A RESOLUTION

Condemning Continental/Air Micronesia for unfairly increasing its airfares and reducing service to and within the Federated States of Micronesia and the Trust Territory.

1 WHEREAS, Continental/Air Micronesia has increased its air fares within the Federated States of Micronesia; and

2 WHEREAS, Continental/Air Micronesia increased its Japanese route fares by a much smaller percentage than it increased the fares for the rest of its operations; and

3 WHEREAS, Continental/Air Micronesia has become heavily committed to providing air service to transport tourists at low fares between Japan and Saipan-Guam, with the result that it has abandoned frequent and well managed air service on the remainder of its routes; and

4 WHEREAS, the original commitment of Continental/Air Micronesia to the Trust Territory Government was to provide quality air service to Micronesians; and

5 WHEREAS, Continental/Air Micronesia appears to be ignoring its original commitment in order to expand its South Pacific and Asia service beyond Micronesia and is currently using Micronesia only as a stepping stone to more lucrative markets; and

6 WHEREAS, the Micronesian governments have consistently assisted Continental/Air Micronesia in its attempts to get additional Japanese routes based on Continental/Air Micronesia assurances that additional routes would mean better service within Micronesia; and

7 WHEREAS, quality and frequency of Continental/Air Micronesia service in Micronesia is declining rapidly at the same time that fares are increasing;
now, therefore,

BE IT RESOLVED by the Congress of the Federated States of Micronesia,
Second Special Session, 1980, that the Congress condemns Continental/Air
Micronesia for unfairly increasing its air fares on its Federated States
routes; and

BE IT FURTHER RESOLVED that the Federated States of Micronesia refrain
from assisting Continental/Air Micronesia from obtaining additional service
to Japan until such time as it may be shown that Continental/Air Micronesia
intends to consider its Micronesian commitment to be more important than
its desire to provide service to Japan; and

BE IT FURTHER RESOLVED that certified copies of this resolution be
transmitted to the High Commissioner of the Trust Territory of the Pacific
Islands, to the President of the Federated States of Micronesia, and to the
President of Continental/Air Micronesia.

Adopted: February 7, 1980