

FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

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TO : Department of State

837.06/8-350

FROM : HABANA 264 August 3, 1950

IR 837.062

REF : Embassy's despatches 863 April 14 and 909, April 20, 1950

SUBJECT : LABOR NOTES--HABANA--JULY 1950.

DEPARTMENT OF STATE
BUREAU OF
INTER-AMERICAN AFFAIRS
AUG 8 1950

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Port Workers

A strike of the stevedores in ten Cuban ports directly affected by the failure of the Government to effect payments of amounts claimed by labor unions for diverted sugar shipments in 1948 and 1949, was called on July 14. Labor threatened to remain on strike until such time as the Administration provided the necessary funds to pay them for alleged losses of earnings as a result of diversion of sugar shipments through other than 'normal' ports allegedly in violation of Decree No. 4358 of December 17, 1948. As a conciliatory move, the Cuban Cabinet had previously approved payment of fifty per cent of the total amount claimed by labor but the money had not been made available. Gilberto GOLIAT, Secretary General of the National Federation of Maritime Workers, accordingly informed President PRIO that unless the demands of port labor were met immediately a nation-wide port strike would be called on July 17. After prolonged discussions between labor leaders and officials of the Ministry of Labor, it was resolved to suspend the nation-wide strike on condition that the Administration take immediate action to provide funds for the payments to the port workers. At its next meeting on July 21 the Cuban Cabinet approved the payment of over one hundred thousand pesos to the stevedores in the ten ports affected by the strike. At the close of the month work was proceeding normally in all Cuban ports.

Railroad Workers

A threatened nation-wide railroad strike was averted by the Administration when it yielded to certain demands of the employees of the United Railways of Havana. The National Federation of Railroad Brotherhoods of Cuba has been pressing the Cuban Government to facilitate the sale of the railroad for some time, but since recent sale negotiations failed and

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because of the complete failure of the Government's intervention policy, the company was without adequate funds to meet payrolls. At the request of company employees the Cuban Cabinet agreed to provide the funds required to permit the railroad to continue operations until September 30, 1950. This plan was satisfactory to the workers, but the Minister of the Treasury failed to deposit the required funds, resulting in the strike threat. President Prio finally intervened and promised that the necessary funds would be made available immediately. On the basis of this promise the strike threat was suspended. The Cabinet subsequently authorized funds to continue the operation of the railroad for ninety days (see despatch No. 191 of July 26, 1950).

Comment:

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It will be noted that in both of the above-described labor disputes the Administration followed the now familiar manner of averting strikes, i.e., labor's demands were met without regard to merit and apparently without taking into consideration the possible ill effects which may well be inflicted upon the entire Cuban economy if labor is permitted to continue to employ coercive measures against the Government, merely by threatening to call a nation-wide strike in any industry of its choosing.

Motion Picture Theater Workers

Sixteen theaters in Habana have been alternately open and closed during the past two weeks as the result of different interpretations of Decree No. 1396 of May 9, 1950. (The decree under reference was fully reported in Embassy despatch No. 1131 of May 18, 1950.) The present conflict started as a result of the alleged failure of the owners of certain first-run theaters to comply with the decree. The stage artists' syndicate maintained that the decree under reference obliged the exhibitors of first-run films to accompany the film with a stage show in at least one of the theaters where the film was being shown. After prolonged discussions between labor and management had failed to produce a solution to the problem, the Minister of Labor called the leaders of the two groups together and attempted to settle the dispute. The theater operators' association agreed to comply with the law as interpreted by the artists' syndicate and also to collect a 20 per cent admission tax in those theaters where no stage show was presented. This decision satisfied both the artists' syndicate and the Ministry of Labor, but further trouble developed when the scene-shifters, electricians and prompters' syndicate attempted to 'climb on the band wagon' by demanding that no stage show be presented

unless a certain number of its members were employed, the number to be determined by the syndicate. The proprietors of the theaters immediately objected and stated that they would close the theaters rather than meet such absurd demands. The sixteen first-run theaters were closed for two days. The Minister of Labor intervened and requested the theater operators' association to re-open the theaters pending a decision from the Ministry. While the Ministry was studying the situation, the artists and musicians' syndicates, incensed by the delay in obtaining a final ruling, declared a strike, again closing the theaters for two days. This movement also affected the radio stations, cabarets, night clubs and outdoor restaurants, as no stage artists or musicians reported for work.

The problem was finally settled, at least temporarily, on July 28, when the Minister of Labor issued a resolution which provides: 1) that all first-run films shall be accompanied by a stage show in at least one of the theaters of each chain where such films are shown; 2) that the performers for the stage shows shall be requested from the artists' syndicate; and 3) that any questions arising from this resolution shall be presented to the Ministry of Labor, where after hearing all parties concerned, a permanent decision will be issued.

Comment:

As will be noted, the problems of the artists and musicians' syndicates have apparently been solved satisfactorily but no provisions are made to settle the dispute between the scene-shifters, electricians, and prompters' syndicate and the proprietors, so that further labor troubles may be expected. The net result of the whole dispute is that few, if any more artists or musicians are employed, the scene-shifters, electricians and prompters are still dissatisfied, and the public is paying \$1.00 to see a movie which cost \$0.80 prior to the dispute.

For the Chargé d'Affaires a. i.

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