PRESS RELEASE NO: 257

23rd May, 1974

NATIONWIDE RADIO - T.V. BROADCAST BY DR. ERIC WILLIAMS, PRIME MINISTER OF TRINIDAD AND TOBAGO IN AN UP-TO-DATE ACCOUNT OF THE ENERGY SITUATION.

Ladies and Gentlemen:

During my recent visit to the United States, together with my colleague, Mr. Errol Mahabir, I had the opportunity to hold discussions on the energy situation with some of the petroleum companies operating in Trinidad at their request.

I would like to report to you on these tonight. Briefly the developments are as follows; they all relate to petrochemicals:

(1) Texaco. We have agreed in principle to the establishment by Texaco at Pointe-a-Pierre of a petrochemical complex, the precise scope and range, and therefore cost, of which will be decided in consultation with Government technicians. The discussions begin here in Trinidad on Tuesday, June 4. The Government will have majority participation in this venture. I emphasise that this is without prejudice to the agreement reached in principle but not yet worked out in detail regarding Government participation in existing Texaco operations. When the specialists have reached agreement the matter will be referred to the Cabinet for its approval.

(2) Tesoro. Tesoro presented to me a study on petrochemical development which it had commissioned on the basis of discussions with the Government over several weeks. The study is now being analysed by Government Experts.

(3) Amoco. Amoco will submit to us, by the end of this month, for study, proposals regarding petrochemical development with Government participation, on the basis of discussions which have been taking place over the past three months.

I turn now from petrochemicals to the question of the purchase by the Government of the holdings and assets of Shell Trinidad Ltd., now that the London discussions have been completed. The detailed discussions in Trinidad will begin tomorrow, Friday, May 24, at 10.00 a.m. at the Chaguaramas Convention Centre. Cabinet this morning named the negotiating team and advisers, and we expect that the negotiations will speedily be concluded.

On B.W.I.A., Mr. Mahabir and his advisers held discussions with United States representatives in Washington last week. Further data and details are to be submitted by us in due course in relation to routes flown by American airlines, the review of existing charter regulations in the United States, and additional entry points for B.W.I.A. The discussions were cordial, and every opportunity was afforded Mr. Mahabir of presenting the point of view of the Government of Trinidad and Tobago.

With respect to our assistance to our Caribbean neighbours with their balance of payments problems, we have already suggested proposals to Jamaica for their consideration. We await the arrival of representatives from Guyana for specific discussions. Discussions began today with the legal officer of the Caribbean Development Bank in respect of our proposals for the establishment of a Special Fund to assist the smaller islands. In addition, we are giving immediate attention to the fertilizer problems of our neighbours in the context of the decision of the recent Special Assembly of the United Nations on the establishment of a fertilizer pool for developing countries.

I turn now to the aluminium smelter. Before my departure, I had telephone discussions with the Prime Minister of Guyana and Jamaica. Mr. Mahabir visited Jamaica for discussions after his B.W.I.A. talks in Washington. I myself held discussions with Prime Minister Manley with Mr. Mahabir on my brief stopover at Kingston airport on my return via Miami. It has now been agreed that:

(1) the Trinidad-Guyana working party which had met in Guyana from May 19 to 21 will be extended to include Jamaica. The date for the first meeting of the enlarged working party is May 29, Wednesday of next week.

(2) The Prime Ministers of Trinidad and Tobago, Guyana and Jamaica will meet shortly in Trinidad. The date is Friday, June 7.

The project, as originally raised by me four years ago, included Surinam. Our oil mission to Latin America held discussions with Surinam on this matter and the Surinam authorities made positive proposals to us. This aspect of the regional venture is being pursued.

The goal is twofold: (a) an aluminium smelter collectively owned by three (or four) governments, located in Trinidad, and (b) the development of bauxite and alumina production in the bauxite-producing countries with Trinidad and Tobago participation in the investment. Our aim is an integrated, regional bauxite complex merging Trinidad natural gas and the bauxite of Jamaica, Guyana, and I hope, Surinam.

3/ In this.....

In this connection I raised with Amoco, the supplier of the gas, and secured their agreement in principle to, some association of a limited nature with the project, subject to technical considerations, and subject also, of course, to the agreement of my Prime Minister colleagues.

This development in regional economic integration comes at a time when Jamaica is revising its arrangements with the multi-national bauxite companies. In the context of fraternal assistance and regional cooperation, I was able in New York to discuss the issues - both of Jamaica's relations with the multi-national corporations and of the regional aluminium smelter - with the Secretary General of OPEC, the Secretary General of the United Nations, and several individuals and organisations. I was also able to convey my personal views to the United States Secretary of State who was away on his Middle East disengagement mission.

Our main priority for the next few weeks will be study of the reports of our three oil missions which are now being completed and follow-up action thereon. This will keep our noses glued even more firmly to the grindstone than they have been in the past four months. As and when further developments emerge, I shall keep you advised. Good night.