FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

SECURITY: UNCLASSIFIED

PRIORITY: AIR POUCH DEPARTMENT OF STATES

BUREAU OF BUREAU OF A STAIRS

TO: Department of State

FROM: HABANA 1390 June 20, 1950

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REF: Habana's A-1350, October 28, 1949

SUBJECT: CUBAN COURT DECLARES DECREE GRANTING WAGE INCREASES TO

BANK WORKERS UNCONSTITUTIONAL

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The <u>Tribunal Supremo de Guarantias Constitucionales</u> y <u>Sociales</u> (Supreme Court of Constitutional and Social Guarantees) recently declared Presidential Decree 489 of September 29, 1949, unconstitutional.

The decree under reference ordered wage increases of 5, 10, and 15 percent for bank employees. Bank management complied with the decree under protest and then only after the Ministry of Labor issued a resolution making payment of increases obligatory.

The Supreme Court based its decision on Article 61 of the Cuban Constitution which guarantees every worker a minimum wage or salary in accordance with the work he performs, and provides for the regulation of these minimum wages periodically by means of decisions of parity commissions. The Supreme Court supported the management's view that the decree was unconstitutional since it was arbitrarily promulgated, ignored the objections of the employers, and had not been approved by a parity commission as required by the Constitution.

For the Ambassador:

Ray H. Crane, Assistant Attaché.

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