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FROM

AMEMBASSY, HABANA

TO

THE DEPARTMENT OF STATE, WASHINGTON. - 1 Enc. October 2, 1952

REF

000183 Labor Developments

FOREIGN SERVICE DESPATCE

Embdespatches 2098 of 6/10/52; 2176 of 5/25/52

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SUBJECT:

Sugar Labor Leader Comments on Industry's Current Problems

José Luis MARTINEZ, secretary-general of the National Federation of Sugar Workers (FNTA), Cuba's largest and most important labor union, yesterday told the Embassy's labor officer that his union understands that reduction of the 1953 sugar crop (see reference) may mean a drop in annual income for its members but that FNTA would not permit a reduction in daily or weekly wages rates. He said that FNTA would cooperate with the industry in its efforts to bolster the shaky world sugar market.

The labor leader's comments on other sugar labor issues and on labor generally in Cuba are included in the enclosed memorandum of conversation.

For the Ambassador:

Imin S. hope

Irvin S. Lippe Attaché

Emir With

Copy to Amembassy, Manila

ISLippe:rc

CONFIDENTIAL SECURITY INFORMATION

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## CONFIDENTIAL SECURITY INFORMATION

Page_	1	of
Encl.		
Desp.	No.	500_
From.		HABANA

## Memorandum of Conversation

October 1, 1952

Participants:

José Luis Martinez, secretary-general of the National Sugar Workers' Federation

I. S. Lippe

Martinez discussed at length the union's efforts to obtain the use of the 200-pound sugar bag instead of the present 325-pound bag. He said that FNTA would try to negotiate an agreement with the employers providing for this but if it failed the union would press the Government for a decree granting it. When queried as to whether it would be possible for the manufacturers in India to make enough bags in time for the coming crop, he said probably they could provide up to half those needed. I got the impression that maybe some deal might be worked out whereby the shift to the smaller bag would be gradual. I noted BATISTA's sympathetic remarks regarding the 200-pound bag and recalled that he was the first to bring the matter up during his previous regime. I asked why it had not been put into effect then. Martinez replied that it was because of the employers' opposition. He said that they were all-powerful in Cuba.

Regarding the proposed limitation on sugar production to bolster the shaky world market, Martinez said that the FNTA was prepared to cooperate fully. He said that his members understood that they might have fewer days work and therefore less total income. He said they would not stand for any cuts in rates of pay, however.

Martinez said that FNTA was cooperating with ORIT to organize sugar workers in other countries. He said the reason for this was not entirely altruistic because FNTA realized that underpaid foreign sugar workers gave Cuba's competitors an opportunity to undersell, thus threatening the Cuban industry and its workers.

Martinez said there was no Communist problem in FNTA. Out of 215 <u>sindicatos</u>, he said, only one was Communist controlled. This is at Central Narcissus in Las Villas.

Martinez said that about 120,000 FNTA members were employed in the mills while 320,000 worked in the fields. He said that during the dead season (about 7 months) a majority of these did not work at all and had a very difficult time getting along.

SECURITY INFORMATION

## CONFIDENTIAL SECURITY INFORMATION

Page 2 of Encl. No. 1
Desp. No. 500
From HABANA

MUJAL and the CTC. He said they "would go along" with Batista so long as he maintains labor's "conquests". He said there was considerable activity on the part of members of Bloque Obrero of PAU in FNTA local unions but that no Paupista had yet attained any important post or leadership stature. He said that no effort had been made by Batista to impose Paupistas on FNTA and indicated that this would be vigorously opposed should it happen.

Commenting on the henequen dispute, Martinez agreed that the proposed institute which the union wanted would not solve the problem of the workers for very long. He did not offer a solution of his own. When I explained that situations like the henequen, with intervention, etc., did not make Cuba a very attractive place for Americans to invest money (and provide employment for Cubans), he agreed completely. He declared that in the case of sugar a regulatory body was absolutely necessary, pointing out the industry's size and importance.