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INTER-AMERICAN LEGAL DEVELOPMENTS

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ARGENTINA

The new military government assumed power "in order to assure the attainment of the fundamental aim of the revolution: to create conditions indispensable for a full re-establishment of democratic institutions in a climate of liberty, progress and justice." In the meantime the president of the Military Junta will exercise legislative and administrative authority, except in matters of national importance which require approval by the Junta.

In the area of labor law the government revoked (Law No. 18.888, 1971) the Real Wage Law which has established guidelines for labor-management wage negotiations. Under the new regime, such negotiations shall cover all working conditions, including wages. In order to assure an average 6% increase in wages during the current year, a new wage adjustment will be made at the year's end and, if necessary, based on cost of living increases and productivity.

A number of enactments deal with social security. Law No. 18.820 (1970) created the *Dirección Nacional de Previsión Social* to facilitate the uniform collection of contributions, regulated by Law No. 18.821 (1971) and implemented by Decree No. 2.375 (1970). Amendments regarding social security of self-employed are contained in Law No. 18.826 (1970); a registration of beneficiaries was ordered by Law No. 18.824 (1970). Amnesty for social security debtors was granted by Law No. 18.871 (1970).

Social services for persons employed on public projects are introduced by Law No. 18.825 (1970).

The Buy Argentine Law (No. 18.875, 1970, implemented by Decree No. 2.930) is designed to channel purchases by administrative authorities and state controlled enterprises to domestic suppliers. Domestic companies

are defined as those established locally with at least 80% of the board being Argentine nationals or aliens permanently residing in the Republic. Preference will be given to companies with a larger percentage of Argentine directors and a greater share of domestic capital. Corporations with the lowest amount of remittances abroad in payment of licenses, royalties and similar obligations also will be preferred.

Law No. 17.724 (1969) regarding marketing has been amended by Law No. 18.947 (1971) revoking art. 5, 7-10 and 14 and replacing them with provisions allocating functions under the law to provincial governments as *agentes naturales del gobierno nacional*. In the performance of such duties officials may call on the *fuera pública*, seize documents, books and other evidence, intervene and even close enterprises which violate the law. Such closings of enterprises must be approved by the courts within 72 hours.

Art. 195 of the Bankruptcy Law (No. 11.719, 1933) was amended by Law No. 18.832 (1970) giving administrative authorities the power to continue, in the public interest, operations of a bankrupt enterprise through appointed administrators.

International transportation in containers was regulated by Resolution No. 6.552 (1970), implementing Decree No. 925 (1968). Safety certificates for vessels are now regulated by Decree No. 1.522 (1970); signaling equipment by Decree No. 2.046 (1970).

In the area of tourism Law No. 18.829 (1970) regulated travel agents. They must register (art. 3) and post bond (art. 6). The *Dirección Nacional de Turismo* exercises control; penalties imposed may be appealed to the *Cámara Nacional de Apelaciones en lo Penal Económico* (art. 20). The law was implemented by Decree No. 2.254 (1970).

Export incentives for the promotion of non-traditional exports of manufactured goods have been enacted by Law No. 18.893 (1971), implemented by Decree No. 3.056 (1971). A new list of export minerals qualifying for 10% tax reduction under Decree No. 9.588 (1967) has been issued (Decree No. 2.920, implementing Decree No. 140, 1970).

Slaughtering of animals was regulated by Law No. 18.918 (1970).

A new list of tariff concessions under the LAFTA agreement was published by Decree No. 1.560 (1970).

Buenos Aires

A law regulating administrative procedure was enacted (No. 7.647, 1970).

Catamarca

A judgeship in charge of mining cases was created (Law No. 2365, 1970).

Chaco

Law No. 1.038 (1970) regulates impeachment of judges.

Córdoba

A new Code of Criminal Procedure was enacted (Law No. 5.154, 1970).

Entre Ríos

Judicial Council (*Consejo de Magistratura*) is regulated by Decree No. 3.028 (1970).

La Pampa

Pasteurization of milk is required (order No. 222, 1970).

Mendoza

Decree No. 2.825 (1970) regulates private educational institutions and their public support. Development is organized by Decree No. 4.409 (1970).

Misiones

The functions of notary publics are established by Decree No. 2.225 (1970).

Río Negro

Law No. 599 (1970) deals with colonization; Law No. 601 with the appellate labor court (1970).

Santa Fe

Control in matters of labor legislation was strengthened by Decree No. 2.306 (1970) requiring employers to keep books listing their personnel and working hours.

Santiago del Estero

Decree No. 17 (1970) has supplied the definition of a rural entity according to art. 2.326 of the Civil Code.

BARBADOS

Among recent enactments, the following may be mentioned: National Insurance and Social Security (Self-employed Persons) Regulations, 1970 (S. O. No. 1, 1971), implementing the National Insurance and Social Security Act (1966); the Rate of Interest Act (No. 4, 1970).

Barbados has become a member of the International Monetary Fund (1970).

BRAZIL

The Civil Code (1916) was amended by Law No. 5.652 (1970). Articles 817 and 830 now allow extension of mortgage payments up to 30 years by simple annotation filed by the parties.

Decree-Law No. 68.459 (1971) established two fishing zones: internal, reaching up to 100 miles from the coastal line, and the other, external, extending to a 200 mile limit which also is the boundary line of territorial waters. Only Brazilian vessels may fish in the internal fishing zone, including foreign registered vessels chartered to Brazilian companies, provided such vessels are registered with the admiralty court, and larger vessels (over 20 tons) with the Superintendency for Development of Fishing and with the Port Authority. Such registration will only be granted to Brazilian nationals or companies. Foreign fishing vessels may fish in the external zone only by special permit and upon payment of a fee. The law also contains provisions dealing with inspection and penalties.

A number of decree-laws were issued dealing with industrial development. Decree-Law No. 1132 (1970) extended fiscal incentives for industrial projects in the chemical, food, textile, electrical, electronics and civil engineering fields to the end of 1970. In somewhat modified form the regime is being continued under Decree-Law No. 1.137 (1970), implemented by Decree No. 67.707 (1970). Decree No. 67.706 (1970) reorganized the Council of Industrial Development.

Two decrees (No. 68.063 and 68.054) signed in January 1971 regulate industrial and bonded warehouses. An industrial warehouse is defined as one in which "raw materials and imported intermediary products are used; is temporary exempt from taxation, but yet under fiscal control; and is destined for production of goods for export or for the domestic market." The Minister of Finance grants temporary permits subject to cancellation. A bonded warehouse is one which accepts "deposits of goods in a certain locality with temporary exemption from taxes, but subject to fiscal control." Permits for this type of warehouse may be granted to

port authorities (sea as well as air) and to warehousing firms, public or private. They are granted on a temporary basis to fairs, expositions and similar institutions. The goods may remain warehoused up to three years.

The Central Bank has approved Resolution No. 163/70, authorizing mutual investment funds to include in their portfolios letters of exchange accepted by financial institutions (investment banks, credit and finance companies and mixed companies) up to an amount not exceeding 15% of the total assets of the fund, provided the period of payment for such fixed income securities does not exceed 24 months. The Central Bank has approved a resolution No. 163/70 raising the limit for consumer credit to 15% of the total value of financing operations undertaken by finance companies.

Decree-Laws No. 666 (1969) and No. 687 (1969) imposing the duty to ship foreign products in Brazilian vessels have been explained by a communication issued by the Bank of Brazil. Decree No. 67.990 (1970) has extended through 1971 the privilege of foreign vessels to engage in cabotage for transporting frozen cargos and products of prime necessity; another Decree-Law No. 1.141 (1970) has extended until 1975 art. 1 of Decree-Law No. 498 (1969) providing that materials for shipbuilding approved by the National Superintendency of the Merchant Marine, to be completed within 1971, shall be exempt from import duties and tax on industrial products provided they are foreign financed.

Law No. 5.618 (1970) provides for tariff privileges for aircraft used in agriculture.

The National Industrial Property Department was replaced by the newly created National Industrial Property Institute (Law No. 5.648 (1970)) charged with regulation and administration of patents and technology generally. The Institute will operate within the Ministry of Industry and Commerce.

The National Department of Commercial Registration has issued a *portaria* (No. 25, November 9, 1970) which simplifies the opening of commercial branch offices and agencies.

Decree-Law No. 1134 (1970) grants to corporations a deduction up to 50% on the income for investment in forestry projects approved by the National Institute of Colonization and Agrarian Reform.

According to Resolution No. 3 (January, 1971) issued by the National Private Insurance Council, insurance of imported goods must be arranged

by insurance companies established in Brazil, except in cases of economic convenience or difficulties in obtaining domestic coverage, provided this is approved by the Brazilian Re-insurance Institute.

Aliens entering Brazil to work must obtain, according to art. 15 and 17 of Decree-Law No. 961 (1969), a permit: a permanent visa from the Immigration Department or a temporary one from the Ministry of Justice. Consulates are authorized to issue a visa on the spot provided the applicant falls within one of the following job classifications: engineering, (electrical, electronic, mechanical, naval, chemical and others), project designing, hotel management, tool making, machine assembling, telephone installations among others.

By Ordinance No. 10 (February 11, 1971) issued by the National Department of Commercial Registration, Commercial Boards will require foreign corporations participating in Brazilian firms to show not only their legal existence in their country of origin but also that they are not involved in bankruptcy or similar proceedings. Representatives of foreign companies authorized to do business in Brazil are required to prove that they have not been involved in civil litigation or sentenced for tax evasion. Similar requirements are imposed on aliens if they hold the position of business partners, directors or managers of commercial firms.

In a recent decision the Federal Appellate Court held that the prorogation of a foreign court in a contract made in London but to be executed by a Brazilian company in Brazil, was invalid under art. 12 of the Introductory Law to the Civil Code (1942) and art. 628 of the Commercial Code.

BRITISH WEST INDIES

Bahamas

The Judicial Trustees Act (No. 36, 1969, 2 *Law. Am.* 205, 1970) has been implemented by Judicial Trustees Rules (1970, S. I. No. 61, 1970).

Among recent enactments the following may be mentioned: the Act to change the title of the office of Assistant Registrar General (No. 26, 1970); the Act to amend the racecourse betting act (No. 27, 1970); and the Act to make more effective provision for the fire services (No. 32, 1970).

Grenada

The Government's attempt to expand the membership on the Nutmeg Board by an amendment to the Nutmeg Industry Amendment Act is being hotly discussed; so is the amendment to the Public Order Act providing

penalties for "making public speeches or publishing or distributing matters likely to cause race hatred."

The Banana Amendment Act also is opposed on the same ground as is the Nutmeg Industry Amendment Act since both amendments shall bring respective producers into compulsory organizations, i.e., the Grenada Banana Cooperative Society and the Cooperative Nutmeg Association. This is considered by the opposition as a step toward nationalization.

Montserrat

At the opening of the current session of the Legislative Council, the "throne" speech indicated measures to control banking (by a public accounts committee), to expand the labor department and improve housing, communications, social services and agriculture.

St. Christopher

The Government has introduced a bill to prohibit aliens to organize or address public meetings or to take part in public demonstrations without proper permit.

Another act amending the Constitution and Election Ordinance Act (to use indelible ink at general elections and to prevent impersonations by voters) has been adopted.

St. Lucia

The Government plans to introduce measures to control the operations of commercial banks and insurance companies; there are also plans under way to control holding of land by aliens.

The House of Assembly passed a law requesting aliens to obtain a work permit (Foreign Nationals and Commonwealth Citizens Act).

A National Provident Fund shall be established by law.

St. Vincent

Land holding by aliens, regulated by the Aliens (Land-Holding Regulation) Ordinance (ch. 96), (3 *Law. Am.* 50, 1971) has again been amended by amendment no. 2 (Act No. 38, 1970), exempting not previously included aliens, individuals or corporations, engaged in banking or insurance, from the application of the ordinance (sec. 4B).

Amended also was the Petroleum (Production) Ordinance (3 *Law. Am.* 50, 1971) by act No. 40 (1970).

An act to make provisions for the security of the country in an emergency was enacted as Act No. 45 (1970). Price controls were introduced by Act No. 47 (1970).

An act to provide for the exploration and exploitation of the continental shelf and to give effect to certain provisions of the Convention on the High Seas (Geneva, 1958) was enacted (Act No. 49, 1970).

CANADA

A new constitution is being prepared to replace the British North America Act of 1867 (as amended 1907, 1915, 1916). Among the significant provisions a few may be mentioned: the British Parliament shall lose its veto in constitutional matters; a Supreme Court of Canada shall eliminate the Privy Council; both English and French shall be official languages, and civil rights shall be fully stated in the new document.

Among the acts recently consented to, the following may be listed: Canada Cooperative Association Act (1970); Motor Vehicle Safety Act (1969/70); the Shipping Conferences Exemption Act (1969/70); also amendments to the Merchant Seamen Compensation Act (1970) and the Corporation Act (1969/70). According to this amendment (1970) certain companies (e.g., pipeline, trust, loan, insurance, railway) could be incorporated only by a special act of Parliament. Now they may be incorporated by the Minister of Consumer and Corporate Affairs with approval of the Minister in charge of the particular activity. The amendment introduced a new type of company, namely the constrained-share company, one which requires a permit under a federal act and would be unable to obtain such permit if a class of persons (e. g., aliens) has a significant or controlling interest. An extensive addition to the Act contains a comprehensive regulation. New rules apply to insider trading (art. 98 - 98F); its definition is considerably expanded and civil and criminal penalties added. Additional provisions deal with proxies (art. 106B - 106 H). A chapter entitled Investigations has been added (art. 112 - 112 D); they may be instituted by shareholders or the Minister. Changes also include extended duties concerning reporting on financial matters. Diversified companies may be required to publish separate financial statements on gross sales (art. 120 A). New provisions (art. 127A - 127 L) deal with take-over bids and include provisions for the required notifications and the time limit within which a bid may be effective.

Dismissal on the ground of *forum non conveniens* was granted in Ontario (*Moreno v. Norwich Union Fire Ins. Society, Ltd.* 1970, I.L.R. I) in an action by a U. S. resident against an insurance company which

executed the policy in Ontario, but the accident occurred in England. Claims arising out of a car accident in the state of Washington between two cars registered in British Columbia and involving residents there, are governed by the "proper law of torts" based on two issues: whether defendant's driving was "justifiable" under the law of Washington, and whether it would constitute negligence under the law of the forum, i. e., British Columbia (*LaVan v. Danyluk*, 1970, 75 W.W.R. 500).

Alberta

Two acts have recently taken effect: the Magistrates and Justices Amendment Act (1970), and the Administration of Estates Act (1969).

British Columbia

Two amendments have been assented to affecting the Land Surveyors Act (1969), and the Motor Vehicle Act (1968).

Manitoba

A number of acts has recently been assented to: Health Services Insurance Act (1970); Local Election Authorities Act (1970); Municipal Act (1970); Municipal Assessment Act (1970); Museums and Miscellaneous Grants Act (1970); Criminal Injuries Compensation Act (1970); Expropriation Act (1970); Fatality Inquiries Act (1970), and the Landlord and Tenants Act (1954), as enacted in 1970. An assented amendment deals with elections (1970).

New Brunswick

The Medical Services Payment Act (1968) took effect.

Newfoundland

Four amendments to existing legislation took effect, involving the Alcoholic Liquors Act (1970); the Community Councils Act (1970); the Election Act (1968), and the Highway Traffic Act (1970).

Nova Scotia

The Cattle Pest Control Act (1970), and the Act Respecting the Holding of Magisterial Courts by Night (1971) as well as amendments to the Insurance Act (1970) have been assented to.

Ontario

The Land Titles Act (1960, as in force in London, accompanied with amendments, 1970); the Law Society Act (1970); the Business

Corporation Act (1970); the Expropriations Act (1968/69), and the Women's Equal Employment Opportunity Act (1970), took effect, as did amendments to the following acts: Insurance Act (1968/69); Assignment of Book Debts Act (1967); Bills of Sale and Chattel Mortgage Act (1967, 1970); Consumer Protection Act (1970); Corporations Act (1970); Upholstered and Stuffed Articles Act (1968/69); the Barristers Act (1970), the Pesticides Act (1970), and the Vaccination Act (1964).

Prince Edward Island

The Law Reform Commission Act (1970) took effect.

Quebec

Acts dealing with production and sale of cider; with voting districts; with financial administration, and with the Family and Social Affairs Council (all 1970) have been assented to, as have been amendments to acts regarding municipal commissions; the Quebec urban community; family housing; Social Affairs Department; courts of justice; the Quebec Deposit and Investment Fund; summary convictions; police; municipal code; construction industry labor relations; and cities and towns.

Among other amendments assented to in 1970 a few merit short explanations. The Civil Code was amended to strengthen the position of illegitimate children. The marriage of such children must be approved by their natural parents, unless they have abandoned the child; brothers and sisters of age may oppose the marriage in cases listed in art. 139 of the Civil Code. The amendment also creates reciprocal obligations between illegitimate children and their parents and regulates the proofs of such filiation. The amendment also grants to illegitimate parents and children the same right to indemnification as accorded to legitimate children in cases of the accidental death of either. Finally, the amendment vests in legitimate parents the necessary authority to fulfill obligations toward their children.

Another amendment deals with the Professional Matriculation Act and related legislation designed to enable aliens the study for and to exercise certain professions (e. g., medicine, pharmacy, optometry, veterinary, architecture, engineering, chemistry, accountancy). The privilege is limited to persons legally admitted to Canada, domiciled in Quebec, with a working knowledge of French and who apply for Canadian nationality "within the minimum legal delays."

The Mining Act was amended (1970) to clarify the relationship between the holder of surface rights and the mining lessee. It also introduces

a license for geophysical explorations and provides for the settlement of disputes.

Saskatchewan

Amendments to two acts took effect involving the Insurance Act (1970), and the Radiological Health Act (1970).

CHILE

The present constitution adopted in 1947 (Law No. 8.828) was implemented by Law No. 17.398 (1971) establishing, expanding and defining a number of civil rights (*garantías constitucionales*). In regard to political rights, art. 9 now guarantees "free exercise of political rights within a democratic and republican system." Chileans may freely associate in "political parties which are recognized as legal entities of public law aiming at cooperating in national politics in a democratic fashion." Political parties adopt their own internal organizations, establish their programs, in order to "present candidates in elections . . . to maintain offices (*secretarías*) for propaganda as well as means of communication and, in general, to develop their own activities." A law shall regulate the intervention of political parties in the *generación de los Poderes Públicos*. Parties also shall have free access to means of communication controlled by the State so as to "adequately express the various opinions in proportion to votes obtained by each at the last general elections" of representatives. Also guaranteed (art. 10, 3) is the freedom to "express, without previous censorship, opinions by word or in writing, through press, radio, television or in any other form, except in regard to "delicts and abuses committed in the exercise of such freedom, in the form and in cases determined by law." However, in no case may such delict or abuse involve the "support or spreading of an idea." Anybody offended by information has the right to "clarify or rectify" it without charge through the same medium, under conditions established by law. All currents of public opinion shall have the right to "use, under the principle of equality as determined by law, the media of communication controlled by private parties (*particulares*)." Everybody, particularly universities and political parties, have the right to organize, support and maintain dailies, periodicals and radio stations, as provided by law. Only by law may the status (*regimen*) and functioning of such media be changed, including their expropriation which must be approved by a majority of both Chambers. The importation and marketing of printed materials shall be free, except for "regulations and tariffs imposed by law." Any "arbitrary discrimination" between *empresas propietarias* engaged in publishing dailies,

periodicals, and radio as well as television stations, in regard to allocation of paper, printers' ink, machinery and other necessities or in regard to permits required for such acquisitions, within or without the country, is prohibited. However, only the State and universities may operate television stations. The freedom of assembly also is granted, in public places, without arms, and under conditions established by law. Basic education is compulsory, is the primary function of the State, and is to be performed through public and private institutions which "cooperate in its realization by adjusting to plans and programs established by educational authorities." Only freely offered private education—not for profit—shall receive economic support from the State, under conditions established by law. Education shall be "democratic and pluralist, without any official partisan orientation," and is to be administered by a *Superintendencia de Educación Pública* composed of "representatives of all segments (*sectores*) involved in the national educational system." Technical services shall select textbooks in public competitions. State and private universities, recognized by the State, shall enjoy academic autonomy in the performance of their functions in accordance with the educational, scientific and cultural requirements of the country. Admission to universities shall depend exclusively on the qualifications of applicants. The same principle applies to teaching and research personnel; they are free to develop their materials "according to their ideas, subject to their duty to offer to students the necessary information regarding the various and opposing doctrines and principles." On the other hand, students may "express their own ideas and choose, insofar as possible, the instruction and tutoring of professors they prefer." Inviolability of correspondence by letter, telegram and telegraph and communications by telephone is guaranteed, except in cases expressly stated by law. Guaranteed also is the freedom to work and its protection (art. 10, 14) and freedom of movement. The State will "adopt all measures to satisfy the social, economic and cultural rights necessary for the free development of the individual and human dignity, for the total protection of the community and for an equitable redistribution of the national income." Various social security programs have been developed and a national health service established (art. 10, 16). The right to "participate actively in the social, cultural, civic, political and economic life to achieve full development of the human person and his effective integration (*incorporación*) into the national community" (art. 10, 17) is established. To this effect, the State shall "remove all obstacles which limit freedom and equality of groups; and will guarantee and further their access to all levels of education and culture, as well as to services necessary to achieve these goals, through systems and institutions indicated by law." Communities of neighbors, mothers' associations, labor unions,

cooperatives and other social organizations are legal entities, free to engage in those functions recognized by law. In no case may such organizations claim that they represent the people or may they exercise powers belonging to public authorities. The armed forces and the *Cuerpo de Carabineros* are "essentially professional institutions, hierarchically organized, subject to discipline, obedient and non deliberative" (art. 22).

In regard to exchange controls, an *acuerdo* of the Central Bank (D.O. November 23, 1970) regulates foreign currency necessary for foreign travel, support of families, subscription to periodicals, purchase of medicines and payment of insurance premiums. Penalties up to five years in prison and fines (five times the amount involved) are provided. Exports of capitals require approval of the Central Bank (D.O. December 3, 1970). Payments in foreign currency are regulated by a regulation issued under art. 60 of Law No. 17073 which provides for such payments to persons, differentiating between those residing in Chile less than two and more than two years, subject to the approval by the Central Bank. Commercial banks (D.O. January 19, 1971) must first obtain the approval of the *Comité Ejecutivo del Banco Central* for foreign credits, for payments in foreign currency and withdrawals from deposits and checking accounts in foreign currency. Exchange regulations controlling foreign transportation enterprises appeared in D.O. February 11, 1971.

Law No. 17410 (1971) authorizes judges to postpone, on motion or *ex officio*, evictions up to one year.

A new regulation concerning aviation appeared as Decree No. 539 (1970).

The Central Bank has established the interest rate (D.O. December 31, 1970) for the first semester of 1971 at 15%; contractual interest may not exceed 18% annually. The rate for the second semester of 1970 was fixed at 24%.

The *Diario Oficial* publishes instances of expropriation of business enterprises. A bakery was expropriated (D.O. December 11, 1970) under Decree No. 1262 enacted in 1953 which allows expropriation of enterprises involved in the production and distribution of products of prime necessity. The expropriation of a metal manufacturing company (D.O. December 23, 1971) relied on Decree No. 338 of 1945. Another company which switched to synthetics and stopped production based on wool, was expropriated (D.O. February 24, 1971) under art. 4 of Decree No. 1262 (1953).

A draft law submitted to the Legislature late in December 1970, to nationalize the copper industry and give the State ownership of all

minerals, and to pay foreign owners a compensation payable in 30 years at 3% interest for their investments at cost less depreciation for buildings, machinery and installations has reached the Senate. This body adopted a rather general provision in the form of a constitutional amendment and left a substantial part of the problem to negotiations with foreign interests. A take-over of the domestic banking system is also being considered.

A divorce law is under discussion by a special commission composed of experts in psychology and sociology as well as lawyers and various institutions interested in family problems. Divorce should protect and not destroy the family and be available, free of charge, to all segments of the population.

Within the scope of a wide reform of the existing judicial system there appeared a plan to establish "people's courts" patterned after the Soviet "comrades courts". These courts were to judge various forms of anti-social behavior, such as public drunkenness, certain disturbances and child neglect. The punishments for such acts were to be public admonition, fine or "forced labor", like sweeping streets or cleaning parks. However, in March the Government withdrew the draft in view of the manifest opposition in both Houses.

COLOMBIA

Regulations dealing with public registers (3 *Am. Law.* 55, 1971) have been further implemented. Decree No. 1260 (1970) deals with registers of civil status involving births, marriages and deaths. Colombian registers will also carry births abroad whenever parents are Colombians, or born of Colombian parents or adopted by them as well as aliens residing in Colombia, provided they apply for registration (art. 44). Births which take place abroad or during a voyage terminating abroad, will be registered by the Colombian consul, or in case one is not available, in accordance with the laws of the respective country (art. 47). Special provisions deal with illegitimate children (art. 54-60). Marriages celebrated abroad between Colombians by birth, between a Colombian by birth or by adoption, between a Colombian by adoption and an alien, between Colombians by adoption, and between Colombians by birth or by adoption, will be inscribed in the register in the capital of the Republic (art. 67). In the same register there will also be inscribed: annulments, divorces and separations (art. 72). Inscriptions in a Colombian register constitute valid proof; also "inscriptions made in a foreign country, if performed in accordance with formalities in force in the respective country, or if they have been made before a Colombian consular agent in

accordance with the national (i.e., Colombian) law" (art. 102, para. 2). Generally, no fact, act or disposition subject to registration, will be given effect (*fe*) in judicial proceedings or before any authority unless properly inscribed (art. 106), nor will, as a general rule, take effect in relation to third persons (art. 107). This decree supersedes, among others, art. 346 to 395 of the Civil Code.

A decree (No. 1254, 1970) regulates the registry office in Bogota.

Repealing previous regulations (2 *Law. Am.* 409, 1970, and 3 *Law. Am.* 55, 1971) a new statute regulating the legal profession has been enacted (Decree No. 196, 1971). In order to practice, an attorney must be inscribed in the National Register of Attorneys (art. 4), kept by the Ministry of Justice (art. 44, 1). In his application to the Superior Court (art. 7) the applicant must prove the existence of a law diploma recognized by the State (art. 5). The decree regulates instances where representation by attorney is required (art. 24-27) as well as exceptions (art. 28-38), for example, those in favor of law students acting in *consultorios juridicos*, organized by law faculties and approved by the Superior Tribunal to act in criminal, labor and civil cases before municipal judges (art. 30). The decree lists incompatibilities (art. 39 and 40) and instances of illegal exercise of the profession (art. 41-43). The profession is under the control of the Ministry of Justice (art. 44). Breaches of professional standards are listed in art. 48 to 56 and are subject to sanctions which range from admonition, censure and suspension to exclusion (art. 57-60). Sanctions are administered by the Superior Tribunals with appeal to the Disciplinary Tribunal constituted under art. 217 of the Constitution (art. 66). Disciplinary procedure is regulated in art. 69 to 89, supplemented by the Code of Criminal Procedure (art. 90).

Transportation by motor cars was regulated by Decree No. 1393 (1970).

The *Junta Monetaria* (Resolution No. 88, 1970) has limited interest rates payable on foreign loans to 9% for loans payable in one year, and to 9.5% for loans payable later.

The Congress has granted to the President extensive powers to enact various social security programs (Law No. 20, 1970).

A number of international conventions were recently ratified, among them the Protocol for the Solution of Controversies arising from the Treaty of Montevideo, signed in Asunción in 1967 (Law No. 11, 1971); a Commercial and Payments Convention with Rumania (Law No. 13, 1970); and another dealing with technical and economic cooperation

(Law No. 22, 1970); a convention granting exemption from double taxation on maritime and aviation enterprises with Argentina (Law No. 15, 1970), and a similar convention with West Germany (Law No. 16, 1970).

Decree No. 1135 (1970, 2 *Law. Am.* 410, 1970) dealing with the issuance of checks without funds, was ruled partially unconstitutional by the Supreme Court (No. 7, February 24, 1971). Art. 2 and 3 of the decree were held to be unconstitutional on the ground that they affect statutory law already in force, and art. 4 and 5 on the basis that they contain provisions for which there was no authority in the enabling act (Law No. 16, 1968) giving the executive, legislative authority within defined limitations. Only art. 1 defining the crime and setting the penalty (one to three years in prison) survived.

COSTA RICA

Recently the new Criminal Code entered into force; (Law No. 4573, *Gaceta, alcance* No. 120 A, November 15, 1970), replacing the dual codes, i.e., the Criminal Code and the Code of Police of 1941. The new code not only merged both codes (the former covered felonies and the latter misdemeanors) but also adopted new ideas from the Model Criminal Code for Latin America, from drafts prepared in Venezuela and Guatemala and experts in the field. The new code is divided into three parts: a general part (art. 1-110), felonies (art. 111-373), and misdemeanors (art. 374-413). The general part contains conflict provisions. The principle of territoriality, including the continental shelf and domestic vessels and aircraft (art. 4), yields where punishable acts "affect the internal or external security of the State or its economy, and those committed against the public administration by public officials, nationals or aliens" abroad (art. 5), and also in cases where punishable acts "take effect, fully or partially, in the national territory, or have been committed by persons in the service of Costa Rica and have not been adjudicated at the place of commission because of diplomatic or functional immunity, or have been perpetrated against a Costa Rican or his rights" (art. 6). A number of felonies are listed (art. 7) as international crimes (piracy, genocide, counterfeiting, slavery, trade with women and children, or dealing in narcotics as well as in obscene publications). Foreign judgments dealing with cases under art. 4 and 5 of the code have no effect in Costa Rica; nevertheless, a foreign punishment will be credited (art. 9). On the other hand, foreign not-guilty judgments dealing with cases under art. 6 and 7 will be recognized (art. 10). The general part continues with provisions regarding the punishable act (art. 18-41), the culprit (art.

42-49); penalties (art. 50-79); the extinction of prosecution and penalty (art. 80-102), and civil consequences (art. 103-110). The second book of the code starts with delicts against life (art. 111-144), including abortion and duels (art. 131-138), and continues with crimes against honor (art. 145-155); sex (art. 156-175); family (art. 176-188); freedom (art. 185-195); privacy (art. 196-207); property (art. 208-230); good faith in dealings (art. 231-243); public safety (art. 244-274), including piracy on the sea and in the air (art. 256-258); security of the nation (art. 275-291), mainly treason; against public authority and constitutional order (art. 292-301), such as rebellion and mutiny; administration of justice (art. 314-328); duties of public authorities (art. 329-356) including abuse of authority and corruption; public faith (art. 357-370), protecting public documents and currency, and finally crimes against human rights (art. 371-373), namely racial discrimination and genocide. Book three deals with misdemeanors affecting persons, honor, good morals, civil status, trespass, property and public order and security. The new enactment presents a precise and well organized codification, in step with modern developments. At the same time, it is responsive to special needs and traditions of the country.

The regulation of the marital property regime was changed by Law No. 4.674 (1970). It revoked Law No. 4.277 enacted in 1968 which amended art. 76 and 77 of the Civil Code, thus restoring the original text as enacted in 1888. The 1968 amendment was inspired by the idea of protecting the wife and children against wantom disposition by the husband, of assets established as homestead (*patrimonio familiar*). Admitting free arrangement of property matters between spouses by matrimonial agreements, the 1968 law nevertheless prohibited spouses to dispose, without mutual consent, of immovables used as family dwelling, erected on land acquired for consideration during marriage by either spouse or both (art. 76, para. 2). The same rule also applied to furnishings (art. 76, para. 2). Acts not complying with these provisions have been voidable (art. 76, para. 3). However, in practice the law was felt to unnecessarily impede fluidity of the real estate market rather than offer protection to disadvantaged wives or children. After re-enacting in 1970 the original language of the Civil Code, the marriage property regime still remains a matter of agreement. In its absence each spouse remains the owner of assets held at the time of marriage and acquired during marriage by whatever title (art. 76). However, upon cessation of the marriage by divorce or death, assets become common property and accrue by halves to each spouse (or to heirs), except those brought into marriage (*introducidos al matrimonio*) or acquired during marriage as gift (*por título*

lucrativo), or by the use of assets belonging to one of the spouses, as intended by the matrimonial property agreement. An additional criterion also is if the legal ground (*causa*) or the title to the asset preceded the marriage; or in case of immovables the fact that they have been substituted (*subrogados*) for other immovables held by one spouse. Of course, these rules may be waived in the marital property agreement (art. 77).

Law No. 4.687 (1970) amended art. 204 and 207 of the Education Code.

Law No. 4.695 (1970) established a judicial register of delinquents, organized by administrative provinces.

The General Law of Civil Aviation (No. 762, 1949) was implemented by the addition, in 1971, of three new articles 143, 144, and 145.

The International Convention for the Protection of Interpreting and Performing Artists, and of Producers of Records signed in Rome in 1961 was ratified.

DOMINICAN REPUBLIC

Law No. 55 (1970) established a compulsory registration of persons entitled to vote. A similar register was set up to list taxpayers by Law No. 53 (1970).

Decree No. 351 (1970) created a special commission charged with the evaluation of land held by the State in the National District. The *Administrador General de Bienes Nacionales* must, in case of sale of such lands, obtain an evaluation to be used as the selling price.

Law No. 49 (1970) amended the law regulating the organization of the judiciary, by extending certain incompatibilities regarding judges in relation to public prosecutors and others.

A number of legislative drafts are being discussed, among them a new mining law to replace the one presently in force (Law No. 4550, September 23, 1956). The draft provides that all mineral and other resources of the subsoil belong to the State which grants rights to exploration and exploitation. Holders of mining concessions must submit to the laws of the Republic; aliens also must "waive any diplomatic intervention in regard to matters regarding the concession." Concessions may not be granted to foreign governments directly or indirectly; only in exceptional cases may such concessions be granted subject to the approval of the Congress. Foreign enterprises planning to exploit mineral resources must form a local corporation according to Dominican laws; those applying only

for exploration may act through agencies after having submitted proof of their legal existence in their home country to the *Dirección General de Minería*.

A general reform of the Labor Code is being considered. Presently, the Senate is discussing changes in the Code (art. 10, 68, 72, and 111) to adjust it to the special needs of workers in sugar cane fields. The Senate also is discussing a law requiring a 50% participation of domestic capital in tourist enterprises; also a draft requiring an annual audit of investment companies by amending the respective law (No. 550, 1964).

The Senate has approved the greater part of a law creating community associations which shall represent and enhance "particular values of the neighborhoods, as associations of mothers, fathers, parent-teachers and friends, artisans, cultural centers, youth and sport organizations, cooperatives, labor unions, agrarian organizations and others."

Additional governmental bills have been submitted to the legislature. One proposes that owners of land which will profit from governmental irrigation works, shall contribute an equitable amount, except small farmers. To simplify garnishment procedures involving bank accounts and similar assets, the government urges to amend art. 561 and 569 of the Code of Civil Procedure.

Law No. 108 (1971) has amended art. 10 of the Organic Law of the Central Bank of the Republic (No. 6.142, 1962) by expanding membership of the *Junta Monetaria* which according to art. 111, para. III of the constitution regulates the monetary and banking system of the nation.

The President has submitted to the Legislature a law to regulate the civil service and the administrative careers, based on the merit system, equality of opportunity, and equal pay for equal work. Civil service shall be divided into three classes: political appointments; positions requiring a high degree of discretion; and positions to be filled by competition. The last class will distinguish between professional and non-professional positions. The law will not include elective offices, nor affect the Army, police, judges, diplomatic posts abroad, university professors, and members of councils administering *instituciones descentralizadas* and state enterprises.

The Chamber of Deputies has approved a law regarding urbanization to replace the law enacted in 1944. The new law is designed to enact new regulations for the development of the construction industry, for the coordination of the various organs which intervene in the processing of permits and controls during the construction, for the orderly payment of

related fees, and to assure an effective participation of professionals in different aspects of urbanization and construction.

The Chamber of Deputies has approved a change in the law regulating the Central Bank, by adding to the *Junta Monetaria*, the Secretary of Industry and Commerce as member. The chamber also adopted a law adding to crews of vessels a member of the Navy in order to prevent smuggling.

The aviation agreement with Venezuela was ratified by the Congress by Resolution No. 6 on August 19, 1970.

The President issued, on March 8, 1971, a decree (No. 725) denying to public employees the right to salary in cases of strikes or intentional reduction of their level of performance.

SPECIAL NOTE

As a result of a recent study conducted by the *Lawyer's* correspondent for the Dominican Republic, Dr. José F. Valdivia Jr., we are pleased to publish a list furnished by him containing the Dominican legislation on the control, conservation and use of the waters in the Dominican Republic.

Ley No. 124. Ley Sobre Aguas Terrestres, G.O. No. 5826 (1942).

Decreto No. 2644. Ley Complementaria de la Ley No. 24, G.O. No. 7226-bis (1950).

Ley No. 4837. Modifica artículo 11 de la Ley sobre Distribución de Aguas Públicas, G.O. No. 8207 (1958).

Ley No. 5498. Modifica artículo 11 de la Ley 124 sobre Distribución de Aguas Públicas, G.O. No. 8553 (1961).

Ley No. 5852. Ley sobre Dominio de Aguas Terrestres y Distribución de Aguas Públicas, G.O. No. 8666 (1962).

Ley No. 5994. Crea el Instituto Nacional de Aguas Potables y Alcantarillados (INAPA), G.O. No. 8680 (1962).

Ley No. 6211. Modifica varios artículos a la Ley 5994, G.O. No. 8743-bis (1963).

Reglamento No. 8955-bis. Sobre el Funcionamiento del Instituto Nacional de Aguas Potables y Alcantarillado (INAPA), G.O. No. 8746-bis (1963).

Ley No. 436. Modifica Ley No. 5852, G.O. No. 8897 (1964).

- Ley No. 24. Modifica Ley No. 5, del 8 de septiembre de 1965, sobre Instituto Nacional de Aguas Potables y Alcantarillados (INAPA), G.O. No. 8947 (1965).
- Ley No. 5. Deroga Ley 701, del 8 de abril de 1965, que creó la Secretaría de Estado de Recursos Hidráulicos y establece nuevamente el Instituto Nacional de Aguas Potables y Alcantarillados (INAPA), G.O. No. 8945 (1965).
- Ley No. 214. Pone a cargo de INAPA las funciones de operación y mantenimiento de los sistemas de aguas potables a cargo de la Liga Municipal Dominicana, quedando la propiedad de los acueductos en Manos de los Ayuntamientos, G.O. No. 8985 (1966).
de los Ayuntamientos, G.O. No. 8985 (1966).
- Ley No. 281. Modifica Ord. 3ro. del Art. 61 de la Ley 5852, G.O. No. 8992 (1966).
- Ley No. 238. Modifica Ord. 3ro. Art. 61 de la Ley 5852 y el párrafo del mismo Artículo (Tarifa para la obtención de solicitudes de títulos de aguas para la construcción de canales privados para el uso de las aguas), G.O. No. 8988 (1966).
- Ley No. 1638. Crea comisión para dictar las medidas necesarias para regular el uso de las aguas subterráneas y las que propenden a la conservación de las mismas, G.O. No. 9054 (1967).
- Ley No. 487. Control de Explotación y Conservación de las Aguas Subterráneas, G.O. No. 9162 (1969).

EL SALVADOR

A guaranty fund for small industry was established by Decree No. 117 (1970).

The treatment of invested foreign capital was improved by Decree No. 37 (1970), amending art. 40 of the regulation of the law controlling international transfers (May 30, 1961). Foreign investors with capital registered according to art. 37 of the latter law may remit profits from certain enterprises (e.g. industrial, agricultural, mining and tourism) without limitation; other enterprises may remit their profits in an amount not exceeding 10% of their registered capital. There are no limitations on remittances of moneys from total or partial liquidations of foreign investments or of proceeds from sales of shares and other securities, both subject to approval by the Central Bank.

The law to further exports (Decree No. 148, 1970) grants incentives to enterprises established in the Republic which export their products to countries outside the Central American Common Market.

Decree No. 153 (1970) is designed to promote irrigation and improve agricultural production by a rational utilization of soil and water. An irrigation district was established in Zapotitan; the respective legislative Decree (No. 214, 1971) limits the maximum land held by an individual within the district to 50 hectares and establishes a minimum of two hectares.

The law regulating gift taxes enacted in 1936 (Decree-Law No. 53) was implemented (art. 7) to include as exempt from taxation gifts to labor unions.

A law dealing with certification of seeds and plants was enacted (Decree No. 229, 1971).

The city of Chalatenango was declared the symbolic capital of the country (Decree No. 230, 1971).

A General Regulation on Safety and Hygiene in Places of Work was enacted by Decree No. 7 (1971). It regulates buildings, lighting, ventilation, temperature and humidity as well provides for health services. Particular provisions deal with safety measures and work clothing. The enforcement is entrusted to the *Departamento Nacional de Previsión Social*.

FRENCH ANTILLES AND GUIANA

Following the policy of administrative decentralization established by Decree No. 60-407 (1960), a recent Decree (No. 70-1047, 1970) has applied this policy to public investments of the second, third and fourth category (i.e., regional, departamental, and municipal) to departments "beyond the sea." Their prefects may administer investments not only within their respective jurisdictions, but also those of regional interest in accordance with the ruling by the competent Minister (art. 7).

Social allowances have been modified by Decree No. 70-1148 (1970). Minimum wages have been further regulated by *arrêté* (January 6, 1971) and Decree No. 71-99 (1971).

Port fees established by Decree No. 69-116 (1969) have been amended by Decree No. 70-1144 (1970).

The price of tobacco in Guadeloupe has been fixed (*arrêté*, December 16, 1970).

The Code of Social Security was amended so as to give protection to nationals employed abroad (Decree No. 70-1167, 1970); contributions for accidents and professional sickness have been changed (*arrêté*, Dec. 2, 1970).

Decree No. 70-1276 (1970) brought about significant changes in procedural rules regarding parental authority, particularly in regard to support of education.

Ordinance No. 67-838 (1968) dealing with entrepreneurial credit was modified by Law No. 70-1187 (1970).

National (military) service is now regulated by Decree No. 70-1340 (1970), subject — in this area — to qualifications contained in art. 11.

Some newly enacted laws may be extended to the Caribbean departments. Among them modifications to the *Code Rural* regarding long-term leases regulated in art. 870 (Law No. 70-1298, 1970); the establishment of *groupements fonciers agricoles* (Law No. 70-1299, 1970); and the law reorganizing hospital services (No. 70-1318, 1970).

France has ratified the Tokyo convention by Decree No. 71-151 (1971).

GUATEMALA

The *Ley del Organismo Judicial* (1968, I *Law. Am.* 58, 1969) was amended by Decree No. 74 (1970) affecting art. 27, 29, 30, 40, 110, 142, 177, and 199. Congress also enacted Decree No. 15 (1971) dealing with *arraigo* which prevents a defendant from leaving the country unless he grants a power of attorney to someone to represent him in the suit (art. 523 of the Code of Civil and Commercial Procedure, 1964).

Decree No. 104 (1970) amended two articles of the Commercial Code (3 *Law. Am.* 27, 1971): art. 211, dealing with reduction of capital in business associations, and art. 212 dealing with increases as well as reductions. Decree No. 11 (1971) enacted a law for the development of small businesses.

The Code of Minors (2 *Law. Am.* 215, 1970) was amended by Decree No. 94 (1970).

The *Código de Sanidad* has been amended by Decree No. 92 (1970). Amended articles (78, 79, 80, 85, 87-90, and 92) deal with narcotics and include penalties.

In the area of agriculture, the establishment of two institutions may be noted: the National Bank for Agricultural Development (Decree No.

99, 1970), and the National Institute for the Marketing of Agricultural Products (Decree No. 101, 1970). The Ministry of Agriculture was organized by Decree No. 102 (1970). The basic law regarding the *Banco Nacional de Desarrollo Agrícola* (BANDESA) was amended (Decree No. 16, 1970).

In transportation, Decree No. 22 (1969) regulating the *Empresa de los Ferrocarriles de Guatemala* has been amended (Decree No. 82, 1970). In aviation, the aviation convention with Belgium was ratified (1971) as was the Tokyo Convention (O.G. No. 40, January 20, 1971).

The Law of Public Order was amended by Decree No. 89 (1970) (art. 2, 3, 13, 16, 19, 27-30). A new regulation of governmental purchases of goods and services was enacted by Decree No. 11 (1971), replacing Decrees No. 13 and 64 (1970).

The Income Tax Law (1965) was amended by Decree No. 96 (1970) as was the law regulating the tax on land (Decree No. 84, 1970).

Employment of aliens is now regulated by Decree No. 1 of January 7, 1971. Generally, the Labor Code (1947, art. 13) prohibits the employment of more than 10% of aliens in an enterprise and to pay them more than 15% of the total salary, except in two instances established by the Code (art. 13, a and b). Applications for permits to employ aliens must be filed with the Ministry of Labor and Social Welfare (art. 1), accompanied by the necessary documents (art. 2), among them a statement regarding the number of aliens and domestic workers in the respective enterprise and their salaries, and a document proving the lack, on the part of the prospective alien worker, of judicial or police penalties issued by the proper authorities of his country. Aliens engaged in music or on the stage (art. 2, para. 5) are subject to particular requirements (art. 2, para. 5). Unless the alien falls within any of the special classes established in art. 13 of the Labor Code, namely the executive personnel of an enterprise, e.g., managers, directors, the *Departamento Nacional de Empleo y Formación Profesional* will be consulted in order to find out whether or not domestic labor is available (art. 4). Aliens in the class of professionals must submit documents listed in art. 7. Permits will be issued up to one year (art. 9), but may be extended (art. 9, para. 2). The *Inspección General de Trabajo* will supervise such employment (art. 12).

GUYANA

Twenty five foreign concerns including British, German and Trinidadian companies, as well as local companies have attacked the constitutionality of the recently enacted Corporation Tax Act (1970), and the

Income Tax (Amendment) Act (1970) in the High Court. The Corporation Tax Act imposes a 25 to 35% tax on profits of commercial companies, on income accruing in or derived from Guyana or elsewhere, gains from disposal of property within 12 months since acquisition, dividends, interests, discounts, premiums, rentals, royalties and other income received from non-resident companies. The Income Tax Act imposes a higher tax vis-à-vis the present tax rate of 20%.

When the negotiations between the Government and the Canadian aluminum company (Demerara) collapsed due to the non-negotiable position taken by the Government with regard to the degree and nature of its participation, and the valuation of assets and the conditions of payment of the compensation for nationalization, the Government introduced — and the National Assembly approved — the Bauxite Nationalization Bill, 1971. It restates the main points of the position taken by the Government during the negotiations. The bill amounts to an amendment of the Constitution since it replaces the requirement of “prompt and adequate compensation” with “reasonable compensation.” The compensation should be paid from the future profits of the enterprise to be administered by the Guyana Development Corporation. As to valuation, the bill provides that the value be determined on the basis of the depreciated value of the assets as shown by the company for income tax purposes in 1969, with any increase added subsequently.

HONDURAS

The National Congress has adopted a decree (No. 97, 1970) outlining measures to increase the national production and regulate foreign trade.

Decree No. 96 (1970) provides an interpretation of art. 4 of the Labor Code (1959) in the sense that the term worker includes also persons who as itinerant sellers offer their services to an employer on the basis of a contract or similar relationship, even though the mode of remuneration would indicate a relationship different from that of employment.

Art. 3 and 11 of the Warehouse Regulation were amended by an *acuerdo* (No. 1055, 1970).

The Election Law (art. 28, 36, and 93) was amended by Decree No. 110 (1970).

Art. 224 of the Agrarian Reform Law was stricken and a new paragraph added to art. 225, providing that employees of the National Agrarian Institute shall be subject to the Labor Code.

Art. 9 of the *Ley de Emisión del Pensamiento* was amended by Decree No. 108 (1970).

Art. 159 of the Mining Law of 1968 (2 *Law. Am.* 416, 1970), dealing with transitory provisions, was amended by Decree No. 111 (1970).

A law dealing with population and migratory policies was enacted (Decree No. 34, 1970).

A regulation to the law regarding representatives and distributors of commercial firms was issued (December, 1970).

A law of agricultural development was adopted (Decree No. 69, 1971).

JAMAICA

The Government has introduced a number of bills in the Legislature. Among them: a bill for the enrollment and practice of legal practitioners and for the establishment of a General Legal Council to deal with legal education and the discipline of legal practitioners; a bill to amend the Supreme Court Law, an act to amend the Money Lending Law; a bill to amend the Public Utility Commission Act; a bill to impose tax on transfers of land and securities; an act relating to the territorial sea of Jamaica (to reach 12 miles off the coast); an act to make provisions for relief from income tax in aid of certain international finance companies; and an insurance act.

MEXICO

A number of articles of the Civil Code for the Federal District and Territories (1932) has been amended (D. O. March 24, 1971). In most of the affected articles the judge involved (*juez de primera instancia* or *juez de lo civil* or *juez pupilar*) was replaced with a *juez de lo familiar* (art. 44, 52, 105, 107, 108, 150, 167, 291, 323, 371, 380, 381, 454, 495, 460, 468, 496, 497, 500, 501, 522, 540, 544, 546, 632, 633 and 634). A substantive change occurred in art. 380 and 381 dealing with acknowledged illegitimate children; there *patria potestad* was replaced with *custodia*.

The Code of Civil Procedure for the Federal District and Territories (1932) has been amended by decree (D.O. March 24, 1971). Affected are art. 61 (keeping order in the court room), 117, 159 (personal status and probate to be handled by *jueces de lo familiar*, with additional amended provisions in art. 192, 207, 731, 901, and 924), and art. 172 as well as art. 2 of the chapter dealing with justices of the peace.

Accepting the Government's initiative to stop migratory divorces by aliens (2 *Law. Am.* 421, 1970), the federal legislature enacted a suggested

amendment to the Nationality and Naturalization Law (1934). Generally providing (art. 35), that "Aliens may, without losing their nationality, establish domicile in the Republic, with all legal consequences," the text continues (art. 35, para. 1): "The acquisition, change or loss of domicile of aliens shall be governed exclusively by the provisions of the Civil Code for the Federal District and Territories, in general matters (*en materia común*), and for the entire Republic in matters of federal concern (*en materia federal*)." With regard to the jurisdiction of courts, para. II provides that jurisdiction established on the basis of territory "shall in no case be prorogable (i.e. jurisdiction agreed upon between parties) in proceedings for divorce and nullity of marriages of aliens." The same article provides that "No judicial or administrative authority shall process (*dará trámite*) the divorce or the annulment of marriage of aliens, unless accompanied by a certificate issued by the *Secretaría de Gobernación* regarding their legal residence in the country and that their migratory status (*condiciones y calidad migratoria*) allows them to undertake (*realizar*) such act." Even though the amendment refrains from imposing outright nullity on such proceedings, it provides in a paragraph added to art. 39 of the law, that a "Judicial or administrative official who processes a divorce or an annulment" without the required certificate, or does so "by applying other laws different from those indicated in art. 50, will be relieved from office and imprisoned up to six months or fined up to 10,000 pesos or both, in the discretion of the judge." It may be added that the cited art. 50 of the Nationality and Natralization Law provides: "Only federal law may modify and restrict civil rights (*derechos civiles*) which are enjoyed by aliens; consequently, the Law and provisions of the Civil Code and that of The Code of Civil Procedure for the Federal District in this matter are federal in nature (*carácter de federales*) and are binding throughout the Union."

The Criminal Code for the Federal District and Territories (1934) was amended (D. O. March 19, 1971). Negligent delicts (art. 62) are to be fined in the amount of damages (below 10,000 pesos) and their reparation; the same rule applies to traffic accidents regardless of the amount of damages. In case of accompanying personal injuries or of damages to the property of others, prosecution also will be only on complaint (*a petición*), except where the traffic accident was due to drunkenness or the use of narcotics. The applicability of art. 74, allowing commutation of prison to fine, was expanded to include prison sentences up to one year, but was limited to first offenders. In cases of substitution or commutation of penalties (art. 76) the requirement of reparation of damages remains. Articles 81 to 83 dealing with work to be performed

by convicts have been modified; so have been art. 84 to 87 regulating parole and art. 90 dealing with suspended sentences.

Both federal codes of criminal procedure were amended by two acts (D. O. March 19, 1971). One modifies the Code of Criminal Procedure for the Federal District and Territories (art. 10, 271, 305-320, 322, 325-329, 331, 408, 431, 525, 546, 548, 550, 552, 575, 578, 580-590, 593-601, 619, 622, 625, 640, 642, 647, 650, 652, 655, 656, 673-675). The second decree amended art. 538 of the Federal Code of Criminal Procedure (1934).

Significant changes have been introduced into the General Law of Credit Institutions and Auxiliary Organizations, enacted in 1941, by an amendment (D. O. December 29, 1970), aiming at furthering the developmental process and at preventing improper financial practices. In essence, the amendment affects the following matters. From the seven kinds of financial institutions (art. 2) one, the building savings and loan associations are eliminated (art. 2). The acquisition of shares over 25% of the capital of a financial institution by individuals or groups of individuals or legal entities is subject to a previous authorization by the Secretariat of Economy and Public Credit (art. 3 bis). Additions to art. 8 deal with financial institutions in difficulties. *Bancos de depósito* have their authority expanded (art. 10), subject to added controls (art. 11), particularly in regard to discount operations (art. 13); the list of prohibited operations was expanded (art. 17, VIII). The *sociedades financieras*, as defined in art. 26, must keep a deposit with the Bank of Mexico (art. 27 bis); additional changes affect articles 28 and 28 bis. Financial institutions engaged in fiduciary operations (art. 44) are subject to additional regulations (art. 45, III). The *Comisión Nacional Bancaria y de Seguros* may approve the removal of members of the board of directors or managers for good reason (art. 91 bis). Combinations of financial institutions agreeing on coordinated policies based on *nexos patrimoniales de importancia* may present themselves as such to the public, provided they meet the requirements listed in art 91 bis. All financial institutions must publish monthly reports according to the amended art. 95. The Secretariat of Economy and Public Credit may revoke a concession also when an institution fails to perform functions for which it has been established, or exceeds them, or fails to maintain required assets (art. 100). The same Secretariat will set fees for financial services (art. 138); it also may — by general regulations — establish ceilings for credits available to enterprises directly or indirectly controlled by aliens as well as the acquisition by financial institutions of shares and other securities issued by such enterprises (art. 138 bis 3). Penalties have been increased (art. 153 bis, and 1). Generally, controls

over financial institutions are vested in the Secretariat of Economy and Public Credit and will be exercised by the *Comisión Nacional Bancaria y de Seguro* (art. 160 bis).

The same decree (D. O. December 29, 1970) amended article 24 (V and XXVI) of the Organic Law of the Bank of Mexico (1941). Section XXVI provides that clearing offices (*cámaras de compensaciones*) will be operated by the Bank of Mexico.

The Organic Law of the Judicial Power of the Federation (D. O. January 10, 1936) has been amended in art. 8, 71, and 72 (D. O. February 10, 1971). A decree (D. O. March 18, 1971) has amended the *Ley Orgánica* regulating courts in the Federal District and Territories; art. 2-5, 16, 28, 46, 49, 51, 53, 55-60, 70-77, 79, 80-85, 91-94, 97, 98, 102, 105-108, 111, 112, 114, 117-120, 130, 192, 205, 280, and 309 are affected.

The Congress has created the Mexican Institute of Foreign Trade (D. O. December 31, 1970) as an autonomous body "coordinated with" the Ministry of Foreign Affairs (art. 1). Its Administrative Council is composed of representatives of ministries involved in foreign trade as well as representatives of banks and professional managerial organizations (art. 5). The functions of the Institute are listed in no less than 42 items (art. 2).

Art. I of the Nationality and Naturalization Law (3 *Law. Am.* 65, 1971) defining Mexican nationals has been amended in para. 11 to include those "born abroad of Mexican parents; of a Mexican father or of a Mexican mother" (D. O. February 20, 1971).

Significant enactments affect oil. A new *Ley Orgánica de Petróleos Mexicanos* (D. O. February 6, 1971) replaces the original decree No. 7, enacted in 1938. It is *un organismo público descentralizado* of the federal government, technical, industrial and commercial in nature (art. 1), with objectives defined in art. 2. It shall be administered by an Administrative Council and a general director (art. 4). The Council consists of eleven members of whom six are representatives of the State through administrative agencies, and five representatives of labor unions *de facto* employed in the plants (art. 5). In all its activities, *Petróleos Mexicanos* is governed by federal laws and, regardless of parties involved, subject to the exclusive jurisdiction of federal courts (art. 17).

Chapter VIII of the Regulation to the Regulatory Law of Article 27 of the Constitution in Matters of Oil (August 24, 1959, including an *acuerdo* of January 13, 1960) was replaced by a regulation published in

the D. O. on February 9, 1971. After defining the petrochemical industry (art. 1-5), the regulation establishes the Mexican Petrochemical Commission (art. 6) and regulates permits required to engage in this industry (art. 10-14) by listing requirements among them the minimum percentage of Mexican capital (art. 10, f). Transfer of shares or mergers must be approved by the *Secretaría del Patrimonio Nacional* (art. 14). The regulation defines Mexicans and Mexican associations (art. 14, para. III). In regard to associations with foreign capital participation (art. 14, para. III), permits may be issued to such associations, provided 60% of the capital is held by Mexicans or Mexican associations which exclude aliens, or with a capital of which 60% is held by Mexicans. In essence, the regulation provides that in case the associations applying for a permit are corporations, which issue only common stock, then 60% of the shares must be issued as series A stock (called Mexican) while the remaining capital shall be issued as series B and may be freely subscribed, e.g., by aliens, individuals and associations, except sovereigns or governments.

A federal law (D. O. December 16, 1970) shall provide for the protection and administration of the nation's cultural assets.

In the area of education, technical education received special attention through the following acts: decree establishing the *Centro de Investigación y de Estudios Avanzados del Instituto Politécnico Nacional* (D. O. December 29, 1970); decree establishing the *Comisión de Operaciones y Fomento de Actividades Académicas del Instituto Politécnico Nacional* (D. O. December 29, 1970); decree creating the *Patronato de Obras e Instalaciones del Instituto Politécnico Nacional* (D. O. December 29, 1970); decree establishing the *Centro Nacional de Enseñanza Técnica Industrial* (D. O. December 29, 1970). A *Consejo Nacional de Ciencia y Tecnología* also was established (D. O. December 29, 1970).

A federal law deals with prevention and control of ecological pollution (D. O. March 23, 1971).

Economic matters are the subject of a number of enactments, among them the creation of a federal *organismo descentralizado*, the *Comisión Nacional de la Industria Azucarera* (D. O. December 18, 1970); and amendments to the forestry law (D. O. March 23, 1971).

An *Instituto Nacional para el Desarrollo de la Comunidad Rural y de la Vivienda Popular* (D. O. February 20, 1971) was set up.

The regulation of travel agencies was amended (D. O. March 8, 1971). It now prescribes (art. 11) that contracts concluded by such

agencies or their agents must be in writing and contain the names of the contracting parties, the number of the authorization issued by the Department of Tourism, the itinerary, a complete list of services agreed upon and their quality, the price in national currency and the conditions of payment, the express agreements undertaken by either party, and required signatures as well as the seal of the agency.

An administrative tribunal (*Tribunal de lo Contencioso Administrativo*) for the Federal District was established (D. O. March 17, 1971) to decide, independently from other administrative authorities, controversies between individuals and administrative authorities of the District (art. 1). The court will function *en banc* or in three departments with three members each (art. 2). The law regulates proceedings (art. 24-89). Decisions of the court shall be binding on the court whenever the holding was followed in five consecutive cases and accepted unanimously (art. 83). In order to overrule decisional law thus established a qualified presence of members of the court is required (art. 86). In case of decisions contradicting established decisional law, judicial and administrative authorities as well as individuals may denounce such acts to the plenum of the administrative court which takes appropriate action (art. 88).

A new law (D. O. December 31, 1970) regulates powers of control exercised by the federal government over *organismos descentralizados* and enterprises with state participation, entrusted to the *Secretaría del Patrimonio Nacional (SEPANAL)*. The law is divided into three parts: enterprises with majority state participation; *fideicomisos* (trusts), and enterprises with minority state participation. Under the provisions applicable to majority State participation are also included enterprises in which domestic financial institutions or other institutions with State participation hold more than 50% of the capital. SEPANAL will exercise control by steady auditing as well as by technical inspections. Loans must be approved by the Secretariat of Economy and Public Credit. Additional powers vested in SEPANAL, including powers regarding the personnel of such institutions, are listed. It also will have a representative — without vote — on all administrative bodies and general meetings of shareholders or members. Any alienation of immovable assets must be approved by the President of the Republic through SEPANAL. Auctions of assets as well as acquisitions of land will have to be made on the basis of evaluations by the *Comisión de Avalúos de Bienes Nacionales*. Movable assets may be alienated or donated only upon approval by SENAPAL. Trusts established by the Secretariat of Economy and Public Credit as the exclusive trustee of the Government will be under the control of SEPANAL and will be inscribed in a register. Enterprises with minority State participation are

those which 25 to 50% of the capital is controlled by institutions enumerated in connection with majority State participation. SENAPAL is charged with their supervision.

In the area of labor law amendments to the Social Security Law should be noted (D.O. December 31, 1970).

A *Comisión Nacional Coordinadora de Puertos* was created (D.O. December 29, 1970).

On the international level a number of treaties were ratified, among them: Aviation Conventions with Norway (D.O. March 6, 1971); Denmark (D.O. March 5, 1971); Sweden (D.O. March 8, 1971); Brazil (D.O. March 9, 1971), and the United States (D.O. November 21, 1970). The conventions for cultural cooperation involve France, (D.O. November 21, 1970), and Czechoslovakia (March 9, 1971). The convention for the recovery of archeological assets (3 *Law. Am.* 66, 1971) has been ratified by Mexico (D.O. November 21, 1970), but not yet by the United States.

NETHERLANDS WEST INDIES

An agreement of technical and economic cooperation with Guyana was signed on February 7, 1971.

The Legislature of Surinam adopted a law to make air piracy a criminal offense punishable by 9 to 15 years imprisonment.

NICARAGUA

The Statute of the Central American University was reformed (1970).

Article 40 of the general tax law was amended (1970). Public registrars will not register any document which does not comply with tax requirements. Nevertheless, interested parties may apply for a provisional annotation (*anotación preventiva*) which will expire in six months (art. 3964 of the Civil Code).

PANAMA

Decree No. 295 (1970) has created the *Corporación de Desarrollo Fronterizo*.

The Aviation convention with Spain was ratified by Decree No. 323 (1970), as was the Tokyo Convention on Offenses and Certain Other Acts Committed on Board Aircraft, 1963 (Decree No. 324, 1970).

A new law on incentives to national manufacturing has been enacted by Decree No. 413 (1970), replacing Law No. 25 of 1957. Art. 19 contains conditions for foreign participation.

Art. 292 of the Code of Mineral Resources (Law No. 23, 1963) was amended by Decree No. 404 (1970). It creates within the Ministry of Commerce and Industry a *Dirección General de Recursos Minerales*.

The Charter of the World Tourist Organization signed in Mexico in 1970 was ratified (Decree No. 407, 1970).

PARAGUAY

Law No. 209 (1970) deals with defense of public peace and personal liberty.

A new bankruptcy law was enacted as Law No. 154 (1969).

A Statute of Civil Service was published as Law No. 200 (1970).

A National Office for Planning within the Technical Secretariat of Planning was established by Decree No. 13.299 (1970). An *Institución Social de Bienes de Familia* was created by Law No. 211 (1970).

Warehouses are now regulated by Law No. 215 (1970).

The *Dirección General de Turismo* was reorganized by Law No. 152 (1969).

By Decree No. 12.752 (1970) the Ministry of Public Works and Communications established reserved areas in certain departments to explore for iron and copper.

Succession to benefits due to Chaco veterans was regulated by Law No. 190 (1970).

Decree No. 12.408 (1970) put into effect concessions granted by Paraguay at the Ninth Conference of LAFTA. The LAFTA Convention of Transportation by Water was ratified.

The Agreement regarding privileges and immunities of the OAS was ratified by Law No. 156 (1969).

A newly enacted law, No. 216 (1970) divides, with regard to privileges, foreign investments into two classes: necessary and advantageous. Both classes shall be exempt from import duties and advance deposits for capital equipment as well as from taxes on exchange operations. Necessary investments enjoy a tax reduction of 50% and advantageous investments

of 30% both for five years. In regard to exchange surcharges on import of capital goods, necessary investments will be exempt completely, while advantageous investments will receive a 70% reduction. Additional benefits are established for the import of raw materials and containers. Particular benefits are granted to investments in the Western Chaco. Repatriation of profits, interests and royalties is free. Capital repatriation may be made only after three years and no more than 20% annually. Benefits under the law are available also to immigrants and Paraguayans residing abroad who plan to return. The title to assets brought into Paraguay under the law may not be transferred before three years, except upon the payment of a prorated tax from which the exemption was granted.

Law No. 219 (1970) regulates the diplomatic and consular service.

Law No. 1.257 (1932) was implemented by Law No. 214 (1970) dealing with sales of subdivided lands.

Decree-Law No. 43 (1971) reserved fluvial and maritime transportation to Paraguayan vessels.

A convention for economic cooperation with Spain was signed on March 31, 1971.

PERU

The General Industrial Law (No. 18.350, 2 *Law. Am.* 425, 1970) was implemented by an extensive regulation (Supreme Decree No. 001.71-C. D.-D. S., 1971). The additional provisions deal with industrial priorities (art. 2-7); various kinds of cooperation (art. 8-12); tax incentives (art. 13-30), also with incentives emanating from the *Banco Estatal de Fomento*; with technological and administrative incentives and with incentives derived from decentralization (art. 31-41). Rules on classification of industrial enterprises (art. 42-45) are followed by regulations dealing with patents (*propiedad industrial*, art. 46-81), industrial designs (art. 82-86), technical processes (art. 87-90), trademarks (art. 91-102), commercial firms (*nombres comerciales*, art. 103-109), unfair competition (art. 110-111) and related procedural rules (art. 112-130). A chapter is devoted to technological research and standards (art. 131-138). Imports of capital goods (art. 162-180) are followed by rules regulating location of industrial enterprises (art. 184-186). Detailed provisions deal with the establishment of such enterprises (art. 187-197), their merger (art. 198-204), expansion or change (art. 205-211) as well as with their restriction and liquidation (art. 212-214). In regard to foreign participation, the regulation enumerates factors to be considered with regard to contracts with foreign investors (art. 215); the period for the reduction of foreign

investments (art. 216), and the alternatives available to foreign shareholders (to sell out or to be nationalized, art. 217). The latter alternative consists of having declared, by the Ministry of Economy and Finance, such investments held by alien natural persons, to be national capital on the strength of a waiver on the part of such aliens to repatriate the capital and to remit income therefrom (art. 230). The repatriation of proceeds from the sale of shares in convertible currency is free, provided the amount does not exceed the nominal value of such shares (art. 218): the excess may be repatriated subject to payments of fees imposed (art. 219); similar provisions apply to shares acquired by reinvestments (art. 220). An industrial enterprise whose capital is both domestic and foreign, or completely foreign, may also export abroad, in convertible currency at the official rate of exchange and subject to the imposed fees, the income from direct foreign investments (art. 221). Domestic credit will be allocated to enterprises with foreign participation only in proportion to the participation of domestic capital (art. 222), with exceptions stated in art. 223. Industrial enterprises with foreign participation which enjoy special privileges, must enter into contracts with the State (art. 224); such contracts must contain matters listed in art. 225. Foreign capital participation exceeding the prescribed maximum will be considered, after the period given for its liquidation, as national capital and lose the right to repatriation (art. 231). Subsequent provisions deal with labor participation (art. 232-235) and the industrial community (art. 236-243). Finally, sanctions for various infractions are set in art. 244-257. Final provisions deal with management associations (art. 258-268) and various administrative, including transitional matters. The regulation contains also a list of industries arranged by priorities.

A decree-law (No. 18,748, 1971) established uniform terminology for some of the basic notions used in economic legislation. Among them, foreign investors are defined as "non nationals who contribute to the capital of an enterprise freely convertible moneys, industrial plants, machinery or equipment, originating abroad and are their property, entitled to repatriate (*reexportación*) their value and to transfer income abroad" (art. 1/a). A national enterprise is one in which 80% of its investors are nationals, provided it is found that this "proportion is reflected in the technical, financial, administrative, and commercial management of the enterprise" (art. 1/c). A foreign enterprise is one where the capital held by nationals is less than 51%, or in case it is higher, such participation is not reflected—as just stated—in the management of the enterprise (art. 1/d). Enterprises established in Peru with domestic investments varying from 51 to 80% are defined as mixed enterprises, subject again to the qualification just stated (art. 1/e).

Under no circumstances may the number and the amount of shares in banking enterprises held by aliens be increased. In case of capitalization of profits or of free reserves, the banking enterprise shall pay aliens the corresponding dividends (Decree-Law No. 18.482, 1970).

Special privileges regarding payment of due debts and taxes have been granted to worker's cooperatives which have failed (Decree-Law No. 18.785, 1971).

In the area of agrarian reform a number of decrees have been issued dealing, among others, with housing, cooperatives, peasant communities, marketing of farm products, and their prices; a resolution (No. 1124-70-AG, 1970) regulated purchases of goods from the Ministry of Agriculture and sale of farm products by the Ministry.

In order to accommodate people of distant areas, art. 29 and 33 of the Civil Code have been amended (Decree Law No. 18.788, 1971). The basic law of the judiciary has been amended by Decree-Law No. 18.720 (1971); the commission preparing a new law is continuing its work (Supreme Decree No. 002-71-PM, 1971).

Stability of private and similar public employment is established by Decree-Law No. 18.471 (1970). It requires for dismissal serious fault (art. 2) on the part of the worker, or reduction in the personnel (art. 1). Dismissal must be notified to the worker in writing and a copy is to be forwarded to the Ministry of Labor (art. 4). Its decisions may be appealed to the *Dirección de Trabajo* (art. 5 and 9). Penalties for infraction of "labor legislation and collective agreements and for any act which affects (*altere*) the harmony in labor relations" (art. 1) will be punished by fines (art. 2, Decree-Law No. 18.668, 1970).

In the area of transportation the following enactments may be mentioned: international transportation of passengers by bus (Supreme Decree No. 027-70-TC, 1970); public transportation by bus (Supreme Decree No. 032-70-TC, 1970); evaluation of domestic air carriers (Supreme Resolution No. 0105-70-TC, 1970); nationalization of foreign vessels (amendments to the Regulation of Port Authorities and Coast Guard, Supreme Decree No. 019-70-M, 1970).

The *Empresa Nacional de Telecomunicaciones* (ENTEL) has received its charter (Supreme Decree No. 029-70-TC, 1970).

Decree-Law No. 18.779 (1971) has imposed upon banks and other financial and savings institutions the duty to keep minimum cash on hand in the amount of 15% for deposits and obligations payable on demand, and 6% of deposits and savings. Operations in foreign currencies, insofar

as permitted, are regulated in art. 3. The Central Reserve Bank may increase the percentage (art. 4) and take other measures (art. 5-11).

A Decree-Law (No. 18.780, 1971) prohibits exportation of artistic and archeological objects, except for expositions.

Legislation dealing with exchange controls (Decree-Laws No. 18.275 and 18.300) has been modified by Decree-Laws No. 18.457 (1970) and 18.737 (1971) and implemented by an extensive regulation (Supreme Decree No. 004-71-EF, 1971) which replaced the regulation issued in 1970 (Supreme Decree No. 072-70-EF). The regulation contains general provisions (art. 1-21), dealing with loans, dividends, royalties and patents (art. 22-30), insurance (art. 31-33), travel (art. 34-40), expenses for students (art. 41-48) and those caused by illness (art. 49-51). Particular provisions affect business transactions (art. 52-74), including transfers abroad of income of resident aliens (art. 70), of proceeds of sales of houses and other assets held by such aliens (art. 71) and of proceeds involving non-resident aliens (art. 72) which applies also to transfers of proceeds from assets held by foreign subsidiaries, agencies and offices established in the Republic (art. 73).

Numerous decrees and resolutions deal with fisheries, among them: financing exports of fish meal (Decree-Law No. 18.660, 1970), and establishing of an *Empresa Pública de Certificaciones Pesqueras* (Decree-Law No. 18.745, 1971).

International technical cooperation is regulated by Decree-Law No. 18.742 (1971).

The General Industrial Law (3 *Law. Am.* 68, 1971) appears translated in 9 *International Legal Materials* 1225 (1970).

TRINIDAD AND TOBAGO

A bill to abolish differences between legitimate and illegitimate children was introduced by the Government in the House of Representatives. As a consequence, illegitimate children should be treated as if born of married parents.

Trinidad and Tobago signed the Protocol of Guatemala sponsored by the ICAO to modify rights and obligations toward passengers under the Warsaw Convention. Trinidad and Tobago has agreed to an aggregate of claims up to TT \$200.000. per passenger. This limit must not be exceeded; however, it shall be reviewed at the end of the fifth and tenth year after the coming into force of the Protocol. Nevertheless, the amount

will be increased annually by TT \$5,000, unless participating countries decide otherwise, but in no case may this amount be increased.

An agreement with Venezuela is to be signed for a joint exploration of fishing resources in the Gulf of Paria.

A Government spokesman has indicated (April 7, 1971) that the Government has ruled out the nationalization of its oil industry in view of the fact that domestic oil production amounts only to one half of one percent of the world production and that, in order to keep local refining facilities operating and meet deliveries, crude oil is being imported because local production has, between 1968 and 1969, decreased by some 15%.

Before the current session of the Legislature there are bills dealing with the Caribbean Industrial Research Institute; amendments to the Cocoa and Coffee Industry Act and to the Electric Installation Act, and bills to streamline cooperatives, credit unions and agricultural credit societies.

UNITED STATES

After having successfully enacted a statute giving the right to vote in federal elections to 18 year-olds (2 *Law. Am.* 428, 1970), Congress has adopted a constitutional amendment to assure their voting also in state elections and submitted it to the states for ratification.

In the area of health, the Drug Abuse Education Act (1970, 84 Stat. 1385) and the Poison Prevention Packaging Act (1970, 84 Stat. 1670) may be mentioned.

To promote health and welfare by expanding and improving family planning services and population research activities, the Family Planning Services and Population Research Act (1970, 84 Stat. 1504) was adopted.

Federal housing and urban development legislation was amended by the Housing and Urban Development Act (1970, 84 Stat. 1770).

To develop nation-wide safety standards and secure their enforcement, the extensive Occupational Safety and Health Act (1970, 84 Stat. 1570) was enacted.

Among foods, the Egg Products Inspection Act (1970, 84 Stat. 1620) provided for inspection, restriction on disposition of certain qualities and for uniformity of standards in interstate and foreign commerce.

Natural resources are the object of the following enactments: air (Clean Air Amendments of 1970, 84 Stat. 1676); water (Water Bank

Act of 1970, 84 Stat. 1468, and the Susquehanna River Basin Compact, 1970, 84 Stat. 1509); and geothermal steam (Geothermal Steam Act, 1970, 84 Stat. 1566). Plant varieties will be protected by the Plant Variety Protection Act (1970, 84 Stat. 1542).

Considerable legislative efforts have been devoted to Indians: to Pueblo Indians in New Mexico (1970, 84 Stat. 1437), and to Soboba Indians in California (84 Stat. 1465).

Agricultural legislation was amended by the Agricultural Act of 1970 (84 Stat. 1358), limiting payments and affecting dairy products, wool, wheat, feed grains, cotton, land retirement and rural development.

In matters of finance a number of significant, mainly consumer-protection laws have been enacted: Investment Company Amendments of 1970 (84 Stat. 1413); amendments to the Securities Exchange Act of 1934 (1970, 84 Stat. 1497); Securities Investor Protection Act (1970, 84 Stat. 1636); and the Bank Holding Company Act Amendments of 1970 (84 Stat. 1760).

The Atomic Energy Act of 1954 was amended (1970, 84 Stat. 1472).

In the area of transportation, the Federal Aid Highway Act of 1970 (84 Stat. 1713) should be mentioned.

Major disasters (hurricanes, tornados, floods, earthquakes, drought, fire, etc.) became a matter of national concern under the Disaster Relief Act (1970, 84 Stat. 1744).

Libraries are to be aided by the Library Services and Construction Amendments of 1970 (84 Stat. 1660).

The interstate agreement on detainers was enacted (1970, 84 Stat. 1397).

Protection of animals shall be improved by two acts: Horse Protection Act of 1970 (84 Stat. 1404), and the Animal Welfare Act of 1970 (84 Stat. 1560).

URUGUAY

In view of intensive subversive activities, Congress has authorized the Supreme Court or persons designated by it to undertake broad investigations; witnesses may be compelled to testify under penalty from 3 to 6 months in prison (Law No. 13.981, 1970).

A tight credit situation induced the Government to allow any loan exceeding 100.000 pesos to be repaid in no less than three years; only the National Mortgage Bank may grant mortgage loans for a period of

less than three years (Decree No. 570, 1970). No governmental agency or entity with governmental participation may charge more than 2% on overdue debts.

Regulations dealing with weights and measures were issued as Decree No. 305 (1970).

All imports by sea or rivers must be by Uruguayan vessels (Decree No. 311, 1970); however, one month later, the decree was revoked (Decree No. 377, 1970). An extensive decree entitled Preventive and Repressive Regulations of Maritime, Inland Waters and Port Regulations has been enacted (Decree No. 402, 1970); the purpose of the regulation is to achieve greater order and control over various types of navigation and to prevent accidents which may affect public or private interests. A decree (No. 534, 1970) established the organization of the Uruguayan Navy.

A new statement of Uruguay's aviation policy is contained in Decree No. 490 (1970). Among other provisions, art. 9 and 27 establish a regime of strict reciprocity in dealing with foreign aviation interests.

The import, distribution and use of newsprint is regulated by Decree No. 325 and 326 (1970).

In the area of tariffs, the import of machinery used in the wool industry has been exempt from tariffs for two years (Decree No. 306, 1970); a similar decree (No. 307, 1970) was issued for the marble and granite industry.

In regard to tourism a statement of national policy was made by Decree No. 569 (1970), declaring the tourist industry entitled to benefits available to commerce and industry proper.

Labor relations in the construction industry have been regulated by Law No. 13.893 (1970). In order to relieve unemployment, Decree No. 517 (1970) granted to enterprises which increased their labor force certain benefits connected with social security taxes. In November 1970, COPRIN raised basic wages by 21.5%; at the same time, the national minimum wage was raised from 10.000 to 15.000 pesos annually, and the daily wage to 600 pesos, except for domestic and occasional workers.

Law No. 13.882 (1970) imposed the duty to vote in elections; citizens who do not vote will appear before an electoral board to justify their failure; fines are provided. In addition, non-voters will be denied certain civil rights: ability to execute public documents; receive salaries and pensions; have their claims against the state paid; enter civil service; take university examinations; and obtain permission to leave the country.

The Ministry of Education and Culture has issued a resolution No. 1.846, 1970) regulating civil (non-commercial) associations.

Acquisition, possession and carrying of firearms is regulated by Decree No. 652 (1970).

Decree No. 632 (1970) has facilitated entry and establishment of aliens in Uruguay; the change of their status has also been facilitated.

In view of the elections scheduled for 1971, Decree No. 640 (1970), accompanied by two resolutions No. 2.024 and 2.025, 1970) sets forth the Government's intent to permit free political activities, including those heretofore banned, and the use of public places for political demonstrations.

Uruguay has ratified the International Telecommunications Convention signed in Montreal (Law No. 13.857, 1970); the conventions signed at the Ninth Congress of the Postal Union of the Americas and Spain in Mexico (Law No. 13.858, 1970), and a commercial treaty with Red China (Resolution No. 1.326, 1970).

A reform of the present Criminal Code enacted in 1934 is before the *Comisión de Constitución y Legislación* of the Chamber of Deputies. Proposed reforms contain both fundamental changes in the qualification of crimes as well as the mitigating and aggravating circumstances, and the respective penalties. Among the fundamental changes proposed is one designed to protect minors from being used in the perpetration of criminal acts; another is the change in the definition of a criminal conspiracy for which two instead of four conspirators should suffice. Other changes affect crimes against public administration. Among significant aggravating circumstances are those applicable in cases of deprivation of personal freedom and the return of such persons to freedom.

VENEZUELA

The General Banking Law of 1961 was amended by a partial reform (G. O. No. 1.545, extraord., December 30, 1970) and followed by two regulations (Decree No. 527, 1971, and Decree No. 543, 1971). While the greater part of the original law which regulates commercial (art. 24), mortgage (art. 35), finance (art. 65), and investment (art. 78) banks as well as currency exchanges (art. 106), operating under the control of the *Superintendencia de Bancos* (art. 114), remained substantially unchanged, significant modifications have occurred in regard to some aspects of their functions, particularly regarding banking institutions operating with foreign capital or as subsidiaries of foreign banking institutions. Limitations have been imposed both on their establishment and functioning. Banking institutions with a capital more than 20% owned by individual aliens or by legal entities domiciled abroad (except international financial institutions in which Venezuela is directly or indirectly a shareholder), or by legal

entites domiciled in Venezuela with capital owned by individual aliens in excess of 20%, or by legal entities domiciled in Venezuela whose capital is owned more than 20% by legal entities domiciled in Venezuela or by those with a capital in excess of 20% owned by legal entities domiciled abroad or by legal entities domiciled in Venezuela with capital owned in excess of 20% by individual aliens (art. 31) may not increase their capital nor may they increase the number of their offices (art. 33). Furthermore, they may not — in essence — hold obligations beyond an amount equal to six times their paid-in capital including their reserve funds, or accept saving accounts from residents or issue saving bonds, or accept deposits from public authorities and enterprises; or issue negotiable certificates of deposits, or sell documents in foreign currency (*divisas*) obtained directly or indirectly from the Venezuelan Central Bank (art. 34). From now on no new subsidiaries of foreign banking institutions will be allowed nor banking institutions generally, unless the capital is exclusively Venezuelan (art. 32, para. 1). Already established banking institutions with less than 20% foreign capital cannot increase foreign participation; this provision does not apply to transfers of shares by succession (art. 32, para. 2). However, administrative authorities through the *Superintendencia* may allow the establishment of banking institutions with foreign capital provided it originates in Latin American countries which grant Venezuelan capital reciprocity. The provisions of art. 31 to 33 of the law apply to mortgage banks (art. 26, para. 1) while for financing banks the participation of foreign capital in the sense of art. 31 may reach 40% (art. 56, para. 2). Generally, banking institutions, including subsidiaries of foreign institutions, functioning in the country at this time need not reapply for permits (art. 152). However, they must submit to the *Superintendencia* a report on their shareholders (all banking institutions must be corporations with nominative shares, art. 6), including information related to art. 31 of the law. Banking institutions with foreign participation in excess of 20% may decide to adjust their financial structure to the regime prescribed by the law. In this case they will follow directives contained in art. 150 and in regulation No. 1. In regard to the position of aliens as shareholders in Venezuelan banking institutions listed in art. 31, transfers of shares must be notified to the *Superintendencia* which may object to the transfer, and in such instance, the transfer will remain without effect (art. 12). The chairman and three fourths of the executives in banking institutions must be Venezuelans residing in the Republic (art. 135); nevertheless, aliens with 15 or more years residence in Venezuela and one year in an executive position may continue in office (art. 164).

An internal regulation for the personnel of the Congress has been issued (G. O. No. 29.401, December 23, 1970). Decree No. 539 (1971) regulates the organization of ministries.

The circuits of criminal courts of first instance have been rearranged by Decree No. 558 (1971). The *Consejo de Judicatura* has issued a regulation dealing with the inspection of courts (G. O. No. 29.436, February 9, 1971), and another dealing with disciplinary proceedings (G. O. No. 29.437, February 10, 1971).

Decree No. 513 (1971) has implemented the Law of Horizontal Property (Decree No. 365, 1958) with provisions dealing with the sale of such assets.

Special commissions have been charged with the preparation of a number of legislative drafts, among others, dealing with transplants of human organs (G. O. No. 29.402, December 26, 1970); with penal institutions (G. O. No. 29.402, December 26, 1970), and with incentives for development and domestic and foreign investments (G. O. No. 29.448, 1971).

Income Tax Law (art. 41, 58, 60, 100 and 159) was amended (G. O. No. 29.397, December 18, 1970).

The Government has submitted to the Legislature a number of urgent draft laws, among them two aiming at reforming the Criminal Code to cope with subversive kidnappings, and the Code of Criminal Procedure to speed up proceedings; also a law dealing with special measures to give military courts jurisdiction over subversive kidnappings. Reforms planned for a number of other laws are being discussed, among others, of the Law of Mines and Oil; regulation of the capital market by introducing a *Comisión Nacional de Valores*; reorganization of the public administration; expropriation, and traffic.

The administration is authorized (Law, G. O. No. 29.481, April 6, 1971) to resort not only to domestic but also to foreign and international financing of the *Programa Integral de Desarrollo Agrícola*. Such loans may be exempt from tax on capital and interests (art. 4).

Regulations for the improvement of cocoa and coffee cultivation have been issued (G. O. No. 29.480 and 29.481, 1971).

In the area of aviation two resolutions deal with auxiliary personnel: one regarding their working hours on board aircraft (G. O. No. 29.481, 1971), and the other their licensing (G. O. No. 29.481, 1971).

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.