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INTRODUCTION

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Since the Bureau's publication entitled "Living and Office-Operating Costs in Cuba" was published in October 1945, the forward movement of prices, wages, and costs in general in Cuba have been so great that that publication no longer presents a correct evaluation of living conditions in Cuba. The present account therefore is intended to bring up-to-date the data contained in the previous report.

The data were compiled with the thought that they might serve United States nationals going to Cuba to live, who would wish to maintain, insofar as possible, the same standard of living to which they were accustomed in the United States.

All values are expressed in terms of United States dollars. 1/

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CUBA'S ECONOMY

Cuba is primarily an agricultural country. It engages more than one-half of the gainfully employed population and supplies more than 90 percent (value) of the country's exports. The largest part of the investment in agriculture in Cuba is in highly specialized farms

1/ The Cuban peso and the United States dollar are at par; United States currency has legal tender value in Cuba and circulates freely.

HStowell/ RMConnell/RLHarrell/LCNolan/
RACrane/RO'Cherony/GEWolcott/RLWashington/
Dr. Dixon/dmLeatham: elw/raa/ecv/dml

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concentrating generally on a single commodity, the principal ones being sugar, tobacco, pineapples, winter vegetables, citrus fruits, coffee, and henequen. Cattle raising is also important. Farms producing crops mostly for domestic consumption grow corn, beans, potatoes, yams, yuca, malanga, rice and plantains.

Sugar is by far Cuba's chief cash crop, and its foreign market largely determines the prosperity of the Island. During 1935-48, exports of sugar accounted for about 81 percent of the annual value of exports, varying in different years from 72 to 90 percent; in 1949 the figure was 88 percent. Sugar and its products, and tobacco and tobacco products, made up about 89 percent of the value of exports during this period, and in 1949 amounted to 93 percent.

Considerable expansion in manufacturing industries has taken place since 1927. Cuba produces textiles, rum, alcohol, cigars and cigarettes, cement, beer and soft drinks, paper and cardboard, dry ice, matches, processed foodstuffs, pharmaceutical and chemical products, leather, leather shoes and other articles, rubber footwear, paint, light gravity oil, naphtha, tires and tubes, tin and glass containers, condensed, evaporated and powdered milk, peanut oil, soap, various machine shop and foundry products, and a wide variety of other commodities. A large part of the Cuban market, however, is still supplied by imports.

Mining is another of Cuba's important industries. Manganese, chrome, iron and copper ores have been exploited for many years. The mining industry was especially active during the war but production has dropped off greatly in recent years. All of the ores mined are exported (some in concentrated form) to the United States.

Cuba has built an important foreign trade by its concentration on two export crops, sugar and tobacco. In the 47 years from 1902 through 1949, exports grew from \$64,330,000 to \$578,306,696 annually and imports from \$60,600,000 to \$451,400,000. The United States has been the principal source of Cuba's imports and the chief destination of its exports. In 1939 the United States took about 75.3 percent of Cuba's exports by value; in 1945 about 78.9 percent, and in 1949 63.9 percent. Of Cuba's imports, 74.0 percent came from the United States in 1939, 78.7 percent in 1945, and 83.2 percent in 1949. In 1938, Europe took approximately 20 percent of Cuba's exports, but by 1949 that continent's participation rose to 28.6 percent. Europe supplied 18.4 percent of Cuba's imports by value in 1938, but only 6.8 percent in 1949. Cuba's foreign trade for selective years during the period 1910-1949 in United States dollars and the percent of United States participation are shown in Table I.

Table I

Cuban Trade with the United States

Exports

YEAR	TOTAL EXPORTS	EXPORTS TO UNITED STATES	PERCENTAGE TO UNITED STATES
1910	\$150,824,000	\$129,329,000	85.7
1920	794,009,000	626,859,000	81.4
1930	167,410,669	116,115,000	69.4
1939	147,676,258	111,189,000	75.3
1940	127,288,307	104,905,000	82.4
1944	427,058,296	386,092,000	90.4
1945	409,924,729	323,330,000	78.9
1947	746,592,325	497,705,959	66.7
1948	709,872,461	366,407,459	51.6
1949	578,306,696	369,802,463	63.9

Imports

YEAR	TOTAL IMPORTS	IMPORTS FROM UNITED STATES	PERCENTAGE FROM U.S.
1910	\$103,675,000	\$54,569,000	52.6
1920	557,017,000	404,386,000	70.8
1930	162,452,268	91,872,000	56.6
1939	105,861,814	78,381,000	74.0
1940	103,860,139	81,042,000	78.0
1944	208,648,454	168,841,000	80.9
1945	238,935,507	187,963,000	78.7
1947	519,890,402	436,448,370	84.0
1948	527,456,325	420,259,968	79.7
1949	451,390,279	375,676,478	83.2

GENERAL DESCRIPTION OF CUBA

Physiography and Population.

Cuba, the largest and most important of the West Indian Islands, is about 90 miles south of Key West, Florida. The island is about 780 miles long from east to west, its greatest breadth being in the eastern part where it reaches approximately 124 miles. It gradually narrows toward the

west to a minimum of about 25 miles at the boundary between the Provinces of Pinar del Rio and Habana. The Republic of Cuba, including the Isle of Pines and numerous small islands, has an area (44,164 square miles) approximately equal to that of Pennsylvania (45,126 square miles) and is divided into six provinces: Pinar del Rio, Habana, Matanzas, Camaguey, Las Villas and Oriente.

The surface of Cuba is irregular, and is crossed by several mountain ranges which form a number of plateaus and valleys. The western part along the north coast and the eastern part near the south coast are the most mountainous sections of the island; the highest elevation is about 7,870 feet. In the central part the land is level and the plains are extensive.

Cuba has a number of rivers, but inland water transportation is not important because most waterways are short, narrow, and shallow. The Cauto, the largest and longest river, in Oriente Province, rises in the Sierra del Cobre and flows for about 155 miles into the Gulf of Cuacanayabo. The Sagua la Grande, next in importance, in Las Villas Province, rises in the Sierra del Escombray and flows for 90 miles into the sea at the port of Isabela.

Climate

Cuba's semi-tropical climate is tempered by sea breezes and is generally pleasant. Days are warm to hot, but the nights are usually cool. Hourly temperatures in the winter months (November through March) vary only about 15 degrees; in the summer the range is somewhat greater. At Habana, temperatures average 71° in January and 81° F. in August. At the eastern end of the island, temperatures are slightly higher. The narrowness of the island with its moderate elevations above sea level, in combination with the trade winds which sweep the region, create rather an even year-round temperature. Excessively high temperatures are rarely recorded, and low temperatures are never experienced. Variations in mean temperatures from month to month are only slight, a characteristic of islands within the trade wind belt. The difference in afternoon and night temperature is often as wide as the difference between the mean temperatures from season to season. However, many people from the United States find the climate enervating for prolonged residence and make periodic visits to cooler northern regions.

The winter, or cool, dry season, generally begins in November and continues until April. During this period days are sunny and nights are cool and pleasant. During the rest of the year (seasonal pattern in recent years has not been

clearly defined) the weather is hot, but frequent rains moderate the heat of the day.

Chief Cities

Habana, the capital and most important city, is located on the northwest coast of the Island. The head offices of practically all foreign companies operating in Cuba are located there. The city offers all the conveniences of modern living afforded by other large cosmopolitan centers. Approximately 70 percent of Cuba's imports and 25-30 percent of its exports clear through Habana. Most of the factories in Cuba are situated in and around Habana.

Santiago, on the southeast coast of the island, and the capital of Oriente Province, is Cuba's second city of importance, although its population is less than that of some others. It is 664 miles from Habana, but is connected with it by rail, air, and the Central Highway. Its principal industries are agriculture, mining, and distilling. Many companies located in Habana have sub-agents in Santiago. The city lacks many of the modern conveniences that are found in Habana.

Some other important cities of Cuba are: Matanzas, Cienfuegos, Camaguey, Pinar del Rio, Ciego de Avila, Bayamo and Guantanamo.

According to estimates prepared by the Cuban Government, Cuba's population increased from 4,778,583 inhabitants in 1943 to 5,194,779 at the end of 1948. The accompanying table shows population by Province for both years:

TABLE II

Population by Provinces.

PROVINCE	1943 <u>1/</u>	1948 Estimate <u>2/</u>
Binar del Rio	398,794	444,199
Habana	1,235,939	1,332,035
Matanzas	361,079	408,595
Las Villas	938,581	1,041,078
Camaguey	487,701	522,779
Oriente	1,356,489	1,446,093
	4,773,583	5,194,779

1/ National Census Bureau Report - 1943

2/ Cuban Government Estimate.

The population of Habana and its environs (not including the nearby cities of Marianao, Guanabacoa and Regla) was 715,229 at the end of 1948, or an increase of 38,853 from the 1943 census figure of 676,376. Based on 5 members to the family, the number of families in Cuba increased from 955,716 in 1943 to 1,038,956 in 1948.

The density of population for all of Cuba is 45.36 per square kilometer. Habana is the most densely populated Province with 162.03; Camaguey is the most sparsely populated with 19.84 per square kilometer.

Health

Although sanitary conditions are satisfactory in Habana, some residents consider it desirable to be inoculated against typhoid fever and to be vaccinated. Sanitary and health practices in most other areas are still below United States standards, although some improvement has been noted in recent years. In certain parts of Cuba, malaria is still not uncommon. Care should be taken in the selection of foodstuffs, and all vegetables should be cooked. Most Cubans drink ordinary faucet water, but foreign residents usually consider it preferable to use bottled mineral waters, generally available at 50 to 75 cents per five gallons. Local faucet water, to insure safety, should be boiled before it is consumed.

Mosquitoes, flies, cockroaches and termites are problems to be contended with. Houses as a rule are not screened and the use of mosquito nets is therefore advisable.

LIVING COSTS

The cost of living in Cuba has decreased only slightly from the wartime peak and is still at a high level. The principal factors contributing to this condition are high wages, averaging three or four times those prevailing in 1939; the inflation resulting from heavily increased sugar production sold at good prices; and the dependence of the Cuban consumer for a large portion of his requirements on expensive imported foodstuffs and other goods.

Prices of certain food items consumed principally by the working classes have come down somewhat as a result of government price control, but housing costs have remained high despite the existence of a rent control law and the maintenance of a large scale of private building construction. At present unfurnished houses are as difficult to find as ever but apartments are becoming more plentiful.

A national of the United States with a family, planning to live in Cuba over an extended period, should take his furniture with him for most economical living costs, although furnished houses and apartments are available at furniture rentals ranging from \$20 to \$40 per room. Experience has shown that if the traveler plans to come to Cuba during the height of the Winter season, which runs from December to March, it is advisable for him to proceed in advance of his family in order that he may rent a house or apartment and receive the furniture before the other members of the family arrive.

The Cuban customs tariff provides for duty-free entry of household furniture and the effects of a traveler in quantities appropriate to the owner's rank and station. Household furnishing are available in Cuba, but generally at very much higher prices than those prevailing in the United States.

Household Expenses

The retail sales of foodstuffs in Habana, except fresh fruits and vegetables, are mostly handled through bodegas (individually operated corner groceries) which stock more or less complete lines of locally produced and imported foodstuffs. Fresh fruits and vegetables are sold at central markets throughout the city and by vendors from house to house. Prices are not standardized and are very much higher than they are in the United States. Fresh fruits and vegetables are generally abundant in season, but distribution costs are high and, in the Habana area particularly, prices are not always influenced by supply.

Retail prices for foods in Habana as of March 1, 1950 were as follows:

<u>Item</u>	<u>Price (in dollars)</u>
Bread	Pound 17 to 20 cents
Butter	Pound 80 to \$1.25
Meats:	
Filetes (steaks)	Pound \$1.00
Roasts, local beefs	Pound 45 to 65 cents
Lamb chops	Pound 60 to 85 cents
Pork chops	Pound 60 to 70 cents
Bacon	Pound \$1.00
Hog Lard	Pound 25 cents
Vegetable shortening	Pound 65 to 68 cents
Sugar	Pound 9 cents
Lettuce, imported	Head 30 to 35 cents
Cabbage	Pound 7 to 9 cents

<u>Item</u>		<u>Price</u> <u>(in dollars)</u>
Celery	bunch	40 cents
Soup, canned	10-1/2 oz.	25 cents
Onions	pound	12 to 30 cents
Beans (white)	pound	17 cents
Beans (red)	pound	18 cents
Potatoes	pound	5 cents
Milk, fluid	quart	20 to 25 cents
Coffee, imported	pound	\$1.40 to \$1.60
Coffee, Cuban	pound	55 cents
Canned pears	#2-1/2	60 cents
Canned peaches	#2-1/2	45 cents
Canned corn	#2	35 cents
Apples, eating	each	10 to 25 cents
Rice	pound	18 to 20 cents
Wheat flour	pound	14 cents
Prunes, dried	pound	35 to 40 cents
Beverages:		
Rum	1/5 gal.	\$1.30 to \$1.60
Whiskey	1/5 gal.	\$4.00 to \$6.00
Wines	1/5 gal.	\$2.00 up
Soft drinks	bottle	7 to 10 cents

It is estimated (as of March 1, 1950) that the monthly maintenance cost for a family from the United States of two adults and two children, and a maid and cook, but not including entertainment and social activities, automobile expense, clothing, or medical expenses, would be approximately as shown in Table III.

Automobile repair and operating costs are 50 to 100 percent more than those in the United States. Expenditures for clothing and medical and dental treatment vary with individual necessity but are higher than they are in the United States. Insurance rates also are higher than they are in the United States. Entertainment is expensive, and luncheons, cocktail parties or dinners generally cost at least twice as much as they do in the United States.

Servants

It is the custom in Cuba for the average household of a United States national to have from one to three servants. Wages are approximately as follows: Maids \$30 to \$48 per month; cooks \$35 to \$125 per month; housemen and butlers \$50 to \$110 per month; chauffeurs \$80 to \$105 per month. Well trained servants, particularly cooks experienced in preparing American dishes, command higher rates than do others. In addition to wages, employers must also provide house servants with meals, quarters and uniforms.

Houses

Small, detached, unfurnished houses (5 or 6 rooms) with gardens in the suburbs may be rented, if available at all, at about \$150 a month. Houses of 7 or 8 rooms rent at from \$175 to \$300 monthly. These dwellings usually have servants' quarters, but a gardener, in addition to the cook and maid is required to keep the grounds and shrubbery in condition.

Occasionally, furnished houses may be rented with complete furnishings, including electric refrigerators, linens and dishes. The prices vary with the size and condition of the house and the condition of furnishings, but the range is generally between \$250 and \$500 per month. Even at these prices, the house may not contain modern cooking facilities.

At present housing is scarce and one rents what he finds rather than what he would like. Landlords in most instances do not require a lease. With or without a lease, however, the custom is for the tenant to place a guarantee deposit of the equivalent of one month's rent. Since rent is usually paid in advance, this means an initial outlay of two months' rent.

Apartments

Apartments in Habana are limited in number, but relatively new and more attractive ones may be found in the suburban areas, 5 to 10 miles from the business section. Cuban "white collar" workers are able to find unfurnished one or two room apartments with kitchenette and bath at prices ranging from \$50 to \$75 per month. From this minimum, rentals range upward to \$250 per month for more commodious apartments located in residential areas. People from the United States generally live in the better sections of the city and its suburbs. Rentals, for well-located, unfurnished apartments of from 5 to 8 rooms, range from \$110 to \$250 per month. Furniture may be rented at a monthly cost of approximately \$20 to \$40 per room.

TABLE III

Average Maintenance Costs per Month for a United States Family
Consisting of Two Adults and Two Children. 1/

FACILITY	UNFURNISHED HOUSE	UNFURNISHED APARTMENT	FURNISHED HOUSE	FURNISHED APARTMENT
Rent (varies)	\$140-\$300	\$110-\$250	\$250-\$500	\$150-\$300
Telephone	\$6	\$6	\$6	\$6
Electricity (lighting)	\$8	\$8	\$8	\$8
Bottled Water (varies)	\$2.50	\$2.50	\$2.50	\$2.50
Ice (if refrigerator not available)	\$8	\$8	\$8	\$8
Maid	\$30-\$48	\$30-\$48	\$30-\$48	\$30-\$48
Cook	\$35-\$125	\$35-\$125	\$35-\$125	\$35-\$125
Laundry and dry cleaning	\$35	\$35	\$35	\$35
Gas and electricity for cooking and electricity for refrigera- tion	\$12	\$12	\$12	\$12
Food (minimum)	\$250	\$250	\$250	\$250
Total	\$526.50 to \$794.50	\$496.50 to \$744.50	\$636.50 to \$994.50	\$536.50 to \$794.50

1/ Does not include clothing, medical expenses, insurance, automobile costs, social activities.

Housing Facilities

The plumbing arrangements of a typical Cuban suburban upper-class house or apartment are good; equipment usually has been imported from the United States. Very few old houses have closets, the custom having been to install wardrobes. Many new houses, however, are built with closets. Most houses are not screened, and if the tenant wants this luxury he must bear the cost himself. Many houses and apartments are not supplied with electric light fixtures or bulbs, window shades or venetian blinds, curtain rods, shower rods or shower curtains. These must be installed by the new tenant, or arrangements must be made to purchase them from the previous tenant.

Garage facilities are usually provided with detached houses and the newer apartment houses. Space ranges from \$5.00 to \$10.00 a month. Street parking throughout the night is not permitted.

Cooking is mostly with charcoal, electricity or gas. In Habana, manufactured gas and butane (bottled gas) are also available in certain districts.

Hotels and Boarding Houses

Living accommodations are available in numerous hotels in the Habana area. In some of the smaller hotels, American-plan accommodations can be found from \$75 to \$90 per month per person or \$140 to \$175 for two persons. The menu generally consists of Cuban dishes.

Hotel rates for room only, as charged at representative hotels in Habana and Santiago de Cuba, are as follows:

Hotel Nacional, Habana: Single room and bath \$6 to \$10 per day; monthly rates, 10 percent less than regular rates. Double room and bath, \$10 to \$14 per day; monthly rates 10 percent less than regular rates. Rates from December to March are double these figures.

Hotel Presidente, Habana: Single room and bath, \$5 to \$9 per day summer rates; \$8 to \$12 per day winter rates. Weekly and monthly rates are lower than regular rates but subject to prior arrangement. Double room and bath \$7 to \$13 per day, summer rates; \$15 to \$18 per day, winter rates.

Hotel Ambos Mundos, Habana: American plan (3 meals) single room and bath, \$7.00 per day. European plan, single room with bath \$4.00 per day. Double room and bath, American plan (3 meals), \$13.00 per day; European plan, double room with bath, \$6.00 per day.

Hotel Casa Granda, Santiago: Minimum rate for single room with bath \$5.00 per day. Weekly and monthly rates at slightly less than daily rates. Double room, \$7.00 per day.

In addition to hotel accommodations in Habana, there are a few well managed boarding houses. One of the best known has accommodations for about 16 or 17 guests. Rates are \$5.00 per day per person for room and board, with slightly lower rates on a monthly basis.

Clothing

In the summer, white drill, palm beach and cotton suitings are the most popular and comfortable materials for men's clothing, white clothing being appropriate for both day and evening wear. In the winter months, woolens and tropical worsteds can be worn. Ordinary black, brown, or white shoes are worn throughout the year, as individual taste dictates. Ready-made summer suits of good quality retail in Habana stores at from \$55 to \$85; tailor-made suits of cheaper material at \$40 or more. Tailor-made woolen suits retail at prices ranging from \$60 to \$105 or more, and better tailors charge \$50 or more for linens. Palm beach suits sell at \$10 to \$15 more than they do in the United States.

Many men wear no hats but, if a hat is worn, it is generally a Panama or a type of flexible straw. During the winter months, light felts are also worn.

Shoes made in Cuba retail at \$8 to \$15 per pair but, because of the type of lasts used and the small range of widths offered, most Americans prefer the more expensive, imported shoes.

Shirts, ties, and socks are available at prices generally at least double those in the United States. Most of the items of made-up clothing imported from the United States sell at much higher prices than they do in the United States. Competitive domestic items of clothing are available ordinarily at prices slightly less than those of imported items. It is advisable to stock clothing items for the length of the stay, if possible.

The situation prevailing in women's wearing apparel is even less satisfactory than that for men's garments. Women from the United States find difficulty in being fitted to ready-made dresses, undergarments, millinery, and other clothing. Many low or moderate priced articles are of poor quality and those that would be moderately priced in the United States are expensive in Habana. Although dressmakers capable of following patterns used in the United States can be hired, their skills vary, and with the high cost of textiles, the clothing made may be relatively expensive, or otherwise unsatisfactory. However, a wide variety of piece goods is always available. The cost would be at least doubled in maintaining in Cuba the standard of dress prevailing in the United States. Children's clothing also is high priced in Cuba, and, so far as it is practical, sufficient quantities should be taken to suffice for the period of residence.

Medical Facilities - Supplies

Adequate medical service is available in Cuba, and there are several specialists and surgeons who are internationally known. Practitioners are all Cuban. Some of them have been educated in the United States. Medical attention for private treatment is expensive. Medical practitioners charge \$5.00 to \$10.00 for office calls and \$10. to \$15.00 for house calls. Specialists' fees are higher than those of the practitioners. Dentists' fees are also higher than those charged in the United States.

Most English speaking residents of Cuba requiring hospitalization use the Anglo-American Hospital in Habana where rates range from \$8 to \$20 per day, depending upon accommodations. The nurses are mostly graduates of United States, Canadian or British hospitals. The fee for a trained nurse is usually \$12 per 8-hour day, plus \$2.00 per day for meals. The Anglo-American Hospital has 25 beds and is as well equipped as are many large hospitals in the United States.

"Group Hospitalization" has been practiced in Cuba for many years, and most Cuban families, particularly in the lower income groups, are members of one or more of the many organizations offering such facilities. United States nationals in Cuba, as a rule, prefer private treatment.

Services of qualified oculists and opticians, capable of treating diseases of the eyes and filling prescriptions for glasses, are also available. Lenses are imported from the United States already ground or in the rough stage and are then ground locally. Prices are about the same as those in the United States.

Almost all American as well as a few European medicinal and pharmaceutical products are available in Habana drug stores at prices ranging from 50 to 200 percent higher than those prevailing in the United States.

Utilities

Electric current is available in practically all metropolitan areas of Cuba. The Compañía Cubana de Electricidad, which serves 240 communities in the Island, supplies about 95 percent of the total electric current consumed. In the older section of Habana service is provided at 220 volts direct current, whereas in the newer sections, including Vedado and Miramar, it is at 110 volts alternating current. In the rest of the Island, either 110 or 220 voltage is available, the frequency being 60 cycles.

The electric power rate in Habana is a minimum monthly charge of \$3.50 for the first 40 kilowatt hours. For the next succeeding 60 kilowatt hours the charge is 6 cents per kilowatt hour. The average monthly bill for electricity for lighting is about \$8.00. Consumers operating electric stoves and refrigerators receive somewhat lower rates, but the monthly bill for cooking, lighting and refrigeration averages \$20 or more.

The rate for gas in Habana is \$0.0484 per cubic meter, but service is only provided in some sections. Monthly bills for electricity for lighting, for refrigeration, and the usual electric household appliances, together with gas for cooking, range from about \$20 upwards, dependent upon the size of the apartment or house.

The monthly rate for resident telephone service in Habana and Santiago de Cuba is \$6; in Camaguey, Cienfuegos and Matanzas, \$4.

Because of the warm climate, fuel is not necessary for heating. Charcoal, kerosene, gasoline, gas, and electricity are the commonly used cooking fuels. Gasoline retails in Habana at 32 cents a gallon with slightly higher prices prevailing in the rest of the island. Kerosene retails for about 24 cents a gallon; charcoal sells for approximately \$4.00 per 100 pound bag.

OFFICE OPERATING COSTS

Office Accommodations

Office space continues to be difficult to obtain in Habana, especially in the larger buildings in or near the

business district, in spite of new constructions and remodeling of old buildings. There is a tendency, however, towards movement from downtown Habana to the fast growing Vedado commercial district, where several new buildings have been erected within the past five years.

Rental prices vary greatly according to location, terms of contract, service, etc. In most large buildings present prices are \$2.50 per square meter per month, while in other buildings in downtown Habana prices range from \$1.50 to \$1.75. However, when large floor space is contracted for, the price per square meter is brought down to \$1.00 more or less. Prices include electric lighting, janitor service and elevator. Some of the new buildings, and some of those that have been remodeled, also include air conditioning in the rental price.

In other cities of Cuba there are generally no fixed rates for office rentals, and available space is dependent on economic conditions, length of contract, etc.

Commercial telephone rates in Habana and Santiago are at present \$9.50 per month, while in other leading cities the rates are lower.

Office Furniture

Steel office furniture is once again available, almost entirely of United States manufacture, but prevailing prices are very high. Wood furniture, locally made of Cuban mahogany, costs about one-fourth as much, and has the added advantage over imported wood furniture that it is practically termite-proof. It is estimated that only 10 percent of all sales of office furniture in Cuba is of the metal type. Filing cabinets are practically all of the steel type, made in the United States.

Wages

In the larger cities, and particularly in Habana, well-trained clerical assistants, typists, stenographers, bookkeepers, and salesmen are generally obtainable. Workers who have a knowledge of both Spanish and English and who, by experience, are familiar with United States and Cuban business methods, can be obtained, although the number of such persons is limited.

United States interests in Cuba are accustomed to paying somewhat higher wage and salary scales than are native companies.

Salaries of office employees in the sugar industry were set by Resolution No. 85 and adopted by the National Minimum Wage Commission on April 1, 1947. Article 3 of the Resolution sets forth the formula for application of sugar wage legislation enacted in 1945 and 1946 (tying wages to the price of sugar) to the rates listed therein to permit the calculation of the 1947 rates on the basis of an export price for sugar of 4.925 cents per pound. Subsequent Resolutions have frozen sugar wages at the peak 1947 levels. Therefore present legal minimum wage rates in the sugar industry are as follows:

	<u>Per Month</u>
Stenographer-typist (2 languages)	\$245.08 to \$302.75
Stenographer-typist (1 language)	\$167.51 to \$245.08
Office clerk	\$156.78 to \$236.06
File clerk	\$156.78
Draftsman	\$192.91 to \$236.06
Typist	\$131.54 to \$156.78
Telephone operator	\$126.14
Messenger	\$125.14
Office boy	\$79.29
Bookkeeper	\$365.83
Assistant bookkeeper	\$302.75
Cashier-disbursing employee	\$338.70
Paying clerk	\$236.06

Sugar workers have been used as typical group of office employees as sugar is the basic crop of Cuba and wages in other industries usually follow the same trend as payments to persons employed in that industry. In 1948, however, industries other than sugar were paying the following wages to office employees:

<u>Position</u>	<u>Monthly Average</u>	<u>Range</u>
Messenger	\$96.00	\$60 to 119
Telephone Operator	\$143.00	\$60 to \$240
Clerk, junior	\$135.00	\$88 to \$224
Clerk, intermediate	\$138.00	\$115 to \$216
Clerk, senior	\$213.00	\$156 to \$281
Secretaries	\$196.00	\$154 to \$274
Unit Supervisors	\$250.00	\$116 to \$402
Chauffeurs	\$169.00	\$104 to \$176

The following are other typical minimum wages paid in Habana:

	<u>Per Day</u>
First-class joiners and wood workers	\$5.78
Second-class joiners and wood workers	\$4.80
Apprentices	\$3.17
Helper or peon	\$3.17
Mason or Bricklayer	\$5.52
Form Carpenter	\$5.52
Helper in construction work	\$3.34

It should be noted that the above wage scales are based on Resolutions passed in 1947. Almost every category of workers has since received increases ranging from 20 to 35 percent over those scales.

Legislation provides for a minimum wage of \$2.00 per day for unskilled workmen; however, few if any workers receive only that amount. Actual minimum wage payments are nearer \$4.00 per day for unskilled workers. Earnings vary from \$4.00 per day for unskilled workers to the extraordinary sums earned by stevedores. Stevedores have been paid as high as \$130.00 for one day and as much as \$74.00 for three hours work on a Saturday afternoon.

Labor Legislation

Since 1933 Cuba has adopted certain labor measures designed to relieve the unemployment problem to secure a larger part of available employment to Cuban citizens. Laws require that at least 50 percent of the total number of workers in any business establishment be Cuban citizens and that they receive no less than 50 percent of the total pay roll. These laws apply only to those businesses having two or more persons on the pay roll, and only to salaried workers, not executives (unless the "executive" actually performs the regular manual routine work of the business). Vacancies and new positions may be filled only by Cuban workers. Hence, no foreigner may obtain employment unless he can qualify as a technician or is given an executive position with a general power of attorney. Permits for the employment of technicians must be obtained from the Ministry of Labor and are issued only for limited periods upon proof that no qualified Cuban workers are available.

The working day is restricted to a maximum of 8 hours per day and 44 hours per week, and employees are legally entitled to the Sunday rest (or a substitute pay). One month's vacation (some exceptions) with pay is obligatory.

Payment is also obligatory for certain number of days "sick leave." Prospective employers should also familiarize themselves with the provisions of the Workmen's Compensation Law, the Maternity Law, and certain other labor laws and regulations.

Telegraph Service

There are excellent facilities available in Cuba for both domestic and international communications. The Government telegraph service extends to all interior points. In addition, the largest cities are connected by radio-telegraph circuits operated by private companies which also connect with radio stations in the United States and other countries in the Western Hemisphere and Europe. Rates for service are shown in Table IV.

TABLE IV.

Government Telegraph Service within Cuba.

CLASS OF SERVICE	RATE	
	PER WORD	MINIMUM CHARGE
Ordinary telegram	3 cents	30 cents
Urgent telegram	6 cents	60 cents

Cable Service

Two different companies operate cables between Cuba and the United States, and a third provides service from Cuba to Kingston, Jamaica. Cable rates from Habana to United States Points are shown in Table V.

TABLE V.

Cable Rates from Habana to United States Points.

FROM CUBA TO POINTS	RATE PER WORD			NIGHT LETTER	
	Rapid Cable	5-letter word code	Defer- red	Min.15 Words	Each addi- tional word
E. of Mississippi River	\$0.15	\$0.09	\$0.075	\$0.52	\$0.02
W. of Mississippi River	\$0.20	\$0.12	\$0.10	\$0.60	\$0.04

Telephone Service

Telephone service is available throughout the Island and to foreign countries. The monthly rate for an office telephone in Habana and Santiago de Cuba is \$9.50, while in other leading cities the rates are lower. This rate allows for telephone calls only within the radius of the city limits. See Tables VI and VII for the cost of long distance calls.

TABLE VI.

Long Distance Telephone Calls from Habana
to Points within Cuba.

FROM HABANA TO -	DAY RATES (First 3 minutes)		NIGHT AND SUNDAY RATES (first 3 minutes)	
	Station to Station	Person to Person	Station to Station	Person to Person
Antilla, Oriente	\$3.00	\$4.00	\$2.25	\$3.25
Caibarien, Las Villas	1.80	2.40	1.35	1.95
Cardenas, Matanzas	1.00	1.30	.75	1.05
Cienfuegos, Las Villas	1.50	2.00	1.10	1.60
Holguin, Oriente	3.00	4.00	2.25	3.25
Matanzas, Matanzas	.70	.90	.50	.75
Nuevitas, Camaguey	2.65	3.50	2.00	2.85
Rancho Boyeros, Habana	.10	.15	.10	.15
San Antonio de los Banos, Habana	.30	.40	.30	.35
Santiago de Cuba, Oriente	3.00	4.00	2.25	3.25
Pinar del Rio, Pinar del Rio	1.20	1.60	.90	1.25
Guantanamo, Oriente	3.00	4.00	2.25	3.25

TABLE VII.

Long Distance Calls from Habana to Points
within the United States.

FROM HABANA TO UNITED STATES CITIES	DAY RATES (First 3 minutes)		NIGHT AND SUNDAY RATES (First 3 minutes)	
	Station	Person	Station	Person
	to Station	to Person	to Station	to Person
Albany, New York	\$5.30	\$6.85	\$3.85	\$5.40
Chicago, Ill.	5.25	6.80	3.80	5.35
Detroit, Mich.	5.25	6.80	3.80	5.35
Miami, Fla.	3.95	4.95	2.65	3.65
New York City, N. Y.	5.25	6.80	3.80	5.35
Boston, Mass.	5.35	6.90	3.90	5.45
Washington, D. C.	5.10	6.65	3.70	5.20

Taxation

Cuba's system of taxation is based principally upon a customs tariff, designed for revenue and protection, and upon a gross sales tax assessed on both wholesale and retail sales. The gross sales tax is collectible in the Cuban Customhouses in connection with imported merchandise, and at the centers of production of the Island on articles made in Cuba. These taxes, together with consular invoice fees, port improvement taxes, and other taxes collected in the Customhouse on imported merchandise, accounted in recent years for almost one-half of total federal revenues. Other important taxes are the profits taxes assessed on corporations, companies, and merchants and manufacturers in general; production and consumption taxes on sugar and gasoline; excise taxes on cigars, cigarettes, alcohol and alcoholic beverages, soft drinks, and matches; and the stamp taxes assessed on all legal and commercial documents. Almost 90 percent of the taxes in force in the Republic are federal taxes.

Cuba also has a personal income tax ranging from one percent on incomes of not more than \$2,400 to 30.5 percent on incomes of \$100,000 or more. Nominal deductions are provided for married persons and for dependents.

The Cuban Government applies a system of profits taxes under which individuals and partnerships, with the exception of those engaged in the sugar business, are subject to one scale of taxes, whereas corporations, banks, and limited liability or stock companies, and individuals, partnerships, and corporations engaged in the sugar industry are subject to another scale. The first scale ranges from 10.2 percent on net profits of not more than \$25,000, to 34 percent on net profits in excess of \$1,000,000; the other scale assesses a tax of from 17 percent on net profits of not more than \$100,000 to 34 percent on net profits in excess of \$1,000,000.

Foreign companies operating in Cuba through branches, subsidiaries, agents, or legal representatives, may be assessed by the Government, in lieu of the tax on profits, a 3.6 percent tax on total gross receipts of the local entity if Government officials are satisfied that the local entity cannot show a profit because of the method by which costs and selling prices of its merchandise are fixed (contractually or otherwise) by the parent concern. This tax also applies in those instances in which the local entity has agreed to pay the parent concern a certain percentage of the revenues obtained in Cuban territory from the sale, rental, or exhibition of the articles handled.

TRANSPORTATION

United States citizens can travel to Cuba for a temporary visit with very little difficulty, the traveler not even being required to possess a document proving his citizenship. Neither native-born nor naturalized citizens require passports or visas, though naturalized citizens should be in possession of evidence of their citizenship, i.e., either their certificates of naturalization or a passport.

Travelers to the Island from the United States can use any one of a number of airlines, an overnight steamer from Miami, or steamers from other United States ports. Habana and the principal cities of the Island are connected by plane, bus and railroad service. Since the war automobile travel in Cuba has greatly increased.

In the suburbs and vicinity of Habana, street cars and busses offer transportation for 5, 6 and 8 cents. Taxi service is available at a usual minimum charge of 40 cents and an average of 60 cents for one or two persons within a zone including most of the business and shipping districts of the city.

In Habana "combustible", a motor fuel, retails at 32 cents per gallon; slightly higher prices prevail elsewhere on the Island. "Combustible," which is used by all private automobiles and trucks in accordance with a decree of the Government, is a mixture of 86 percent gasoline and 14 percent anhydrous alcohol.

MISCELLANEOUS

Recreation

Most United States citizens who live in Cuba have found it convenient, and in many cases necessary for business purposes, to become members of one or more of the social clubs located in or near Habana. Membership fees of the principal clubs are approximately as follows:

The American Club: Initiation fee, plus dues of \$10.00 per month.

The Country Club of Habana (the largest country club in Habana): Initiation fee, plus dues of \$15.00 a month.

The Havana Biltmore Yacht and Country Club (Jaimanitas) is a combined beach and country club: Initiation fee, plus dues of \$15.00 a month.

The Habana Yacht Club (a beach and boating club): Initiation fee plus \$15.00 a month.

Vedado Tennis Club: Initiation fee plus \$10.00 a month dues.

In addition to those listed, there are many other clubs such as women's clubs, a mothers' club which provides playground and library facilities for children, a Little Theatre group, a choral society, tennis, beach and yacht clubs, etc. Adequate facilities exist for sailing, fishing and hunting. The climate permits many sports to be enjoyed practically throughout the year. Some spectator sports are: baseball, basketball, jai alai, boxing, wrestling, and horse racing.

Modern theatres equipped with sound apparatus show United States films (with Spanish sub-titles). Admission to the better theatres is 60 to 80 cents in the afternoon and 80 to \$1.10 in the evening. Prices of smaller neighborhood theatres in certain sections are somewhat lower.

Churches

The Cuban people are predominantly Roman Catholic, but other faiths and sects have churches in Habana, some of which are supported by missionary groups in the United States. The following denominations maintain places of worship in Habana: Roman Catholic; Episcopal; Christian Science; Presbyterian; Methodist; Baptist; Hebrew; and Lutheran. Seventh Day Adventists and Jehovah's Witnesses are also established here.

Banking Facilities

Adequate banking facilities for commercial operations are available in Cuban and foreign banks. The following is a partial list of banks operating in Cuba, all except one having headquarters in Habana:

The National City Bank of New York, Presidente Zayas y Compostela, Habana. Branches: Caibarien, Cardenas, Manzanillo, Matanzas, and Santiago de Cuba.

The First National Bank of Boston, Aguiar 411, Habana. Branches: Cienfuegos, Sancti Spiritus, Santiago de Cuba.

The Chase National Bank of the City of New York, Aguiar 310, Habana.

The Royal Bank of Canada, Aguiar 367, Habana. Branches: Santiago de Cuba, Bayamo, Cienfuegos, Camaguey, Ciego de Avila, Guantanamo, Holguin, Moron, Pinar del Rio, Sagua la Grande, Sancti Spiritus, and Santa Clara.

The Bank of Nova Scotia, Cuba 225, Habana. Branches: Camaguey, Cienfuegos, Manzanillo, and Santiago de Cuba.

Banco Nuñez, Mercaderes 260, Habana. Branches: Bayamo, Camaguey, Ciego de Avila, Guantanamo, Holguin, Manzanillo, Matanzas, Palma Soriano, Santa Clara, Santiago de Cuba, Victoria de las Tunas, Santa Lucia, Jibara, Florida, Cardenas and Guines.

Banco del Comercio, Aguiar y Obrapia, Habana.

Banco Gelats, Aguiar 456, Habana.

The Trust Company of Cuba, Obispo 257, Habana. Branches: Pinar del Rio, Camaguey, Santiago de Cuba and Santa Clara.

National Bank and Trust Company of Isle of Pines, Nueva Gerona, Isla de Pinos.

Diplomatic Representatives

The Government of the United States maintains an Embassy at Habana, a consulate at Santiago de Cuba, and has a consular agent in the city of Camaguey.

Foreign Community

According to recent Government estimates, approximately five percent of Cuba's total population are foreigners, of which about 157,000 are Spaniards, 20,000 Chinese, 1,000 Japanese, 6,000 Americans, 47,000 Central and South Americans, and others 25,000.

Education

Primary and secondary education is free in the public schools of Cuba, but most English speaking residents send their children to private schools. Several Catholic and Protestant, as well as non-sectarian schools, offer curricula in English, from kindergarten through high school, similar to those offered in the United States. Monthly tuition is approximately as follows: Kindergarten, \$10.00 to \$12.00; primary grades, \$12.00 to \$20.00, and high school, \$20.00 to \$30.00. The cost of books and supplies is not included.

The University of Habana, a coeducational institution, offers facilities for higher education. Classes are conducted in Spanish.

In addition there is the Universidad Católica de Santo Tomás de Villanova (affiliated to Villanova of Pennsylvania), coeducational. This school is new and does not offer degrees in more than three or four majors. Classes are conducted in both Spanish and English. In Santiago de Cuba, another university, La Universidad de Oriente, has recently begun operations. Classes are conducted in Spanish.

Newspapers

There are 15 daily Spanish-language newspapers in Habana. Those with the largest circulation are: El País, Diario de la Marina, Información and El Mundo. The Havana Post (morning), the only English-language daily in Cuba, circulates chiefly among United States and British residents in the Republic.

Postage

The first class letter rate from the United States to Cuba is 3 cents per ounce or fraction thereof; the rate from Cuba is 2 cents. Daily airmail service is available between the United States and Cuba, the letter rate being 8 cents per one-half ounce to or from the United States. Cuban post offices will issue and cash international money orders. Parcel post service is available between the United States and Cuba, but there are no facilities for C.O.D. delivery.



R. M. Connell
First Secretary of Embassy

