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FROM

AMEMBASSY, HABANA

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TO

THE DEPARTMENT OF STATE, WASHINGTON.- 1 Enc.

FOREIGN SERVICE DESPÄTCE

February DEPARTMENT OF STATE

REF

Embdespatch 1121 of January 21, 195

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SUBJECT:

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AG COMM FRB LAB High Court Rules Against Payment of Union Dues by Employers

Cuba's Court of Constitutional and Social Guarantees, a branch of the nation's highest tribunal, has just ruled that employers may not pay the union dues of their workers nor may the Government decree the payment of such dues by employers (clipping enclosed). The case came before this court through an appeal from a 1951 presidential decree which compelled sugar mill owners and plantation operators to pay their employees! dues to the National Federation of Sugar Workers (FNTA). the 1953 sugar wage settlement (see reference) provides the continuance of these payments, the court's ruling obviously may have considerable bearing on labor-management relations in Cuban sugar industry and also on the strength and activities of the FNTA, the largest affiliate of the Cuban Confederation of Labor (CTC).

An industry representative told the Embassy's sugar reporting officer, Mr. DAVIS, that the court's ruling would probably have no effect on the fulfillment of the terms of recent Government settlement of the sugar labor dispute. His reasoning coincided with an opinion advanced by Eusebio MUJAL, CTC Secretary-General who pointed out that while the court indicated it was unconstitutional for the Government to decree compulsory payment of union dues by employers, legislation to this end was not precluded. Since the settlement was included in a law-decree which is now tantamount to legislation in the absence of a Constitutional Congress, the industry will probably continue the payments for the present crop with a minimum of objections. In their recent negotiations with the labor unions, the industry agreed to continue both the payment of union dues and superproduction pay during 1953.

COMMENT

Discontinuance of the dues payments could have widespread effects on the FNTA in which a nervous situation already exists

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because of the recent wage settlement, which large segments of the union regard as unsatisfactory. This, coupled with reduced wages and a restricted crop (causing 35% minimum loss of labor income in 1953), might make it exceedingly difficult for the union to collect its dues. This, of course, would have a generally weakening effect on the union's structure. In Las Villas province, Conrado RODRIGUEZ, Vice Secretary—General of the FNTA, has been openly critical of the recent settlement and the workers in several mills there have reportedly refused to start operations on the new crop. The Communists continue to accuse FNTA leaders and Mujal of a "sell out".

For the Ambassador:

Irvin S. Lippe

Irvin S. Lippe Attaché

Enclosure: Press clipping

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Amen