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## FOREIGN SERVICE DESPATCH

F800004-1484

FROM : AmEmbassy, Habana

DESP. NO.

July 16, 1957

TO : THE DEPARTMENT OF STATE, WASHINGTON.

DATE

REF : Voluntary Labor Report

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SUBJECT: LABOR BRIEFS FOR MAY AND JUNE, 1957 USIA-10

DECLASSIFICATION DATE 4/28/80

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The purpose of this despatch is to note briefly the significant developments in the Cuban labor field for the months of May and June, 1957.

At the end of this despatch, in Appendix 1, there is also presented a summary of the most important labor trends for the second quarter of 1957.

For the convenience of interested readers a list of all labor reports and despatches written during the second quarter will be found in Appendix 2.

In brief, the labor field of Cuba was dominated throughout the entire month of May by the serious inter-union troubles in the electric power industry. While in June, National attention was focused on the important meeting of the National Council of the Confederation of Cuban Workers (CTC), which resolved to hold elections in the three industrial federations that had been engaged in a sharp conflict with CTC leadership.

1. Organized Workers of Cuba Celebrate International Labor Day.

More than 2000 workers attended a celebration of International Labor Day by the Confederation of Cuban Workers at the Palace of Workers in Habana on May 1.

The Minister of Labor, who was present at the gathering, was formally presented with 191 demands from the various unions and federations affiliated with the CTC. Foremost among these demands were requests for higher wages, a shorter workweek, lowering of the cost of living, and a continuing struggle against communist infiltration of labor unions.

1/ See Embassy Despatch No. 678 of April 12 for a similar treatment of labor trends for the first quarter of 1957.

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At the celebration the CTC went on record once more as favoring peaceful elections for the solution of the national political problem. It condemned terroristic and insurrectionist activities.

## 2. Labor Strife In the Electric Industry.

Throughout May the electric power industry of Cuba was beset by a series of labor problems created by a bitter conflict<sup>1</sup> between the top leaders of the Labor Federation of Electric, Gas and Water Plants and those of the CTC.

Developments during the month included several stoppages called by Federation leaders, the most serious of which began on May 21, and ended on May 24. This strike effectively interrupted various services although basic power production was generally maintained. It ended only after the government appointed a Military Supervisor with power to act as "a personal representative of the Executive to restore normal operations by whatever means necessary."

On May 27, the strike was characterized as a failure by Angel Cofiño, secretary general of the Electric Workers' Federation. Cofiño declared that many workers were unable to maintain contact with their leaders and thus had to abandon their protest.

On May 28, the main conduits of the Habana plant of the Cuban Electric Company were blown up by persons as yet unknown. As a result most sections of old Habana were without electric power for nearly 57 hours. The lack of power prevented the printing of several newspapers; it closed many shops and business firms; and indirectly affected telephone service.

## 3. New Decree Re Supervisory Personnel In Electric Industry.

On May 3, President Batista signed Decree No. 1045 which excludes supervisory and professional personnel of electric companies from trade union membership.<sup>2</sup> The new decree may affect as many as 500 employees who were members of the Electric Plants Federation.

This decree was sharply criticized not only by the leaders of the Electric Plant Federation but also by the secretary general of the Telephone Workers.

## 4. Telephone Workers Stage Short Sympathy Strike.

On May 16, the Labor Federation of Telephone Workers staged a fifteen minute strike as a gesture of support for the Federation of Electric Plants, and as a protest against alleged unfair intervention by the CTC and the Government.

The stoppage was symbolic in nature and no telephone services were interrupted.

<sup>1</sup>/See Emb. Desp 831, June 5  
on this Decree 1957

<sup>2</sup>/ Emb Desp 793, May 17,  
1957

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5. CTC Increases Salaries of its Employees.

Employees of the CTC received a 10% wage increase on May 15. Eusebio MUJAL, secretary general of the CTC, explained the raise by saying, "Confederation practices what it preaches". He added all wages and salaries should be increased to prevent an economic crisis.

6. Cuba Sends Strong Delegation To ILO Conference.

A strong and experienced tripartite delegation, led by Dr. José Sandoval - technical advisor in the Ministry of Labor -- attended the 40th Session of the International Labor Conference in Geneva.

This year the Cuban Workers' delegate was Ignacio Gonzalez Tellechea. He replaced Angel Cofiño, deposed leader of the Electric Workers' Federation. Other members of the Cuban workers' delegation were Jesus Artigas, Jose Perez Gonzalez, Francisco Aguirre, Raúl Valdia.

7. CCE Official Refuses to Press Charges Against Employees.

Serafin Garcia Menocal, high official of the Cuban Electric Company, stated on June 4 before a Havana Urgency Court that he could not press charges against any of the employees being tried for a brief work stoppage that occurred in the electric company on May 14.

Mr. Garcia testified that he "had heard of work being interrupted in several departments but that the company's management had not asked for police intervention."

After the hearing of the 44 persons on trial only 5 were fined; and all but nine were released. Later these persons were set free.

Early in May, the Minister of Labor had declared any type of work stoppage in the electric power industry as illegal.

8. Wage Increase for Printing Shop Employees

On June 5, employees in printing establishments were granted an 8 per cent wage increase if they earned less than \$30.00 a week and 5 per cent increase if they earned more. The wage boost was ordered by the Minister of Labor.

9. Railroad Workers Gain Wage Restoration.

President Batista, on June 7, signed a government decree ordering an 8 per cent pay increase for workers of the Consolidated

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Railroads. This wage improvement, which was, in fact, a restoration of a wage cut suffered in June of 1955, was acclaimed as a victory for the National Federation of Railway Brotherhood.

10. CTC 25th National Council Meeting.

On June 11, the important National Council of the CTC held an extraordinary session in Habana and unanimously resolved to hold elections in three federations, namely (1) the Labor Federation of Electric, Gas and Water Plants; (2) the Labor Federation of Bank Employees; and (3) the Labor Federation of Telephone Workers. According to the CTC resolutions elections were put on a scheduled basis<sup>2</sup> first in the provincial unions affiliated with the federations, and then in the leadership levels of the federations themselves.

These resolutions were approved by the Minister of Labor and embodied in a Ministerial decree.

11. Cuban Worker Delegate Elected to ILO Governing Board.

The Habana press reported on June 12 that Ignacio Gonzalez Tellechea was elected as a member of the Governing Board of the International Labor Organization. According to press accounts Tellechea defeated the communist delegate from Poland by a vote of 40 to 23.

Angel Cofiño, former leader of the Federation of the Electric Plants, had previously held this position. Tellechea, who replaced Cofiño this year as head of the Cuban Workers' delegation, is well known both in the Cuban and the international labor movement. He is secretary of the CTC's foreign relations section, and he is president of ORIT. (Inter-American Regional Organization of Workers).

12. Wage Bill Higher This Year.

According to statistics released by the Labor Maternity Fund appearing in Diario de la Marina on June 13, during the January-May period of 1957, wages and salaries paid by private concerns in Cuba reached higher level than those paid during the same period of last year.

13. Employees of Shell Oil Company Gain Shorter Work Week

A new collective bargaining contract signed by the Shell Oil Co. of Cuba and representatives of the National Federation of Petroleum Workers calls for a 40-hour work week and other improvements in working conditions.

1/ See Embassy Despatch No. 866 of June 14, 1957

2/ See Embassy Depatch No. 866 of June 14, 1957

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The Secretary General of the Petroleum Workers Federation, Jose Alprende, attended the 2nd International Congress of the Oil Industry Workers held in Rome from June 24 through June 30.

14. Samalea New Secretary General of Habana Provincial Union of Electric Plant Workers.

Oscar Samalea Valdes, CTC-supported candidate, was elected secretary general of the Habana Provincial Union, which is one of the 6 provincial unions affiliated with the Labor Federation of Electric, Gas and Water Plants.

The election, which was held on June 22, was supervised by the provisional governing board appointed on April 12 pursuant to a government decree issued on the same date.

Mr. Samalea was later elected to the post of secretary general of the Federation; and to take this post he was given indefinite leave as head of Habana provincial union. During his absence, this place will be filled by Oscar Mesa.

Following these elections it was announced by the government that both the provisional governing board and the military supervisor appointed on May 24 to restore normalcy to the operations of electric power industry had completed their work and thus would function no longer.

15. Another Group Seeks 40-hour Week.

On June 25, the executive committee of the National Federation of Commercial employees resolved to request the Minister of Labor to establish a 40-hour work week throughout the year, and thus replace the shorter summer work week which is now in force.

The Federation is presently carrying on a strenuous campaign for higher salaries with \$90.00 per month as the minimum salary.

The Confederation of Cuban Employers, (CPC) is vigorously opposing these demands.

16. CTC and Telephone Workers Agree on Elections.

Leaders of the CTC and those of the National Federation of Telephone Workers, under the mediation efforts of the Ministry of Labor, compromised their differences and agreed on a schedule of elections beginning on July 14.

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This compromise agreement is regarded by observers as a major step in the improvement of the total labor picture which has been tense since the last of January 1957.

17. Sharp Seasonal Increase in Unemployment.

With the end of the sugar cane grinding season, there came in June a sharp increase in unemployment. This seasonal unemployment among sugar workers taken together with the fairly high level of chronic unemployment and under employment constitutes a major problem in the Cuban labor market.

Note of Caution: Readers of this report are asked to bear in mind that much of its material is based on the Cuban press.

For the Ambassador:

*John F. Correll*  
John F. Correll  
Labor Attaché

*att*  
Enclosures: 2 Appendices

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## APPENDIX I

The most significant trends in the labor field during the second quarter of 1957 were as follows:

1. Wages and Salaries. Wages continue trending upward. Both by government decree and collective bargaining agreements the wage structure is regaining levels commensurate with or surpassing those of the Korean war boom. In view of the coming elections and the present sugar prosperity the Government may be expected to favor more wage increases.
2. Working Hours. There is a clear trend toward the 40 hour work week.
3. Employment and Unemployment. There was a precipitous rise in unemployment due entirely to seasonal factors.
4. Strikes and Lockouts. Except for the important work stoppages in the electric power industry, there was no significant loss of working time due to strikes or lockouts.
5. Labor Organizations. The labor troubles besetting the electric power industry brought into focus one of the most bitter fights in the history of the Cuban labor movement. This struggle, however, should be regarded not merely as a power fight between rival labor leaders, but one in which there were pronounced political overtones. During its dramatic developments one of Cuba's most influential labor leaders, Angel Cofiño, lost one by one his posts of power, namely: (1) President of the Electric Workers' Retirement Fund; (2) positions on the bureau of direction and the executive committee of the CTC; (3) secretary general of the Federation of Electric Plant Workers; (4) head of the Cuban Workers' ILO delegation - which he had held for several years; (5) position on the ILO Governing Board. In addition, Cofiño is no longer employed by the Cuban Electric Company. On the other hand, Mujal strengthened his control over the CTC.
6. Employers' Organizations. The CPC continues to oppose increased workers' demands, but finds the job difficult because of the CTC's relationship with the Government.
7. Government Intervention. While not more pronounced than in the past, the intervention practices of the government - usually upon the request of the CTC -- were brought into sharper focus by (1) the intervention of the Federation of Electric Workers and (2) the implementation by government decree of the resolutions of the 25th National Council of the CTC pertaining to federation elections.

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List of reports and despatches written during the second quarter 1957.

1. No. 641 - April 2, 1957 -- National Council of Federation of Electric Plants Votes to Disaffiliate from CTC.
2. No. 658 - April 4, 1957 -- Labor Minister Halts Federation Efforts to Withdraw from CTC.
3. No. 669 - April 9, 1957 -- Labor Leaders Visit Batista
4. No. 695 - April 16, 1957 -- Electrical Workers' Federation Intervened.
5. No. 733 - May 3, 1957 -- May First Observed by CTC
6. Unnumbered and Undated -- National Council of Federation of Electric Plants Votes to Disaffiliate from CTC.
7. No. 663 - April 5, 1957 -- Four Brief But Significant Labor Items.
8. No. 742 - May 8, 1957 -- Mujal Rebukes WFTU.
9. No. 750 - May 10, 1957 -- Recent Incidents and Developments Re Federation of Telephone Workers.
10. No. 793 - May 17, 1957 -- New Decree Prohibits Supervisory Personnel from Unionization.
11. No. 801 - May 27, 1957 -- Cuban ILO Delegation Honored.
12. No. 807 - May 27, 1957 -- Labor Briefs for April 1957.
13. No. 817 - May 29, 1957 -- Proposed Extension of "Operation Free Enterprise".
14. No. 820 - May 31, 1957 -- Cofiño Calls Off Strike
15. No. 831 - June 5, 1957 -- Labor Chronology re Intervention of the Labor Federation of Electric, Gas and Water Plants.
16. No. 852 - June 11, 1957 -- Current Developments re LFTW
17. No. 866 - June 14, 1957 -- Meeting of the CTC's Natl. Council
18. No. 890 - June 26, 1957 -- Wage Increase for Railroad Workers
19. No. 898 - June 27, 1957 -- CTC Delegates Named for the ICFTU Congress.

During the quarter there were several pouch telegrams written. These are not listed.

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