

A Report to State Leaders on the Views of State Leaders
in Chuuk, Kosrae, and Yap on Telecommunications
in the Federated States of Micronesia and the Services Provided by the FSM
Telecommunications Corporation

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I. Introduction

In July 2009, the Department of Transportation, Communication, and Infrastructure (DTC&I) of the Federated States of Micronesia (FSM) National Government conducted a series of briefings for the States of Yap, Chuuk and Kosrae. The briefings discussed State issues related to infrastructure, shipping, and telecommunications. Prior to the briefing and discussions, a survey was conducted to obtain the views of the State Leadership on matters related to telecommunications. This report provides a brief overview of the survey and the views of the Leaders in the three States.

II. The Survey of Telecommunications in the FSM

The survey was intended to solicit the views of State Leaders on telecommunications services and policy (See an example of the survey in Attachment 1 – Survey of Yap State Leaders) and was designed to be completed in a short amount of time. The survey is one page long and was administered *before* the briefing on telecommunications began.

To ensure anonymity, the survey did not ask respondents who or what positions they held and asked respondent simply to place an “X” mark. The survey took about 10 to 15 minutes of time to complete. The response rate was 100% of the Leaders attending the meeting.

The respondents to the survey included the State Policy Leaders. The survey was responded to by the Governors, all the Lieutenant Governors, all the Leaders of the State Legislatures, several members of the Legislature, several members of the FSM Congress, and other State officials. The General Managers and Board Members in Yap and Kosrae of the FSM Telecommunications Corporation (FSMTC) were invited to the meeting and participated in the survey. Several members of the Chamber of Commerce in Chuuk and Kosrae also participated in the survey.

The survey consisted of two parts. Part 1 was focused on a simple “AGREE” or “DISAGREE” with 20 statements relating to telecommunications. Part 2 was focused on evaluating the services of the FSMTC and Guam. The survey was modified slightly to refer to the state in which the survey was being modified. For example, references to communications to the island of “Ulithi” were changed to “outer islands” for Chuuk and “other islands of the FSM” for Kosrae since Kosrae State is a single island.

PART 1 – Agree/Disagree

The instruction for the Leaders stated that: "PART 1 - Do you Agree or Disagree with the Following Statements? If you don't have a view, then, do not answer the question." The Leaders were asked to “Put ‘X’ in Box” for AGREE or DISAGREE.

The 20 statements that the State Leaders were asked to Agree or Disagree with are as follows:

1. Telecommunications helps economic development in (the LEADER’S STATE)
2. Prices for long distance calls to other FSM states are reasonable
3. The FSM encourages use of information technology by students
4. The (LEADER’S STATE) will get Submarine Fiber Optics Cable soon
5. I am content with the service of the FSMTC
6. The FSMTC helps the schools to get Internet
7. The prices for long distance calls are too high
8. The FSMTC responds to problems quickly
9. The FSMTC helps teachers to get Internet services
10. The FSM needs to continue the telecommunication monopoly
11. The FSMTC is helping (the LEADER’S STATE) to get submarine fiber optics
12. The services of FSMTC are "world class."
13. Pacific Island countries are moving away from monopolies
14. FSMTC employees are paid too high
15. The FSMTC should continue the monopoly on services
16. I would pay a little more for telephone services if it were better
17. Other telecommunication companies should be able to operate in the FSM
18. Telephone services in Guam are better than the FSM
19. The FSMTC is helping to promote the use of technology in (the LEADER’S STATE)
20. (The LEADER’S STATE) will benefit immensely when fiber is in Pohnpei

PART 2 – Grading the Telecommunications Services

Part 2 was focused on evaluating telecommunication services in the states of the FSM. The Leaders were asked to “Give a Grade” for each of the above telecommunication services provided by the FSM Telecommunications Corporation and Guam.

Specifically, the respondents were asked to assign the following rating scale to the service: (A=Excellent), (B=Good), (C=OK), (D=Poor), (F=Horrible). A “box” was provided in the survey for the Grade. The respondent was asked to put an “X” in the appropriate box for the grade.

The following are specific areas where the respondent was asked to rate by grade.

1. Rate the quality of local phone service from your house
2. Grade the quality of mobile telephone service
3. Rate Long Distance Telephone calls to other islands of the (LEADER'S STATE)
4. Grade Long Distance Telephone calls to Other FSM States
5. Evaluate the responsiveness of the FSMTC to telecom problems
6. Rate the Internet services for the schools
7. Grade the use of Internet services for telehealth and telemedicine
8. Evaluate the responsiveness of FSMTC to the needs of (the LEADER'S STATE)
9. Rate the telephone service to (AN OUTER ISLAND)
10. Rate Television services throughout (The LEADER'S STATE)
11. Rate the telephone and other telecommunication services in Guam
12. Grade the overall performance of the FSMTC
13. Evaluate the overall knowledge of FSM policymakers in telecom
14. Rate the overall telecommunication services provided by FSMTC
15. Rate the overall information provided by FSMTC to all consumers

Once the survey was completed, the respondents were asked to fold the survey and hand it to the FSM government representative.

The data were then coded, verified, and tabulated.

III. Results of the Survey

The following are the results of the survey for all 3 states.

A. Statements that Yap State Leaders Agree or Disagree

1. Telecommunications helps economic development in (the Leader's STATE)

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	14	82%	Agree	21	75%	Agree	16	94%	Agree	51	82%
Disagree	3	18%	Disagree	7	25%	Disagree	1	6%	Disagree	11	18%
Total	17		Total	28		Total	17		Total	62	

2. Prices for long distance calls to other FSM states are reasonable

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	3	17%	Agree	8	26%	Agree	7	39%	Agree	18	27%
Disagree	15	83%	Disagree	23	74%	Disagree	11	61%	Disagree	49	73%
Total	18		Total	31		Total	18		Total	67	

3. The FSM encourages use of information technology by students

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	6	38%	Agree	19	61%	Agree	16	89%	Agree	41	63%
Disagree	10	63%	Disagree	12	39%	Disagree	2	11%	Disagree	24	37%
Total	16		Total	31		Total	18		Total	65	

4. The (LEADER'S STATE) will get Submarine Fiber Optics Cable soon

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	7	41%	Agree	22	76%	Agree	10	63%	Agree	39	63%
Disagree	10	59%	Disagree	7	24%	Disagree	6	38%	Disagree	23	37%
Total	17		Total	29		Total	16		Total	62	

5. I am content with the service of the FSMTC

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	2	13%	Agree	8	26%	Agree	7	41%	Agree	17	27%
Disagree	13	87%	Disagree	23	74%	Disagree	10	59%	Disagree	46	73%
Total	15		Total	31		Total	17		Total	63	

6. The FSMTC helps the schools to get Internet

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	9	53%	Agree	15	48%	Agree	14	78%	Agree	38	58%
Disagree	8	47%	Disagree	16	52%	Disagree	4	22%	Disagree	28	42%
Total	17		Total	31		Total	18		Total	66	

7. The prices for long distance calls are too high

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	14	88%	Agree	27	90%	Agree	13	72%	Agree	54	84%
Disagree	2	13%	Disagree	3	10%	Disagree	5	28%	Disagree	10	16%
Total	16		Total	30		Total	18		Total	64	

8. The FSMTC responds to problems quickly

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	3	18%	Agree	2	6%	Agree	6	32%	Agree	11	16%
Disagree	14	82%	Disagree	29	94%	Disagree	13	68%	Disagree	56	84%
Total	17		Total	31		Total	19		Total	67	

9. The FSMTC helps teachers to get Internet services

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	4	27%	Agree	9	32%	Agree	9	50%	Agree	22	36%
Disagree	11	73%	Disagree	19	68%	Disagree	9	50%	Disagree	39	64%
Total	15		Total	28		Total	18		Total	61	

10. The FSM needs to continue the telecommunication monopoly

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	1	6%	Agree	7	23%	Agree	4	24%	Agree	12	19%
Disagree	15	94%	Disagree	24	77%	Disagree	13	76%	Disagree	52	81%
Total	16		Total	31		Total	17		Total	64	

11. The FSMTC is helping (LEADER's STATE) to get submarine fiber optics

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	4	27%	Agree	11	39%	Agree	9	60%	Agree	24	41%
Disagree	11	73%	Disagree	17	61%	Disagree	6	40%	Disagree	34	59%
Total	15		Total	28		Total	15		Total	58	

12. The services of FSMTC are "world class."

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	1	6%	Agree	6	19%	Agree	5	28%	Agree	12	18%
Disagree	16	94%	Disagree	25	81%	Disagree	13	72%	Disagree	54	82%
Total	17		Total	31		Total	18		Total	66	

13. Pacific Island countries are moving away from monopolies

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	9	64%	Agree	15	56%	Agree	8	53%	Agree	32	57%
Disagree	5	36%	Disagree	12	44%	Disagree	7	47%	Disagree	24	43%
Total	14		Total	27		Total	15		Total	56	

14. FSMTC employees are paid too high

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	14	78%	Agree	24	75%	Agree	14	82%	Agree	52	78%
Disagree	4	22%	Disagree	8	25%	Disagree	3	18%	Disagree	15	22%
Total	18		Total	32		Total	17		Total	67	

15. The FSMTC should continue the monopoly on services

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	1	6%	Agree	6	21%	Agree	6	33%	Agree	13	20%
Disagree	16	94%	Disagree	23	79%	Disagree	12	67%	Disagree	51	80%
Total	17		Total	29		Total	18		Total	64	

16. I would pay a little more for telephone services if it were better

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	13	72%	Agree	29	97%	Agree	13	68%	Agree	55	82%
Disagree	5	28%	Disagree	1	3%	Disagree	6	32%	Disagree	12	18%
Total	18		Total	30		Total	19		Total	67	

17. Other telecommunication companies should be able to operate in the FSM

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	16	89%	Agree	29	97%	Agree	15	79%	Agree	60	90%
Disagree	2	11%	Disagree	1	3%	Disagree	4	21%	Disagree	7	10%
Total	18		Total	30		Total	19		Total	67	

18. Telephone services in Guam are better than the FSM

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	18	100%	Agree	29	94%	Agree	12	67%	Agree	59	88%
Disagree	0	0%	Disagree	2	6%	Disagree	6	33%	Disagree	8	12%
Total	18		Total	31		Total	18		Total	67	

19. The FSMTC is helping to promote the use of technology in Yap

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	5	29%	Agree	12	43%	Agree	13	68%	Agree	30	47%
Disagree	12	71%	Disagree	16	57%	Disagree	6	32%	Disagree	34	53%
Total	17		Total	28		Total	19		Total	64	

20. (The LEADER's STATE) will benefit immensely when fiber is in Pohnpei

Yap			Chuuk All			Kosrae			All 3 States		
	#	%		#	%		#	%		#	%
Agree	1	6%	Agree	7	23%	Agree	11	61%	Agree	19	29%
Disagree	16	94%	Disagree	23	77%	Disagree	7	39%	Disagree	46	71%
Total	17		Total	30		Total	18		Total	65	

B. Rate the Telecommunication Services in the Federated States of Micronesia

The Leaders were asked to assign classroom grades to the various services provided by the FSMTC and Guam in Part 2 of the survey. The following are the results of Part 2 of the survey. The results are summarized by the States that participated in the survey and then aggregated for a composite assessment. For “grading purposes,” the survey treated a “.5” or better to the higher grade.

1. Rate the quality of local phone service from your house

Quality of local phone service from your house

Yap	A	B	C	D	F	Cases
Number	1	5	7	4	1	18
%	6%	28%	39%	22%	6%	
Average			3.06			
Chuuk	A	B	C	D	F	Cases
Number	1	4	12	12	4	33
%	3%	12%	36%	36%	12%	
Average			2.58			
Kosrae	A	B	C	D	F	Cases
Number	1	6	2	8	1	18
%	6%	33%	11%	44%	6%	
Average			2.89			
All States	A	B	C	D	F	Cases
Number	3	15	21	24	6	69
%	4%	22%	30%	35%	9%	

2. Grade the quality of mobile telephone service

Yap	A	B	C	D	F	Cases
Number	0	0	2	8	7	17
%	0%	0%	12%	47%	41%	
Average				1.71		
Chuuk	A	B	C	D	F	Cases
Number	0	4	6	18	4	32
%	0%	13%	19%	56%	13%	
Average				2.31		
Kosrae	A	B	C	D	F	Cases
Number	0	3	3	8	3	17
%	0%	18%	18%	47%	18%	
Average				2.35		
All States	A	B	C	D	F	Cases
Number	0	7	11	34	14	66
%	0%	11%	17%	52%	21%	
Average				2.17		

3. Rate Long Distance Telephone calls to other islands of FSM/State

Yap	A	B	C	D	F	Cases
Number	0	0	5	6	6	17
%	0%	0%	29%	35%	35%	
Average				1.94		
Chuuk	A	B	C	D	F	Cases
Number	0	2	12	13	5	32
%	0%	6%	38%	41%	16%	
Average				2.34		
Kosrae	A	B	C	D	F	Cases
Number	1	3	6	5	2	17
%	6%	18%	35%	29%	12%	
Average			2.76			
All States	A	B	C	D	F	Cases
Number	1	5	23	24	13	66
%	2%	8%	35%	36%	20%	
Average				2.35		

4. Grade Long Distance Telephone calls to Other FSM States

Yap	A	B	C	D	F	Cases
Number	1	1	5	9	2	18
%	6%	6%	28%	50%	11%	
Average				2.44		
Chuuk	A	B	C	D	F	Cases
Number	0	9	12	9	2	32
%	0%	28%	38%	28%	6%	
Average			2.88			
Kosrae	A	B	C	D	F	Cases
Number	3	3	9	3	1	19
%	16%	16%	47%	16%	5%	
Average			3.21			
All States	A	B	C	D	F	Cases
Number	4	13	26	21	5	69
%	6%	19%	38%	30%	7%	
Average			2.86			

5. Evaluate the responsiveness of the FSMTC to telecom problems

Yap	A	B	C	D	F	Cases
Number	1	1	3	7	6	18
%	6%	6%	17%	39%	33%	
Average				2.11		
Chuuk	A	B	C	D	F	Cases
Number	1	2	6	18	4	31
%	3%	6%	19%	58%	13%	
Average				2.29		
Kosrae	A	B	C	D	F	Cases
Number	2	2	7	5	2	18
%	11%	11%	39%	28%	11%	
Average			2.83			
All States	A	B	C	D	F	Cases
Number	4	5	16	30	12	67
%	6%	7%	24%	45%	18%	
Average				2.39		

6. Rate the Internet services for the schools

Yap	A	B	C	D	F	Cases
Number	0	1	2	8	6	17
%	0%	6%	12%	47%	35%	
Average				1.88		
Chuuk	A	B	C	D	F	Cases
Number	0	2	10	12	7	31
%	0%	6%	32%	39%	23%	
Average				2.23		
Kosrae	A	B	C	D	F	Cases
Number	0	3	8	5	1	17
%	0%	18%	47%	29%	6%	
Average			2.76			
All States	A	B	C	D	F	Cases
Number	0	6	20	25	14	65
%	0%	9%	31%	38%	22%	
Average				2.28		

7. Grade the use of Internet services for telehealth and telemedicine

Yap	A	B	C	D	F	Cases
Number	0	1	3	4	8	16
%	0%	6%	19%	25%	50%	
Average				1.81		
Chuuk	A	B	C	D	F	Cases
Number	0	1	6	15	9	31
%	0%	3%	19%	48%	29%	
Average				1.97		
Kosrae	A	B	C	D	F	Cases
Number	1	1	8	5	0	15
%	7%	7%	53%	33%	0%	
Average			2.87			
All States	A	B	C	D	F	Cases
Number	1	3	17	24	17	62
%	2%	5%	27%	39%	27%	
Average				2.15		

8. Evaluate the responsiveness of FSMTC to the needs of (STATE)

Yap	A	B	C	D	F	Cases
Number	0	1	2	10	5	18
%	0%	6%	11%	56%	28%	
Average				1.94		
Chuuk	A	B	C	D	F	Cases
Number	0	2	8	15	7	32
%	0%	6%	25%	47%	22%	
Average				2.16		
Kosrae	A	B	C	D	F	Cases
Number	0	4	7	7	0	18
%	0%	22%	39%	39%	0%	
Average			2.83			
All States	A	B	C	D	F	Cases
Number	0	7	17	32	12	68
%	0%	10%	25%	47%	18%	
Average				2.28		

9. Rate the telephone service to (OTHER ISLANDS OF FSM)

Yap	A	B	C	D	F	Cases
Number	0	0	2	6	9	17
%	0%	0%	12%	35%	53%	
Average				1.59		
Chuuk	A	B	C	D	F	Cases
Number	2	2	1	15	13	33
%	6%	6%	3%	45%	39%	
Average				1.94		
Kosrae	A	B	C	D	F	Cases
Number	0	1	6	3	2	12
%	0%	8%	50%	25%	17%	
Average			2.50			
All States	A	B	C	D	F	Cases
Number	2	3	9	24	24	62
%	3%	5%	15%	39%	39%	
Average				1.95		

10. Rate Television services throughout LEADER's STATE

Yap	A	B	C	D	F	Cases
Number	1	0	3	8	5	17
%	6%	0%	18%	47%	29%	
Average				2.06		
Chuuk	A	B	C	D	F	Cases
Number	1	3	0	15	12	31
%	3%	10%	0%	48%	39%	
Average				1.9		
Kosrae	A	B	C	D	F	Cases
Number	0	3	5	6	3	17
%	0%	18%	29%	35%	18%	
Average				2.47		
All States	A	B	C	D	F	Cases
Number	2	6	8	29	20	65
%	3%	9%	12%	45%	31%	
Average				2.09		

11. Rate the telephone and other telecommunication services in Guam

Yap	A	B	C	D	F	Cases
Number	2	9	1	2	0	14
%	14%	64%	7%	14%	0%	
Average		3.79				
Chuuk	A	B	C	D	F	Cases
Number	11	13	4	4	1	33
%	33%	39%	12%	12%	3%	
Average		3.88				
Kosrae	A	B	C	D	F	Cases
Number	2	8	3	2	0	15
%	13%	53%	20%	13%	0%	
Average		3.67				
All States	A	B	C	D	F	Cases
Number	15	30	8	8	1	62
%	24%	48%	13%	13%	2%	
Average		3.81				

12. Grade the overall performance of the FSMTC

Yap	A	B	C	D	F	Cases
Number	0	2	5	7	4	18
%	0%	11%	28%	39%	22%	
Average			2.52			
Chuuk	A	B	C	D	F	Cases
Number	0	4	13	12	4	33
%	0%	12%	39%	36%	12%	
Average			2.52			
Kosrae	A	B	C	D	F	Cases
Number	0	4	7	7	0	18
%	0%	22%	39%	39%	0%	
Average			2.83			
All States	A	B	C	D	F	Cases
Number	0	10	25	26	8	69
%	0%	14%	36%	38%	12%	
Average			2.54			

13. Evaluate the overall knowledge of FSM policymakers in telecom

Yap	A	B	C	D	F	Cases
Number	0	1	5	9	3	18
%	0%	6%	28%	50%	17%	
Average				2.22		
Chuuk	A	B	C	D	F	Cases
Number	0	4	14	11	4	33
%	0%	12%	42%	33%	12%	
Average			2.55			
Kosrae	A	B	C	D	F	Cases
Number	0	3	7	5	3	18
%	0%	17%	39%	28%	17%	
Average			2.56			
All States	A	B	C	D	F	Cases
Number	0	8	26	25	10	69
%	0%	12%	38%	36%	14%	
Average				2.40		

14. Rate the overall telecommunication services provided by FSMTC

Yap	A	B	C	D	F	Cases
Number	0	1	5	8	4	18
%	0%	6%	28%	44%	22%	
Average				2.17		
Chuuk	A	B	C	D	F	Cases
Number	0	3	9	15	5	32
%	0%	9%	28%	47%	16%	
Average				2.31		
Kosrae	A	B	C	D	F	Cases
Number	0	3	8	6	0	17
%	0%	18%	47%	35%	0%	
Average			2.82			
All States	A	B	C	D	F	Cases
Number	0	7	22	29	9	67
%	0%	10%	33%	43%	13%	
Average				2.40		

15. Rate the overall information provided by FSMTC to all consumers

Yap	A	B	C	D	F	Cases
Number	0	1	3	10	4	18
%	0%	6%	17%	56%	22%	
Average				2.06		
Chuuk	A	B	C	D	F	Cases
Number	0	2	13	13	4	32
%	0%	6%	41%	41%	13%	
Average				2.41		
Kosrae	A	B	C	D	F	Cases
Number	0	3	6	9	0	18
%	0%	17%	33%	50%	0%	
Average			2.67			
All States	A	B	C	D	F	Cases
Number	0	6	22	32	8	68
%	0%	9%	32%	47%	12%	
Average				2.38		

IV. Results

There were 71 State Leaders that participated in the survey. As stated earlier, the Leaders that responded to the survey included all the Governors, Lieutenant Governors, and Legislative Leaders of the State Legislature. Additionally, the survey also included responses from the FSMTC General Managers and FSMTC Board Members in the States of Yap and Kosrae.

The survey of State Leaders reveals strong consensus on many matters. The following are but a few of the lessons from the survey.

Importance of Telecommunications - The State Leaders, based on the survey, strongly believe that telecommunications is important to economic development (Q1).

Service Quality – The assessment of the service levels in the FSM is revealing. The State Leaders felt that local fixed line telephone services were acceptable and graded the service at OK. At the same time, the Leaders graded other telecommunication services in the FSM to be generally poor and challenges the sometimes saying that “If it ain’t broke, then, don’t fix it.” State leaders also disagreed with the sometime saying that “telecommunication services provided by the FSMTC is ‘world class.’” When asked whether the telecommunication services provided by the FSM Telecommunications Corporation (FSMTC) are “world class” (Q12), 82% disagreed with the statement.

The following summarizes the grades that were assigned by the State leaders. As noted earlier, a grade of “5 = A or Excellent,” “4 = Good or B,” “3 = C or Acceptable;” “2 = D or Poor;” and “1 = F or Failing.”

Telecommunication Service Grade	Question #	Grade
Fixed Line Residential Telephone Service	1	2.78
Mobile telephone services are poor	2	2.17
Long Distance Calls to Outer Islands of STATE/FSM	3	2.35
Long Distance Calls to Other States	4	2.86

Responsiveness to problems by FSMTC	5	2.39
Internet services for the schools	6	2.28
Internet services for telehealth and telemedicine	7	2.15
Responsiveness of FSMTC to needs of STATE	8	2.28
Telephone services to Ulithi	9	1.95
Television services throughout State of Yap	10	2.09
Telecommunication services in Guam	11	3.81
Overall performance of FSMTC	12	2.54
Knowledge of FSM policymakers in telecom	13	2.46
Overall telecommunication services by FSMTC	14	2.40
Information provided to consumers	15	2.38

In general, the scores or grades show that the service levels are not acceptable.

Reference Point for Comparison of Telecommunication Services – To gauge whether the Leader’s had a reference point for comparison of telecommunication services by the FSM Telecommunications Corporation, two questions were asked about telecommunications in Guam. Guam is a transportation hub for Micronesia and it was assumed that the Leaders have traveled there, and would be therefore positioned to compare the systems. The responses show that such a comparison is possible.

The following are the results of the key questions:

- 88% of the Leaders agreed that services were better in Guam (Q18).
- The Leaders also graded telecommunication services in Guam at 3.81 on a scale of 5 (G11). This was the highest grade, by far, for a telephone service in Part 2.

Pricing of Services and Pay of FSMTC Employees – Several questions were asked about the pricing of services and the pay for employees of the FSMTC. One question asked whether the Leaders would be willing to pay “slightly more” if the services were better.

- 73% of the State Leaders agreed that prices are too high for calls to other States (Q2).
- 84% also agreed that long distance calls are too high in general (Q7).
- 78% of the State Leaders also agreed with the statement – “FSMTC employees are paid too high” (Q14).
- 82% of the Leaders stated that they would be willing to pay a little more for better telecommunications services (Q16).

Submarine Fiber Optics – There were three questions relating to submarine fiber optics cable capability. One question was to gauge whether the State Leaders believed that SFOC would be implemented for their State some time soon. The second question focused on whether they believed that the FSMTC was “helping” their state to be connected with submarine fiber optics capacity. The third was focused on whether the Leaders believed that their state would benefit “immensely” by the SFOC landing in Pohnpei.

- 71% of the State Leaders disagreed with the statement that the “submarine fiber optics cable landing in Pohnpei in 2010 will immensely benefit their state.” 29% felt that that their state would benefit “immensely” from the SFOC (Q20).

- 59% of the State Leaders did not believe that the FSMTC was helping the states to obtain SFOC capacity. 41% felt that the FSMTC was helping the State to obtain SFOC capacity. (Q11)

Telecommunications Monopoly and Competition – On the issue of competition and the telecommunications monopoly, the National Government was interested in knowing how the State Leaders felt. There were three questions that were intended to gauge the preference of State Leaders on the issue of monopoly operations and competition in telecommunications. The questions were asked several times to see if there would be consistency in the response.

- 81% DISAGREED with the statement - “The FSM needs to continue the telecommunications monopoly.” (Q10)
- 80% DISAGREED with the statement – “The FSMTC should continue the monopoly on services.” (Q15)
- 90% AGREED with the statement – “Other telecommunication companies should be able to operate in the FSM.” (Q17)

The three questions show clearly that the State Leaders support enabling competition in the FSM.

Internet Access by Schools and Telehealth and Telemedicine – The Leaders were split on whether the FSM (not FSMTC) was encouraging the use of telecommunications in the schools by a 40-60% margin. (Q3)

The Leaders were also split on whether the FSMTC helped the schools to get Internet services (Q6) 53% agreed with the statement that the FSMTC helps schools with Internet. At the same time, the Leaders graded the Internet services for the schools to be less than poor (1.88) and also graded the use of telecommunications to support e-health delivery to be less than poor (1.81).

Knowledge of FSM Policymakers on Telecommunications – The Leaders graded the knowledge of FSM policymakers on telecommunications to be better than poor (2.46) (G13).

V. Summary

The survey of State Leaders in Chuuk Kosrae, and Yap is informative and shows a high level of consensus on the many issues of service quality and the need for policy changes. These views should be considered in the national policymaking process since telecommunications is an important infrastructure for the Federated States of Micronesia.