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FROM

AMEMBASSY, HABANA

1745 DESP. NO.

TO

THE DEPARTMENT OF STATE, WASHINGTON.

REF

000183 Labor Developments

APR 2 2 1959 DEPARTMENT OF STATE

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BUREAU OF INTER-AMEDICAN AFFAIRS

SUBJECT:

CTC Drastically Reduces Salaries and

Evidence of the changed relationship between the Cuban Confederation of Labor (CTC) and the government since the March 10, 1952 revolution of General Fulgencio BATISTA is seen in a drastic economy move recently announced by the CTC Executive Board. officials have informed the Embassy's labor reporting officer that financial aid given the CTC by the PRIO government has as of this date not been resumed by the present regime.

A CTC statement said that a 50 per cent slash in expenditures was accomplished through reduction in headquarters personnel, cuts in salaries and elimination of unnecessary activities. necessary because of a situation described by the CTC as a "financial crisis".

A reduction in monthly expenditures from \$20, 800 to \$10,700 was realized, according to the CTC, by the following economies: salary cuts of secretaries, \$1,500; elimination of gasoline allowance for certain employees, \$1,000; dismissal of unneeded chauffeurs, \$300; reduction in pay of economic technicians, \$1,000; elimination of unnecessary activities, \$1,200; general lowering of salaries of clerical employees, \$1,300; dismissal of unnecessary clerical employees, \$3,800.

Pay of the 15 secretaries of the CTC Mesa de Trabajo was cut from \$225 to \$125 a month; minor office functionaries from \$100 to \$90; receptionists, \$89 to \$80; janitors, \$67.50 to \$65; and stenographers \$80 to \$75. Eusebio MUJAL, secretary-general of the CTC and thus chief of the Mesa de Trabajo, receives no pay from the CTC, the announcement said, since he is paid by the government as a member of the Cuban Senate. Personnel of the CTC was reduced from 194 to 149.

COMMENT

Calixto SANCHEZ, secretary-treasurer of the airport workers' union; Francisco AGUIRRE, secretary-general of the Inter-American

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Organization of Labor (ORIT) and member of CTC Executive Board;
Angel BRAVO, ORIT office manager; and certain minor CTC employees
recently indicated to the labor reporting officer that under Prie
the CTC had been receiving financial aid from the government.
That these payments were of considerable size and importance to
CTC activities is witnessed by the severe economies the union has
been forced to make as a result of their reported discontinuance.
The activities which the CTC has abandoned were not described in
its announcement. The labor reporting officer has observed that
the remaining employees appear to be much busier than previously
when it seemed that work was carried on in a very desultory manner.

Bravo confided that in his opinion the failure of the Batista regime to continue the payments to the CTC would affect the CTC's financial contributions to ORIT, although this has not yet taken place. Bravo, who has been highly critical of Mujal in the past, said disgustedly that he fully expected Mujal to "beg" Batista to follow the Prio policy in this respect within a few months. It is not generally known outside of official CTC and government circles that the Prio regime had this arrangement with the CTC.

For the Ambassador:

Irvin S. Lippe
Attaché

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