

Cuba Cuts Production and Wages

HAVANA (Reuters) — The Labor Ministry has ordered managers at many companies to cut back production schedules, resulting in wage cuts of up to 30 percent, the Cuban news agency Prensa Latina said Thursday.

Managers were ordered to revise operating schedules "taking into account the need to reduce cafeteria service at those labor centers experiencing difficulties." Cuban workers get subsidized meals during their shifts.

The new policy guarantees workers their jobs and 70 percent of their base salary. Workers earning 100 pesos (about \$100) or less a month will receive their full salary even if they work fewer hours. Cuba is suffering from shortages of food, spare machine parts and other goods, largely as a result of reduced assistance from the Soviet Union.