Inter-American Legal Developments

S. A. Bayitch

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ARGENTINA

A National Securities Commission has been created by the law regulating public offering of securities and stock exchanges (B.O. July 22, 1968). The law regulates powers vested in the Commission; public offering of securities; stock exchanges; brokers; exchange operations and guarantees; and disciplinary measures. The new law has superseded Arts. 75-86 of the Commercial Code in addition to a number of special laws.


A new Code of Civil and Commercial Procedure has been adopted for the province of Buenos Aires (B.O. October 24, 1968). The new code is patterned closely after the national code on the same subject, Law No. 17.545 (1967). Requirements for the recognition of foreign judgments (Art. 515) are identical.

Decree No. 6892 (1968) established financial entities under the Ministry of Economy and Labor in the United States and Europe to maintain contacts with international financial centers and to take care of monetary and financial matters abroad. The entity in the United States has been established in Washington, D. C.; in Europe, Geneva or Zurich may be chosen.

The regulation of horizontal property, originating in Law No. 13.512 (1949), and patterned after Italian (1934), Chilean (1937), and Uruguayan (1946) models is to be amended. A draft designed to fill existing gaps and eliminate inconsistencies with the Civil Code, incorporating doctrinal and practical solutions reached over the years, is under consideration.

Law No. 18061 (1969) replaces Banking Law 13127 (1957) and governs the activities of all financial institutions including commercial, mortgage and investment banks, finance companies and credit cooperatives.

Laws 18037 (1969) and 18038 (1969) cover state pensions for employees and self employed persons respectively.
Decree No. 8541 (1968) provides that the Empresa Nacional de Telecomunicaciones (ENTEL) will be solely responsible for operating the new satellite communication system.

Law 18019 (1968) provides for the establishment of a classifying entity for motion pictures and prohibits the showing of moving pictures and shorts contrary to good morals.

BARBADOS

A governmental committee to review the Companies Act, Law No. 7 (1910), the Limited Partnership Act, Law No. 2 (1913), and the Regulation of Business Names Act, Law No. 6 (1946) has been established.

The Professions (Registration Fees) Act, Law No. 41 (1968), imposed a registration fee on land surveyors, barristers, druggists, solicitors, physicians, dentists and veterinarians. The duty to register and pay a fee was extended to architects and to all persons who “hold themselves out as having professional skill in some particular class of work.”

A new Shops Act (1968) has been enacted to replace the Act of 1954. The new act deals mainly with the establishment and closing of commercial shops and thus, with the working conditions of shop personnel. Special regulations regarding the operating of shops apply to visits of tourist ships.

The newly enacted High Court (Admiralty Jurisdiction) Act (1968) grants to the High Court original jurisdiction in many matters involving vessels and aircraft. Among these are: claims to the possession or ownership of vessels, vessel and aircraft mortgages, damages caused or received by a ship, claims for loss of life or personal injury sustained because of defects of a ship, claims for loss or damage to goods carried by a ship or respective contracts, salvage towage or pilotage (including aircraft), seamen’s wages, and bottomry, among others. Jurisdiction exists “in relation to all ships or aircraft, whether Barbadian or not, and whether registered or not, and wherever the residence or domicile of their owners may be; in relation to all claims, wheresoever arising (including, in the case of cargo or wreck salvage claims in respect of cargo or wreck found on land); and so far as they relate to mortgages and charges, whether registered or not and whether legal or equitable, including mortgages and charges created under foreign law”. Admiralty jurisdiction may be invoked in personam, except in cases where it may be invoked in rem. In personam actions presuppose that the “defendant is ordinarily resident or has a place of business in Barbados, or the cause of action arose within the territorial waters of Barbados, or is an action arising out of the same
incident or series of incidents, is proceeding in the court or has been heard and determined by the court.” However, no action may be brought “until any proceedings previously brought by the plaintiff in any court outside Barbados against the same defendant” and on the same cause of action has come to an end. It is expressly provided that “nothing in this Act shall be construed as limiting the jurisdiction of the court to refuse to entertain an action for wages by the master or a member of the crew of a ship, not being a Barbadian ship”.

BRAZIL

Decree-Law No. 359 (1968) established the General Commission of Investigations (GCI) in the Ministry of Justice to investigate and order confiscation of property acquired illegally by governmental officials and others employed in public or mixed-capital companies. The provisions of the Decree-Law were expanded by an Act dated 11 January 1969.

Decree-Law No. 417 (1969) provides for expulsion of foreigners accused of acts against national security or the social or political order.

The Central Bank and the Finance Ministry have established a study group to review existing laws governing corporations; the present law was promulgated in 1940.

A revision of the Brazilian Civil Code has been initiated under the supervision of Professor Miguel Reale.


Decree-Law No. 427 (1969) covers mandatory registration of promissory notes and bills of exchange with the Minister of Finance within fifteen days if they are to be used in proving a legal claim.

Decree-Law No. 366 (1968) covers the services of custom brokers (despachantes).

Decree-Law No. 421 (1969) provides that only Brazilians or foreigners permanently residing in Brazil may purchase rural properties in the country. The law also regulates the purchase of rural properties by foreigners and by concerns having a majority of foreign capital.

Decree-Law No. 491 (1969) provides incentives for the exportation of manufactured products.
Decree-Law No. 496 (1969) establishes that aircraft which have been acquired by an airline with governmental assistance automatically become property of the government if the airline is declared bankrupt.


BRITISH WEST INDIES

Antigua

The agreement with the United States regarding investment guaranties entered into force on October 9, 1968.

Bahamas

In January 1969 the following acts came into effect: Emergency (Dangerous Structures) Act, Law No. 36 (1968); the Coast Protection Act, Law No. 37 (1968), and the Criminal Procedure Code Act, Law No. 38 (1968), as well as amendments to the Road Traffic Act, Law No. 35 (1968). In March 1969 the following were enacted: Quieting Titles Act, Law No. 2 (1969), the Insurance Act, Law No. 3 (1969), and the Consular Relations and Commonwealth Officers Act, Law No. 4 (1969).

Dominica

The agreement with the United States regarding investment guaranties entered into force on October 11, 1968.

St. Kitts-Nevis-Anguilla

The agreement with the United States regarding investment guaranties entered into force on November 21, 1968.

St. Vincent

The existing customs rules have been amended and consolidated by Ordinances No. 15 and 16 (1968).

The Windward Island Banana Insurance Ordinance (1960) has been repealed and replaced by Ordinance No. 23 (1968).

An ordinance imposing a consumption tax on meat, rice, sugar, tobacco, pharmaceutical products, cosmetics, electric machinery, photographic films and watches has been enacted under Ordinance 25 (1968).

Notice of intended withdrawal of labor (strike) is required by the Essential Services (Notices) Regulation No. 58 (1968).
The organization of the Public Service Commission is the object of Regulation No. 53 (1968).

Gambling, lotteries and betting have been made legal within limitations by the Gambling, Lotteries and Betting Ordinance No. 27 (1968), and implemented by Regulation No. 1 (1969).

Provisions for the orderly and progressive development of land and for its preservation and improvement have been enacted under Ordinance No. 37 (1968). Ordinance No. 39 (1968) to regulate the operation and navigation of power-craft within the territorial waters of the island has also been enacted.

CANADA

Among the acts passed in the Second Session of the 27th Parliament is an Act to establish a Department of Consumer and Corporate Affairs, assented to on December 21, 1967 (Statutes of Canada 1967-1968, Chapter 16). The duties, powers and functions of the Minister of Consumer and Corporate Affairs include all matters over which Parliament has jurisdiction and not assigned by law to any other department, branch or agency of the government relating to: (1) consumer affairs, (2) corporations and corporate securities, (3) combines, mergers, monopolies and restraint of trade, (4) bankruptcy and insolvency, and (5) patents, copyrights and trade marks. The Minister shall perform the duties of the Registrar General of Canada.

An act to amend the Canada Corporation Act was assented to on November 6, 1967, (Statutes of Canada 1967-68, Chapter 9). It states inter alia that where a company has for two consecutive years failed to file in the Department of the Registrar General the annual summary, the Registrar General may give notice to the company that an order dissolving the company will be issued unless within one year after the publication of the notice in the Canada Gazette the company files a summary with respect to those two years. If the Company has not filed such a summary, the Registrar General may, one year after the publication of notice in the Canada Gazette, declare the company dissolved.

Under the British North America Act of 1867, Canadian provinces have exclusive legislative powers in certain matters and concurrent powers with the Canadian federal parliament in other matters.

Alberta

Among other acts, those regulating insurance and oil and gas conservation and welfare have been amended.

British Columbia

The Consumers Protection Act, the Collection Agents Act, and the Credit and the Real Estate Act, among others, have been amended. The Social Workers Act (1968) entered into force in 1969.

An Ohio judgment recovered on a cognovit note was given recognition in spite of the fact that such a note may be invalid under the law of British Columbia. The court felt that the Ohio procedure “could not be said to be offensive to natural justice” (Hughes v. Sharp, 70 D.L.R. 2d 298, 1968).

Manitoba

The new Securities Act (1968) came into force on February 15, 1969, except parts X to XII which will take effect June 1, 1969.

Amendments to the Companies Act, the Credit Unions Act, the Insurance Act and the Limitation of Action Act were introduced in 1968.

New Brunswick

The Insurance Act (1968) came into force January 1, 1969, except part VI. The Direct Sellers Act (1967), the Cost of Credit Disclosure Act (1967), and the Crown Lands Amendment Act, all came into force in 1968. Acts dealing with motor vehicles and with municipal assistance have been amended.

Newfoundland

Effective January 1, 1969, the Automobile Insurance Act (1968) was enacted. Among other subjects, the Act dealt with accident and sickness insurance, fire insurance, and insurance companies.

On February 1, 1969 the Mentally Incompetent Persons’ Estates Act (1968) came into force.

Nova Scotia

Three acts entered into force in 1969; Architects Act (1968), Liquor Control Act (1968), and the Livestock Health Services Act (1968).

Ontario

In 1968, legislation dealt with age discrimination, air pollution, cor-
porate taxation, employment standards, insurance, motorized snow vehicles, the human rights code, securities, and workmen's compensation.

In 1969 the following acts have entered into force; Forest Tree Pest Control Act (1968) and the Ontario Geographic Names Board Act (1968).

**Quebec**

The recent compilation of the statutes of the province took place in 1964 (Revised Statutes of Quebec, 1964). Some of the statutes passed in the first session of the 18th Legislature of Quebec (December 1, 1966 — August 12, 1967), and published in the Statutes of Quebec, 1966-67, may be of interest to parties outside this province.

Under the amendments to the Corporation Tax Act (1967), a company or partnership of persons that objects to an assessment may, within ninety days from the day of mailing of the notice of assessment serve on the Minister of Revenue of Quebec a notice of objection. After receipt of the notice from the Minister stating that he has confirmed the assessment or that he has decided to reassess, or after the assessment without an answer from the Minister, the objecting party may apply to the Provincial Court to vacate or vary the assessment. Such recourse, however, shall not be exercised after the expiration of 90 days from the day of the mailing to the objecting party of the notice from the Minister that he has confirmed the assessment or has decided to reassess. An appeal lies from any final judgment of the Provincial Court rendered under this act in cases where the amount in dispute is not less than $500. The Code of Civil Procedure applies to such appeal.

The Financial Institutions, Companies and Cooperatives Department Act was assented to on August 12, 1967. The Minister has the charge of executing the laws respecting to the incorporation, operation, inspection and winding-up of financial institutions, companies and cooperatives doing business in the province of Quebec, as well as the laws respecting trading in securities, real estate brokerage and the receipt of deposits.

On December 16, 1966 an act to amend the Provincial Income Tax Act was assented to.

The Federal-Provincial Affairs Department Act was amended by an act assented to on April 14, 1967 which changed the name of the department to Intergovernmental Affairs Department Act. The Minister in charge coordinates all activities of the government of the province outside Quebec, and those of its departments and bodies. The Act states that
the Minister shall take the necessary steps to facilitate intergovernmental cooperation and to promote the advancement of Quebec.

Under the Civil Code of the province of Quebec, marriage could be solemnized only before a minister of religion. On November 14, 1968 an Act Respecting Civil Marriages was assented to. This Act repealed the Marriage License Act. Under the new law, every prothonotary or his deputy may solemnize marriages and such a clerk shall keep registers for the marriages solemnized by him or by his deputy. The new Act did not change the powers of ministers of religion to solemnize marriages and to keep registers of marriages solemnized by them.

Quebec was the only Canadian province which maintained a bicameral legislature. On December 18, 1968 an Act Respecting the Legislative Council was assented to abolishing the Legislative Council of the province of Quebec. The new law provides that the legislature of Quebec shall consist of the Lieutenant-Governor and the National Assembly of Quebec consisting of two Houses — the Legislative Council and the Legislative Assembly.

Saskatchewan

In 1968, the provincial legislature dealt, among other subjects, with condominium property, expropriation, insurance, surface rights and reciprocal enforcement of maintenance.

CHILE

A number of time periods in the Civil Code, the Code of Civil Procedure and the Commercial Code, as well as in other statutes have been recently shortened by Law No. 16.952 (1968). In the Civil Code, the time periods contained in the following articles have been affected: 271, 272 (illegitimate children); 739 (pledges); 882, 885, 887 (easements); 962, 1269 (succession); 1683, 1962 (rescission of contract); 2042, 2277 (annuity contracts); and finally provisions containing statutes of limitations in Articles 2508, 2510, 2511, 2512, 2515, and 2520. In the Commercial Code, the following articles are affected: 419, 420, 421, (partnerships); 568 (insurance), 619 (current accounts); 764 (negotiable instruments); 822 (statute of limitations); 828 (vessels); and 1316, 1318 (maritime loans). In the Code of Civil Procedure the period to enforce judgments has been reduced (Art. 442). Amendments also affect the Bankruptcy Law (Arts. 134, 211) and Art. 34 of the so-called Ley de Cuentas Corrientes now providing that actions, civil and criminal, against persons bound to pay a protested check are barred one year after the protest is made.
The Ministry of Finance promulgated the following decrees, among others. Decree No. 1892 (1968) suspends specific and ad valorem duties affecting raw materials, semi-manufactured articles and parts of foreign origin under certain conditions. Decree No. 1977 (1968) validates an ALALC resolution on samples without commercial value. Decree No. 2141 (1968) suspends customs duties on imports made by the National Steel Industry complying with the provisions of Article 1 of Law No. 7896. Decree No. 2423 (1969) complements Decree No. 1296 (1968) and exempts imports made by the petrochemical industry from certain customs duties. Decree No. 2444 (1969) affects customs duties on raw materials and parts of foreign origin.

Ministry of Mining Decree No. 98 (1968) establishes a Permanent Commission to advise the Minister of Mines.

The Central Bank fixed the current annual interest for the first quarter of 1969 at 19.088%; maximum interest at 22.905%.


COLOMBIA

Extensive administrative reorganizations have been made. The newly renamed Ministry of Economic Development (Decree No. 1974, 1968) is charged with participation in the formulation of economic policy and developmental planning and, in cooperation with the Ministry of Foreign Affairs, with policy regarding foreign commerce. The Institute of Foreign Commerce (INCOMEX) was made part of the Ministry (Decree No. 1976, 1968) to submit recommendations regarding foreign commerce, particularly domestic exports. The functioning of the newly reorganized INCOMEX (Decree No. 1976, 1968) has been regulated by Resolution No. 06 of January 31, 1969. Departments for imports, exports, and for economic integration and commercial interchange have been established.

Reorganized also was the General Direction of Tariffs (Decree No. 1886, 1968), as was the Ministry of Finance, the General Bureau of Taxes (Decree No. 2871, 1968) and of Public Credit (Decree No. 1972, 1968). Reorganizations also affected the Ministry of Labor and Social Security (Decree No. 3136, 1968), the Ministry of Mines and Petroleum (Decree No. 3161, 1968), which among other functions, will control foreign investments in mining, petroleum and transforming industries.

Law No. 48 (1968) has adopted a number of emergency decrees issued during the state of siege (1965), some of them in a modified
form. One decree deals with labor legislation, specifically with strikes and arbitration.

A system of insurance related to exports and covering commercial, political and extraordinary risks has been introduced by Decree No. 3053 (1968). The system shall cover credits granted to foreign buyers, contracts involving manufactures for export, transportation, and changes in foreign exchange rates. The insurance should cover 80% in cases of political and extraordinary risks, and 75% in others.

Under the provisions of Law No. 103 (1968), promulgated March 15, 1969, Colombia adopted the Convention Establishing the Andean Development Corporation signed in Bogota in 1968.

The organization of cooperatives within the agrarian reform program has been approved by Decree No. 461 (1969).

Additional rules regarding reimbursement of travel tickets sold by foreign companies were promulgated by Circular No. 19 (1969) of the Bank of the Republic.

Among exchange controls imposed by Law No. 444 (1967), the duty to register assets located abroad and belonging to resident Colombians was implemented by Resolution No. 01 (1969) of the Bank of the Republic. The resolution applies to all persons residing in Colombia, but owning abroad: shares, bonds, participations in investments and, in general, assets in foreign currency, as well as movable and immovable property. These assets must be registered with the Office of Exchange of the Bank before October 20, 1969. Similarly, debts contracted abroad must be registered with the same office under Bank Circular No. 15 (1969).

COSTA RICA

The agreement with the United States regarding investment guarantees entered into force on November 22, 1968.

DOMINICAN REPUBLIC

The Dominican Agrarian Institute (IAD) administering agrarian reform is faced with some 30,000 applications for land from landless peasants. During the last two years 3,958 peasants have been given land. Under the present government some 308,000 tareas of land have been distributed, most of them from land bought by the Government, but in many cases from land held by defaulting debtors of the Agrarian Bank.
The draft of a new mining law to replace the law presently in force, Law No. 4550 (1956), has been submitted by the National Development Commission to the President. The provisions concerning tax privileges became objects of vivid discussion, particularly those concerning proposed depletion allowances.

The National Congress has adopted additional taxes on beer and on air tickets for travel abroad. The proceeds will go half to the State while the other half is earmarked for universities.

EL SALVADOR

The International Coffee Agreement, the Protocol of the General Treaty of Central American Economic Integration (1966), and the Protocols on Fiscal Incentives for Industrial Development (1966), on Equal Import Tariffs (1966) and on Industrial Integration (1965) have been ratified.

Foreign actors may not perform in El Salvador without an authorization by the Ministry of the Interior (D. O. December 16, 1968).

A Small Business Protection Law restricting the participation of foreigners in small businesses has been passed by the National Assembly.

A bill on Drainage and Irrigation has been presented to the Legislature. It creates the Institute of Drainage and Irrigation with authority to establish zones to be drained and irrigated.

GUATEMALA


Salaries of the judiciary were increased by Decree No. 1809 (1968).

A draft for a new traffic code has been submitted to the Legislature. Among other provisions the draft provides for compulsory insurance.

A new law regulating sport is being discussed by the Legislature; so is the draft for a new Labor Code.

A National Commission to make a thorough study of taxation has been established by Decree No. 1821 (1968). In the meantime, Congress shall not legislate in matters of taxation.

JAMAICA

A new Housing Act has been submitted to the Legislature to replace
the present Housing Law (1955). It is designed to give the Minister of Housing wide powers in dealing with housing and slum clearance.

A bill to establish a Bureau of Standards to regulate commodities, processes and practices, and to amend the Judicature Law and the Jury Law were also submitted. A statute regulating survivorship in cases of uncertainty was introduced.

The decimal currency system is scheduled to enter into force next September.

The Government is considering changes in the law regulating the status of illegitimate children in order to eliminate inequalities blamed on the "slavish copying of English laws".

A bill to validate acts on the part of members of Security Forces during the disorders in October and November 1968 has been approved. The bill provides that "Notwithstanding anything to the contrary," any such acts done in good faith are declared "to have been validly, properly and lawfully done," provided the Governor-General certifies that they have been done for "public safety or the restoration of public order". In regard to such acts the security forces are "freed, acquitted, discharged and indemnified . . . as against all persons whatever from all legal proceedings of any kind in respect of or consequent to such acts".

The Minister of Legal Affairs declared that the promised merger of the functions of solicitors and baristers is being studied by a committee under his chairmanship, assisted by a secretary of the Ministry, the Chief Parliamentary Counsel, two representatives of the Bar and the Law Society, a judge and a representative of the Attorney General. The delay is blamed on protracted studies as well as on the lack of institutions of legal education in the West Indies generally, and in Jamaica in particular. Pressed in Parliament for his own position, the Minister indicated to be "intellectually against, but pragmatically in favor of the fusion".

A dispute involving the collective agreement of longshoremen in Kingston was decided by an arbitral tribunal constituted under the Essential Services Law. The award earned considerable public attention because it was attacked by the labor unions before the Supreme Court of Judicature. The court held that "relief will be granted only in cases where it has been proven that there was an excess of authority, a demonstration, of bad faith, a consideration of irrelevant or extraneous matter, or where on the face of the record, it is clear that an error has been made". Finding none of these, the Court dismissed the motion to
set aside or remit the award. It may be added that a few days later the very existence of the arbitral tribunal came under attack from an employer's association.

Absence of the institution of common law marriage is being considered as a source of serious difficulties in view of the high incidence of informal unions in the country. This not only affects proprietary relations between such partners, but also makes children illegitimate.

MEXICO

Mexico has ratified the Convention on Offenses and Other Acts Committed on Board Aircraft (Tokyo, 1963). It also entered into agreements with the United States concerning radio broadcasting on the standard broadcast band (December 11, 1968), and a program of cooperative research involving earth surveys (December 20, 1968).

A new General Law of National Assets has been enacted (D. O. January 30, 1969) to replace the law of December 31, 1941 covering the same matter. National assets (bienes nacionales) are divided into those within public domain (de dominio publico) and those held by the nation as assets de dominio privado. The former are within the exclusive jurisdiction of federal authorities while the latter are — except alienable lands and waters — subject to federal laws, particularly to the Federal Civil Code and, if needed, to general, primarily state laws "in force at the place where the assets are located". Nevertheless, federal courts have exclusive jurisdiction in matters dealing with either type of national assets. Among assets in general use are the air space and the territorial sea up to nine miles from the coast or the base line. The latter is defined in accordance with Article 4 of the Convention on the Territorial Sea and the Contiguous Zone (Geneva, 1958, ratified by Mexico in 1966) with the addition of elevations which are "partially or completely at a distance of no more than nine miles off the coast or from an island." The provisions regarding the contiguous sea are identical with Article 24 of the Geneva Convention. However, the new law contains no mention of the continental shelf, nor does it deal with aliens' participation in the use of exploitation of national assets.


A draft for a new Federal Labor Law of 899 articles has been
submitted to the Legislature. Attempting to increase productivity, it is also designed to benefit the whole population as well as the workers. Among benefits for workers, overtime pay and the number of legal holidays are to be increased. Vacation pay is to be increased by 25%, and the Christmas bonus of no less than two weeks is made legally binding. The present profit-sharing scheme is to be expanded by limiting the exemption of new companies from two to one year, and in regard to new products, from four to two years. Employers with more than 100 workers situated outside of inhabited areas will be required to provide housing as determined by collective agreements.

The federal Criminal Code expanded the punishment for homicide committed by a father against persons corrupting a daughter to include any ascendant in regard to any descendant under his authority, provided — as before — that the homicide was committed in flagranti (D. O. February 13, 1969).

The Organic Law regarding the National Bank for Public Works and Services has been extensively amended (D. O. February 15, 1969).

NICARAGUA

The agreement with the United States regulating investment guarantees entered into force on September 21, 1968.

A revision of the Penal Code is under consideration by the Congress.

In December 1968, the Director of the Registry for Industrial Property was given jurisdiction over matters relating to unfair competition to the extent that the subject is covered by local law and by international treaties of which Nicaragua is a signatory.

Trademarks relating to chemical, industrial, pharmaceutical, and medicinal products must be registered before the above products may be marketed in Nicaragua.

PANAMA

A revision of the present Law No. 48 (1946) regulating the University of Panama is contemplated. The military government has set out guiding principles in a declaration issued on December 14, 1968.

The present government established, within the Ministry of Foreign Relations, the Office of Studies Regarding the Interoceanic Canal. The new office will study problems of maintenance and functioning of the Canal as well as alternative routes.
The increase in checks issued without funds is being discussed and amendments to Law No. 52 (1917) as amended by Law No. 5 (1958) are being considered.

A Ministry of Labor and Social Welfare has been established by Decree No. 2 (1969). The Ministry shall plan, direct and control the labor and social policies of the State, coordinating them with other aspects of the national developmental policy of the Executive Organ; study and settle matters related to labor, social security and welfare; cooperate in the planning and strengthening of labor unions, as well as in the betterment of labor management relations; and finally, supervise the proper application of constitutional and legal rules in these matters. A system of labor courts is to be set up under a Labor Court of Cassation pursuant to special laws and regulations to function in "close cooperation with the Ministry of Labor and Social Welfare".

An independent Department (Dirección) of Civil Aviation has been created by Decree No. 13 (1969), and charged with planning, investigating, administering, operating and exploiting civil aviation in Panama. The Department has, among others, the power to establish fees for the use of aviation facilities and to enter into contracts with domestic and foreign persons and institutions.

An Office for Price Control was created by Decree No. 60 (1969) to function independently of any other administrative agency.

PARAGUAY

Law No. 688 (1960) regarding horizontal property (condominiums) has been implemented by Decree No. 22/6 (1968).

A sales tax was introduced by Law No. 69 regarding sales of commercial goods. It is imposed once during marketing, and amounts to 3.5 or 10% of the price depending on the goods' classification. The law was implemented by Regulation No. 2533 (1969).

The present Civil Code (identical with the original code of Argentina) is to be replaced by a new code, prepared in draft by Dr. Luis de Gasperi. The draft, patterned in regard to obligations closely after the Italian Civil Code (1942) eliminating the dualism between civil and commercial law, is presently before the National Codification Commission.

PERU

The participation of foreign capital in insurance companies was further regulated by Supreme Decree No. 328-68-HC (1968).
The administration of maritime and other ports has been entrusted to a newly created Corporacion Nacional Portuaria by Supreme Decree No. 294-68-HC (1968).

In order to facilitate credits for land not registered, Articles 1012, 1015, 1027, 1296, 1297, 1301, 1304, 1305-1307 of the Civil Code dealing with mortgages have been amended.

The participation of domestic capital in companies with foreign capital was regulated by Supreme Decree No. 340-66-HC (1968). Companies engaged in certain enumerated activities will have to be organized in Peru and offer Peruvians at least 30% of the capital, unless such share of the capital is already owned by Peruvians.

Mutual funds have been regulated by Law No. 093-68 FO (1968) granting the funds tax privileges under certain conditions.

Tax privileges have been granted to various types of corporate reorganizations, liquidations and mergers by Supreme Decree No. 363-68-HC (1968). Tax privileges also have been granted to housing qualifying as being in the social interest by Supreme Decree No. 347-68-HC (1968).

Supreme Decree No. 608-TC (1968) requires work-books (carnets de trabajo) for all persons in private employment.

Provisions regarding "outward signs of wealth" for income tax purposes have been amended by Supreme Decree No. 237-68-H.C. (1968). Such indications are, among others: living quarters, domestic help, chauffeurs, managers, gardeners, yachts, aircraft, horses, travel, as well as membership in recreational clubs.

Documentation on the Peruvian-United States conflict over the recent nationalization of International Petroleum Company appears in 7 International Legal Materials 1201 (1968).

A National Council of Research has been established by Decree-Law No. 17096 (1968) to formulate policies of scientific and technological development, to aid the National Council of Economic and Social Development, to coordinate research efforts in the country and cooperation with research abroad, to stimulate science and technology, particularly by helping young people, and to administer the National Research Fund.

Decree-Law No. 17.330 (1968) gave expression to the aim of the military government to nationalize the main internal sources of credit and thus to further economic development until a new banking law is enacted. All commercial banking institutions established in the future
must belong exclusively to Peruvians or to Peruvian legal entities. The latter included entities established in Peru whose capital belongs totally to Peruvian nationals. However, the law does not apply to subsidiaries of foreign banking institutions. Banking institutions presently established in Peru will be considered to be domestic banks provided at least 75% of their capital is held by Peruvians or Peruvian legal entities. Other banks are given one year to become domestic banks and during this time they may not open subsidiaries or agencies within the country. In case they do not become domestic banks, they may continue to function only to the extent subsidiaries of foreign banking institutions are permitted to do so. Transfer of shares of any type of bank to persons other than Peruvians or Peruvian legal institutions is prohibited, except in cases of succession. At least four fifths of the members of the Board of Directors must be Peruvian. Representatives of foreign banking institutions not established in Peru must be licensed by the Superintendency of Banks and Insurance. These entities must: (1) not engage in banking operations of any kind, but must limit their activities to contacts with local institutions, (2) comply with the applicable laws, and (3) not solicit funds or deposits to be invested abroad nor offer or invest foreign capital in Peru. Any attempt to avoid these provisions is null and void and subject to legal and administrative sancations, in addition to disqualifying the persons involved from engaging in banking or other commercial activities in Peru. Additional provisions deal with local credits to subsidiaries of foreign banking institutions, cash holdings of local banks and with cooperatives.


Decree-Law No. 17440 (1969) makes basic changes to the Petroleum Law. A new law is being drafted to cover petroleum, hydrocarbons, and the petrochemical industry.

TRINIDAD AND TOBAGO

In a recent speech the Governor-General predicted improvements through reorganization of the Industrial Development Corporation within the Five-Year Development Plan (1969-1973), including price control under a new Price Commission.

A bill is being drafted for the establishment of a National Petroleum Company and negotiations are underway for government participation in
external communications. Regulations will be issued under the present Banking Act to regulate the status of new branches operating in the country. A Development Finance Institution will be established to provide industry and tourism with long-term credits. Revisions to the Alien's Landholding Act, as well as to the Industrial Stabilization Act are being drafted. Other legislative projects deal with immigration, highways, merchant shipping, civil aviation, land valuation, village councils, companies, housing, income tax, divorce, agricultural credit, land development and education. New oil legislation is being prepared following extensive negotiations with operating oil companies.

A Law Reform Committee is to be appointed to consider urgent changes in existing laws.

The Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (1966) with the United States has been extended to continue throughout the year 1969.

UNITED STATES

The Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters (The Hague, 1965) has been ratified and proclaimed. No other country in the Western Hemisphere has adopted the Convention as yet.

The Convention on Settlement of Investments Disputes (Washington, 1965) regulating disputes between private investors and foreign governments, ratified by the United States, is in force in the Western Hemisphere only in relation to Jamaica, Trinidad and Tobago, as well as the British and French, but not the Dutch dependencies.

The International Coffee Agreement Act of 1968 (P.L. 90-634, 82 Stat. 1345) gives the President authority to limit the entry into, or the withdrawal, from warehouses of coffee imported from countries not members of the International Coffee Organization; to prohibit the import from member countries of any coffee not accompanied by a valid certificate of origin; and, to impose special fees to offset discriminatory treatment by other governments involving export of processed coffee. In case there is an unwarranted increase in the price of coffee due to the Agreement, the President is directed to request the International Coffee Council to take appropriate action. In case the Council fails to act, the President will submit the matter to Congress. In case complaints are filed, the President may initiate investigations. If discrimination against coffee from the United States is found, the obligations of the
United States under the Agreement shall cease for the duration of such discrimination.

The Foreign Military Sales Act (P.L. 90-629, 82 Stat. 1320) reaffirms the authorization in the Foreign Assistance Act (1961) for sales of military defense articles to foreign countries from existing governmental stocks, but imposes payment in 120 days instead of the previous three years. Sales from private business on credit up to ten years may be insured by the government against political and credit risks. A limit of $296 million is placed for 1969. Regional ceilings on military sales continue in effect; for Latin America the amount is $75 million. Privileges under this Act may be lost if a country uses benefits received under non-military developments programs for military purposes, or if it is found that the country is using its own resources for non-essential military expenditures.

The Foreign Assistance Act of 1968 (P. L. 90-554, 82 Stat. 960) has appropriated $1,945,900.00 for 1969, decreased from $2,674,614.000 for 1968. The Act raises interest rates on development and Alliance for Progress loans from two percent during the first ten years and two and a half percent thereafter to three and three and a half percent respectively. Investment guarantees are tightened so as to prevent payment for losses caused by negligence and to prohibit coverage of reinvestments made by foreign financial institutions. Ceilings on military grants for Latin America have been lowered to $25 million. Also tightened are administrative controls over eligibility of commodities and over suppliers of foreign assistance financing.

The Fishermen's Protective Act of 1968 (P. L. 90-482, 82 Stat. 729) amended an act of August 27, 1954, by providing that the Secretary of the Interior may reimburse expenses incurred by any fishing vessel seized on the high seas by a foreign government invoking jurisdiction not recognized by the United States. Expenses include those incurred by the owner during the period of seizure and as a direct result thereof, also spoilage or seizure of the catch, in addition to up to 50% of the loss of gross income as a direct result of the seizure. The reimbursement is conditioned upon purchase by the owner of a guarantee from the Secretary of the Interior. The amounts paid will be deducted from any foreign aid scheduled for the seizing country.

Among the uniform laws prepared by the National Conference of Commissioners on Uniform State Laws, two contain significant rules applicable to international procedural situations. The Uniform Foreign
Money-Judgments Recognition Act includes recognition to be given to judgments rendered in foreign countries; this law was adopted in California, Illinois, Maryland, Massachusetts, Michigan and Oklahoma. The Interstate and International Procedure Law dealing with international jurisdictional questions as well as judicial cooperation (service, letters, rogatory, etc.) has been enacted in Arkansas, Michigan, Nebraska, Oklahoma and the Virgin Islands.

Puerto Rico

The draft Criminal Code mentioned in Vol. 1, No. 1 of Lawyer of the Americas and submitted to the Legislative Assembly did not originate in the University of Puerto Rico, but was the exclusive work of Professor Francisco Pagán Rodriguez of the faculty of the School of Law of the Inter American University of Puerto Rico.

URUGUAY

During 1968 the following significant legal developments took place. In foreign relations, preparations for a convention for increased commercial and financial exchanges with the Soviet Union were approved (Resolution No. 1869, January 2, 1968); a study of the offer by Bulgaria to trade Uruguayan meat for Bulgarian capital goods by a committee was undertaken (Resolution No. 195, February 12, 1968); and, commercial relations with Rumania expanded (Resolution No. 1460, October 15, 1968, and Decree No. 640, 1968). By Decree No. 353 (1968), a permanent secretariat of the Assembly of Reciprocal Petroleum Assistance for Latin America was established in Montevideo. An agreement with the Inter-American Children's Institute dealing with diplomatic immunities was approved (Decree No. 538, 1968).

Among treaties ratified in 1968, there were two conventions sponsored by the International Labor Organization: (1) regarding the freedom of associations and protection of the right to organize (Decree No. 80, 1968), and (2) dealing with the abolition of forced labor (Law No. 13.657, 1968). Other treaties ratified in 1968 were: The Postal Convention of the Americas and Spain signed in Buenos Aires in 1960 (Law No. 13.658, 1968); Prohibition of the Spread of Nuclear Weapons in Latin America (Law No. 13.699, 1968); Safety of Human Life on the Sea (Law No. 13.671, 1968); Ban on Nuclear Tests in the Atmosphere, signed at Moscow in 1963 (Law No. 13.684, 1968); Safety and Return of Astronauts and Launched Objects (Law No. 13.684, 1968), and the agreement giving the Inter-American Bank diplomatic privileges (Resolution No. 1527, October 28, 1968).
In foreign trade, importation of sheep from Brazil was prohibited (Decree No. 278, 1968). The retention of a 2% of the price of exported meats was abolished (Decree No. 344, 1968), and favorable treatment, established by Decree No. 121 (1965) was extended to "non-traditional" export products in order to stimulate their exportation and open new channels for their marketing (Decree No. 643, 1968). In regard to tariffs, a number of imports received preferred treatment by Decree No. 34 (1968), among them vessels imported to join the domestic merchant fleet; other articles, such as raw sugar, coffee beans, sack cloth, road construction equipment and medicines were exempt from tariffs (Decree No. 245, 1968), as was agricultural machinery imported from the United States (Decree No. 277, 1968), and food supplies (Decree No. 377, 1968) have been exempt from import duties. Such exemptions have also been granted to hops for beer (Decree No. 338, 1968), to alfalfa (Decree No. 359, 1968), to pesticides (Decree No. 645, 1968), and to tractors, harvesters, bulldozers, graders and other machinery used in the production of rice (Decree No. 964, 1968). On the other hand, Decree No. 517 (1968) added a number of new items to the existing import tariff list. The exemption of refrigerators was removed (Decree No. 490, 1968).

Items related to international financial problems were: the increase of Uruguay's contribution to the International Monetary Fund and the Inter-American Development Bank (Decree No. 855, 1968); the acceptance from the Inter-American Development Bank of a loan for public works, including sewage and drinking water systems (Resolution No. 682, May 10, 1968); the establishment, in cooperation with the United States, of the International Financial Corporation for Reconstruction and Development (Resolution No. 787, June 7, 1968), and a loan from the United States through AID (Resolution No. 1135, August 19, 1968). Influx of foreign capital was regulated by Decree No. 25 (1968) providing that such capital must enter through a bank authorized for this purpose, except where such capital is to be used for the purchase of public securities, of goods located in the Republic, or for investment in domestic commercial, industrial or agricultural enterprises. Foreign exchange holdings in domestic banks are subject to a once-only tax under Decree No. 48 (1968). Every governmental and para-governmental institution must henceforth conduct all their foreign exchange activities through the official Bank of Uruguay.

The domestic economy was hard hit by drought. Even though meat was made available all the days of the week (Decree No. 9, 1968), owners and sellers of articles of prime necessity must declare their location and distribution (Decree No. 64, 1968), particularly larger
quantities of flour (Decree No. 264, 1968). Price controls increased. A new list of prices appeared (Resolution of January 22, 1968), and additional controls were instituted by the state Agency for Combustibles, Alcohol and Cement by Decree No. 96 (1968). Retailers of food and alcoholic beverages must post their prices (Decree No. 80, 1968); a plan for private production of vegetables was initiated (Decree No. 197, 1968). A price list of articles of prime necessity for Montevideo appeared in Decree No. 210 (1968), the price of corn supplied by the United States was set by Decree No. 598 (1968). Violations of official prices are subject to Decree No. 598 (1968).

Significant help in regard to agricultural products came from the United States under an agreement approved by Resolution No. 98, January 25, 1968, and implemented by Decrees No. 135 (1968) and No. 290 (1968). In a general sense, Law No. 13.667 (1968) proclaimed that the promotion, protection regulation and conservation of land and water resources is in the national interest, and that agricultural production shall conform to standards established by administrative authorities. In order to clear titles to land, a registry of land owners and tenants will be established (Decree No. 88, 1968). All rural evictions including those of persons engaged in dairy production are postponed.

Eviction of tenants was suspended until December 31, 1968 (Law No. 13.659, 1968), provided their rents are paid, except where the landlord needs the premises for himself; other rental contracts may be renegotiated, among them, those for premises used for commerce or industry. Subleasing must be allowed by contract.

To save electricity, Decree No. 343 (1968) set hours during which commercial establishments could be kept open. Subsequently, some of these restrictions were revoked (Decree No. 470, 1968).

The exploration and exploitation of resources of the territorial waters and the continental shelf shall be subject to regulations issued by the Agency for Combustibles, Alcohol and Cement (Decree No. 339, 1968). Resolution No. 1.352, September 24, 1968, authorized an agreement with Italy for the exploitation of fishing resources and providing for investments and exports.

In the area of taxation, sales, services and rentals in excess of 500 pesos must be reported to tax authorities under Decree No. 90, (1968). Impositions on movements of goods within the Republic were introduced by Decree No. 131 (1968). Certain building materials are liable to a 5% sales tax under Decree No. 393 (1968). Taxes in connection with
export loans are regulated by Decree No. 588 (1968); taxes on inheritance, agriculture, financial activities, property and others were modified by Law No. 13.695 (1968). On the other hand, a sales tax on educational materials was abolished (Resolution No. 147, June 5, 1968).

Due to unrest among bank employees, the government issued a number of decrees (No. 383, 1968; No. 402, 1968; and Resolution No. 855, June 28, 1968). Postal services are covered in Resolution No. 855, June 25, 1968.

(Report on Uruguay contributed by Robert L. Miller, Esq., Los Angeles, Cal.)

VENEZUELA

A new Health and Safety at Work Regulation was enacted by Presidential Decree No. 1.290 (1969).

Validation of foreign academic decree, as well as credits earned abroad has been regulated by Decree No. 1.292 (1969).

Extensive regulations to the Law on Forests, Soil and Waters were promulgated by Presidential Decree No. 1333 (1969).

The Law of Insurance and Reinsurance Companies enacted in 1965 was regulated by Presidential Decree No. 1.337 (1969).

Regulations for the University of Caracas were promulgated under Ministry of Education Resolution No. 1697 (1969).


Presidential Decree No. 1316 (1969) promulgated the regulations concerning the conservation of hydrocarbon resources.

The Minister of Justice has submitted to the Congress bills on the following subjects: Maritime Commerce, Extradition and Judicial Careers. The Minister of Development submitted bills on: Tourism, and Statistics and the National Census.