

No. 27. *Trinidad Consolidated Telephones (Limited).* 1938.

TRINIDAD AND TOBAGO.

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No. 27—1938.

I ASSENT,

[L.S.]

J. HUGGINS,  
*Acting Governor.*  
5th December, 1938.

8th December, 1938.

AN ORDINANCE to amend the Trinidad Consolidated  
Telephones (Limited) Ordinance, Cap. 314.

**B**E it enacted by the Governor of Trinidad and Tobago  
with the advice and consent of the Legislative  
Council thereof as follows :—

1. This Ordinance may be cited as the Trinidad Short title.  
Consolidated Telephones (Limited) (Amendment) Ordinance,  
1938, and shall be read as one with the Trinidad Construction  
Consolidated Telephones (Limited) Ordinance, hereinafter Cap. 314.  
referred to as the Principal Ordinance.

2. There shall be added to sub-section (1) of section 2 of Interpreta-  
tion of  
the Principal Ordinance the following :—  
"undertaking"

"Undertaking" means the whole undertaking  
authorised by this Ordinance.

3. Section 11 of the Principal Ordinance is hereby Sec. 11 of Cap.  
314 replaced.  
repealed and replaced by the following :—

11.—(1) The Governor in Council may, by Special  
telephone  
service for  
Government.  
order, require the Company to provide, erect, and  
maintain such telephone lines and mechanical  
appliances as may be necessary for securing any  
special telephonic communication or separate  
telephonic inter-communication for the public  
service of the Colony or for any department of the  
Government thereof.

(2) In every such order there shall be specified the time within which the Company shall comply with the same, such specified period not to be less than three months from the date of the service of the order, unless in the opinion of the Governor it is a matter of urgent necessity for Imperial or Colonial Government purposes that such communication be established sooner. The Governor shall remunerate the Company for so providing, erecting and maintaining such telephone lines, mechanical appliances and telephonic communication, and the extent and manner of payment of such remuneration shall in case of difference between the Governor and the Company be settled by arbitration.

(3) If the Company fails to comply with any such order, the Governor in Council may cause such lines and appliances to be provided, erected, and maintained, and to be connected with any works of the Company; and for the purposes of this section the Governor in Council shall have and may exercise all the powers vested in the Company under this or any other Ordinance, subject nevertheless to the restrictions and provisions contained in every such Ordinance.

(4) The Company shall permit the Governor to place one cross-arm on any or all of its poles in the City of Port-of-Spain and in the Borough of San Fernando free of all rental charges, such cross-arm to be used only for the purpose of carrying wires for a fire alarm or Police signalling system or both: Provided that any cross-arm so placed shall be provided, placed, and maintained at the expense of the Government, and any damage caused to the property of the Company or expense incurred by the Company by the exercise by the Governor of the powers conferred by this sub-section shall be made good and paid to the Company by the Government.

Section 13 of  
Cap. 314  
amended  
Emergency  
measures,

4. Section 13 of the Principal Ordinance is hereby amended as follows:—

(a) by inserting the words “or any one or more telephone lines” after the words “or any part thereof” in the 6th line;

- (b) by deleting the sentence beginning with the words "Any such warrant" and ending with the word "continues", and substituting therefor the following :—

Any such warrant shall have effect from the issuing thereof and remain in force so long as in the opinion of the Governor such emergency continues and until the warrant is revoked by him.

5. Section 14 of the Principal Ordinance is hereby repealed and replaced by the following :—

Sec. 14 of  
Cap. 314  
replaced.

14. The Company shall not, except with the consent of the Governor in Council, cease to maintain telephonic communication with any town, or village, or rural area, in respect of which the means of such communication exist or shall at any time be established through the works of the Company.

Maintenance  
of telephonic  
communica-  
tion.

6. Section 15 of the Principal Ordinance is hereby amended as follows :—

Sec. 15 of  
Cap. 314  
amended.

- (a) by deleting the words "Upon the petition of not less than one hundred residents of any town or village" at the commencement of the section and substituting therefor the following—"Upon the petition of not less than twenty-five persons residing in any town or village or in any rural area within a radius of one mile from any fixed point and who shall have signed the Company's form of contract for telephonic service";

Extension of  
telephone  
system.

- (b) by inserting after the word "village" in the 9th line the following—"or rural area".

7. Section 18 of the Principal Ordinance is hereby repealed and replaced by the following :—

Section 18 of  
Cap. 314  
replaced.

18.—(1) The charges to be made by the Company for providing telephonic communication or service shall be payable in advance, and in the case of telephone rentals, quarterly or monthly in advance at the option of the Company, and shall not except

Charges for  
telephonic  
communica-  
tion.

with the approval of the Governor in Council exceed those in that behalf specified in the Schedule to this Ordinance :

## Schedule.

Provided that the Company may receive any special remuneration agreed upon between the Company and any subscriber in respect of telephonic communication or service with any building or other place situate outside the areas specified in the said Schedule or not otherwise provided for in the said Schedule.

Power of Governor in Council to amend the Schedule of rates, &c.

(2) Subject to the limitations contained in this section, the Governor in Council may by order published in the *Royal Gazette* amend the said Schedule by reducing or increasing the charges specified therein or fixing other charges so that the annual net earnings (as hereinafter defined) of the Company shall, as near thereto as is practicable, be equal to eight per centum of the aggregate of—

- (a) the net value of the undertaking as ascertained at the close of each year in the manner prescribed by section 57 hereof ;
- (b) the book value of all stores, materials, tools and other articles as set out in section 57 (3) hereof, not exceeding in value an amount equal to seven and one half per centum of the net value of the undertaking, unless otherwise expressly authorised by the Governor in Council ; and
- (c) cash in hand not exceeding five per centum of the net value of the undertaking :

Provided that the said charges shall not be modified unless and until the net earnings of the Company in any year shall exceed nine per centum or shall be less than seven per centum of such aggregate amount.

## Definition.

(3) For the purposes of this section—

“ net earnings ” mean the balance remaining after deducting fixed charges from the gross earnings of the undertaking in each year ;

“fixed charges” mean—

- (i) a yearly depreciation allowance of five per centum on the balance of the gross value of the undertaking as ascertained from year to year in the manner prescribed by section 57 of this Ordinance, such allowance to be placed to the credit of a Depreciation Reserve Account ;
- (ii) all charges as are usual and proper in undertakings of a like nature to the present undertaking, including operating expenses, taxes (other than taxes, if any, on profits) rates, all payments to be made to Government under this Ordinance, under-writing and other reasonable finance charges incurred in respect of the undertaking, but excluding interest on bonds and debentures ; and in the event of any dispute arising as to what charges are usual in such undertakings such dispute shall be referred to arbitration.

8. Section 19 of the Principal Ordinance is hereby amended by substituting the words “all times of the day and night” for the words “all reasonable times” in the 3rd line. Section 19 of  
Cap. 314  
amended.

9. Section 52 of the Principal Ordinance is hereby amended by deleting from the first line thereof the following words—“rentals, tolls, charges, and”—and from the last two lines thereof the following words—“or as near thereto as the circumstances of the case will permit”. The words “charges and” in the marginal note to the said section are also hereby deleted. Section 52 of  
Cap. 314  
amended.

10. Sections 56, 57, 58 and 59 of the Principal Ordinance are hereby repealed and the following sections numbered 56 to 61 shall form part of and be construed as one with the Principal Ordinance :— Sections 56-59  
of Cap. 314  
replaced.

56.—(1) Subject to the provisions of this Ordinance, the Company shall have the exclusive right within the Island of Trinidad to acquire, construct, maintain and operate telephone lines and a telephone service for the public use for hire or tolls. Exclusive  
right of the  
Company.

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Private  
Service.

(2) Nothing contained in this Ordinance shall prohibit or prevent any person, firm or corporation from erecting, maintaining, or operating telephone lines or a telephonic service on his or its own property and for the private use or the use of the business or both of such person, firm or corporation.

Power of  
Governor in  
Council to  
purchase the  
undertaking.

57.—(1) The Governor in Council may, on the thirty-first day of December, 1957, and at the end of each period of ten years thereafter, by giving twelve calendar months' previous notice in writing of his intention so to do, purchase the undertaking, including the works, plant, and all other the real and personal property (but excluding cash, book-debts, and securities) of the Company at the net value of the same at the date of purchase together with an additional amount equal to ten per centum of such net value.

Net value  
of the  
undertaking.

(2) The net value of the undertaking from time to time shall be ascertained in the following manner:—

A valuation of the undertaking shall be made as at the 31st December, 1938, by a telephone engineer to be selected by the Governor and the Company in agreement, and failing agreement to be then selected by the Secretary of State for the Colonies on application made by either party. In making such valuation due regard shall be had to the nature, condition and state of repair of the works and plant, and to the circumstance that they are in a position ready for immediate working, and of their suitability for the purposes of the undertaking, but without any addition in respect of good-will or of any profits which may be or might have been made from the undertaking, or of any similar considerations.

The amount of such valuation shall be deemed to be the gross value of the undertaking as at 31st December, 1938, and from time to time thereafter such gross value shall be increased by the cost of all additions and improvements (excluding replacements chargeable and charged to Revenue Account and excluding maintenance charges) to the undertaking and decreased by the cost of any part of the works and plant retired from the undertaking,

and the net value shall be ascertained by deducting from the balance so obtained the then credit balance of the Depreciation Reserve Account referred to in section 18 (3) of this Ordinance.

(3) All stores, materials, tools, and other articles (including any such as are comprised in construction work in progress) which shall have been acquired and provided by the Company for the purposes of its undertaking, but not taken into account in fixing the net value under sub-section (2) hereof, shall be purchased by the Governor in Council at the fair market value of the same at the time of purchase, provided the same are suitable for the purposes of the undertaking.

Purchase and  
valuation of  
stores, &c.

58. Nothing in this Ordinance contained shall be deemed or construed to permit the Company to operate or maintain any system of wireless telegraphy or wireless telephony except by the express licence of the Governor in Council.

Wireless.

59. In return for the exclusive right granted by section 56 of this Ordinance, the Company shall, within three months after the close of its financial year, and in respect of each such year, pay to the Treasurer a sum equal to one per centum of its gross earnings from its telephone service in the Island of Trinidad; such sum shall be accepted by Government in lieu of income tax payable by the Company, and the Company shall not be subjected to any other special taxation, but shall otherwise be liable to general taxation in the same manner as any other Company:

Taxes payable  
by the  
Company.

Provided that in the event of a Company non-resident in the Colony being a shareholder of the Company and liable to income tax in the Colony in respect of dividends received from the Company, the non-resident company shall in respect of such dividends be granted relief from payment of any portion of such tax in excess of one-half of the standard rate for the time being of United Kingdom Income Tax, the provisions of the Income Tax Ordinance, notwithstanding.

Cap. 203.

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Rendering of  
accounts.

60.—(1) The Company shall, within three months after the close of its financial year, and in respect of each such year, furnish to the Governor a copy of its Report to shareholders, of its audited accounts which shall include an account of Revenue and Expenditure and the Balance Sheet, and a statement showing the cost of all additions and improvements to the undertaking and the cost of any part of the works and plant retired from the undertaking and charged to the Depreciation Reserve account; and the Company shall also furnish such further information and explanation as the Governor may desire on any item appearing in such accounts and statement. The Governor shall be entitled at his own expense to appoint a Chartered Accountant to examine the Company's books and records in order to report on the figures of such accounts and statement.

(2) If the Company fails to comply with the provisions of this section it shall be liable on summary conviction to a fine not exceeding Ten Dollars for each day during which the default continues.

Company's  
head office to  
be in Trinidad.

61. The Company shall establish and at all times maintain its Head Office in the Island of Trinidad.

Schedule.

11. The Schedule attached hereto shall be substituted for the Schedule to the Principal Ordinance.

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SCHEDULE.

MAXIMUM CHARGES FOR TELEPHONIC COMMUNICATION.

**Exchange Areas.**

1. An Exchange Area (excepting the Port-of-Spain and San Fernando Exchange Areas referred to below) shall be a circular area one mile in diameter, in which there is a Company owned telephone exchange, which shall be located so as to include the largest number of telephone subscribers within that area.

2. The Port-of-Spain Exchange Area shall be bounded as follows:—  
Beginning at the mouth of the Maraval River thence along the Maraval River to its junction with the Nutmeg Ravine thence along the Nutmeg Ravine to Maraval Road and along Circular Road to the Guard House at the Botanic Gardens (Government House entrance) thence in a direction due east for one mile thence due south to the sea and along the sea-shore to the point of beginning.



3. The San Fernando Exchange Area shall be bounded as follows:—  
Beginning at the sea at a point one quarter of a mile north of the San Fernando Railway Station running thence in an easterly direction for a distance of one and a half miles, thence in a southerly direction for approximately one mile to a point 200 feet south of the southern line of Rushworth Street or an extension thereof, thence in a westerly direction on a line parallel to and 200 feet south of Rushworth Street to the sea, thence along the sea-shore to the place of beginning.

**Service Charges.**

4. The rates for Exchange service within any Exchange area shall not exceed:—

- (a) For a Residence Telephone—\$3.00 per month.
- (b) For a Business Telephone, or one used for the purposes of business—\$4.00 per month.

5. For a telephone located outside an Exchange Area and within a distance of two miles from the boundary of such area, a mileage charge may be made not to exceed 50 cents per month for each one-third of a mile or part thereof offline outside the area and required to serve the subscriber.

6. For a telephone located at a distance greater than two miles from the boundary of an exchange area, the charge shall be such as may be agreed upon between the company and the subscriber.

7. Toll Service:—

- (a) For each conversation of five minutes or less where length of line does not exceed 6 miles—6 cents.
- (b) For each additional mile or fraction thereof up to 12 miles—1 cent.
- (c) For each additional two miles or fraction thereof over 12 miles—1 cent.
- (d) For conversations exceeding five minutes duration, an additional toll not exceeding one-fifth of the above tolls for each additional minute or fraction thereof.

The mileage shall be the distance by the Company's shortest Trunk Line between the two exchanges to which the transmitting and receiving telephones are attached.

8. Tolls for use of Public Telephones:—

- (a) For five minutes conversation or less where Trunk Line is not used—6 cents.
- (b) For conversation exceeding five minutes duration, an additional toll not exceeding one cent for each additional minute or fraction thereof.
- (c) Where a public telephone is used for conveying a message over a trunk line, the tolls for the use of the Trunk Line shall be payable in addition to the tolls for the use of the Public Telephone.

Passed in Council this twenty-fifth day of November, in the year of Our Lord one thousand nine hundred and thirty-eight.

W. E. BOARDMAN,

*Clerk of the Council.*