

Declassified E.O. 12356 Section 3.3/NND No. 785017

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AFLR(I)B, COMTEE ON CONTRACT CLAUSES
JAN. 1943 - DEC. 1944

ALLIED FORCE HEADQUARTERSALLIED FORCE LOCAL RESOURCES SECTION

LRS-2184

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ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARDCOMMITTEE ON CONTRACT CLAUSES - MINUTES

11 DEC 1944

1. The second meeting of the Committee on Contract Clauses convened at 1000 hrs on WEDNESDAY 6 DEC 44 in the G-4 (A) Conference Room AFHQ.

PRESENT :- Col. D. M. LISBY, G-4 (A) Section, Chairman

REPRESENTATIVE OF:- Fiscal Director, AFHQ
F.A., AFHQ
F.A., R.A.F.
JAG, (A)
C-in-C, Med.

IN ATTENDANCE:- A.C.I.G., A.F.L.R.S., Naples Area.

2. Minutes of the first meeting were approved.
3. The report of the Sub-Committee was received.
4. Examination of contracts now in use by the U.S. and British Services revealed that the clauses are sufficient and substantially similar, though varying in phraseology. It was agreed that there is no necessity to establish new, identical clauses for general use, except in regard to payment of contractors' employees. A clause recommended for this purpose is attached. (Appendix "A")
5. It was recommended:
- (a) That the clause shown in Appendix "A" be adopted for general use by the Services, subject to approval by the Joint Military Financial Committee.
 - (b) That no other clauses should be adopted for general use.
6. No date was set for the next meeting.

HEADQUARTERS

11 DEC 44

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R. ... LONG
Lt. Colonel,
Acting Secretary,
AFHQ
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15	G-4, MTOUSA
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APPENDIX "A"

POINT OF CONTRACTORS' EMPLOYEES

1. The total amount paid by contractors to their employees for:

- a. Base Pay (Retribuzione Ordinario)
 - b. Presence Indemnity (Indennita'di Presenza)
 - c. Cost of living Indemnity (Indennita'di Carovita)
 - d. Family Allowance (Assegno Familiare)
- (Element payable by contractor)

will not exceed the Allied Forces daily maximum rate for the particular occupation, except in cases of employees regularly employed by the firm on a piece work basis. Such cases will be declared by the contractor and any reasonable necessary excess over the maximum daily rates of pay may be approved.

2. a. The contractor will be required to pay the proper agencies the employers' contributions for:

- Sickness Assistance (Assistenza Malattia)
- Social Insurance (Assicurazione Sociale)
- Accident Insurance (Assicurazione Infortuni)
- Salary Integration Fund (Cassa Integrazione)
- Fund for workers called to arms (Cassa Richiamati alle Armi)

b. The contractor will also be required to pay the amount of employees' contribution for:

- Sickness Assistance (Assistenza Malattia)
- Social Insurance (Assicurazione Sociale)

which contributions will not be deducted from employees' pay.

3. The contractors' estimate or bid will consider payment for family allowances of only 20 percent of the base pay, the contractor being reimbursed by the State for the remaining cost of such allowances.

4. The contributions prescribed by Italian law for the benefits described in paragraph 2 hereof will be calculated on the base pay, and overtime where applicable.

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29 NOV 44.

3 DEC 1944

ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARD

COMMITTEE ON CONTRACT CLAUSES - AGENDA

The second meeting of the Committee on Contract Clauses will be held at 1000 hours, Wednesday, 6 December 44 in the G-4 (A) Conference Room, AFHQ, to consider the following agenda:-

1. Minutes of the first meeting held on 29 NOV 44.
2. To consider any matters arising from the meeting of the AFLR (Italian) Board held on 2 DEC 44.
3. To receive the report of the Sub-committee.
4. Any other business.
5. To set a date for the next meeting.

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R. A. LONG,
Lt. Colonel,
Acting Secretary,
AFLR.

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COMMITTEE ON CONTRACT CLAUSES

The second meeting of the Committee on Contract Clauses will be held at 1000 hours, Wednesday, 6 December 44, in the G-4 (A) Conference Room, AFHQ, to consider the following agenda:-

1. Minutes of the first meeting held on 29 NOV 44.
2. To consider any matters arising from the meeting of the AFLR (Italian) Board held on 2 DEC 44.
3. To receive the report of the Sub-committee.
4. Any other business.
5. To set a date for the next meeting.

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E. A. LONG,
Lt. Colonel,
Acting Secretary,
AFERS.

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13	Judge Advocate (Am.), AFHQ
14	C.G., MTOUSA
15	G-4, MTOUSA
16	CAO, HQ, A.A.I.
17/18	HQ, AAI
19	HQ, A.C.
20	Vice President Economic Sect., HQ, AC
21/22	Economic Sect., HQ, AC
23	Finance Sub. Commission, AC
24	Financial Adviser, EAF
25/26	LRS, AAI
27/28	AFIRS, Naples Area
29/30	AFIRS, South Eastern Area
31/32	AFIRS, 5th Army Detachment
33	AFIRS, Sicilian Area
34	AFIRS, 8th Army Detachment
35	AFIRS, Leghorn
36	File
37/60	Spares

COPY NO. 19ALLIED FORCE LOCAL RESOURCES SECTION

LRS-218A

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CMF

29 NOV 44

8 DEC 1944

ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARDCOMMITTEE ON CONTRACT CLAUSES - MINUTES

1. The first meeting of the Committee on Contract Clauses convened at 1000 hrs on WEDNESDAY 29 NOV 44 in the G-4 (A) Conference Room, AFHQ.

PRESENT :- Col. D. M. LIBBY, G-4 (A) Section, ChairmanREPRESENTATIVES OF:-

Fiscal Director, AFHQ
 P.A., AFHQ
 P.A., HAF
 JAG, (B)
 JAG, (A)
 G-in-C, Med.

IN ATTENDANCE:-

A.Q.M.G., A.F.L.R.S., Naples Area.

2. The composition and terms of reference, as announced by the AFIR (Italian) Board at its meeting 11 November 1944, were received.
3. It was agreed that the terms of reference overlap those of the Joint Military Financial Committee created by AFHQ, General Order, Number 6, dated 15 Jan. 1943, particularly in respect to paragraph 1 b (2) thereof. (Appendix "A" attached.) It was recommended that no action be taken on the recommendations of the Committee on Contract Clauses without prior approval of the Joint Military Financial Committee. Common membership on these two committees should not be considered as implying such approval.
4. The formula for calculating rates of pay for employees of contractors working for the armed forces, as recommended by the Labor and Wages Control Committee, was discussed and was referred to the proposed sub-committee for consideration.
5. A sub-committee was appointed with composition and terms of reference shown in appendix "B" (attached). It was agreed that the sub-committee should invite the attendance of such representatives of service commands as they considered

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PRESENT :- Col. D. M. LIBBY, G-4 (A) Section, Chairman

REPRESENTATIVES OF:- Fiscal Director, AFHQ

F.A., AFHQ

F.A., RAF

JAG, (E)

JAG, (A)

C-in-C, Med.

A.Q.M.G., A.F.L.R.S., Naples Area.

IN ATTENDANCE:-

2. The composition and terms of reference, as announced by the AFMR (Italian) Board at its meeting 11 November 1944, were received.

3. It was agreed that the terms of reference overlap those of the Joint Military Financial Committee created by AFHQ, General Order, Number 6, dated 15 Jan. 1943, particularly in respect to paragraph 1 b (2) thereof. (Appendix "A" attached.) It was recommended that no action be taken on the recommendations of the Committee on Contract Clauses without prior approval of the Joint Military Financial Committee. Common membership on these two committees should not be considered as implying such approval.

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4. The formula for calculating rates of pay for employees of contractors working for the armed forces, as recommended by the Labor and Wages Control Committee, was discussed and was referred to the proposed sub-committee for consideration.

5. A sub-committee was appointed with composition and terms of reference shown in appendix "B" (attached). It was agreed that the sub-committee should invite the attendance of such representatives of spending services as they considered advisable. The sub-committee was instructed to report to the committee at its next meeting.

6. The next meeting was set for 1000 hours, Wednesday, 6 December 1944 at the G-4 (A) Conference Room.

Libby
R. A. LONG,
Lt. Colonel,
Acting Secretary,
AFHQ.

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Appendix "A"

ALLIED FORCE HEADQUARTERS
APO 513

15 January 43

GENERAL ORDER)

NUMBER 6)

EXTRACTII -- JOINT MILITARY FINANCIAL COMMITTEE

1. A Joint Military Financial Committee is hereby established with the following composition and terms of reference:

a. Composition:

Chairman - Chief Administrative Officer, AFHQ.
Vice-Chairman - To be nominated by the Chairman.

Members:

Colonel Bernstein - Financial adviser to the North African Economic Board.
Colonel Sims - Finance Officer, AFHQ.
Brigadier Dunlop - Financial Adviser (Br.) to the Chief Administrative Officer, AFHQ.
Brigadier Rabino - Currency Adviser to the Chief Administrative Officer, AFHQ.
Representative of - The General Purchasing Agency of the Military Department of the North African Economic Board.

Secretariat:

To be provided by the Financial Adviser (Br.) to the Chief Administrative Officer, AFHQ.

b. Terms of Reference: The Joint Military Financial Committee will:

- (1) Insure the close regular coordination of Allied military financial policy in the North African theater.
- (2) Issue such instructions as are necessary to spending Special Staffs and Services as will insure this coordination, with particular reference to financial relations with public bodies, contractors, owners of hired premises and like agencies.

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with the following composition and terms of reference:

a. Composition:

Chairmen - Chief Administrative Officer, AFHQ.
Vice-Chairmen - To be nominated by the Chairman.

Members:

Colonel Bernstein- Financial adviser to the North African Economic Board.
Colonel Sims - Finance Officer, AFHQ.
Brigadier Dunlop - Financial Adviser (Br.) to the Chief Administrative Officer, AFHQ.
Brigadier Rabino - Currency Adviser to the Chief Administrative Officer, AFHQ.
Representative of- The General Purchasing Agency of the Military Department of the North African Economic Board.

Secretariat:

To be provided by the Financial Adviser (Br.) to the Chief Administrative Officer, AFHQ.

b. Terms of Reference: The Joint Military Financial Committee will:

- (1) Insure the close regular coordination of Allied military financial policy in the North African theater.
- (2) Issue such instructions as are necessary to spending Special Staffs and Services as will insure this coordination, with particular reference to financial relations with public bodies, contractors, owners of hired premises and like agencies.

2. In the discharge of these duties, the Joint Military Financial Committee will work in close cooperation with the Civil Department and the Military Department of the North African Economic Board and will insure that its military policy is in agreement with the broader policies set by the North African Economic Board. To assist to this end, the members from the

Military and Civil Departments of the North African Economic Board are charged with the additional duty of liaison between the two bodies.

3. All instructions issued by the Joint Military Financial Committee will be issued through the normal procedure for the publication of AFHQ, Administrative Memoranda and will therefore be coordinated with G-1 or G-4 as applicable, before being submitted to the Adjutant General for publication.

4. The Joint Military Financial Committee shall have power to elect such additional members as may from time to time be desirable and shall also have power to require persons to attend upon it to give evidence necessary to the discharge of its duties.

Appendix "B"

Sub-committee on Contract Clauses

Joint Chairmen

(Deputy Fiscal Director, AFHQ;
(Rep. of S.A., AFHQ.

Members

(Rep. of C in C. Sec.
(Rep. of JAG (A), AFHQ

Terms of Reference:

To survey U.S. and British contract forms currently in use and to recommend general clauses appropriate for insertion in the contracts of both Governments.

To consider the feasibility of preparing contract forms suitable for joint use.

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