 January 1992.

44/ 1990 Guam Annual Economic Review, p. 204.

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Notes (continued)

 $\underline{45}/$ Statement of Ms. Stella Guerra ..., 6 February 1990; state of the Territory address by the Governor of Guam.

<u>46</u>/ Information for this section is taken from the <u>1990 Guam Annual</u> <u>Economic Review</u>, tables 21-33, pp. 111-118.
