

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

785017

ACC

10000/109/956

SOCIA
MAY

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

785017

10000/109/956

SOCIALIZATION OF INDUSTRIES
MAY-SEPT. 1945

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

785017

FILMED AS FOUND
IN COLLECTION

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

785017

2503

28

CSO- ^{fract 2/10.} Julio 27 for info
End 2/10

785017

19

C50

18th is action on EC's minute 96 on
file 147/EC.

24/6/45

He knows this. No action

H. 21/6

23

C50

Please see for info a most interesting letter at folio 22

26/7/45

H. 27/7

26.

C.S.O.

Please see folio 25 para 1 & folio 24 para 2(a) 2

13.8.45

H.

H. 14/8

785017

A/V.P. Encl. 2

Grateful for your comments
on 2 - in particular re
Cavigli di Gestioni.

Encl. 10/11
Go to Salento

23/5

H

C.D.

Had shown letter (p. 2) to Mr. Antolini, who states
R.C.'s should follow instructions laid down in Encl. Memo
Ref. ES/11.05 dated 11.05.05. As re question asked by Ce. Pette
of Cavigli di Gestioni as to be abolished or if they retain any special
functions after 1.1.06 is agreed, Mr. Antolini says that their
function is only advisory & he believes they will gradually die out.
He also feels that it is a good thing to have them in an advisory
capacity. It is suggested ES. memo should be sent to Ce. Pette.

Encl. 24/5/45

2501

OK. Send a copy. A/S. Draft a reply to

2 pieces 24/5

(8)

Encl. 24/5/45

785017

m 2 - in particular not

Cavigli di Sestini.

Encl. 10/10/10

CSO to Salame

23/5

24

C.D.O.

Had show letter (folio 2) to Mr. Antonini, who states

R.C.'s should follow instructions laid down in Encl. 10/10/10
 Ref. ES/12.05 derived attached. As the question asked by C. P. P. P.
 of Cavigli di Sestini as to be addressed or if they retain any special
 functions after the Commission is appointed, Mr. Antonini says that their
 function is only advisory & he believes they will gradually die out.
 He also feels that it is a good thing to have them in an advisory
 capacity. It is suggested ES. memo should be sent to C. P. P. P.

C.D.O. 24/5/10

2501

OK. Send a copy. Also draft a reply to
 2 places. 24/5/10

2 places. 24/5/10

(8)

C.D.O. Letter to HQ. Antonini Reg. for your signature in
 answer to them &
 See Y.

C.D.O. 24/5/10

501746
ALLIED FORCE HEADQUARTERS
APO 512

REF/wfb

28 September 1945

OCT - 1 1945

AG 324/231 CAS-O

SUBJECT: Workers' Internal Commissions

TO: All Concerned

1. In Italian industry it is the practice, as provided for by syndical agreement, to have in each plant a committee of employees known as an Internal Commission. This committee approximates what is known as a "works" or "shop committee" in the UK or US.

2. It is the policy of this headquarters that the formation of such Internal Commissions should be authorized. When a request for Internal Commission is initiated by the civilian employees of a military installation, the responsible military commander should encourage its formation.

3. Such Internal Commissions will have the following functions within their respective plants or installations:

- a. Maintaining liaison between the workers and the employing service.
- b. Presenting grievances and/or suggestions in respect of wage standards, hours, and working conditions.
- c. Making proposals calculated to increase efficiency.

4. a. For your guidance, Internal Commissions are established in Italian Industry in undertakings employing more than twenty (20) workers and are composed of:

- (1) three (3) members in undertakings employing less than 100 workers;
- (2) six (6) members in undertakings employing more than 100 and less than 1,500; and
- (3) nine (9) members in undertakings employing over 1,500.

b. Members of Internal Commissions are elected by secret ballot of all employees (i.e., both office and manual workers).

BY COMMAND OF THE SUPREME ALLIED COMMANDER:

DISTRIBUTION:

(Case W. 10)

Emul

G. V. CHRISTENSEN
Colonel, AG
Adjutant General

2500
10

5017

HEADQUARTERS ALLIED COMMISSION
APO 394
FINANCE SUB COMMISSION

REF. : 13177/F

9 August 1945

AUS 11 1945

SUBJECT : Unification of Social Insurance Laws.

TO : Regional Commissioners, Lombardia, Liguria,
Piemonte and Venezia Regions; Attn: R.F.O.,
Regional Labor and Legal Officers.

1. In conjunction with the Italian Government, Allied Commission has agreed to make uniform the laws relating to Social Insurance applying the provisions in force in territory under the administration of the Italian Government also in territory under Allied Military Government.

2. Certain differences now exist: Some by reason of the enactment of changes by the so-called Fascist Republican Government, others by virtue of non implementation in North Italy of certain decrees of the Italian Government.

3. The differences may be grouped under three headings:

- a) - Contributions to the social insurance system;
- b) - Pension to invalidated, retired and seriously injured persons;
- c) - Family allowances.

4. Contributions.

By legislative decree of the Duce 10 May 1944 n. 376 certain modifications in the law with respect to social insurance contributions were made in North Italy prior to liberation with effect from 1 October 1944. The principal changes were:

- a) All contributions for social insurance were unified and became exclusively the burden of the employer. Employees were not required to bear any further pay deductions for this purpose.
- b) Such contributions were based on the total gross compensation instead of on basic wages as formerly;
- c) Social insurance coverage was made available to

785017

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- 1 -

Handwritten signature
see 1126

(MISS D.L.)

all workers whether manual, office or supervisory without exclusion by reason of maximum compensation.

d) Workers retain their rights to compensation regardless of whether or not contributions are in fact paid by the employer.

Considerable doubt has arisen as to whether or not this measure has already been rendered null and void by reason of general provisions abrogating enactments of the so-called Fascist Republican Government. In the interests of clarity and uniformity an order will issue specifically revoking this legislation and making the regulations of the Italian Government applicable to the North. This will be done as of a given date which will appear in the order. Questions affecting liability of employers for contributions prior to this date will be subsequently considered and determined.

This action is being taken without reference to the merits of changes introduced by Decree 376 of the Fascist Republican Government. The arguments in favour of these changes are currently receiving consideration by the Italian Government in connection with a review of the entire problem of contributions and benefits in the social insurance system.

5. Pensions.

a) By DLL 1 March 1945 n. 177 the Italian Government increased pensions to claimants who were invalidated or retired or to their survivors. These pensions were increased by 70% to result in a minimum of 15 lire daily. This decree was excluded from implementation in North Italy.

b) By DLL 26 April 1945 n. 343 the Italian Government increased pensions for permanent and fatal work injuries as follows:

- 1 - By Lit. 200 monthly for permanent disability of from 50 to 59 %;
- 2 - By Lit. 250 monthly for permanent disability of from 60 to 79%;
- 3 - By Lit. 300 monthly for more serious disabilities and for fatalities.

This decree was also excluded from implementation in North Italy.

c) Both of these decrees will be implemented in AMG territory in North Italy retroactive to 1 January 1945. The increases provided for in these decrees will absorb any

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c) Both of these decrees will be implemented in AMG territory in North Italy retroactive to 1 January 1945. The increases provided for in these decrees will absorb any increases previously authorized by the Fascist Republican Government.

6. Family allowance and caropene indemnity.

a) By DDL 9 November 1944 n. 107 the Italian Government increased family allowances an average of 50% but with provision that the allowance per child should be the same regardless of family size. At the same time a supplementary "carovita" allowance of Lit. 5.00 daily per dependant was provided. Allowances for "operai" were thereby increased to the following amounts: for wife, Lit. 10.00 daily; for each child, Lit. 9.00 daily; and for other dependant, Lit. 7.50 daily.

b) This decree was excluded from implementation in North Italy in accordance with the economic policy adopted for the initial occupation period.

c) DDL 22 February 1945 n. 38 provided for the elimination of the political price of bread. For employees in private industry the decree established a caropene indemnity, payable by the employer and amounting to Lit. 95 per month for the worker and each dependant, to offset the increase in the cost of bread. By a new decree, approved and signed but not yet published in the Official Gazette, this indemnity is no longer payable solely by the employer in so far as dependants are concerned but has become part of the family allowance benefits at a rate of Lit. 4.00 per day (The caropene indemnity for worker himself has been absorbed by wage agreements in Central and Southern Italy).

d) The political price of bread in the North has been eliminated by General Order N. 51. This order, however, makes no provisions for a caropene indemnity for persons in private employment.

e) It has been agreed to implement in NW territory in North Italy the provisions of DDL 307 as well as the provisions of the new decree incorporating the caropene indemnity for dependants into the family allowance system. This will take effect as of 1 August 1945.

f) The increase provided for in these decrees will absorb any increases previously enacted by the Fascist Republican Government, including the provision which eliminated the difference in family allowances as between operai and impiegati.

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785017

7. You will stand ready to enforce those dispositions which will be prepared and dispatched with all possible speed.

(Signed) R. E. L. TIMMONS
Major for

JOINT DIRECTOR
Finance Sub Commission

Distribution:

Executive Commissioner	2 copies
V.P. Civil Affairs Section	2 copies
V.P. Economic Section	2 copies
Finance Sub Commission	10 copies
Labour Sub Commission	10 copies
Legal Sub Commission	5 copies
Provincial Finance Officers	60 copies
Provincial Labour Officers	60 copies
Provincial Legal Officers	30 copies

AHR/tr

COPY

5017
HEADQUARTERS
ALLIED MILITARY GOVERNMENT
LOMBARDIA REGION
APO 304
(Finance Division)

ACT/rs

Ref : Fin/ S.D/Hq.

5 July 1945

SUBJECT: Dismissal of Employers by Employees.

JUL 25 1945

TO : The Regional Commissioner,
Headquarters, AMG,
Lombardie Region.

1. I must draw your attention to a serious state of affairs which exist in many of the Insurance companies, in certain private banks and no doubt in many of the firms and industries which, if allowed to continue, will undermine the social structure of the country and will have serious repercussions on the economic progression of Italy.

2. On the 25th. April, the CLN created internal committees of employees to take over the management of the institutions and companies and it appears that these committees were given orders to operate and run the business on "democratic" lines. In some cases these junior committees have dismissed the Managers and Directors with the result that these financial institutions are now operating without proper constitutional management and, as Controller of Financial Institutions, Lombardia, I am really concerned about the consequences.

3. One example of this is the Insurance Company "Anonima Grandine". The committee has dismissed the Director, Vice-Director and 3 employees and the company is now in possession of the committee of 6, and I am not satisfied. I have interviewed together all senior members of the company including the dismissed Director (Sig. Umberto Baccolini) together with senior member of the committee and have come to the conclusion that the employees' action is high-handed revolutionary and detrimental to the economic development of the company.

4. General Order No. 46 protects the employee against the employer. It would now seem desirable that a General Order should be issued to protect the employer against the employee.

(CARO ARNALDI)

PH 27/7.
See 116 23

- 2 -

5. In the case of the Insurance company, I would like to see the Manager re-instated and any epuration required to be dealt with by the Provincial Epuration Committee in accordance with law. I do not think it is intended that any employers suspended by employees shall remain suspended until the Epuration Committee has given a decision in favour or against the illegal acts of the employees.

6. May I have your guidance in this matter please and may I suggest that the whole subject be cleared with the CINAI.

For the Regional Commissioner:

A.G. TURB
Lieut. Colonel,
Regional Finance Officer,

Copy to:
CINAI Administration.
Major Osmon.

(COPY FROM FINANCE SEC
FOR INFO. AND RETENTION
25 JULY 45)

2485

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

507
HEADQUARTERS ALLIED COMMISSION
APO 394
CIVIL AFFAIRS SECTION

Ref: h/6.4/CA.

4 Jul 45

JUL 4 1945

SUBJECT: Socialisation of Industry and Works
Management Committees.

To : See Distribution Below.

- 1 I refer to the Minutes of the Regional Commissioners' Meeting of 27 June 45, para 9, in which a misunderstanding has arisen over the action to be taken.
- 2 As I understand it, it was the desire of Regional Commissioners to persuade the Government to pass the proposed legislation in the form of a decree and I am in favour of negotiation with a view to that end.
- 3 Will you please, therefore, refrain from publishing this order until further direction is received from this Headquarters.

FOR THE CHIEF COMMISSIONER:

G. R. Upjohn
G.R. UPJOHN, Brig.,
VP CA Section.

DISTRIBUTION: R.C., EMILIA Region,
R.C., LIGURIA Region,
R.C., LOMBARDIA Region,
R.C., PIEMONTE Region,
R.C., VENEZIA Region,
~~SCAO XIII Corps.~~

Copy to: Executive Commissioner,
Economic Section.

V.P. CAS is seeing NEMMI in
5/7/45 to try persuade him
to pass the decree. h/4/7

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

5017 6 (18)
HEADQUARTERS ALLIED COMMISSION
APO 394
CIVIL AFFAIRS SECTION

Ref: 5/6.1/CA.

SUBJECT: Preservation of Order in Factories.

TO: Economic Section.

13 Jun 45.

Minutes 10-11
refer
JUN 18 1945

- 1 I have now received a reply from SCAO IV Corps in answer to my request for a copy of the letter laying down that where the management has been removed from any factory, a Commissario will be appointed by AMG and that CLNs in factories will be relegated to the background.
- 2 It seems that no actual order was issued but merely that a letter was sent round to the Regional Commissioners.

A. D. Bonham-Carter
A. D. BONHAM-CARTER, Lt. Col.,
CSO, Civil Affairs Section.

Encl. IV Corps letter
Copy to: Executive Commissioner. *✓*

See M 19
PA
19/6
JCO
2492

C O P Y

HEADQUARTERS IV CORPS
OFFICE OF THE AC OF S G - 5
APO 304

HTW/aeg
17 May 1945

SUBJECT: Appointment of Receivers.

TO: D.S.C.A.O., Lombardia,
" Piemonte
" Liguria

1. Instances have been reported where the owners or managers of industrial and business concerns have been removed by unofficial internal commissions of workers or employees and replaced by nominees of such commissions. Immediate steps will be taken to prevent action of this kind and to ensure that where for political or other reasons a concern cannot continue to operate under the existing management the control is vested in properly qualified personnel.
2. With this object in view D.S.C.A.O.'s are directed in appropriate cases to appoint Receivers of industrial and commercial concerns in accordance with the provisions of HQ ALCOM Directive AC/4183/L dated 17 March 1945. The persons chosen to act as Receivers must possess the technical qualifications required for their position.
3. Appointments of Receivers will be made by order of the D.S.C.A.O. in the form annexed to the Directive, though control and supervision of the Receivers' activities may be delegated to Provincial Commissioners.
4. Once a Receiver has been appointed, no internal Commissions for Epuration or any other similar purpose will be permitted to exercise the function of management.

BY COMMAND OF MAJOR GENERAL CRITTENBERGER,

(Sgd) Hamilton T. Walker,
(T) HAMILTON T. WALKER,
Colonel GSC
AC of S G-5.

2491

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

SECRET

HEADQUARTERS ALLIED COMMISSION
INCOMING MESSAGE

Orig. Ref: 1752

Date: JUN 071831B

M/C No. 1/4062

Rec'd: JUN 080300B

URGENT

IV CORPS FROM HOPKINSON

ALCOM (PLEASE PASS TO AGREED RECIPIENTS)

JUN 10 1945

SECRET.

Christian Democrat representative on CIMM MAFAZZA called yesterday and expressed grave anxiety in regard to (1) activities of CLNs in factories and (2) acts of violence in Provinces. As regards (1) he said that activities against individuals in factories were still continuing. Wholesale education was being carried out by factory CLNs against managements and employees. Managers were being sent away on purely personal grounds and with no political justification. Appointment of COMMISSARI was not an adequate remedy. General malaise among moderate elements including many workers was leading to risk of reaction. As regards (2) he said that in Provinces and especially in smaller communes of NOVARA, BIELLA, VAL D'OSOLA and other mountain regions there existed what he described as virtual reign of terror. Locally appointed police were carrying out requisitioning and blackmail and conniving at robbery and killing. Carabinieri were intimidated and powerless. He said that similar conditions existed in country districts of BOLOGNA, MODENA and REGGIO Provinces. He admitted that elements were in fact a small minority of thugs only nominally forming part of Communist party but deplored failure of Communist and socialist leaders to take an open stand against these practices. Indeed by accepting many dangerous republicans into their

ACTION COPY ON 147/ET
SECRET

SECRET

1752, 7 Jun 45, from IV Corps (cont'd);

parties they were making situation still worse. He thought that Christian Democrats might find it necessary themselves to take the lead in the matter.

As regards the factory committees, I told MARAZZA that the ALLIED COMMISSION and AMG were working actively on the question in consultation with the Italian Government and that I hoped that very shortly, measures would be announced which would clarify the position. He said that he hoped it might be possible to establish operation commissions for factories which would not only have the duty of clearing out Fascists but would have the power to reinstate owners, members of management, and workers who had been sent away improperly. Decisions of any commissions should be open to review by Allies.

As regards state of affairs in Provinces, Public Safety Officer of LOMBARDIA REGION confirms that violence of this sort is on the increase. He attributes it in part to activities of criminal elements released from jails by Germans. In existing circumstances this state of affairs is not surprising. It is of course mainly a police matter but from this and other reports I have received, it has attained such proportions that it requires special investigation by Provincial Commissioners and organized suppression involving if necessary, use of Allied troops. General CRITTENBERGER is already interesting himself in this situation and has given orders to divisional commanders to increase their patrols. He also is interesting himself actively in raising prestige of Carabinieri.

AC DIST 2489
ACTION: Exec. Comm.
INFO: Chief Comm.
Econ. Sec.
CA Sec.
American Ambassador
British Ambassador
Pol. Advisor (A)
Pol. Advisor (B)

SECRET

Ref: 5017/14/BJ.

27 May 1945.

SUBJECT: Socialisation of Industries.

TO : Acting Vice-President,
Economic Section.

1. The Executive Commissioner directs me to say that he is grateful to you for enclosing the attached papers with your memorandum of 22 May. 1-12

2. He does not think that it is necessary to pass these to the Italian Government.

E. Talbot

Chief Staff Officer,
To the Executive Commissioner.

Encls.

246

Declassified E.O. 12355 Section 3.3/NND No. 785017

5017
ALLIED [REDACTED] COMMISSION
INTER-OFFICE MEMORANDUM

(13)

SUBJECT:

FILE No. _____

TO : Brigadier Lush ✓

22 May 1945

MAY 23 1945

9-12
Here is a good example of the arbitrary manner with which the
CIN is operating in certain factors of industry. Do you con-
sider it advisable to pass it on to the Italian Government?

[Signature]
A. G. ANTOLINI
Acting Vice-President
Economic Section

No

Sec 14

PAT 2487

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

Folios 9 - 12 returned to
Economic Section 27 May 45.

See Folio 14.

246

8

COPY.

90.

Typed copy of pencilled minute by Chief Commissioner:

Ex.Com. - Will you please follow through on marked portion:

(Intd) E.W.S.

96.

V.P. CA Sec.
V.P. Econ Sec.

(see folio 89)

Please obtain copy of the order, follow its effect and at source stage (possibly at once) make recommendations as to its implementation in the remainder of E. Italy.

H.S.L. 19/5.

97.

V.P. Econ Sec.

Letter sent asking for copies of the order.

Folio 89 is subject.

20 May.

A.D. Bonham Carter,
Lt.Col.
C.A. Sec.

98.

Executive Commissioner.

Reference Minute 97: CA Section has been requested to furnish Economic Section with a copy of the IV Corps order when received; action can then be taken as requested in minute 96.

/s/ L. D. Densmore.
/t/ L. D. DENSMORE
Colonel, FA
Chief Staff Officer

Econ Sec.
22 May 45.
Tel. 556.

121

Capt Arnoldy

Please follow up on 96

E. Talbot.

23/5

2485

COPY.

(10)

122.

V.P. Econ Sec.

Please inform Ex Comm's Office if action has been completed on Minute 96 - see your minute 98.

ABA.
31.5.45.

122A.

V.P. C.A. Sec.

Please see your minute 97 (Vol. I). If copies of the order have not been received, suggest a tracer be sent.

Cecil B. Highland Jr.
Captain, Infantry.

Econ Sec.
Tel. 445.
1 June 45.

122B.

V.P. Econ Sec.

Tracer has gone - and hope is eternal.

A. D. Bonham Carter,
Lt. Col. C.A. Sec.

1 June.

122C.

Ex Comm.

Please see above minute. As stated in minute 98, action will be taken on receipt of copies of the order.

Cecil B. Highland Jr.
Captain, Infantry.

Econ Sec.
1 June 45.

2484

*Below minutes refer to files 9
see also file 11*

SECRET.

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Executive Commissioner.
+++++

Ref: 147/89/EC.

18 May 1945.

SUBJECT: Political Advisers - Sitreps from N.ITALY.

TC : Distribution Below.

The following cables received from the AG Political Advisers in N.ITALY are forwarded for your information:

No.5062 dated 17.May.45.

Except for continued shootings at night which are, however, on decrease, situation remains outwardly calm in MILAN. Armed partisans have disappeared from streets. Prefect and officials were formally confined by General HUMER yesterday and Regional AMG seems to be getting into its stride. At same time conversations I have had with General CRITTENBERGER, Colonel WALKER, Colonel POLLETTI, Colonel SALVADORE and Quastore convince me that a very firm hand on part of Allied authorities is necessary in immediate future and will prevent trouble later. This chiefly involves:

1. Disarmament of Patriots.
2. Public Security.
3. Preservation of order in factories.

General CRITTENBERGER is in full agreement on this and is taking necessary measures. As regards 1 - these include issue of an order by General CADORNA to hand in arms. Responsibility by heads of parties for enforcing this. Raids by Allied Military Police on arms caches. Drastic punishment for offenders. Working out of new measures for accommodation, compensation and disposal of patriots more in keeping with actual conditions in NW ITALY. As regards 2 - establishment by AMG of Italian Military Tribunals to be followed in near future by Popular Assize Courts which are already functioning in Provincial centres outside MILAN. Reorganisation of police force and building up its authority and that of CC.RR. Joint Allied and CC.RR. jeep patrols at night. Lighting of streets, etc. As regards 3 - order is being prepared for whole of NW ITALY under IV Corps implementing existing AG directive which will lay down that where management of factories has been set aside for political or other reasons, Commissario will be appointed by AMG who must be technically competent and not political. CC.RR. in factories will be relegated to background in an advisory capacity. This order will be finally enforced. If successful I suggest it be implemented in other parts of N.ITALY.

Brigadier,

MSA/ush

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2. Public Security.
3. Preservation of order in factories.

General CRITTENBERGER is in full agreement on this and is taking necessary measures. As regards 1 - these include issue of an order by General CADORNA to hand in arms. Responsibility by heads of parties for enforcing this. Raids by Allied Military Police on arms caches. Drastic punishment for offenders. Working out of new measures for accommodation, compensation and disposal of patriots more in keeping with actual conditions in NW ITALY. As regards 2 - establishment by AMG of Italian Military Tribunals to be followed in near future by Popular Assize Courts which are already functioning in Provincial centres outside MILAN. Reorganisation of police force and building up its authority and that of CC.RR. Joint Allied and CC.RR. jeep patrols at night. Lighting of streets, etc. As regards 3 - order is being prepared for whole of NW ITALY under IV Corps implementing existing AG directive which will lay down that where management of factories has been set aside for political or other reasons, Commissario will be appointed by AMG who must be technically competent and not political. CLNs in factories will be relegated to background in an advisory capacity. This order will be firmly enforced. If successful I suggest it be implemented in other parts of N. ITALY.

DISTRIBUTION:

US Ambassador
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US Polad, AFHQ
Br Residin, AFHQ
G-5, AFHQ

G/President
Chief Commissioner
CA Sec
Est Sec
File

Brigadier,
Executive Commissioner.

ABA/cam

Ref: 5017/7/EX

25 May 1945

SUBJECT: Fascist Decrees

TO : Headquarters Allied Military Government
Lombardia Region

1. Reference your letter R/0026 of 19 May regarding the above subject.
2. Enclosed is a copy of a memorandum issued by the Economic Section of this Headquarters outlining the duties of Receivers and Controllers of businesses of public importance.
3. This memorandum undoubtedly answers most of the questions raised in your letter as to the policy to be pursued.
4. The function of the Consigli di Gestione is only advisory. Brigadier Lush and Brigadier Grafftey-Smith will be visiting in Milan towards the end of this month and this question could then be discussed with them upon their arrival.

By Command of Rear Admiral STONE,

B. Talbot

LT Col.

Brigadier
Executive Commissioner

1 Encl: Memo No. ES/12.05 dtd 1 May 45

2461

Lush

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

WHB/CMA/emg

Ref: ES/12.05

1 May 1945

SUBJECT: Duties of Receivers and Controllers of Businesses of Public Importance. **MAY 24 1945**

TO : Regional Commissioners, Piemonte, Liguria, Lombardia, Emilia and Venezia.

1. Memorandum No. AC/4183/L of 17th March 1945 (and the Italian Decree No. 420 of 19th October, 1944) gives instructions as to the manner of appointment of receivers and controllers of businesses of public importance. This instruction relates to the discharge of the functions of management by receivers and controllers in the particular circumstances detailed below, and the attached memorandum will serve as the instructions to Receivers on such issues.

2. Certain industrial establishments may have been "socialized" by Fascist Decree of 12th February, 1944, which provides for the representation of workers on management councils with a number of votes equal to those of representatives of owners and shareholders. In other industrial establishments, Works Committees or Internal Commissions may claim managerial powers.

3. During the period of administration by Allied Military Government, care will be taken to avoid prejudging controversial issues or the perpetuation of arbitrary decisions taken by the Fascist Regime subsequent to the date of the Armistice, affecting rights of ownership or management.

4. If it appears that nationals of the United Nations own a substantial interest in the concern the Regional Property Control Officer shall, if circumstances permit, be consulted and his advice followed both as regards the necessity for appointment of a receiver and the person to be appointed.

5. In view of the fact that general industrial interests may in certain particular circumstances not be adequately represented in negotiations with workers' representatives on issues affecting socialized establishments or establishments in which workers' representatives have claimed a share in management, Regional Commissioners should ensure that general local practice and comparable wage rates, etc., are brought into consideration when examining proposals affecting particular establishments.

By command of Rear Admiral STONE;

Enclosure (1)
Memorandum ES/12.05 - 1 May 1945
Copies to

AFLRS - 2
Econ. Sec. - 12
Civ. Affairs Sec. - 1
Legal S/C - 1

A. G. ANTOLINI
Acting Vice President
Economic Section

2480

See H. 4

HEADQUARTERS ALLIED COMMISSION

AFO 394

RECEIVING SECTION

WAB/300/ang

Ref: ES/12.05

1 May 1945

MEMORANDUM

NOTES OF RECEIVERS AND CONTROLLERS

Receivers and controllers will exercise full functions of management and control and will be guided in their relationship to workers' representatives by the following instructions and by advice that may be received from Regional Commissioners in response to direct requests for decision on particular points:

1. The Receiver shall submit any program of manufacture, and of procurement, and/or utilization of plant, materials, power, fuel and transportation to the Regional Industry Officer for his prior approval.

Copies of inventories of materials prepared by the Receiver or his agent in compliance with Article 3 of the Regional Order shall be supplied to the Regional Industry Officer.

2. The Receiver shall submit the general program for distribution of the products or services of the enterprise or facility under his control, including the pricing thereof, for the prior approval of the Regional Commerce Officer before putting such program into effect. He shall not enter into any agreements for the bartering or exchange of any of the products or services of such enterprise, except with the prior approval of the RCO. In the case of public utilities or transportation enterprises, the approval of the Regional Public Works or Transportation Officer shall be obtained. All public utility rate matters will be referred to Hq. AC for approval through the Regional Public Works Officer.

Copies of the inventories mentioned in Article 3 of the Regional Order appointing a Receiver of a particular business shall be furnished to the Regional Commerce Officer. The Receiver shall not dispose of any of the raw or semi-manufactured materials or of any of the plant, machinery, fixtures, or capital assets appertaining to the enterprise under his control except with the concurrence of the Regional Commerce and/or Industry Officers and against releases duly executed by the one or the other of them. In the case of Public Utility plants and materials such releases should be obtained through the Regional Public Works Officer.

In all matters arising under paras. a and b above, it is understood that correspondence between Receivers and Regional Specialist Officers shall be conducted through the respective Provincial Commissioners.

When worker participation in managerial functions relating to production, distribution, administration or finance have existed prior to the appointment of the Receiver, this shall be temporarily suspended on the grounds of military necessity and the exigencies of rehabilitation vital to the recovery of Italian economy as a whole. This may be resumed at the pleasure of the Regional Commissioner with the advice of the Regional Specialist Officers concerned.

3. When the circumstances to which this instruction relates apply on any day, the circumstances to which this instruction relates apply

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3. When the circumstances to which this instruction relates apply or are developed in industrial establishments in which Allied or neutral interests are concerned to any considerable extent, particular care should be taken to keep the Property Control Officer on the Regional Commissioner's staff fully informed of events. When it becomes necessary to report developments in such establishments to the Regional Commissioner, attention should be drawn to the existence of Allied or neutral interests so that the Regional Commissioner may instruct Property Control Officer.

785017

- 2 -

4. Works Committees, otherwise known as "Commissioni Interne", which consist of representatives of management and of workers, are intended to provide a recognized means of consultation between the management and the employees, and

- (i) to give the employees a wider interest in and greater responsibility for the conditions under which their work is performed,
- (ii) to enforce the regulations contained in collective agreements drawn up by District and National Authorities.
- (iii) to prevent friction and misunderstanding.

The functions include consideration of grievances, working conditions, suggestions for greater improvement and satisfactory working, welfare, etc.; but do not include power to come to agreements inconsistent with agreements between a trade union and an employer's organization or district and national agreements. It would not be appropriate for the management to negotiate or agree with a works committee any changes in rates of wages or general matters affecting remuneration and working conditions. The appropriate bodies with whom negotiations may be conducted and with whom provisional arrangements may be agreed are the recognized trade unions for the industry or category concerned. During the course of negotiations the workers or trade unions may be assisted by or represented by the appropriate Camera del Lavoro and the management may have the advice or assistance of the appropriate employer's federation. Proposals provisionally made for changes in wage rates and working conditions of a general nature should be brought to the notice of the relevant Ufficio del Lavoro or of the A.M.G. Labour Officer who will take the necessary steps to bring the proposals to the notice of A.M.G. Regional Commissioner. No provisional agreements may come into effect unless and until they have received formal approval of the Regional Commissioner.

Receivers and controllers should at all times be prepared to meet workers' representatives and works committees on matters properly falling within the scope of such representatives or committee. If extraneous matters are introduced receivers and controllers should advise representatives of their inability to discuss such questions or to arrive at agreements except through the appropriate channels and should indicate their willingness to enter into discussion with other appropriate bodies. If questions considered to be outside the scope of works committees or internal commissions are pressed by these bodies, receivers or controllers should bring the matter without delay to the notice of the Regional Commissioner.

By command of Rear Admiral:STONE:

A. V. ANTONI
A. V. ANTONI
Acting Vice-President
Economic Section

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
LOMBARDIA REGION
APO 384

R/0046

19 May 1945

SUBJECT: Fascist Decrees

TO : Executive Commissioner
Headquarters, Allied Commission

21 MAY 1945

MAY 22 RECD

1. I am writing to you in an unofficial manner about a problem that I think is serious in its implications and which I have discussed with many people here in Milan.

2. As you know, the Fascist Republican government passed decrees for the socialization of certain industries.

3. We have taken the position that these decrees, like others originating with the Fascist Republican government, are annulled by our proclamations.

4. In the Giornale Lombardo, which is the FWD newspaper for this region, we find quoted in the issue of 15 May an announcement by the Italian Minister of occupied Italy, Mr. Scoccimarro. In this communique the Minister states that the Fascist decrees are abrogated. Then he goes on to state that the Consigli di Gestione, provided for by the Fascist Republican decrees, must transfer their powers to Consigli di Gestione Nazionale. In other articles of his communique, he refers to purely management direction and how that is to be carried out.

5. This communique of Scoccimarro's is not clear to me and, moreover, I don't know whether we are expected to put it into effect. It seems that we should be given some clear direction from HQ AC. I am proceeding with the program of appointing commissioners for the various industries and enterprises and those commissioners will be vested with all powers of management. IV Corps Headquarters has authorized me to proceed with the appointment of commissioners. But this still leaves open the question as to what exactly are we to do with these "Consigli di Gestione": must they be abolished, do they retain any special functions after a commissioner is appointed.

6. We also find in the various industries Committee of Liberation units which presume to exercise various powers. It is explained that these committees are not to manage the industry, but are merely to address themselves to political aspects of the business. By this I take it that the committees will devote themselves primarily to insisting on the dismissal of persons who have collaborated with the Fascists or Nazis.

7. I have set forth the bare facts without too much elaboration merely to bring to your attention the need for some unified policy coming down to the regions so that we can have uniform action in both the Fifth Army and Eighth Army areas.

(Lt Col. [illegible])

(ACTION)
7

See H. 29475

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

①
An explicit statment of the policy we should pursue would help materially in removing grave apprehensions entertained ~~not~~ only by the industrialists themselves, but also by many citizens who embrace a political philosophy of moderation.

Charles Poletti
CHARLES POLETTI
Colonel
Regional Commissioner

2477

1800

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

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ACC

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SOCIAL
MAY - S

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

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10000/109/956

SOCIALIZATION OF INDUSTRIES
MAY-SEPT. 1945

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

785017

FILMED AS FOUND
IN COLLECTION

1803

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

785017

2503

28

CSO- Julio 27 for info
2/10
End 2/10

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

785017

19C.S.O.

18 is action on EC's minute 96 on
file 147/EC.

20/6/45

He knows this. No action

H. 21/6

23

C.S.O. Please see for info a most interesting letter at folio 22

APD 24/7/45 H. 27/7.

26.

C.S.O.

Please see folio 25 para 1 & folio 24 para 2(3) 2

13.8.45

H. 14/8

1805

785017

3

H/V.P. Enc. Sec.

Grateful for your comments
on 2 - in particular re
Cavigli di Sestini.

Excellent letter
Go to volume

23/5

24

C.H.O.

Had shown letter (file 2) to Mr. Antolini, who states
R.C.'s should follow instructions he laid down in Enc. Sub Memo
Ref. ES/12.05 derived attached. As re question asked by Ce. Petter
if Cavigli di Sestini are to be abolished or if they retain any special
functions after Comm. is appointed, Mr. Antolini says that their
function is only advisory & he believes they will gradually die out.
He also feels that it is a good thing to have them in an advisory
capacity. It is suggested ES. memo should be sent to Ce. Petter.

copy
24/5/45

2501

OK. Send a copy. A/So kept a copy to

2 pieces
24/5

(8)

Enc. in P. by your signature in

on 2 - to particular ref

Cavigli di Santoro.

Enrico Melli

Go to Salerno

23/5

74

C.D.O.

Had shown letter (p. 2) to Mr. Antolini, who states

R.C.'s should follow instructions as laid down in San Sab. Memo
Ref. ES/11.05 dated 11.05.05. As the question asked by Ce. Pietro
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capacity. It is suggested ES. memo should be sent to Ce. Pietro.

copy 24/5/55

2501

OK. Send a copy. Also draft a reply to

2 places 24/5

(8)

C.D.O. Letter to AGO. Lombardini Reg. for your signature in answer to press &

copy 24/5

See 7

50174

REF/vfb

ALLIED FORCE HEADQUARTERS
APO 512

28 September 1945

OCT - 1 1945

AG 334/331 GAO-0

SUBJECT: Workers' Internal Commissions

TO: All Concerned

1. In Italian industry it is the practice, as provided for by syndical agreement, to have in each plant a committee of employees known as an Internal Commission. This committee approximates what is known as a "works" or "shop committee" in the UK or US.

2. It is the policy of this headquarters that the formation of such Internal Commissions should be authorized. When a request for Internal Commission is initiated by the civilian employees of a military installation, the responsible military commander should encourage its formation.

3. Such Internal Commissions will have the following functions within their respective plants or installations:

- a. Maintaining liaison between the workers and the employing service.
- b. Presenting grievances and/or suggestions in respect of wage standards, hours, and working conditions.
- c. Making proposals calculated to increase efficiency.

4. a. For your guidance, Internal Commissions are established in Italian Industry in undertakings employing more than twenty (20) workers and are composed of:

- (1) three (3) members in undertakings employing less than 100 workers;
- (2) six (6) members in undertakings employing more than 100 and less than 1,500; and
- (3) nine (9) members in undertakings employing over 1,500.

b. Members of Internal Commissions are elected by secret ballot of all employees (i.e., both office and manual workers).

BY COMMAND OF THE SUPREME ALLIED COMMANDER:

C. T. CHRISTENSEN
Colonel, AGD
Adjutant General

DISTRIBUTION:

(CHIEF WAGON)

Emu

See 2500
28
10

5017
HEADQUARTERS ALLIED-COM MISSION
APO 394
FINANCE SUB COMMISSION

REF. : 13177/F

9 August 1945

AUG 11 1945

SUBJECT : Unification of Social Insurance Laws.

TO : Regional Commissioners, Lombardia, Liguria,
Piemonte and Venezia Regions; Attn: R.F.O.,
Regional Labor and Legal Officers.

1. In conjunction with the Italian Government, Allied Commission has agreed to make uniform the laws relating to Social Insurance applying the provisions in force in territory under the administration of the Italian Government also in territory under Allied Military Government.

2. Certain differences now exist: Some by reason of the enactment of changes by the so-called Fascist Republican Government, others by virtue of non implementation in North Italy of certain decrees of the Italian Government.

3. The differences may be grouped under three headings:

- a) - Contributions to the social insurance system;
- b) - Pension to invalidated, retired and seriously injured persons;
- c) - Family allowances.

4. Contributions.

By legislative decree of the Duce 10 May 1944 n.376 certain modifications in the law with respect to social insurance contributions were made in North Italy prior to liberation with effect from 1 October 1944. The principal changes were:

- a) All contributions for social insurance were unified and became exclusively the burden of the employer. Employees were not required to bear any further pay deductions for this purpose.
- b) Such contributions were based on the total gross compensation instead of on basic wages as formerly;
- c) Social insurance coverage was made available to

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- c) Social insurance coverage was made available to

- 1 -

Handwritten signature
see M.26

(MISS D.L.)

all workers whether manual, office or supervisory without exclusion by reason of maximum compensation.

d) Workers retain their rights to compensation regardless of whether or not contributions are in fact paid by the employer.

Considerable doubt has arisen as to whether or not this measure has already been rendered null and void by reason of general provisions abrogating enactments of the so-called Fascist Republican Government. In the interests of clarity and uniformity an order will issue specifically revoking this legislation and making the regulations of the Italian Government applicable to the North. This will be done as of a given date which will appear in the order. Questions affecting liability of employers for contributions prior to this date will be subsequently considered and determined.

This action is being taken without reference to the merits of changes introduced by Decree 376 of the Fascist Republican Government. The arguments in favour of these changes are currently receiving consideration by the Italian Government in connection with a review of the entire problem of contributions and benefits in the social insurance system.

5. Pensions.

a) By DLL 1 March 1945 n. 177 the Italian Government increased pensions to claimants who were invalidated or retired or to their survivors. These pensions were increased by 70% to result in a minimum of 15 lire daily. This decree was excluded from implementation in North Italy.

b) By DLL 26 April 1945 n. 343 the Italian Government increased pensions for permanent and fatal work injuries as follows:

- 1 - By Lit. 200 monthly for permanent disability of from 50 to 59 %;
- 2 - By Lit. 250 monthly for permanent disability of from 60 to 79%;
- 3 - By Lit. 300 monthly for more serious disabilities and for fatalities.

This decree was also excluded from implementation in North Italy.

c) Both of these decrees will be implemented in AMG territory in North Italy retroactive to 1 January 1945. The increases provided for in these decrees will absorb any

measure has already been rendered null and void by reason of general provisions abrogating enactments of the so-called Fascist Republican Government. In the interests of clarity and uniformity an order will issue specifically revoking this legislation and making the regulations of the Italian Government applicable to the North. This will be done as of a given date which will appear in the order. Questions affecting liability of employers for contributions prior to this date will be subsequently considered and determined.

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6. Family allowance and caropane indemnity.

a) By DDL 9 November 1944 n. 307 the Italian Government increased family allowances an average of 50% but with provision that the allowance per child should be the same regardless of family size. At the same time a supplementary "carovita" allowance of Lit. 5.00 daily per dependant was provided. Allowances for "operai" were thereby increased to the following amounts: for wife, Lit. 10.00 daily; for each child, Lit. 9.00 daily; and for other dependant, Lit. 7.50 daily.

b) This decree was excluded from implementation in North Italy in accordance with the economic policy adopted for the initial occupation period.

c) DDL 22 February 1945 n. 38 provided for the elimination of the political price of bread. For employees in private industry the decree established a caropane indemnity, payable by the employer and amounting to Lit. 95 per month for the worker and each dependant, to offset the increase in the cost of bread. By a new decree, approved and signed but not yet published in the Official Gazette, this indemnity is no longer payable solely by the employer in so far as dependants are concerned but has become part of the family allowance benefits at a rate of Lit. 4.00 per day (The caropane indemnity for worker himself has been absorbed by wage agreements in Central and Southern Italy).

d) The political price of bread in the North has been eliminated by General Order n. 51. This order, however, makes no provisions for a caropane indemnity for persons in private employment.

e) It has been agreed to implement in AMG territory in North Italy the provisions of DDL 307 as well as the provisions of the new decree incorporating the caropane indemnity for dependants into the family allowance system. This will take effect as of 1 August 1945.

f) The increase provided for in these decrees will absorb any increases previously enacted by the Fascist Republican Government, including the provision which eliminated the difference in family allowances as between operai and impiegati.

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Republican Government, including the provision which
eliminated the difference in family allowances as between
operai and impiegati.

1814

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

785017

7. You will stand ready to enforce those dispositions which will be prepared and dispatched with all possible speed.

(Signed) B. E. L. TIMMONS
Major for

JOINT DIRECTOR
Finance Sub Commission

Distribution:

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Provincial Legal Officers	30 copies

AHR/tr

COPY

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
LOMBARDIA REGION
APO 394
(Finance Division)

AGT/rs

Ref : Fin/ S.D/Hq.

5 July 1945

SUBJECT: Dismissal of Employers by Employees.

JUL 25 1945

TO : The Regional Commissioner,
Headquarters, AMG,
Lombardia Region.

1. I must draw your attention to a serious state of affairs which exist in many of the Insurance companies, in certain private banks and no doubt in many of the firms and industries which, if allowed to continue, will undermine the social structure of the country and will have serious repercussions on the economic progression of Italy.

2. On the 25th. April, the CLN created internal committees of employees to take over the management of the institutions and companies and it appears that these committees were given orders to operate and run the business on "democratic" lines. In some cases these junior committees have dismissed the Managers and Directors with the result that these financial institutions are now operating without proper constitutional management and, as Controller of Financial Institutions, Lombardia, I am really concerned about the consequences.

3. One example of this is the Insurance Company "Anonima Grandine". The committee has dismissed the Director, Vice-Director and 3 employees and the company is now in possession of the committee of 6, and I am not satisfied. I have interviewed together all senior members of the company including the dismissed Director (Sig. Umberto Baccolini) together with senior member of the committee and have come to the conclusion that the employees' action is high-handed revolutionary and detrimental to the economic development of the company.

4. General Order No. 46 protects the employee against the employer. It would now seem desirable that a General Order should be issued to protect the employer against the employee.

(C. R. ARNOLD)

P/H 27/7.
See 16 23

- 2 -

5. In the case of the Insurance company, I would like to see the Manager re-instated and any epuration required to be dealt with by the Provincial Epuration Committee in accordance with law. I do not think it is intended that any employers suspended by employees shall remain suspended until the Epuration Committee has given a decision in favour or against the illegal acts of the employees.

6. May I have your guidance in this matter please and may I suggest that the whole subject be cleared with the CLNAI.

For the Regional Commissioner:

A.G. TUBE
Lieut. Colonel,
Regional Finance Officer,

Copy to:
CLNAI Administration.
Major Osmon.

(COPY FROM FINANCE SEC
FOR INFO. AND RETENTION
25 JULY 45)

2495

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

507
HEADQUARTERS ALLIED COMMISSION
APO 394
CIVIL AFFAIRS SECTION

Ref: 4/6.h/CA.

4 Jul 45

JUL 4 1945

SUBJECT: Socialisation of Industry and Works
Management Committees.

To : See Distribution Below.

- 1 I refer to the Minutes of the Regional Commissioners' Meeting of 27 June 45, para 9, in which a misunderstanding has arisen over the action to be taken.
- 2 As I understand it, it was the desire of Regional Commissioners to persuade the Government to pass the proposed legislation in the form of a decree and I am in favour of negotiation with a view to that end.
- 3 Will you please, therefore, refrain from publishing this order until further direction is received from this Headquarters.

FOR THE CHIEF COMMISSIONER:

G. R. Upjohn
G.R. UPJOHN, Brig..
VP CA Section.

DISTRIBUTION: R.C., EMILIA Region,
R.C., LIGURIA Region,
R.C., LOMBARDIA Region,
R.C., PIEMONTE Region,
R.C., VENEZIA Region,
SCAO XIII Corps.

Copy to: Executive Commissioner,
Economic Section.

V.P. CAS is seeing NENNI on
5/7/45 to try persuade him
to pass the decree. 4/4/5

1818

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

785017

50176

18

HEADQUARTERS ALLIED COMMISSION
APO 394
CIVIL AFFAIRS SECTION

Ref: 5/6.1/CA.

SUBJECT: Preservation of Order in Factories.

TO: Economic Section.

13 Jun 45.

JUN 18 1945

Minutes 10-11
separ

- 1 I have now received a reply from SCAO IV Corps in answer to my request for a copy of the letter laying down that where the management has been removed from any factory, a Commissario will be appointed by AMG and that GLNs in factories will be relegated to the background.
- 2 It seems that no actual order was issued but merely that a letter was sent round to the Regional Commissioners.

A. D. Bonham-Carter
A. D. BONHAM-CARTER, Lt. Col.,
CSO, Civil Affairs Section.

Encl. IV Corps letter
Copy to: Executive Commissioner.

2492

PVH

19/6

1509

(Hans Morgan)

C O P Y

HEADQUARTERS IV CORPS
OFFICE OF THE AC OF S G - 5
APO 304

HTW/aeg
17 May 1945

SUBJECT: Appointment of Receivers.

TO: D.S.C.A.O., Lombardia,
" Piemonte
" Liguria

1. Instances have been reported where the owners or managers of industrial and business concerns have been removed by unofficial internal commissions of workers or employees and replaced by nominees of such commissions. Immediate steps will be taken to prevent action of this kind and to ensure that where for political or other reasons a concern cannot continue to operate under the existing management the control is vested in properly qualified personnel.

2. With this object in view D.S.C.A.O.'s are directed in appropriate cases to appoint Receivers of industrial and commercial concerns in accordance with the provisions of HQ ALCOM Directive AG/4183/L dated 17 March 1945. The persons chosen to act as Receivers must possess the technical qualifications required for their position.

3. Appointments of Receivers will be made by order of the D.S.C.A.O. in the form annexed to the Directive, though control and supervision of the Receivers' activities may be delegated to Provincial Commissioners.

4. Once a Receiver has been appointed, no internal Commissions for Epuration or any other similar purpose will be permitted to exercise the function of management.

BY COMMAND OF MAJOR GENERAL CRITTENBERGER,

(Sgd) Hamilton T. Walker,
(T) HAMILTON T. WALKER,
Colonel GSC
AC of S G-5.

2491

SECRET

HEADQUARTERS ALLIED COMMISSION
INCOMING MESSAGE

Orig. Ref: 1752

Date: JUN 07 1945

M/C No. 2/4062

Rec'd: JUN 08 0830H

IV CORPS FROM HUTKINSON

URGENT

ALCOM (PLEASE PASS TO AGREED RECIPIENTS)

JUN 8 1945

SECRET.

Christian Democrat representative on CLNAI MAZZA called yesterday and expressed grave anxiety in regard to (1) activities of CLNAI in factories and (2) acts of violence in Provinces. As regards (1) he said that activities against individuals in factories were still continuing. Wholesale education was being carried out by factory CLNAI against managements and employees. Managers were being sent away on purely personal grounds and with no political justification. Appointment of COMMISSARI was not an adequate remedy. General malaise among moderate elements including many workers was leading to risk of reaction. As regards (2) he said that in Provinces and especially in smaller communes of NOVARA, BIELLA, VAL D'OSOLA and other mountain regions there existed what he described as virtual reign of terror. Locally appointed police were carrying out requisitioning and blackmail and conniving at robbery and killing. Carabinieri were intimidated and powerless. He said that similar conditions existed in country districts of BOLOGNA, MODENA and REGGIO Provinces. He admitted that elements were in fact a small minority of thugs only nominally forming part of Communist party but deplored failure of Communist and socialist leaders to take an open stand against these practices. Indeed by accepting many dangerous republicans into their

ACTION COPY ON 147/ET
SECRET

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

SECRET

1752, 7 Jun 45, from IV Corps (cont'd):

parties they were making situation still worse. He thought that Christian Democrats might find it necessary themselves to take the lead in the matter.

As regards the factory committees, I told MARAZZA that the ALLIED COMMISSION and AIG were working actively on the question in consultation with the Italian Government and that I hoped that very shortly, measures would be announced which would clarify the position. He said that he hoped it might be possible to establish purification commissions for factories which would not only have the duty of clearing out Fascists but would have the power to reinstate owners, members of management, and workers who had been sent away improperly. Decisions of any commissions should be open to review by Allies.

As regards state of affairs in Provinces, Public Safety Officer of LOMBARDIA REGION confirms that violence of this sort is on the increase. He attributes it in part to activities of criminal elements released from jails by Germans. In existing circumstances this state of affairs is not surprising. It is of course mainly a police matter but from this and other reports I have received, it has attained such proportions that it requires special investigation by Provincial Commissioners and organized suppression involving if necessary, use of Allied troops. General CRITTENBERGER is already interesting himself in this situation and has given orders to divisional commanders to increase their patrols. He also is interesting himself actively in raising prestige of Carabinieri.

AC DIST 2489
 ACTION: Exec. Comm.
 INFO: Chief Comm.
 Econ. Sec.
 GA Sec.
 American Ambassador
 British Ambassador
 Pol. Advisor (A)
 Pol. Advisor (B)

SECRET

1822

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

785017

14

Ref: 5017/14/EO.

27 May 1945.

SUBJECT: Socialisation of Industries.

TO : Acting Vice-President,
Economic Section.

1. The Executive Commissioner directs me to say that he is grateful to you for enclosing the attached papers with your memorandum of 22 May. 1-12

2. He does not think that it is necessary to pass these to the Italian Government.

E. Talbot

Chief Staff Officer,
To the Executive Commissioner.

Encls.

248

18/5/45

98

1823

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

785017

5014
ALLIED [REDACTED] COMMISSION
INTER-OFFICE MEMORANDUM

(13)

SUBJECT:

FILE No. _____

TO : Brigadier Lush ✓

22 May 1945

MAY 23 1945

9-12
Here is a good example of the arbitrary manner with which the CLN is operating in certain factors of industry. Do you consider it advisable to pass it on to the Italian Government?

[Signature]
A. G. ANTOLINI
Acting Vice-President
Economic Section

W.D. Sec 14 P.A. 2487

[Handwritten mark]

1824

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

785017

12

Folios 9 - 12 returned to
Economic Section 27 May 45.

See Folio 14.

2466

8

88

1823

785017

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

COPY.

(11)

20.

Typed copy of pencilled minute by Chief Commissioner:

(89)

Ex.Com. - Will you please follow through on marked portion:

(Intd) E.W.S.

26.

V.P. CA Sec.
V.P. Econ Sec.

(see folio 89)

Please obtain copy of the order, follow its effect and at source stage (possibly at once) make recommendations as to its implementation in the remainder of N. Italy.

M.S.L. 19/5.

27.

V.P. Econ Sec.

Letter sent asking for copies of the order.

Folio 89 is subject.

20 May.

A.D. Bonham Carter,
Lt.Col.
C.A. Sec.

28.

Executive Commissioner.

Reference Minute 27: CA Section has been requested to furnish Economic Section with a copy of the IV Corps order when received; action can then be taken as requested in minute 26.

/s/ L. D. Densmore.
/t/ L. D. DENSMORE
Colonel, FA
Chief Staff Officer

Econ Sec.
22 May 45.
Tel. 558.

121

Capt Arnoldy

Please follow up on 26

2455

E. Talbot.
27/5

*Cable Arnoldy after to
Hq 9 see also folio 10*

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

785017

COPY.

(10)

122.

V.P. Econ Sec.

Please inform Ex Comm's Office if action has been completed on Minute 96 - see your minute 98.

APA.
31.5.45.

122A.

V.P. C.A. Sec.

Please see your minute 97 (Vol. I). If copies of the order have not been received, suggest a tracer be sent.

Econ Sec.
Tel. 415.
1 June 45.

Cecil B. Highland Jr.
Captain, Infantry.

122B.

V.P. Econ Sec.

Tracer has gone - and hope is eternal.

1 June.

A. D. Bonham Carter,
Lt. Col. C.A. Sec.

122C.

Ex Comm.

Please see above minute. As stated in minute 98, action will be taken on receipt of copies of the order.

Econ Sec.
1 June 45.

Cecil B. Highland Jr.
Captain, Infantry.

2484

*above pointing up to file 9
see also file 11*

SECRET.

HEADQUARTERS ALLIED COMMISSION

AFPO 394

Office of the Executive Commissioner.

Ref: 147/39/30.

18 May 1945.

SUBJECT: Political Advisers - Sitreps from N. ITALY.

TO : Distribution Below.

The following cables received from the AC Political Advisers in N. ITALY are forwarded for your information:

No. 5062 dated 17. May. 45.

Except for continued shootings at night which are, however, on decrease, situation remains outwardly calm in MILAN. Armed partisans have disappeared from streets. Prefect and officials were formally confirmed by General HUMER yesterday and Regional AMG seems to be getting into its stride. At same time conversations I have had with General CRITTEMBERGER, Colonel WALKER, Colonel POLETTI, Colonel SALVADOLE and Questore convince me that a very firm hand on part of Allied authorities is necessary in immediate future and will prevent trouble later. This chiefly involves:

1. Disarmament of Patriots.
2. Public Security.
3. Preservation of order in factories.

General CRITTEMBERGER is in full agreement on this and is taking necessary measures. As regards 1 - these include issue of an order by General GIDORRA to hand in arms. Responsibility by heads of parties for enforcing this. Raids by Allied Military Police on arms caches. Drastic punishment for offenders. Working out of new measures for accommodation, compensation and disposal of patriots more in keeping with actual conditions in NW ITALY. As regards 2 - establishment by AMG of Italian Military Tribunals to be followed in near future by Popular Assize Courts which are already functioning in Provincial centres outside MILAN. Reorganisation of police force and building up its authority and that of CC.RR. Joint Allied and CC.RR. jeep patrols at night. Lighting of streets, etc. As regards 3 - order is being prepared for whole of NW ITALY under IV Corps implementing existing AC directive which will lay down that where management of factories has been set aside for political or other reasons, Commissario will be appointed by AMG who must be technically competent and not political. CLNs in factories will be relegated to background in an advisory capacity. This order will be firmly enforced. If successful I suggest it be implemented in other parts of N. ITALY.

SUBJECT: Political Advisers - Sitreps from N.ITALY.

TO : Distribution Below.

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DISTRIBUTION:

US Ambassador
Br Ambassador
US Polad, AFHQ
Br Resdin, AFHQ
G-5, AFHQ

A/President
Chief Commissioner
CA Sec
Est Sec
File

Executive Commissioner.
Brigadier,

M/S/Adk

see files 10-11

1829

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

785017

(7)

ARA/sem

Ref: 5017/7/00

25 May 1945

SUBJECT: Fascist Decrees

TO : Headquarters Allied Military Government
Lombardia Region

(2)

1. Reference your letter R/0046 of 19 May regarding the above subject.

546.

2. Enclosed is a copy of a memorandum issued by the Economic Section of this Headquarters outlining the duties of Receivers and Controllers of businesses of public importance.

3. This memorandum undoubtedly answers most of the questions raised in your letter as to the policy to be pursued.

4. The function of the Consiglio di Gestione is only advisory. Brigadier Lush and Brigadier Graffey-Smith will be visiting in Milan towards the end of this month and this question could then be discussed with them upon their arrival.

By Command of Rear Admiral STONE,

E. Talbot

✓ LT Col.

Brigadier
Executive Commissioner

1 Encl: Memo No. ES/12.05 dtd 1 May 45

2451

Lush

2

1830

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

785017

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

WHR/CNA/emg

Ref: ES/12.05

1 May 1945

SUBJECT: Duties of Receivers and Controllers of Businesses of Public Importance.

MAY 24 1945

TO : Regional Commissioners, Piemonte, Liguria, Lombardia, Emilia and Venezia.

1. Memorandum No. AC/4183/L of 17th March 1945 (and the Italian Decree No. 420 of 19th October, 1944) gives instructions as to the manner of appointment of receivers and controllers of businesses of public importance. This instruction relates to the discharge of the functions of management by receivers and controllers in the particular circumstances detailed below, and the attached memorandum will serve as the instructions to Receivers on such issues.

2. Certain industrial establishments may have been "socialized" by Fascist Decree of 12th February, 1944, which provides for the representation of workers on management councils with a number of votes equal to those of representatives of owners and shareholders. In other industrial establishments, Works Committees or Internal Commissions may claim managerial powers.

3. During the period of administration by Allied Military Government, care will be taken to avoid prejudging controversial issues or the perpetuation of arbitrary decisions taken by the Fascist Regime subsequent to the date of the Armistice, affecting rights of ownership or management.

4. If it appears that nationals of the United Nations own a substantial interest in the concern the Regional Property Control Officer shall, if circumstances permit, be consulted and his advice followed both as regards the necessity for appointment of a receiver and the person to be appointed.

5. In view of the fact that general industrial interests may in certain particular circumstances not be adequately represented in negotiations with workers' representatives on issues affecting socialized establishments or establishments in which workers' representatives have claimed a share in management, Regional Commissioners should ensure that general local practice and comparable wage rates, etc., are brought into consideration when examining proposals affecting particular establishments.

By command of Rear Admiral STONE:

Enclosure (1)
Memorandum - ES/12.05 - 1 May 1945
Copies to

AFLRS - 2
Econ. Sec. - 12
Civ. Affairs Sec. - 1
Legal S/C - 1

A. G. ANTOLINI
Acting Vice President
Economic Section

2480

See H. 4

HEADQUARTERS ALLIED COMMISSION

AFD 394

ZOOHQ:IS SECTION

15/5/45

Ref: ES/13.05

1 May 1945

MEMORANDUM

ROLES OF RECEIVERS AND CONTROLLERS

Receivers and controllers will exercise full functions of management and control and will be guided in their relationship to workers' representatives by the following instructions and by advice that may be received from Regional Commissioners in response to direct requests for decision on particular points:

1. The Receiver shall submit any program of manufacture, and of procurement, and/or utilization of plant, materials, power, fuel and transportation to the Regional Industry Officer for his prior approval.

Copies of inventories of materials retained by the Receiver or his agent in compliance with Article 3 of the Regional Order shall be supplied to the Regional Industry Officer.

2. The Receiver shall submit the general program for distribution of the products or services of the enterprise or facility under his control, including the pricing thereof, for the prior approval of the Regional Commerce Officer before putting such program into effect. He shall not enter into any agreements for the bartering or exchange of any of the products or services of such enterprise, except with the prior approval of the RCO. In the case of public utilities or transportation enterprises, the approval of the Regional Public Works or Transportation Officer shall be obtained. All public utility rate matters will be referred to Hq. AC for approval through the Regional Public Works Officer.

Copies of the inventories mentioned in Article 3 of the Regional Order appointing a Receiver of a particular business shall be furnished to the Regional Commerce Officer. The Receiver shall not dispose of any of the raw or semi-manufactured materials or of any of the plant, machinery, fixtures, or capital assets appertaining to the enterprise under his control except with the concurrence of the Regional Commerce and/or Industry Officers and against releases duly executed by the one or the other of them. In the case of Public Utility plants and materials such releases should be obtained through the Regional Public Works Officer.

In all matters arising under paras. a and b above, it is understood that correspondence between Receivers and Regional Specialist Officers shall be conducted through the respective Provincial Commissioners.

When worker participation in managerial functions relating to production, distribution, administration or finance have existed prior to the appointment of the Receiver, this shall be temporarily suspended on the grounds of military necessity and the exigencies of rehabilitation vital to the recovery of Italian economy as a whole. This may be resumed at the pleasure of the Regional Commissioner with the advice of the Regional Specialist Officers concerned.

3. When the circumstances to which this instruction relates apply

9479

NOTES OF RECEIVERS AND CONTROLLERS

Receivers and controllers will exercise full functions of management and control and will be guided in their relationship to workers' representatives by the following instructions and by advice that may be received from Regional Commissioners in response to direct requests for decision on particular points:

1. The Receiver shall submit any program of manufacture, and of procurement, and/or utilization of plant, materials, power, fuel and transportation to the Regional Industry Officer for his prior approval.

Copies of inventories of materials prepared by the Receiver or his agent in compliance with Article 5 of the Regional Order shall be supplied to the Regional Industry Officer.

2. The Receiver shall submit the general program for distribution of the products or services of the enterprise or facility under his control, including the pricing thereof, for the prior approval of the Regional Commerce Officer before putting such program into effect. He shall not enter into any agreements for the bartering or exchange of any of the products or services of such enterprise, except with the prior approval of the RCO. In the case of public utilities or transportation enterprises, the approval of the Regional Public Works or Transportation Officer shall be obtained. All public utility rate matters will be referred to Hq. AC for approval through the Regional Public Works Officer.

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3. When the circumstances to which this instruction relates apply or are developed in industrial establishments in which Allied or neutral interests are concerned to any considerable extent, particular care should be taken to keep the Property Control Officer on the Regional Commissioner's staff fully informed of events. When it becomes necessary to report developments in such establishments to the Regional Commissioner, attention should be drawn to the existence of Allied or neutral interests so that the Regional Commissioner may instruct Property Control Officer.

- 2 -

4. Works Committees, otherwise known as "Commissioni Interne", which consist of representatives of management and of workers, are intended to provide a recognized means of consultation between the management and the employees, and

(i) to give the employees a wider interest in and greater responsibility for the conditions under which their work is performed,

(ii) to enforce the regulations contained in collective agreements drawn up by District and National Authorities.

(iii) to prevent friction and misunderstanding.

The functions include consideration of grievances, working conditions, suggestions for greater improvement and satisfactory working, welfare, etc.; but do not include power to come to agreements inconsistent with agreements between a trade union and an employer's organization or district and national agreements. It would not be appropriate for the management to negotiate or agree with a works committee any changes in rates of wages or general matters affecting remuneration and working conditions. The appropriate bodies with whom negotiations may be conducted and with whom provisional arrangements may be agreed are the recognized trade unions for the industry or category concerned. During the course of negotiations the workers or trade unions may be assisted by or represented by the appropriate Camera del Lavoro and the management may have the advice or assistance of the appropriate employer's federation. Proposals provisionally made for changes in wage rates and working conditions of a general nature should be brought to the notice of the relevant Ufficio del Lavoro or of the A.M.G. Labour Officer who will take the necessary steps to bring the proposals to the notice of A.M.G. Regional Commissioner. No provisional agreements may come into effect unless and until they have received formal approval of the Regional Commissioner.

Receivers and controllers should at all times be prepared to meet workers' representatives and works committees on matters properly falling within the scope of such representatives or committee. If extraneous matters are introduced receivers and controllers should advise representatives of their inability to discuss such questions or to arrive at agreements except through the appropriate channels and should indicate their willingness to enter into discussion with other appropriate bodies. If questions considered to be outside the scope of works committees or internal commissions are pressed by these bodies, receivers or controllers should bring the matter without delay to the notice of the Regional Commissioner.

By command of Rear Admiral STONE:


A.M. ANAGNOSTOU
Acting Vice-President
Economic Section

785017

5017

19 May 1945

21 MAY 1945

MAY 22 REC'D

2. As you know, the Fascist Republican government passed decrees for the socialization of certain industries.

3. We have taken the position that these decrees, like others originating with the Fascist Republican government, are annulled by our proclamations.

4. In the Giornale Lombardo, which is the PWB newspaper for this region, we find quoted in the issue of 15 May an announcement by the Italian Minister of occupied Italy, Mr. Soccimarro. In this communique the Minister states that the Fascist decrees are abrogated. Then he goes on to state that the Consigli di Gestione, provided for by the Fascist Republican decrees, must transfer their powers to Consigli di Gestione Nazionale. In other articles of his communique, he refers to purely management direction and how that is to be carried out.

5. This communique of Scoccimarro's is not clear to me and, moreover, I don't know whether we are expected to put it into effect. It seems that we should be given some clear direction from HQ AC. I am proceeding with the program of appointing commissioners for the various industries and enterprises and those commissioners will be vested with all powers of management. IV Corps Headquarters has authorized me to proceed with the appointment of commissioners. But this still leaves open the question as to what exactly are we to do with these "Consigli di Gestione": must they be abolished, do they retain any special functions after a commissioner is appointed.

6. We also find in the various industries Committee of Liberation units which presume to exercise various powers. It is explained that these committees are not to manage the industry, but are merely to address themselves to political aspects of the business. By this I take it that the committees will devote themselves primarily to insisting on the dismissal of persons who have collaborated with the Fascists or Nazis.

7. I have set forth the bare facts without too much elaboration merely to bring to your attention the need for some unified policy coming down to the regions so that we can have uniform action in both the Fifth Army and Eighth Army areas.

(Lt. Col. 1928)

(Action)

Eighth Army areas.
See H. 29475

1835

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

785017

①

An explicit statment of the policy we should pursue would help materially in removing grave apprehensions entertained ~~not~~ only by the industrialists themselves, but also by many citizens who embrace a political philosophy of moderation.

Charles Poletti

CHARLES POLETTI
Colonel
Regional Commissioner

2477

