

CABLE SECRETARIAT DISSEMINATION

CLASSIFIED MESSAGE

TOTAL COPIES 13

ROUTING AND/OR INITIALS-SEEN BY

PERSON/UNIT NOTIFIED

~~SECRET~~
(When Filled In)

GROUP 1
EXCLUDED FROM AUTOMATIC
DOWNGRADING AND
DECLASSIFICATION

1		5
2		5
3		7
4		8

ADVANCE COPY ISSUED SLOTTED

REPRODUCTION OF THIS COPY PROHIBITED

BY: _____ AT: _____ Z

DISSEM BY *DDG* PER *DDG 5713*

ACTION UNIT

FILE, VR

EXDIR CS/RE-DDP AOPP DDS *9/EEY*

ACTION NO *28*

~~SECRET~~ 100745Z JAN 73 STAFF

CITE

TO: DIRECTOR INFO VIENTIANE, SAIGON,

REF: DIRECTOR 355525

1. WE ARE CONCERNED THAT FEPA MAY BE HOLDING FORTH THE PROSPECT OF "INDUSTRIAL ACTION" IN AREAS WHERE STRIKES AND QUASI-STRIKES ARE MADE ILLEGAL BY STATUTE, AT LEAST UNTIL EXHAUSTION OF GOVERNMENT SPONSORED MEDIATION AND ARBITRATION. INDEED, SUCH INDUSTRIAL ACTIONS ARE LOOKED UPON IN SOME QUARTERS AS WORSE THAN ILLEGAL. FOR EXAMPLE, THE EXPLANATION ACCOMPANYING THE THAI NATIONAL EXECUTIVE COUNCIL ANNOUNCEMENT NO. 103 OF MARCH 16, 1972 STATES IN ENGLISH TRANSLATION:

"THE NATIONAL EXECUTIVE COUNCIL HAS THE OPINION THAT EACH LABOR DISPUTE NOT ONLY ADVERSELY AFFECTS THE INTEREST OF THE EMPLOYEE AND THE EMPLOYER, BUT ALSO CREATES DAMAGE TO ECONOMIC DEVELOPMENT AND AFFECTS THE SECURITY AND STABILITY OF THE COUNTRY AS A WHOLE."

2. FOLLOWING THAT PREMISE THE N.E.C. PROCEEDED TO SET UP THROUGH THE MINISTRY OF INTERIOR ELABORATE MACHINERY FOR THE HANDLING OF LABOR DISPUTES, INCLUDING THE LICENSING AND REGISTRATION

APPROVED FOR RELEASE
 DATE: 11-Dec-2009

SECRET

CABLE SECRETARIAT DISSEMINATION

CLASSIFIED MESSAGE

TOTAL COPIES

ROUTING AND/OR INITIALS-SEEN BY

PERSON/UNIT NOTIFIED

~~SECRET~~
(When Filled In)

GROUP 1

EXCLUDED FROM AUTOMATIC
DOWNGRADING AND
DECLASSIFICATION

1	5
2	6
3	7
4	8

ADVANCE COPY ISSUED SLOTTED

REPRODUCTION OF THIS COPY PROHIBITED

BY: _____ AT: _____ Z

DISSEM BY _____ PER _____ # _____

ACTION UNIT

INFO

FILE, VR

ACTION NO.

PAGE 2 ~~SECRET~~

OF UNIONS. TO OUR KNOWLEDGE FEPA HAS NOT COMPLIED WITH THIS REQUIREMENT AND WE SERIOUSLY DOUBT THAT IT HAS DONE SO, BECAUSE THE PROMOTERS AND DIRECTORS OF SUCH EMPLOYEES' ASSOCIATIONS MUST BE THAI. THE LAW STATES THAT "NO PERSON SHALL OPERATE ANY EMPLOYERS' OR EMPLOYEES' ASSOCIATION BEFORE LICENSING OR REGISTRATION."

3. BASICALLY SIMILAR PROVISIONS ARE CONTAINED IN THE LABOR LAWS OF LAOS AND SOUTH VIET NAM, AND ALL INCLUDE CRIMINAL PENALTIES FOR VIOLATIONS. (THE VIETNAMESE LAW, HOWEVER EXCEPTS THE CREWS OF AIRCRAFT AND SHIPS FROM ITS APPLICATION ON THE GROUNDS THAT THEY ARE COVERED BY SEPARATE LEGISLATION. WE ARE CHECKING FURTHER FOR ANY ALTERNATIVE LEGISLATION).

4. BY THEIR TERMS THE LAWS APPLY, EXCEPT AS NOTED ABOVE, TO ALL PERSONS PERFORMING SERVICES AS EMPLOYEES WITHIN THE RESPECTIVE COUNTRIES. WE CANNOT, OF COURSE, PREDICT THE EXTENT TO WHICH THE GOVERNMENTS WOULD INTERVENE IN THE EVENT OF A STRIKE INVOLVING DIRECTLY LARGELY AMERICAN EMPLOYEES OF AN AMERICAN COMPANY. POSSIBLY THE LAW-AND-ORDER CONSCIOUS THAIS (THE NEC) WOULD REACT MOST STRONGLY. IN ANY EVENT WE FEEL THAT FEPA SHOULD BE MADE AWARE OF ITS TENUOUS POSITION IN THIS AREA AND OF THE IRREPORABLE DAMAGE TO ITS MEMBERSHIP AND TO THE COMPANY THAT MAY RESULT FROM

~~SECRET~~
SECRET

SECRET

CABLE SECRETARIAT DISSEMINATION

CLASSIFIED MESSAGE

TOTAL COPIES

ROUTING AND/OR INITIALS-SEEN BY

PERSON/UNIT NOTIFIED

~~SECRET~~
(When Filled In)

GROUP 1

EXCLUDED FROM AUTOMATIC
DOWNGRADING AND
DECLASSIFICATION

1	5
2	6
3	7
4	8

ADVANCE COPY ISSUED SLOTTED

REPRODUCTION OF THIS COPY PROHIBITED

BY: _____ AT: _____ Z

DISSEM BY _____ PER _____ # _____

ACTION UNIT

FILE, VR

ACTION NO.

PAGE 3

~~SECRET~~

ANY CONFRONTATION WITH THE HOST GOVERNMENTS.

5. IT MIGHT ALSO BE JUDICIOUS TO DECIDE AT THIS TIME THE EXTENT TO WHICH LOCAL AUTHORITIES WOULD BE ADVISED OF THE EXISTENCE OF AN UNRESOLVED LABOR DISPUTE AND RELATED ACTIONS. IT IS CLEAR THAT A CESSATION OF FLYING WILL QUICKLY AFFECT THE EMPLOYMENT OF GROUND PERSONNEL, INCLUDING LARGE NUMBERS OF INDIGENOUS EMPLOYEES, AND THUS INEVITABLY COME TO THE ATTENTION OF THE GOVERNMENTAL LABOR OFFICES. IN FACT, THE COMPANY WOULD BE OBLIGATED TO INFORM THEM PROMPTLY.

6. WE CONSIDER THAT THE PROVISIONS OF LOCAL LAW FOR MEDIATION AND ARBITRATION ARE LARGELY UNTESTED AND POSSIBLY INEFFECTIVE. ALSO, INTERVENTION OF THE LOCAL AUTHORITIES WOULD UNDOUBTEDLY HIGHLIGHT DIFFERENCES IN NATIONALITIES' WAGE SCALES AND PRECIPITATE CHAUVINISTIC REACTIONS. NEVERTHELESS WE FEEL THAT DUE CONSIDERATION MUST BE GIVEN TO THE EXISTENCE OF LOCAL LAWS AND PROCEDURES IN CHARTING THE COMPANY'S REACTION TO ANY "INDUSTRIAL ACTION".

7. WE HAVE CAREFULLY REVIEWED THE STANDARD PROVISIONS OF [] PROJECT AGREEMENTS TO UNCOVER ANY CONTRACTOR EXEMPTION FROM LOCAL LABOR LAWS AND FIND NONE. SOME PARTS OF THE THAILAND - USG ARRANGEMENTS FOR AMERICAN PRESENCE ARE, WE UNDERSTAND, CLASSIFIED AND NOT

SECRET

SECRET

SECRET

CABLE SECRETARIAT DISSEMINATION

CLASSIFIED MESSAGE

TOTAL COPIES

ROUTING AND/OR INITIALS-SEEN BY

PERSON/UNIT NOTIFIED

~~SECRET~~
(When Filled In)

GROUP 1
EXCLUDED FROM AUTOMATIC
DOWNGRADING AND
DECLASSIFICATION

1	5
2	6
3	7
4	8

ADVANCE COPY ISSUED SLOTTED

REPRODUCTION OF THIS COPY PROHIBITED

BY: _____ AT: _____ Z

DISSEM BY _____ PER _____ # _____

ACTION UNIT

I
N
F
O

FILE, VR

ACTION NO.

PAGE 4 ~~SECRET~~

AVAILABLE TO US, BUT WE DOUBT THAT ANY SUCH ARRANGEMENTS WOULD NEGATE APPLICABILITY OF LOCAL LABOR LAW. THE USUAL WORLDWIDE RULE IS THAT LOCAL LABOR PROTECTIVE CONDITIONS ARE SACROSANCT.

8. TO A LARGE EXTENT THE FOREGOING IS RELEVANT TO THE CURRENT DEVELOPMENTS IN THE EMBRYONIC SEACCA. E2 IMPDET.

~~SECRET~~

~~SECRET~~

SECRET