

**Statement of the Guam Chamber of Commerce
on Resolution 294-34
I Mina' Trentai Kuatro Liheslaturan Guahan
November 22, 2017
Guam Congress Building**

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**Presented by
CATHERINE CASTRO
President, Guam Chamber of Commerce**

Manana Si Yu'os Senator San Nicolas and members of this august body, my name is Catherine Castro, President of the Guam Chamber of Commerce. Thank you for the invitation to participate in today's public hearing.

In 1925, a year after the establishment of the Guam Chamber of Commerce, among the various accomplishments of the organization, one included securing the establishment of an advanced base of the U.S. Marine Corps on Guam. As recorded by *The Guam Recorder*, the Chamber stated *"The revenue derived from (its) dues is spent in the furtherance of such projects as these mentioned, and while some people may feel the money contributed by them results in no direct benefit to them, this is a very childish and short sighted view. What benefits the whole island benefits each individual in time, and it will only be by abandoning such a selfish attitude and by all working together for the common good - that progress will become possible."*

I am here to reiterate the Guam Chamber of Commerce's support of the military's planned relocation of U.S. Marines to Guam. The Guam Chamber of Commerce is a private nonprofit voluntary association comprised of over 450 businesses, professional individuals and organizations representing a cross-section of the island's private sector. The Guam Chamber is the island's strongest proponent of the free enterprise system founded on individual freedom, initiative, opportunity and responsibility. The policies and programs of the Chamber are set by a nineteen-member Board of Directors, all of whom are elected by the Chamber membership.

Since its inception 93 years ago, the Guam Chamber of Commerce has been in the forefront of activities which promote a climate for business investment, which ultimately results in the creation of jobs for our local residents.

Our community enjoys an extraordinary standard of living compared to other islands our size. Capital infusion from outside of Guam has been the driver for economic expansion. The military buildup will bring a major boost for growing our economy, especially in light of our current issues with declining tourism numbers. We understand this to be temporary but we cannot afford to rely solely on one economic driver for our livelihood. To date, no other alternative for creating jobs has been suggested or can come close. All told, the investment in Guam for the relocation will be over \$8 billion dollars. This translates to an increase in jobs for our residents which would provide stable income for our families to grow as well as opportunities for our residents to learn new skills to enhance their ability to compete in the job market or create new ideas for products and services that will benefit all who live on Guam.

In the Spring of this year, the Chamber's Armed Forces Committee commissioned an update to its previous tracking study on the community's thoughts on the military buildup. The study focused on three questions:

1. Do you support the military buildup on Guam?
2. Do you feel that the military buildup on Guam would contribute to more jobs and government tax revenues for local residents?
3. Do you feel that the relocation of Marines to Guam would improve or worsen the living conditions and/or quality of life on the island?

As it has been reported via previous testimonies and statements by the Chamber and by various media outlets throughout the year, the results of the study have not varied much throughout the years: there is support for the realignment of Marines to Guam and our island would benefit economically from the relocation. We continue to advocate and support military spending and investment on Guam as it provides for steady and consistent growth with higher wages, which will remain constant long after the construction boom associated with the Marine realignment is completed.

With economic growth, cultural entrepreneurs have better opportunities to prosper. Employment and retirement security for government workers would be an additional added benefit.

Almost as important as jobs, is much needed tax revenues to the Government of Guam for the benefit of the community's health, safety and education systems which currently are at maximum capacity. Investment from the Department of Defense will increase these tax revenues. Our Government is in dire need of income to provide services our residents depend on. The increase in private investment and public revenues derived from buildup opportunities will only upgrade our ability to fund our education, healthcare, public safety, social and cultural programs. Aside from the large amounts of military spending to service its needs each year, the Federal Government alone contributes almost \$1Billion into Guam's economy annually through a variety of means that include social welfare funding, healthcare, public housing assistance, highway projects, airport and port authority projects, public school assistance and higher education assistance to name a few.

Our local infrastructure has already benefited from buildup resources. Critical improvements in our roads and bridges over the past few years are directly related to the buildup. Over \$30M was invested in road and bridges between 2009 and 2011. \$50M was invested in the modernization of the Port Authority of Guam. This contribution to our economy injected much needed tax revenues and payroll for our local people hired to work on these projects. Again, this is money already invested on Guam. Additional road improvements scheduled for Routes 1 and 3, which is estimated to be a \$72M investment, have only just begun.

In the past year, the Department of Defense has spent \$20.1M in environmental stewardship projects on Guam. The military's investment to protect our environment is under estimated and underappreciated. Additionally, \$139.6M has been estimated to be awarded to improve the Northern District Wastewater Treatment Plant Upgrade as well as approximately \$66.5M for additional infrastructure improvements such as repair and expansion of the Northern Lens Aquifer (NGLA) monitoring system, the Guam Public Health Laboratory Biosafety Level 2/3 analytical testing and the Guam Waterworks Authority Interceptor Sewer Refurbishment project.

Guam is home to a large number of military veterans who need better facilities and care. The opportunity for greater services to support them and their families would be a reality with the increase in the economies of scale with the presence of military service members and facilities that go hand in hand with the buildup.

In closing, the Guam Chamber of Commerce is committed to the expansion and the well-being of the Guam economy. The economic investment tied to the buildup will be unprecedented. It will improve our quality of life, bring business and job opportunities and infuse much needed tax revenues into our government for years to come. We believe the short-term issues, concerns and inconveniences will be far outweighed by the long-term benefits to our community, its economy and its defense.

Si Yu'os Ma'ase - we thank you for the opportunity to present our views and support of Resolution 294-34. We wish you all a Blessed and Happy Thanksgiving.