

NEW ZEALAND

VISIT

OCTOBER 1988

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Prepared by: Bureau of Planning
Date: October 1988

NEW ZEALAND (1978)

Originally inhabited by the Maoris, a Polynesian people, New Zealand was settled by the British in the early 19th century and became a British colony. At that time the Treaty of Waitangi was signed by the British government's representative, Captain William Hobson, and by Maori chiefs at the Bay of Islands. This treaty is still regarded as the cornerstone of relations between the Maori and the pakeha (the Maori term for the white man). There is a continuous dispute to this day over some aspects of the relationship - especially in regards to the ownership of land.

The Maori people are represented in the New Zealand Parliament and their life-styles have become similar, though some aspects of social and cultural life remain distinctly Maori or distinctly European.

New Zealand is now an independent nation and a member of the Commonwealth of Nations. The country is sparsely populated. Nearly three fourths of the people, including the majority of the Maoris, live in the North Island. The capital is Wellington, at the southern tip of the North Island; the largest city and chief commercial center is Auckland, in the northern part of the North Island.

Economically, the country is heavily dependent upon the export of its agricultural Products, derived chiefly from sheep and cattle. Although Great Britain has remained its principal trading partner, New Zealand has widened its overseas markets. It ranks among the leading countries of the world in value per capita of international trade.

Since the 1930's manufacturing has increased considerably, along with the development of hydroelectric and other power resources. Besides the typical small factories producing a wide variety of goods, chiefly for domestic consumption, New Zealand now has a steel mill, an aluminum smelter, an oil refinery, and several automobile assembly plants.

The standard of living in New Zealand is high. The state provides extensive social services for the welfare of its citizens. New Zealanders have long enjoyed the benefits of a social security program and one of the most comprehensive health care programs in the world.

COMPARISON OF SELECTED DEMOGRAPHIC STATISTICS

	<u>GUAM</u>	<u>NEW ZEALAND</u>
1. SIZE (sq. miles)	209	103,288
2. Population (1987)	124,000	3,341,000
3. Persons per sq. mile	593	32
4. 1980 Average Household Size	3.7	3.2
5. 1980 Medium Household Income (U.S. Dollars)	\$ 16,200	\$ 13,700

COMPARISON OF SELECTED ECONOMIC STATISTICS (in U.S. DOLLARS)

	<u>GUAM</u>	<u>NEW ZEALAND</u>
1. Revenues (1984)	\$ 213 Million	\$ 8 Billion
2. Tourism Receipts (1985)	\$ 200 Million	\$276 Million
3. Per Capita Gross National Product (1985)	\$ 5,660	\$ 7,290
4. Tourist Expenditures Aboard (1985)	N/A	\$401 Million
5. Value of Imports	\$ 611 M. (1983)	\$7.6 Billion (1986)
6. Value of Exports	\$ 39 M (1983)	\$7.1 Billion (1986)
7. Exports to U.S.	25%	16%

Source: Britannica World Data

Possible Discussion Topics

1. US - NZ Bilateral Aviation Negotiations

In July and August 1988 negotiations, the US-NZ delegations agreed to recommend to their respective governments to amend New Zealand's routes to add Guam. The two routes are:

From New Zealand via intermediate points in the South Pacific, to American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, Honolulu, Los Angeles, and two additional points in the United States and beyond to points in Canada, the United Kingdom, and Europe, and one other point to be determined by New Zealand (subject to prior consultation with the United States).

From New Zealand via Australia and intermediate points in the South Pacific, to American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, Honolulu, Los Angeles, and eight international points in the United States and beyond to Canada. (There is a footnote on the eight additional points).

Governor Ada could inquire about the New Zealand Government's position on these amendments and the process to be followed for final approval.

2. Guam - Only Visa Waiver Program

The Omnibus Territories Act, P.L. 99-396, accorded Guam the Visa Waiver program, which permits aliens from certain countries a 15-day sojourn in Guam for touristic and business reasons.

At this time, the countries approved are Australia, Burma, Indonesia, Japan, Malaysia, New Zealand, Papua New Guinea, Singapore, United Kingdom (including Hong Kong), Vanuatu, New Caledonia, and Thailand. Others may be added in future. The basic criterion for a country to qualify is having 16.9% or less, visa refusal rate.

The program is administered by the Immigration and Naturalization Service, Department of Justice and began October 1, 1988.

According to Britannica World Data, in 1985 New Zealand nationals spent US \$401 Million abroad.

Governor Ada could discuss this program and encourage New Zealand's use of it. Attached is a copy of the INS form to be used by non-immigrant visitors.

3. South Pacific Commission (SPC)

New Zealand is an active member of the SPC. It contributed almost one-half million US dollars in extra-budgetary funding in 1988 to such SPC programs as fisheries, farming, environment and technical assistance.

New Zealand is also a member of the South Pacific Forum (SPF) comprised of all independent countries in the South Pacific. As such, New Zealand supports the SPF move to place SPC under the umbrella of SPF which Guam disagrees with because Guam is not part of SPF. The 28th SPC briefing paper describes this issue under agenda item #15.

4. New Zealand's Generalized System of Preference

New Zealand's Generalized System of Preference (GSP) recognizes its participating nations or "beneficiaries" as "developing nations/countries

and as such extends preferential treatment in the way of reduced duties placed on exports from participating nations. According to the Guam Department of Commerce, Guam was a beneficiary of New Zealand's GSP until 1985-1986 when Guam was informed of its exclusion from the trade arrangement. New Zealand had determined that Guam no longer was eligible as it was not a developing nation. It should be noted that while Guam was under this trade arrangement, it did not export to New Zealand.

The Governor could inquire about re-extending this program to Guam although we understand that once a country loses its beneficiary status, it is almost impossible to regain it.

5. Anti-Nuclear Policy

The New Zealand Government has adopted a strong "anti-nuclear" policy. As a result of its policy, the New Zealand Government will not allow nuclear powered or armed ships or aircraft to enter its water or airspace. Since the United States refused to abide by this policy, New Zealand pulled out of ANZUS. ANZUS was a bilateral defense treaty by the Australian, New Zealand and United States governments for the protection and defense of the Pacific Basin. As a part of this policy, New Zealand has also voiced strong opposition to atomic weapon testing and storage by the French and U.S. Governments in the Pacific region as well as against all plans to dump nuclear waste in the Pacific Ocean.

The Government and People of Guam have only adopted a strong policy position against plans to dump nuclear waste in the Pacific Ocean (Draft Commonwealth Act). For the most part however, Government

of Guam has remained silent on issues relating to the presence of nuclear powered and armed ships and aircraft and the storage of nuclear weapons on and around Guam.

The following supporting documents are attached:

1. U.S. DOT letter on bilateral negotiations
2. Summary of the current US-NZ aviation agreement
3. Washington Pacific Report excerpts on New Zealand
4. Britannica World Data on New Zealand and Guam
5. INS Guam Visa Waiver Form I-736
6. South Pacific Tuna Act of 1988



**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

Assistant Secretary

400 Seventh St. S.W.
Washington D.C. 20590

SEP 2 1988

The Honorable Joseph F. Ada
Governor of Guam
Office of the Governor
Ufisinan I Maga'lahi
Agana, Guam 96910 U.S.A.

Dear Governor Ada:

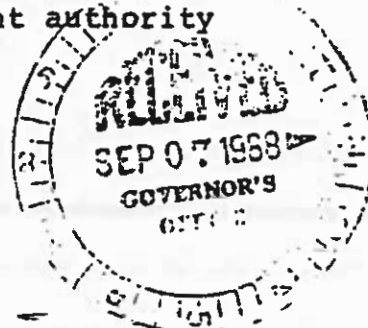
This is in response to your letter to the Administrator of the Federal Aviation Administration concerning bilateral aviation negotiations with Australia, Indonesia, New Zealand, and the Philippines.

Because of the importance of air links to the economic development of Guam, it has been the goal of the United States to increase international route opportunities for Guam. In our bilateral negotiations with countries of the Pacific area, the United States normally seeks to expand Guam routes for both U.S. and foreign air carriers.

In the August 1988 negotiations with Australia and New Zealand, the delegations agreed to recommend to their respective governments that U.S. route rights be amended to provide clear traffic rights between Guam and these two countries for U.S. carriers. In addition, the delegations agreed to recommend that Guam be added to the routes of Australia and New Zealand.

Guam was not an issue in the July negotiations with Indonesia since Guam is on both the U.S. route and the Indonesian route.

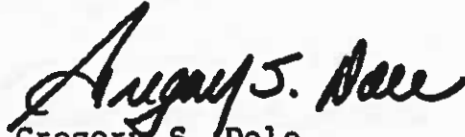
The August consultations with the Philippines were postponed and are now scheduled for the week of September 26 in Manila. As you may know, the Philippines has questioned the continued legitimacy under the bilateral Agreement of Continental/Air Micronesia's operations on the Guam-Philippine route. For this reason, the Philippines has granted this carrier several authorizations of limited duration. The United States, however, has and will continue to pursue permanent authority



for these operations which we believe are fully authorized under the Agreement. This will be a priority matter at the next round of negotiations.

I hope that the above information has been of assistance.

Sincerely,

A handwritten signature in dark ink, appearing to read "Gregory S. Dole". The signature is written in a cursive, flowing style with a large initial 'G'.

Gregory S. Dole
Acting Assistant Secretary for Policy
and International Affairs

New Zealand

Date of Agreement

Agreement: June 29, 1954

Amendment: April 25, 1980 (EIF November 25, 1980)

Type of Agreement

Scheduled Service: Bermuda I.

Pricing: Country-of-origin; third country airlines allowed to match fares between US and New Zealand.

Charter Service: Modified country-of-origin

Multilateral Agreements

Party to: Chicago Convention (Member of ICAO)..... yes
International Air Services Transit Agreement..... yes
Warsaw Convention (liability)..... yes
Tokyo Convention (offenses on aircraft)..... yes
Hijacking Convention (Hague)..... yes
Sabotage Convention (Montreal)..... yes

Routes

New Zealand

From New Zealand and the Cook Islands via intermediate points in the South Pacific, including American Samoa, to Honolulu, Los Angeles and two additional points in the United States 1/ and beyond to points in Canada, the United Kingdom, and Europe, and one other point 2/ to be determined by New Zealand. ~~may be served by any airline at the option of that airline~~

- 1/ Points to be selected by New Zealand with the option to change at any time upon giving 6 months prior notice to the United States.
- 2/ Selection of this other point will be subject to prior consultation by the Contracting Parties.

Route s (continued)

United States

From the United States (including island territory in the South Pacific under United States authority) via intermediate points in the South Pacific to Auckland, Wellington, Christchurch and any other international airport in New Zealand which may be developed in the future, and beyond to Australia and beyond. Any or all New Zealand points may be served on any flight at the option of the designated airlines in question.

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THE INSIDER'S NEWSLETTER HIGHLIGHTING THE LATEST

DEVELOPMENTS OF INTEREST INVOLVING THE INSULAR PACIFIC

Volume 6 Number 21

August 1, 1988

New Zealand. P.M. David Lange is back at work after two weeks of recuperation following treatment for a heart ailment. Lange says there could be a minor cabinet reshuffle to ease his workload. He is also education minister...According to a May "Insight New Zealand" survey of business leaders, National MP Winston Peters is the business community's favorite politician, slightly ahead of Finance Min. Roger Douglas. Peters has scored a 60 percent positive rating and has moved ahead of National's finance spokesperson, Ruth Richardson. Opposition Leader Jim Bolger scored 11 percent while Lange polled 16 percent positive.

Volume 6 Number 17

June 1, 1988

New Zealand. Pacific Islands Affairs Minister Richard Prebble is locked in a local struggle with the unions in his constituency over control of the Labour Party mechanism. Prebble is going to court to stave off what he sees as unionist attempts to oust him from his seat. This local squabble could foreshadow a serious split in party ranks in years to come...PM David Lange has rejected his Labour Party's call for "positive neutrality" saying "We have a range of defense relationships which are inconsistent with neutrality. New Zealand is not a neutral country."

Volume 6 Number 16

May 15, 1988

New Zealand. There may be stirrings at the grassroots level if an April conference of young members of the National Party is any guide. The Young Nats in the Canterbury-Westland area only narrowly defeated a resolution calling for the party to commit itself to a nuclear weapon-free zone for New Zealand.

Volume 6 Number 15

May 1, 1988

New Zealand. Kiwis will likely keep an eye out for results of Danish national elections due May 10. The key issue is proposed tightening of rules for visits of nuclear ships, a proposition opposed by Denmark's NATO ally, the U.S....Rod Gates, most recently N.Z. Amb. to Fiji, is taking a similar post in Tokyo while one-time Kiwi HiCom to PNG, Alison Stokes, is headed for Manila...P.M. David Lange says he might be making as many as four more overseas trips before year's end including the Forum meeting, Australia, Japan and the UN...In Washington recently, ex-PM Sir Robert Muldoon is said to have reassured DOD Asst. Sec'y Richard Armitage that the National Party was not wavering in its support of N.Z. obligations under ANZUS...A group opposed to U.S. Central American policies recently picketed USIA offices in Christchurch...A N.Z. professor, Keith Jackson, just back from an extensive look at the U.S. election primaries, says future U.S.-N.Z. relations will not be affected much by the outcome of the Presidential elections although who is named Secretary of State could be important...The government has announced it will open and fund a South Pacific trade office in Auckland shortly.

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DEVELOPMENTS OF INTEREST INVOLVING THE ANZELAR PACIFIC

Volume 6 Number 13

April 1, 1988

New Zealand. P.M. Russell Marshall's recent European swing produced some headlines back home, particularly in connection with a speech in Geneva in which he said "for much (of the past 40 years) and for both East and West, nuclear deterrence has played, and continues to play, an important role in...security arrangements and the maintenance of peace at the global level." Needless to say, the press and the opposition jumped all over that as a major shift in the government's views on the value of nuclear weaponry. Of course, the government quickly denied any such shift, as did Marshall upon his return. However, the Nats had fun with it for a few days. A week later, Opposition Leader Jim Bolger arrived in Washington and promptly was ushered in to see Defense Secretary Frank Carlucci and Acting Secretary of State John Whitehead among others. Although the meetings apparently were unrelated to any real or imaginary Labour nuclear policy shift, they made the news, too. N.Z. press reports say P.M. David Lange's musings that Bolger ought not to have access to American officials not afforded to the Government sent his staff scurrying off to block the sessions. The Kiwi Embassy here says they did not try to stop the meetings despite some accounts which had Ambassador Tim Francis insisting Bolger should have no access above the level he enjoys. When Marshall returned from Europe, however, he said "To choose to see an Opposition leader and not the Government's representative in Washington, I just find rather strange." On his own return home in February, former Amb. Sir Wallace Rowling confirmed to a Parliamentary Committee that he had been denied access to the Secretaries of State and Defense because of the ANZUS row. U.S. Amb. Paul Cleveland the next day said access to the cabinet is one way to address rifts but in this case "I think we have faced our fundamental differences, which can't be talked round." Earlier in his European visit, Marshall ran up against a brick wall in London when the U.K. reaffirmed it would not sign on board SPNFZ. Marshall was also quoted in London as saying "In every case Ministers are unhappy about it," referring to his government's anti-nuclear policy which has caused Britain to rule out Royal Navy visits to Kiwi ports. At about the same time in New Zealand, U.K. Defense Staff Chief Sir John Fieldhouse reaffirmed that joint naval exercises would remain suspended. Marshall had better success on the Paris leg of the trip where he announced that the French had agreed to an independent, third party to inspect Hao atoll to ensure that French secret agent Capt. Dominique Prieur of RAINBOW WARRIOR fame was still there. Her colleague, Maj. Alain Mafart remains in France for medical treatment...In a turnabout in the usual flow of dollars, the Cook Islands has set up a private relief fund for victims of a severe cyclone which struck New Zealand recently. The inspiration of Cooks' Foreign Minister Norman George, the goal is said to be \$NZ18,000, one dollar for every man, woman and child in the Cooks. Said George, who is acting as a private citizen, "We want them to know we do care for them in their hour of need." Contrast that, if you will, with a report in The Australian that a Maori activist in New Zealand told a university group last week that she has counseled young Maori jail inmates contemplating suicide to "kill a white person before you die, and become a hero." Maybe the activist would do well to get a little exposure to the Cook Islands way...In defense news, New Zealand had its first military training exchange with PNG last month as 120 PNG soldiers arrived in New Zealand for a month's training. This past Monday, Defense Minister Bob

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DEVELOPMENTS OF INTEREST INVOLVING THE/PACIFIC

Tizard announced the likelihood of more joint training exercises with Australia in the future. At the conclusion of annual defense consultations with Australia, the two governments announced new intelligence sharing arrangements...On the diplomatic front, Amb. Rod Gates has completed his tour in Fiji and returned to Wellington. He will be succeeded by Brian Absolum, most recently High Commissioner to Western Samoa while Ms. Hilary Willberg has been appointed High Commissioner to PNG. Tim Francis presented his credentials to President Reagan on March 22...Japanese Prime Minister Noboru Takashita may visit New Zealand after attending Expo '88 in Brisbane...New Caledonia has opened a tourist promotion office in Auckland and is going after the high dollar market...Finally, on the political front, a Sunday Star article says the career private secretary corps--the staff who serve cabinet ministers regardless of which party is in power--wants to seek clarification of its future. It seems that since Labour came to power, more and more contract employees (36 now compared with 23 in 1986 and three before Labour came to power in 1984) have replaced careerists...A March 18 Heyden-Eyewitness News survey put National at 57 percent to 37 percent for Labour if a national election were held today. That's plus five for the Nats and minus six for Labour since a Feb. 28 poll. A "National Business Review" poll released February 27 pegged National at 47-42 over Labour. Another Heyden poll in early February showed a 69 percent decline in the public's trust of parliament over the course of the 18 years the question has been asked. The police were the only institution rated which had the confidence of over half the public. Parliament inspired the confidence of only one in ten respondents.

Volume 6 Number 14

April 15, 1988

New Zealand. More diplomatic appointments have been announced in Wellington. Dick Martin is going to Apia to replace Brian Absolum who recently went to Suva. Bernard Hillier will succeed Alison Pearce as High Commissioner in Honiara...P.M. David Lange will stop in L.A. on Apr. 29 on his way home from Europe to pick up the Nuclear Age Peace Foundation's 1988 Peace Leadership Award in Santa Barbara...Back home, last month Lange forced Jim Anderton to step down as chairman of the Parliament's Foreign Affairs and Select Committee over differences on the government's economic policies. Anderton is replaced by Sonja Davies...For. Min. Russell Marshall has floated the idea of establishing a Tasman Council of senior Australia and New Zealand ministers...Recently returned Fiji Hicom/Amb. Rod Gates says Fiji's return to democracy could take years, according to an Evening Post interview.

Volume 6 Number 11

March 1, 1988

New Zealand shorttakes: Washington embassy officials point out that N.Z. currently does not plan to open diplomatic relations with the FSM and the Marshalls at the ambassador level. Rather, the Kiwis propose to call their appointee Non-Resident New Zealand Representative to establish parallelism with their relations with the Cooks and Niue, both of which have a freely-associated status with New Zealand...A government spokesman

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in Paris denied Kiwi P.M. David Lange's statement that the two countries were "negotiating" on the return of convicted agent Alain Mafart's return to Hao Atoll after medical treatment. N.Z. For. Min. Russell Marshall said Wellington would not press the issue prior to the completion of the upcoming French presidential elections...On a reporting trip to Iowa before that state's recent presidential caucuses, NZPA's Tom Bridgman quoted Democratic hopeful Gov. Michael Dukakis (MA) as saying New Zealand's nuclear policies "should not trigger the angry and petulant response that took place here" (in Washington)...Remarks by Ag. Min. Colin Moyle (later acknowledged by him to be a mistake) that the Ayatollah Khomeini was "charismatic and influential" and that Iran was a democratic country drew an angry reaction from U.S. Amb. Paul Cleveland. P.M. Lange said the remarks did not represent his government's view.

Volume 6 Number 5

December 1, 1987

N.Z. ENVOY HOLDS FAREWELL PRESS BRIEFING

Scheduled to leave Washington sometime in February, New Zealand's Ambassador to the United States, Sir Wallace Rowling, held a farewell news briefing with members of the Washington press Corps on November 20 at the New Zealand embassy. Despite the key role Rowling has played in the formulation of his country's anti-nuclear policies, press attendance was sparse, sadly reflecting the continued general disinterest in Kiwi-American relations in Washington.

Rowling focused his opening remarks on the sources of anti-nuclear sentiment in NZ and the ramifications of his Government's decision to codify such sentiments into law. He characterized New Zealand's stance as a "ballot box" decision stemming from the historical and geographic context in which the country has functioned, the population's high level of education on nuclear issues, and their frustration over the rhetoric and the modification of agreements that goes on between the superpowers.

Describing ANZUS as one of the "loosest" alliances in practice, Rowling claimed it "is still in existence." He noted that at this moment differences between his government and that of the United States appear irreconcilable, but that while New Zealand is concerned over the state of relations, it is not about to "roll over." The decision to go nuclear-free was a thoughtful one, according to Rowling, which was a sign of New Zealand's maturity as a nation.

In response to questions, the Ambassador pointed out that the coolness with which the upper levels of the U.S. govt. have greeted him has been confined to official channels and to the issues upon which the two governments disagree. He noted that in trade and other areas relations with high officials are sound. Furthermore, Rowling praised both the U.S. administration and the Congress for what he felt was their increasing attention and understanding of the South Pacific, particularly in the last two years. Unfortunately from his point of view, however, he did not foresee any dramatic shift in U.S. policy, noting that the various presidential aspirants had not made any statements on the region. Asked if his own feelings on nuclear matters had evolved or changed during his Washington tenure, the Ambassador's answer was an emphatic "No!"

Rowling's assignment to Washington has surely not been an easy one. As a former Prime Minister and one of the architects of New Zealand's anti-nuclear stance, his personal beliefs on the subject are well known and he has been a vocal proponent of the policy. He has been a vocal proponent of the policy. He has been a vocal proponent of the policy.

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DEVELOPMENTS OF INTEREST INVOLVING THE INSULAR PACIFIC

has found his access to top defense and foreign affairs policymakers constrained. Despite Rowling's pessimism on changed thinking which might be afforded by a new administration in Washington in January 1989, the fact that the issue is not being discussed in the campaign debates is not pivotal. No doubt Sir Wallace would be the first to acknowledge that the ANZUS question finished about eleventh in the top 10 issues of the recent New Zealand campaign. So, too, will the White House be decided on domestic issues next year. Rowling's departure is but one of a number of shifts in the New Zealand mission here. As previously reported, Simon Murdoch has returned to Wellington and DCM John Wood is headed for Tehran. Wood will be replaced by Peter Adams. In other moves, Kate Lackey last week succeeded Peter Heenan as Consul-General in Los Angeles. New York Consul-General Winston Cochrane has departed the U.S. to become Ambassador to Saudi Arabia.

PEOPLE: Ex-N.Z. PM Sir Robert Muldoon is due in Washington next week to attend a meeting of the Global Economic Action Institute...The American Council of Young Political Leaders, which has held exchanges with Australia for 20 years, is sending a delegation to New Zealand next month on a trial basis. Kiwi-born Washington lawyer Peter Watson, director of the U.S.-N.Z. Council, has been a driving force locally and the exchange is said to have the enthusiastic backing of U.S. Amb. to N.Z. Paul Cleveland. Under the exchange agreement, the N.Z. political parties would send a group to the U.S. in November to observe the U.S. presidential elections...The Hispanic Conservative Youth Network is holding a \$35/person (\$50/couple) fundraiser in Washington on April 14 for Senate hopeful Rick Montoya. Call Robb Austin at (202) 223-3623 for details.

Volume 5 Number 18

June 15, 1987

IT'S THE LAW IN NEW ZEALAND: NO NUKES

After seemingly endless legislative consideration and processing, New Zealand's Nuclear Free Zone, Disarmament and Arms Control Bill passed Parliament on June 4 and became law upon the Governor-General's assent the following week. What was Labour government policy has now been enshrined as law despite strong objections by Australia, the U.K. and particularly the U.S. which has said the Act would end American defense responsibility for New Zealand under the ANZUS alliance. What is particularly objectionable is the banning of nuclear armed or nuclear capable ships from New Zealand ports. The U.S. policy is to neither confirm nor deny the presence of nuclear weapons on any of its naval vessels.

Now that New Zealand has taken the final step and passed the law, the U.S. has responded by indicating the Administration would support H.R. 85, a bill introduced in the House in January by the Foreign Affairs Committee's senior Republican, U.S. Rep. Bill Broadfield (R-MI). The bill would amend statutes which give New Zealand certain military preferences because of its status as an ally. The bill, in effect, would formally strip New Zealand of its status as a U.S. ally without actually saying that in so many words. An administration official told WPR that no additional formal communication with New Zealand on the status of the Alliance was contemplated and that some news reports that the U.S. might now move to close its Christchurch base were erroneous. The official U.S. line remains that the U.S. responsibility to New Zealand under ANZUS is "suspended." It would appear that that is where the matter will stand at least until either the New Zealand government changes hands in the next several months or until the Reagan administration faces that highly probable possibility of a change in leadership.

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THE INSIDER'S NEWSLETTER HIGHLIGHTING THE LATEST DEVELOPMENTS OF INTEREST INVOLVING THE INTELAR PACIFIC

Volume 5 Number 10

February 15, 1987

U.S. CANCELS LOGISTICS PACT WITH N.Z.; ANTI-NUKE BILL TO PARLIAMENT

The U.S. has informed the New Zealand government on February 1 that it will not renew a five-year-old Memorandum of Understanding (MOU) which expires on June 21 and which afforded New Zealand preferential treatment on sales of military parts and equipment. The U.S. said that allowing the MOU to lapse will bring military sales arrangements in line with last year's decision by the Americans to suspend their security commitment to New Zealand under ANZUS. The decision came in the form of a letter to Defense Minister Frank O'Flynn from his U.S. counterpart, Casper W. Weinberger. The letter prompted O'Flynn to react "Gee, (he) seems to have found our address again after all." The end of the agreement means New Zealand must now purchase military goods as a "friendly, non-allied" nation instead of as an ally. The U.S. cited New Zealand's decision to prohibit nuclear vessels into its ports as the reason for the change in status.

Former Kiwi Defense Chief of Staff Sir Ewan Jamieson said he was less concerned about the inevitable higher costs than about the withdrawal of a guarantee of increased rate of supply in times of emergency the MOU lapse represents. Jamieson also said he was concerned about the effect on the efficiency of the armed forces. Although the Wellington Evening Post called the U.S. announcement a surprise, O'Flynn said the government recognized the problem 18 months ago and said discontinuation of the supply agreement "will not make much of a difference."

A little short of two weeks later, Prime Minister David Lange returned his government's anti-nuclear bill to Parliament for its second reading and debate in accordance with the expected timetable and unrelated to the U.S. logistics decision. After the debate has concluded, Parliament will dissolve into a Committee of the Whole to go over the measure clause by clause. The next stage will be to bring back the bill (with any changes in language) to the Parliament for a third reading and final passage. Although passage is virtually a foregone conclusion, the normal parliamentary process is lengthy with final adoption of the legislation probably set for May.

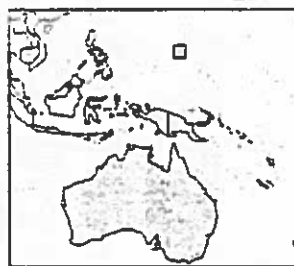
Opposition leader Jim Bolger said the nuclear-free bill was "the formal opting-out legislation for the Western Alliance" and said Lange lost the battle to the left wing of the Labour Party. Lange rejected both assertions. Bolger also promised that if successful in this year's election, the National Party would restore New Zealand as "an operating party of ANZUS again."

In advance of both of these latest developments in U.S.-New Zealand relations, Australian Defense Minister Kim Beazley said the New Zealand government was being encouraged to participate in the biggest naval shipbuilding program in Australia's peacetime history. The \$A3.5 billion project is for eight light patrol frigates for the Royal Australian Navy. Beazley said given his understanding of New Zealand's policy to maintain a substantial presence in the Southwest Pacific, Australia thought there might be substantial interest in the two nations working together. The first ships, some of which might be built in New Zealand, would be scheduled for delivery in the early 1990s.

O'Flynn said a government review of New Zealand's defense options in light of the anti-nuclear policy and the breakdown of ANZUS arrangements would be released by the end of this month and would be made public prior to Beazley's arrival in Wellington for bilateral defense talks later.

Guam

Official name: Guam.
Political Status: self-governing organized unincorporated territory of the United States with one legislative house (21).
Chief of state: President of the United States.
Head of government: Governor.
Capital: Agaña.
Official language: English.
Religion: none.
Monetary unit: 1 United States dollar (U.S.\$) = 100 cents; valuation (Oct. 5, 1987) 1 U.S.\$ = £0.62.



Area and population

	area		population ¹
	sq mi	sq km	1987 estimate
Agaña Districts			
Agaña	1	3	1,000
Agaña Heights	1	3	3,800
Agaña	10	26	4,700
Agaña	6	16	2,400
Terrigada	9	23	9,100
Guian Pago-Ordor	6	16	3,600
Pasado	30	78	27,600
Imarajan	19	49	2,400
Agaña	10	26	8,000
Murao	6	16	1,900
Hongmong-Toto-Maite	2	5	6,100
Pih	7	18	3,300
Santa Rita	17	44	10,700
Siriana	1	3	2,900
Talafoto	17	44	2,300
Tamuning	6	16	15,800
Limaac	6	16	900
Viga	35	91	12,100
Yaga	20	52	5,000
TOTAL	209	541²	124,000²

Demography

Population (1987): 124,000.
Density (1987): persons per sq mi 593.3, persons per sq km 229.2.
Urban-rural (1980): urban³ 39.5%; rural 60.5%.
Sex distribution (1985): male 54.31%; female 45.69%.
Age breakdown (1980): under 15, 34.9%; 15-29, 30.6%; 30-44, 19.4%; 45-59, 15.5%; 60-74, 3.9%; 75 and over, 0.7%.
Population projection: (1990) 132,000; (2000) 165,000.
Doubling time: 49 years.
Ethnic composition (1980): Chamorro 41.8%; Filipino 21.2%; German 2.1%; Korean 1.8%; Japanese 1.8%; other⁴ 31.3%.
Religious affiliation (1980): Roman Catholic 79.5%; Protestant 17.3%; other 3.2%.
Major populated places (1980): Tamuning 8,862; Apra Harbor 5,633; Anderson Air Force Base 4,892; Mangilao 4,029.

Vital statistics

Birth rate per 1,000 population (1985): 17.8 (world avg. 29.0); legitimate 11.5%; illegitimate 35.5%.
Death rate per 1,000 population (1985): 3.4 (world avg. 11.0).
Natural increase rate per 1,000 population (1985): 14.4 (world avg. 18.0).
Total fertility rate (avg. births per childbearing woman; 1980): 3.2.
Mortality rate per 1,000 population (1985): 11.3.
Infant mortality rate per 1,000 population (1985): 5.3.
Life expectancy at birth (1980-82): male 69.6 years; female 74.5 years.
Major causes of death per 100,000 population (1983): heart disease 117.7; malignant neoplasms (cancers) 51.5; motor vehicle accidents 24.9; cerebrovascular diseases 18.9; pneumonia 14.6; homicide 13.7; other diseases of the central nervous system 12.9; diabetes mellitus 12.9.

National economy

Budget (1984): Revenue: U.S.\$212,920,869 (local income taxes 37.9%, gross business receipts taxes 19.6%, revenues from United States agencies³ 16.4%, federal grants-in-aid 2.3%). Expenditures: U.S.\$179,102,238 (general government operations 39.8%, public education 32.1%, law and public safety 12.6%, public health and community services 11.2%, economic development 2.1%).
Public debt (external, outstanding): n.a.
Tourism (1984): receipts from visitors U.S.\$200,000,000; expenditures by nationals abroad, n.a.
Production. Agriculture, forestry, fishing (value of production in U.S.\$ except as noted; 1984): watermelons 1,197,378, head cabbages 264,567, cucumbers 234,160, bananas 169,715, tomatoes 161,611, long beans 155,100, pepino melons 152,685, sweet potatoes 124,576, pineapples 115,920, eggs 902,462; livestock (number of live animals) 4,120 pigs, 1,300 goats, 650 cattle, 90 carabao; fish catch (metric tons; 1985) 616. Mining and quarrying (1983): sand and gravel. Manufacturing (value of gross business receipts in U.S.\$; 1980): petroleum refining and related products 322,083,000; food processing 11,742,000; printing and publishing 6,039,000; industrial and medical goods and materials 412,000. Construction (gross value of building and construction permits in U.S.\$; 1985): residential 33,099,000; nonresidential 30,675,000. Energy production (consumption): electricity (kW-hr; 1985) 1,100,000,000 (11,000,000,000); coal, none (n.a.); crude petroleum (barrels;

1985) none (10,995,000); petroleum products (metric tons; 1985) 1,400,000 (180,000); natural gas, none (n.a.).
Gross national product (at current market prices; 1985): U.S.\$670,000,000 (U.S.\$5,660 per capita).

Structure of gross business income and labour force

	1982		1986	
	in value U.S.\$ 000,000	% of total value	labour force ⁴	% of labour force
Agriculture	1.4	0.2	110	0.3
Manufacturing	107.3	13.1	1,320	3.2
Construction	64.6	7.9	3,960	9.7
Trade	422.3	51.5	7,660	18.8
Transp. and commun.	45.3	5.5	1,850 ⁷	4.5
Finance	80.8	9.9	1,690	4.1
Pub. admn., defense	99.6	12.2	17,640	43.1
Services	819.2 ²	100.0 ²	6,630	16.2
TOTAL	819.2²	100.0²	40,890	100.0²

Population economically active (1986): total 35,590⁸; activity rate of total population 29.0% (participation rates: over age 16, 60.4%; female 40.3%; unemployed 6.0%).

Price and earnings indexes (1980 = 100)

	1980	1981	1982	1983	1984	1985	1986
Consumer price index	100.0	114.0	128.1	132.6	144.2	149.8	153.9 ⁹
Hourly earnings index	100.0	...	...	112.8	109.3	115.2	120.8 ¹⁰

Household income and expenditure. Average household size (1980) 3.7; median annual income per household (1979) U.S.\$16,203; sources of income: n.a.; expenditure (1978): housing 28.6%, food 24.1%, transportation 18.0%, clothing 10.6%, entertainment 5.1%, medical care 4.7%.
Land use (1984): forested 18.2%; meadows and pastures 14.5%; agricultural and under permanent cultivation 21.8%; other 45.5%.

Foreign trade

Balance of trade (current prices)

	1978	1979	1980	1981	1982	1983
U.S.\$'000	-236,227	-403,144	-483,141	...	...	-571,519
% of total	76.7%	82.5%	79.8%	...	...	87.9%

Imports (1983): U.S.\$610,743,985 (mineral fuels 46.9%, of which crude petroleum 28.8%; machinery and transport equipment 19.1%, of which passenger cars 12.4%; food and live animals 12.0%, of which beef and veal 1.5%; beverages and tobacco 4.5%, of which cigarettes 1.3%; manufactured goods 4.4%; chemicals 2.3%). **Major import sources:** United States 23.4%; Japan 19.2%; Taiwan 4.6%; Hong Kong 3.1%; Philippines 1.3%.
Exports (1983): U.S.\$39,224,728 (clothing 16.9%; beverages and tobacco 12.0%, of which alcoholic beverages 4.4%, cigarettes 3.5%; nonalcoholic beverages 1.9%; machinery and transport equipment 11.4%; travel goods 3.0%; lubricating oils and greases 2.7%; fish and fish products 2.6%; cosmetics 2.6%; watches and watch cases 1.5%; cement 1.5%). **Major export destinations:** United States 24.9%; Japan 4.8%; Hong Kong 2.0%.

Transport and communications

Transport. Railroads: none. Roads (1986): total length 419 mi. 674 km (paved 100%). Vehicles¹¹ (1984): passenger cars 57,856; trucks and buses 16,521. Merchant marine (1986): vessels (100 gross tons and over), n.a.; surface cargo loaded, unloaded, or transshipped (1984) 977,000 metric tons. Air transport (1984): passenger arrivals 361,423; passenger departures, n.a.; cargo loaded 3,565 metric tons; cargo unloaded 5,797 metric tons; airports (1987) with scheduled flights 1.
Communications. Daily newspapers (1986): total number 1; total circulation 18,076; circulation per 1,000 population 149. Radio (1986): total receivers 102,000 (1 per 1.2 persons). Television (1986): total receivers 82,000 (1 per 1.5 persons). Telephones (1984): 23,354 (1 per 5.0 persons).

Education and health

Education (1985-86)

	schools	teachers	students	student/teacher ratio
Primary (age 5-10)	33	781	14,552	18.6
Secondary (age 11-18)	22	814	18,223	19.9
Vocational	4	146	4,377	30.0
Higher	1	175	2,647	15.1

Educational attainment (1980). Percent of population age 25 and over having: primary education 21.7%; some secondary 13.1%; secondary 31.2%; college 34.4%. **Literacy (1980):** total population age 15 and over literate 66.537 (96.4%); males literate 35,091 (96.4%); females literate 31,446 (96.5%).
Health: physicians (1982) 83 (1 per 1,334 persons); hospital beds (1979) 223 (1 per 470 persons); infant mortality rate per 1,000 live births (1985) 10.6. **Food:** daily per capita caloric intake, n.a.

Military

Total active duty U.S. personnel (1985): 11,590 (navy 60.6%, air force 34.7%, other 4.7%).

¹Includes active-duty military personnel. Department of Defense employees, and dependents. ²Detail does not add to total given because of rounding. ³Places of 2,500 or more. ⁴Includes various Pacific Island groups (mostly Micronesian) and persons of multiple ethnic origin. ⁵Consists largely of federal income tax. ⁶Employed persons only. ⁷Includes public utilities. ⁸Excludes nonimmigrant aliens and civilians working on military reservations. ⁹First three quarters average. ¹⁰First two quarters average. ¹¹Excludes military vehicles.

Instructions--This form must be completed by every nonimmigrant visitor, not in possession of a visitor's visa, who is a citizen of one of the eligible countries *enumerated in 8 CFR 212.1(e) and is applying to enter and remain on Guam for a maximum stay of fifteen days. This regulation applies only to entry on Guam; entry to any other part of the United States pursuant to this regulation is prohibited. Print legibly with pen in ALL CAPITAL LETTERS. Use English. Complete items #1-9; and SIGN and date the bottom of this form after carefully reading all of the information. Children under the age of fourteen must have their form signed by a parent, guardian, or other responsible adult. When all items are completed, present this form to the U.S. Immigration and Naturalization Service Inspector at Agana along with your completed I-94 Arrival/Departure Record. *The airline can provide you with the current list of eligible countries.

1. Surnames/Family Names (exactly as in passport)

2. First Name and Middle Name

3. Other Names Used

4. Date of Birth (Day/Month/Year)

5. Place of Birth (City and Country)

6. Passport Number

7. Date Passport Issued (Day/Month/Year)

8. Have you applied for an immigrant or nonimmigrant U.S. Visa before?

☐ No ☐ Yes (if yes, complete the following)

Place you applied

Date you applied (Day/Month/Year)

Type of visa requested

Was visa issued?

☐ No ☐ Yes

Has your U.S. visa ever been cancelled?

☐ No ☐ Yes

9. All applicants must read and answer the following:

A visa waiver is not available to persons who are within specific categories defined by law as inadmissible to the United States (except when a waiver is obtained in advance). Complete information regarding these categories and whether any may be applicable to you can be obtained from the Immigration and Naturalization Service. Generally, they include persons:

- Afflicted with contagious diseases (e.g., tuberculosis) or who have suffered serious mental illness;
- Arrested, convicted for any offense or crime even though subject of a pardon, amnesty, or other such legal action;
- Believed to be narcotic addicts or traffickers;
- Deported from the United States within the last five years;
- Who seek, have sought or have procured a visa, or other documentation, or entry into the United States by fraud or willful misrepresentation;
- Who are or have been members of certain organizations including Communist organizations and those affiliated therewith;
- Who ordered, incited, assisted, or otherwise participated in the persecution of any person because of race, religion, national origin, or political opinion under the control, direct or indirect, of the Nazi Government, or of the government of any area occupied by, or allied with, the Nazi Government of Germany.

Do any of these appear to apply to you? (if yes, you may be subject to exclusion from entry into Guam)

☐ No ☐ Yes

Important Notice: Your admission into and stay on Guam is for a maximum period of fifteen days. You may not apply for: 1) a change of nonimmigrant status; 2) adjustment of status to temporary or permanent resident; or 3) an extension of stay.

Warning: Violation of the terms of your admission renders you subject to deportation from Guam. A nonimmigrant who accepts unauthorized employment is subject to deportation.

Waiver of Rights: I hereby waive any rights to review or appeal an Immigration Officer's determination as to my admissibility, or to contest, other than on the basis of an application for asylum, any action in deportation proceedings.

Certification: I certify that I have read and understand all the questions and statements on this form. The answers I have furnished are true and correct to the best of my knowledge and belief.

Signature
Form I-736 (7 23 87)

Date

THE SOUTH PACIFIC TUNA ACT OF 1988

E. Charles Fullerton, SWR

On April 2, 1987, in Port Moresby, Papua New Guinea, representatives of the United States and 16 member states of the South Pacific Forum signed a treaty authorizing U.S. tuna vessels to fish within fishing zones of a large region of the South Pacific (Fig 1). The signing of this treaty was the culmination of over three years of access negotiations. On June 7, 1988, President Reagan signed the South Pacific Tuna Act of 1988 (PL 100-330), implementing provisions of the treaty.

The 16 island nations party to the treaty are Australia, Cook Islands, Federated States of Micronesia, Fiji, Republic of Kiribati, Republic of the Marshall Islands, Republic of Nauru, New Zealand, Niue, Republic of Palau, Papua New Guinea, Solomon Islands, Tonga, Tuvalu, Vanuatu and Western Samoa.

The treaty will be in effect for five years. Under the terms of the treaty, the United States will pay the Pacific Island States \$50 million in economic assistance over the five years of the treaty. In return for fishing rights, the U.S. tuna fishing industry will contribute \$2 million in license fees and technical assistance during the first year of the Treaty. During the remaining four years, license fees will be indexed to the price of tuna, subject to a minimum annual fee of \$50,000. The tuna industry will also provide technical assistance, valued at \$250,000 annually, to the island states.

The United States has a long history of contact with the island nations of the South Pacific, dating back to the 19th century, when U.S. whaling vessels and missionaries paid frequent visits to the islands. During World War II, the U.S. military operated extensively in the South Pacific suffering nearly 300,000 casualties (killed or wounded).

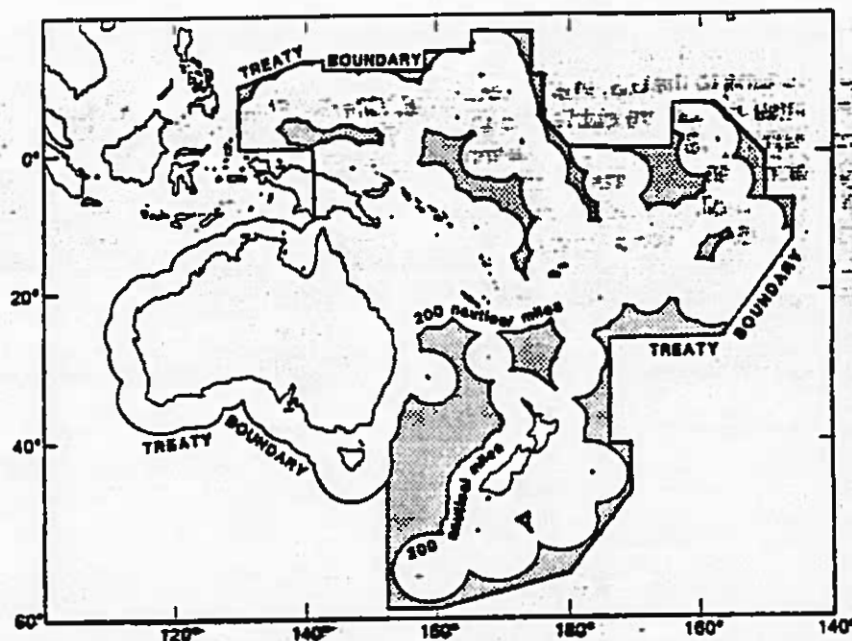


Fig. 1 Approximate boundaries of the South Pacific-U.S. Tuna treaty. Source: U.S. Department of State (7195 7-87 State (INR/GE)).

In the post-war years, the rich fishery resources of the South Pacific attracted U.S. tuna fishermen. As the tuna fishery developed in the South Pacific, U.S. processors and vessel owners reached independent agreements authorizing fishing activities in the territories of some island nations.

The Treaty has implications for U.S. policy regarding management of tuna fisheries. The Magnuson Fishery Conservation and Management Act of 1976 established U.S. sovereignty over fisheries in its exclusive economic zone (EEZ) from 3 to 200 miles offshore. The Magnuson Act specifically excluded tuna from its jurisdiction, defining it as a "highly migratory species." The U.S. position is that highly migratory species should not be managed on a unilateral basis, but rather should be managed by international cooperation by coastal states and distant water fishing nations.

While the United States neither recognizes nor claims jurisdiction over tuna beyond 12 nautical miles,

the Pacific island nations claim jurisdiction over all living marine resources within their 200 nautical mile EEZ, including tuna resources. As a result of these conflicting laws regarding jurisdiction over highly migratory species, the United States in recent years has been involved in fishery disputes with several Pacific Island States. These disputes have resulted in a cycle of seizures of U.S.-flag tuna seiners and subsequent retaliatory U.S. embargoes mandated by the Magnuson Act, and payment for losses suffered by U.S. fishermen under the Fishermen's Protective Act.

The Treaty, with the South Pacific Tuna Act, should end these disputes in the treaty area. They constitute a significant step toward international management of tuna stocks, furthering U.S. fishery policy goals. By eliminating the primary source of bilateral friction between the United States and the Pacific Island States, the treaty and act also benefit U.S. foreign policy.

The South Pacific Tuna Act provides the framework for implementing Treaty agreements.

The act outlines U.S. obligations with respect to licenses, inspection and enforcement, reporting, carrying observers and penalties.

U.S. purse seine vessels are required to obtain a license to fish in the Treaty area. Licenses are issued by the South Pacific Forum's regional fisheries organization, the Forum Fisheries Agency (FFA). License application forms are available through NMFS, under requirements and procedures established by the Regional Director, Southwest Region. Each applicant is required to designate an agent for the service of legal process to be located at Port Moresby. In the initial year under the treaty, 40 vessel licenses will be available at a minimum of \$50,000 each with an additional ten licenses available for \$60,000 each. A similar number of licenses will be available in subsequent years - license fees in future years will be indexed to the price of landed fish.

Licenses are issued for one year. The licensing period begins June 15 and is the same for all vessels - there are no provisions for staggered times or for prorated fees for vessels that begin fishing later than June 15. NMFS is responsible to ensure that each applicant meets the criteria as set forth in the Treaty with special emphasis placed on the financial solvency of the vessel owner. FFA will review each license application and notify the applicant of license approval. The same licensing procedure will be followed in future years.

A U.S. purse seine vessel holding an FFA license must be available for inspection of gear, equipment, records, and fish by an authorized officer of a Pacific island party to the Treaty. The inspection process is designed to not hinder the lawful operation of the vessel. To facilitate communication with enforcement authorities, vessel operators are required to monitor information distress radio frequencies. To facilitate identification by enforcement authorities, vessel radio call

signs are required to be clearly visible at specific locations on the vessel and on equipment normally separated from the vessel during fishing operations. Each vessel is required to carry a copy of its issued FFA license or be able to cite the license number if the document is not received aboard the vessel. Vessels transiting a closed area are required to stow fishing gear in a manner so that it is not readily available for fishing.

Licensed vessels are required to report their activities within the license area to FFA. They are to report, by either telex or facsimile, (1) before departing from port to begin a fishing trip in the license area; (2) each Wednesday while in the license area or in a closed area; and (3) within 48 hours of entering port to unload fish from any trip involving fishing within the licensing area. Additional reporting requirements may be set by each Pacific Island Party having jurisdiction along the route of travel. The vessel master is responsible to comply with the reporting requirements.

NMFS has opened an office in American Samoa to collect reports and assure their timely submission to FFA. There are two required reports. The first, the "Purse seine vessel catch report," contains information on operations during each day of operations inside the treaty area, entered daily by the vessel's master. The second report, the "Purse seine unloading log sheet," is completed when the vessel unloads and is signed by the vessel's master and the receiving agent. Completed reports are collected by NMFS representatives who submit the records to the FFA. The treaty requires that the unloading log sheet must be posted by registered mail to FFA within 14 days following the unloading. NMFS port samplers also collect biological information (length frequencies and species compositions and other biological data) at the time of unloading.

A U.S. vessel may be required to carry an observer assigned by FFA. The treaty and the act include specific instructions on standards of courtesy, food, accommodation, and medical facilities to be extended to FFA fishery observers whose duties will be much the same as those of U.S. observers aboard foreign vessels in the U.S. EEZ. Observers are not enforcement agents; they monitor fishing operations for compliance with treaty requirements. In addition, they may collect samples and other fishery data and may observe the vessel unloading its catch.

The Act provides civil and criminal penalties for violations of conditions of the Act such as using a dangerous weapon or threatening an FFA representative with bodily injury. The amount of civil penalty will not exceed \$250,000 for each violation and violators will be allowed to obtain a review of the case from a U.S. District Court.

Thirty U.S. purse seine vessels presently are operating under FFA licenses. The initial licensing program was carried out with a minimum of difficulty, and vessels began fishing in treaty waters on June 15. Observer and reporting programs are in the early stages of implementation and going well considering the novelty of the programs in this area.

The Treaty provides a unique opportunity to assist both the U.S. tuna industry and the Pacific Island States. The spirit of cooperation between the United States and Pacific Island States through the Forum Fisheries Agency has been gratifying. There is every reason to believe this spirit of cooperation will carry through the remainder of time the Treaty is in effect.

Jim Herkelrath SWR contributed to this article