

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

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10000/109/783

Declassified B.O. 12356 Section 3.3/NND No.

785017

10000/109/783

PRICES, GENERAL
JUNE, JULY 1945

6th Please ref. 10 in reply to you of 9.
Sincerely,
S. J. [Signature]

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

Tel: 415

CBH/sc

File: ES/3.12

26 July 1945

JUL 27 1945

SUBJECT: Visit to Venezia-Giulia

TO : Executive Commissioner

1. Reference your 4042/8/EC of 26 July.
2. Please be advised that Mr. Stauffer is understood to have left Milan on 21 July to go to Trieste; is known to have been in Trieste during this past week, and is understood to be returning to Milan today or tomorrow.

FOR THE ACTING VICE PRESIDENT:

C. B. Highland, Jr.
C. B. HIGHLAND, JR.
Captain, Infantry
Staff Officer

21

See M. 11
372
A 28/7

(Capt. H. H. H. H.)
(Capt. H. H. H. H.)

9

Ref: ~~1042/2/10.~~

26 July 45.

Subject: Visit of Mr. STAUFFER to Venezia Giulia.

To: Economic Section.

During his recent visit to ASD, Venezia Giulia, the Executive Commissioner was informed by Colonel BROWN that Mr. STAUFFER had not yet paid his promised visit. My arrangements please be made for Mr. STAUFFER to visit Venezia Giulia as soon as possible.

E. Talbot

Brigadier,
Executive Commissioner.

Copy to 802/EC.

SEE F. 10

13727
7/27

(8)

Ref: 4042/3/10.

26 July 45.

Subject: Minutes of Meetings.

For Economic Section.

I am directed by the Executive Commissioner to ask you to forward all minutes of future Economic and Price Committee Meetings to the S.C.A.C., Vienna Office.

E. Talbot,

S.C.A.C.
To Executive Commissioner.

3726

COPY NO: 47 (1)

ALLIED FORCE LOCAL RESOURCES SECTION
A.F.H.Q.

LRS/2124/23.

Postal Address :
AFHQ, ROME AREA
ALLIED COMMAND,
C. M. F.

SUBJECT : Prices of Solid Fuels.

TEL : 66275 ROME

TO : As distribution.

18 July 1945

JUL 20 1945

1. In accordance with the request contained in paragraph 3.c. of the notes of the meeting held on 16 JUN 45 in the office of the Financial Advisor AFHQ, prices of solid fuel, as presented by HQ AC, are hereby published to all concerned.

COMMODITY	PRICE IN LIRE	UNIT
SARDINIAN COAL		
Free metallic mine - 10 cm & up	1250.--	m. ton
F.o.b. Sant'Antioco - 10 cm & up	1150.--	m. ton
C.i.f. Italian ports- 10 cm & up	1550.--	m. ton
Free metallic mine - Less than 10 cm	950.--	m. ton
F.o.b. Sant'Antioco - Less than 10 cm	1050.--	m. ton
C.i.f. Italian Ports- Less than 10 cm	1450.--	m. ton
LIGNITES		
Robbia metallic mines		
Free metallic mine - 10 cm & up	1200.--	m. ton
Free metallic mine - Less than 10 cm	1050.--	m. ton
LIGNITE PIETRAFITTA		
(moisture not exceeding 32%)		
Lumps 10 cm and larger f.o.b. mines	725.--	m. ton
(moisture between 32% and 50%)		
Lumps 10 cm and larger f.o.b. mines	480.--	m. ton
Lumps less than 10 cm f.o.b. mines	400.--	m. ton
LIGNITES, excepted those above listed		
(moisture 32%) Lumps 10 cm & up	925.--	m. ton
(moisture 32%) Less than 10 cm.	775.--	m. ton
For each 1% increase in moisture deduct 20 lire per metric ton		
BRIQUETTES	1100.--	m. ton
COKE (Lump)	3900.--	m. ton

THOMAS R. GIBSON, Colonel, AUS,
Chief of Section (US),
A.F.L.R.S.
SRL/21.

W.B.S. SELTON, Colonel,
Chief of Section (Br),
A.F.L.R.S.

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59	Public Works & Utilities Sub-Commission
60	Transportation Sub-Commission
61	Pile
62/90	Spares.

HEADQUARTERS ALLIED COMMISSION
ECONOMIC SECTION

Price Memorandum No. 3

2 July 1945

JUL 5 1945

SUBJECT: FOODSTUFF MAXIMUM SELLING PRICES FOR NORTH ITALY - PRODUCER,
PROCESSOR, WHOLESALE AND RETAIL

TO : SEE DISTRIBUTION BELOW

A SECTION - Purpose and Definitions

1. The purpose of this memorandum is (confirming signal 498/Ec/Sac/24 June '45) to establish general pricing policies with respect to foodstuffs; to designate the specific foodstuffs and production and distribution levels for which maximum prices will be fixed; to designate the organizations to be utilized and the distribution of functions to these organizations; to establish necessary procedure and to amend previous orders relating to foodstuffs prices.
2. Person (s) - Any individual, company, partnership, association, state or other organization engaged in producing, processing or distributing the commodities covered by this order.
3. Consumer - An individual who buys any of the foods covered by this order only for his own or his household's consumption away from the premises where he purchases the food.
4. Retail Sales, Retailer - A retailer is a person who customarily sells foodstuffs covered by this order to consumers. Retail sales are sales of foodstuffs covered by this order to consumers. If a wholesaler, processor or producer sells to consumers such sales are retail sales. Sales of food prepared for consumption on the premises where sold, as in a restaurant, are not covered by this order.
5. Wholesale Sales, Wholesaler - A wholesaler is a person customarily engaged in selling foodstuffs covered by this order to retailers. Any sale to retailers whether made by processor, producer or wholesaler is a wholesale sale. Any sale to a restaurant or other person who customarily prepares and sells food covered by this order to consumers for consumption on the premises where sold is also a wholesale sale.
6. Processor Sales, Processor - A processor is a person who changes the chemical or bacterial content; or who cleans, sorts, packages or slaughters any of the farm commodities covered by this order. When a processor sells products which he has himself processed to a wholesaler, it is a processor sale. If the processor sells to a retailer, it is a wholesale sale or if

3124

maximum prices will be fixed; to designate the organizations to be utilized and the distribution of functions to these organizations; to establish necessary procedure and to amend previous orders relating to foodstuffs prices.

2. Person (s) - Any individual, company, partnership, association, state or other organization engaged in producing, processing or distributing the commodities covered by this order.
3. Consumer - An individual who buys any of the foods covered by this order only for his own or his household's consumption away from the premises where he purchases the food.
4. Retail Sales, Retailer - A retailer is a person who customarily sells foodstuffs covered by this order to consumers. Retail sales are sales of foodstuffs covered by this order to consumers. If a wholesaler, processor or producer sells to consumers such sales are retail sales. Sales of food prepared for consumption on the premises where sold, as in a restaurant, are not covered by this order.
5. Wholesale Sales, Wholesaler - A wholesaler is a person customarily engaged in selling foodstuffs covered by this order to retailers. Any sale to retailers whether made by processor, producer or wholesaler is a wholesale sale. Any sale to a restaurant or other person who customarily prepares and sells food covered by this order to consumers for consumption on the premises where sold is also a wholesale sale.
6. Processor Sales, Processor - A processor is a person who changes ³¹²⁴ chemical or bacterial content; or who cleans, sorts, packages or slaughters any of the farm commodities covered by this order. When a processor sells products which he has himself processed to a wholesaler, it is a processor sale. If the processor sells to a retailer, it is a wholesale sale or if he sells to consumers it is a retail sale.
7. Producer Sales - Any sale of a farm commodity listed in Section D, Par. 8-a of this order to a processor or to a wholesaler is a producer sale. Sale of such commodities to a retailer is a wholesale sale or sales to consumers are retail sales.

B SECTION - General Policies and Determination of Foods and Types of Sale to be Price Controlled

1. It is contemplated that the maximum prices fixed under this order will be substantially higher than the prices now established under General Order No. 41 or Price Memorandum No. 1. The world supply situation and the needs of Italy both require prices high enough to insure maximum production. The large amount of money in circulation and the new wage levels now being established are additional factors requiring higher prices.

Handwritten signature/initials

- 2 -

2. Prices will be controlled only on items to which other controls are applied at some level of production, distribution or processing. Physical control of the goods helps to control prices and price control in turn implements production and distribution controls. The farm products and processed products to which production or distribution controls are now being applied are those enumerated in 22-1/20/Wood letter of 23 June 1945.
3. Although there may be exceptions prices will generally be fixed on complete "families of products" if production or distribution control or price controls are applied to any one member of a "family". A "family" is the entire group of products derived from some basic farm product, for example, flour, bread, pasta, biancotti, gallatin and bran all derived from grains are, with the basic grains, a "product family". Price fixing of entire "families" is necessary to prevent the diversion of products over which control is sought into products which are not controlled.
4. Exceptions may occur, but, generally, if production or distribution is controlled at any level or prices are controlled at any level, prices will be fixed for all levels of production, distribution and processing. It has been found impossible to control retail selling prices unless appropriate producer, processor and wholesale prices are under control. Fixed producer and processor prices without fixed wholesale and retail prices merely underwrite exorbitant profits for distributors.
5. Prices fixed will allow for such differentials between regions, provinces and communes as are economically justified. In general this will be interpreted to mean that such differentials should not exceed actual variations in cost of distribution.

C. SECTION - Organization and Distribution Functions

1. Headquarters Allied Commission is the inter-regional co-ordinating organization. Its function will be the final determination of producer and processor selling prices for all north Italy. It will consult with the Italian Government, local Central Economic Council and with AMG officers for recommendations. A Headquarters AC, Advance Price Office is established in Milan for the purpose of maintaining the necessary liaison.
2. Each Regional Commissioner will
 - a. Establish or designate geographical or political sub-divisions of the region for which wholesale and retail selling prices will be individually determined.
 - b. Create or designate the organizations which will determine or recommend wholesale and retail selling prices.

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4. Exceptions may occur, but, generally, if production or distribution is controlled at any level or prices are controlled at any level, prices will be fixed for all levels of production, distribution and processing. It has been found impossible to control retail selling prices unless appropriate producer, processor and wholesale prices are under control. Fixed producer and processor prices without fixed wholesale and retail prices merely underwrite exorbitant profits for distributors.

5. Prices fixed will allow for such differentials between regions, provinces and communes as are economically justified. In general this will be interpreted to mean that such differentials should not exceed actual variations in cost of distribution.

C SECTION - Organization and Distribution Functions

1. Headquarters Allied Commission is the inter-regional co-ordinating organization. Its function will be the final determination of producer and processor selling prices for all north Italy. It will consult with the Italian Government; local Central Economic Councils and with AEO officers for recommendations. A Headquarters AO, Advance Price Office is established in Milan for the purpose of maintaining the necessary liaison.

2. Each Regional Commissioner will

- a. Establish or designate geographical or political sub-divisions of the region for which wholesale and retail selling prices will be individually determined.
- b. Create or designate the organizations which will determine or recommend wholesale and retail selling prices within the established sub-divisions of the region.
- c. Prescribe a means of effectuating the prices established as above appropriate to the organization and divisions established.
- d. Issue whatever instructions may be required to assure prices are fixed to conform to the intent of this order.

3. While no limitations are imposed herein on the organization or procedure to be followed in establishing wholesale and retail selling prices, Regional Commissioners are urged to consider the importance of:

- a. Drawing public spirited producers, distributors, and manufacturers into the organization for the benefit of their technical advice and as a means of winning trade and industrial support for the price control program.

- 3 -

b. Delegating the price determining function to Italian civilian control at the earliest possible date.

It is further suggested that the committees described in Appendix B of Price Memorandum No. 1 are suitable civilian advisory agencies which may be continued under this revised policy in cases where they have already been activated.

D SECTION - General Provisions and Amendments to Previous Orders

1. General Order No. 41 and Price Memorandum No. 1 except as hereafter amended, remain in effect until further amended by Price Memoranda establishing new producer and/or processor maximum selling prices.
2. All foodstuffs not listed in Par. 8 of this section are declared free of all price controls and General Order No. 41 and Price Memorandum No. 1 are hereby amended accordingly.
3. The effective date of new producer and/or processor maximum selling prices established pursuant to this order will be uniform throughout all regions and will be determined by Headquarters AC and will allow sufficient time for the determination and implementation of wholesale and retail maximum selling prices by local organizations.
4. Wholesale and retail maximum selling prices appropriate to newly established producer or processor prices will be made effective by the regions on the same date as the new producer and/or processor prices.
5. Each region will establish wholesale and retail maximum selling prices on all products listed in Par. 8 of this section which are sold to consumers. Such prices will be determined within the limits stated in Par. 1 of this section.
6. All prices fixed under this order are to be the maximum selling prices applicable to one of the sales listed in A Section hereof and shall be so specified. No order shall be issued making it illegal to sell at lower prices.
7. Copies of all official price lists for all sub-divisions of each region shall be collected and forwarded to the Advance Price Office within five (5) days of the effective date.
8. This order applies only to foodstuffs listed below:
 - a. Products for which Headquarters AC will establish maximum producer selling prices:

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3. The effective date of new producer and/or processor maximum selling prices established pursuant to this order will be uniform throughout all regions and will allow sufficient time for the determination and implementation of wholesale and retail maximum selling prices by local organizations.

4. Wholesale and retail maximum selling prices appropriate to newly established producer or processor prices will be made effective by the regions on the same date as the new producer and/or processor prices.

5. Each region will establish wholesale and retail maximum selling prices on all products listed in Part 3 of this section which are sold to consumers. Such prices will be determined within the limits stated in Part 1 of this section.

6. All prices fixed under this order are to be the maximum selling prices applicable to one of the sales listed in A Section hereof and shall be so specified. No order shall be issued making it illegal to sell at lower prices.

7. Copies of all official price lists for all sub-divisions of each region shall be collected and forwarded to the Advance Price Office within five (5) days of the effective date.

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8. This order applies only to products listed below:

a. Products for which Headquarters AC will establish maximum producer selling prices:

- | | |
|-------------|----------------|
| * 1. Wheat | 7. Sugar Beets |
| * 2. Barley | 8. Live cattle |
| * 3. Rye | 9. Live hogs |
| * 4. Oats | 10. Milk |
| * 5. Rice | 11. Olives |
| * 6. Corn | 12. Oil Seeds |

* Maximum Producer Selling Prices already fixed. See Price Memo No. 2, 1 July 1945.

- 4 -

b. Processed products for which Headquarters AG will establish maximum
 Procurement Selling Prices and for which local organizations will
 establish maximum wholesale and retail selling prices:

- | | |
|-----------------------|--------------------------|
| 1. Brand flour | 11. Lard |
| 2. Semolina | 12. Pandetta and Gamsale |
| 3. Collette | 13. Strutto |
| 4. Pasta | 14. Tomato Paste |
| 5. Rice | 15. Milk |
| 6. Cornmeal | 16. Choccos |
| 7. Distastie products | 17. Sugar |
| 8. Olive oil | 18. Harwalito |
| 9. Seed oils | 19. Processed Meats |
| 10. Butter | 20. Fresh beef |
| | 21. Fresh pork |

BY COMMAND OF REAR ADMIRAL STONE:

E. B. McKinnis
 E. B. McKinnis
 Brigadier General, USA
 Acting Vice President

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525, 4026, 4042, 5213, 5315.

2

COPY

ROGER CHARLES VERRELLA REGION FROM ALCON

9869

14 JUNE 1945

PRIORITY
JUN 20 1945

RESTRICTED

PARA ONE PD REFERENCE YOUR RADIO ROOMER XRAY ONE ONE SLANT THREE THREE SEVEN
PD ROOMER ONE TWO OF JUNE ONE THREE PD

PARA TWO PD ACTION IN PROCESS OF COMPLETION IS SUBSTANTIALLY IN AGREEMENT WITH

PARAGRAPH ONE CMA TWO CMA AND THREE PD YOU WILL BE NOTIFIED PROMPTLY WHEN
DECISIONS ARE REACHED PD

PARA THREE PD PARAGRAPH FOUR WAS ACTED UPON PER LETTER TO ALL REGIONAL
COMMISSIONERS FROM THIS HQ CMA FILE ONE THREE ZERO THREE FIVE SLANT FOX DATED
FOURTEEN JUNE CMA SUBJECT CMA PAYMENT FOR JUNE ONE NINE FOUR FIVE IN ANTICIPATION
OF WAGE ADJUSTMENT FOR STATE AND PUBLIC EMPLOYEES IN NORTHERN ITALY PD
PARA FOUR PD PARAGRAPH FIVE NOTED

3729

Academic Section

536

JACK WILLIAMS
Capt. Infantry

NICHOLAS PIONGINO
CWO, USA
Adjutant

PA 216

4042
4026, 5213, 5215, 535.

RXII/337.R12

JUNE 131630

E/5052

JUNE 150830

IMPORTANT

J 6 JUN 1945

HQ VENEZUELA REGION

HQ ALCOA

RESTRICTED.

Urgent. Regional Commissioners conference with all Provincial Commissioners and Heads of Divisions was held yesterday and Regional Commissioner had conference with 6 Prefects this morning. Following represents generally agreed opinion.

First. It is not possible to maintain General Order Number 41.

Second. It should be possible to exercise control at agreed higher levels on bread, minestra, flour, fats sugar and meat.

Third. Prices of other goods should be left to find own level subject to Special orders where necessary.

Fourth. There is necessity for immediate and definite scaling up of wages of Statal and Parastatal employees including Communal employees.

Fifth. Claims for increase in industrial and agricultural wages should be subject to normal methods of negotiation.

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DIST

Action C A Sec
" Econ Sec
Info Chief Commr
Exec Commr
File

A
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