(Security Classification) FOREIGN SERVICE DESPATCH

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FROM

AMEMBASSY, HABANA

780 DESP. NO.

THE DEPARTMENT OF STATE, WASHINGTON.

November 18, 1952

REF

000183 Labor Developments

Embdespatches 558 of 10/14/52;

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INTER-AMERICAN AFFAIRS

SUBJECT:

Government Orders Introduction of 250-pound Sugar

A Law-Decree calling for use of the 250-pound sugar bag instead of the present 325-pound bag has been adopted by the Cuban Cabinet. The change-over is to get under way in the 1953 crop and to be completed by the beginning of the 1954 grinding season.

While the Decree represents a defeat for the sugar workers' union it is actually a compromise since the employers had been resisting any change at all. The union has long sought use of a 200-pound bag.

The Decree was issued rather suddenly and provoked a bitter union statement which accused the Government of a "sell out" and threatened a strike during next year's harvest unless the ruling is changed. This brought an angry rejoinder from BATISTA who characterized it as "exaggerated, out of place, inopportune and improper". For the workers to resist the Government's measure "is either ingenuous or dull". Batista declared. The President, reminding labor that in his previous regime he originated the 200-lb. idea, pointed out that the Decree was a compromise in accordance with the necessities of the moment. He said that it would be carried out regardless of threats.

The union in its statement recalled that Batista had promised to support the sugar workers demands for the 200-pound bag (see reference 2).

A previous decree (see reference 1) providing for use of the 224-pound bag was not signed by the President and apparently was side-tracked.

The 250-pound bag is used by the sugar industries of Puerto Rico and the Dominican Republic and therefore lends the weight of interchangeability to its favor.

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The Sugar Mill Owners' Association told the Embassy that there could be only a partial use of the new bag in the 1953 crop. It reported that at present there are 12,292,918 of the 325-pound bags in stock; 11,894,800 in transit and 9,300,600 pending shipment at the point of manufacture. This leaves a deficit of 390,000 bags which the Mill Owners said could be filled by purchasing 250-pound bags. The Mill Owners said it might be possible that some of the bags pending shipment have not been manufactured yet and that some 250-pound bags may be substituted on the original order.

Sugar labor-management negotiations are in process, with the union still pressing for the 200-pound bag. After Batista's reaction to the initial sugar workers' statement, and an interview with Eusebio MUJAL, secretary-general of the Cuban Confederation of Labor (CTC), and José Luis MARTINEZ, secretary-general of the sugar workers' union, labor's statements have been much more moderate.

For the Chargé d'Affaires, ad interim:

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Irvin S. Lippe Attaché

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