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Approved For Release 1999/09/10 : CIA-RDP83-00423R000600340001-7

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C 18773

4 June 1953

SECURITY INFORMATION

COUNTRY: Cuba

SUBJECT: Tire Production/Tire Demand

PLACE ACQUIRED: [REDACTED]

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DATE ACQUIRED : [REDACTED]

DATE OF INFO : May 53

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SOURCE : [REDACTED]

1. There is but one tire plant in Cuba. The capacity is 175 tires daily, about equally divided among passenger and truck sizes. High production costs due to the small volume and low tariff on imported tires create a bad position for the plant. Also, the sales tax of 7.2 per cent on dealers' price assessed on locally made tires is higher than the tax of 9 per cent of landed cost paid on imported tires.
2. The normal consumption of tires is about 250,000 annually, the great bulk of which must be imported.
3. Truck tire business is currently off about 30 per cent due to the uncertainty of the sugar harvest.
4. Labor laws require that help hired must be kept for a year and cane growers are reluctant to hire additional help for the harvest. Growers have tractors and cane carts with large, soft tires, but are reluctant to hire the help needed only temporarily to harvest the crop and are turning to the rental of trucks. Consequently, the cane carts that normally offer a seasonal demand for tires are idle.

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This unevaluated information for US officials  
only is supplied for the possible interest of  
analysts. It does not warrant dissemination by [REDACTED] report.

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