

wage of \$8.20, that same worker with two children would have a total income of \$18,720. The full-time worker earning the "living wage" has nearly \$5,000 more than a minimum wage worker to spend on education, health care and other necessities of daily life.

What Does It Mean to Earn a Living Wage vs. a Minimum Wage?				
Hourly Wage	Earnings (Year-Round, Full-Time)	Payroll Taxes	EITC	Annual Income
\$5.15	\$10,712	\$819	\$3,898	\$13,781
\$8.20	\$17,068	\$1,306	\$2,969	\$18,720
Difference	\$6,344	\$486	-\$919	\$4,939

Source: Ed Lazear, Center on Budget and Policy Priorities, June 2008. Assumes worker has two children. Worker pays no federal income tax.

Q: Why are living wage ordinances important?

A: Living wage requirements serve several important societal goals. First, they are another step in the direction of making work pay, helping to ensure that those who work for a living will not live in poverty. Second, they are one mechanism for imposing accountability on companies that benefit from public (i.e., taxpayers') dollars. Living wage requirements help ensure that taxpayers' dollars actually are expended in a sound manner, paving an economic high road that improves living standards for workers and their communities, rather than subsidizing only low-wage employment which, although profitable for firms, seldom improves and sometimes degrades living standards. Third, because they boost wages for the lowest-paid workers, living wage requirements ensure that taxpayers' dollars help stabilize the community wage floor rather than undercut wage rates in the community overall, keeping them lower than is good for the general welfare. Absent wage standards, contractors often compete for public contracts by cutting wages to the bare bones rather than by investing in worker training and other productivity enhancing measures (such as technological innovations) that also can lower their overall costs. Living wage laws help place all bidders on a level playing field, making it possible for those paying decent wages to compete with employers who would otherwise "low ball" wages in order to gain an advantage.

Q: What's wrong with employers competing on the basis of lower wages?

A: Placing wages in competition promotes a race to the bottom, pulling down living standards not only for directly affected workers but potentially for the community as a whole. This race to the bottom adds strain to communities, requiring public resources (such as Temporary Assistance for Needy Families, food stamps and Medicaid) to offset costs of poverty wages, and imposing greater demands on private charities (funded in part by the taxpayers because of deductibility of contributions) as they scramble to meet the needs of the working poor. Competing by lowering wages also promotes greater turnover and discourages employer investment in training and other productivity-enhancing measures. Greater turnover and the discouragement of employer investment in training can inhibit improvements in overall service quality. Such wage policies as living wage

requirements can improve the living standards of workers and the communities in which they live, and may have a beneficial impact on affected businesses and the business climate overall.

Q: Won't raising wages through a living wage ordinance have an adverse effect on the number of jobs in a community, ultimately hurting the people the policy is intended to help?

A: Living wage and minimum wage opponents often voice this concern, and the answer is a resounding "No!" Studies by the Economic Policy Institute (EPI) and the Preamble Center for Public Policy on the impact of Baltimore's living wage ordinance, which passed in 1994, found the ordinance did not result in job loss among employees of the contracting companies. These findings are consistent with a solid body of contemporary studies that have found no job loss resulting from modest increases in the minimum wage.³

In addition to the direct evidence from actual experience under Baltimore's ordinance, the solid economic health of a number of living wage cities further indicates that living wage ordinances do not adversely affect communities' employment levels or job growth. Consider Oakland, for example. The Oakland living wage ordinance took effect on July 1, 1998. Employment in the Oakland area grew by 32,200 in the year ending December 1999, and the city's jobless rate fell from 3.3 percent to 2.5 percent. In comparison, the U.S. jobless rate fell less than half as far (from 4.4 percent to 4.1 percent) during the same 12-month period.

Q: Why don't living wage ordinances lead to job losses?

A: A rise or fall in a city's or a metro area's overall employment depends on factors much more far-reaching than a living wage ordinance. Any potential employment effects of a living wage requirement would be overwhelmed by the broader issue of whether an area is fundamentally healthy. For example, over the 12 months ending in December 1999, U.S. employment measured by the government's survey of establishments grew by 2.1 percent. In Milwaukee, employment rose by 1.2 percent (10,100 jobs), but it grew by 3.2 percent in Oakland (32,200 jobs). Both cities have living wage ordinances. That two cities with living wage requirements would experience such different employment growth during the same period underscores that a healthy, growing economy is far more important to job gain or loss overall than the presence or absence of living wage requirements.

Q: If job gains or losses generally depend on other factors, why do businesses warn that living wage ordinances will cause job loss?

A: The threat of job losses is a largely emotional argument often injected into public policy debates to sway the public and decision makers. The "job loss card" is played far too often by employers who simultaneously try to avoid imposition of any standards or regulations while also seeking some sort of government assistance to commence, continue or expand operations. The job loss threat, by the same logic, applies to any expense a firm might face. For example, one could argue that job losses might occur if energy costs go up, if taxes rise or if environmental laws are enacted or more strictly enforced. The job loss argument is an all-purpose threat. While it would not be sound policy to allow

³ For example: David Card and Alan B. Krueger, *Myth and Measurement: The New Economics of the Minimum Wage*, Princeton University Press, 1995; Jared Bernstein and John Schmitt, *Making Work Pay: The Impact of the 1996-97 Minimum Wage Increase*, Economic Policy Institute, 1996.

wage rates to follow the out-of-control upward path of executive pay in recent years, modest increases in low-wage pay are desirable and do not result in job losses.

Q: Won't living wage requirements inevitably lead to higher taxes as employers pass along the cost of wage increases to the government, resulting in an increase in government contract costs?

A: There is *no* evidence that living wage ordinances in any of the many cities adopting them have led to higher taxes. Nor do living wage requirements inevitably lead to an increase in contract costs. Studies by the Preamble Center and EPI found that Baltimore's living wage ordinance had not increased contract costs.

Because a living wage ordinance is designed to require contractors to pay employees more, it follows that an ordinance *would* result in higher *employment* costs for a contractor than would otherwise be the case. Would this necessarily translate into higher *contract* costs? That depends. Contractors might opt simply to absorb the higher employment costs, either because they were unable to pass them along because of competition or because the certainty and reliability of government contracts outweighed the added costs. Moreover, higher employment costs also may be offset by reductions in turnover, reduced training needs and productivity improvements. As a result, employers' overall costs may not rise.

Another reason living wage requirements do not lead inevitably to higher contract costs or tax increases is that the actual increase mandated by the living wage requirement is a tiny percentage of companies' total production costs. For example, according to economist Bob Pollin, the cost increase associated with raising wages to comply with the Los Angeles living wage ordinance amounts to less than 1 percent of total costs for many of the employers covered by the living wage ordinance.⁴

Q: Is a higher contract cost because of a living wage requirement necessarily bad?

A: No. Even if a living wage ordinance resulted in marginally higher contract costs, taxpayers may be willing to pay more, if necessary, to support higher pay. The public generally feels that work should pay. According to a recent Lake Snell Perry & Associates poll, Americans overwhelmingly support the idea that anyone who works full-time should not have to live in poverty. Four out of five of those polled (84 percent) agreed that "as a country, we should make sure that people who work full-time should be able to earn enough to keep their families out of poverty."⁵

Lake Snell Perry & Associates also found that Americans think it takes an income much greater than current poverty thresholds to provide for oneself and one's family. Nine out of 10 respondents (a total of 92 percent) felt that a family of four needs at least \$25,000 in annual income just to meet all expenses, and 69 percent thought an income of at least \$35,000 is necessary.

⁴ Robert Pollin and Stephanie Luce, *The Living Wage: Building a Fair Economy*, 1998.

⁵ Lake Snell Perry & Associates, "A National Survey of American Attitudes Towards Low-Wage Workers and Welfare Reform," survey conducted April 27-30, 2000.

Poll after poll also shows strong public support for raising the minimum wage⁶. In addition, in a *Los Angeles Times* poll conducted shortly after passage of the L.A. living wage ordinance, 70 percent of registered voters said they supported the measure, a significant endorsement given the mayor's strong opposition to the living wage requirement. Finally, 76 percent of the respondents in a 1996 EDK study favored "Requiring any company that does business with a city or town government, or receives any special tax break, to pay employees a living wage of at least \$7/hour."⁷ Given such broad support for making work pay and for raising wages at the bottom, it seems likely that the public would find modest cost increases unobjectionable if they were necessary to ensure that jobs created with taxpayer dollars are jobs that pay a decent wage.

In addition, any cost increases that might occur may be offset by benefits to the community and, hence, do not invariably lead to higher taxes. Low-wage workers who receive a raise from the ordinance will enjoy a higher standard of living, reducing their need to rely on public assistance or private charity. Their ability to meet their needs—and therefore to purchase goods and services—increases, potentially pumping more money back into their communities. Thus, at least a portion of the higher costs may be offset by positive benefits to the community.

The question of whether a contractor has a higher contract cost goes to the heart of the living wage issue. Was the contract's cost "too low" before the living wage ordinance was passed? A pre-ordinance contract cost is too little if it depends on maintaining poverty-wage employment.

Q: Don't living wage requirements mark a city as "unfriendly" to business?

A: No. A living wage requirement is a strong and positive statement of community values about how tax dollars should be spent and the types of jobs public monies should create. A living wage requirement says that if a company wants to benefit from taxpayers' dollars, through contracts or subsidies, it must meet the requirement of paying employees a decent wage. Public jurisdictions place any number of requirements upon the contracts they make or other benefits they confer—nondiscrimination, affirmative action, prevailing wages and so on. None of these requirements is intended to be unfriendly to business; they are simply designed to maintain standards or achieve socially important or worthwhile goals for affected workers and communities.

If living wage requirements were unfriendly to business, we would see evidence of this in the areas where living wage laws are in place. This is not the case, however. An October 1999 study by Good Jobs First reported, in fact, that in 46 areas with job quality requirements for employers receiving government subsidies, "There is no indication that the standards have adversely affected the 'business climate' of their respective jurisdictions. Indeed, the standards apparently mesh well with employers' needs for employee retention and skills enhancement."⁸

⁶ *Los Angeles Times* survey, January 1999; Hart and Teeter survey, March 1999; ABC News poll, Oct. 6, 1999.

⁷ Ethel Klein (EDK Associates Inc.) and Guy Molyneux (Peter D. Hart Research), *Corporate Irresponsibility: There Ought to Be Some Laws*, July 29, 1996.

⁸ Greg LeRoy, Katie Tallman, Fiona Hsu and Sara Hinkley, *The Policy Shift to Good Jobs: Cities, States and Counties Attaching Job Quality Standards to Development Subsidies*, Good Jobs First, October 1999.

And, in its Baltimore living wage study, the Preamble Center found that business property values actually increased dramatically after passage of a living wage law. While the living wage ordinance obviously did not cause this increase, Baltimore's experience nevertheless suggests there is no reason to believe that a living wage requirement acts as a negative signal to employers, marking the locality as unfriendly to business. Indeed, the Preamble Center study suggests that living wage requirements actually may have beneficial effects for business. Some of the Baltimore employers covered by the living wage ordinance reported that employee productivity had increased as a result of the living wage law, which was a boon to their businesses.

"No strings attached" contracts and subsidies send a perverse and pernicious message that local governments are willing to spend taxpayers' dollars without regard to the quality of jobs created, the working conditions and living standards of workers and the impact on communities. Taxpayers have a right to expect more of their elected officials.

Q: Doesn't a living wage ordinance just shift costs to the public?

A: No. In fact, it's the *absence* of living wage requirements that allows businesses to shift some of their employment costs to the public. A living wage law puts more of the responsibility for making work pay where it belongs—on the employer profiting from public monies and not on taxpayers. For example, a full-time worker paid \$6 per hour gets \$240 per week or \$12,480 per year. This is \$4,570 less than the 2000 poverty guidelines for a family of four (\$17,050), and considerably less than what most American families spend, even when they scrimp. As a benchmark, according to the latest figures from the U.S. Bureau of Labor Statistics, a "typical" husband and wife with two children had annual cash expenditures of more than \$47,700 in 1997.

A family with low-wage earners often must depend on public support and private charity to make ends meet. This might mean housing assistance, welfare, food stamps and other forms of aid that taxpayers underwrite. To supplement even these forms of assistance, a family also might depend on charities or go into debt. A living wage policy requires employers to pay a higher (though still low) wage so that families are able to meet more expenses on their own, covering basic needs and maintaining a greater degree of independence without undue reliance on public aid or private charity.

Q: Isn't it true that businesses refuse to locate in places where ordinances mandate higher wages for workers?

A: The business location decision is a complex one and varies from firm to firm and situation to situation. Wage rates are important to firm location decisions, but they are not the only or primary consideration. If wages were of overriding importance, states like New Jersey with high average wages would not be adding jobs. This is not the case.

Further, firms sometimes use the threat of not locating in such a community as a leverage point to negotiate a better deal. Under such circumstances, taxpayers and their representatives need to decide whether they will allow firms to bully them into awarding "no strings attached" public contracts and subsidies or if, instead, they will insist on using public monies to pave an economic high road of

good jobs and strong communities.

Q: Why do businesses locate where they do if local wage rates aren't determinative?

A: Tried and true factors that firms weigh in deciding to locate or to grow include wage rates. But they also include such fundamental considerations as the productivity of workers, proximity to markets, transportation and raw materials, school quality, public infrastructure, crime rates and other security considerations, and on and on.

Over the years, a number of researchers have studied the reasons firms locate where they do, why they relocate and why they expand. A Corporation for Enterprise Development survey of these studies finds that wage rates often rank well below other factors. For example, in the manufacturing sector, one study found that more than half of surveyed firms (55 percent) cited being "near market" as a "locational must," while only 30 percent said "low labor rates" were location "musts." Other factors cited more often than low labor rates as "musts" included favorable labor climate, attractive place for engineers/managers to live and proximity to supplies and resources. Another study, commissioned by the Virginia Division of Industrial Development, ranked "wage rates" behind the following factors in importance: proximity to services important to the business, overall cost of doing business, availability of skilled workers and personal preference of company executives.

A recent Grant-Thornton survey explains that the reasons manufacturers give for choosing a particular location vary: "Of those companies that have plans to build or move a facility, 62 percent cite the availability of skilled workers as a particularly important criterion for selecting a given area....Almost as many (61 percent) say being closer to major customers is an important factor in determining where they will locate. Often, the advantages of proximity to major customers can provide a competitive advantage. Similarly, proximity to key suppliers may also be a strategic consideration."⁹

The existence of a living wage ordinance in and of itself is highly unlikely to override these basic location considerations. The bottom line is that businesses locate in a particular place if there is money to be made when all the pluses and minuses are considered.

Q: If we want to help the working poor, shouldn't we do it through more targeted means, such as local Earned Income Tax Credits, job training and child care assistance, for example?

A: Earned Income Tax Credits, child care assistance, low-income housing assistance, job training and other programs all are very important components of the effort to improve the lives of the working poor and their families. A living wage requirement is another piece of this mosaic. Alone, none of these policies is sufficient to solve the problem.

Opponents of living wage and minimum wage measures often cite the Earned Income Tax Credit (EITC) as the preferred solution to the problems of the working poor. While important and

⁹ "Creating the Future." 9th Annual Grant Thornton Survey of American Manufacturers Report. <http://www.gt.com/resources/mandist/9gtsam/9gtsam4.html>

A: Far from being penalized for doing business with the government, companies that contract with or receive assistance from local governments enjoy enormous advantages. The coverage provisions of the Madison, Wis., living wage ordinance illuminate the many types of benefits companies receive from local government. These may include city funds, services of city personnel, leases of property or less than the fair market value or for reduced consideration, permission to use city property or any interest in such property, the furnishing of city services without consideration or at a nominal consideration reduced for the purpose of assisting the recipient, capital revolving fund loans, redevelopment contracts, economic development agreements and so on. It is hardly unfair or

Q: Don't living wage requirements unfairly target only certain employers to raise wages for only certain employees? Essentially, these employers are penalized for doing business with the government.

More money from the employer in the form of a pay hike arguably also engenders more company loyalty among employees than money that comes from the government in the form of a tax credit. This effect may confer a competitive advantage on employers subject to living wage ordinances, since their employees—who fare better than their peers working for non-living wage employers—have reason to be more motivated, committed and productive. And when a covered employer experiences job openings, the applicant pool may be larger and the employer's ability to be selective greater because the living wage jobs are more desirable.

Q: Do living wage ordinances have other advantages over the Earned Income Tax Credit?
 A: Yes. Up to one in five eligible persons do not apply for EITC benefits, according to the Center on Budget and Policy Priorities. Why? People may not know about it, or they don't know the right way to apply. Workers who don't earn enough to have federal income tax withheld from their pay may not be in the habit of filing a tax return, and those who do not file a tax return cannot get the credit. An estimated 5 million persons are eligible for the EITC, yet do not claim the credit. Unlike the EITC, a wage increase goes automatically to the workers—they receive the money every pay period.

Q: Do living wage ordinances have different or greater consequences for the community than the Earned Income Tax Credit?
 A: Both living wage (and minimum wage) laws and the EITC put money into poor workers' pockets, but wage mandates play an additional role not shared by the EITC. Mandatory wage rates stabilize the wage floor for all workers at the bottom, and have a beneficial spillover effect for other low-wage workers. Living wage requirements also encourage employers to be more productive (for example, by investing in training, technology and other innovations). The EITC flows directly to families and some individuals, but because it has no wage impact on employers, it provides no incentives for employer-sponsored productivity improvements and has no effect on employer wage-setting.

worthwhile, the EITC is not, however, a wholly satisfactory solution nor an appropriate substitute for higher wages. The EITC and similar tax credits allow businesses to continue paying substandard wages, thus shifting employment costs to taxpayers. On the other hand, a living wage requirement formalizes the basic notion that taxpayers should not foot the bill for employers who profit from paying poverty wages to their workers. Taxpayers' dollars should support an economic high road built on good jobs that pay well—jobs that pay a living wage.

punitive to require firms that benefit from such an array of government supports to pay living wages. Living wage and other similar requirements help ensure the public actually receives promised economic development benefits in exchange for government development assistance.

Employers subject to living wage ordinances are covered only because they enjoy the benefits of government largesse. Companies receiving government subsidies already enjoy a considerable competitive advantage compared with companies that do not; attaching conditions such as living wage requirements certainly does not penalize them.

Q: What about government contractors subject to living wage requirements? After all, they're not getting any special breaks.

A: Traditionally, firms seek government contracts as valuable prizes. The contracts are valuable because firms can count on payment, and there usually is a good chance of contract renewal. The government is a reliable payer and will not go out of business. A government contract thus serves as a solid and reliable base of income that may facilitate further expansion for a business. These advantages may be particularly important to small firms.

Q: Some firms, such as lessees of subsidized companies, do not receive a direct subsidy. Their landlords do. Yet the lessees may be required to meet living wage requirements. Is this fair?

A: Yes, it is fair. For the lessee firm, the living wage requirement may be offset by other advantages, such as a prime location or a new facility, making it profitable to do business anyway. For example, even though a lessee firm had to pay higher wages, it might do several times more business than otherwise because of its advantageous location advantage, say, in a subsidized new mall. The lessee clearly benefits (although indirectly) from the government subsidy. Alternatively, the lessee and the subsidy recipient can negotiate a contract adjustment—such as lower rent—that confers a financial benefit on the lessee, offsetting the impact of the living wage requirement. If lessees and tenants were not covered, it would be possible to avoid the effect of the law and undermine its purposes simply by contracting out or subleasing facilities to entities that would then be free to pay substandard wages.

Q: Won't a living wage requirement be a burden to nonprofits that provide valuable services on behalf of the local government? A living wage requirement can reduce or eliminate their ability to offer these services.

A: Some living wage laws specifically address the issue of nonprofits by exempting certain ones from coverage altogether, or by covering only those meeting specific criteria (such as nonprofits whose chief officers earn more than a specific percentage above what the lowest paid employee earns). There is no reason for an outright exemption of all nonprofits, however. Nonprofits vary greatly in their ability to absorb any costs associated with living wage requirements. For instance, new research conducted by David Reynolds and Jean Vortkamp on nonprofits and the Detroit living wage ordinance found, "for a majority of nonprofits, the living wage requirements do not appear to represent an undue harmful financial burden."¹⁰ The authors report that two out of three nonprofits

¹⁰ David Reynolds and Jean Vortkamp, *Impact on Detroit's Living Wage Law on Non-Profit Organizations*, June 2, 2000.

surveyed indicated that the living wage requirements had only a minimal or minor impact on their organizations.

Further, employees of many nonprofits—those working for various social service programs, for example—perform indispensable public services but often are unlikely to receive wage increases other than through living wage ordinances (or minimum wage hikes). Nonprofits enjoy various exemptions and other forms of special legal and tax treatment designed to recognize and support the role they play in community life. In light of the special benefits they already enjoy, the additional advantages conferred when they do business with the government and the needs of their workers, there is no reason nonprofits should not be subject to appropriate living wage requirements. Low-wage employees of nonprofits need adequate food, shelter and clothing—in short, a living wage—just like everyone else.

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Date: Fri, 5 Aug 2005 12:55:36 +1000

From: "Office of Sen. Jesse A. Lujan" <jal@netpci.com>

To: amier@mvguam.com,news@guampdn.com,mmaratita@glimpses.guam.net,jayne@guahanmagazine.com,mab

Subject: Minimum Wage Bill to be heard August 12 - First Media Notice
Newsrooms:

Please find attached an Agenda for the Committee on Aviation's next Public Hearing, to be held on Friday, August 12, at 9:00 AM. On the Agenda is Bill No. 148, which proposes to raise the minimum wage. Also on the Agenda is an appointment of a resident member to the GHURA Board of Commissioners.

For further information please contact committee staff Michael Perez or Darryl Taggerty at 647-5373 or by e-mail at jal@netpci.com.

Thank you for your interest in this matter, and for informing the public.

Darryl Taggerty
Policy Analyst
Cmte on Aviation

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Date: 1-Jun-2006 14:01:39 +1000
From: "Office of Senator Jesse Lujan" <jal@ite.net>
To: <jal@ite.net>
Subject: Fw: Public Hearing August 12 Second Notice

----- Original Message -----

From: "Office of Sen. Jesse A. Lujan" <jal@netpci.com>
To: <amier@mvguam.com>; <news@guampdn.com>; <mmaratita@glimpses.guam.net>;
<jayne@guahanmagazine.com>; <mabuhaynews@yahoo.com>; <hottips@KUAM.com>;
<kgtf12@ite.net>; <kprg@kprg.org>; <kstone@ite.net>; <parroyo@k57.com>;
<ktkb@ktkb.com>; <chuck@kolg.org>; <Kleilani63@hotmail.com>
Sent: Wednesday, August 10, 2005 3:47 PM
Subject: Public Hearing August 12 Second Notice

> Newsrooms and Editors,
>
> The Committee on Aviation, Immigration, Labor and Housing is conducting a
> Public Hearing on Bill 148, and a Confirmation Hearing on Lolita Meno to
the
> GHURA Board of Commissioners, on Friday, August 12, at 9:00 AM. The Agenda
> is attached.
>
> Thank you for your interest in these matters!
>
> Darryl Taggerty
> Policy Analyst
> Cmte on Aviation
>
>
>

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CALL FOR TESTIMONY:

For members of the public watching on Cable TV, or learning of this discussion in the news media, your testimony is still welcome. You may visit my office located in Tamuning on Marine Corps Drive across from Rexall, call 647-5373, deliver a letter to the Legislature, fax a letter to me at 647-5377, or e-mail your message to me at "j-a-l at net-p-c-i dot com" again "j-a-l at net p-c-i dot com". Or, you can speak to your favorite Senator and let him or her know how you feel about the appointment of Lolita Meno or this proposal to raise the minimum wage.

Chairman's Statement on Bill No. 148:

Bill No. 148 is the first bill referred to this Committee in 2005. According to the Standing Rules of the Twenty-Eighth Guam Legislature, all bills are to receive a hearing within 120 days of its referral. Bill No. 148 was sponsored by Senator Benjamin J.F. Cruz and others. This hearing is to formally notify the public of this bill's consideration, and to invite the public to comment. The Committee will then prepare a report, and recommend to the entire Legislature whether this bill should be passed. If you have any comments on this matter, please contact my office or your favorite senator to express your views.

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Date: Mon, 12 Sep 2005 17:15:48 +1000

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To:

amier@mvguam.com,news@guampdn.com,mmaratita@glimpses.guam.net,jayne@guahanmagazine.com,mab ...

Subject: Public Hearing Sept 15 by Cmte on Aviation Second Notice
Second Notice: 1720 HRS Monday, September 12, 2005

Newsrooms:

Attached is the Agenda for the next Public Hearing by the Committee on Aviation, Immigration, Labor and Housing. It will be held on Thursday, September 15, starting at 9:00 AM in the legislative public hearing room. Copies of appointments to be considered are available through our office. Please contact this office for copies. However, as of 5:00 PM today, this office has not received the Department of Labor report on Bill 148's proposed minimum wage increase. The Department of Labor requested 30 days from the committee's last hearing date to prepare it; hence, we expected to receive it by the close of business today.

Please include this public hearing announcement in your news and any feature on government meetings for the general information of the public.

For further information on the hearing or available copies of Governor's appointments, please contact us by e-mail, telephone 647-5373, or fax 647-5377.

Thank you!

Darryl Taggerty
for the Chairman, Cmte on Aviation

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amier@mvguam.com,news@guampdn.com,mmaratita@glimpses.guam.net,jayne@guahanmagazine.com,mab ...

Subject: Cmte on Aviation Public Hearing Scheduled Agenda attached
Newsrooms:

Attached is the Agenda for the next Public Hearing by the Committee on Aviation, Immigration, Labor and Housing. It will be held next Thursday, September 15, starting at 9:00 AM in the legislative public hearing room. Copies of items to be considered are available through our office. Please contact this office for copies. However, as of today, this office has not received the Department of Labor report on Bill 148's proposed minimum wage increase. The Department of Labor requested 30 days from the committee's last hearing date to prepare it; hence, we expect to receive it by September 12.

Please include this public hearing announcement in your news and any feature on government meetings for the general information of the public.

For further information on the hearing or available copies of Governor's appointments, please contact us by e-mail, telephone 647-5373, or fax 647-5377.

Thank you!

Darryl Taggerty
for the Chairman, Cmte on Aviation

Attachment 1: PH Agenda 9-15-05.doc (86KB) 0-1

Type: application/msword
Encoding: base64

Download

SELECTED INVENTORY ★ CLEARANCE



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3 Per Paycheck*

da3 HATCHBACK

- 2.3L DOHC 16-valve 4-cylinder engine
- 4-wheel independent suspension
- Automatic transmission
- 4-wheel disc brakes
- 17-inch alloy wheels w/polished finish
- Power door locks w/remote keyless entry
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- Automatic transmission
- Sport-tuned suspension & compact body for responsive car-like handling
- Anti-lock brake system
- Power windows, locks and mirrors
- 16-Inch alloy wheels
- Dual sliding doors, Air conditioning

2 Per Paycheck*

LOCAL

Pacific Daily News, Monday, September 12, 2005 [guampdn.com](http://www.guampdn.com)

GOVERNMENT MEETINGS

Sept. 12
Notary exam: 9 a.m. Sept. 12, Attorney General's Office, 247 West O'Brien Drive, Hagåtña. Call 475-3132, 8 a.m. to noon.

Sept. 13
Board of Equalization meeting: 3:30 p.m. Sept. 13, Department of Rev & Tax director's conference room, second floor, Building 13-1, Mariner Ave., Tiyan. Review of 2005 preliminary real property tax assessment and remaining pending applications for appeal, 2004 tax year. Call 475-1895.

Committee on Natural Resources, Utilities and Micronesian Affairs public hearing: 8:30 a.m. Sept. 13, Legislature's public hearing room, Hagåtña. Confirmation hearing of Terrence Brooks to serve as a member of the Public Utilities Commission. Call 472-3450/1.

Consolidated Commission on Utilities/Guam Waterworks Authority regular meeting: 5 p.m.

ON THE NET

▲ For the complete, searchable database of upcoming government meetings, visit www.guampdn.com



Sept. 13, GWA conference room, GWA main office, second floor, upper Tumon. Call 646-7815 or 647-2603.

Guam Community College Board of Trustees monthly meeting: 6 p.m. Sept. 13, GCC library conference room, second floor, Foundation Building F, Mangilao. Call 735-5637 or 735-5597.

Sept. 14
Alcohol Beverage Control Board meeting: 5 p.m. Sept. 14, Compliance Branch Office, second floor, Pacific News Building, Hagåtña. Call 475-1802.



RUNWAY/FEDERAL TIRE SALE

	EA	2 For		EA	For 2
155/80R13	\$25.50	\$50.00	195/70R14	\$46.00	\$91.00
175/70R13	\$31.50	\$61.00	195/75R14	\$47.95	\$94.00
175/65R14	\$44.00	\$87.00	195/50R15	\$65.00	\$128.00
185/55R14	\$59.00	\$116.00	205/50R15	\$68.00	\$134.00
185/60R14	\$48.95	\$96.00	195/60R15	\$55.00	\$108.00
185/65R14	\$48.95	\$96.00	205/70R14	\$47.95	\$94.00
185/70R14	\$44.00	\$87.00	205/60R15	\$59.95	\$118.00
195/60R14	\$53.00	\$104.00	195/45R15	\$79.00	\$156.00
			205/55R16	\$83.00	\$164.00
			215/65R15	\$64.95	\$128.00
			235/60R16	\$85.00	\$168.00
			245/75R16	\$103.00	\$204.00
			215/45R17	\$105.00	\$208.00
			215/35R18	\$119.00	\$236.00
			31-10.50R15	\$94.50	\$187.00

GOODYEAR

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All tire prices plus disposal fee of three dollars (\$3.00) ea.

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**I Mina'Bente Ocho Na Liheslaturan Guåhan
The 28th Guam Legislature
155 Hesler Place
Hagåtña, Guam 96910**

**(3rd - Revision - September 13, 2005)
September 09, 2005**

WEEKLY LEGISLATIVE CALENDAR

THIS IS A CALENDAR OF PUBLIC/OVERSIGHT HEARINGS SCHEDULED BY I MINA'BENTE OCHO NA LIHESLATURAN GUÅHAN.

ALL HEARINGS ARE HELD IN THE PUBLIC HEARING ROOM UNLESS OTHERWISE NOTED OR YOU CAN CALL THE PROTOCOL OFFICE AT 472-3499 FOR MORE INFORMATION.

COPIES OF BILLS CAN BE OBTAINED AT THE OFFICE OF THE CLERK OF THE LEGISLATURE OR ARCHIVES SECTION AT 472-3464/3383 OR YOU CAN LOG ON THE WEBSITE AT: www.guamlegislature.com

CALENDAR FOR THE WEEK OF September 10, 2005 THRU September 16TH, 2005

Tuesday, September 13, 2005

8:30 a.m.

Confirmation Hearing

Committee on Natural Resources, Utilities & Micronesian Affairs

Vice Speaker Joanne M. S. Brown – Chairwoman

Confirmation Hearing for Mr. Terrence M. Brooks as a member of the Public Utilities Commission

To be held at the Public Hearing Room, Liheslaturan Guåhan

(For more information please call the office of Vice-speaker Joanne M.S. Brown at 472-3450/1)

9:30 a.m.

Resolution Presentation

**Committee on General & Omnibus Matters
And Executive Committee**

Speaker Mark Forbes – Chairman

Resolution No. 79 (EC) - Relative to commending and congratulating Mrs. Patricia Rasmusson to the Order of Eastern Star Chapters.

To be held in the Session Hall, Liheslaturan Guåhan

(For more information please the office of Speaker Mark Forbes at 472-3409/3518)

Wednesday, September 14, 2005

9:00 a.m.

Public and Oversight Hearings

Committee on Judiciary, Governmental Operations & Reorganization

Senator Robert Klitzkie – Chairman

Public Hearing on the following Bill's:

Bill No. 155 (EC) - AN ACT TO CONSTRUCT A GUAM NATIONAL MUSEUM AND ASSIST IN FURTHERING THE PRESERVATION AND PRESENTATION OF GUAM'S CULTURE, HERITAGE AND HISTORY BY CREATING THE GUÅHAN HERITAGE FACILITIES BOARD, THE GUÅHAN HERITAGE FACILITIES HOTEL ROOM SURCHARGE, AND THE GUÅHAN HERITAGE FACILITIES FUND BY ADDING A NEW SUBITEM (y) TO §87104 OF CHAPTER 87, DIVISION 8, TITLE 5 GUAM CODE ANNOTATED; ADDING A NEW CHAPTER 89 TO DIVISION 8, TITLE 5 GUAM CODE ANNOTATED; AND ADDING A NEW CHAPTER 29 TO TITLE 11 GUAM CODE ANNOTATED.

Bill No. 168 (EC) - AN ACT TO AMEND §3109 OF DIVISION 1, CHAPTER 3, TITLE 7 GUAM CODE ANNOTATED, BY ADDING A NEW SUBSECTION (b) RELATIVE TO REQUIRING NOMINEES FOR JUSTICE AND JUDGE POSITIONS TO SUBMIT TO A POLYGRAPH EXAMINATION.

BILL NO. 180 (LS) - AN ACT RELATIVE TO THE IMMEDIATE RESTORATION OF THE DIFFERENTIAL PAY FOR GUAM'S FIREFIGHTERS PERFORMING EMERGENCY MEDICAL TECHNICIAN-AMBULANCE DUTIES, AND SHALL REMAIN IN EFFECT UNTIL SUCH TIME THAT THE CIVIL SERVICE COMMISSION COMPLETES ITS COMPREHENSIVE REVIEW OF FIREFIGHTERS EMT COMPENSATION.

Bill No. 186(EC) - AN ACT TO STRENGTHEN EMPLOYEE RIGHTS AND DUE PROCESS IN DISCIPLINE PROCEEDINGS BY AMENDING §§4406 AND 4406.1, AND BY ADDING NEW §§4406A AND 4406.2 TO ARTICLE 4, CHAPTER 1, TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO ADVERSE ACTION PROCEDURES AND APPEALS; AND TO AMEND §4408 OF TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO ENFORCEMENT OF ORDERS OF THE CIVIL SERVICE COMMISSION.

Bill No. 188 (EC) - AN ACT TO ADD A NEW §6502.1 TO TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE GUAM EDUCATION POLICY BOARD TO RECRUIT ABOVE STEP ON THE BASIS OF RECRUITMENT DIFFICULTIES AND/OR EXCEPTIONAL QUALIFICATIONS.

Bill No. 189 (EC) - AN ACT TO MANDATE EVERY FIGHFIGHTER OF THE AIRCRAFT RESCUE AND FIRE FIGHTING UNIT AT THE ANTONIO AB WON PAT INTERNATIONAL AIRPORT TO OBTAIN AND MAINTAIN A EMERGENCY MEDICAL TECHINICAN-BASIC OR EMT-BASIC CERTIFICATION BY ADDING A NEW SECTION 1305.1 and 1305.2 TITLE 12, CHAPTER 1, ARTICLE 3 GUAM CODE ANNOTATED.

Revised 9/13/05

1:00 p.m.

Revised 9/13/05

Oversight Hearing:

Oversight Hearing on the Compiler of Laws

To be held in the Public Hearing Room, Liheslaturan Guåhan

(For ADA assistance, call the Office of Senator Klitzkie at 472-9355 ext. 3, or send via e-mail to judiciary@bobsoffice.org)

Revised 9/12/05

Thursday, September 15, 2005

Revised 9/12/05

9:00 a.m.

Public Hearing

Committee on Aviation, Immigration, Labor and Housing

Senator Jesse A. Lujan – Chairman

Bill No. 148 (LS) – (continuation from August 12, 2005) AN ACT TO REPEAL AND REENACT SECTION 3105 OF TITLE 22 OF THE GUAM CODE ANNOTATED, RELATIVE TO RAISING THE MINIMUM WAGE TO FIVE DOLLARS AND SEVENTY-FIVE CENTS PER HOUR BY JANUARY 1, 2006 AND SIX DOLLARS AND TWENTY TWENTY-FIVE CENTS PER HOUR BY JANUARY 1, 2007, for the purpose of examining a report prepared by The Guam Department of Labor on this subject.

Confirmation Hearing:

Mr. Rufo C. Taitano, appointed as a Member of Guam Housing and Urban Renewal Authority Board of Commissioner for a period of five (5) years.

Ms. Evelyn R. Duenas, appointed as a Member of the Guam Transportation Commission representing persons with disabilities that ride the Paratransit System, for a period of three (3) years from date of legislative confirmation:

Mrs. Roseanne S. Ada, appointed as a Member of the Guam Transportation Commission representing DISID, for a period of three (3) years from date of legislative confirmation;

Mr. Joseph T. Flores, appointed as a Member of the Guam Transportation Commission representing the Guam Developmental Disabilities Council, for a period of three (3) years from date of legislative confirmation;

Mr. Michael J. Terlaje, appointed as a Member of the Guam Transportation Commission representing the Guam assistive Technologies community, for a period of three (3) years from date of legislative confirmation; and

Mr. Thomas L. Manglona, appointed as a Member of the Guam Transportation Commission representing the public and riders of the public transit system, for a period of three (3) years from date of legislative confirmation.

To be held in the Public Hearing Room, Liheslaturan Guåhan

(For more information please call the office of Senator Jesse A. Lujan at 647-5373)

3rd - Revision 9/13/05

Friday, September 16, 2005

3rd - Revision 9/13/05

9:00 a.m.

Public Hearing has been rescheduled to
September 30, 2005 at 3:00 p.m.

Public Hearing

Public Hearing has been rescheduled to
September 30, 2005 at 3:00 p.m.

Committee on Health & Human Services

Senator Mike Cruz, M.D. – Chairman

Bill No. 154 (EC) - "An act to admit the practice of naturopathy by amending section 12101(b), adding a new subsection 12101(y) and a new Article 9 to Chapter 12 of Title 10, Guam Code Annotated".

To be held in the Public Hearing Room, Liheslaturan Guåhan

(For more information please call the office of Senator Mike Cruz, M.D. at 477-5960/2/3)

Office of Senator Jesse Lujan

From: "Office of Senator Jesse Lujan" <jal@ite.net>
To: "Amier" <amier@mvguam.com>; "K57 News" <parroyo@k57.com>; "Duane George" <dmgeorge@guam.gannett.com>; "Guahan Magazine" <jayne@guahanmagazine.com>; "KGTF-TV" <kgtf12@ite.net>; "The Light KOLG-FM" <chuck@kolg.org>; "KPRG-FM" <kprg@kprg.org>; "KSTO, KISH News" <kstoneews@ite.net>; "KTKB-FM" <ktkb@ktkb.com>; "Marianas Business Journal" <mmaratita@glimpses.guam.net>; "mvariety" <mvariety@vzpacifica.net>; "KUAM News" <hottips@KUAM.com>; "Mabuhay News" <mabuhaynews@yahoo.com>; "PDN" <news@guampdn.com>
Cc: <jal@ite.net>
Sent: Monday, March 27, 2006 5:50 PM
Attach: General Notice of Public Hearing.doc; General Notice of Public Hearing for Res 127.doc; PH Agenda 4-4-06.doc
Subject: Legislative Public Hearing Notice for April 4

Newsrooms,

Senator Jesse Anderson Lujan, Chairman of the Committee on Aviation, Immigration, Labor and Housing, and author of Resolution No. 127 (LS), has scheduled a Public Hearing for Tuesday, April 4, 2006 on three bills and Resolution No. 127 (LS). The Agenda and formal statements of general announcement are attached.

Please disseminate this information within your usual and customary coverage of government activities of interest to the public.

Thank you.

If you have any problem with the attachments, please contact this office at 647-5373.

Darryl A. Borja Taggerty
Policy Analyst
Cmte on Aviation
for Chairman Jesse Lujan

Office of Senator Jesse Lujan

From: "Office of Senator Jesse Lujan" <jal@ite.net>
To: "Amier" <amier@mvguam.com>; "K57 News" <parroyo@k57.com>; "Duane George" <dmgeorge@guam.gannett.com>; "Guahan Magazine" <jayne@guahanmagazine.com>; "KGTF-TV" <kgtf12@ite.net>; "The Light KOLG-FM" <chuck@kolg.org>; "KPRG-FM" <kprg@kprg.org>; "KSTO, KISH News" <kstone@ite.net>; "KTKB-FM" <ktkb@ktkb.com>; "Marianas Business Journal" <mmaratita@glimpses.guam.net>; "mvariety" <mvariety@vzpacifica.net>; "KUAM News" <hottips@KUAM.com>; "Mabuhay News" <mabuhaynews@yahoo.com>; "PDN" <news@guampdn.com>
Cc: <jal@ite.net>
Sent: Friday, March 31, 2006 1:05 PM
Attach: PH Agenda 4-4-06.doc; Second Notice of Public Hearing.doc
Subject: Second Notice of Public Hearing

Newsrooms,

Attached are two pages, one, a Second Notice of Public Hearing by the Committee on Aviation, Immigration, Labor and Housing, and the second, the Agenda for this same Tuesday hearing. This is a reminder of the first notice we sent several days ago, as required by applicable legislative public notice rules. Please include this as appropriate in your news content regarding government activities of interest to the public.

Thank you!

Darryl Taggerty
for Senator Jesse Lujan
Chairman
Committee on Aviation, ...

Office of Senator Jesse Lujan

From: "Office of Senator Jesse Lujan" <jal@ite.net>
To: "Amier" <amier@mvguam.com>; "K57 News" <parroyo@k57.com>; "Duane George" <dmgeorge@guam.gannett.com>; "Guahan Magazine" <jayne@guahanmagazine.com>; "KGTF-TV" <kgtf12@ite.net>; "The Light KOLG-FM" <chuck@kolg.org>; "KPRG-FM" <kprg@kprg.org>; "KSTO, KISH News" <kstonews@ite.net>; "KTKB-FM" <ktkb@ktkb.com>; "Marianas Business Journal" <mmaratita@glimpses.guam.net>; "mvariety" <mvariety@vzpacifica.net>; "KUAM News" <hottips@KUAM.com>; "Mabuhay News" <mabuhaynews@yahoo.com>; "PDN" <news@guampdn.com>
Cc: <jal@ite.net>
Sent: Friday, March 31, 2006 5:19 PM
Subject: Cancellation of 3pm portion of April 4 Public Hearing

Newsrooms,

With the adoption of Resolution No. 127 (LS) this afternoon, the legislative hearing on this proposal scheduled for 3:00 p.m. on Tuesday, April 4 has been cancelled.

The hearing schedule for three bills starting at 9:00 a.m. is not affected. The morning hearing will continue as previously announced.

Darryl Taggerty, Policy Analyst
for Senator Jesse Lujan
Chairman,
Committee on Aviation, Immigration, Labor and Housing

Increase the minimum wage

TO THE POINT
 ▲ A simple solution to keep wages in line with increases in prices is a built-in cost-of-living adjustment.

When the minimum wage stays in line with increases in prices, it keeps other wages down, too. But prices continue to rise, so more and more workers are forced to struggle each year to make ends meet. Employees making the same wages today that they did in 1997 have lost 21 percent of their buying power — it's as if they had taken a 21-percent pay cut. Along with my fellow Democrats, I have co-sponsored Sen. Benjamin Cruz's Bill 148 to raise the minimum wage. ▲ See Wages, Page 15

name. Most consumers are stuck heading water and are looking for every little opportunity to make ends meet. It doesn't have to be this way. (One simple solution is built in cost-of-living adjustments. While most Guam workers have had to absorb the rising cost of living themselves, those with COLA have been seeing regular 2 percent to 3 percent increases in their wages each year. They've been able to keep up with rising costs. Another way to lend a hand to the working people of Guam is to boost the minimum wage. The last time it was increased to \$5.15 per hour in 1997, the federal government did it. That was eight years ago, and according to the U.S. Department of Labor, the Consumer Price Index has risen nearly 21 percent since 1997. It takes \$6.23 today to buy what \$5.15 bought in 1997.

By Roy J. Respicio



Respicio

It's not surprising that consumers are looking for ways to cope with increasing prices, because the cost of living is always going up. For everything that gets cheaper (telecommunications, health care and gasoline) that increases in price and erases any savings. What makes things worse in Guam is that wages in the private sector are not keeping pace with rising costs. For low- and moderate-income workers, wages have remained fairly stagnant SUVs, fuel-efficient vehicles is an- am be shown, saving policies for the fluorescent bulbs out incandescent air conditioning weekends. If much the government example ng for far too control, at the price of smenters cope of felix (muchlo s could be made et announcing a pements to well. And they the government. felix (muchlo s could be made et announcing a pements to well. And they the government.

Wages: COLA, supplemental annuities need to be restored

▲ Continued from Page 14

to \$5.75 by January 2006 and to \$6.25 by January 2007. An increase in the minimum wage would break the logjam for most workers. It would have a ripple effect up the line through low- and moderate-income employees, eventually raising each of their wages a little, too. Retirees, especially those on fixed incomes, are also affected by constantly rising prices. I've introduced Bill 151 to fully restore the supplemental benefits and COLA to Guam. Guam retirees that have been reduced in rising cost of living to let their voices be heard in support of these bills.

The combination of these two bills and the restoration of increments to Guam employees will give virtually everyone in Guam a chance to make a little progress in keeping up with rising costs. Combined with other strategies to cope with increasing prices, consumers can finally get a step ahead of the price increase curve.

Roy J. Respicio is a senator in the 28th Guam Legislature.

What is the best way to implement disposal fees and ensure they're

ten — like milk, corn, chuck steak, pork roasts, fruits and vegetables. In many cases, we now buy generic brands if the taste of the products is good. I often look out for certain products that are slightly cost-reduced significantly — by at least 50 percent or more. We don't drive for pleasure at night as much as we used to. We try to make better use of our time when taking care of the family transportation and the like. I feel proud that I have been able to raise kids that are taking value seriously. I think



Agnon

By Felix Agnon
 About a decade ago, Guam was going through some of the best times ever. Things have changed significantly over the past nine years, due partly to the irresponsible government we had the entire time. The condition of the economy had not been looking out for their own best interests and those close to them. There was a time when I really didn't care about the cost of many things we use on a regular basis, but due to the condition of the economy, we have had to make adjustments in order to make the best of a bad situation. At the grocery stores, I always look out for the best price of a 50-pound bag of rice, as well as many of the things we buy most often.

The advance disposal fees that were implemented and are unlikely to be implemented. Now there is legislation to increase vehicle registration fees by \$25 a year, ostensibly to be used to properly dispose of vehicles and other goods. Is this the best way to handle our disposal problems? Is there any guarantee the money will be used for its intended purpose? If so, how

Next Sunday
 would collection of old goods be handled? ▲ What is the best way to implement advance disposal fees and ensure they're used properly? We want your thoughts and insight. A round-table discussion on the topic will be held at noon Aug. 4 at the Pacific Daily News. Call Editorial Editor Duane M. George at 477-9711, ext. 415.



**PUBLIC HEARING ON MINIMUM WAGE INCREASE TOMORROW
Democrats Believe Increase Will Help Working Families**

FOR IMMEDIATE RELEASE

(August 11, 2005)(Hagatna) Democratic Senators called for public comment on Bill 146, which would increase the Minimum Wage from \$5.15 to \$5.75 per hour by January 1, 2006 and to \$6.25 per hour by January 1, 2007. A public hearing will be conducted by Senator Jesse Lujan's Committee on Aviation, Immigration, Labor, & Housing on Bill 146 this Friday, August 12, 2005 beginning at 9AM in the legislative public hearing room. Senator Benjamin J.F. Cruz (D-Piti) introduced the legislation with the other 5 democratic senators of the Guam Legislature on June 8, 2005.

"The key purpose of a minimum wage system is social – to prevent labor exploitation and poverty," *Liheslaturan Guahan* Minority Leader Judith T. Won Pat said. *"It is our responsibility to do right by hardworking families who put in a full day's work by providing them the purchasing power to be self-sufficient. An increase in Guam's minimum wage is long overdue,"* she further stated.

The last local increase of the minimum wage occurred during the 19th Guam Legislature when it was set at \$3.75 an hour. However, Guam law also adopts the federal minimum wage, which was set at \$5.15 in 1997. According to the U.S. Bureau of Labor Statistics, the buying power of \$5.15 (in 1997 dollars) is just \$4.31.

"It was important for me to introduce the legislation to increase the minimum wage at a time when economic data is being collected to determine the actual economic state of Guam. The Governor has said the recession is over, but the Chamber of Commerce has said they disagree. If the economy is turning around, it would seem timely and appropriate to raise the minimum wage," said the bill's author, Senator Benjamin J.F. Cruz.

Senator Cruz had sent the legislation to the Guam Chamber of Commerce and suggested that the Chamber form a special committee to analyze the effects of the proposal in the private sector. Chamber President Monty McDowell responded to Cruz in a letter dated June 29, and said that a minimum wage increase will roll upwards for all employees and the only thing that will happen is that prices will increase and the same people it purports to help will be hurt.

"Because we are a closed economy, the wages we want raised are being earned by those groups of employees that do not have disposal income. Clearly, any increase in wages will mean more buying power for working families. I have confidence that raising the minimum wage will guarantee economic growth," said Senator Rory J. Respicio.

For more information, please contact Joshua Tenorio at 482-6904.

END

END

END

Business editor:
 Gwynor Dumatol Deleno
 477-9711, ext. 418
 gdumatol@guampdpn.com

guampdpn.com Pacific Daily News, Friday, August 12, 2005

Prices for
 crude oil up
 at \$64.90
 per barrel
 Los Angeles Times

Los Angeles Times

Moons got a handful of bad

news Wednesday when oil prices

scored to a new high, gasoline set a

new national record and the De-

partment of Energy warned that

pump prices could remain above \$2

a gallon through much of next year.

The latest round of woe was

spurred by a spate of refinery prob-

lems in the U.S., increasing instabil-

ity in the Middle East and a growing

imbalance between demand for pe-

troleum, which is rising rapidly, and

production capacity, which is not.

After briefly touching \$65 a bar-

rel, the U.S. benchmark crude

By Gwynor Dumatol

Deleno

Pacific Daily News

gdumatol@guampdpn.com

This morning, you'll get a chance

to talk to lawmakers about the pro-

posal to increase Guam's minimum

wage by 60 cents to \$5.75 an hour

starting in January.

Bill 146 is up for a public hear-

ing by the Guam Legislature's

Committee on Aviation, Immigra-

tion, Labor and Housing. The bill

would further raise the local mini-

mum wage to \$6.25 an hour by Jan-

uary 2007.

Discussion of the proposed mini-

um wage is expected to begin

Monday at 9 a.m. in the Guam Legisla-

tive Chamber. You can find more

information on the hearing at www.guampdpn.com

of would need to rise to more than

\$85 a barrel to offset the inflation of

oil.

Economists, however, noted that

the U.S. economy.

that high energy prices could throw

off a Wednesday morning rally

on Wall Street as investors fretted

about a Wednesday morning rally

in crude prices.

The latest jump in crude prices

was a gallon for regular grade.

gasoline prices are at a high of \$2.77

per gallon, up from \$2.70 a gallon

Wednesday, according to AAA —

and almost 3 percent on the New

York Mercantile Exchange. Na-

tionally, pump prices rose an aver-

age of 2.2 cents a gallon to \$2.376

per gallon, up from \$2.354 a gal-

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York Mercantile Exchange. Na-

Wage hike hearing today

IF YOU GO

▲ The hearing will be held at 9 a.m. today in the Guam Legislative's public hearing room in Hagaña.

over the years, thus the need to give entry-level workers a lifeline to cope with the rising cost of living.

"It is our responsibility to do right in a full day's work by providing them the purchasing power to be self-sufficient," said Sen. Judith Won Pat, D-Iarajan, the Legisla- ture's minority leader.

The Guam Chamber of Com- merce opposes the proposal to raise the minimum wage at this time, stat- ing in a letter to the bill's author, Sen. Benjamin Cruz, D-Piti, that the local economy remains fragile.

"Since many businesses are non- union, the federal minimum wage follows Guam's minimum wage follows Chamber.

creases can only come from eco- nomic expansion," according to the receives greater monetary compensa- tion for their efforts, but real in- creases can only come from eco- nomic expansion," according to the Chamber wrote.

"It is the Chamber's goal that every employee in our community receives greater monetary compensa- tion for their efforts, but real in- creases can only come from eco- nomic expansion," according to the Chamber wrote.

If the raises are not market-driven, they may be forced into another round of layoffs to survive," the Chamber wrote.

ing to suffer, they may not be able to raise their prices so their em- ployees can be provided the raises.

If the raises are not market-driven, they may be forced into another round of layoffs to survive," the Chamber wrote.

HUBZone aids small-business contractors

By Gwynor Dumatol

Deleno

Pacific Daily News

gdumatol@guampdpn.com

Guam's small-business com-

munity now has an additional card

to play when competing against

big-city contractors for federal

contracts.

Gender is a card that women-

owned small-business owners can

play. Disability can be an advan-

tage for small business owners, and being a military veteran can

earn you extra federal contracting points, too.

Question: What is the HUBZone Empowerment Contracting Program?

Answer: The program stimulates economic development and cre- ates jobs in urban and rural communities by providing federal contracting preferences to small businesses.

Question: How does a firm qualify for this program?

Answer: To qualify for the program, a business must meet the fol- lowing criteria:

- It must be a small business by SBA size standards.
- Its principal office must be located within a HUB zone.
- It must be owned and controlled by one or more U.S. citizens (any level of ownership in an applicant small business by an other company would result in a decline).

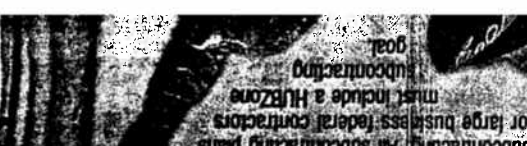
Question: If I own the company applying for HUB-

LEARNING ABOUT THE PROGRAM

■ The antidepend award price of the proposed contract, includ- ing options, will not exceed \$5 million for a requirement within the North American Industry Classification System code for manuf- acturing, or \$3 million for a requirement within all other NAICS codes.

Full and open competitive contracts can be awarded with a price evaluation prefer- ence. The offer of the HUBZone small- business must not be 10 percent higher than the offer of a non-small business.

Subcontracting: All subcontracting plans for large busines federal contractors must include a HUBZone



[Print this story](#)

Minimum wage increase arguments presented to Legislature

by **Clynt Ridgell, KUAM News**

Friday, August 12, 2005

Several weeks ago Democrat senators introduced legislation that proposes the minimum wage on Guam be increased. The bill proposes to raise the minimum wage by January 2006 to \$5.75, followed by another increase to \$6.50 by January 2007. Democrat senators contend that if the economic climate of the government is good enough to restore increments to government employees, then why not raise the minimum wage for private sector employees?

\$5.15 is the amount of money some people on island have to live with. It's also an amount that Democrat senators say is not enough to support a family, an amount that some local businessmen say should be controlled by the natural market forces of supply and demand. Interestingly enough even some government employees have jumped into the debate.

Guam Federation of Teachers president Matt Rector provided testimony at today's hearing saying the issue affects the entire island of Guam and not just members of the private sector. "We support the increase in the minimum wage currently 50% of the people working on Guam qualify for the earned income tax credit, which means that not only do they not pay taxes but they also take money out of the tax pool," Rector told KUAM News.

He also adds this is money that can be going toward improving schools, hospitals and roads. He contends that by raising the minimum wage the additional money that workers receive is put back into the economy as they have more money to spend.

Owner of Advance Management, Inc. and chairman of the Guam Chamber of Commerce Monty McDowell has an entirely different opinion, saying the government shouldn't dictate the minimum wage and should instead leave it to the natural market forces of the times. "What we need to do is not legislatively change wages in any way shape or form let the market do it if we have a vibrant market we will increase wages because we'll have to," he said.

This was basically the same testimony given by other members of the local business community, including the Guam Hotel and Restaurant Association and the Employer's Council of Guam. While both sides presented strong arguments Governor Felix Camacho has yet to decide whose side he's on. His spokesperson, Tony Lamorena, said, "It's going to take some additional research before the governor can actually look at it and take a stand on the issue."

He adds that because of the many complexities involved the Administration is having the Department of Labor conduct an analysis of the potential impact of the

bill - one from which some employees from the private sector may gain. And also a bill that some employers from the private sector say won't benefit anyone.

That DOL director Maria Connelly was at today's hearing but did not provide testimony because a study is currently underway on the impact of raising the minimum wage. Committee chair Senator Jesse Anderson Lujan (R) will be holding a follow up hearing next month to go over the results of that study.

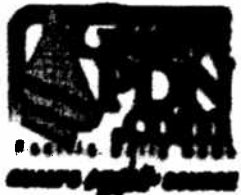
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LOCAL

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Ensure that the information we publish reflects the results of your inquiry. Pacific Daily News does not ask a question is not a service.

Local news

Man, 53, charged in sexual assault

A 53-year-old man was formally charged yesterday for allegedly sexually assaulting a mentally challenged 21-year-old woman. Jesus San Agustin Ignacio was charged with first-degree criminal sexual conduct, third-degree criminal sexual conduct, terrorizing and assault.

GPA worker arrested in anti-'ice' operation

A 45-year-old Guam Power Authority worker was arrested late Thursday evening during a sting operation conducted by the Guam Police Department's Violent Street Crimes Task Force. Ernie M. Valencia was arrested and charged with possession and distribution of a schedule II controlled substance methamphetamine hydrochloride, or "ice," said police spokesman Sgt. Joseph Carbullido. Valencia was not working at the time. Valencia was booked and confined.

4 minors arrested in school burglary case

A December 2004 tip from the Crime Stoppers hotline led to the arrest of four minors yesterday. Two 15-year-olds and two 16-year-olds were arrested separately after an investigation by the Guam Police Department linked the group to a burglary at the Merizo Martyrs Memorial Elementary School on Nov. 8 last year, police spokesman Sgt. Joseph Carbullido said.

Firearm possibly shot on judicial building

An investigation into the damage of the Guam Judicial Building in Hagåtña began yesterday morning when personnel discovered apparent bullet holes on the side of the building. Dan Tydingsgo, director of policy for the judiciary, said the apparent shots were fired at the building late Thursday night or early Friday morning. One of the shots shattered a window and the other caused damage to the outside of the building. Police and Superior Court Marshals are investigating. The operations of the court will continue normally, but security will be on a heightened alert status providing additional security for judicial officers, employees and patrons of the court.

Pacific Daily News

Clearing the record

We care about accuracy. If you would like to clear the record, call the Pacific Daily News at 477-9711, ext. 414.

Minimum wage debated

Residents speak out for, against wage increase

By Steve Limtiaco
 Pacific Daily News
 slimtiaco@guampdn.com

Dededo residents Paul and Therese Ignacio are going back to school, hoping to start new careers and create more job opportunities for themselves. The couple was at the Department of Labor office in Hagåtña yesterday afternoon to pick up vouchers to pay for their classes.

Therese Ignacio, 40, who works as a phone operator, said she wants to land a job in the medical field because that seems to be where most of the new opportunities are.

Paul Ignacio, who works construction when he can, said he wants to earn his GED so he can apply for a job with the local government, which requires a minimum of a high school education.

"That's what's been holding me back so far," he said.

Both have worked minimum-wage jobs at one time or another, and they have different opinions about whether the island's current minimum wage of \$5.15 an hour should be increased.

Therese Ignacio said she opposes an increase because she believes higher labor costs will drive up the cost of living even more. Recent increases in the price of gas have her thinking twice about driving. To work and back — that's it, she said.

"It's good for the island to have the minimum wage go up, but when they do that everything else goes up also, prices and everything, and they've gotta take a look at that," she said.

"To me, I think it (should) stay at minimum the way it is right now. I mean I'm all for the people having better pay and everything, but you've gotta take a look at how the island is."

She laughed when asked whether she believes it is possible for someone to survive on minimum wage for a long time. Minimum wage jobs are mainly for people starting out, she said.

"If you're not a spender or do too many outings, you'll be okay," she said.

Paul Ignacio, 39, said his construction jobs have paid \$9 an hour or more, but he once took a minimum-wage job with a maintenance company four years ago when a construction job ended.

"It hurts," he said. "All the responsibilities, things we have to pay, we can't really make it, because it's a different salary we're making and we really based ourself on that



Ric A. Eusebio/Pacific Daily News/reusebio@guampdn.com

Hagåtñas Paul Ignacio, 39, of Dededo, expresses his opinions on the minimum wage issue while waiting for his voucher at the Department of Labor offices in Hagåtña yesterday.

▲ Lawmakers yesterday held a public hearing on a bill that would increase the island's minimum wage from \$5.15 an hour to \$6.25 an hour by January 2007.

(higher salary.)" Paul Ignacio said the minimum wage should be increased "because it is getting harder to make a living here, and we're not rich, like the Japanese."

The Legislature's labor committee yesterday morning held a hearing on Bill 148, by Sen. Benjamin Cruz, D-Piti, which would increase the minimum wage to \$6.25 by January 2007. Guam's minimum is the same as the federal minimum wage, which has remained unchanged since 1997. About 10 percent of Guam's workers are paid minimum wage, according to Pacific Daily News files, but the average wage here is \$13 per hour.

Guam's low-income workers need more money to make ends meet, some lawmakers and a union representative said during the hearing, but business representatives said the economy is bad and businesses cannot afford it.

Increasing the minimum wage could cause businesses to cut back and limit the number of entry-level jobs on Guam, they said.

"Somebody's got to pay for it, and there's nobody in a financial position to pay for it right now," Guam Chamber of Commerce Chairman Monty McDowell said

SPEAK OUT

▲ To submit testimony on the proposal to increase the minimum wage, call the Committee on Aviation, Immigration, Labor and Housing at 477-8477, or e-mail your testimony to chairman Sen. Jesse Lujan at jal@netpci.com. Lujan said he plans to accept testimony for another month and hold another hearing on the issue in September.

ON THE NET

▲ To see the bill as introduced, visit www.guamlegislature.com, click on the link for bills introduced and passed, choose "Bills introduced" and scroll down to Bill 148.

of increasing the island's minimum wage. "This could be the straw that really puts a few more companies out of business."

Wages naturally increase when times are good and when there is competition for employees, McDowell said, noting that in 1990 it was difficult for Guam businesses to hire anyone at the then-minimum wage of \$4.25. McDowell said \$6 was the going rate at the time for entry-level workers.

Matt Rector, president of the Guam Federation of Teachers, told lawmakers that businesses are willing to accept government subsidies, in the form of tax breaks, but are unwilling to pay their employees more.

"We need to lift our people out of poverty," he said, in support of the wage increase.

The island's Democratic party yesterday submitted written testimony in support of a wage increase.

"Society fails when a worker serves an employer over 2,000 hours per year and yet cannot independently afford even minimal food and

housing," wrote party Chairman and local attorney Mike Phillips.

Peter Mayer, a former government economist, told lawmakers that raising the minimum wage is not the solution they're looking for. He said businesses likely would hire fewer entry-level employees and skilled employees would pick up more of that work.

J. Bill Borja, executive director of The Employers Council, testified against the bill.

Borja said most people holding minimum wage jobs are young people starting out in the job market, and an increase in the minimum wage would reduce the number of jobs.

Borja said the government should instead encourage residents to stay in school, learn skills, "and don't start a family until your time is worth more than \$5.15 an hour."

Borja said the proposed wage increase is not based on sound economic policy and is a political move, "aimed at making voters feel good."

Agat resident Pat Nauta, 30, said he has worked several different minimum-wage jobs over the years, some of them involving difficult physical labor.

He agreed that minimum wage jobs are only supposed to be temporary, but said higher paying jobs are hard to find. "So you just have to deal with what you've got."

Nauta also was at the labor department yesterday to pick up an education voucher so he can study a trade at Guam Community College. He said he would like to work as a mechanic.

Nauta said the minimum wage should be increased. He said it is difficult to pay the bills on minimum wage, and costs are increasing here.

"It's an increase of everything, so you might as well pick up the prices. If you're gonna work that hard, \$5 ain't enough," he said.

OPINION SUNDAY FORUM

Upcoming topics

19 Pacific Daily News Wednesday, August 17, 2005

of near its borders — most notably...
 ...driving to develop a force un-...
 ...U.S. defense of...
 ...would like...
 ...years from...
 ...East

The Pacific Daily News invites read-...
 ...to join us in discussing some of the...
 ...Should Guam continue...
 ...as a major tourism...
 ...on these top-...
 ...or if you...
 ...

VOICE OF THE PEOPLE

Leaders, consider our ability to cope with costs

Every day I used to start off by reading the newspaper, but lately it has been depressing to pick up a fresh copy.

The price of everything has been going up. It is bad enough that the majority of us are working on a minimum-wage level. How do our leaders expect us to live? Do they not see that with the present high costs, we are living paycheck to paycheck already?

(They are talking about) raising of minimum wage, which would not happen until the first of January next year. What about the following months to come? How can they be sure that something else does not rise between now and Dec. 31? How are we supposed to prepare for that? Do they think that we could play "catch up" with our bills come Jan. 1?

Right now we can barely put food on the table, put gas in our car to go to work and provide a roof over our head. The rise of utilities due to government debt and gas may as well have us scrape the bottom of a wishing well for spare change.

Many often wonder why there are more and more Chamonos migrating to the States. Is it not obvious? It is because there are many opportunities for advancement.

The leaders must put themselves in the shoes of the people. Did your family have a wife of one of these individuals, my husband and his co-workers have sacrificed long hours away from their families as well as sacrificed their own lives in the line of duty. So give them a break. I think this is not only a reward, but a motivator to keep them going eight hours, doing what they do best.

Give the people at DPR a break; they deserve it

LEI LEONARD
 Yigo
 I am responding to the comment made to the person or people upset for the closing of Hagåtña Pool on their 30th anniversary to reward their dedicated workers (lifeguards). As a wife of one of these individuals, my husband and his co-workers have sacrificed long hours away from their families as well as sacrificed their own lives in the line of duty. So give them a break. I think this is not only a reward, but a motivator to keep them going eight hours, doing what they do best.

ANGIE TAITAGUE
 Inarajan
 Options expressed by letter writers and columnists are their own and do not necessarily reflect those of the Pacific Daily News.

AMY, JAMES,
 DO SO MANY
 ROCKERS
 HEY, GREAT
 TUNES ARE
 GREAT!
 TUNES!

I MEAN, WHO CAN
 RESIST THE COLE
 PORTER SONGBOOK?

I LOVE PARIS EVERY
 MOMENT OF THE YEAR.
 I LOVE PARIS...
 I LOVE PARIS...

EVERY-
 BODY!
 WHY DO
 I LOVE
 OH
 OH!
 OH!

Doonesbury

By Garry Trudeau

Thought of the Day

▲ For more information, call Duane M. George at 477-9711, ext. 415.
 Pacific Daily News

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 ▲ All submissions may be edited for length, accuracy and clarity.
 ▲ Send all submissions by e-mail to voice@guampdnews.com; fax to 477-3079; or mail to Voice of the People, Box DN, Hagåtña, Guam 96932.

Pub 198

Health Center under way, finally

structural and design stage. Under the project plan, the construction will be done in two phases.

The first will be the creation of an outpatient facility as designed by Taniguchi Architects.

It will include a nurses station, check-up rooms, an isolation room, and a family room, according to Chuck D. Ordan, the governor's capital improvement projects coordinator.

Phase two involves the renovation of the existing facility to serve as the emergency and in-patient sections here, the dental care clinic, the X-ray laboratory and delivery room will be located. Another contract signed on Tuesday was for the Tinian High School improvement project amounting to \$4.85 million.

This involves renovation

of existing classrooms, construction of a new six-classroom building, including one designated for special education, a library, science and chemistry laboratories as well as a state-of-the-art six-lane track and field.

Other contracts that were signed on Tuesday were for design services for the conversion of the existing Rota Health Center cafeteria into a hemodialysis center, \$102,555; the supply and delivery of new heavy equipment for Rota, \$254,000; the repair and restoration of the Beach Road Pathway on Saipan, \$310,000; the hiring of a project manager for Saipan, \$14,000; and the architectural and engineering design of a student service center for Northern Marianas College on Tinian, \$104,784.

All are federally funded projects.

Palacios says gov't \$50M budget for PSS

more schools and serve more students, but other agencies must also be considered.

"We only have \$206 million in revenue," said Palacios. "The reality is you don't have to be a rocket scientist to see that we will be left with \$156 million for all the other agencies. Therefore, you will initially have to cut \$13 million across the board." PSS has been receiving only \$37 million since 1999.

Last month, Rep. David Apatang, Ind.-Saipan, introduced the \$50 million annual budget for PSS. Palacios said PSS can perhaps get a bigger budget in

FY 2006, but not \$50 million.

"If you're going to do that, then we'll have to cut the budget for the Legislature, the judiciary, the executive branch and other agencies," he said.

"You know, over the years, PSS has been getting the bulk of our funding — if we're not going to (enact) revenue measures then we have to prorate the increase. But if we give them the \$50 million, we have to shut down other agencies. That's the concern of everybody," Palacios said.

The last time a budget measure became law was in 2002.

Miller wage hike bill includes NMI



George Miller

By Gemma Q. Casas
Variety News Staff
SAIPAN — U.S. Rep. George Miller says he will push for his minimum wage hike bill, which would also apply to the CNMI, once Congress resumes its session this month.

Miller, the senior Democrat on the House Education and Workforce Committee, described the recently held Labor Day as an "unhappy day" for workers because of the little value they get for their hard-earned dollars.

In a statement, the California lawmaker said he wants the Northern Marianas, whose \$3.05 an hour minimum wage was last set in 1996, included in his proposed wage hike which would increase the federal rate from \$5.15 to \$7.25 an hour.

A similar measure was introduced in the Senate by Edward Kennedy, D-Mass.

But the Republican Party, which controls both houses of Congress and the White House, remains opposed to any wage hike legislation.

"There are millions of Americans working full-time for the minimum wage and trying to support a family on it, and Congress has turned a blind eye to their struggles by failing to increase the minimum wage eight years in a row," said Miller in a media statement. "At \$5.15 an hour, you'd have to work for 36 minutes just to be able to afford one \$3 gallon of gasoline."

In a separate statement, Miller said workers in the CNMI have been deprived of their right to decent wages through strong lobbying efforts of certain interest groups in Washington, D.C.

"The Miller-Kennedy legislation would also extend the minimum wage to the Commonwealth of the Northern Mariana Islands, a U.S. territory in the Pacific Ocean," reads the statement.

"Recent revelations have shown how some combination of lobbying by Jack Abramoff and actions by then-House Majority Whip Tom DeLay's office undermined efforts to provide basic labor standards to workers in the Marianas. This bill will begin to undo the significant harm that such actions have done to workers in the Marianas," said Miller, one of the critics of the islands' labor and immigration policies.

In an interview on Tuesday, House Minority Leader Arnold I. Palacios, R-Saipan, said local leaders also support increasing the minimum wage in the Northern Marianas.

However, he said unforeseen economic problems caused by Japan Airlines' pull out next month and the decline in the garment and tourism industries are major obstacles to any wage hike.


Palacios said the CNMI should be given ample time to gradually implement a wage hike.

"My position is that we should raise our minimum wage here and I don't think there's any disagreement at all. But we need to be careful how we approach that," he said.


"If we just increase the minimum wage, the (employers will) probably get out of here. That's not realistic for us. I believe it's going to devastate us. Our economy cannot sustain that kind of minimum wage," he added.

centerstage fundraiser

John Hirsh, executive director of the local Red Cross chapter, encouraged members and guests of the Rotary Club of Saipan on Tuesday to sell tickets, watch the



GUAM MEMORIAL HOSPITAL AUTHORITY
850 Gov. Carlos G. Camacho Road
Tamuning, Guam 96913



REQUEST FOR PROPOSAL

GMHA Bid No.(s)

017-2005 Orthopedic Surgeons Services

Submission Place/Date/Time:

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[Back](#)

Article published Sep 16, 2005

Minimum wage may rise 10,000 could see increase by 2007 if Cruz bill passes

By Gaynor Dumat-ol Daleno
Pacific Daily News
gdumat-ol@guampdn.com

About 10,000 workers on Guam are likely to benefit directly if Democrats in the Guam Legislature succeed in pushing for a two-tiered increase in the minimum wage, according to local Department of Labor statistics presented at a legislative public hearing yesterday.

Sen. Benjamin Cruz has led a Democratic push for an increase in the minimum wage, now at \$5.15 an hour. If the minority Democrats succeed in getting some Republican votes to cross party lines, Guam's minimum wage will increase 60 cents to \$5.75 in January, directly benefiting 1,600 workers. And if the proposed, second-tier increase to \$6.25 also passes and takes effect in January 2007, that will affect about 10,000 employees directly.

Democrats are pushing for the increase to help consumers cope with skyrocketing gasoline prices and increases in the cost of health insurance and power and water rates.

But Gary Hiles, chief economist with the local Labor Department, said if the amount of money generated by the local economy doesn't increase and the minimum wage increases, money will simply shift from one group to another.

An employer forced to raise the minimum wage might cut the number of jobs on his payroll or reduce employee benefits, such as health care, Hiles said, expressing his personal view when pressed for answers by lawmakers.

And in some industries, particularly in retail, consumers will see higher prices as stores try to recoup the extra money to pay for higher minimum wage, Hiles said.

Hiles gave his personal opinion because the local Labor Department has not taken – and isn't expected to – a stand for or against raising the minimum wage.

But if the minimum wage does increase, the Labor Department will make sure to enforce the law, said Labor Director Maria Connelley.

Families and children

Sen. Cruz said the Labor Department's acknowledgment that as many as 14,000, or about one in four of Guam's private-sector workers, make between minimum wage and \$7.09 – and that only about 2,000 of them are teens – bolsters his argument that the increase helps more low-income families and their children rather than teen workers.

"There are about 10,000 people – with families and children," he said of those adults making just a little above \$7 an hour or less.

And while local and federal government workers make more than minimum wage for the most part, Cruz said, "it is imperative to take care of (private sector) people who have to take two or three jobs trying to make ends

meet."

The Guam Chamber of Commerce has submitted a written position that now is not the time for the economy to add a minimum wage increase because businesses continue to struggle.

"When is the right time?" Sen. Lou Leon Guerrero asked out loud.

Further into the hearing, Leon Guerrero asked Hiles his opinion as an economist whether the economy still is in recession.

Hiles said Guam is out of the recession but, in individual instances, residents are not as financially well off as they'd like to be.

"Prices are going up. We have to do something about the wages, so that people can buy gasoline to get to work," Leon Guerrero said. "The Democrats are making that political decision right now."

Public hearing

The Committee on Aviation, Immigration, Labor and Housing, under Chairman Sen. Jesse Lujan, has scheduled another public hearing on the minimum wage issue on Oct. 15.

At that hearing, lawmakers expect to hear from agencies that deal with government housing and welfare services.

Of the 55,800 jobs on Guam, the median hourly rate is \$10.56, according to a Labor Department estimate.

But the private sector, particularly the service industry, such as hotels, is where people making at or near minimum wage are concentrated, according to the Labor Department numbers.

Wages

Do you think the economy is stable enough to support a minimum wage increase?

	41.1%
Yes	
	58.9%
No	

Total Votes: 151

<http://poll.guampdn.com/pollgadget/cgi-bin/poll.pl>

1045 hrs

9/16/2005

Wages

Do you think the economy is stable enough to support a minimum wage increase?

	41.2%
Yes	
	58.8%
No	

Total Votes: 228

<http://poll.guampdn.com/pollgadget/cgi-bin/poll.pl?view=0916wages>

C/PM

9/16/2005

Proposed minimum wage may have mixed results

By Gerardo R. Partido
Variety News Staff

DEPARTMENT of Labor officials were in the Legislature yesterday to testify on Bill 148, which proposes to raise the minimum wage to \$5.70 per hour by Jan. 1, 2006 and \$6.25 per hour by Jan. 1, 2007.

Gary Hiles, the labor department's economist, testified that the proposed minimum wage would have mixed results on the island's economy.

"If minimum wage is increased, one group would have higher wages and improved income and welfare," he said.

"However, this comes at a cost to others in that if the employer is forced to pay the higher minimum wage, they might cut budgets and benefits like health care. Or they could cut employment through attrition," he added.

Another possibility is that employers' profits may be reduced or losses increased in the short term, resulting in less employment.

In other industries, Hiles said the minimum wage hike may be passed on to consumers in terms of higher prices.

"Businesses in the retail and service industries, which are

Continued on page 2

4 other illegal immigrants

By Gina Tabonares
Variety News Staff

FEDERAL authorities arrested last week the four remaining illegal immigrants who have been the subject of manhunt operation since last month.

The four newly-arrested individuals are Ming Chen, 27, Su Hua Yin, 28, Xian Mei Yu, 27, and Liu Mei Liu, 41.

They are part of the same group nabbed in the early morning of

Aug. 25 near Ritidian Point.

Five individuals were arrested at that time and are being detained at the Department of Corrections facility in Hagatna.

The four were arrested two days after District Court Judge James Otero issued a warrant of arrest against them.

According to the affidavit of Immigration Customs Enforcement Special Agent Nicholas Havey, the four wanted aliens

were arrested at the site on Sept. 7.

Havey, however, did not disclose the exact location where the aliens were caught.

The four illegal immigrants together with the five previously arrested, were charged with improper entry by an alien and unlawfully entering and eluding examination by immigration officers.

The illegal immigrant

Power outage



A Guam Power Authority crew fixes a power pole at A. Sanchez in Harmon after a truck accident causing power outage for about four hours in the area.

Officials scrambling to solve postal jam

By Gerardo R. Partido
Variety News Staff

OFFICIALS are scrambling to unblock the postal bottleneck that has occurred as a result of the U.S. Transportation Secu-

into the U.S. through Hawaii, but has stopped doing so after the TSA ruling, which came into effect on Sept. 2.

TSA issued the ruling as part of new increased security mea-

AGO identifies more damaged roads

By Gina Tabonares
Variety News Staff

NOT contented with the number of trips that Gov. Felix P. Camacho and other public officials made to identify potholes and road damage across the island,

letter to Department of Works director Larry F. inserting the Sunshine Record of 1999 as he identified types of road damage in light of Pitti.

eral of the Republican administration of Gov. Juan N. Babauta neither confirmed nor denied contributing \$3,500 to the U.S. Democratic Party, which favors the extension of federal minimum wage and immigration laws to the islands.

"It is my own business," Attorney General Pamela S. Brown said yesterday.

A local Web site, "Politics Now," reported that Brown donated \$3,500 to the Democratic National Committee.

Proposed...

Continued from page 1

particularly labor-intensive, may be forced to raise their prices and people who did not get a minimum wage increase

Officials...

Continued from page 1

said. Before the new ruling, TSA had allowed parcels weighing more than 16 ounces to ship on commercial carriers as long as

national choices are far different from my local choices. Here, my interests and those of the majority of the commonwealth are best represented and served by the hard working, forward thinking B & B team. I hope you have the courage to print this comment. Also, for the record, all my credit cards are under my married name."

Asked for comment, Press Secretary Peter A. Callaghan questioned the information provided by the Web site.

revenues for the government.

On the other hand, the higher prices might result in tourists buying fewer things or might prevent them from coming to Guam altogether.

From an investment stand-

point, Hiles said bigger and more established businesses with less of reserve capital may go ahead with their investment plans and expansion projects.

"But borderline businesses might be more hesitant to take a

plored is to have tighter security screening of mail on Guam to allay TSA's security concerns and enable Continental Airlines to once again carry the precluded mail.

Another proposal is to have a K-9 unit assigned to screen more mail.

For the short term, the Postal

responsible for ensuring public safety and protecting government property.

The attorney general also suggested that the public works officials consider changing whatever procedures and materials are currently being used to fix various road damage, which

Youth Congress advisor, said 3,331 students and out-of-school youths registered for the election last week.

"Last year's number was almost doubled by this year's figure. An estimated additional 1,500 youths participated in this year's registration," Leon Guerrero said.

There are also eight more candidates this year.

Leon Guerrero said he hopes that Monday's poll will be a "challenging activity and

point, Hiles said bigger and more established businesses with less of reserve capital may go ahead with their investment plans and expansion projects.

"But borderline businesses might be more hesitant to take a

Service is looking at availing of more air freighters to lessen the mail backlog in its Guam main facility.

Continental currently does not have an air freight service in this part of the world, but Northwest Airlines used to offer the ser-

ern Marianas Academy, 2; Mount Carmel School, 3; Calvary Christian Academy, 1; Kagman High School, 3; Rota High School, 2; Northern Marianas College, 2; Marianas Baptist Academy, 3; Grace Christian Academy, 1; Precinct 1, 7; Precinct 2, 1; Precinct 3, 4; Precinct 4, 2; Precinct 5, 1; and Precinct 6, 3.

The inauguration of the new Youth Congress members is slated on Oct. 15.

risk and expand their businesses," the economist warned.

The public hearing on Bill 148 adjourned yesterday with senators deciding to hold another public hearing on the bill next month.

vice and may be persuaded to take up the slack.

APA Freight also offers service between Guam and Hawaii.

Officials hope to resolve the problem before the traditional rush of mail deliveries at the onset of the holiday season.

Bill 174 proposes to repair 157 village roads in all 19 villages using nearly \$23 million funds from the Guam Highway Bond.

AGO started investigating the alleged sub-standard repairs and construction of roads last month.

AGO...

Continued from page 1

cooperation from DPW officials. Moylan has been asking Perez to provide him documents, like permits applying for repair of damage to the road surface, acceptance work by DPW, docu-

Our View

Mistake

Wages must be set by the free market, not by lawmakers

The Democrat senators pushing to increase the minimum wage say it will make workers at the lower end of the pay scale better able to cope with rising costs.

Bill 148 would increase Guam's minimum wage from \$5.15 per hour to \$5.75 per hour starting Jan. 1, 2006. It would go up to \$6.25 per hour effective Jan. 1, 2007.

"Prices are going up," said Sen. Lou Leon Guerrero. "We have to do something about the wages, so that people can buy gasoline to get to work. The Democrats are making that political decision right now."

But that's exactly where the mistake is — in a democratic free market system wages aren't supposed to be political decisions. What employers pay to workers is based on the demands of our free-market economy. The only exception is the federal minimum wage.

Governments can't legislate people out of poverty; it just doesn't work. Lawmakers who try to artificially inflate wages and expect it to have a positive effect on the economy have no real grasp on how things work in the real world.

If employers have to start paying various categories of employees more than they have budgeted, they will have to find a way to make up for that increased expense. That means the cost of goods and services will go up, and those who will feel the burden of those increased costs the most are low-income families and individuals.

Raising the minimum wage will effectively increase the cost of living for the very people Democrat senators say they want to help.

There are better ways for lawmakers to help those at the lower end of the wage scale. For example, they could increase the availability of education and job training so low-income workers can earn the skills and knowledge to qualify for higher paying jobs.

Alternatively, senators can outsource more government functions that don't absolutely have to be done by government. This will create new businesses, which means new private-sector jobs. And that means more government revenue in the form of taxes.

In fact, making the government run more effectively and efficiently on our tax dollars, under a balanced budget that properly prioritizes education, public safety and health care is the best way senators can help low-income earners, and everyone else on Guam as well.



Government progress of

By Anne Applebaum

The Washington Post

Last week my son's elementary school raised several thousand dollars for hurricane victims by washing cars. My other son's preschool announced without fuss that a boy from New Orleans would be joining the class. My employer is organizing help for the company's Gulf Coast employees, my local bookstore is collecting money for the Red Cross and my favorite radio station raised \$54,000 last weekend. Every church or synagogue attended by anyone I know is, of course, raising money, housing evacuees or delivering clothes to victims.

To put it differently, nearly every institution with which I come into daily contact has already donated time or money to the victims of Hurricane Katrina, and I don't think this makes me or my community unique. A Zogby poll conducted last week found that 68 percent of Americans had donated money to hurricane relief.

Those percentages mean that donations must represent a huge range of political views, economic classes, even aesthetic preferences. Among the fundraisers in last weekend's Post were a jazz concert, a tea dance, a "Christian music" concert and a rehearsal of Verdi's "The Sicilian Vespers." No wonder the Red Cross already collected more than half a million dollars; no wonder it was impossible to get on to the Salvation Army's Web site peak times last week.

But those percentages also mean it is important not to draw hasty conclusions about the ultimate political impact of the tragedy. More specifically, it's in

As \$1.46M for hospital retirees

partment.
the emergency ses-
Benjamin J.F. Cruz
ed an amendment to
that appropriates funds
ending retirement con-
s that the hospital
total appropriation,
will pay for outstand-
ement contributions
r six pay periods left
is year by former GMH

administrator Bill McMillan and
acting GMH administrator Pe-
ter John Cumacho.

Another \$800,000 has been
earmarked for outstanding re-
tirement contributions for em-
ployees waiting to retire from
the hospital.

The appropriation could pave
the way for eligible Retirement
Fund members working in
GMH to retire from the hospi-
tal.

Previously, many eligible re-
tirees were unable to leave GMH
because the hospital has not been
paying its retirement fund con-
tributions due to its poor fi-
nances.

Cruz introduced the amend-
ment after George Bamba, a
special assistant at the
governor's office, and Bureau
of Budget Management Re-
search director Carlos Bordallo

Continued on page 2

Chinese business group leader backs wage increase

By Gina Tabonares
Variety News Staff

THE president of the Chinese
Merchants Association of Guam
expressed his support to the pro-
posed minimum wage hike, to
help reduce poverty and benefit
working families struggling in
low-wage jobs.

Alfred Lam, president of
CMAG, said the successive gas
price increases and spiraling
prices of commodities make the
existing minimum wage rate "no
longer livable."

"Increasing the minimum
wage is a proven way to de-
crease poverty," said Lam, an
employer of over 100 workers
of Ambyth Corp.

The Chinese business leader
added that he believes that the
best way to improve productiv-
ity is to give reasonable wage to
workers.

"Although all of my workers
are earning above the minimum
wage, I believe that nobody who

Continued on page 2

Concert for a cause



Staff of National Office Supply, congratulate Philippine singer Rachel Alejandro after last
Anne Camacho and Grace Low of the Chinese Merchants Association of Guam present
Nieves. (See story on page 4)

Photo by Gina Tabonares

As fuel tax data in budget talks

retirement Fund.
According to the senators, the
gasoline has risen dra-
matically over the past several
years and the government of
Guam is getting a windfall from
the high cost of gasoline and

matter because it is 4 percent of
the total gasoline bill.

But some quarters have ques-
tioned whether GovGuam can
in fact realize more revenues
from the increase in fuel prices.
Analysts said any windfall

that senators can have a clearer
picture of how fuel price increases
affect GovGuam revenues.

In a letter to administration
senior adviser George Bamba,
Respcio specifically requested
breakdowns of GRT collections

inside

Mother charged
for hitting daughter 2

Feds give GovGuam
more time in maritime
case 3

that her mother, Maria Cynthia Paraiso, started hitting her with slipper on the night of Sept. 14, after lecturing her about coming home late or not coming home on some occasions.

The complainant lives with her mother and told police that on the same night, the older Paraiso grabbed a 20-inch long

hoping Cristina dies.

Police Officer 2 R.C. Alcantara noted multiple bruising, swelling and abrasions to Cristina's arm, back and thigh, abrasions to her face and redness to her right ear and face.

Arrested for assault
Meanwhile, a male customer

ing Jessica Evaristo.

Witnesses said that Campos entered the restaurant with Evaristo and began yelling at his girlfriend, arguing over house keys.

Campos also threw plates and cups of food, as well as glasses, breaking dishes in the process.

Legislature...

Continued from page 1

assured the Legislature that enough funds had been identified from unreleased agency allotments.

The administration officials said this cash could be immedi-

ately released for both the Guam Police Department and GMH.

According to Cruz, he introduced the amendment because the hospital's financial woes have to be continually addressed every time there is an opportunity to do so.

The Democratic senator

praised his Republican colleagues for being non-partisan and for supporting his amendment.

"I am pleased that Speaker Forbes and the Republican majority concurred with amending Bill 193 for the hospital," Cruz said.

Chinese...

Continued from page 1

works full time should live in poverty. I believe that working people should be paid a wage that can support a family," Lam said during the weekend.

Democratic senators are working for the increase of

Guam's minimum wage, from \$5.15 to \$5.75 per hour by Jan. 1, 2006 and \$6.25 per hour by Jan. 1, 2007.

Sen. Benjamin J.F. Cruz (D-Piti) introduced Bill 146, which would increase the minimum wage.

The last local wage increase occurred during the 19th Guam

Legislature when it was set at \$3.75 an hour.

Guam law adopted the federal minimum wage when it set a \$5.15 hourly salary in 1997.

Cruz sent the legislation to the Guam Chamber of Commerce and suggested that the group form a special committee to analyze the effects of

October at the earliest.

"However, when budget discussions between the administration and the Legislature get underway, I hope that you will make available specific breakdown on the actual amount of GRT revenue collected through July 2005 for sale of all liquid fuels, including aviation fuel, gasoline, diesel,

would like to see GRT and liquid fuel tax projections for liquid fuel for FY 2006.

"Comparisons for FY 2005 with earlier fiscal years would also be appropriate as there may now be additional funds for mass transit purposes," the senator added.

Last week, the Guam Medical Society issued a strongly worded statement delivered to Speaker Mark Forbes and Gov. Felix P. Camacho, calling for the immediate termination of non-critical and non-patient care employee positions at GMH so that the hospital can realize some sav-

ings.

Vincent T. Akimoto, president of GMS, said none of the medicine that the hospital is using now has been paid for and that the hospital is still owed \$1.3 million, and the Department of Administration is delaying payment.

the proposal in the private sector.

Chamber of Commerce president Monty McDowell responded to Cruz, saying that a minimum wage increase will roll upwards for all employees and the only thing that will happen is that prices will increase and the same people it purports to

help will be hurt.

"Because we are a close economy, the wages we want raised are being earned by those groups of employees that do not have disposal income. Clearly, an increase in wages will mean more buying power for working families," Lam stressed.

Pacific Daily News

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75¢ on Guam



Don't forget to vote in today's Pacific Daily News poll. Today's question:

Who should have to pay to clean up the pollution in subdivisions with substandard infrastructure?

Results from yesterday's PDN poll are on PAGE 2



EXPRESSIVE SPACES

Teens put personalities on display with their rooms. SEE STORY, PAGE 14



CHINESE NEW YEAR

Guam celebrates the year of the dog. SEE STORIES, PAGES 2, 3

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"If we had to do it in our current budget, we couldn't do it."

Juan Flores, Guam Public School System superintendent

\$10K raise proposed



Masako Watanabe/Pacific Daily News/mwatanabe@guampdn.com

29-year veteran: Rose Acovera teaches sixth-graders at Oceanview Middle School. A bill written by Sen. Benjamin Cruz seeks to immediately raise teacher salaries.

Bill seeks salary increase for educators

By Gene Park
Pacific Daily News
epark@guampdn.com

About 150 teachers in the public school system would see a \$10,000 pay raise by April if new legislation from Democratic Sen. Benjamin Cruz passes.

Despite all the efforts by Cruz and other lawmakers to raise teacher salaries to make teaching on Guam a much more attractive offer, a funding source for the raises has yet to be identified.

Cruz yesterday estimated that his bill may cost taxpayers an additional \$20 million to

\$30 million a year.

The new bill proposed by Cruz, who is running for lieutenant governor this year with former Gov. Carl Gutierrez, would increase beginning teacher salaries from the current \$24,656 to \$34,874. The latter figure is 10 percent higher than the national average for beginning teacher salaries. The average is from the American Federation of Teachers' statistics. This is the latest bill to be introduced during this election year that

focuses on raising public school teachers' salaries.

The bill, which has yet to be given a number, also states

▲ See Raise. Page 4

PROPOSED LEGISLATION

Sen. Benjamin Cruz's bill, which has not been assigned a number, would raise beginning teacher salaries 10 percent above the national average salary for beginning teachers. The Guam salary would be raised from \$24,656 to \$34,874. Salaries for other teachers in the Guam Public School System would be proportionately increased as well. No funding source has been identified.

Other bills that could affect teacher pay include: ▲ Bill 203: An act to restore the authorized powers and personnel of the Civil Service Commission by repealing certain provisions of the

general appropriations act of fiscal 2006

▲ Bill 204: An act to restore authority to the Civil Service Commission as it existed prior to the enactment of public law 28-88, by repealing certain sections

▲ Bill 205: An act to amend section 47, Chapter IV, Public Law 28-68, relative to changing the effective date to June 30

▲ Bill 254: An act to amend several sections in Title 4 Guam Code Annotated that, among other things, would allow agency leaders, with their respective agency board approval, to recruit potential employees at salary levels "above-step" or above their normal entry salary levels.

Pacific Daily News

Job data on sexual offenders lacking

By Mark-Alexander Pieper

Pacific Daily News
mpieper@guampdn.com

Alan A. Cruz, Vince V. Salas and Herman J. Faisao — all three of these men are listed on the Guam Sex Offender Registry for varying counts and degrees of felony criminal sexual conduct.

Their victims were 8, 14 and 21 years old, respectively.

Yet if you visit the Guam Sex Offender Registry, you wouldn't know whether they were employed, unemployed.

TO THE POINT

▲ It's not required to display the employment status of Level Two and Three sexual offenders, despite local law requiring that the information be collected.

That's because the public law that created the registry requires employment information for only Level-One offenders to be included on the registry, not for Level-Two offenders such as Cruz, Faisao or Salas, or Level-Three offenders, said Judiciary of Guam policy director Dan Tydingco.

"It doesn't make sense that we'd collect this information but not make it available to the public. It's one of those flaws, quirks and deficiencies that have to be addressed," Tydingco said.

Federal crime statistics show that sex offenders are more likely than any other type of criminal to repeat their offense. Convictions on Guam usually require counseling for up to a year. But forensic psychologist James Kiffer, who works with the courts, said one year is not sufficient and counseling should continue for years.

Sgt. Joseph Carbullido, spokesman for the Guam Police Department, said he

▲ See Registry. Page 4

Continued from Page 1

doesn't understand why employment information is unavailable online when it's something authorities are required to collect.

"As a law enforcement officer my view is they have a right to know about the people who commit these types of crimes, the people have to know. It's one of the reasons why we have the registry in the first place," Carbullido said. "This might have something to do with a mandate, and that I think that might have to be revisited."



Tenorio

Revisiting the law

Sen. Ray Tenorio, who is chairman of the Legislature's public safe-

LEVELS

Level One Offender
A person convicted of a sexually violent offense.

Level Two Offender
A person not otherwise classified as a Level One Offender but is convicted of:

- ▲ Criminal sexual conduct involving two or more victims;
- ▲ Two or more separate criminal sexual conduct offenses;
- ▲ A criminal offense against a victim who is a minor, involving two or more minors;
- ▲ Two or more separate criminal offenses against a victim who is a minor; or

ty committee, said he doesn't know why the information would be collected and not disseminated to the public through the registry — but it's something he plans to look into.

"These are inconsistencies we find that are of concern, but I think we need to go back to the original bill to determine if the intent was to

sexual conduct offense and one or more separate criminal offenses against a victim who is a minor.

Level Three Offender
A person not otherwise classified as either a Level One or a Level Two Offender but is convicted of:

- ▲ Criminal sexual conduct; or
- ▲ A criminal offense against a victim who is a minor.

Guam Sex Offender Registry

ON THE NET

▲ **Guam Sex Offender Registry:**
www.guamcourts.org/sor/index.html

tion are done and then determine how to proceed from there."

Tenorio said he and judiciary committee chairman Sen. Robert Klitzkie are working on a bill to address other issues with the sexual offender registry, such as removing its responsibility from the courts.

The Superior Court is responsible for maintaining the sexual offender list, using information provided by its probation office, the police and the Department of Corrections — each with their own set of information to collect. Police must collect information from offenders who are not on parole or probation; however, often-times the police department has no way of knowing whom to expect.

Klitzkie, R-Yigo, said Tenorio and his bill would move the upkeep of the registry away from the court and to a single agency, in hopes of curing the current disjointed process. The



Klitzkie

department, the Corrections department or the attorney general's office.

Klitzkie said by keeping the registry's responsibility with the courts, a potential for conflict of interest exists. If the court reports sexual offenders for violating the registration law, then those violators would be brought back to the same court system for trial.

Tenorio said he and Klitzkie have already spoken with the judiciary, and have meetings scheduled with police and corrections officials.

"I think we all need to understand (that) the emphasis needs to be what protects the community best," he said. "We want to make sure that when we finish with this legislation, we make sure we get it right the first time because we've seen many laws such as (the current registry law) being questioned, and that's not something we want to happen."

Raise: Senators take into account national averages

Continued from Page 1

salaries for all other teachers "shall be adjusted to maintain the same percentage variance between pay grades for all Guam Public School System teachers."

2,200 positions

At the very least, Cruz's bill would cost the Guam Public School System about \$150,000 more a year, as education Superintendent Juan Flores estimated there are about 150 teachers with beginning salaries in the school system.

No funding source is identified in the legislation, and that's an issue lawmakers and public school officials must address for the current and next fiscal year.

There are about 2,200 general classroom and special education teaching positions in public schools, with about 1,900 filled by fully certified teachers, Pacific Daily News files state.

"If we had to do it in our current budget, we couldn't do it," Flores yesterday said.

The pay raises would help lift the burden off pocketbooks of teachers like Rose Acovera, a 29-year teaching veteran with public schools.

Acovera has said the last pay raise in 1990 does not complement the recent rise in the cost of living, including gasoline, food and utilities.

Raises also would help with recruiting off-island teachers, Flores said.

Flores said the school system will be sending recruitment teams to the mainland in March, and Guam's starting salary has always been a sticking point for many potential recruits.

"I'll tell you, we've almost laughed out of those things," Flores said. "It's one thing in getting people excited to come to Guam, but whenever salaries become an issue, it's a major factor."

In a prepared statement, Cruz said it would be "a waste of time for



TEACHER RAISES

WHAT WAS SUPPOSED TO HAPPEN

▲ In April 2005, a law was passed requiring the Civil Service Commission to review teachers' current pay. Author Sen. Judith Won Pat said the intent of the bill was to have the study completed and the new wages given to public school teachers upon 60 days of the law's enactment.

WHAT HAS HAPPENED

▲ In June 2005, about 60 days after the law is passed, Civil Service Commission asked GPSS officials to provide a list to include: all certificated personnel positions to include completed position description and Hay questionnaires for each position; class standards; proposed salary schedules and justifications for salary and/or salary schedule increases; and all supporting documents.

▲ Upon receiving the request, GPSS personnel office started collecting the data for more than 2,000 classroom teachers; guidance counselors; librarians and other GPSS employees whose positions are classified under "teacher."

▲ In August, lawmakers pass fiscal 2006 budget law, which also transferred Civil Service's authority to approve salary adjustments to the Department of Administration. That law went into effect Jan. 1 this year.

▲ Earlier this month, GPSS had retrieved the required surveys from teachers and completed compiling the CSC requested information. The pile was sent to Department of Administration's human resources office last week.

▲ DOA and GPSS have been discussing the salary increase. DOA will begin reviewing the paperwork on Monday.

SPEAK OUT

▲ **Gov. Felix Camacho:** 472-8931; governor@mail.gov.gu

▲ **Speaker Mark Forbes:** 472-3407/8/3512; senforbes@yahoo.com

▲ **Sen. Larry Kasperbauer,** legislative education chairman: 477-5437; lk4kids@ite.net

▲ **Guam Education Policy Board members:** 475-0416; gepb@hotmail.com

▲ **GPSS Superintendent Juan Flores:** 475-0461; juanflores@doe.edu.gu

ON THE NET

▲ **Guam Public School System:** www.doe.edu.gu

▲ **National Center of Education Statistics:** www.nces.ed.gov

▲ **American Federation of Teachers:** www.aft.org

GPSS officials to go and recruit off island without setting the teacher salaries at an attractive rate."

"If the Legislature wants to increase salaries, it shouldn't ask anyone to do a study, it should just raise it," Cruz said. "Just get the national averages off the Internet and do it. Asking people to do a study is really just putting it off."

Flores said he is in favor of any legislation that would raise teacher

pay.

"As long as they find the money for it, that'd be great," Flores said.

Cruz's bill, as it is currently written, states Guam's beginning teachers are paid less than other beginning teachers in the 50 states.

But according to the American Federation of Teachers' Survey and Analysis of Teacher Salary Trends 2004 report, three states — North

Dakota, Montana and Wisconsin — have beginning teacher salaries marginally below Guam's current salary of \$24,656. Wisconsin held the lowest, with \$23,952.

Cruz said in his statement that the 10-percent add-on to the national average was to take into account "the lag time before the publication of the salary survey and is meant to guarantee a competitive salary at all times."

A law passed in April directed the Civil Service Commission to study wages for public school teachers and implement salary increases.

The law gave CSC officials 60 days to complete the process, but nine months after the law was passed, nothing has been done. Since Jan. 1, the GovGuam personnel functions have been merged with the Department of Administration to streamline the process.

Other measures

Several bills currently in the legislative process, and which had a public hearing last Friday, also would affect teacher salaries. Three bills would either restore the CSC's personnel powers, or postpone the transfer of power until the end of June.

Bill 254, by Republican Sen. Robert Klitzkie, would allow agency leaders, with their respective agency board approval, to:

▲ Recruit potential employees at salary levels "above-step" or above their normal entry salary levels;

▲ Authorize agency directors of line and autonomous agencies to create new positions; and

▲ Require transparency and disclosure in the creation of new positions and above-step recruitment.

Speaker Mark Forbes and Democratic Sen. Judith Won Pat also are working on a bill that would match national averages across pay grades.

"What we're looking at is matching the salaries across the entire range," Forbes yesterday said.

Forbes recognizes funding is an issue, and reiterated yesterday that money outside of the General Fund would have to be identified or the existing budget law would have to be changed to cover pay raises.

Forbes has said he and Won Pat are patterning the salaries on the averages established by the American Federation of Teachers.

**WILL BE CLOSED ON
IN OBSERVANCE OF
RIDAY"**

ADVERTISING DEADLINES:

DATES	CAMERA DEADLINES
at 12 noon	Wednesday, April 12, 2 pm
at 2 pm	Wednesday, April 12, 2 pm
06, at 12 noon	Thursday, April 13, 2 pm
06, at 12 noon	Thursday, April 13, 2 pm
06, at 2 pm	Thursday, April 13, 2 pm
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GOVERNMENT MEETINGS

Editor's note: Government meeting submissions will be tightly edited. Meetings will run on a space-available basis. Deadline is noon Friday for publication Saturday, Sunday and Monday, and noon Monday through Thursday for next day publication. In the event of a local holiday, deadline will be noon the previous weekday.

Today

▲ **Committee on Finance, Taxation and Commerce Fiscal 2007 proposed budget public hearing:** 9 a.m. to noon on Guam Police Department; 2 to 5 p.m. on Guam Fire Department, Legislature's public hearing room, Hagåtña. Call 475-8801.

▲ **Guam Board of Barbering and Cosmetology regular meeting:** 9 a.m., Health Professional Licensing Office, Suite 9, 651 Legacy Square Commercial Complex, Route 10, Mangilao. Agenda copies available. Call 735-7406/11.

▲ **Notary Exam:** 9 a.m., Attorney General's Office, first floor, Justice Building, 287 West O'Brien Drive, Hagåtña. Call 475-3324, 8 a.m. to noon.

Tomorrow

▲ **Civil Service Commission board meeting:** 5:30 p.m., second floor, Hakubotan Building, Tanfuming. Judgments: R.A. Tatingfong vs. Guam Public School System; hearing: A. Haeuser vs. Department of Law; E. Mesa vs. Department of Education; bills and laws related to CSC. For special accommodations, call Bianca, 647-1855/7 or TDD 647-1872.

▲ **Commission on Decolonization meeting:** 3 p.m., Suite 102, 588 West Marine Drive (old Corn Building), Anigua. ✓

▲ **Committee on Aviation, Immigration, Labor and Housing public hearing:** 3 p.m., Legislature's session hall, Hagåtña. Resolución no. 127, requesting the governor request that civilian infrastructure upgrade cost be included in any cost estimate to transfer Marines from Okinawa to Guam and to include war reparations as cost elements in U.S.-Japan discussions for transferring said Marines. Call 647-5377; 647-5373. ✓

▲ **Committee on Finance,**

Pacific Daily News, Monday, April 3, 2006 guampdn.com



ON THE NET

▲ For the complete searchable database of upcoming government meetings, visit www.guampdn.com.

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FDN THURSDAY 21 OCT 2005 1 P. 14

Senate rejects minimum-wage hike

WASHINGTON (AP) — The Senate on Wednesday defeated a proposal to raise the minimum wage, rejecting arguments by Democrats that the current floor, \$5.15 an hour for the past eight years, was perpetuating poverty.

The proposal by Sen. Edward Kennedy to raise the lowest wage by \$1.10 over an 18-month period was defeated on a near-party-line vote of 51-47.

The Senate was also voting Wednesday on a Republican alternative that combined the same \$1.10 increase with various breaks and exemptions for small businesses. It was expected to lose.

Kennedy, D-Mass., said Hurricane Katrina demonstrated the depth of poverty in the country and he pointed out that a single parent with two children working at minimum wage earns \$10,700 a year, \$4,500 below the poverty line.

He said it was "absolutely un-

ON GUAM

▲ Sen. Benjamin Cruz has led a Democratic push for an increase in the minimum wage, now at \$5.15 an hour.

If the minority Democrats succeed in getting some Republican votes to cross party lines, Guam's minimum wage will increase 60 cents to \$5.75 in January, directly benefiting 1,600 workers.

conscionable" that in the same period that Congress has denied a minimum wage increase, lawmakers have voted themselves seven pay raises worth \$28,000.

But Republican opponents, echoing the arguments of business groups, said higher minimum wages can work against the poor if they force small businesses to cut payrolls or go out of business.

"Mandated hikes in the mini-

And if the proposed, second-tier increase to \$6.25 also passes and takes effect in January 2007, that will affect about 10,000 employees directly.

ON THE NET

▲ To read Bill 148 on Guam's proposed minimum wage, log on to:
www.guamlegislature.com/28th_Guam_Legislature/Bills_Introduced_28th/BILL148.htm

um wage do not cure poverty and they clearly do not create jobs," said Sen. Mike Enzi, R-Wyo., who offered the Republican alternative.

White House spokesman Scott McClellan, asked Wednesday about Kennedy's measure, said President Bush "believes that we should look at having a reasonable increase in the minimum wage. ... But we need to make sure that, as we do that,

that it is not a step that hurts small business or prices people out of the job market."

Enzi's proposal would provide tax and regulatory relief for small business; permit tips to be credited in complying with minimum wage hikes and expand the small business exemption from the Fair Labor Standards Act.

It also would have put into law a "flex-time" system, opposed by organized labor as an assault on overtime pay, under which workers could work more in one week and take time off the next.

Both proposals, amendments to a fiscal 2006 spending bill, needed 60 votes to pass.

The first minimum wage of 25 cents an hour was enacted under President Roosevelt in 1938. Congress has since voted eight times to increase it, including under Republican presidents Eisenhower, Ford and George H.W. Bush

anti-theft products that can
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er the e-mail from Canada ar-
police got a search warrant
ntacted the occupant of the
where the stolen computer
ought to be plugged in.
man was supposed to meet
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g a half-hour, police broke
front door. "That set off a
r alarm. How's that for
"Sgt. David Munillo asked.
cers recovered the laptop.

IDEX

Gold closed at \$463.95
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Stocks
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BOLD:
NIKKEI:

Dollar was trading at
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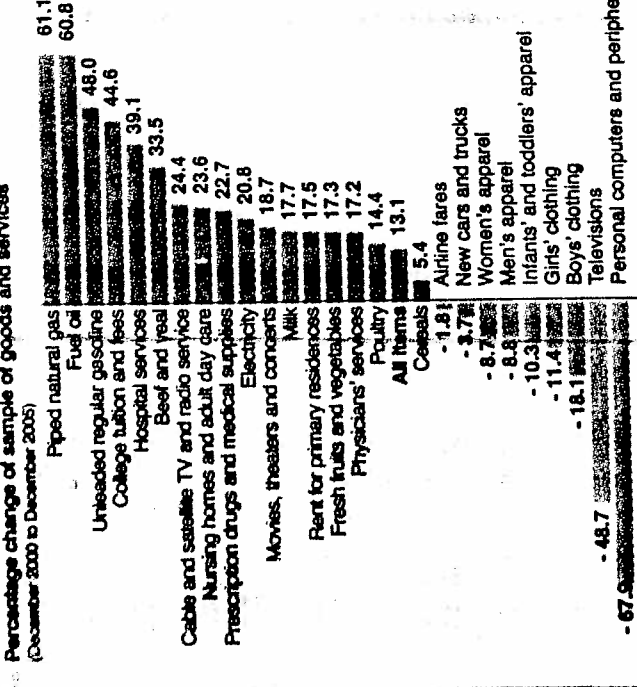
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Prices of everyday items go through the roof

Consumers paying more on average

Overall consumer prices rose 13.1 percent over the last five years. But the prices of some goods and services, particularly in the energy and health care sectors, have risen much faster. At the same time, prices for clothing, TVs and personal computers have dropped.



Source: U.S. Bureau of Labor Statistics, Consumer Price Index
Janet Loehwa, Gannett News Service

The opening balance is the
amount you started with at the be-

WASHINGTON (GNS) —
President Bush plans to sing praise
to a humming economy in his State
of the Union address Tuesday night.
But his message will sound off
key to some Americans if he does-
n't acknowledge that the prices of
some everyday items — especially
for energy and health care — have
climbed through the roof.

At Henry's Meats, a grocery and
buffet lunch store in Tallahassee,
Fla., owner Eddie Earley said re-
cently his business has been steady
and predictable. But he raised his
menu prices an average of 5 percent
to 10 percent this month "mainly
because of gas prices."

The 60-year-old proprietor point-
ed outside the store to his blue 1971
Chevrolet pickup, which gets about
10 miles to the gallon. "It hurts like
the Dickens to fill this thing up," he
said.

One of Earley's lunch customers,
Frank McDonald, agreed that in-
comes have not been keeping up
with prices despite what he de-
scribed as a healthy job market.
"You're working, but we're not
getting as many raises as we used
to," said McDonald, 61, the resident

director of one of Florida A&M Uni-
versity's student housing facilities.
At another college campus across
the country, 23-year-old University
of Nevada-Reno student Mollie Sul-
livan said higher consumer prices
have been painfully obvious.

"It's ridiculous," she said recent-
ly as she rushed to another class on
campus. "I'm a full-time student and
I don't have a job now, but I need to
get one. Tuition, fees, books have all
gone up and my scholarship just
pays a fraction of that. And it seems
those costs will keep going up."

If Americans look at the really
big picture, inflation is under control
and real income — what you make
after inflation — has increased about
1 percent over the past five years.
Consumer prices are up only 13.1
percent over those five years, an an-
nual rate of only 2.6 percent, accord-
ing to the Bureau of Labor Statistics.

And some prices have actually
dropped. Shoppers buying women's
and men's apparel pay nearly 9 per-
cent less. Clothing prices for boys,
girls, infants and toddlers all have
dropped more than 10 percent. Tele-
vision prices have plummeted 48.7

▲ See Prices. Page 9

Opera
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compensation
• Training progr
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• Strong commu
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All documents
February 3, 2

67

OPINION

SUNDAY FORUM

Upcoming topics

Daily News, Tuesday, February 21, 2006 guamp

off New Orleans

share of federal funds to buy out uninsured homeowners living outside the flood plain, raising that those inside the flood plain had flood insurance. The only all of New Orleans, as well as Louisiana as a whole, is both before the federal levees system. New Orleans-area rebuild...

The Pacific Daily News invites readers to join us in discussing some of the hot topics in the news.

▲ Sunday: Should political status issues be more strongly incorporated into school Guam history classes? We also have some insight on this topic a difference, or if you discuss, we Submit your opinion. We also you have Fo

Sen. Lujan's tax returns should be made public

The increase of Sen. Jesse Lujan's net worth from \$12,000 to over \$2 million dollars in a single year doesn't pass the smell test. He obviously did not have the financial wherewithal to purchase a quarter-million-dollars worth of real estate and a 10 percent stake in RJ Associates and Cyfred Ltd.

Francis Gill said Lujan's windfall came from the company. "Yeah. It was after working with us for many, many years."

If this is the case, that Lujan's newfound wealth was compensation from the company, then Lujan surely incurred a massive tax liability. I call upon him to immediately release copies of his income tax returns for public scrutiny.

Gill also indicated that Lujan's real estate holdings came about in the form of a purchase, not a gift. This purchase should also be probed. If Lujan purchased the real estate below market value, via some sort of sweetheart deal, then it's possible he incurred an additional tax liability.

H. DAVID GODFREY
Charlotte, N.C.

Just compensation will improve life for families

In the January issue of GFT News, Julian Aguon states that "King's dream was a dream that refused to fold at those borderlines superimposed by the ignorance of humanity. A dream that demanded enough space for us from the power structure in which to engage in more meaningful and justly compensated work."

True indeed. Martin Luther King Jr.'s dream for a justly compensated work is also a dream of GovGuam employees. I, too, dream of a decent wage so that I can have a decent life.

The cost of living on Guam keeps rising while the minimum wage stays at the bottom. It is no longer enough to sustain our family needs and (it) makes Guam as one of the poorest countries in the world. We need not only to dream but to make that dream a reality. We need to fight for a justly compensated work.

Why? A justly compensated work equals a better life for our families.

CORAZON MUCHO
Agat

Be wary of elected officials out to get votes

This is an election year, the Year of the Dog. However, I smell rats. Make no mistake — elected officials will use every trick in the book to get re-elected. This means more visits to funerals, weddings, parties, fiestas, etc. Press conferences will also be more frequent for the littlest of things — anything to get exposure on TV or radio.

Be mindful about their facial expressions during these appearances. The people of Guam will see Oscar-caliber performances. Categories include: best concerned look, most stunned reaction, best perplexed facial expression, to name a few.

For the action category, judgment will be based on who proposes the most bills this year to give the appearance of hard work.

In the end, no amount of acting will hide the fact that most of them, if not all, have failed to deliver on their promises.

MIKE CARINO
Dededo

- ▲ Mailed letters must include a return address on the envelope.
- ▲ Letters must be previously unpublished, including on the Internet.
- ▲ Letters to the editor of 300 or fewer words have the best chance of being published.
- ▲ Opinion and editorial columns of 550 or fewer words have the best chance of being published.
- ▲ Limited to one published letter a month.
- ▲ All submissions may be edited for length, accuracy and clarity.
- ▲ Send all submissions by e-mail to voice@guampdn.com; fax to 477-3079; or mail to Voice of the People, Box DN, Hagåtña, Guam 96932.
- ▲ Letters to the editor, opinion and editorial columns, and articles submitted to the Pacific Daily News may be published or distributed in print, electronic or other forms.
- ▲ Opinions expressed by letter writers and columnists are their own and do not necessarily reflect those of the Pacific Daily News.

▲ For more information, call Duane M: George at 477-9711, ext. 415.

Doonesbury

By Garry Trudeau

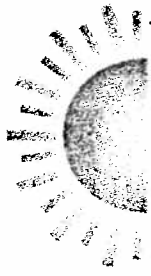
SO WHY DID IT BOTHER YOU SO MUCH WHEN THE

I'VE WORN PROTECTIVE HEAD GEAR MY WHOLE LIFE. MY

WOW... THAT'S CHECK

EVEN AS A BABY? SHE USED COFFEE

Thought of the Day



Marianas Variety

Guam Edition

The Local & Regional Newspaper

Vol 02 No. 131
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Wednesday • April 05, 2006

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Serving the Marianas for 33 Years

50¢

With new looks, *MV* has been recently accepted by the U.S. Air Force Academy. Site will be starting their schooling after graduation this spring. Photo by Erin K. Abram

San Nicolas, Aidan
have new court dates 4

RAF assures continued
dialogue on Tiyon issue 5

Minimum wage hike a matter of political will

By Mar-Vic Cagurangan
Variety News Staff

THE legislative committee on immigration and labor has held three public hearings on the minimum wage hike bill, but

senators were disappointed that no one managed to provide empirical data that would establish the true picture of Guam's economic condition and its readiness—or unreadiness—for a

higher hourly wage rate.

In the absence of clear data that could strengthen the arguments for or against the legislation, Sen. Benjamin Cruz, D-Piti, said raising the minimum

wage will have to rest on the Legislature's political will.

"In one room, they're painting a bright picture of the economy and in another room, Continued on page 2

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CONNECT

PUSH-TO-TALK THAT WORKS

Photo by Bill Tarrage

...ment against the Hagat Golf Club.

Minimum...

Continued from page 1

they're painting a gloomy picture, saying that the economy is still too fragile to absorb a minimum wage increase," said Cruz, author of Bill 148 which proposes to raise the minimum wage from the current \$5.15 an hour to \$5.70 by Jan. 1, 2006 and \$6.25 per hour by Jan. 1, 2007.

During an earlier public hearing, the Guam Chamber of Commerce opposed Bill 148, saying "Guam's economy is still very fragile."

The Camacho administration has not taken any position on the issue.

"This is not an earth-shattering bill. Why the hesitation? Why do we need a series of public hearings? Why begrudge a 50-cent wage increase? Why can't the administration take a position? Why is it taking the Legislature so long to decide on the issue?" Cruz asked.

Cruz said for the government, the minimum wage issue is a matter of choosing between "looking out for the common man" and "catering to the Chamber of Commerce."

At yesterday's public hearing, labor director Maria Connelly said it's up to the Legislature to decide whether or not to raise the minimum wage.

Connelly told the committee that she has no official position

on the issue as labor director, but "personally," she added, "I am not in favor of increasing the minimum wage."

"The people who are trying to help will not be able to help. If the minimum wage is raised, then the employers would be more discriminating in hiring people," Connelly said.

Employers, she explained, would be more inclined to hire people who are more skilled, thus leaving the others without jobs.

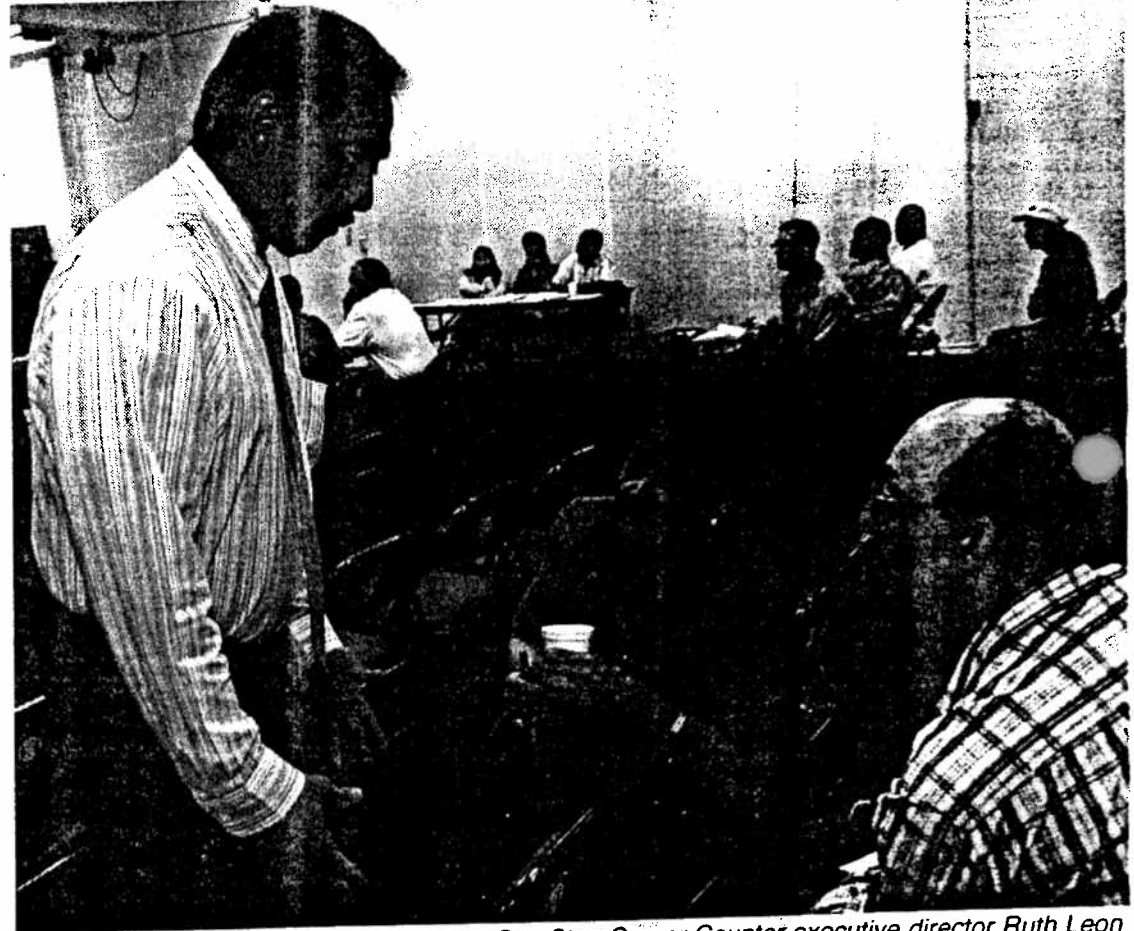
Connelly told the committee that the labor department hardly receives any complaints about low wages. Most of the complaints that her department receives, she added, have to do with non-compliance with the current minimum wage law.

Cruz scolded Connelly for her failure to come up with a report on a comparative study of prices of basic commodities between 1997 and 2006, which he asked her to submit during the previous hearing.

Connelly instead submitted to the committee a 10-page report on the revised consumer price index, which Cruz described as "worthless crap."

"I only want to know how much people are paying for their rice, water, milk, gas, Spam, bread and cereal. I'm not even asking for the price of T-bone steak, which I myself will not buy," Cruz said.

"I just want to know how people manage to survive with



Sen. Benjamin Cruz, left, D-Piti, talks with One Stop Career Counter executive director Ruth Leon Guerrero, middle, and Department of Labor chief economist Gary Hiles shortly before a legislative hearing on Cruz' Bill 148, which seeks to raise Guam's current minimum wage of \$5.15 an hour to \$5.70 by Jan. 1, 2006 and to \$6.25 an hour by Jan. 1, 2007.

Photo by Erin K. A...

the increasing prices of basic items," he added.

Connelly said she is "not an expert on the subject matter."

Chief economist Gary Hiles, for his part, said Guam's economy is better now than six months ago, and that raising the minimum wage rate would not

have a major impact on businesses.

Committee chair Sen. Jesse A. Lujan, R-Tamuning, said the panel reached an "inconclusive conclusion" after the three public hearings.

"We were hoping to get solid data, but we got nothing. We

have to have something more concrete to stand on and to debate the issue," he said.

Lujan said his committee will not hold another public hearing and will instead review the inputs from the three public hearings and try "to see the real picture of the economy."

each island's aviation infrastructure.

"This conference provides an opportunity for our islands to

Aviation...

Continued from page 1

ing.

"Infrastructure is very important to the economic well-being

a lot of improvements, including a new taxiway system, runway configuration, and plans for

addressed the conference yesterday morning, touted Guam's achievements in aviation and

Opinion

APRIL 17, 2006 - MAY 1, 2006

MARIANAS BUSINESS JOURNAL

Port contract hardly steaming ahead

What was once a positive situation regarding the privatization of the Port Authority's cargo operations has now become stilled. The attention has shifted. The *Journal* news staff spent a whole day trying to unravel the story behind the lease of the chairman of the port's board, and correspondence between ICTSI and the port. Information was not forthcoming from the port and the administration. It was also difficult to track the situation as sources continually provided conflicting information during our search for answers.

However interesting and convoluted the situation may be regarding the lease of Richard H. Northey as the chairman of the port's board and the letters changed between the port and ICTSI, a real issue involves the privatization of a port's cargo operations as mandated by local law.

Despite the controversy surrounding the Port Authority of Guam the government of Guam must focus on improving the services and increasing resources for Guam's only port. The port is in a dire situation — only one gantry crane out of service it could mean a backlog of goods and commodities. It could mean items not reaching wholesalers, retailers, and eventually the consumer. It could be catastrophic if cargo ships are unable to offload containers. It could mean that goods and commodities would have to return to point of origin and that

Growing the economy would stem poverty growth

In a recent survey conducted by Market Research & Development a snapshot of household income emerged that underscores the island's need for economic growth and bears watching to make sure conditions do not worsen. Guam is becoming a community of haves and "have-nots." In December of this year MR&D conducted a survey in the retail sector that examined a number of retail issues. As part of that exercise we also collected household information reported below. The survey was conducted using a random sampling of 400 households throughout Guam, yielding results accurate to within $\pm 5\%$ at the 95% confidence level. That is to say if the same survey were replicated similar results would be obtained 95 times out of 100.

The distribution of household income appears to be settling into a polarity. On one side of the scale are those households earning \$60,000 a year or more and on the other side are those earning \$40,000 or less.

Households earning between \$50K and \$60K (6%) have dropped to a quarter of those earning higher incomes (24%) and are a small fraction of those households earning less (49%).

Our experience has been that on Guam people are more willing to estimate their household income than reveal how much they themselves earn in salaries and wages. In order to understand the nature of the island's income distribution you have to examine the number of people living in a household at the same time get some understanding of the conditions under which people are living.

On Guam 52% of all households support more than four people. If incomes were relatively evenly distributed then the households with higher incomes would have more people. In fact the opposite is occurring. Of those households earning more than \$60K per year only about 27% have five or more people



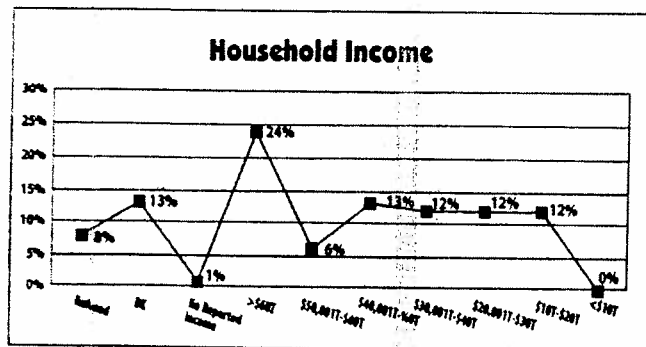
Jay R. Merrill

living in the house. That compares to 42% for household earning between \$40,000 and \$60,000 a year and an astonishing 40% of all households earning \$20,000 or less.

Pers/House	Persons Per Household by Income			
	\$20K	\$20K- \$40K	\$40K- \$60K	> \$60K
1	10%	13%	8%	8%
2	10%	21%	15%	19%
3	13%	22%	18%	24%
4	27%	21%	18%	22%
5	17%	11%	16%	14%
6	23%	12%	26%	13%
Total	100%	100%	100%	100%

If left unchecked the implications socially and economically are severe. A growing underclass of residents crammed into substandard housing. Equally disturbing is the reduction in taxation that will occur as the middle classes continue to migrate away from Guam. The solution no doubt from some in the community will be to mount greater attempts at redistribution. But raising taxes and the cost of doing business will simply squeeze the very segment of our community, a thriving middle class, that is essential to growing Guam. No, the solution has got to be on growing Guam's economy. Only through improved productivity will we be able to stem this slide into greater poverty for the majority of Guamanians.

— Jay R. Merrill is the chairman of Market Research & Development Inc. He can be reached at jmerrill@guam.net.



Shattering the secret to breakthrough Yellow Pages ads

Marianus Varney



Sen. Rory J. Respicio



"Price increases are everywhere. Price decreases are virtually nonexistent. It doesn't take an economist, much less a rocket scientist, to tell us that people, especially those at the lower end of the pay scale, need relief now."

Stop waiting and give Guam a raise

ONE thing this government can do quickly to help the thousands of Guam residents in the lower income bracket is to raise the minimum wage. The federally set minimum wage is \$5.15 per hour, established in 1997. In the nearly 10 years since, prices have risen dramatically. Individuals or families making the minimum wage or a little more, are barely surviving, and have to live well below the poverty line.

The Democratic senators in the Legislature are all co-sponsors of Sen. B.J. Cruz' Bill 148 that would have raised the minimum wage on Guam to \$5.75 per hour last January and to \$6.25 per hour next January. Unfortunately, although Bill 148 has had more than one public hearing, it has been stalled in Sen. Jesse Lujan's Committee on Aviation, Immigration, Labor and Housing, while senators wait for the Department of Labor to provide cost of living statistics.

We don't have to wait for numbers that may never come. We can and should act right now, because other statistics provided by DOL paint a dismal picture of the plight of the minimum wage worker. The figures made available by DOL made price comparisons for a few products for each calendar quarter from the last half of 1996 to the first quarter of 2006. The list shows very clearly what those on minimum wage are facing. Every item on their list went up in price, with some items increasing dramatically.

A dozen extra-large imported eggs cost \$1.72 in 1997, and increased to \$1.92 in 2006, a rise of 11 percent. A 50-pound sack of short grain white rice that cost \$17.02 in the first quarter of 1997 was priced at \$18.93 in the first quarter of 2006. That's also an increase of 11 percent. Whole frozen chicken fryers rose from 98 cents per

pound to \$1.43, a 46 percent jump. Every food product listed showed an increase in price.

The rise in the cost of gasoline was even higher than that for chicken. The average price of gas was \$1.65 per gallon in 1997. In 2006, it was \$2.86, a whopping 73 percent increase. Even though that was a huge jump in price, and it will likely get even more expensive in the near future, it wasn't the biggest increase on DOL's list. That particular distinction went to health care. Health and dental insurance combined cost an average of \$350 in 1997, and over \$890 in 2006, an increase of more than 154 percent.

Price increases are everywhere. Price decreases are virtually nonexistent. It doesn't take an economist, much less a rocket scientist, to tell us that people, especially those at the lower end of the pay scale, need relief now.

We all know that Guam is way behind the rest of the United States when it comes to fair compensation. Our teachers are underpaid, that's why we can't recruit new ones. Our professionals are underpaid, that's why they are constantly leaving for better opportunities elsewhere. Our middle class has been whittled down, and they are the people who pay the bulk of taxes — it's one of the main reasons that our income tax revenues have declined.

Businesspeople and the administration have said that we are recovering, that things are getting better. That's obviously not true for those making the minimum wage. An increase will create an upward ripple effect in compensation for most workers in the lower pay ranges. We owe a pay increase to those at the bottom, so they can feel the recovery, too. I urge my colleague Senator Lujan to report Bill 148 out of committee. It is the right thing to do.

Please send comments and suggestions to: roryforguam@gmail.com

"The opinions, beliefs and viewpoints expressed by the various columnists of this paper do not necessarily reflect the opinions, beliefs, and viewpoints of the editorial department and management of Marianus Variety."

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increasing its flights from seven
to 10," she said. "The airline
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side from Korea, MVA said
the best performing market in
the region.

Tan said Guam and Hawaii
end three times more than the
CNMI for promotions.

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The challenge will
bring some workable
solutions among the vari-
ous standards given the sig-
nificant differences in legis-
lative frameworks in govern-
ments, Sablan said.
The presentation during
the audit will be conducted
by the Federal Bureau of In-
vestigation on terrorism ac-
tivities in the Pacific and how
other agencies can work
more effectively in
fighting terrorism.
The audit expert will
be speaking on common
indicators of fraud
in government procurement.
The audit expert said
government fraud is a
problem in all gov-
ernments," said Sablan.
The CNMI public auditor
is David Cohen will
be about U.S. Depart-
ment of the Interior's ac-
tivity initiatives in the
overseas territories.

High jobless rate blamed on low minimum wage

By Gemma Q. Casan
Variety Nowa Staff
SAIPAN - A lawmaker says a
study shows that the unemploy-
ment rate among Chamorros has
climbed to 12.6 percent while
that of the Carolinians has reached
21.5 percent due to the CNMI's
low minimum wage of \$3.05 per
hour, which was last set in 1996.

In Dec. 1995, however, at the
behest of the local garment in-
dustry, the 10th Legislature over-
rode then-Gov. Froilan C.
Tenorio's veto of the bill repeal-
ing the gradual wage hike law.
"The history of minimum wage
legislation in the CNMI shows a
slow but steady upward trend. It
took 17 years, from 1979 to 1996,
for the minimum wage to in-
crease from \$1.35 per hour to the

current \$3.05 per hour. If the
current minimum wage were ad-
justed for inflation alone, it would
have to be raised 25 cents per
hour," Quitugua said.
He cited a 1991 minimum
wage study by William Sam Pintz
who stated that the local mini-
mum wage rate must be increased
by 92 cents to attract more local
workers to private sector employ-
ment.

Vice Speaker Justo S. Quitugua,
D-Saipan and author of House
Bill 15-52, said if the inflation
rate is factored in, the minimum
wage in the CNMI should be
raised by at least 25 cents per
hour.

His legislation seeks to raise
the minimum wage by \$1.20 over
a three-year period—40 cents in
the first year, or from \$3.05 an
hour to \$3.45; 30 cents in the
second year to \$3.75 per hour;
and 50 cents in the third year to
\$4.25 an hour.

"It is the purpose of this legis-
lation to create a minimum wage
that will serve the best interests of
most people in the common-
wealth," Quitugua said.

He admitted, however, that
enacting the bill will require a
strong political will.

In 1993, due to federal con-
cerns regarding local labor and
immigration policies, the CNMI
government enacted a law that
would have gradually increased
the minimum wage until it had
reached the federal level, which is
now \$5.15 an hour.

PRE-TYPHOON SALE
MAY 15-30

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ity standards among Pacific
organizations. SPASAI
is the Pacific region gov-
ernment audit organization.
It reports to the 2006
Congress will be
composed of 23 member ar-
ranging from the CNMI,
Fiji, Papua New
Guinea, Australia, New
Zealand, Cook Islands, Sa-
merican Samoa, New
Caledonia, the Solomon Is-

Passed FA No. _____

Date: _____ Time: _____

**I MINA'BENTE OCHO NA LIHESLATURAN GUAHAN
FLOOR AMENDMENTS/CHANGES**

Bill No. 148(LS)

Senator Proposing Amendment: RJR 

Describe proposed amendment and/or change here:

Replace Section 2 of Bill 148(LS) with the following

"Section 2. Minimum Wage. Section 3105 of Division 1, Chapter 3 of Title 22 of the Guam Code Annotated is hereby repealed and reenacted as follows: §3105. Minimum Wages. Every employer shall pay each person employed by him wages at a rate not less than [~~Three Dollars and Seventy Five Cents (\$3.75) Five Dollars and Seventy Five Cents (\$5.75) Five Dollars and Eighty-Five Cents (\$5.85)~~ per hour effective [~~January, 1989] October 1, 2006~~ until January 1, 200[7]8, when the rate shall increase to ~~Six Dollars and Twenty Five Cents (\$6.25) Six Dollars and Fifty-Five Cents (\$6.55)~~ per hour until January 1, 2009, when the rate shall increase to Seven Dollars and Twenty Five Cents (\$7.25) per hour "

(Below for Clerk of Legislature's use and processing)

Date: _____

Floor Amendment No. _____ of a total of _____ changes on above Bill.

Votes For Amendment: _____ Votes Against Amendment: _____

AMENDMENT PASSED: _____ AMENDMENT FAILED: _____

AMENDMENT WITHDRAWN: _____

**APPROVED AS TO FORM PASSED
CONCUR (INITIAL)**

Clerk of Legislature
Ass't Amend. Clerk
Engrossment Staff

Speaker

**I MINA' BENTE OCHO NA LIHESLATURAN GUAHAN
2005 (FIRST) REGULAR SESSION**

Bill No. 148 (LS)

Introduced by:

B.J.F. Cruz
R.J. Respicio
F.B. Aguon Jr.
A.B. Palacios
J.T. Won Pat
L.A. Leon Guerrero

**AN ACT TO REPEAL AND REENACT SECTION 3105
OF TITLE 22 OF THE GUAM CODE ANNOTATED,
RELATIVE TO RAISING THE MINIMUM WAGE TO
FIVE DOLLARS AND SEVENTY-FIVE CENTS PER
HOUR BY JANUARY 1, 2006 AND SIX DOLLARS
AND TWENTY-TWENTY-FIVE CENTS PER HOUR BY
JANUARY 1, 2007**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Intent.** *I Liheslaturan Guahan* finds that
3 Guam's current minimum wage, which pursuant to Section 3121 of
4 Title 22 of the Guam Code Annotated, is based on the established
5 federal minimum wage rate of Five Dollars and Fifteen Cents (\$5.15)
6 per hour, is below the poverty line and deficient for the purpose of
7 minimum wage earners caring for children, the elderly, and their
8 families. *I Liheslaturan Guahan* further finds that aside from the
9 federal laws increasing the minimum wage, the 19th Guam
10 Legislature made the last local minimum wage adjustment to Three
11 Dollars and Seventy-five Cents (\$3.75) per hour.

12 Seventeen state legislatures and the District of Columbia have
13 adopted a minimum wage higher than the federally established

1 minimum wage. They are as follows: Alaska - \$7.15, California -
2 \$6.75, Connecticut - \$7.10 with increases on January 1, 2006 to \$7.40
3 and \$7.65 by January 1, 2007, Delaware - \$6.15, District of Columbia -
4 \$6.60 with an increase to \$7.00 by January 1, 2006, Florida - \$6.15 with
5 annual increases based on inflation, Illinois - \$6.50, Maine - \$6.35 with
6 an increase to \$6.50 by October 1, 2005, Massachusetts - \$6.75,
7 Minnesota - \$6.15 on August 1, 2005, New Jersey - \$6.15 on October 1,
8 2005 with an increase to \$7.15 by October 1, 2006, New York - \$6.00
9 with an increase to \$6.15 on October 1, 2005 and \$7.15 by October 1,
10 2006, Oregon - \$7.25 with annual increases based on inflation, Rhode
11 Island - \$6.75, Vermont - \$7.00 with a tentative plan to increase to
12 \$7.25, Washington - \$7.35 with annual increases based on inflation,
13 and Wisconsin - \$5.70 beginning June 1, 2005 with an increase to
14 \$6.50 by June 1, 2006.

15 The state of Hawaii, whose economy in greater scale is most
16 similar to Guam, has adopted a minimum wage rate of Six Dollars
17 and Twenty-five Cents (\$6.25) per hour with increases on January 1,
18 2006 to \$6.75 and a tentative increase by January 1, 2007 to \$7.25.

19 With the increase in economic activity resulting from the
20 stabilization of tourism and federal defense spending, combined with
21 the positive economic indicators announced by *I Maga'lahen Guahan*
22 which have enabled the restoration of employee increments to
23 government of Guam employees, it is the intent of *I Liheslaturan*
24 *Guahan* to increase the minimum wage on Guam from the federally
25 established rate of Five Dollars and Fifteen Cents (\$5.15) per hour to
26 the rate of Five Dollars and Seventy-Five Cents (\$5.75) per hour by
27 January 1, 2006 and then to Six Dollars and Twenty-Five Cents (\$6.25)
28 per hour by January 1, 2007.

1 **Section 2. Minimum Wage.** Section 3105 of Division 1, Article
2 1, Chapter 3 of Title 22 of the Guam Code Annotated is hereby
3 *repealed and reenacted* as follows:

4 §3105. Minimum Wages. Every employer shall pay each person
5 employed by him wages at a rate not less than ~~Three Dollars~~
6 ~~and Seventy five Cents (\$3.75)~~ Five Dollars and Seventy-Five
7 Cents (\$5.75) per hour effective ~~January, 1989~~ January 1, 2006
8 until January 1, 2007, when the rate shall increase to Six Dollars
9 and Twenty-Five Cents (\$6.25) per hour.