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SUBJECT: Annual Railway Report - Cuba, 1951

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1. Translation of Resolution implementing Traffic Order No. 45.
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 4. Annual Reports for the following:
 - The Cuba Railroad Company.
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NATIONAL TRANSPORTATION COMMISSION

Dr. Eugenio Sanchez de Agramonte y Estevan, General Secretary of the National Transportation Commission.

CERTIFIES: That at the meeting held by this Commission on September 12, 1951 and in its Second Resolution it referred to the communication from the Technical Director of the National Board of Economy received at this office on September 5 of this year, in which he states that said National Board of Economy at the meeting held on September 3, 1951 resolved to approve Resolution Sixteen of this Commission which contains Traffic Order No. 45, in view whereof the Commission resolves:

That said Resolution Sixteen of February 28, 1951 be published in the Official Gazette so that it shall take effect commencing on the date of its publication in the said Official Gazette.

HE LIKEWISE CERTIFIES: That said Resolution Sixteen adopted by the National Transportation Commission at its meeting of February 28, 1951 and which was approved by the National Board of Economy, provides as follows:

"Having seen the communication from the Cuba Railroad, Cuba Northern and United of Havana, dated November 20, 1950, incoming registry No. 43459, in which they request that there be established for blackstrap or invert molasses a graduated tariff based on the price of the product just as is the case with sugar, and they submit to their approval of the Commission a tariff on that basis for Special Classes D-1 and D-2 for blackstrap and D-3 and D-4 for invert molasses, consisting in taking as the tariff basis the prices in effect of the Coordinated Freight and Express Tariff No. 2, while the sales price of blackstrap or invert molasses is \$.025 or less per gallon and to increase this 10% progressively every time said price increases up to \$0.05 per gallon. They allege that the price of the molasses has increased more than 300% if compared with the blackstrap or invert molasses has been selling, that a great demand for that product is expected, the net sales price of the molasses during the 1951 crop being estimated at \$46,500,000.00 wherefore they deem it fair and reasonable for the public service railroad companies whose revenue is falling off while the operating costs are the same, to share said increase proportionally.

"Whereas: This Commission by its Resolution Eleven adopted at its meeting of December 11, 1950 resolved to convene the public carriers subject to the provisions of the General Classification and Coordinated Freight and Express Tariff, the Traffic Committee, the Sugar Institute, the Mill Owners' Association, the National Association of Industrialists, the National Association of Distillers, Liquor and Beer Manufacturers and all other concerns interested in said tariffs, through the Official Gazette, in order that they might appear to give information on the subject to the Commission, on January 10, 1951, at 4:30 p.m., and

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that they might do so verbally or in writing.

"Whereas: That on the date mentioned in the preceding clause the public hearing that had been called was held and was attended by Dr. Santiago Rosell, in representation of the Consolidated Railways, the Cuba Railroad and the Northern Railway of Cuba; Dr. Juan Sequeira, in behalf of the United Railways of Havana; Mr. Mario Valdes Bridat, in behalf of the Traffic Committee; Mr. Belisario Delgado, in behalf of the Mill Owners' Association; Mr. Alberto Rudeo, in behalf of the Sugar Institute and Mr. Jose Ferrer in behalf of the National Association of Industrialists. All the abovementioned gentlemen stated their viewpoints on the matter brought up by the Cuba Railroad and the Northern Railway, not so Mr. Jose Ferrer who stated in behalf of the Industrialists that it had not interest whatever in the matter.

"Whereas: That the establishment of the tariff proposed by the petitioning public service railroads is deemed fair and reasonable, the same being in a manner similar to that established for sugar and sugar cane, that is, that it varies according to the price of sugar.

The Commission finds that:

"Whereas: In accord with provision four of the Resolution of the Commission of September 26, 1940 approving the General Classification and Coordinated Freight and Express Tariff No. 1, published in the Official Gazette of November 7, 1940, said classification and tariff were approved under the condition that the Commission could change the same in so far as they might be fair or unreasonable or in so far as they grant improper preferences or advantages or that are unreasonable, to any person, firm company or locality or to any particular kind of traffic or any sector of transportation by fixing the method to be followed in connection with claims that might be established by any directly interested party.

"Whereas: The tariff, in the manner in which it is established might in some cases provide rates higher than those that were in force for blackstrap or invert molasses on July 5, 1943, wherefore the effectiveness of which should be subordinated to their approval by the National Board of Economy in fulfilment of what is provided in Decree 2014 of July 5, 1943, the Commission therefore enacts its

TRAFFIC ORDER NO. 45.

"First: To amend articles I, III and IV of Chapter XI of the Coordinated Freight and Express Tariff, Special Class D, published in the Official Gazette, Extra Edition of November 7, 1940, which shall read as follows:

"Article I.- This tariff and its provisions includes the following Special Classes: D-1, blackstrap; D-2, blackstrap for distilleries;

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D-3, invert molasses; D-4 invert molasses for distilleries.

"Article III.- When the selling price of a gallon of blackstrap or invert molasses is up to \$0.025 per gallon, in accord with the the average price established by the Sugar Institute for each crop, the prices under Scale A shall be applied per ton of 1,000 kilograms and per kilometer, with loading and unloading for account of the shipper or consignee.

"This Scale A shall be formed with the factors of Scale A or Coordinated Freight and Express Tariff No. 2, Special Class D, or the factors of Scale A of the Coordinated Freight and Express Tariff No. 1, Special Class D with a ten per cent increase for the tariff and annexes for blackstrap and of twenty per cent for the tariff and annexes for rich invert molasses authorized by Decree No. 3355 of November 1, 1945.

"Every time the price of a gallon of molasses increases up to \$0.05 above the fixed base price of \$0.025, a new scale shall be formed by increasing by ten per cent the rates of the basic tariff, Scale A. Thus for a price of \$0.075 basic tariff Scale A will be increased ten per cent to form Scale B, for a price of \$.125 the prices of the basic tariff Scale A will be increased 20 per cent to form Scale C and thus upward.

"The annexes shall be increased in the same proportion for each scale.

"The scales of increase shall be applied only on the product, blackstrap or invert molasses, when the price exceeds \$0.025 per gallon.

"The tariff rates fixed in accord with average selling price of each crop, commencing with that of 1951, shall be applicable to the transportation of all the molasses of that crop, no matter on what date they may be transported.

"The Sugar Institute, as soon as it has determined for each crop the average price per gallon of blackstrap, 52 percent basic total sugar content, as provided in Decree No. 3172 of October 3, 1950 or in such other manner as may be determined in the future, as well as the average price of the rich invert molasses, shall communicate the same to the National Transportation Commission which shall order its publication in the Official Gazette for the purpose of applying the tariffs.

"Article IV.- In shipments of blackstrap and invert molasses, Special Classes D-2 and D-4, destined for use by distilleries located within the national territory, a rebate of 10 per cent shall be granted."

Second: The duration of this tariff shall be subject to approval by the National Board of Economy in fulfilment of what is provided by Decree 2014 of July 5, 1943. (case 645, Dossier 7,A, General).

And for publication in the Official Gazette this certificate is issued with the attestation of the President, in the City of Havana, on this 14th of September, 1951. Attest: Fernandez, Pres., Sanchez, Gen. Secretary.

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NATIONAL TRANSPORTATION COMMISSION

Dr. Eugenio Sanchez de Agramonte y Estevan, General Secretary of the National Transportation Commission

CERTIFIES: That at the meeting held by this Commission on September 19, 1951, its Resolution Two which deals with General Traffic Order No. 46 was transmitted to the National Board of Economy, which resolution is as follows:

The member of the Commission Dr. Fernando Sirgo Tramont having reported on case No. 657, Dossier 8, A. General, which deals with the petition of the Cuba Railroad, Northern Railways of Cuba, United Railways of Havana and Guantanamo & Western Railroad, for the establishment of scales of additional increases in the freight rates and annexes of the Special Class B sugar and Special Class C sugar cane tariffs, when the price of sugar is five cents or more, suppressing the limitation at present existing when the price reaches five cents, this being approved by him, and

Whereas: By Resolution Twenty Nine adopted by this Commission at its meeting of July 4, 1951, the public carriers subject to the provisions of the General Classification and Coordinated Freight and Express Tariff, the Traffic Committee, the Sugar Institute, the Mill Owners' Association, the National Association of Industrialists and such other concerns as might be interested in said tariffs were summoned through the Official Gazette to appear to inform this Commission on August 21, 1951, at five o'clock in the afternoon, and that they might do so verbally or in writing.

Whereas: The public hearing was held on the date that had been set, Resolution One of August 22, 1951 being adopted in which is set forth everything in connection with the matter under discussion the record being handed to Dr. Fernando Sirgo Traumont, for his report.

The Commission finds that Whereas: The case brought up by the aforementioned carriers is deemed to be fair and reasonable, wherefore the petition of the Cuba Railroad, Northern Railways of Cuba, United Railways of Havana and Guantanao and Western Railroad Company is approved, and therefore, the Commission resolves as follows:

TRAFFIC ORDER No. 46

"To amend the Coordinated Freight and Express Tariff in the sense that the freight tariffs and annexes, for Special Class B sugar as well as for Special Class C sugar cane, when reaching scale F which covers an official average price per pound of sugar from more than 4.5 cents to 5.00 cents, shall formed with regard thereto additional scales for every increase of one-half cent in a pound of sugar, adding thereto the factors of increase established in Articles IV and V of Chapter IX

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and X, respectively, of Resolution One of this Commission, dated September 26, 1949.

"The effectivity of this tariff is subject to the approval of the National Board of Economy in fulfilment of what is provided in Decree 2014 of July 5, 1943.

HE LIKEWISE CERTIFIES: That the National Board of Economy by Resolution No. 64 of September 24, 1951 approved said Resolution Two, containing General Traffic Order No. 46.

And for fulfilment and publication in the Official Gazette this certificate is issued with the attestation of the President of this National Commission, in Havana, on this 26th of September, 1951.

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Doctor Eugenio Sanchez de Agramonte y Estevan, General Secretary of the National Transportation Commission.

CERTIFIES: That at the meeting held by this Commission on September 12, 1951, its Resolution One was certified to the National Board of Economy, the same providing as follows:

"Having seen case No. 645, file 7, General Matters and the communication from the National Board of Economy appearing therein, entered under No. 31446 of September 5, 1951 of the Registry of this organization and that the said communication from the National Board of Economy submits to the study of the Commission a draft decree which is enclosed with said communication, prepared and drafted by the Minister of Labor in which is provided an increase in freight rates for sugar and in view of the need of providing the railroad companies with economic means with which to meet the needs arising therein by reason of its labor problems.

"This organization believes that the draft decree tends to solve a situation created to the State by reason of labor problems the analysis and decision of which do not come under its jurisdiction, but of course, as an administrative organization the National Transportation Commission is obliged to collaborate with the Executive Power in the proper progress of the interests of the State and the highest authority on labor matters of the Ministry of Labor, and believes, as is gathered from the said draft decree that the only solution to a serious labor problem is an increase of fifteen per cent (15%) in the freight rates on sugar and that therefore this Commission can adopt no other position with regard to the consultation made by the National Board of Economy than approve said increase, since the discussion of the labor problem which has caused the same to be drafted does not come under its jurisdiction while the transportation problem itself has not been submitted to it for study and decision but as an emergency measure to solve a really serious problem and which the Ministry of Labor, which has carefully considered the same, believes that the increase provided for is the proper solution.

"In this sense we reach the opinion of this organization and so advise the National Board of Economy for all legal purposes."

HE LIKEWISE CERTIFIES: That the National Board of Economy by Resolution No. 65 adopted on September 24, 1951, resolved to give its approval to Resolution One above transcribed, said approval consisting in a fifteen per cent increase in the freight charges and annexes in force for the carriage of sugars of all kinds, including the special types covered by agreements, said fifteen per cent increase being considered an additional extra tariff rate, to be paid by all public freight carriers by railroad, by highways and by maritime and river traffic.

And for fulfilment and publication in the Official Gazette, as regards this increase in connection with the public service railways as approved by the National Transportation Commission, this certificate is issued with the attestation of the President of the National Transportation Commission, in Havana on this 27th of September, 1951.

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