Inter-American Legal Developments

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ARGENTINA

Law No. 19.064 (1971) has increased the number of ministries from eight to eleven (abolishing one, the Ministry of Economy). The national executive branch is administered through the following new ministries: Treasury and Finance; Agriculture and Livestock; Labor, and Industry; Commerce and Mining, all of which join the unaffected ministries, namely Interior; Foreign Relations and Cult; Culture and Education; Defense; Social Welfare; Public Works and Services, and Justice. The same law also shifted the Central Bank from the control of the Ministry of Economy to that of the Ministry of Treasury and Finance. The Cabinet comprises now (Law No. 19.103, 1971) the heads of these ministries and of Secretariats directly under the Presidency, namely General, Press, Tourism (newly established) and Information.

The work on the constitutional reform has produced drafts and fundamental principles submitted by the Comisión Coordinadora del Plan Político. The fundamental principles deal with the necessity for reform and its contents, representative bodies, the presidency, cabinet, provincial constitutions, functions of the Congress, including legislation; also with the budget and finally with the referendum which shall approve the reform.

Law No. 17.724 (1968) giving the national administration the authority to delegate the administration of federal laws particularly in economic matters, to provincial governments was amended by Law No. 18.947 (1971).

A new law on political parties was enacted on June 29, 1971. Application for recognition as political parties will be handled by courts. In their programs, parties must adhere to the democratic, representative, republican, and pluralist regime and deny the use of violence to change
the legal system or gain power. Recognized parties will share in the Fondo Partidario Permanente, will be exempt from taxation and entitled to two phones and five free passes on railways. In their designation they may not use the words: Argentine, national or international. Law No. 16.894 (1966) prohibiting political activities was revoked by Law No. 18.975 (1971).

The National Plan of Development and Security, 1971-1975, was approved by Law No. 19.039 (1971). Among others, it intends to create a new administrative agency to increase local participation in manufacturing; to further industrial development; to stimulate public investments for economic development; to modernize farm and industry; to establish a national entity for foreign trade; to equalize salaries between the provinces and various activities; to develop science, technology, housing and sanitation; and to reform public administration, taxation and education.

To control prices, a Comisión Nacional de Precios was set up within the Ministry of Economy and Labor (Law No. 18.884, 1971). Rents for urban leases are regulated by Law No. 18.880 (1971).

Art. 175 of the Criminal Code was amended (Law No. 18.934, 1971) to cope with usury; also amended was Art. 561 of the Code of Criminal Procedure (Law No. 18.861, 1970). A law against terrorism and subversion (No. 19.081, 1971) gave to the national administration authority to use the armed forces during the state of siege.

The Banco Nacional de Desarrollo was established (Law No. 18.899, 1971) to channel necessary financial means into the economic substructure, to initiate basic industries and to aid the rehabilitation of domestic enterprises (art. 4); a Fondo de Ahorro (Law No. 18.909, 1971) was established to facilitate the participation of savings in economic development. The Fondo Nacional de Garantía de Depósitos (Law No. 18.939, 1971) shall insure deposits in financial institutions covered by Law No. 18.061; the Fund will be administered by the Central Bank (art. 1).

The national policy in matters of commercial aviation was stated in Law No. 19.030 (1971). An Administrative Navigation Tribunal was established by Law No. 18.870 (1970) to deal with matters arising from navigation in Argentine waters and on the high seas provided Argentine vessels are involved (art. 2). Law No. 19.000 (1971), accompanied by Decrees No. 439 and 440, provides incentives for the fishing industry. The national policy in viticulture is set forth in Law No. 18.905 (1970). Law No. 19.076 (1971) is designed to promote the construction of silos and elevators.
Para. (8) of art. 157 of the Commercial Code (Law No. 2.637, 1889) was amended by art. 5 of Law No. 18.913 (1970) concerning claims of dependents in case of employees' death.

The law which established the National Institute of Social Work (No. 18.610) was amended by Law No. 18.980 (1971). The following changes may be mentioned: 70% of the contributions shall be invested in areas from which they originate, and the remaining percentage in areas of lesser resources; additional classes of workers are included and earnings up to 2,000 pesos are exempt from the obligation to contribute.

Implementing Law No. 18.483 (1970), Law No. 18.912 (1971) regulates medical, dental and biological-analytical services to the unemployed who join such service institutions voluntarily. The law was implemented by Decree No. 3.179 (1971).

Law No. 9.688 (1915) dealing with work accidents was amended by Law No. 18.913 (1971). In the area of social security, Law No. 18.824 (1970) was abrogated by Law No. 18.980 (1971) with amendments to Law No. 18.610 (1970). Law 19.031 (1971), implemented by Decree No. 1.157 (1971), increased retirement and other benefits.

In order to stimulate the stock market, Law No. 19.060 (1971) allowed a reduction up to 10% in the income tax provided said amount is invested in securities listed. According to Law No. 19.061 (1971), corporations may issue shares below par up to 40% annually of the subscribed capital. Furthermore, Law No. 19.127 exempts from the income tax all income from savings deposits.

In regard to the national currency, the Government has decreed a new (the fifth) devaluation of the peso; authorized the administration to issue bonds in pesos with guaranty in dollars (Law No. 19.144, 1971), as well as foreign bonds (Law No. 19.145) which may be purchased (Law No. 19.146) so as to ‘whitewash’ such capital, provided such bonds are deposited in national banks for one year; placed an additional tax of 0.30 peso per dollar on exports (Law No. 19.148) as well as on dollar holdings of banks (Law No. 19.149). Furthermore, it increased by 90% import duties on goods listed, thus making the use of dollars more expensive (Decree No. 2.620); taxed the purchase of travel dollars (Law No. 19.150), and finally readjusted the current national budget to show a projected deficit of 894 million pesos (Law No. 19.146, 1971).

The Criminal Code (Law No. 11.179, 1921), frequently amended, (1 Law. Am. 51, 1969; 2 Law. Am. 400, 1970; 3 Law. Am. 42, 1971), underwent an extensive reform which affects both parts of the Code, the
general rules and particular crimes. In the first part, the death penalty is included (art. 5), with corresponding modifications in art. 5 (bis), 44, 46, 62, and 65. In view of the general rule that crimes may be prosecuted by the public prosecutor ex officio, or upon complaint of the victim, or by a private indictment (art. 71), the amended art. 75 provides that slander of public officials may be prosecuted by the offended official as well as by his superior, under conditions stated (art. 75, a and b). In matters of particular crimes, killings connected with robberies became punishable by death or imprisonment for life (art. 80); the added art. 80 (bis) imposes the same penalty for killings of public officials in the performance of their duties. Extensive changes deal with deprivation of personal freedom, aiming primarily at various types of kidnappings, in art. 141, 141 (bis), 141 (ter), 142 and art. 145. In addition to these changes reflecting the increased political terrorism, the amendment also deals with fraudulent business practices (art. 174) and bankruptcy (art. 178). Disturbances of the peace (art. 181 bis); hoarding of ammunition (art. 189, bis); illegal associations organized by the cell system (art. 210, bis) and causing of death or serious bodily injury in such connection (art. 210, ter) are included. Praising (apologia) of crimes is punishable more severely if the guilty person is one who “by his position, profession, public function or a similar position may hold a self-evident ascendancy over others” (art. 213, bis). A number of criminal acts are related to military duties (art. 221, ter; 225, ter) and armed attacks on military installations (art. 225, ter). Penalties for attacks on the honor or decorum of a public official are increased (art. 244) and the unlawful use of military insignia specified (art. 247, bis). Provisions dealing with misappropriation of public funds (art. 263) and with harboring of criminals (art. 278 quater) have also been amended.

The status of foreign investments originally regulated by Law No. 14.780 (1956) and repealed by Law No. 18.587 (1970), has been recently liberalized by Law No. 19.151 (1971). The law allows foreign investment in new as well as in already existing enterprises and gives foreign investments, provided they meet the requirements of the law, treatment equal to that of domestic capital; however, preference will be given those investments which provide for domestic participation (art. 1). The law defines methods which foreign investment may use: transfer of foreign means of payment (divisas); capital goods, including spare parts; capitalization of loans in foreign currency (divisas) freely convertible; profits from foreign investments qualified to be repatriated; and incorporeal assets according to special legislation (art. 2). The authority in charge of administering this law (Autoridad de Aplicación, hereinafter: Authority) shall carefully check on the origin of foreign capital and control its proper
application to specific purposes (art. 3). In considering applications for investments for foreign capital, the Executive Branch will take into account the following factors: the contribution of the investment to the domestic economic development; the adequacy of the investment for the stated purpose; the benefits to the country regarding the foreign exchange balance; the fundamental importance of the contribution; the extent and contribution of existing enterprises; a promise to reinvest profits; association with domestic capital and the share of the latter; the potential increase in exports or in their substitutes; the adoption of modern technology and the participation of the country in subsequent technological developments; the increase and modernization of existing enterprises; the use of domestic natural resources; a greater use of domestic technicians and professionals; the geographic location of the investment; the practice proposed by the foreign investor regarding repatriation of profits, of dividends or of the capital; and finally, the branch of the economy to be affected (art. 4).

In case there exists a number of applications for the same project (and there is no reason to approve all), the Authority will authorize the most advantageous to the country in the light of art. 4 (art. 5). Sufficient publicity shall be given to investment projects and time limits set for complaints (art. 6). No permits will be given whenever the project involves production related to military activities without consent of the Ministry of Defense, or if it contains limitations on export of goods (art. 7). Approved foreign investments will have to be registered at the official exchange rate on dates stated in (a) to (e) of art. 8. Foreign capital properly admitted and registered will be subject to the following rules: the investor may, after the first year of operation, transfer the net income according to conditions established in the permit. Profits not repatriated may be reinvested in the enterprise, subject to notification to the Authority, unless the Authority has not imposed advance notification; or they may be used freely as "definitivamente nacionalizados"; or be invested in other economic areas, subject to the approval by the Executive Branch; or deposited for a fixed period in the National Development Bank. The capital may be repatriated up to the amount of the value, in foreign currency, of the original investment, with reinvested profits added thereto, subject to conditions imposed in the permit. Finally, the foreign investor may export the registered capital at any time, provided he sells his shares, participations or rights to "national capitals qualified for such purposes by the Executive Branch from case to case, or if the enterprise is liquidated" (art. 9). The Executive Branch will establish a register for the inscription of approved foreign investments, including those approved under previous laws, as well as the movements of capitals involved in these operations (art. 10). Enterprises covered by this law may take advantage of benefits
offered by legislation for economic sectors or regions (art. 11). The access by enterprises with majority foreign capital to domestic bank credits is restricted to short-term operating loans, up to an amount of 50% of the registered capital plus accumulated reserves; however, these limitations do not apply in regard to export credits (art. 12). Stocks or shares of the approved investment may be transferred after previous notification to the Authority. Such shares must be nominative during the first five years and cannot confer multiple voting rights on their holders. In case of transfer to investors domiciled, resident or having their seat in Argentina, these new holders may not exercise rights under art. 9 of the law (art. 13). Enterprises receiving foreign investments properly admitted, shall employ in their technical and professional management no less than 85% Argentine nationals; nevertheless, the Authority may allow a lessor percentage for the first three years whenever, because of the particular activity, Argentine personnel is not available (art. 14). This law applies also to foreign investments made according to prior laws, except for art. 10 and 12; these will continue functioning under previous laws, but will have to register according to art. 10 to qualify for repatriation of net profits or of the invested capital (art. 15). The Executive Branch will make a decision on the application for foreign investment in 180 days (art. 16); it also will issue necessary regulations (art. 17).

Decree No. 3.110 (1971) regulated the national statistical system (1971).

On July 1, 1971, both Argentina and Great Britain published an agreement to establish communications by sea and air and promote commerce as well as facilitate transit of persons, with reservations on the part of both countries regarding their claims to sovereignty to the Falkland Islands.

The convention with Spain (1969) regarding nationality was approved by Law No. 18.957 (1971).


Buenos Aires


Catamarca

Mining is regulated by Decree No. 2.231 (1970).
Chubut

Law No. 823 (1971) regulates the administration and colonization of public lands through the Instituto Autárquico de Colonización y Fomento Rural (IAC).

Córdoba

Law No. 5.202 (1970) allows commutation of prison terms, Administrative organization was set up by the Law of Ministries (Decree No. 5.048, 1970). The Tax Code (Law No. 5.053) was amended by Law No. 5.215 (1971).

Corrientes

The administrative procedure was codified by Law No. 2.943 (1971). Sale and subdivision of urban land was regulated by Decree No. 4.616 (1970).

Formosa

Implementing Law No. 417, Decree No. 2550 (1970) establishes the functions of the Dirección de Comercio. Control of guests in hotels is provided by Decree No. 2.558 (1970).

La Pampa

The register of immovable property was modified by Law No. 560 (1970). A code of professional ethics for surveyors, architects and engineers was published (Decree No. 2.336, 1970).

La Rioja

Tourism is regulated by Decree No. 17.970 (1970).

Neuquén

Law No. 475 (1971) regulates evictions from immovable properties. Law No. 647 (1971) regulates impeachment of members of the judiciary, the Attorney General's office and of the Tribunal de Cuentas.

Salta

Publicity of corporate financial reports is required by Decree No. 751 (1970).

San Juan

Decree No. 284-E deals with family allowances for public employees.
San Luis
Commercial registers are regulated by Decree No. 3.801 (1970).

Santa Cruz
Decree No. 1.222 (1970) deals with tourism.

Santa Fé
Installation and use of x-ray units is regulated by Decree No. 3.551 (1970).

Santiago del Estero
Partition of rural land and the determination of farm units (art. 2326 of the Civil Code) is regulated by Decree No. 17-B (1970).

Tucumán
Unemployment benefits are regulated by Law No. 3.654 (1971).

BARBADOS

Among others, the following laws have been enacted: Representation of the People Act (No. 15, 1971), dealing with elections; the Medical Registration Act (No. 10, 1971), and the Hotel Tax Law (No. 8, 1971).

Numerous acts have been amended, among them the Miscellaneous Control Act (1970), dealing also with price controls; the act was supplemented by regulations (1971). Other acts affected by amendments are: the National Insurance and Social Security Act of 1966 (No. 1, 1971); the Mortgage Insurance Act of 1962 (No. 4, 1971), the Barbados Harbours Act of 1969 (No. 5, 1971), and the Colonial Civil Aviation Application of Act & Amendments Order (No. 41, S.I. 1971).

The House of Assembly has passed the Civil Establishment General Amendment Order 1971 to increase the civil service. The number of civil servants employed by the Central Government has, over the past four years, risen from 10,000 to 15,000 persons. Another bill before the House shall merge the British-styled titles of lawyers, namely that of solicitor and that of barrister-at-law.

Recently the Prime Minister has criticized the dependence of the local banking system on foreign banking institutions and indicated that a Central Bank will be established.
Government circles have abandoned the plan to claim a 23 mile territorial sea and will allegedly adopt a 12 mile zone.

BRAZIL

The Commission for Legislative Affairs of the Ministry of Justice will make public the draft for a new Civil Code (3 Law. Am. 47, 1971); the same is intended for the draft of a company law.

In the area of agrarian legislation, the regulations for the National Institute for Colonization and Agrarian Reform (INCRA, 3 Law. Am. 47, 1971) have been approved (Decree No. 68.153, 1971). The Institute is charged with the execution of the agrarian reform, the correction of the present agrarian structure in order to establish an adequate base for social and economic development; the colonization and rural development generally through cooperatives and other associations and rural electrification. The Institute has issued a portaria (No. 117, 1971) approving forms of contracts to be issued with regard to land titles involved in agrarian operations. Decree No. 68.524 (1971) regulates private colonization projects in zones included in the agrarian reform program; such private enterprises must be registered with INCRA and meet technical and financial requirements. Once approved, these enterprises have priority in obtaining credits according to the National System of Rural Credit. Decree No. 1.179 (1971) established the Program for Redistribution of Land and of Stimulus to the Agro-Industry in the North and Northeast (PROTERRA) to promote purchases of land and acquisitions through expropriation, to grant loans to small and medium farmers, to finance projects for the expansion of agriculture and cattle industry and to organize and modernize farms as well as to guarantee minimum prices for export. Financial means shall be provided by the State, by a system of incentives, by the National Integration Program, and by other domestic and foreign sources. From 1972 through 1976 the Program will receive 20% of the amounts deducted from the income tax on legal entities and earmarked for such use under the tax incentive system.

The operation of the Fund for the realization of the Program of Social Integration (3 Law. Am. 46, 1971) has been regulated by the Central Bank (No. 174, February 25, 1971). Among others, the regulation provides that contributions of financial institutions, insurance companies and other enterprises not engaged in selling goods, may be increased or reduced by 50% by the Conselho Monetario Nacional. The accounts of individual employees will be based on present salaries and the length
of service; these accounts may be increased with proceeds from corrections based on indices applicable to Readjustable Treasury Bonds and 3% interest calculated on the corrected balances; also from income derived from the Fund’s operations. These financial sources may be used for loans to medium and small industrial enterprises at 6% interest. The Office of the General Coordination of the Guaranty Fund for Time of Service (FGTS) advised employers who utilize independent workers that payments into the Fund should only be made whenever such persons fall within one of the classes established by law.

A new minimum wage schedule was published on May 1, 1971; the number of regions with varying minimum wages was reduced in order to reduce differences.

Decree No. 68.465 (1971), implementing Law No. 1.149 (1971), establishes conditions for the affiliation of Brazilian labor unions with international organizations and for the offices, agencies and representatives of the latter in Brazil. A number of proposed changes in labor legislation are before the Legislature. Among them, the reduction of eligibility for retirement to 30 years; a 20% increase in retirement benefits; a bonus to workers who decline retirement and continue working, in the amount of a 30% increase in wages; a family wage; right of dependents to at least 50% of the deceased’s pension with an additional 20% for each dependent. A new program for social assistance to agricultural workers took effect, granting pensions to widows and dependents as well as benefits in case of accidents, health care and benefits for old age.

The National Labor Department issued directives regarding employment of aliens. The applications for visas must be accompanied by the employment contract signed by the employer and a statement of the latter containing full information regarding his business, including all plants, offices and affiliates, registration in the commercial register, names and qualifications of directors, the number of Brazilian and foreign employees, and whether the business is owned by or is a subsidiary of any national or foreign company (3 Law. Am. 279, 1971).

The National Bank for Economic Development (BNDE) was changed from an independent to a public institution; its capital is owned by the State (Law No. 5.622, 1971).

PETROBRAS was given authority to engage in research, exploration, refining, marketing and transportation of oil and its derivates independently from administrative approval (Law No. 5.665, 1971, amending art. 41 of Law No. 2.004, 1953).
Under Decree-Law No. 1.171 (1971) tax privileges granted to exports may be extended to sales of locally manufactured machines and equipment, provided such sales result from competitive bidding by domestic and foreign manufacturers. For fiscal purposes, supplies of domestic manufactured products to foreign-flag ships or aircraft in the country will be considered as export (Portaria No. 42, 1971). Fiscal incentives are available to imports under the Shipbuilding Program, 1971-1975 (Decree-Law No. 1.174, 1971).

The Interministerial Council on Prices has exempted certain price adjustments from approval (Res. No. 5, 1971).

A Center for Pharmaceuticals was established by Decree No. 68.806 (1971), to promote and organize the supply of pharmaceutical products at reasonable prices.

The National Commercial Registry Department (Portaria No. 10, 1971) ruled that foreign business associations participating in domestic associations will have to prove their legal existence in the country of origin and show that they are not involved there in bankruptcy or similar proceedings. Their representatives will be required to prove that they have not been charged or convicted of fraud, bribery, embezzlement or similar crimes; this applies also to shareholders, directors and managers of business enterprises of any type. However, this provision was repealed (Portaria No. 19, 1971).

Public and private universities having courses similar to those included in diplomas and certificates issued by foreign institutions of higher learning may validate such documents (Portaria No. 23, 1971, of the Federal Education Council).

An agreement with the Netherlands for technical cooperation was ratified (Decree No. 68.862, 1971).

Brazil has signed conventions for the avoidance of double taxation with Portugal and France. Negotiations are underway with West Germany.

Among bills before the Legislature a few may be mentioned; acquisition of Brazilian nationality after 3 years continuous residence; non-discrimination for employment because of age; four-hour work on Saturdays; housing for workers by industries with more than 100 workers; extension of vacations (art. 132 of the Labor Law) to 30 days; prohibition of import, production and sale of artificial sweeteners; and limitations on acquisition of large areas of land by aliens.
The Brazilian Bar has petitioned the President to abolish the death penalty and to reinstitute habeas corpus.

BRITISH WEST INDIES

In a series of lectures this June, Professor K. Patchett, Dean of the Faculty of Law of the University of West Indies, identified some of the basic legal problems of the area. Legal reforms are dependent on a number of factors, among them an efficient machinery for making the new law understood; reform also must receive legal and educational support as well as enforcement by a qualified administration, officially and privately, in a rigorous way. No reform may conflict with other values recognized by law, particularly since some patterns of behavior are more easily changed than others. Commercial and economic practices are more amenable to changes than behavior dependent upon personal beliefs and traditions. Recent legislation has brought about significant changes in the statutes; however, their resemblance to XIXth century English law is “too pressing to be ignored.” Particularly complex and antiquated are laws affecting the interests of the growing lower income group, and other areas such as criminal law, landlord and tenant, conveyancing, consumer protection and labor law. In regard to the needed reforms, the speaker made two points: one, that laws cannot be “discovered by looking in the stars or in the eyes and hearts of clever men,” and the other, that actual legal problems have “considerable similarity in the Caribbean at large and yet are not issues of political contention.”

The recent conference of the heads of Commonwealth Caribbean governments (Dominica, Grenada, St. Kitts-Nevis-Anguila, St. Lucia and St. Vincent) and two independent units (Guyana and Trinidad and Tobago) adopted a declaration, to be published after November 1, 1971, after consultation with the not represented governments (Barbados and Jamaica) on the procedure for the establishment of a new political union.

Bahamas

According to the recently enacted Securities Act, 1971 (No. 10, 1971), dealing in securities, as defined in sec. 2(1), requires a license (sec. 3), issued by the Minister of Finance (sec. 5), for one year and revocable under specified conditions (sec. 6). The Minister also may make regulations (sec. 26) and prescribe forms of contracts, books and accounts as well as provide for inspections (sec. 7). Special provisions deal with mutual funds (sec. 8) defined as “arrangements made for the purpose ... of providing facilities for the participation by persons in profits or income
from the operation of a corporation engaging primarily...in the business of acquiring, holding, managing or disposing of securities or any other property whatsoever." The act also defines mutual fund schemes as "any investment company scheme or unit trust scheme," except those which have no more than twenty participants and none of them is a corporation or firm. A unit trust scheme, on the other hand, is defined as an arrangement "made for the purpose...of providing facilities for the participation of persons as beneficiaries under a trust, in profits...arising from dealings in securities and other property." Bahama based mutual fund schemes are described in the first schedule. Mutual fund schemes acting within or from the Bahamas must first be registered with the Minister (sec. 8), upon application and for one year (sec. 8 para. 3). A mutual fund scheme "organized or established outside of the Bahamas" may be declared by the Minister to be an exempt scheme (sec. 9), provided the fund is "sanctioned by the Government of any country outside the Bahama Islands or of any state or province of such a country, or by any agency of such a Government, state or province" (sec. 9. para. 2). Registration may be cancelled (sec. 10), and the cancellation appealed to the Supreme Court (sec. 11). The Act also regulates prospectuses (sec. 14 to 17) as defined (sec. 16, para. 1.); companies "formed and registered under the Companies Act (ch. 184) or incorporated outside of the Bahama Islands" may not issue prospectuses "in or from within the Bahama Islands" unless they are approved by the Minister (sec. 14) upon application (sec. 15). The same rule applies to "companies incorporated or to be incorporated outside of the Bahama Islands whether the company has or has not been established, or when formed will or will not establish a place of business in the said Islands" (sec. 14). Part IV of the Act contains penal provisions for the prevention of frauds (sec. 18 to 19), followed by miscellaneous provisions (sec. 20 to 27).

The Petroleum Act of 1971 (No. 11, 1971) continues the Government's title in petroleum (sec. 3) and the authority to grant permits, licenses and leases to survey, explore and exploit resources. Licenses and leases may be granted by competitive bidding (sec. 8); they may be cancelled on grounds listed in sec. 10, upon notice to the grantee to show cause (sec. 10. para 2). Lessee companies exploiting petroleum in commercial quantities may be ordered to accept a public officer as a member of their board (sec. 11). Permits, licenses or leases may be granted only to companies incorporated in the Bahamas and to foreign companies meeting requirements under the Foreign Companies Act (ch. 186). Licencees and lessees must keep complete records and books in their registered office in the Bahamas (sec. 11). Licenses and leases are limited in size, determined by the number of blocks, an area of one hundred square
miles (sec. 15 and 16). Royalties are set at \(12\frac{1}{2}\%\) of the selling value of petroleum at the well (sec. 17). In order to facilitate exploitation, ancillary rights may be granted (sec. 18 to 24), after proceedings before the Supreme Court (sec. 22 to 23) which also may grant compensation (sec. 24 and 25). Miscellaneous provisions (sec. 26 to 34) contain, among others, provisions to prevent pollution and for making grantees absolutely liable for any damages resulting from pollution (sec. 29, para. 2). Licensees and lessees are required to take out a policy against liability for personal injuries or damages to property (sec. 31). The new Act repeals the Petroleum Act (ch. 33).

A number of new enactments were assented to, among them, a Building Regulation Act, 1971 (No. 3, 1971); the Notaries Public Act, 1971 (No. 1, 1971); and the Act for Control of Training of Nurses and Midwives and their registration (No. 13, 1971). An Act to encourage the Mining by Ocean Industries, Inc., of calcareous deposits (argonite) was assented to (No. 5, 1971), accompanied with the indenture of lease to Ocean Industries, Inc., a Florida corporation; also the Price Control Act, 1971 (No. 13).


A number of industries have been approved as eligible for privileges under the Industries Encouragement Act (No. 10, 1970, 2 Law. Am. 405, 1970), among them those dealing in varnishes, lacquers, putty, caulking, polishes and waxes, vinyl, plastics, adhesive compounds, perfumes, carbon dioxide, and dry ice.

The Government has submitted to the Legislature a bill to amend the Maritime Affairs and Port Authorities Act to increase warehouse storage charges for unclaimed imports.

There is a plan to establish a Bahamas Development Corporation to be charged with the development of all Government owned land.
Anguilla

The political crisis has been solved by Anguilla's choosing the status of a crown colony to be governed by an administrator, in spite of strong protests from St. Kitts and St. Lucia. Thus, the uncertain situation has ceased during which the British Commissioner on the island was unable to set up a workable administration and courts were unable to function for over four years. The House of Commons has adopted the respective bill without opposition.

Antigua

The Government's attempt to have a Newspaper Surety Ordinance Act and a Newspaper Regulations Act, 1970, designed to prevent the press from publishing news known to be false, was met by strong opposition on the island and in other Caribbean areas, among them Barbados where the press branded the bill as subtle pressure to muzzle this media.

Cayman Islands

The Land Development (Interim Control) Act of 1970, was implemented by regulations.

Dominica

The House of Assembly approved 14 Government sponsored bills, among them one providing for a national dress for official functions and court attendance.

An act was passed to establish the Agricultural and Industrial Bank to offer farmers long, medium and short term loans; also a Market Act which charges the Marketing Board with the management and control of the new market and subjects street vendors of meat, fish, vegetables and others, to fines.

St. Lucia

The Governor has assented to an act abolishing taxation of all land less than ten acres. It appears the law will not benefit aliens.

West Indies Associated States

The Rules of the Supreme Court (Revision) 1970, prepared by the Chief Justice and two other judges of the same court, according to section 17 of the West Indies Associated States Supreme Court Order, 1969, has been adopted by the following members: Grenada, St. Vincent, St. Lucia, Dominica, Antigua, St. Christopher, Nevis and Anguilla, Montserrat, and British Virgin Islands. The Rules (S.I. No. 2, 1970) consist of 64 orders,
among them on service of process out of jurisdiction (No. II), security for costs (No. 23); service (No. 50); probate (No. 53); proceedings by and against the Crown (No. 54); arbitration (No. 59); service of foreign process (No. 60); and obtaining evidence for foreign courts (No. 61).

CANADA

Among others, the following acts have been consented to: Canada Grain Act; Election Act; Statistics Act; Federal Court Act; Law Reform Commission Act; and the Textile and Clothing Board Act. An act incorporated the National Farmers Union.

Revised Statutes of Canada (1970), consolidated to December 31, 1969, have been published in eight volumes. This time the work is bilingual.

Alberta

The Department of Health and Social Development Act and amendments to the Insurance Act have been assented to.

British Columbia

Air Space Titles Act; the Hospital Corporations Act; the Insurance Act; the Mobile Home Park Fee Act; and amendments to the Consumer Protection Act, to the Department of Commercial Transportation Act and to the Statute Law Act took effect. The Vancouver General Hospital Act (1902) was reenacted.

Manitoba

The Lotteries Act was assented to, as were amendments to the Insurance Act and the Liquor Control Act.

New Brunswick

The Pesticide Control Act was consented to, also amendments to the County Courts Act and the Health Services Act.

Newfoundland

The Human Rights Code (1969) is now fully in effect. Consented to have been the Pesticide Control Act and amendments to the Companies Act and to the Summary Jurisdiction Act.
Nova Scotia

The Ombudsman Act; the Title Power Corporation Act, and the Snow Vehicles Act took effect. Amendments to the Child Welfare Act; the Family Court Act; the Motor Vehicle Act, and the Social Assistance Act have been assented to.

Ontario

The Used Car Dealers Act and the Animals for Research Act took effect. Amendments to the Corporations Act; the Labor Relations Act; the Conditional Sales Act; the Consumers Protection Act; the Employment Standards Act; the Public Health Act; the County Courts Act; the Insurance Act; and the Judicature Act have been assented to.

Prince Edward Island

The Entertainment Tax Act and amendments to the County Courts Act took effect.

Quebec

During Summer, 1971 a number of acts were consented to. Among them, the Act to amend the Jury Act which admits women to sit on juries as well as persons, proprietors and tenants, regardless of the value of their land or its rental value; this applies also to their spouses and children over 21 years of age. Women may decline to serve as may other persons because of their health or family obligations.

The Liquor Permit Control Commission Act deals with retailers' permits. It reduces the age of persons who may be served, from 21 to 18 years. Pubs may be frequented by women. The Act creates or modifies permits: dining room permits, reception permits, boat permits and amphitheater permits. Foreigners may be granted a permit after one year residence.

The Health Insurance Act was amended to cover dental treatment and medicines listed and priced in a list issued by the Minister of Social Affairs. The Medical Act was amended to admit certain foreigners to the practice of medicine.

The Companies Information Act was amended by giving the Minister of Financial Institutions, Companies and Cooperatives the authority to dissolve any business association which violates the Act by not filing the required information. During the first year after dissolution the Minister may, upon request of a creditor, cancel the dissolution; but the
existence of such an association continues until the termination of any suit or judicial proceeding by or against the association, and in order to give effect to the judgment.

An Act to promote access to justice made it possible for claimants of less than $300 to state the complaint to a clerk and appear at the trial personally, or through a relative or friend.

The Consumer Protection Act deals with consumer contracts and advertising. Contracts involving credit and those made by "itinerant vendors" must be in writing, signed first by the merchant. The contract will be executory only when a copy is delivered to the customer. The latter is not bound by any offer, promise or agreement not confirmed in the written contract; a clause making a contract subject to any other law that passed by the Canadian Parliament of the Legislature of Quebec is null. Contracts involving credit, installment sales and other—provided the amount is beyond $50 and do not involve the purchase, construction or improvement of immovable property secured by a privileged lien—must contain only one interest rate and provide for at least one deferred payment for each period of five weeks; further, all such payments must be equal, except the final which may be lower. The consumer may pay off his obligation at any time before maturity and thus becomes entitled to a reduction of the credit charge calculated according to regulations to be issued. Such contracts also must contain indications which enable the consumer to know what he is undertaking. It is prohibited to assign a commercial paper acknowledging deferred payments at the time of a contract, separately of it. In contracts with variable interests, the merchant must furnish the consumer with a statement of the account every five weeks. Regarding installment sales the provisions contained in the Civil Code are implemented: only if the consumer has paid two thirds of the amount due and defaults does the merchant need permission by a court to repossess. In regard to credit bureaus, the Act provides that any person may examine their records and add comments. Additional provisions deal with itinerant vendors, among them with the right on the part of the consumer to cancel the contract within five days by returning the goods or giving notice. To prevent misleading advertising and warranties, the Act provides, among others, that the place where warranties may be exercised must appear in the contract. In regard to the performance of contracts, the Act states conditions under which the whole amount owed becomes due; generally, only upon a notice of 30 days. The consumer also may apply to the court to have his obligation modified; costs are restricted. A Consumer Protection Bureau is established, with a Consumer Protection Council acting in an advisory capacity. Decisions by
the Consumer Protection Bureau may be appealed to the provincial court. Concluding chapters deal with evidence, procedure, criminal and civil penalties.

Amendments to the Agricultural Marketing Act; to the Provincial Tax Act; to the Corporation Tax Act; to the Legislature Act and to the Securities Act; to the Construction Industry Labor Relations Act; and to the Supplemental Pension Plans Act took effect. Consented to were the Public Curatorship Act and the Advisory Council on Justice Act.

Saskatchewan

The Election Act and the Legislative Assembly (Amendment) Act took effect.

CHILE

The national sovereignty over mineral resources coupled with the nationalization of foreign controlled copper mines was enacted through a constitutional amendment (Law No. 17.450, D.O. July 16, 1971) consisting of additions to art. 10, sec. (10) and new transitory provisions (No. 16 to 18). Starting from the principle that the “State has the absolute, exclusive, inalienable and imprescriptible domain (dominio) over all mines” and other resources, including oil, the amendment, in essence, provides, that a law will determine to what resources the above principle applies and what resources, except oil and gases, may be explored and exploited by concessions. In regard to what the law terms gran minería, nationalization may include — fully or partially — not only such enterprises but may be extended to assets of whatever kind belong to third persons, provided they are directly and necessarily destined for the normal exploitation of the nationalized mining enterprises. The amount of indemnity will be determined on the basis of original costs, deducting amortizations, depreciations, fines and devalorization due to obsolescence, and may be reduced by the amount of excessive profits obtained by the nationalized enterprises. Indemnity shall be paid in cash, unless the party involved accepts another kind of payment within a period of no more than 30 years and under conditions established by law. The State may take possession immediately “after the nationalization takes effect.” Only the party directly involved may press against the State a claim for compensation; the law may determine that partners or shareholders have no other rights than to receive the proportionate share of the indemnity. Similarly, the law may provide that, insofar as the State is concerned, third persons
— except workers — may enforce claims against the indemnity only. Finally, the constitutional amendment provides that in cases that the State or its organisms enter into agreements to maintain in favor of particular parties special arrangements, such arrangements may be, if the national interest so requires, modified or terminated; in proper instances (casos calificados) the law may allow compensation for "direct, factual and effective damages" caused by the application of the previous provision. Transitory provisions provide, among others, that until the law foreseen in the amended art. 10 (sec. 10) of the Constitution is enacted, the present owners of mining rights will be considered as concessioners (No. 16). However, nationalized and "incorporated into full and exclusive domain of the nation" are enterprises operating the great copper mines and the Compañía Minera Andina. In consequence, all assets of these enterprises pass into the national domain, including their subsidiaries as determined by the President. The State will take immediate effective possession. In regard to indemnification the amendment (No. 17) provides that the Contralor General shall determine the amount according to the book value on December 31, 1970, with some deductions; however, there will be no compensation for the mineral deposits (yacimientos). The President may decide that excessive profits may be deducted from the indemnity. The decision regarding indemnity may be appealed to a special tribunal composed of a justice of the Supreme Court, a judge of the Santiago Appellate Court, a judge of the Constitutional Court, the President of the Central Bank of Chile, and the Director of Internal Revenue. The payment of indemnity may be postponed in case that the enterprise involved defaults on its duty to hand over all documents connected with its operations. The taxing authority retains the power to revise previously imposed taxes to the full amount as subsequently disclosed. Such amount may be credited against the indemnity. The capital of nationalized enterprises passes on to the Corporación del Cobre and to the Empresa Nacional de Minería as the only partners involved in nationalization. Until a new Estatuto de los Trabajadores del Cobre is published, present labor laws apply and unions continue to function. The new statute must not affect existing rights and benefits enjoyed by copper workers. The legislator shall consider workers' participation in the administration of the new enterprises and organizations in charge of production (No. 17). Finally, No. 18 of the transitory provisions provides that the new law shall provide for privileged rights in favor of discoverers of mineral deposits.

The law on bank accounts and checks (Law No. 3.777, 1943) was amended by Law No. 17.422 (D.O. April 2, 1971). Checks are always payable on sight. Whoever, sued or sentenced (in connection with issuance or payment of checks) pays the amount due and court costs, the
respective proceedings will be ended. In addition, the Superintendencia de Bancos will issue general rules to prevent those who have been involved in such proceedings from opening checking accounts for a set period. A similar rule will apply to those found guilty of issuing checks without sufficient funds.

Aliens over 18 years of age who have resided for more than five years in the country may vote in municipal elections (Law No. 17.420, 1971).

A Consejo Nacional de Desarrollo was established by Decree No. 180 of the Ministry of Interior (D.O. March 17, 1971) and charged with national planning.

The Central Bank requires that contracts involving professionals or technicians working abroad or aliens who arrived in Chile 15 days prior to starting their work, be filed with the Bank (D.O. April 27, 1971). Law No. 17.416 (Art. 80) prohibits contracts of employment with salaries in foreign currency if concluded by Chileans employed in Chile. Only those commercial banks which became state controlled (estatizados) may deal in foreign currency (D.O. April 29, 1971). An acuerdo of the Central Bank (D.O. May 26, 1971) has amended provisions regarding foreign currency, among them currency destined for travel; a subsequent acuerdo (D.O. July 15, 1971) sets maximum amounts available.

In regard to bank credits available to foreign enterprises, the Superintendencia de Bancos (Circular No. 975, May 11, 1971) provides that such credits are available only under conditions set by the Comité Ejecutivo del Banco Central de Chile. For the purposes of this ruling foreign enterprises are described as those with a capital less than 51% owned by Chileans or, whenever this percentage is higher, it is not reflected in the technical, financial, administrative and commercial management.


A number of enterprises have been seized (requisición): a cement factory because of a strike (D.O. March 16, 1971); another enterprise for the same reason (D.O. April 29, 1971); textile factories because of an illegal strike and the Ford plant because of stoppage (D.O. May 27, 28, and 29, 1971). Two textile enterprises were expropriated (Decree No.
288, D.O. March 18, 1971; Decree 326, D.O. April 23, 1971). A number of fishing enterprises have been intervened due to a prolonged labor dispute (D.O. August 3 and 5, 1971); the same happened to an agricultural and dairy cooperative (ibid.).

The agreement on a common regime for the treatment of foreign capital adopted by the Andean group in December, 1970, was first promulgated by Decree No. 482 of the Ministry of Foreign Relations (D.O. June 30, 1971). However, the Contraloria General objected on the ground that this should have been done by a law (No. 42.998 of June 28, 1971). As a result, the Government adopted a decreto de insistencia which is valid provided it is signed by all ministers and the President. In this form it was published as Decree No. 488 (D.O. June 30, 1971).

Law No. 17.458 (D.O. July 28, 1971) modified Law No. 16.789 dealing with municipal governments and authorized them to operate enterprises providing electricity "independently from municipal offices as if they were commercial enterprises in public service" (art. 1). Accounting shall be independent from that of the municipality (art. 2). The enterprise is administered by the Mayor assisted by an administrator elected by two thirds of the Municipal Council (art. 4).

Law No. 17.462 (D.O. July 30, 1971) provides for reduction of prison terms.

Law No. 17.457 (D.O. July 23, 1971) created the Chilean Commission for the UNCTAD Conference.

COLOMBIA

The new Commercial Code (Decree No. 410, 1971) will take effect on January 1, 1972, with a few exceptions (art. 2.038). It consists of a preliminary title dealing with the sources (art. 1-9) and six books covering merchants and commercial acts; commercial associations; commercial assets; commercial contracts and obligations; navigation (maritime and air), and procedures. The code applies to merchants as defined in art. 10 and to commercial transactions as listed in art. 20. Merchants must register in the commercial register matters listed in art. 28, and keep books and documents (art. 48 to 60) during a prescribed period and for stated purposes (art. 61 to 67), for example, evidence (art. 68 to 74). They also must refrain from unfair competition (art. 75 to 77). Chambers of Commerce are charged with significant functions (art. 86). Commercial associations are regulated by general provisions applicable to all
(art. 93 to 923), with special additional provisions for partnerships (art. 294 to 322); corporations (art. 373 to 460); associations of mixed economy (those with government participation, art. 461 to 468); foreign business associations (art. 469 to 497); associations in fact only (art. 498 to 506); and for joint ventures (cuentas en participación, art. 507 to 514). Commercial assets comprise commercial establishments (art. 515 to 533); art. 25 defines the commercial enterprise, empresa patents (art. 534 to 571); trademarks and models (art. 572 to 611), and negotiable instruments (art. 619-799), including related procedures (art. 780 to 821). Book four deals first with obligations in general (art. 822 to 831), followed by representation (art. 832 to 844); offers (art. 845 to 863); contracts in general (art. 864 to 872); payments (art. 873 to 886); assignment of contracts (art. 887 to 896), and ineffectiveness, nullity and voiding of contracts (art. 897 to 904). These provisions are followed by rules for particular contractual types: sales (art. 905 to 967); supply contracts (art. 968 to 980); contracts of transportation of persons and goods (art. 981 to 1.035); insurance (art. 1.036 to 1.162); exchange (art. 1.163 to 1.169), bailment (art. 1.170 to 1.191); accommodations (hospedaje, art. 1.192 to 1.199); pledge with and without dispossession (art. 1.200 to 1.221) antichresis (art. 1.221 to 1.225); trusts (art. 1.226 to 1.244); open account (cuenta corriente, art. 1.245 to 1.261); agency (art. 1.262 to 1.286); commission (art. 1.297 to 1.316); commercial agency (art. 1.317 to 1.331), administration (preposición, 1.1.332 to 1.339), brokers (art. 1.340 to 1.353); editing (art. 1.354 to 1.376); consignments (art. 1.377 to 1.381), and banking contracts (art. 1.382 to 1.425). Book five deals with navigation by water and air (art. 1.426 to 1.909). Maritime activities include not only those which take place within the territorial waters and the contingent seas but also those which involve the subsoil of the continental shelf and fishing, as well as research and exploitation of the resources of the sea and the shelf (art. 1.429). Maritime transportation both of persons and goods is regulated in art. 1.578 to 1.665; maritime sales in art. 1.688 to 1.702; and maritime insurance in art. 1.703 to 1.772 Aviation is regulated in art. 1.773 to 1.909. The final book, entitled proceedings, contains provisions on compromise settlement (concordato preventivo, art. 1.910 to 1.927) and bankruptcy (art. 1.928 to 2.032). The new code will replace the one enacted in 1887.

In regard to foreign business associations, the new Commercial Code provides in essence that subsidiaries of foreign associations conducting permanent activities in Colombia as stated in art. 474, are subject to the supervision of the Superintendencia Bancaria or de Sociedades, as the case may be (art. 470). In order to engage in business in Colombia, a foreign business association must establish there a subsidiary with a
domicile in Colombia by executing a notarial act at the chosen domicile in Colombia, containing an authentic copy of its license of its charter, accompanied with the resolution by the parent association to establish a subsidiary in Colombia and the list of its representatives. The resolution must contain, in accordance with the law of the domicile of the parent association, the type of business to be conducted; the capital allocated to the subsidiary; the domicile of the subsidiary; the prospective duration of the business; and the designation of a general agent (mandatario general) authorized to conduct all business within the scope of the charter and to represent the subsidiary for all legal purposes (art. 472). In case the subsidiary should exploit or conduct a public service, or an activity affecting national security, the general agent and his deputies must be Colombian nationals (art. 473). In addition to the acuerdo just described, a subsidiary needs a permit to be issued by the Superintendencia de Sociedades or Bancaria (art. 471. para. 2). Moreover, the subsidiary must prove to the Superintendencia that the allocated capital has been paid in (cubierto, art. 475); it also must establish reserve funds in Colombia and comply with other requirements imposed by Colombian laws (art. 476).

Nonresident individual aliens engaged in business in Colombia must appoint a local agent and comply with provisions applicable to foreign associations (art. 477), within a three month period (art. 478). Foreign documents submitted in conjunction with the application are regulated in art. 479 and 480. The Superintendencia may deny the permit (art. 481). Doing business without a permit is punishable by fines (art. 483); representatives acting for such foreign associations are jointly responsible for obligations incurred in Colombia (art. 482). The subsidiary (art. 86. para. 3) must register in the Chamber of Commerce its charter and changes thereto, as well as its local representatives (art. 484). The association is liable for all legal effects regardless of subsequent changes (art. 485). The existence of a foreign business association and its charter are proven by a certificate issued by the Chamber of Commerce, as is the status of its representatives (art. 486). The capital of the subsidiary may be increased, but may not be reduced except as provided in the Commercial Code, taking into consideration creditors located in Colombia (art. 487). Foreign business associations must have books authenticated (art. 86. para. 3) in the same Chamber of Commerce, regarding business conducted in Colombia “in accordance with the national laws.” They also must file annually with the Superintendencia a general financial statement (art. 488). Whenever the Superintendencia finds that the capital allocated to a subsidiary has decreased by 50% or more, the Superintendencia will require that the capital be replaced (art. 490), to avoid fines (art. 491). Foreign subsidiaries are amendable to compromise settlement and to bankruptcy (art. 492).
492). The permit (art. 471, para. 2) may be suspended (arts. 493 to 494) or revoked (art. 495). Profits earned by subsidiaries will be liquidated in accordance with the financial statement and upon approval by the Superintendencia (art. 496).

The new Commercial Code also regulates civil aviation, namely any aircraft within the Colombian airspace as defined in art. 1.777 and Colombian aircraft in space subject to no other sovereignty (art. 1.773, para. 2). In case no applicable rule is available in the Commercial Code, general principles of aviation law, or of maritime law or of general law (derecho común) will be resorted to, in that order (art. 1.781). Aircraft (art. 1.1789) will be registered (art. 1.792); however, registration may be cancelled (art. 1.796). Colombian carriers must employ 90% Colombian personnel (art. 1.803); this rule applies also to foreign subsidiaries established in Colombia, except in case of reciprocity (art. 1.803). Authority of the commander is defined (art. 1.805-1.807). Airports are regulated in art. 1.808 to 1.826; damages to third persons on the ground in art. 1.827 to 1.849; collisions in art. 1.841 to 1.843; crashes and other incidents in art. 1.844 to 1.850; the user (explotador) in art. 1.851 to 1.870. Transportation contracts must be communicated to passengers on the ticket (art. 1.875), with contents prescribed by the Code (art. 1.877).

The carrier is liable for "damages in case of death or injury of the passenger, once it is proven that the fact which caused the harm occurred on board the aircraft, or during embarking or disembarking," starting when the passenger leaves the terminal until he reaches similar facilities at the end of the journey (art. 1.880, para. 2). There are grounds for exoneration under point (1) and (3) of art. 1.003 of the Code, namely when injury is caused exclusively by third persons, or caused exclusively by the passenger's fault (culpa), or by his "organic defects or previous illness which have not been aggravated as consequence of acts imputable to the carrier;" or that the carrier has taken all necessary measures to avoid the damage; or that it was impossible to take them (art. 1.880, para. 1). In no case may damages surpass the value of 25,000 grams of pure gold (art. 1.881), according to the statutory text: veinticinco mil gramos de oro puro por pasajero. Since this would amount to 25 kg. gold, it may be assumed that the language refers to milligrams which, on the other hand, represents a minimal amount. Various agreements are regulated, among them leases and charters (arts. 1.890 to 1.899) as are insurance (arts. 1.900 to 1.903), mortgages (arts. 1.904 to 1.907) with a list of privileged claims, namely taxes secured by a lien on the aircraft; salaries of the crew for the last month; expenses for assistance or salvage or conservation of the aircraft; damages caused by the aircraft during the last year to persons and things "on occasion of a flight" except there
is insurance or surety (art. 1.905); finally, attachment and seizure (art. 1.908 to 1.909).

The Criminal Customs Statute (Decree No. 955, 1970) has been amended by Decree No. 520 (1971).

The Junta Monetaria has established (Resolución No. 30, 1971) an emergency agrarian fund in the Bank of the Republic.

The system of social security, originally established by Law No. 90 (1946), has been amended by Decree No. 433 (1971), covering nationals and aliens (art. 2, a), including certain employees of the State, departments and municipal corporations (art. 2, b), independent workers and small entrepreneurs (patronos), union employees (art. 2, d), and others. It covers sickness, maternity, accidents, invalidity, old age, death and family allowances (art. 6).

The Ministry of Agriculture has issued a decree (No. 801, 1971) to prevent clandestine exportation of cattle.

The Dirección General de Impuestos was reorganized by Decree No. 978 (1971).

Law No. 20 (1969) extinguishing interests in oil deposits that remained unexploited and may be declared a national reserve, was implemented by a regulation (Decree No. 797, 1971).

A 50% hike in the price of gasoline has prompted a segment of the Liberal Party to urge the Government to nationalize refineries as well as the distribution of gasoline which is in the hands of foreign companies, to be taken over by the Empresa Colombiana de Petróleos (ECOPETROL).

The exchange and customs status of free zones was regulated by Decree No. 1.082 (1971), implementing Law No. 105 of 1958, establishing free industrial and commercial zones, presently in Barranquilla, Buenaventura and Palmaseca.

Law No. 9 of 1942 regarding the development of the movie industry (and art. 166 of Decree-Law No. 444 of 1967, as amended) was implemented by Decree No. 879 (1971). It establishes at the Superintendencia de Industria y Comercio (within the Ministry of Economic Development) a special register where all producers and distributors of movies, domestic and foreign, must register (art. 1). Domestic enterprises are defined (art. 2 and 7), including the maximum foreign participation (art. 3 and 4), both in capital and in personnel employed. Resolución No. 0246 (1971) issued by the Superintendencia provides additional regulations.
Credit operation with foreign banks and firms are regulated by Circular No. 30 (1971), published by the Oficina de Cambios.

The exchange rate for dollars for the purchase of crude oil was regulated by Resolución No. 53, (1971), issued by the Junta Monetaria.

The General Regime of Treatment of Foreign Capitals and Trademarks, Patents, Licenses and Royalties (1970, 3 Law. Am. 97, 1971) took effect under Decree No. 1,299 (1971) with some modifications. Sec. (3) of art. 3 was modified so as to extend to 15 years the period for the transformation of foreign enterprises into domestic or mixed; in art. 17 the access of foreign enterprises to domestic short term capital is allowed and the limitation “exceptionally” was stricken; in art. 35 the option in favor of the State to purchase percentages in foreign enterprises was eliminated.

The Supreme Court of Justice faced with an attack on the decree by which Colombia acceded to the Andean Pact, on June 23, 1971 — even if it had doubts regarding the constitutionality in the matter — abstained to rule maintaining its traditional position that legislation approving treaties and conventions remains beyond its jurisdiction.

The Junta Monetaria has reduced to 1% the deposit required for the import of parts used for car assembly (Resolución No. 28, 1971); by Resolución No. 29 the Junta set interest rates of 5 to 6% for loans and discounts in foreign currency by the Bank of the Republic for short-term export operations.

Three conventions have been concluded with Bulgaria (1971): a commercial and payments agreement, an agreement dealing with credits, and an agreement on scientific and technical cooperation.

COSTA RICA

An amendment (Law No. 4.763, 1971) to art. 90 of the Constitution grants nations of both sexes over 18 years of age all political rights; the previous age limit was 20 years.

The coverage under the social security law was expanded (Law No. 4.750, 1971) to include all workers instead only those with a salary less than 1,000 colones ($150) per month. Contributions are set at 5% of the salary for employers and 4% for workers; the State will contribute the equivalent of 2%.

The Instituto de Fomento y Asesoría Municipal (IFAM) established under art. 19 of Law No. 4.574 (1970) is now regulated by Law No. 4.716
(1971). Its purpose is to cooperate with and aid municipal governments by granting loans in order to finance their public works and services; to promote cooperation between municipalities; and to render technical assistance. The initial capital was contributed by the State; the liquor tax will provide additional financial sources (art. 30 and 52).

The National Insurance Institute is authorized (Law No. 4.745, 1971) to issue mortgage bonds guaranteed by the portfolio of the Institute as well as by the State, to finance a building for the Institute.

The Instituto Mixto de Ayuda Social (IMAS) was established by Law No. 4.760 (1971) to deal with cases of extreme poverty through a national plan. Necessary financial means will come from employers' contribution of \( \frac{1}{2}\% \) of the total salaries paid to the employees, and from contributions, donations and support from other public entities, domestic and international. Employers' contributions will last for ten years.

The Ministry of Culture, Youth and Sports was created by Law No. 4.788 (1971) to develop national policy in these areas; it also will be charged with the administration of libraries and theaters.

Persons with an annual income of less than 5,000 colones qualify to receive free legal aid in the consultorios jurídicos organized by the University of Costa Rica, according to Law No. 4.775 (1971). Law students will offer these services under the supervision of a director and according to regulations issued by the University. Documents executed by these services are free from the stamp tax and other fees.

The addition of art. 143, 144 and 145 to the General Law of Civil Aviation of 1949 (3 Law. Am. 291, 1971) regulates certificates of exploitation granted to carriers for special flights within and outside of the Republic; such certificates will be issued by the Junta de Aviación Civil (art. 143). However, no such carrier may establish schedules nor sell tickets to the public, even though they may advertise (art. 144). A regulation will establish requirements which carriers must meet in order to be granted the certificate; also the grounds for the Junta's grant or denial (art. 143). An added transitory provision deals with applications filed prior to the regulation.

Costa Rica has ratified a number of conventions adopted by the International Labor Conference in 1969.

Recently, art. 129 to 132 of the Organic Law of the Judiciary was amended, as was the law establishing the Ministry of Transportation (No. 3155, 1963). Decree No. 4.777 enacted the Organic Law of the Technological Institute of Costa Rica.
Costa Rica ratified on July 9, 1971 the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at the Hague (1970); the Convention is not yet in force.

A decree (1971) requires aliens residing in a number of cantons to apply for registration with the Department of Migration of the Ministry of Public Safety in order to obtain a certificate of residence.

DOMINICAN REPUBLIC

The amendment to the Divorce Law (No. 1306-bis of May 21, 1937) provoked from the moment it was introduced heated discussions both in the Legislature as well as in the press and by the public. Particularly strong was the opposition voiced by the Church and its affiliated organizations. Nevertheless, both Houses of the Legislature adopted the amendment in May, only to be met by a Presidential veto. In an extended session the Legislature overruled the veto early in June, and the amendment became Law No. 143 of June 4, 1971. Art. 28 of the Divorce Law of 1937 is amended by the added para. (V) and allows aliens, even if they are not residents of the Republic, to obtain divorce by mutual consent, provided at least one of the spouses appears in court while the other is represented by an attorney with power executed for this action, after both parties have conferred "jurisdiction on a judge of first instance" by a notarial act executed in the same jurisdiction. The judge will then accept the action for divorce and within a period of three days (para. II added to art. 30 of the Divorce Law) summon the parties to appear in court. Upon completion of the hearing the court will cause the action to be notified to the office of the Attorney General which will rule within three days, upon which the judge will enter the judgment of divorce, again within three days. The judgment will be made public by an official of the Civil Service within the jurisdiction of the divorce court, upon filing of a certified copy of the judgment, after it has been inscribed in the civil register, by publishing the decisional part in a publication of national circulation (para. 1 of art. 31). Law No. 142 (1971) also enables Dominican nationals residing abroad to submit their divorce actions—based on any ground available in the 1937 law—to Dominican courts by executing an agreement before a notary public in the jurisdiction they have chosen to litigate their divorce (para. IV of art. 28). Actions litigated under Law No. 142 are subject to a special stamp tax (art. 4 of Law No. 142). A subsequent law (No. 174 of June 11, 1971) provides that no copy of the divorce judgment obtained under Law No. 142 will be issued to parties unless they show that "any sum in foreign currency employed in the proceedings has been deposited in the Central Bank of the Dominican Republic, in accordance with the existing legislation" (art. 1.). It came
as no surprise that immediately upon enactment of these laws parties from the north started to bring their marital grists into the new divorce mill.

A new Insurance Law (No. 126, 1971, 92 G.O. 9226) regulates as commercial acts (art. 2) insurance contracts on life of persons permanently residing in the Republic; involving assets located there; vessels, aircraft and other means of transportation registered in the Republic, and surety of any kind involving risks in the Republic (art. 4). Domestic insurance companies (art. 9) must be organized as corporations (a) dealing exclusively with insurance, (b) with a minimum capital of 100,000 pesos gold (c), of which at least 51% is held by Dominican nationals as nominative shares. In case of companies, no less than 51% of their capital and of their shares must be held by Dominicans; this requirement does not apply to insurers established more than two years prior to this law (e); finally, the majority of members of the board of directors and executives must reside in the Republic (f). Foreign insurers (art. 10) must comply with the foregoing provisions, except those under (e) and (f) unless they have been organized and have operated for more than five years according to the “laws of their country of origin” and comply with para. (b), (c), and (d) of art. 9. They must also allocate and maintain within the Republic capital of no less than 100,000 pesos gold, of which 50% may be used as a security as demanded by art. 20 of the law (art. 10). Foreign insurers must apply for permits according to art. 12, unless previously authorized. Transfer of shares requires approval of the Superintendencia de Seguros (art. 28). The law prescribes minimum contents of insurance policies (art. 33), lists insurable interests (art. 41), and regulates payment of premiums (arts. 43 to 48). Premiums for fire and car insurance are set by the majority of insurers (art. 49). Insurance contracts, except those for life, may be cancelled (art. 50). Detailed provisions regulate commissions (arts. 52 to 55); reserves and their investment (arts. 60 to 67), and the payment of indemnities (arts. 68 to 71). The law also provides for a tax on insurance premiums in the amount of 4 to 5% (arts. 79 to 82). Transfers and mergers are regulated in art. 83 to 97; revocation of permits and liquidations in art. 98 to 106. Insurance brokers are regulated in art. 107 to 126, with special provisions for foreign companies (art. 109, d). Administrative control over insurance is entrusted to the Superintendencia de Seguros (arts. 127 to 135) assisted by a Junta Consultativa de Seguros (arts. 136 to 141). The law replaces (art. 164) the Law on Insurance Companies (No. 3788, 1954), as well as incompatible provisions in the Commercial Code.

Law No. 153 (1971) on promotion and incentives for tourist develop-
ment aims at a rational and accelerated development of the tourist industry (art. 1) by granting substantial incentives for such projects in eligible areas (art. 2). Incentives are available to "natural and legal persons domiciled in the country" (art. 4) to organizations listed in art. 5 as, for example, hotels, motels, integrated tourist centers and other facilities for recreation. Taxation benefits are granted (art. a) to domestic and foreign capital, the latter registered in accordance with Law No. 251 (1964). Exemptions last 10 years (art. 12). Additional benefits are available by way of financing (art. 10), and guarantees, among them repatriation of foreign investments, their amortization, interests and commissions, dividends, capital gains, participations, franchises, etc., within 10 years for investments in land, and five years for equipment and other movables (art. 11). Applications for such benefits must meet requirements of art. 14. The law will be administered by a Directorio de Desarrollo Turístico (art. 15), under supervision of the Dirección Nacional de Turismo (art. 19). Final provisions contain penalties (arts. 22 to 23).

The Mining Law (3 Law. Am. 291, 1971) was enacted as Law No. 146 (1971). The Government approved that the Secretariat of Industry and Commerce cancel mining concessions which defaulted on their contracts with the State and declare such interests to be national reserves according to art. 17 of the new Mining Law.

The Comisión Nacional de Espectáculos Públicos y Radiofonía has been regulated (No. 842, 1971).

Law No. 112 (1971) requests publishers of periodicals published in the Republic to furnish the National Library with two copies, including books. Agencies marketing foreign periodicals and other publications must submit one copy; this rule applies also to records.

Law No. 119 (1971) regulates the commerce, carrying and possession of firearms.

The new Organic Act of Mortgage Banks was enacted (Law No. 171, 1971); it regulates the establishment and operations of such banks, their services and related prohibitions, limitations and exceptions.

The Senate has approved a law requiring civil service employees to disclose their financial status (amendment of art. 2 and 3 of Law No. 5729, 1961).

A law regarding extraction of gravel and similar materials was approved by both Houses and sent to the President for promulgation.

The Chamber of Deputies has approved a law granting to the State a share in the land improved by government sponsored irrigation; owners
of less than 150 tareas are exempt. The Chamber also approved the establishment of a Centro Dominicano de Promoción de Exportación.

The Government submitted to the Legislature a law amending the Gaming Law (No. 85). The Secretariat of Labor is preparing a law granting workers a share of no less than 6% of profits, in form of workers' shares, giving workers the same rights as other shareholders.

The Dominican Republic ratified on June 20, 1971, the Convention for the Suppression of Unlawful Seizure of Aircraft; the Convention is not yet in force.

A Centro Jurídico de Investigaciones Penales was established in Santo Domingo.

ECUADOR

Ecuador has ratified the General Regime of Treatment of Foreign Capitals (1970) by Decree No. 974 of June 30, 1971, with reservations available under the regime (art. 44) and stated in Decree No. 1026 (1971). Consequently, the time periods provided in art. 39, and in the last paragraphs of art. 40 and 41 will not apply in regard to basic products; public services; insurance and banking; domestic transportation; advertising; radio and television, periodicals and reviews; and enterprises marketing domestically any kind of products, among others.


EL SALVADOR

The Commercial Code of 1970 (3 Law. Am. 62, 1971) in force since April 1, 1971, has been amended. The first amendment (Legislative Decree No. 262, 1971) deals with jurisdiction in commercial matters. Since the two laws, namely the Transitory Law of Commercial Procedures and the Regulatory Law of the Commercial Register designed to accompany the Code have not yet been passed, commercial litigation will be exercised by judges and tribunals competent for general (civil) matters according to "rules of general law" (art. 1); art. 2 provides interim provisions for commercial inscriptions. The second amendment enacted as Legislative Decree No. 271 (1971) settles the status of accountants and auditing associations (art. 290 of the Commercial Code); it also provides in the
amended art. 1564 of the Code that foreign associations engaged in such activities may continue their activities for five years. The third amendment (Legislative Decree No. 277, 1971) clarifies the status of cooperatives which have been established according to the previous Commercial Code while the present Code has excluded cooperatives from its coverage; affected are arts. 18 and 19 of the new Code. Finally, the fourth amendment (Legislative Decree No. 300, 1971) modified art. 1 of the Code by providing that merchants, commercial acts and commercial things shall be governed by the Commercial Code and “other commercial laws, and in their absence, by the pertinent usages and customs, and in their absence by the provisions of the Civil Code.”

The law which established the guarantee fund for small industry of 1970 (3 Law. Am. 294, 1971) was amended by Legislative Decree No. 222 (1971) in regard to the election of its director.

The law on credit institutions of 1970 (3 Law. Am. 60, 1971) was amended by Legislative Decree No. 368 (1971) so as to prohibit such institutions from financing their directors or shareholders with more than 25% share of the capital of the institution. The prohibition applies also to their spouses and relatives to the third degree as well as to associations in which these persons participate. However, there are exceptions (art. 197 a to d).

A large bond issue was approved by Legislative Decree No. 238 (1971) to finance public works. Another Decree (No. 30, June 18, 1971) created the Comisión Ejecutiva de Seguridad y Desarrollo de la Zona del Norte.


Congress is discussing a new Labor Code.

FRENCH ANTILLES AND GUINA

The three important amendments to the law of business associations (No. 66-537), enacted by Law No. 70-1208 (1970); No. 70-1284 (1970) and No. 70-1322 (1970) and Decree No. 71-418 (1971), are in force in Saint-Pierre and Miquelon but not in the French Caribbean areas. There the law of 1966 obtains (art. 507) until local authorities adopt the recent changes.
France has ratified (Decree No. 71-285, 1971) an additional convention amending the extradition treaty with the United States of January 6, 1909, as modified in 1929 and 1936. Some of the extraditable crimes (art. 11, sec. 4, 7, 8, 10, and 15) have been modified and four new crimes added (art. 11, 16 to 19), the last dealing with mutiny on board aircraft and air piracy.

In social security, medical fees have been modified (arrêté, April 30, 1971), and the organization of administrative councils, as well as family allowances changed (Decree No. 71-138, 1971).

Decree No. 53-914 (1953) regarding simplification of administrative formalities in matters of civil status was extended to these areas (Decree No. 71-211, March 17, 1971).

Minimum wages have been modified (Decree No. 71-250 and 71-251, 1971), also indemnities to apprentices (Decree No. 71-248, 1971).

Registration of interests in land as regulated by Decree No. 55-1350 (1950), implemented by arrêté of October 16, 1959, was further regulated by arrêté of March 12, 1971, dealing with the form of such deeds and their microphotos (art. 12).

The Code of National Service (military service) enacted by Law No. 71-424 (1971) applies also in the French dependencies in the Caribbean (art. 2).

In connection with Regulation No. 58-0273 (1958) dealing with the judiciary, Decree No. 47-1578 (1947) regarding the judicial organization in the French dependencies in the Caribbean, including Regulation No. 58-1352 (1958) on violations in matters of the commercial register, Decree No. 59-1582 (1959) regarding the organization of artisanal registers in the French dependencies, and others, Decree No. 59-1582 (1959) has expanded the application of the 1958 decree, with amendments, to these areas.

Pursuant to Law No. 70-1218 (1970) granting family allowances to orphans and children in charge of one parent, Decree No. 71-504 (1971) makes the law applicable also to the French dependencies in the Caribbean with certain modifications (art. 9-10).

Decree No. 65-1005 (1965) granting bonuses for employment overseas will remain in force through December 31, 1975 (Decree No. 71-500, 1971).

Decree No. 71-524 (1971) regarding saving societies will—in the Western Hemisphere—take effect only on Saint-Pierre and Miquelon (art. 27).

Art. 396 and 397 of the Code of Criminal Procedure have been amended by Decree No. 45-71 (1971).

Deposits of moneys in court are regulated by Decree No. 28-71 (1971).

A regulation was issued for the Ministry of Agriculture (D.O. April 5, 1971). Government contracts are regulated by acuerdo No. C.M. 9-71 (D.O. March 29, 1971). The Ley Orgánica de la Empresa Guatemalteca de Telecomunicaciones (GUATEL) has unified telecommunications in one institution (Decree No. 14-71, 1971); art. 31 of the law regarding radio-communications has been amended (Decree 47-71, 1971).

Reduction of penalties of first offenders with good prison records is allowed under Decree No. 30-71 (1971); partial amnesty was granted by Decree No. 30-71 (1971).

Agrarian operations in El Petén are regulated by Decree No. 38-71 (1971).

Decree No. 69-71 (1971) established judicial warehouses to hold movable property involved in judicial proceedings, including auctions.

An agreement was reached between the Ministry of Agriculture and the University of San Carlos regarding work on a cooperative development program (D.O. May 14, 1971). Private non-profit institutions managing education centers and centers for scientific and technical research, and contributing to the development of education are tax exempt (Decree No. 58-71, 1971). Lunch programs for rural schools have been introduced by Decree No. 13-71 (1971).

Centro Nacional de Promoción de las Exportaciones (GUATEXPRO) was established (Decree No. 60-71, 1971). The administrative regulations contained in the Ley Orgánica del Instituto Guatemalteco de Turismo (Decree No. 1701) have been amended (Decree No. 22-71, 1971).

An acuerdo issued by the Ministry of Labor (No. 32-71, 1971) regulates scholarships to be provided by employers for the professional qualification of their Guatemalan personnel. Decree No. 43-71 (1971) amended rules applicable to the establishment and operation of recreation centers for workers employed by the State. According to Decree No. 31-71 (1971) emergency measures taken by the Government do not affect labor
union activities, including collective bargaining.

An *acuerdo* issued by the Ministry of Health (April 28, 1971) has established norms regarding biological residua in meats for human consumption. To protect coffee plantations against diseases a regulation regarding importation as well as transit of coffee was issued (D.O. June 29, 1971).

*Banco del Ejército* was created by Decree No. 40-71 (1971). Decree No. 56-71 (1971) regulates the operation of the Mobile Military Police.

A register for taxpayers has been established (Decree No. 25-71, 1971). Decree No. 19-71 granted taxpayers a moratorium. Decree No. 41-71 (1971) regulates the use of domestic vessels and aircraft by persons and institutions, enjoying privileges under the laws of industrial development and the Central American Convention of Tax Incentives for Industrial Development.

The current year has been declared as the year of international struggle against racism and racial discrimination (Decree No. 18-71, 1971).


A provisional commercial agreement was reached with Japan on March 11, 1971 (D.O. March 30, 1971). Also ratified was the aviation convention with Spain signed in 1971 (Decree No. 68-71, 1971), and the convention on technical cooperation with Brazil (1971), accompanied by the establishment of a mixed Brazilian-Guatemalan commission (D.O. July 21, 1971).

**HAITI**

The reform of the Haitian divorce law as applicable to "foreign tourists, visitors, and resident foreigners" was effected by three enactments: Decree of November 20, 1970 (125 Moniteur No. 96, November 23, 1970), amending art. 92 and 98 of the Civil Code; Decree of December 24, 1970 (125 Moniteur No. 101, December 10, 1970) and Decree of June 24, 1971 (126 Moniteur No. 51, June 28, 1971) replacing the Decree of December 10, 1970. Generally, divorce is available for the grounds listed in the Civil Code, namely for adultery (art. 215 and 216); mistreatment (art. 217); dishonoring punishment (art. 218); condemnation including loss of civil rights and imprisonment for more than five years (art. 219); and mutual consent that common life is unbearable (art. 220). For divorces among foreigners two new grounds are added: separation for more than one year and incompatibility of character (art. 1 of the 1971 Decree). "Once plaintiff has chosen Haitian jurisdiction and the defendant spouse has appointed a representative expressly for this action, such voluntary submission by the parties to Haitian justice results in conferring Haitian
jurisdiction regarding both the merits (sur le fond) and the procedure, and confer competence on Haitian courts" (art. 2, para. 1). In such cases parties will be released from formalities provided by the Decree of November 20, 1970 regarding election of domicile and of the related fee; nevertheless, both parties are liable for a fee of 100 gourdes (art. 2, para. 2). Plaintiff will file the action for divorce with the Secretary of State for Justice, accompanied with necessary documents, among them the marriage certificate or, at least, a sworn affidavit by the official of the country where the marriage was celebrated (art. 3, para. 1). These papers, together with the receipt for the fee, translated into French, will be forwarded the same day by the Secretary to the President of the Civil Court (art. 3, para 2) who will “make to the plaintiff spouse all proper recommendations toward reconciliation; if unsuccessful, the President will issue an order to put the case on immediate docket” (art. 4), for which an additional fee of 50 gourdes is due (art. 5). Within 24 hours from the docketing of the case plaintiff's attorney will appear at a hearing and, after having presented the complaint, may also make an oral statement, provided the judge deems it necessary (art. 6). The attorney for defendant, after producing the receipt for the fee (art. 2), will request a certificate of appearance, read his answer and make additional oral pleadings, provided the judge deems them necessary (art. 7). The judge (du siege) will, after hearing the Attorney General, order the submission of documents and render his decision within twenty four hours (art. 8, para. 1). The decision “rendered after adversary pleadings will have the effect of res judicata and will not be open to any appeal” (art. 8, para. 2). The judgment will be recorded and then delivered to plaintiff's attorney who will file it with the official of the civil status for inscription in a special register against a fee of 50 gourdes. Two copies of the divorce judgment are available against an additional fee of 25 gourdes. The divorce also will be published in a daily newspaper in the capital (art. 9). However, the procedure varies in cases where defendant does not appear either personally or by a properly appointed attorney. In these cases plaintiff must comply with the Decree of November 20, 1970, regarding election of domicile. In essence, this decree provides that a change of domicile must be declared in the office of the justice of the peace of the place to be abandoned, as well as in that of the place to which one transfers the domicile (art. 1). However, in connection with divorces involving visitors, tourists or resident foreigners, they may elect a domicile in Haiti for the duration of the divorce proceedings (art. 2 para. 2) by filing a declaration with the Secretary of State for Justice, accompanied with a receipt for a fee of 500 gourdes (art. 2, para. 2). The Secretary will order without delay the justice of the peace to execute a certificate of election of domicile and forward one copy within twenty
four hours to the President of the Civil Tribunal and to the other party involved (art. 2, para. 3). Whenever such act involves a place other than that of real domicile, the notifications, actions and other acts under the decree may be made at the agreed upon domicile and before the judge of this domicile (art. 3, para. 1). In regard to divorce of foreign visitors, tourists or foreign residents, all such acts may be done only at the domicile so chosen and before the judge thereof (art. 3, para. 2). In divorce proceedings with only plaintiff appearing, the plaintiff accompanied by his attorney will appear personally within twenty-four hours after the forwarding of the certificate of election of domicile to the President of the Civil Tribunal, and plead the case, stating in detail the facts and indicating the causes for divorce; he also will submit the certificate of marriage (or an official sworn affidavit) and all other necessary papers, properly translated (art. 10, para. 2 of the 1971 Decree), including the receipt for a fee of 50 gourdes (art. 11). The procedure then follows art. 4 and 5 of the 1971 decree (art. 12 and 13), under which the attorney will, within twenty-four hours from the docketing of the case, appear for a hearing and, in the discretion of the judge, also plead orally (art. 14). After complying with the provisions contained in art. 8, para. 1 (supra), the judgment will be delivered and properly inscribed (art. 16). Plaintiff's attorney will undertake notification of the defendant; in eight days from such notification within the Western Hemisphere, and within 15 days without, the judgment will acquire "l'autorité de la chose souverainement jugée" (art. 16, para. 1). Plaintiff's attorney also will have to comply with provisions contained in art. 9 (supra), dealing with the inscription in the register of the civil status (art. 16, para. 2). In regard to remarrying, art. 16 frees the divorced wife from the limitations imposed by art. 213 of the Civil Code providing that she cannot remarry within one year from the dissolution of the marriage which, according to art. 212 of the Civil Code may terminate by the death of the husband, by divorce or by his being sentenced to life. To marry again, the now divorced parties will have to comply with the laws, usages and customs of "their country of origin or of the place of their domicile" (art. 17). The travel agency, indicated in the decree of December 10, 1970, is charged with filing with the Secretary of State for Justice a list of divorces by foreigners (art. 18). The fees under art. 2, 9, and 11 of the 1971 Decree and those paid under the Decree of November 20, 1970, will be credited to the National Defense; those paid under art. 5 of the 1971 Decree to the Ministry of State (art. 19).

Among the earliest acts of the new President is one granting an increase in the minimum daily wage to five gourdes, and another increasing salaries of enlisted men and non-commissioned officers (Law of April 30, 1971). On May 5, 1971, the President announced a new five-year plan.
An organization for the development of the Arlibonite Valley has been established (Law of May 21, 1971). The work of the *Grand Conseil Technique des Ressources Nationales et du Développement Economique*, created by Law of February 28, 1958, as amended in 1959 and 1962, was temporarily suspended in order to facilitate its reorganization (Law of June 23, 1971).

The Legislature approved (June 2, 1971) an amendment to a decree of November 21, 1961, and allocated budgetary resources to the *Comission de Reforme des Codex Haitiens* and for the acquisition, construction and repair of court buildings and their equipment.

A committee to study foreign investments has been set up (June 25, 1971).

An autonomous public entity, the *Electricité d’Haiti*, has been created to own and operate all sources for the production of electricity (art. 4). The administrative Council, composed of representatives of various administrative agencies and an engineer of the private sector, will act through a General Administration. The entity enjoys freedom from tariffs and taxation (Law of July 29, 1971).

**HONDURAS**

Legislative Decree No. 34 (1970) regulates the status of foreigners in Honduras as well as domestic emigration. The law charges the *Secretaría de Gobernación y Justicia* with the administration of the law, with the aid of a *Consejo Consultativo de Población*. Other offices acting in this area are the *Dirección General de Población*, and the *Oficina Central de Identificación*. The admission of foreigners is regulated as are their rights, duties, control, naturalization and expulsion. The law also deals with immigration and naturalization.

Legislative Decree No. 11 (1970) established a national pawnshop service as an administrative service designed to help people with insufficient means to have access to low interest credit. The law regulates the organization, purpose and legal framework within which the service shall function and provides for necessary capital and administration.

Legislative Decree No. 103 (1971) provided for administrative procedures to set and administer minimum wages through a *Dirección General de Salarios*, in cooperation with the Ministry of Labor and Social Welfare.
Decree No. 130 (1971) amended art. 37 and 210 of the Constitution.

Decree No. 124 deals with passports; Decree No. 63 provides the basic law for the Armed Forces. Decree No. 129 reorganized the Secretariat for Economy and Finance dividing it into two ministries; Decree No. 132 divided the Secretariat of State into one for public works and urban affairs, and another for finance and public credit. All the above decrees were issued in 1971.

Decree No. 128 (1971) contains the organic law of the Colegio de Profesionales de Enfermería de Honduras. Decree No. 133 amended the Ley Orgánica del Colegio de Ingenieros Cíviles de Honduras.

Decree No. 19 (1971) made the National School of Agriculture a dependency of the Ministry of Natural Resources; its program of studies will be approved by the Ministry of Public Education.

JAMAICA

The Unit Trust Act, 1970 (No. 29 of 1970) regulates unit trust schemes, defined as “any arrangement (whether in Jamaica or elsewhere) made for the purpose, or having the effect, or providing facilities for the participation by persons, as beneficiaries under a trust, in profits or income arising from the acquisition, holding, management or disposal of securities or any other property whatsoever, but does not include any arrangement having as its object or principal object the provision of pensions” (sec. 2, para. 1). Such schemes must be registered with the Superintendent of Unit Trusts (sec. 3) and meet the requirements set in sec. 5 and in the first schedule, among them that “each of the persons who are respectively the manager and the trustee under the scheme is a corporation incorporated under the law of Jamaica and having a place of business in the Island at which notices and other documents are received on behalf of the corporation” (sec. 5, para. 1, a). Refusal of such application may be appealed to the Minister of Finance (sec. 6). A registration may be canceled (sec. 7), and the cancellation appealed (sec. 8). Salesmen must be registered by the Superintendent (sec. 10) in order to receive the license (sec. 13); refusal of registration may be appealed (sec. 11). Registration may be summarily canceled on grounds listed in sec. 14 and appealed (sec. 15). Both appeals (under sec. 11 and 15) are decided by an Appeals Tribunal (sec. 17) consisting of a chairman and two members appointed by the Minister (second schedule). The Superintendent may institute investigations (sec. 19 to 21). Violations are punishable by imprisonment and fine. The Minister is authorized to issue regulations.
(sec. 28), subject to the veto of the House of Representatives (sec. 30). Solicitors and counsel enjoy the benefit of privileged communication, except "as respects the name and address of his client"; bankers are not required to disclose any information or document "as to affairs of a customer unless the customer has been required under this Act to disclose any such information" (sec. 33).

The Insurance Act of 1971 (No. 8, 1971) provides that only "registered companies" may engage in insurance business (sec. 5 and 6), provided they meet requirements (sec. 9 and 11). Against an unfavorable ruling by the Superintendent of Insurance the applicant may appeal to the Minister in charge of insurance (sec. 12). Registration may be canceled (sec. 15). Deposits by insurance companies and their investments are regulated (sec. 23 to 24), as are accounting and administrative requirements (sec. 25 to 32). Solvency of insurance companies (sec. 33 to 34) and judicial management and liquidation (sec. 35 to 46) as well as information and inspection (sec. 47 to 53) are regulated. Foreign insurance companies are subject to sec. 346 and 348 to 354 of the Companies Act (No. 7, 1965). Insurance brokers, salesmen, agents and subagents must be registered (sec. 54 to 68). Particular provisions apply to life insurance (sec. 69 to 73), with additional provisions for industrial life insurance (sec. 74 to 80), with premium receipt books (sec. 81 to 85). Among miscellaneous and supplemental provisions (sec. 86 to 111) a few may be mentioned: on merger (sec. 93 to 94); on conversion into mutual companies (sec. 95); on administrative rule-making power (sec. 104 to 105) and on offenses (sec. 106 to 108). The Act also contains a conflict-of-laws rule (sec. 96) providing that "Every contract of insurance which is evidenced by a local policy shall be governed by the laws of Jamaica, notwithstanding any agreement to the contrary;" however, this rule excluding choice of law by parties' agreement does not apply to marine insurance contracts as defined in sec. 2.

The Territorial Sea Act, 1971 (No. 14, 1971) has set Jamaica's territorial waters as twelve miles in breadth "or shall have such other breadth as may be described" (sec. 3, para. 2), particularly by the use of base lines under art. 5 of the Convention on the Territorial Sea and the Contiguous Zone (1958) to which Jamaica is a party (sec. 3, para. 4). In regard to criminal acts, the act provides for any offense punishable by Jamaican law committed "by a person, whether he is or is not a citizen of Jamaica, on or in the territorial sea . . . notwithstanding that it may have been committed on board or by means of a vessel the nationality of which is not Jamaican," may be arrested (sec. 4, para. 2) and brought before a Jamaican court (sec. 4, para. 1). There are additional saving
provisions in favor of Jamaican criminal jurisdiction (sec. 4, para. 4 and 5). In regard to civil process, sec. 5 provides that “Nothing shall be unlawful to any extent to which it is inconsistent with any provision of the [Geneva] Convention insofar as they are restrictive of the taking, pursuant to Jamaica’s sovereignty over the territorial sea, of measures for the purpose in the execution of civil process or the exercise of civil jurisdiction.” The Minister of Foreign Affairs is empowered to issue regulations (sec. 6). The Act has abrogated the Territorial Waters Jurisdiction Act, 1878 (sec. 4 para. 3), and caused amendments (schedule No. 2) in a number of statutes: Customs Law, ch. 89; Judicature (Resident Magistrates) Law (ch. 179); Judicature (Supreme Court) Law (ch. 180); the Morant and Pedro Cays Law (ch. 255), and the Beach Control Law (No. 63, 1955).

The Students’ Loan Fund Act (No. 13, 1971) was enacted, and a number of acts amended, among them, the Public Utility Commission Act, 1966 (No. 31, 1970); the Judicature (Supreme Court) Law (No. 32, 1970); the Moneylending Law (No. 33, 1970); the Betting, Gambling and Lotteries Act, 1965 (No. 9, 1971); the Stamp Duty Law (No. 11, 1971), and the Bank of Jamaica Law, 1960 (No. 12, 1971).

The Land Surveyors Law (ch. 211) was implemented by the Land Surveyors Regulations, 1971 (No. 153).

The Legislature has passed the Legal Profession Act, 1971, merging the professions of barrister and solicitor.

MEXICO

The federal constitution of 1917 was amended by two decrees (D.O. July 6, 1971). Among the exclusive powers of the Chamber listed in art. 74, the first provides that the Chamber may constitute itself into an Electoral College to deal with the presidential election. This power is now expanded to include municipal elections in federal territories. The second decree expanded the authority of Congress (art. 73) by adding in section XVI (4) to the fight against alcoholism and narcotics measures “adopted to prevent and combat ecological pollution;” the word raza was replaced with “human species.”

The new Federal Law on Agrarian Reform (D.O. April 16, 1971) replaced the Code enacted on December 31, 1942. It consists of seven books which deal with agrarian authorities and the consultative body (art. 1 to 16); the organization and functioning of ejidos (art. 17 to 127) and their economic organization (art. 128 to 190); with distribution of land (art. 191 to 271); agrarian proceedings (art. 272 to 441); the
agrarian register and planning (art. 442 to 457); and responsibilities (art. 458 to 475). Final and transitory provisions are contained in art. 746 to 780. The main thrust of the new law is to renew national efforts in this area by vigorous action in land distribution; by protecting small farmers, particularly those engaged in the cattle industry; by decentralization of matters involving ejidos and by strengthening its democratic characteristics by secret voting and limitation of reelection; by securing just and prompt compensation for the expropriation of ejidal lands in favor of affected members of the ejido; by a consolidation of the Fondo Nacional de Fomento Ejidal; and finally, by developing a national agricultural plan and including a reorganized ejido in it.

A Presidential acuerdo (D.O. April 30, 1971) authorizes the Secretariat of Foreign Relations according to art. 27, para. 1, of the federal constitution, to grant permits to national credit institutions under art. 2 of the Organic Law relating to the same constitutional provision (D.O. January 21, 1926); and to acquire in trust titles to immovables, destined for industrial and touristic activities and located within the 100 km. zone along the frontiers, or 50 km. along the coasts, provided that the aim of the acquisition is to allow an exclusive utilization and improvement of these assets by beneficiaries, without conferring upon them any interest in such immovables. Credit institutions will be allowed to issue, on the basis of such arrangements, certificates of participation which must be nominative and are not subject to amortization (art. 1). Such permits may also be issued, in the discretion of the Secretariat, to private credit institutions, but subject to particular conditions and without impairing public interest (art. 2). An intersecretarial Consultative Commission, composed of representatives of interested secretariats, will advise the Secretariat of Foreign Relations on such applications taking into consideration the economic and social aspects of the undertaking (art. 3). The institutional trustee will retain title to the immovable property and may lease it for periods not exceeding 10 years. However, the total duration of such trust arrangements may not exceed 30 years. After the lapse of this period the institutional trustee may pass the title of the immovable to persons qualified to acquire it, while the federal Government retains the power to check on compliance with the aims of the trust (art. 4). Certificates of participation represent for the beneficiary only interests listed in art. 228 (a), para. (a) and (c) of the General Law of Credit Titles and Operations (1932, as amended in 1946) which limits such interests accruing to holders of certificates of participation to (a) a proportionate share of income from the res, and (c) to a share from its proceeds, but excluding here para. (b) which grants a proportionate share in the title to the res. Consequently, such certificates do not represent
an aliquot share in the title to the immovable res of the trust (art. 5). As already indicated, they must be nominative and non-amortizable, and grant only the right to improve the immovable for industrial or touristic purposes, and give the right to income as well as the right to a share in the proceeds from the final disposition of the res. Finally, the acuerdo provides (art. 6) that aliens are not required to obtain permits for such participation from the Secretaría de Gobernación according to art. 71 of the General Population Law (1960) and art. 14, para. VIII, of its regulations (1962, art. 6).

The new Law Establishing Minimum Rules regarding Social Rehabilitation of the Condemned (D.O. May 19, 1971) provides for individual treatment of prisoners prior to their release. Among them are individual consultation and discussion with relatives; group methods; greater freedom within the penal institution; transfer into an open institution; and permits to leave the institution during daytime on weekends or during the week with return on weekends (art. 8). Assistance to former inmates shall be given by a Patronato para Liberados (art. 15). The penalty may be reduced by one day for every two days of work (art. 16). Persons in preventive detention shall be kept apart from condemned inmates as shall be women and minors (art. 6).

The Organic Law of the Mexican Army and Air Force was enacted (D.O. April 15, 1971), replacing the law of March 11, 1926.


PARAGUAY

Law No. 17.730 (1971) established the Consejo de Industria e Inversiones to consider proposals for foreign investments submitted under Law No. 216 of 1970 (3 Law. Am. 306, 1971) and to forward its recommendations to the Consejo Nacional de Coordinación Económica. The law also contains a list of industries classified according to its scheme.

The new income tax law was promulgated as Law No. 248 (1971).
The General Law of Fisheries (Decree-Law No. 18.810, 1971) makes fishery resources of the “jurisdictional sea” of 200 miles and in the territorial waters property of the State (art. 1). Fishing activities, namely exploration, taking, manufacturing, and marketing (art. 6), may be exercised only by persons with proper permits (art. 7). Fishing activities may fall into the public or private sector (art. 10), with a number of intersectoral tasks (arts. 11 to 21) to be discharged by the Ministry of Fisheries in cooperation with other ministries. Final fishery products are those for direct or indirect human consumption, for non-alimentary use, for sport, and for research (art. 22). Persons engaged in fishing are: professionals, non-professionals (sport and research) and apprentices (art. 41). Fishing enterprises are classified according to their legal status or to their capital. According to the former, they may be public (state-owned), or private (owned by individuals or legal entities in the sense of the Law of Mercantile Associations and the Commercial Code), or social property regulated by special legislation (art. 49, a). According to the capital, enterprises may be national (with 80% of the capital held by nationals, provided this share is reflected in the management); foreign (with more than 51% foreign capital); mixed (with the relation between domestic and foreign capital fluctuating between 55 and 80%), or with state participation (art. 49, b). The law provides for significant incentives in taxation, credit, administration and technological aids (arts. 54 to 56). In regard to foreign capital, enterprises with more than 49% foreign capital shall enter into contracts with the State to reduce, within an agreed upon period, their participation to 49% or less (art. 57). No permits will be issued to fishing enterprises with foreign participation whenever they would be engaged in taking of maritime resources used in manufacture of fish meal or oil for indirect human consumption (but used in the preparation of consumable products) nor for plants to process them (art. 59). Peruvian stockholders in enterprises engaged in producing materials classified as being for indirect human consumption may sell their shares only to Peruvians or national enterprises (art. 60). Enterprises owning anchovy fleets and/or plants for fish meal or oil, with foreign capital participation higher than 49% and devoting part of their resources to fishing for direct human consumption, shall receive in the contract with the State special treatment proportionate to these resources. Enterprises engaged in fishing for direct human consumption shall, regardless of the percentage of foreign capital participation, receive treatment equal to enterprises with a majority of domestic capital (art. 62). In all contracts between the State and fishing enterprises with foreign participation the fishing community shall be in-
cluded (art. 63). In every fishing enterprise, except those in the public sector, there shall be established a fishing community as an institution of private law, charged with the representation of workers in order that they share in ownership and management as well as in profits earned (art. 64). Patterned after the industrial community (3 Law. Am. 68, 1971) the fishing community shall receive 20% of the net profits before taxes (art. 70) of which 8% is marked as participación liquida (art. 71) and 12% as participación patrimonial (art. 74). The law regulates the organization and administration of the communities (art. 81 to 90), their property (art. 91 to 102), as well as their dissolution and liquidation (art. 103 to 104). Generally, the Ministry of Fishing is charged with issuing various types of permits (art. 105) and with enforcing the law (art. 111 to 116). Employment contracts are governed by the General Labor Law (art. 117). Mortgages on fishing vessels shall be inscribed in the Fishing Register (art. 120 to 125); they take effect between parties from their execution and in relation to third parties from registration (art. 119). Among the final provisions containing definitions two may be summarized. National capital is defined as one belonging to Peruvian nationals, residing at least six months of the year in Peru, and to aliens who have "declared their capital as national before the Ministry of Economy and Finance or other public authorities, which amounts to a waiver to repatriate the capital or profits abroad." Foreign capital is that brought in by persons who do not qualify as nationals, in the form of foreign currency or corporeal assets and who retain the right to repatriate profits, interest, and amortizations in accordance with Peruvian laws. By Decree-Law No. 18.888 (1971) the period for the setting up of fishing communities (90 days after the enactment) has been changed to read: after the promulgation of the respective regulation. The Regulation was enacted by Decree-Law No. 18.810 (1971) and will be summarized in the next issue.

The Empresa Pública de Certificaciones Pesqueras (CERPER) established by Decree-Law No. 18.745 (3 Law. Am. 310, 1971) controls and guarantees, according to Decree-Law No. 18.829, 1971, the quality, health and quantity of all resources of the sea and other waters (procedencia acuática) marketed within and without the country (art. 1). It will be administered by a directorio composed of two representatives of the Ministry of Fishing, the gerente, two representatives of the public fishing sector, one representative of the private sector, appointed by the Minister, and one representative of workers elected by secret vote (art. 7). The administration will be headed by a gerente general (art. 15).

In pursuance of the Basic Law for Mining Reform of 1971 (2 Law. Am. 425, 1970) the General Mining Law was enacted (Decree-Law No.
18.880, 1971). The law makes all mineral deposits of whatever nature, inalienable and imprescriptible property of the State (art. I, II). The State grants rights to engage in mining activities: prospecting, exploration, development, exploitation, refining, marketing and transportation (art. I, IV and VI). While prospecting is, in principle, free (art. I), exploration is granted for three years (art. 4). Mining concessions are regulated in art. 8 to 25 and the rights of concessioners listed in art. 66 to 76. The role of the State is defined (art. 28 to 39), including the status of state-operated mines and mines with state participation (art. 40 to 58). Certain persons, particularly public officials, are disqualified from engaging in mining (art. 60 to 65). Holders of mining interests have duties as established in art. 77 to 102. Expired mining concessions are regulated in art. 103 to 114, the tax system in art. 119-123. A section of the law deals with incentives (art. 124 to 136), including the establishment of the Fondo de Inversión Minera (art. 132 to 135). Small mining enterprises enjoy a number of benefits (art. 139 to 151). The administration of the law is entrusted to the Ministry of Energy and Mines, to the Consejo Superior de Minería, to a General Director, to a Director of Concessions and to the heads of regional mining offices and of the public mining register (art. 153). Special procedures are set up (art. 168 to 231), including those involving opposition by third persons to mining interests sought (art. 217 to 225). Various mining contracts are regulated in art. 232 to 274, including mining associations (contractual, legal, cooperative). The final part of the law deals with mining communities which represent workers in order to give them a share in the ownership, administration and profits (art. 275); however not in mining enterprises of the public sector nor in small mines and those of propiedad social (art. 315). Ten percent of the net profits will be deducted (art. 281), of which 4% will go to the participación líquida (art. 283) and 6% to the participación patrimonial (art. 285). Its organization (art. 295 to 301) and property (art. 303 to 315) are provided as is the status of the community in various types of mining enterprises (art. 318 to 325), giving representatives of the community a seat on the board of directors or in equivalent organs of mining associations. Employers must provide housing, schools, recreational facilities, and social and medical assistance (art. 326). Extensive transitory provisions and definitions conclude the text.

The trade in precious metals, pearls and precious stones became a state monopoly under Decree-Law No. 18.882 (1971), to be administered by the Banco Minero del Peru (art. 2). Additional provisions have been issued by Supreme Decree (No. 065-71-EF).
The Consejo Nacional de Justicia (2 Law. Am. 221, 1970) was created by Decree-Law No. 18.831 (1971) consisting of ten members: two from the executive branch; two from the legislative and two from the judiciary; one from the national Bar; one from the Bar of Lima, and one from the law schools (art. 2). The Council will elect all judges, except justices of the peace and those in agrarian and labor courts (art. 10). The posts will be filled by competition (art. II). The Council also will periodically evaluate judges and propose to the Supreme Court disciplinary measures (art. 14); it will initiate steps to reform judicial legislation and give opinions on codes and fundamental laws through direct contacts with the respective commissions (art. 16). The law was implemented by Decree-Law No. 18.859 (1971).

Art. 188 of the Civil Code, as amended by Decree-Law No. 17-838, was amended by Decree-Law No. 18.855 (1971) with respect to the effect of banking credits secured by pledge, on common marital property devoted to business activities.

The Corporación Financiera de Desarrollo (COFIDE) established by Decree-Law No. 18.807 (1971) is designed (art. 2) to coordinate entrepreneurial activities of the State, hold and administer State-owned shares and other participations, further enterprises for development, and expand the financial market. The capital will be provided by the State and by capital divided into three classes of shares (A, B, and C, art. 7). The corporation will enjoy considerable tax benefits (art. 25 to 36).

Reinvestments in industrial enterprises received tax benefits by Decree-Law No. 18.818 (1971). The Fondo de Financiación para la Promoción de Empresas Industriales (Law No. 17.716) is regulated by Supreme Resolution (No. 256-71-IC/DS, 1971). Consultative commissions for industry, commerce and tourism have been established (Supreme Decree, No. 018-71 IC/DS, 1971).

In the area of agrarian reform a number of regulations were issued, among them, those regarding activities of the Centro Nacional de Capacitación e Investigaciones para la Reforma Agraria (CENCIRA), established by Decree-Law No. 18.348, 1971, (3 Law Am. 69, 1971)(Decreto Supremo No. 90-71-AG, 1971); elections of delegates by agrarian owners in accordance with art. 22 of Law No. 17.716, 1970, (2 Law Am. 424, 1970) by Ministerial Resolution (No. 731-71-AG, 1971); inscription of agrarian land by Decree-Law No. 18.833 (1971); and on tax on agrarian cooperatives (Supreme Resolution No. 285-71-AG, 1971).

Protection of social benefits in executions against the employer is now guaranteed by Decree-Law No. 18.816 (1971). The coverage of
social security includes work accidents and professional illness (Decree-Law No. 18.846, 1971). Social security administration is regulated by Decree-Law No. 18.830, 1971). Within the Ministry of Labor a permanent commission for the regulation of remuneration and conditions of work was established (Decree-Law No. 18.870, 1971). The law granting stability to labor contracts (No. 18.471, 1971, 3 Law. Am. 309, 1971) was implemented (Supreme Decree No. 001-71-TR, 1971). It excludes trial employment (art. 3); provides for procedure (art. 5), for the accumulation of earnings (art. 6), and for dismissal in case of reduction, suspension and liquidation of the enterprise (art. 8).

Limitations on bank credit available to enterprises with foreign capital participation in excess of 20% are imposed by Decree-Law No. 18.858 (1971). Deadlines for the declaration of foreign capital holdings and for the application of new regimes have been extended (Decree-Law No. 18.826 and 18.895, 1971). A committee for the study of a uniform regime for foreign capital was set up (Supreme Resolution No. 107-71-EF, 1971).

Trading in shares regulated by Decree-Law No. 18.302 (1970) was modified (Decree-Law No. 18.800, 1971); a schedule of fines for violations in dealings in the stock market was issued (Ministerial Resolution No. 522-71-EF, 1971).

Decree-Law No. 17.710 (1969) was amended by Decree-Law No. 18.891 (1971) dealing—among others—with obligations entered into abroad prior to October 9, 1967.

In regard to oil, Decree-Law No. 18.828 (1971) granted tax exemption to explorations in the continental shelf; the Central Reserve Bank is authorized to intervene in contracts negotiated between the State and foreign oil companies (Decree-Law No. 18.890, 1971).

The Empresa Nacional del Tabaco was established (Decree-Law No. 18-854, 1971) to manufacture tobacco products, engage in research and to further the social, cultural, professional and technical advancement of workers (art. 2); capital will be supplied by the State as well as by subscription of shares (art. 5).

A basic law on education was enacted (Decree-Law No. 18.799, 1971) replacing law No. 17.522.

The functioning of the Dirección General de Aduanas is regulated by Supreme Decree (No. 062071-EF, 1971).

A tax amnesty (Decree-Law No. 18.815, 1971) and a uniform tax
regime for the area affected by the 1970 earthquake (Decree-Law No. 18.845, 1971) have been enacted.

The Common Regime for the Treatment of Foreign Capitals and on Trademarks, Patents, Licenses and Royalties (Decisions No. 24 and 37 of the Cartagena Commission, 1970) was enacted by Decree-Law No. 18.900 (1971).

TRINIDAD AND TOBAGO

In his traditional speech from the throne, the Governor General indicated certain measures to be taken in the face of political realities. Widest comment shall be elicited on proposed legislation, now available for consultation, i.e., the divorce bill, the status of children bill, the ombudsman bill, the national insurance bill and the Bureau of Standards bill. To improve the legislative process, the Senate’s role shall be increased, particularly in joint committees of both Houses. Local ownership of natural resources shall be increased, with particular attention to the role of labor. The relations with the rest of the Caribbean shall be re-examined.

A new constitution is being drafted by a commission independent from the Executive and the Legislature, with the Minister of State providing factual information.

The Trinidad and Tobago Law Society has reiterated its stand on the question of the Privy Council. It is not opposed to the establishment of a Caribbean Court of Appeals— it only objects to it being the final court.

Trinidad and Tobago has concluded conventions for avoidance of double taxation with the United Kingdom, Switzerland, France and Germany.

The draft of the Matrimonial Proceedings and Property Act, 1971, adopted the irretrievable breakdown of marriage as the principal ground for divorce. Such breakdown is proven by adultery provided it becomes intolerable for the offended spouse to continue a common life; other behavior which makes it reasonably impossible to continue the marital community; desertion for two years; living apart for two years coupled with consent to divorce; and living apart for more than five years. A number of grounds for avoidance of marriage are provided also: unsound mind; epilepsy, venereal disease at the time of marriage; or pregnancy at that time by a person other than the husband. Additional provisions abolish damages against correspondents; allow maintenance during litiga-
tion and financial provisions after divorce for spouse and children. It is unfortunate that the bill modelled after the English Divorce Reform Law of 1969 is drafted in a complicated and involved style in the tradition of English statutes. The Catholic Church already has voiced its opposition.

The Anjuman Sunnat-ul-Jamaat Association has appointed a committee to examine Islamic laws and traditions to see to what extent the present and future generation may adjust itself to a changing society within Islamic codes.

UNITED STATES

In order to stabilize the economy, reduce inflation and minimize unemployment the President has, using authority under the Economic Stabilization Act of 1970 (84 Stat. 799), by executive orders, dated August 15, 1971, frozen "prices, rents, wages and salaries for the period of 90 days," except for "raw agricultural products" and imposed on "persons engaged in the business of selling or providing commodities or services" to maintain available for inspection records of prices or rents charged during the 30-day period ending on August 14, 1971. A Cost-of-Living Council has been established to "develop and recommend to the President additional policies, mechanisms and procedures to maintain economic growth without inflationary increases . . . after the expiration of the 90-day period." The Council will consult with representatives of agriculture, industry, labor and the public and will act guided by the "need to maintain consistency of price and wage policies with fiscal, monetary, international and other policies." The Council also will "encourage and promote voluntary action" to these ends. In its actions the Council will have the cooperation of the federal agencies. Violators will be fined up to $5,000 and, if necessary, enjoined by actions filed by the Department of Justice. In view of the prolonged decline in the international monetary reserves and a threat to the trade and international competitive position, the President declared a national emergency calling upon public and private sectors to make efforts to strengthen the international economic position of the country. Further, he imposed a surcharge in the form of a supplemental duty amounting to 10% ad valorem on all dutiable articles imported into the United States, with the authority given to the Secretary of Commerce to "reduce, eliminate or re-impose the rate of additional duty . . . or to establish exemptions."

Two acts took effect: the Emergency Employment Act of 1971 (85 Stat. 146), and the Micronesian Claims Act of 1971 (85 Stat. 92) to
provide for the payment to inhabitants of the Trust Territory of the Pacific Islands of noncombatant claims arising from hostilities there during the Second World War; a Micronesian Claims Commission is established to settle such claims "in accordance with the laws of the Trust Territory . . . and international law" (sec. 104).


Virgin Islands

The Revised Organic Act of the Virgin Islands (73 Stat. 569) was amended (85 Stat. 76).

The recent (9th) session of the Legislature adopted a number of bills, among them amendments dealing with zoning boards; after-school recreational programs; the Council of Arts; registration of motor vehicles; mobile homes and house trailers; and licensing of private security guards and investigative agencies. The Legislature adopted an extensive Controlled Substances Law, aiming at narcotics, and authorized the Standing Committee on Labor to conduct a study of labor-management relations in public employment.

URUGUAY

Combating political terrorism, the Government has by Decree (No. 679, 1970) repealed the previous Decree No. 313 (1969) which prohibited giving information regarding criminal or subversive groups. However, another decree (No. 189, 1971) prohibits divulging by any media information concerning any group or any activity of groups considered seditious. Excesses by the press are repressed; because of an attack on the national currency a daily was closed, the corporate owner dissolved and the assets taken over by the Government (Resolution No. 225 and 434, 1971). In order to keep residents under control, Decree No. 278 (1971) instituted a National Neighborhood Registry and required any person over 15 years of age to register and carry a copy of such regis-
tration on his person under penalty of fines, including a loss of the right to do business with any public entity. The request made to the Permanent Commission to suspend civil rights for 90 days in view of subversive kidnap activities was denied; instead a reward of 10,000 pesos was offered for the capture of seditious persons (Resolution No. 25, 363, 1971).

Public hearings in aviation and related proceedings have been streamlined by Decree No. 75 (1971).

To develop the citrus industry, commissions have been set up (Law No. 13,930, 1971). In order to assure quality of tomato exports and products, quality standards have been published (Decree No. 450, 1971).

A circular of the Central Bank (No. 253, 1971) has authorized banks to sell foreign exchange for specific purposes.

Customs procedures have been reorganized in order to make them more expeditious (Decree No. 175, 1971). Customs on exports have been further reduced (Decree No. 671, 1970).

Uruguay has ratified the United Nations treaty prohibiting the use of the ocean bottom for placement of mass destruction weapons (Treaty of Tlatelolco, 1971, Resolution No. 172, 1971).

VENEZUELA

The Law on Assets Affected by Reversion of Oil Concessions (G.O. No. 29,571, 1971) identifies assets which, upon the termination of oil concessions or before (art. 15), revert to the nation (art. 2). These assets are: land, permanent structures, including installations, appurtenances and equipment which are an integral part thereof; also, other assets acquired to be used or being used in the exploration, exploitation, manufacture, refining or transportation in oil concessions, or in performance of obligations arising therefrom (art. 1, para. 1). In addition, any other assets, corporeal or incorporeal, acquired by concessioners, are presumed to have been acquired for purposes of such operations, except where the contrary is proven before their acquisition or the execution of the acts listed in art. 8, or at the moment when the concession expires (art. 1, para. 2). During the period from the enactment of this law until the concession expires, the status of these assets is that of materia de utilidad pública (art. 1, para. 1), controlled by the nation (art. 5, para. 1) through the Ministry of Mines and Hydrocarbons (art. 5, para. 2). During this period, concessioners are obliged to conserve and maintain these
assets in proper condition “in order to assure the continuation and efficiency of the activities” (art. 4); report new acquisitions to the Ministry (art. 7), and continue explorations (art. 12 to 13, and 22). They may not use assets belonging to third persons, regardless of the legal basis of such arrangements (art. 3, para. 1); only under special circumstances may the administrative authority allow such arrangements, provided the assets so used represent less than 10% of the net value of the assets under art. 1 (art. 3, para. 2). To secure compliance with these obligations concessioners will have to set up a guaranty fund (art. 6) and deposit it with the Central Bank (art. 6, para. 1); the contributions to this fund are not tax deductible (art. 6, para. 3). Concessioners are prohibited from executing a number of acts affecting the assets, namely alienation, encumbrance, destruction, dismantling, modification, in short any acts which would change the function or place of the assets without a previous approval by the Ministry (art. 8). Particular provisions deal with assets used by two or more concessioners (art. 10). Upon expiration of the concession all such assets become national property, free of any encumbrances and burdens and without any indemnity (art. 2). Even earlier may administrative authorities demand the restitution of oil fields in public interest whenever their exploitation is “uneconomic to the concessioner” (art. 15), or in regard to assets removed from use; they too become national property without any compensation (art. 9). The nation shall then have the right to continue their use in accordance with the directives issued by administrative authorities (art. 4). With proper approval, a concession may be transferred, including all assets involved; however, the transferor remains liable for all duties imposed by this law until the time of the required approval or the time when the legal requirements are met; upon approval of transfer, the acquirer will be subrogated to all obligations of the transferor (art. 11). For the strict compliance with the law “registrars, notaries, judges, and any other authorities must abstain to enter, protocolize, acknowledge, authenticate or execute documents designed to alienate or incumber assets affected by this law” (art. 16). Violations of the law are punishable by fines (art. 18). Decisions taken in pursuance of this law may be appealed before the politico-administrative chamber of the Supreme Court within ten days (art. 19). Finally, the law provides that its provisions are expressive of public policy (carácter de orden público) and shall be enforced de manera inmediata (art. 20).

In agriculture Decree No. 588 (1971) regulates the integral program of agricultural development (G.O. 29.500, 1971); a commission was set up to evaluate the agrarian policy of the country (G.O. 29.560, 1971).
The Ministry of Economy has issued an extensive regulation concerning the national system of saving and loan activities (G.O. No. 1.473, extraord., 1971).

A decree (No. 625, G.O. No. 29.545, 1971) issued regulations to the law on insurance institutions regarding coverage of premiums through agents.

The Ministry of Communications has issued a resolution (G.O. No. 29.553, 1971) regulating licenses required from auxiliary personnel on board aircraft.

A decree (No. 576, G.O. No. 29.489, 1971) regulates alienation, sale and any other acts *inter vivos* involving horizontal property in the sense of Decree No. 513 (1971).

Civil service employees with more than three months of service will receive the equivalent of 5 to 15 days pay as annual bonus (Decree No. 577, G.O. No. 29.488, 1971); also vacations (Decree No. 571, G.O. 29.504, 1971). *Juntas de avenimiento* are established by Decree No. 622 (G.O. No. 29.540, 1971) to deal with claims of civil service employees under the Law of the Administrative Career (3 Law. Am. 76, 1971).

The personnel of the *Contraloría General* received its personal statute (G.O. No. extraord. 1.466, 1971). Labor unions of civil servants are regulated by Decree No. 585 (G.O. No. 29.497, 1971).

The *Consejo de Judicatura* has passed a resolution (G.O. No. 29.569, 1971) regulating appointment of judges by competition.

Maritime pilotage is now regulated by a new law (G.O. No. 29.577, 1971) replacing the law of July 22, 1961.

Labor relations in the oil industry are affected by Decree No. 612 (G.O. No. 29.520, 1971). Non-profit employment agencies are regulated by a resolution issued by the Ministry of Labor (G.O. No. 29.568, 1971).

Prices of pharmaceutical products are fixed (G.O. No. 29.487 1971); products will be tested (G.O. No. 29.486, 1971).

The Ministry of Economy has issued a regulation dealing with travel agencies (G.O. No. 29.515, 1971).

National holidays have been set by law (G.O. No. 29.541, 1971). The 23rd of June has been declared National Day of the Lawyer (Decree No. 623, 1971).
A commission has been established to prepare the draft for a law regulating penal institutions (G.O. No. 29.519, 1971).

A new law on adoption has passed the Chamber of Deputies. In addition to the type of adoption presently available under the Civil Code (adopció simple), the new law will introduce adopció plena which gives the adopted person the status of a legitimate child (art. 2) who will be inscribed as such in the civil status register.

This report summarizes a select number of statutory enactments and other developments. Therefore, no decision should be made without consulting the complete texts and related materials. Moreover, consultation with a competent local attorney is recommended.