

Declassified E.O. 12356 Section 3.3/NND No. 785016

10000/119/98

19/98

36.3 - Railway Rates, Tariff, Wages
Dec. 1943 - Feb. 1944

HEADQUARTERS
ALLIED CONTROL COMMISSION

A F O 394

Economic Section

Internal Transportation Sub-Commission.

ES/44

20 February, 1944.

SUBJECT: Railway Traffic - Procedure for Documentation.

TO : All Concerned.

PART I

CIVILIAN TRAFFIC MOVING UNDER TARIFF CHARGES.

Movements of civilian traffic (freight and passenger) under tariff charges are subject to the normal documentation and accounting procedures of the Italian Railway administration and none of the provisions of PART II hereof concerning documentation of movements of traffic (freight or passenger) free of tariff charges, for AMG/ACC has any application to such civilian traffic. It is expected that most traffic, arranged by AMG/ACC will move under tariff charges.

PART II

AMG/ACC TRAFFIC, MOVING ON SAME TERMS AS ALL MOVEMENTS FOR ALLIED FORCES, FREE OF TARIFF CHARGES.

FREIGHT:

1. All movements will be documented by use of standard army warrants (form AB 497a) which will be prepared and executed to show the full information indicated on the form, and as explained in Appendix "A" hereto.
2. The AMG or ACC office acting as the shipper (consignor) for each movement will be responsible for documentation and making record of each movement, which process will be accomplished as follows:
3. Warrants will be executed in quadruplicate, and each set numbered consecutively by the issuing officer. More than one wagon may be included on one warrant, but a separate warrant will be made out for each destination point. All copies of the completed warrant will be signed by the stationmaster, to show receipt on behalf of the railway.

ARMY/ACC TRAFFIC, MOVING ON SAME TERMS AS ALL MOVEMENTS FOR ALLIED FORCES, FREE OF
FREIGHT CHARGES.

FREIGHT:

1. All movements will be documented by use of standard Army warrants (form AB 497a) which will be prepared and executed to show the full information indicated on the form, and as explained in Appendix "f" hereto.
2. The AGO or ACC office acting as the shipper (consignor) for each movement will be responsible for documentation and making record of each movement, which process will be accomplished as follows:
 3. Warrants will be executed in quadruplicate, and each set numbered consecutively by the issuing officer. More than one wagon may be included on one warrant, but a separate warrant will be made out for each destination point. All copies of the completed warrant will be signed by the stationmaster, to show receipt on behalf of the railway.
 4. No. 1 copy (original) will be retained by the issuing office. No. 2 copy will accompany the shipment for delivery to the stationmaster at destination. This for railway use. No. 3 copy will be sent by quickest means to the AGO or ACC office acting as consignee. No. 4 copy will be retained by the stationmaster at point of origin, for railway use and record.
 5. On the 1st. and 16th. of each month the issuing office will forward the No. 1 copies (originals) of all warrants issued during the preceding semi-monthly period to the office of Internal Transportation Sub-Commission, ACC c/o Mr. & Mrs. AFHQ Adv. Adm. Ech. GEF, accompanied by an abstract of such warrants showing:

4603

 - (i) Warrant number and date.
 - (ii) Station from which shipment was dispatched.
 - (iii) Destination station of shipment.
 - (iv) Commodity (general).
 - (v) Number of wagons and total tons shown on that warrant.
 6. On arrival of shipment at destination No. 3 copy of warrant will be checked against the shipment received, warrant receipted and any over (O), short (S), or damage (D) in the shipment noted and signature of railway stationmaster requested covering any such O, S, and D.

36.3

(1)

7. On the 1st. and 16th. of each month No. 3 copies of all warrants covering shipments delivered during the preceding semi-monthly period will be forwarded by the office acting as consignee to the office of Internal Transportation Sub-Commission, ACC, c/o Mov. & Tr., ABHQ Adv. Adm. Ech. CEF, such copies to be accompanied by an abstract showing:

- (i) Warrant number and date.
- (ii) Station from which shipment was dispatched.
- (iii) Destination station of shipment.
- (iv) Commodity (General).
- (v) Number of wagons and total tons shown on that warrant.
- (vi) Date delivered.

PERSONNEL:

8. "General Railway Warrants", standard army form AB 494a, will be used for the movement of any AMG or ACC personnel authorized to travel by railway, free of charge. Such warrants will be also used for any civilians who are required to travel by train, free of charge, for AMG or ACC purposes.

9. The AMG or ACC office authorizing the movement will be responsible for the issuance and recording of the warrant, which will be accomplished as follows:

10. A warrant will be issued in triplicate for each movement. Each set of warrants will be numbered consecutively by the issuing office. They will be prepared to show the full information on the form, and as explained in Appendix "A" hereto.

11. Copy No. 1 will be handed to the railway stationmaster.

Copy No. 2 will be handed to the traveller or C.C. party, in lieu of a ticket and will be given up to the railway stationmaster at destination.

Copy No. 3 will be retained by the issuing office.

12. On the 1st. and 16th. of each month the issuing office will send the No. 3 copies of all warrants issued during the preceding semi-monthly period to Internal Transportation Sub-Commission, ACC, c/o Mov. & Tr., ABHQ Adv. Adm. Ech. CEF, which copies will be accompanied by an abstract thereof, showing:

- (i) Warrant number and date.
- (ii) From.
- (iii) To
- (iv) Number of persons transported.

10. A warrant will be issued in triplicate for each movement. Each set of warrants will be numbered consecutively by the issuing office. They will be prepared to show the full information on the form and is explained in Appendix "A" hereto.

11. Copy No. 1 will be handed to the railway stationmaster.

Copy No. 2 will be handed to the traveller or O.G. party, in lieu of a ticket and will be given up to the railway stationmaster at destination.

Copy No. 3 will be retained by the issuing office.

12. On the 1st. and 16th. of each month the issuing office will send the No. 3 copies of all warrants issued during the preceding semi-monthly period to Internal Transportation Sub-Commission, ACC, c/o Mov. & Tr., AFHQ Adv. Adm. Sec. FCT, which copies will be accompanied by an abstract thereof, showing:

- (i) Warrant number and date.
- (ii) From.
- (iii) To
- (iv) Number of persons transported.

GENERAL:

13. Provisions of this memorandum will be effective on and from 1st. March, 44, and supercedes para 10 of ACC Gm. Memorandum No. 1 dated 10 December, 1943.

14. Initial supply of the warrant forms will be obtained from the representatives, Internal Transportation Sub-Commission at the following places:

- c/o Mov. & Tr., AFHQ Adv. Adm. Sec. - CTF.
- c/o Mov. Reggio.
- c/o Mov. Poggia.
- c/o Mov. District No. 2. Bari.
- c/o HQ, Region 1 - Palermo.
- c/o HQ, Region 2 - Viterbo.
- c/o HQ, Region 3 - Naples.
- Transportation Officer - Region 4.
- Transportation Officer - Region 6.

Requests for additional copies should be made through the regional offices listed above.

15. Attention is called to the last sentence of PART I, namely: "It is expected that most traffic arranged by AM/ACC will move under tariff charges".

D.S. ADAMS.

APPENDIX "A".

Explanatory notes concerning information
required on Warrants (Forms 13 4971 and 4974).

1. Most of the information required is clearly indicated by the forms. To insure uniformity and that all essential information will be provided, treatment of possibly confusing entries on the forms will be as follows :

(a) Freight Manifest - Form 13 4971.

Lines 1 and 2, styled "Transporter's' executor per train" and "For movement by _____": Either or both lines are to be used to show identification of train on which it is intended movement shall be despatched, by title or description of train and date on which despatch is expected.

Line 3 - "From" - show actual station name, as "Naples - Central Station". "To" show actual station name, as Bari - XY3 station.

Line 4 - "Loading point" and "Delivery point". This will generally be the same as line 3. Where, however, the loading or unloading point has a distinct location identification it should be shown.

Columns 1, 2, 4 and 5 are self explanatory.

Columns 3 and 7 are not required.

Column 6 "Actual gross weight" means weight of consignment.

The line "Signed - HTO" is for signature and title of issuing officer, and the corresponding date line is for the date the warrant is handed in to the stationmaster.

The line marked "Chef de gare" is for signature of stationmaster and the corresponding date lines is for actual date signed.

Distribution of copies of warrants will be as shown in Memorandum and NOT be shown in printed instructions on the form.

Line 3 - "From" - show actual station name, as "Naples - Central Station". "To" show actual station name, as Bari - XY3 station.

Line 4 - "Loading point" and "Delivery point". This will generally be the same as line 3. Where, however, the loading or unloading point has a distinct location identification it should be shown.

Columns 1, 2, 4 and 5 are self explanatory.

Columns 3 and 7 are not required.

Column 6 "Actual gross weight" means weight of consignment.

The line "Signed - HTO" is for signature and title of issuing officer, and the corresponding date line is for the date the warrant is headed in to the stationmaster.

The line marked "Chef de Gare" is for signature of stationmaster and the corresponding date lines is for actual date signed.

Distribution of copies of warrants will be as shown in Memorandum and NOT as shown in printed instructions on the form.

The back of the form is not to be filled in.

(b) GENERAL RAILWAY WARRANT - FORM 43 494 A (for personnel).

Lines 1 and 2 and the line "Signed - HTO" are to be used the same as shown for corresponding lines under (a) above.

The signature of stationmaster is not required.

4603

DISTRIBUTION.

MGS Adv. Naples
 Main HQ, ACC., Naples.
 Rear HQ, ACC., Salerno.
 HQ, No. 2 District.
 Commanding General PES.
 Economic Section, Main HQ, ACC., Naples.
 HQ, Region I (Sicily).
 " " III Matera.
 " " IIII Naples.
 " " IV Naples.
 " " V Campobasso.
 " " VI Sardinia.

Movements, AFHQ, Adv. Adm. Ech., for distribution as under :- (25)

Mov E Italy	Mov Railroad Sub-Area (Vasto)
Mov W Italy	Mov Rear 8 Army
Mov Taranto	Mov Main 8 Army
Mov Bari	Mov Crotono
Mov Barletta	Mov Torre Annunziata
Mov Brindisi	Mov Castellammare
Mov Reggio	Mov Naples
Mov Foggia	Mov Salerno
	Mov ACME

Transportation Officer, PES Naples.
 DGAFS Naples.

Internal Transportation Sub-commission, ACC.
 Shipping Sub-commission, ACC.
 Food Sub-commission, ACC.
 Industry & Commerce Sub-commission, ACC
 Public Works & Mines Sub-commission, ACC
 Agriculture Sub-commission, ACC
 Civilian Clothing Commission.
 Displaced Persons Sub-commission, ACC.
 Education Sub-commission, ACC.
 Electric Power Mission.
 Finance Sub-commission, ACC.
 Industrial Planning Staff.
 Labour Sub-commission, ACC.
 Legal Sub-commission, ACC
 Monuments & Fine Arts Sub-commission, ACC.
 Operations & Security Intelligence.

Mov Brindisi
 Mov Reggio
 Mov Foggia
 Mov Castellana
 Mov Naples
 Mov Salerno
 Mov ACME

Transportation Officer, TBS Naples.

DGMRB Naples.

Internal Transportation Sub-commission, ACC.

Shipping Sub-commission, ACC.

Food Sub-commission, ACC.

Industry & Commerce Sub-commission, ACC

Public Works & Mines Sub-commission, ACC

Agriculture Sub-commission, ACC

Civilian Clothing Commission.

Displaced Persons Sub-commission, ACC.

Education Sub-commission, ACC.

Electric Power Mission.

Finance Sub-commission, ACC.

Industrial Planning Staff.

Labour Sub-commission, ACC.

Legal Sub-commission, ACC

Monuments & Fine Arts Sub-commission, ACC.

Operations & Security Intelligence.

Public Health Sub-commission, ACC.

Telecommunications & Postal Sub-commission, ACC.

MEDEO

ACC Transportation Sub-commission Rep c/o Mov East Italy c/o HQ. Reg II.

Mov West Italy c/o HQ. Reg III.

Mov Reggio (Calabria) - Tpn. Officer Reg 4

Mov Foggia Sub-area. - " " " 6

Mov No. 2 District (Bari)

Mov No. 2 District (Bari)

Undersecretary of State for Italian Railways & Highways, Naples.

D.C.A.O. AFHQ Adv. Adm. Ech.

D.D.C.A.O. " " " "

"Q" Branch " " " "

G-4 " " " "

D.A.M.G. " " " "

D/COT " " " "

D.D. Tn " " " "

H.Q., ACME (for Favour of issue to AMG Armies).

H.Q., 6th. Army.

Commanding General 5th. Army.

Lt.Col. C.H. Lindberg, (Int. Th. S.C. Representative at ACC Palermo).

Hq., No. 3 District.

ALLIED FORCE HEADQUARTERS
ADVANCE ADMINISTRATIVE SECTION
CENTRAL ECONOMIC COMMITTEE

18 January 1944

SUBJECT: Railway Labor.

TO : Chief Executive, Central Economic Committee

1. The following is submitted in accordance with your memorandum dated 30 December 1943. The memorandum requests that:

a. Wage rates for railway workers be made uniform throughout occupied portions of the Italian Mainland;

b. War indemnities be eliminated in those areas where conditions no longer warrant their payment, and that this be considered in establishing uniform wage rates.

c. The necessary investigation be made and directives prepared to implement the foregoing.

2. Reference 1 (a) above. Investigation disclosed that the question of railway workers' wages was raised initially by Sig. G. di Raimondo, Under-Secretary of State for Communications, in a memorandum to General Gray dated 11 December 1943. The Secretary asked specifically that the wage increase approved by the Italian Government for all workers in Apulia be extended to the railway employees of Naples, Reggio, Calabria and Sardinia. The request that the increase be extended to the areas mentioned has already been met. (No information is available re Sardinia.) Uniform percentage increases have been granted to all government employees and authorized for all private employees in Regions I, II, III and IV, and Apulia. The same increases will be uniformly directed and authorized in forward areas as occupied.

3. Reference 1 (b) above. War indemnities should not be eliminated without at the same time making an equitable adjustment in wage structure. Present indemnities should be continued until such time as the entire Italian wage structure can be examined and revised. Such a project will require revision not only of railway wages, but of wages of all State employees since they all depend upon the same basic legislation. Revision can be accomplished without substantial change in the total amount of wages paid, but there are certain practical problems which must be considered before proceeding. Italian civilian specialists and the Italian Ministry of Labor should be utilized, and information procured as to whether or not any basic wage structure revisions have been effected in Unoccupied Italy; and at least 2 to 3 months must be set aside for the job. Since the Italian Government and Allied Control Commission contemplate joint basic wage revision study, it is suggested that C.E.C. assure uniformity and equity in current rates of pay, but leave the long term job revision to them.

4. In view of the foregoing, and the recent C.E.C. Directive to ASD/ACC that wage changes should not be made without prior approval by C.E.C., it is recommended that no further action be taken at this time regarding the questions raised above.

DAM/tbw

36.3

DAVID A. MORSE, 4608
Capt., A.C.,
Labor

34

5-17

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
ECONOMIC DIRECTORATE
APO 512

Gift Plenum Lgt
Probed for next CEC
meeting 11

ED/JET/pjm

11 January 1944

ED/39

SUBJECT: Uniform Freight Charges

TO : Chief Executive, Central Economic Committee

1. Receipt is acknowledged of your letter, subject as above, dated 8 Jan. 44.
2. We will have an answer for you on or before Friday of this week.

D. S. Adams

D. S. ADAMS
Colonel, C. E.
Chief Staff Officer

OK to file?
yes
L80

36.3

4605

0 7 8 6
Allied Force
CENTRAL ECONOMIC COMMITTEE
APO 400

5-15
8 January 1944

SUBJECT: Uniform Freight Charges.

TO: Chief, Headquarters AGC.

1. Reference is made to message FA 739/5th from AGC 15th Army Group, dated 5 January 1944.
2. It is requested that the report and recommendations of the Economic Directorate with reference to the problems of freight charges in the occupied portion of the Italian mainland be submitted to the Central Economic Committee as soon as their study is complete.
3. Please acknowledge and advise the date upon which the report can be expected.

For the Committee:

Q9A.
A. I. HENDERSON,
Lt. Col., A. U. S.,
Chief Executive,
Central Economic Committee.

4604

Internal Transportation Sub Commission, ACC.,
c/o Gov & Tn.,
AFHQ Advanced Administrative Echelon,
C.M.F.

Our reference : ACC Tn/30/47

Date : 10 Jan 44.

TO : Central Economic Committee.

SUBJECT : Freight rates schedules.

1. Reference yours CEC/230 dated 8 Jan 44 (received 10 Jan 44).

2. An application has been made by the Italian Undersecretary of State for Railways and Highways for authority to increase freight rates 100%. The application is being examined at H.Q., AMG. It has not yet been seen by this Sub Commission and no information can therefore be given of the grounds on which the application is made. Until this Sub Commission has further knowledge of the application it would prefer not to express any firm opinion on the matter.

3. Subject to the foregoing reservation the following comments are submitted on the two points in your letter :-

(i) The pre-occupation freight rates should remain effective for the time being. No local or regional adjustments should be made. Any change which may be decided upon after examination of the application by all concerned should be effective, from a common date, in the whole of occupied territory, including Sicily and Sardinia.

(ii) Railway freight rate schedules are complicated and voluminous. At this stage it is, therefore, not recommended that the Italians be requested to supply copies. It can be assumed without undue risk that the structure of their pre-occupation basic freight rate schedules were reasonable. If their application for an increase is considered by all concerned to be justified it would be preferable to apply a flat rate increase, rather than attempt to discriminate between the rates for various commodities or articles.

application is made, Until this Sub Commission has further knowledge of the application it would prefer not to express any firm opinion on the matter.

3. Subject to the foregoing reservation the following comments are submitted on the two points in your letter :-

(i) The pre-occupation freight rates should remain effective for the time being. No local or regional adjustments should be made. Any change which may be decided upon after examination of the application by all concerned should be effective, from a common date, in the whole of occupied territory, including Sicily and Sardinia.

(ii) Railway freight rate schedules are complicated and voluminous. At this stage it is, therefore, not recommended that the Italians be requested to supply copies. It can be assumed without undue risk that the structure of their pre-occupation basic freight rate schedules were reasonable. If their application for an increase is considered by all concerned to be justified it would be preferable to apply a flat rate increase, rather than attempt to discriminate between the rates for various commodities or articles.

If it transpires that some comparative rate figures (pre-occupation rates compared with proposed rates) are desirable, the Italians can be requested to furnish samples of representative rates for selected commodities and articles, between specified points.

This Sub Commission has no official knowledge of freight rates having been increased since the occupation and is not aware that any increases have been authorised. In this connection it would be as well to request the Italians to give particulars of any cases where freight rates have been increased. They should also be asked to state on what authority any such increases were made and to give full reasons in justification.

Spk
Chief of Internal Transportation Sub Commission, ACC.
Colonel,

Copy to :-
X H.Q., AMG.
X H.Q., ACC (for Capt. Stone).
X together with copy of letter from C.I.C. dated 6 Jan 44 (CIC/230).

3613

Internal Transportation Sub-Commission, AXC..
C/o Gov & Th..
AFHQ Advanced Administrative Echelon,
C.M.F.

Our reference : ACC TA/30/38

Date : 6 Jan 44.

TO : HQ., AMG.
Naples.

SUBJECT: Proposed to increase Italian Railway passenger fares - Sicily.

1. (a) Letter dated 2 Jan 44 from AQMG(M) No. 1 District to this Sub-Commission states "Official application is made to you (i.e. this Sub-Commission) to implement para 12 of the Minutes of the Transportation Committee, Sicily (Rail). This is to say that fares should be increased by 3 times the present figure mentioned."

(b) The Minute concerned reads :

"12. CIVILIAN PASSENGER TRAFFIC - PROVISION OF GUARDS AND INCREASE IN FARES.

Col. ADAMSOK, addressing the Committee, said that he had just returned from a tour of the Railways and was extremely perturbed by the dangerous way in which civilians were allowed to ride on the roofs and buffers of carriages and even on the engines. He was also convinced that civilians were using the passenger services on a large scale for feeding the Black Market. He urgently recommended the trebling of civil passenger fares and the provision of guards on passenger trains. He had already arranged for military guards to travel on freight trains. Lieut. Col. PHILLIP stated that military guards were already provided on freight trains in No. 1 District. Capt. MINARD, referring to the provision of guards on passenger trains, stated that this was already in hand. An organisation was being formed to replace the pre-invasion Railway Militia, and this would be ready to function on 10 Jan 44.

The question of the increase in fares was put to the meeting, and the Committee agreed that application should be made for the present ordinary passenger fares of 33 centimes per kilometre II Class and 20 centimes per kilometre III Class to be trebled. Capt. MINARD requested that a system of season tickets be introduced, and it was agreed that this should be investigated."

The Italian Government has made application for passenger

Col. ADAMS, addressing the Committee, said that he had just returned from a tour of the Railways and was extremely perturbed by the dangerous way in which civilians were allowed to ride on the roofs and buffers of carriages and even on the engines. He was also convinced that civilians were using the passenger services on a large scale for feeding the Black Market. He urgently recommended the trebling of civil passenger fares and the provision of guards on passenger trains. He had already arranged for military guards to travel on freight trains. Lieut. Col. PHILIP stated that military guards were already provided on freight trains in No. 1 District. Capt. MINARD, referring to the provision of guards on passenger trains, stated that this was already in hand. An organization was being formed to replace the pre-invasion Railway Militia, and this would be ready to function on 10 Jan 44.

The question of the increase in fares was put to the meeting, and the Committee agreed that application should be made for the present ordinary passenger fares of 33 centimes per kilometre II Class and 20 centimes per kilometre III Class to be trebled. Capt. MINARD requested that a system of season tickets be introduced, and it was agreed that this should be investigated."

2. As you are aware the Italian Government has made application for passenger fares on the mainland to be increased by 100%. This matter is being dealt with by the Central Economic Committee (Italian mainland), who, at their Meeting on 27 Dec 43 postponed consideration of the question until further data had been produced.

Whatever the ultimate decision may be for the mainland, it is considered essential that a consistent policy be adopted for the whole of occupied territory, including Sicily.

3. It is also considered that no increase of fares should be agreed merely on the grounds put forward in the Minute in question, and that any application for increased fares must be made by the Italian Authorities and be supported by their full reasons in justification.

The difficulties being experienced in Sicily on account of gross overcrowding of trains and lack of control at entraining points, must be remedied by other means, such as the introduction by the Italian Authorities, under the direction of A.M., of a strict permit system and proper supervision and police control.

- 2 -

4. Subject to your approval, it is proposed to reply to the APPD(M) No. 1 District accordingly. Please instruct early.
5. In order to insure a consistent policy regarding increased railway fares and such like matters, it is recommended that the appropriate Committee or organization for dealing with such applications be invited to meet within its scope.

ended

White
Chief of Internal Transportation Sub-Committee, ACC. Colonel.

Copy to:
Hq. ACC (for Capt. Smith)
Central Records Committee - (for information).

Declassified E.O. 12356 Section 3.3/NND No. 785016

4601

Internal Transportation Sub-Commission, ACC.,
c/o Mov & Tr.
ATA Advanced Administrative Echelon
C.N. F.

Our reference : ACC Tr/30/37

Date : 5 Jan 44.

To : Central Economic Committee,
NAPLES.

SUBJECT: Proposed increase in passenger fares - Italian Railways.

1. Reference your request dated 30 Dec 43.

2. It has not been possible to obtain the whole of the additional data required. That which is available and the present position as regards the enquiries which are being made in those cases where the information is incomplete are summarized below:-

(a) Present average rate per passenger mile (in occupied territory).
The pre-occupation passenger fares comprised two different kinds of rates (up to 400 Km. and over 400 Km.), each with three different fares according to class (first, second, and third). There were, therefore, 0,149 lire. From this it will be seen that any "average" fare or rate might prove very misleading.

Bearing in mind the types of trains which are now running and the classes of passengers which are using them, it can be taken that the predominant fare actually in use is 0,216 lire per km.

(b) Approximate monthly increase in revenue under the proposed rates, based on agreed Basic Schedule for passenger trains.

Owing to disorganisation caused by war conditions coupled with the difficulties associated with poor communications, it will be appreciated that centralised records of the Italian State Railways are practically non-existent. The Italian authorities are endeavouring to secure as much information as possible and will communicate with us as soon as the information can be gathered.

(c) Comments on probable reduction in passenger traffic as a result of the proposed tariff increases.

Although the existing predominant fare of 0,216 lire per km, is very low, based on the present purchasing power of the lire, there is no doubt that an increase of 100% as requested by the Italian Government would have the effect of reducing appreciably the volume of traffic now presenting itself for travel.

(d) Any other pertinent data at hand supporting the proposed increase.

prove very misleading.

Bearing in mind the types of trains which are now running and the classes of passengers which are using them, it can be taken that the predominant fare actually in use is 0,216 lire per km.

(b) Approximate monthly increase in revenue under the proposed rates, based on agreed Basic Schedule for passenger trains.
Owing to disorganisation caused by war conditions coupled with the difficulties associated with poor communications, it will be appreciated that centralised records of the Italian State Railways are practically non-existent. The Italian authorities are endeavouring to secure as much information as possible and will communicate with us as soon as the information can be gathered.

(c) Comments on probable reduction in passenger traffic as a result of the proposed tariff increases.

Although the existing predominant fare of 0,216 lire per km, is very low, based on the present purchasing power of the lire, there is no doubt that an increase of 100% as requested by the Italian Government would have the effect of reducing appreciably the volume of traffic now presenting itself for travel.

(d) Any other pertinent data at hand supporting the proposed increase.
The chief points put forward by the Italian Government in support of the application are wage increases, effective 1 Dec 43, amounting to approximately 60% and increased costs in essential materials which have also risen appreciably.

Those responsible for the financial position of the Italian Railways feel bound, therefore, to follow normal business methods and suggest means of reconciling expenditures to revenues.

Copy to:
HQ., ACC (for Capt Stone)
HQ., AMC.

(Signed) Colonel
Internal Transportation Sub-Commission, 4500

Internal Transportation Sub-Commission, ACC.,
C/o Mov & Tr.,
AFHQ Advanced Administrative Echelon,
C.M.F.

Our reference : ACC Tr/30/37

Date : 5 Jan 44.

TO : Central Economic Committee,
NAPLES.

SUBJECT: Proposed increase in passenger fares - Italian Railways.

1. Reference your request dated 30 Dec 43.

2. It has not been possible to obtain the whole of the additional data required. That which is available and the present position as regards the enquiries which are being made in those cases where the information is incomplete are summarised below :-

(a) Present average rate per passenger mile (in occupied territory).

The preoccupation passenger fares comprised two different kinds of rates (up to 400 km. and over 400 km.), each with three different fares according to class (first, second, and third). There were, therefore, six different fares per kilometer and these ranged from 0,552 lire to 0,149 lire. From this it will be seen that any "average" fare or rate might prove very misleading.

Bearing in mind the types of trains which are now running and the classes of passengers which are using them, it can be taken that the predominant, ^{fare} actually in use is 0,216 lire per km.

(b) Approximate monthly increase in revenue under the proposed rates, based on agreed Basic Schedule for passenger trains.

Owing to disorganisation caused by war conditions coupled with the difficulties associated with poor communications, it will be appreciated that centralised records of the Italian State Railways are practically non-existent. The Italian authorities are endeavouring to secure as much information as possible, and will communicate with us as soon as the information can be gathered.

(c) Comments on probable reduction in passenger traffic as a result of the proposed tariff increases.

Although the existing predominant fare of 0,216 lire per km. is based on the present running power of the line, there is no

(a) Present average rate per passenger mile (in occupied territory).

The preoccupation passenger fares comprised two different kinds of rates (up to 400 km. and over 400 km.), each with three different fares according to class (first, second, and third). There were, therefore, six different fares per kilometer and these ranged from 0,552 lire to 0,149 lire. From this it will be seen that any "average" fare or rate might prove very misleading.

Bearing in mind the types of trains which are now running and the classes of passengers which are using them, it can be taken that the predominant, ^{fare} actually in use is 0,216 lire per km.

(b) Approximate monthly increase in revenue under the proposed rates, based on agreed Basic Schedule for passenger trains.

Owing to disorganisation caused by war conditions coupled with the difficulties associated with poor communications, it will be appreciated that centralised records of the Italian State Railways are practically non-existent. The Italian authorities are endeavouring to secure as much information as possible, and will communicate with us as soon as the information can be gathered.

(c) Comments on probable reduction in passenger traffic as a result of the proposed tariff increases.

Although the existing predominant fare of 0,216 lire per km. is very low, based on the present purchasing power of the lire, there is no doubt that an increase of 100% as requested by the Italian Government would have the effect of reducing appreciably the volume of traffic now presenting itself for travel.

(d) Any other pertinent data at hand supporting the proposed increase.

The chief points put forward by the Italian Government in support of the application are wage increases, effective 1 Dec 43, amounting to approximately 60% and increased costs in essential materials which have also ^{given} ~~been~~ appreciably.

Those responsible for the financial position of the Italian Railways feel bound, therefore, to follow normal business methods and suggest means of reconciling expenditures to revenues.

W. K. K. Colonel,
Internal Transportation Sub-Commission, ACC.

Copy to:
HQ., ACC (for Capt. Stone)
HQ., AMG.

CENTRAL ECONOMIC COMMITTEE
APC 400

30 December 1945

SUBJECT: Proposed Increase in Passenger Tariffs, Italian State Railways.

TO : Chief of Internal Transportation Sub-Commission, ACC.

1. Minute No. 5 of the meeting of the Central Economic Committee held 27 December 1945 reads in part as follows: "Consideration of the proposed increase of passenger tariffs (Italian State Railways) was postponed until the next Committee meeting because of inadequate information produced in support of the proposal.

2. You are directed to prepare by 5 January 1946 for submission to the Committee at its next meeting additional data in support of the proposal including the following points:

- a. Present average rate per passenger mile (in occupied territory).
- b. Approximate monthly increase in revenue under the proposed rates, based upon agreed basic schedule for passenger trains.
- c. Comments on probable reduction in passenger traffic as a result of the proposed tariff increases.
- d. Any other pertinent data at hand supporting the proposed increase.

For the Committee:

A. I. HENDERSON,
Lt. Col., A.U.S.,
Chief Executive,
Central Economic Committee.

proposed increase of passenger tariffs (Italian State Railways) was postponed until the next Committee meeting because of inadequate information produced in support of the proposal.

2. You are directed to prepare by 5 January 1944 for submission to the Committee at its next meeting additional data in support of the proposal including the following points:

- a. Present average rate per passenger mile (in occupied territory).
- b. Approximate monthly increase in revenue under the proposed rates, based upon agreed basic schedule for passenger trains.
- c. Comments on probable reduction in passenger traffic as a result of the proposed tariff increases.
- d. Any other pertinent data at hand supporting the proposed increase.

For the Committee:

A. I. HENDERSON,
Lt. Col., A.U.S.,
Chief Executive,
Central Economic Committee.

4598

Internal Transportation Sub-Commission, ACC
C/o Mov & Tn.,
AFHQ Advanced Administrative Echelon,
C.M.F.

Our reference : ACC Tn 30/12

Date : 24 Dec 43.

TO Military Government Section, Advance,
APO 400.

SUBJECT : Proposed changes in Railway Tariffs.

1. Reference your Memorandum dated 15 Dec 43 under reference MGSA 36 and attached document number 251 from Gen. di Raimondo.
2. Passenger Fares: It is recommended that the application for an increase in railway passenger fares of 100% be approved and made effective in all occupied territory of the mainland of Italy on and from 1 Jan 44, for the following reasons:

- (a) Such an increase has already been approved for the portion of Puglia under ACC control, and it follows therefore, that similar treatment should be accorded to the remainder of the occupied territory.
- (b) The present passenger fare rates are low. This fact, coupled with the financial effect of the wages increase which has been authorized justifies the application.

3. The above recommendation regarding passenger fares has been approved by HQ ACC. They consider the effective date for the increase should be the same for the whole of the occupied territory of the mainland, and pending a decision they have requested the Italian Government to withhold issuance of rates increase for the four ACC provinces of Puglia. I am requested to advise them of the decision and effective date as regards territory now under consideration so that the same date can apply throughout. Please enable me to do this.

4. Freight Rates: This subject is much more complicated and far reaching because, for example its effect on prices, including those of essential commodities. In these circumstances, and as no specific proposals have yet been received from Gen. di Raimondo, it is recommended that no changes be made for the present. If and when any increase is proposed, it will be necessary for the Italian authorities to furnish evidence of reasonableness and necessity.

(a) Such an increase has already been approved for the portion of Puglia under ACC control, and it follows therefore, that similar treatment should be accorded to the remainder of the occupied territory.

(b) The present passenger fare rates are low. This fact, coupled with the financial effect of the wages increase which has been authorized justifies the application.

3. The above recommendation regarding passenger fares has been approved by HQ ACC. They consider the effective date for the increase should be the same for the whole of the occupied territory of the mainland, and pending a decision they have requested the Italian Government to withhold issuance of rates increase for the four ACC provinces of Puglia. I am requested to advise them of the decision and effective date as regards territory now under consideration so that the same date can apply throughout. Please enable me to do this.

4. Freight Rates: This subject is much more complicated and far reaching because, for example its effect on prices, including those of essential commodities. In these circumstances, and as no specific proposals have yet been received from Gen. di Raimondo, it is recommended that no changes be made for the present. If and when any increase is proposed, it will be necessary for the Italian authorities to furnish evidence of reasonableness and necessity.

W. E. Stone
Colonel,
Chief of Internal Transportation Sub-Commission, ACC.

COPY TO
HQ ACC (for Capt. E.W. Stone).

4567

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
APO 754

Capt Plummer
In CEC
accty file
if

AMG/CS/16

Subject. Proposal to increase Italian passenger fares
in Sicily.

To. Internal Transportation Sub-commission.

From. Communications Section.

Date. January 5, 1944.

1. Reference your A.M.C. In./30/35 of January 5,
1944, your proposals have been approved by the Deputy
Chief of Staff (C. and S.) as follows:

(a) It is agreed that the reasons given by the
Transportation Committee, Sicily, (Mail) do not justify
the proposed increase in fares.

(b) It is agreed that the policy of increasing
fares should be uniform throughout Italy (Mainland and
Sicily).

2. Approval, as asked for in para. 4, your letter,
is therefore given to your proposed reply.

3. Your recommendation that increases of fares in
Sicily be dealt with by the case Committee as the Italian
Mainland has been forwarded for approval.

For Vice President

M. Day

Copies to.

1. A.M.C. (for Capt. Stonor)
2. Central Economic Committee - (for information)
File

0 8 0 2
Allied Forces
CENTRAL ECONOMIC COMMITTEE
APO 400

8 January 1944

SUBJECT: Uniform Freight Charges.

TO: Chief, Headquarters AMG.

1. Reference is made to message EA 739/5th from AMG 15th Army Group, dated 5 January 1944.
2. It is requested that the report and recommendations of the Economic Directorate with reference to the problems of freight charges in the occupied portion of the Italian mainland be submitted to the Central Economic Committee as soon as their study is complete.
3. Please acknowledge and advise the date upon which the report can be expected.

For the Committee:

A. I. HENDERSON,
Lt. Col., A. U. S.,
Chief Executive,
Central Economic Committee.

36.3

4535

AFHQ ADVANCED ADMINISTRATIVE BOHELOV
Military Government Section, Advance
APO 400

JAT/no

MGSA 36

15 December 1943

MEMORANDUM FOR: Internal Transportation Sub-Commission
AFHQ Adv Admin Ech.

SUBJECT: Proposed Changes in Railway Tariffs.

1. Your attention is invited to the attached memorandum from General di Raimondo to the DCMR which recommends an increase in passenger fares.
2. It is requested that you investigate this proposal to determine what changes, if any, in railway tariffs in Occupied Italy are desirable. It is also suggested that your inquiry include freight rates as well as passenger fares.
3. Please inform this office of your action taken in order that the request in the DD/GAOs memo of 13 December may be complied with.

J. A. TODD,
Major, A. C.,
Chief, MGS Advance.

Incl.

Copy. Ltr. No. 251
Ministero delle Comunicazioni,
to General Gray, 12 Dec. 43.

*Copy only
matter between
the horizontal lines.*

4594

36.3

Copy
251
MGS 36-1580
Reply

A. F. H. Q.
ADVANCE ADMINISTRATIVE ECHELON
(U.S. Contingent)(Prov)
APO 400

ALH/el
13 December 1943

MEMORANDUM: For MGS (Major Jodd)
SUBJECT : Economic Conditions Italian Railways

There is attached hereto a letter from the DGMR dated 12 December 1943 with three enclosures and my answer thereto.

It is requested that you take steps to secure consideration of document 251 by ACC/AMG as early as practicable and that I be informed as to the results of such consideration.

[Signature]
Bryant
to

Major-General.
Deputy Chief Administrative Officer.

Inclosures

- Ok [Signature]*
✓
1. Document number 251
 2. Document number 253
 3. Document number 254
 4. Copy of reply to DGMR

36.3

4593

[Signature]
Major Walker
101

A. F. H. Q.
ADVANCE ADMINISTRATIVE ECHELON
(U.S. Contingent)(Prov)
A.P.O. 400

ALH/ja
13 December 1943

MEMO TO: DMR.

SUBJECT: Economic Condition Military Railways.

1. Reference is made to your letter of 12 December 1943, above subject, enclosing three communications from the Italian Minister of Communications.

2. Document number 251 having to do with increased tariff has been referred to the Military Government Section for consideration by the Allied Control Committee and the Allied Military Government. You will be informed when decision is reached.

3. The action requested in document number 253 has already been accomplished except in Foggia and will shortly be in effect there.

4. As the increases in wages authorized by document number 253 are in effect from 1 November 1943 no necessity for the measure recommended.



Major-General,
Deputy Chief Administrative Officer.

Inlosures-

1. ~~Document number 251~~
2. ~~Document number 253~~
3. ~~Document number 254~~

Ministero delle Comunicazioni
SOTTOSEGRETARIATO DI STATO
per le Ferrovie, Motorizzazioni Civili e Trasporti in Comune
-----00000-----

n° 251 of prot. *Leg.*

December the 12th, 1943

CONCERN: Rates rise.-

MEMORANDUM to General Gray.

~~~~~

1°)- The rates for the passenger and freight transport, actually in force on the State Railway has been issued in January 1940.

The rates system accepted in Italy result from the short enclosed report. It is based on the Belgian system which, as known, has been adopted by the majority of the European Countries.

2°)- In four years the price of all goods, of handicraft and of every other service has suffered a very great rise.

That is consequence of the war, which have produced a consume rise and a principal materials rarefaction.

That is a result, common to all conflicts.

3°)- The State Railway administration could till now satisfy the own budget needs with the profits proceeding from the great number of military transports effected for military needs, the amount of which was payed by the war Ministry.

Leaving off the operations, since the armistice, the profits nearly vanished not only consequently to the strong request reduction but, over all, because the train circulation in great part has ceased after the destruction of installations.

1°)- The rates for the passenger and freight transport, actually in force on the State Railway has been issued in January 1940.

The rates system accepted in Italy result from the short enclosed report. It is based on the Belgian system which, as known, has been adopted by the majority of the European Countries.

2°)- In four years the price of all goods, of handicraft and of every other service has suffered a very great rise.

That is consequence of the war, which have produced a consume rise and a principal materials rarefaction.

That is a result, common to all conflicts.

3°)- The State Railway administration could till now satisfy the own budget needs with the profits proceeding from the great number of military transports effected for military needs, the amount of which was payed by the war Ministry.

Leaving off the operations, since the armistice, the profits nearly vanished, not only consequently to the strong request reduction but, over all, because the train circulation in great part has ceased after the destruction of implantations and lines.

To that, the risen cost of the materials and of the salaries for the staff working on repair yards for private firms, has to be added, so that the difference between import and expense has always become higher.

4°)- It is also to consider that, while the number of trains has decreased, the number of passengers increased. These people, being in the impossibility to miss, for many reasons, the transfer from a locality to another, are obliged, for want of auto-transports, to use only the railway lines.

The few trains for which you give the authorization to run, General, are therefore taken by storm.

/...

I do not hide my and the Italian Governments great preoccupation for the painful situation of thousands of families which live in the greatest unhappiness, which do not receive news from their owns and which wander from a place to another to find a little tranquillity and a minimum of food-supplies.

50)- To regulate a little part of the actual deficit and to reduce, at least partially, the passenger number in the trains, the Italian Government has approved a rates rise which can rejoin at maximum the 100 % in regard to the rates in force since 1940.

It would be right, now, if the rise in question could be extended to all lines which are free from the German occupation, excluding naturally Sicily.

I am sure that you, who are a master in transports things, will perceive that necessity and that you will permit to extend the measure also to the Departments of Naples, Reggio Calabria and Sardegna.

THE UNDERSECRETARY OF STATE  
sig. G. di Raimondo

Ministero delle Comunicazioni  
SOTTOSEGRETARIATO DI STATO  
per le Ferrovie, Mobilità Civile e Trasporti in Conc.  
-----000000-----

*N. 253* *but. leg.*

december 11<sup>th</sup>, 1943

CONCERN: Economical measures in behalf of the pay-list and not pay-list employees of the State Railway.--

Memorandum to General Gray.

\*\*\*\*\*

With measure of the Italian Government, taken behind the consent of the Allied Control Commission, the allowances and the salaries of all civil and military personnel, being on the pay-lists or not, has been increased.

This measure reaches, as known, only the provinces of Apuglia which are under the direct control of the Italian Government itself.

The entity of the increasing results on the enclosed sheet and its starting has been established from the 1<sup>st</sup> november 1943.

You certainly know, General, the great economical difficulties in which is fallen the civil population on account of the life-cost and of the scarcity of food-supplies.

These difficulties are rather enough augmented by the presence in all the provinces which are already free from the german occupation of a considerable number of allied troops which, having a great quantity of money, can afford to buy everything they want occasioning a great rising of the prices.

It should be wanted that, with your consent, the economical measures already approved by the Italian Minister of Economy

~~~~~  
With measure of the Italian Government, taken behind the consent of the Allied Control Commission, the allowances and the salaries of all civil and military personnel, beeing on the pay-lists or not, has been increased.

This measure reaches, as known, only the provinces of Apuglia which are under the direct control of the Italian Government itself.

The entity of the increasing results on the enclosed sheet and its starting has been established from the 1st november 1943.

You certainly know, General, the great economical difficulties in which is fallen the civil population on account of the life-cost and of the scarcity of food-supplies.

These difficulties are rather enough augmented by the presende in all the provinces which are already free from the german occupation of a considerable number of allied troops which, having a great quantity of money, can afford to buy everything they want occasioning a great rising of the prices.

It should be wanted that, with your consent, the economical measures already approved by the italian Minister Beard would be extended also to the Railway employees of the Departments of Naples, Reggio Calabria and Sardegna.

Consequently all reasons of discontent deriving from a different treatment would be eliminated.

The augmentation to correspond to each agent according to the disposition approved by the Italian Government is by about 1300 lire monthly for gross allowance and 1170 lire for net allowance.

In base to the number of employees actually on the lists the complexive monthly net amount of the increases is nearly the following:

→ 10) - Department of Naples

15000 x 1170 = L. 17.550.000

L. 47.550.000

./...

report L. 17.550.000

2°) - Department of Reggio Calabria

6000 x 1170 = L. 7.020.000 L. 7.020.000

3°) - Department of Cagliari

3000 x 1170 = L. 3.510.000 L. 3.510.000

L. 28.080.000

The daily average rise is therefore by 40 Lira and it seems not necessary to reduce it, considering the life-cost.

I should beg you, General, to examine the proposal and to authorize myself to issue the relative orders starting from the 1st November 1943.

In regard I want to add that a part of the employees of the Bari Department lives now in some provinces, like Foggia, Potenza, Matera, which are not yet under the direct control of the Italian Government.

Even to avoid to produce a difference in the treatment between employees working in the same Department, it would be right if you could authorize the payment of the agreed rises.

THE UNDERSECRETARY OF STATE
sig. G; di Raimondo

Ministero delle Comunicazioni
SOTTOSEGRETARIATO DI STATO
per le Ferrovie, Motorizzazioni Civili e Trasporti in Concorso
-----00000-----

n° 954 of prot. *1942.*

december the 12th, 1943

CONCERN: Pay advance to the Railway staff for year's end.-

Memorandum to General Gray.

~~~~~

Before the armistice, the Ministry of Communications gave the permission to correspond, at year's end, an allowance to the Railway staff, which amounted at about 500 lira per man, in order to satisfy the immediate needs and to regulate the deficit of the family budget.

The sum would be then regained during the following year in 4 shares.

The complexive amount for the only Naples Department would result by:

15000 x 500 = lira 7.500.000

I should beg you, General, to examine the possibility to authorize what above also for the coming year's end, as it has been made in the preceeding years.

The question is, in substance, an advance which will be regained by the administration.

\*\*\*\*\*

Before the armistice, the Ministry of Communications gave the permission to correspond, at year's end, an allowance to the Railway staff, which amounted at about 500 lira per man, in order to satisfy the immediate needs and to regulate the deficit of the family budget.

The sum would be then regained during the following year in 4 shares.

The complexive amount for the only Naples Department would result by:

$$15000 \times 500 = \text{lira } 7.500.000$$

I should beg you, General, to examine the possibility to authorize what above also for the coming year's end, as it has been made in the preceeding years.

The question is, in substance, an advance which will be regained by the administration.

THE UNDERSECRETARY OF STATE  
sig. G. di Raimondo

*Copy for [unclear] to [unclear]*

45569

COPY

SCHEME OF R. LAW STATUTE

TEMPORARY ECONOMICAL IMPROVEMENT FOR THE STATE EMPLOYEES AND FOR THE  
DEPENDENTS OF THE AUXILIARY STATE'S AND PUBLIC LAW OFFICES.

Vittorio Emanuele III°  
King of Italy

for God's sake and Italy's will

In order of the R.L.S. 8<sup>th</sup> of July 1943 n° 610;  
In order of the R.L.S. 30<sup>th</sup> of October 1943 n° 2/B;  
In order of the R.L.S. 10<sup>th</sup> of November 1943 n° 5/B;  
after having recognized the absolute and immediate necessity to provide;  
after having heard the Italian Ministers Board;  
on proposal of the Chief of Government and of the Undersecretary for  
the Finances;  
we have decreed and we decree:

Art. 1

It will be corresponded to all civilian and military employees of  
the State administrations, including all those who have an autonomic  
arrangement, and those who depend from the Provinces, from the Munici-  
palities, and from the Public Assistance and Beneficence Institutes, a  
gross economical increase, not to be pensioned, as following:

|                                               |      |
|-----------------------------------------------|------|
| on the first 1000 lira a month (or fraction)  | 70 % |
| on the second 1000 lira a month (or fraction) | 60 % |
| on the third 1000 lira a month (or fraction)  | 30 % |
| on the fourth 1000 lira a month (or fraction) | 20 % |
| on the fifth 1000 lira a month (or fraction)  | 10 % |

Art. 2

For all employees, however denominated, the increase will be as-  
signed on the monthly gross amount

In order of the R.L.S. 8<sup>th</sup> of July 1943 n° 1/810;  
 In order of the R.L.S. 30<sup>th</sup> of October 1943 n° 2/B;  
 In order of the R.L.S. 10<sup>th</sup> of November 1943 n° 5/B;  
 after having recognized the absolute and immediate necessity to provide;  
 after having heard the Italian Ministers Board;  
 on proposal of the Chief of Government and of the Undersecretary for  
 the Finances;  
 we have decreed and we decree:

#### Art. 1

It will be corresponded to all civilian and military employees of the State administrations, including all those who have an autonomic arrangement, and those who depend from the Provinces, from the Municipalities, and from the Public Assistance and Beneficence Institutes, a gross economical increase, not to be pensioned, as following:

|                                               |      |
|-----------------------------------------------|------|
| on the first 1000 lira a month (or fraction)  | 70 % |
| on the second 1000 lira a month (or fraction) | 60 % |
| on the third 1000 lira a month (or fraction)  | 30 % |
| on the fourth 1000 lira a month (or fraction) | 20 % |
| on the fifth 1000 lira a month (or fraction)  | 10 % |

#### Art. 2

For all employees, however denominated, the increase will be assigned on the monthly gross amount, resulting from the wages or stipendy or pay, and allowance "ad personam", supplement of active service, temporary war allowance, and family's or life-cost allowance.

Each temporary or fixed allowance which is not included in the oversigned ones is excepted.

#### Art. 3

For the salaried employees, the applying increase will be by the 60 %. The overmentioned exclusions also here are the same.

#### Art. 4

The auxiliary State institutions, and in regard to all public law State's Institutes, also if they have an autonomic arrangement and

./...

4583

are under the State's vigilance, or at whose maintenance the State is continually concurring, and the administrations which depend from these Institutes, are authorized to extend the dispositions of the preceding articles to the dependent employees.

Art. 5

In any case the increase of the precedent articles cannot surmount the gross 1900 lira a month.

Art. 6

The disposals of this R. Law Statute starts from the 1<sup>st</sup> november 1943.

This R.L.S. will be presented to the legislative committee and the Chief of Government will present the scheme of the law.

We order, to whom it concerns, to observe and to made observe this Statute as Law of the State.

*Please return  
to MB-5 Adw  
(Maj. Todd)*

C O P Y

SECRET

Auth: CG, Hq Mil Ry Serv

Date: 12 December 1943

Initials:

Allied Force  
MILITARY RAILWAY SERVICE  
Transportation Corps  
Office of Director General

A. P. O. 400  
12 December 1943

Subject: Economic Conditions Italian Railways.

To ; Major General Sir B. H. Robertson  
Deputy Chief Administrative Officer  
Advance Administrative Echelon  
APO 400 - US Army

1. General di Raimondo, the Under Secretary of State for the Italian Government, called on me today and delivered three communications and discussed them at length with me.

2. I attach translations prepared by his organization of each of those three letters. All three of them are definitely tied together as they contemplate first, a raise in rates, secondly, a raise in pay, and thirdly, a loan to be made to the railroad workmen which will be recovered in the first four months of the year 1944. These matters are definitely not for my decision, however, my recommendations are as follows:

a. The first letter, No. 251, having to do with proposed increase in passenger rates effective 1 January 1944, contemplates an increase of 100 per cent on the tariff which has been in effect since January 1940. I recommend that they be authorized to do that, first because the rates are low now, and secondly, because higher priced transportation would diminish the demand of civilians for traveling on the trains, which demand is enormous.

b. With respect to the increase contained in letter No. 253, the increase amounts to an average of approximately 57 per cent. The average monthly compensation of the railroad worker is about 2,000 Lire, or some 70¢ per day. An average increase of 40 Lire would bring his compensation up to an average of 110 Lire which, as indicated, would produce an increase of approximately 57 per cent in his compensation. There is no doubt but what the railroad man is paid on a very low scale and this is particularly true at a time when the cost of food has increased so materially for him, but this too is so tied up with the general economic program that it is referred to you for decision with my recommendation that it be approved.

C O P Y

4587

36.3

C O P Y

c. Letter No. 254, which contemplates the loan of 500 Lire to the employees of the Naples Division would be a loan to them to be deducted from their wages during the first six months of the following year. General di Raimondo says that this procedure has been a standard procedure on the Italian State Railways for sometime. There is in Italy a general plan to make a bonus gift at the first of the year which has been in the nature of a loan which was recovered and he asks the approval of the continuation of that plan.

3. General di Raimondo leaves the city Tuesday morning, December 14th and if possible desires to have an answer to take with him. Therefore, if it is consistent and can be secured, I should appreciate an answer by 5:00 P.M. tomorrow, December 13th.

/s/ CARL R. GRAY, JR.  
Brigadier General, USA  
Director General

C O P Y

Ministero delle Comunicazioni  
SOTTOSEGRETARIATO DI STATO  
per le Ferrovie, Motorizzate, Civile e Trasporti in Comune

No. 251 of prot. Lyr.

December the 12th, 1943

CONCERN: Rates rise.

MEMORANDUM to General Gray.

1. The rates for the passenger and freight transport actually in force on the State Railway has been issued in January 1940.

The rates system accepted in Italy result from the short enclosed report. It is based on the Belgian system which, as known, has been adopted by the majority of the European countries.

3. In four years the price of all goods, of handicraft and of every other service has suffered a very great rise.

That is the consequence of the war, which has produced a consumer rise and a principal materials rarefaction.

That is a result, common to all conflicts.

3. The State Railway system could till now satisfy its own budget needs with the profits proceeding from the great number of military transports effected for military needs, the amount of which was paid by the War Ministry.

Leaving off the operations since the Armistice, the profits nearly vanished not only consequent to the strong request reduction but over all because the train circulation in great part has ceased after the destruction of implantations and lines.

To that, the risen cost of the materials and of the salaries for the staff working on repair yards for private firms, has to be added, so that the difference between import and expense has always become higher.

4. It is also to consider that while the number of trains has decreased the number of passengers increased. These people, being in the impossibility to miss, for many reasons, the transfer from one locality to another, are obliged for want of auto-transports, to use only the railway lines.

The few trains for which you give the authorization to run, General, are therefore taken by storm.

I do not hide my and the Italian Government's great pre-occupation for the painful situation of thousands of families which live in the greatest unhappiness, which do not receive news from their own and which wander from one place to another to find a little tranquillity and a minimum of supplies. **4585**

5. To regulate a little part of the actual deficit and to reduce at least partially, the passenger number in the trains, the Italian Government has

/overleaf

the Italian Government has approved a rise in rates which can rejoin at maximum the 100% in regard to the rates in force since 1940.

It would be right, now, if the rise in question could be extended to all lines which are free from the German occupation, excluding naturally Sicily.

I am sure that you, who are a master in matters of transport, will perceive that necessity and that you will permit to extend the measure also to the Departments of Naples, Reggio Calabria and Sardegna.

THE UNDERSECRETARY OF STATE  
sig. G. di Raimondo

Ministero delle Comunicazioni  
SOTTOSCRITTARIO DI STATO

per le Ferrovie, Motorizzazioni Civili e Trasporti in Conc.

-----00000-----

Nº 251 of prot.

December the 12th, 1943

CONCERN: Rates rise.--

MEMORANDUM to General Gray.

-----

- 1.) The rates for the passenger and freight transport, actually in force on the State Railway has been issued in January 1940.

The rates system accepted in Italy result from the short enclosed report. It is based on the Belgian system which, as known, has been adopted by the majority of the European Countries.

- 2.) In four years the price of all goods, of handcraft and of every other service has suffered a very great rise.

That is consequence of the war, which have produced a consume rise and a principal materials rarefaction.

That is a result, common to all conflicts.

- 3.) The State Railway administration could till now satisfy the own budget needs with the profits proceeding from the great number of military transports effected for military needs, the amount of which was payed by the War Ministry.

Leaving off the operations, since the armistice, the profits nearly vanished not only consequently to the strong request reduction but, over all, because the train circulation is great part has ceased after the destruction of implantations and lines.

To that, the risen cost of the materials and of the salaries for the staff working on repair yards for private firms, has to be added, so that the difference between import and expense has always become higher.

- 4.) It is also to consider that, while the number of trains has decreased, the

2.) In four years the price of all goods, of handicraft and of every other service has suffered a very great rise.

That is consequence of the war, which have produced a consume rise and a principal materials rarefaction.

That is a result, common to all conflicts.

3.) The State Railway administration could till now satisfy the own budget needs with the profits proceeding from the great number of military transports effected for military needs, the amount of which was payed by the War Ministry.

Leaving off the operations, since the armistice, the profits nearly vanished not only consequently to the strong reques reduction but, over all, because the train circulation is great part has ceased after the destruction of implantations and lines.

To that, the risen cost of the materials and of the salaries for the staff working on repair yards for private firms, has to be added, so that the difference between import and expense has always become higher.

4.) It is also to consider that, while the number of trains has decreased, the number of passengers increased. These people, being in the impossibility to miss, for many reasons, the transfer from a locality of another, are obliged, for want of auto-transports, to use only the railway lines.

The few trains for which you give the authorization to run, General, are therefore taken by storm.

I do not hide my and the Italian Governments great preoccupation for the painful situation of thousands of families which live in the greatest unhappiness, which do not receive news from their owns and which wander from a place to another to find a little tranquillity and a minimum of food-supplies

5.) To regulate a little part of the actual deficit and to reduce at least partially, the passenger number on the trains, the Italian Government has approved a rates rise which can rejoin at maximum the 100% in regard to the rates in force since 1940.

It would be right, now, if the rise in question could be extended to all lines which are free from the german occupation, excluding naturally Sicilia.

I am sure that you, who are a master in transports things, will perceive that necessity and that you will permit to extend the measure also to the Departments of Naples, Reggio Calabria and Sardegna.

THE UNDERSECRETARY OF STATE  
sig. G. di Raimondo

36.3

4584

AFHQ ADVANCED ADMINISTRATIVE EC BUREAU  
Military Government Section, Advance  
HQ 100

JAT/mc

15 December 1943

MEMO: 36

REFERENCE FOR: Internal Transportation Sub-Commission  
and Air Mail Vch.

SUBJECT:

Proposed Changes in Railway Tariffs.

1. Your attention is invited to the attached memorandum from General, in relation to the IFR which recommends an increase in passenger fares.
2. It is requested that you investigate this proposal to determine what changes, if any, in railway tariffs in occupied Italy can be made. It is also suggested that your inquiry include whether it is possible to make any changes.
3. Please inform this office of your action taken in order that the request in the IFR/ECAS may be complied with.

J. A. TODD,  
Major, A. G.,  
Chief, MIS Division.

0824

Declassified E.O. 12356 Section 3.3/NND No. 785016

J. E. TODD,  
Major, U.S. Army  
Chief, MSS Division.

4583

Internal Transportation Sub-Commission, ACC  
C/o Gov & In.  
AFHQ Advanced Administrative Section,  
C.M.F.

Our reference: ACC TN 30/12

Date : 24 Dec 43.

TO Military Government Section, Advances,  
APO HOO.

SUBJECT : Proposed changes in Railway Tariffs.

1. Reference your Memorandum dated 15 Dec 43 under reference MESA 36 and attached document number 351 from Gen. di Iacono.
2. Passenger Rates: It is recommended that the application for an increase in railway passenger fares of 100% be approved and be effective in all occupied territory of the Kingdom of Italy from 1 Jan 44, for the following reasons:
  - (a) Such an increase has already been approved for the portion of Puglia under ACC control, and it follows therefore, that similar treatment should be accorded to the remainder of the occupied territory.
  - (b) The present passenger fare rates are low. This fact, coupled with the financial effect of the wages increase which has been authorized justifies the application.
3. The above recommendation regarding passenger fares has been approved by the ACC. They consider the application for the increase should be the same for the whole of the occupied territory of the Kingdom, and pending a decision they have requested the Italian Government to withhold issuance of rates increase for the four ACC provinces of Puglia. It was stated to advise that of the decision and effective date is regarding territory now under consideration so that the same date can apply throughout. Please advise us to this.
4. Freight Rates: This subject is much more complicated and far reaching because, for example its effect on prices, including those of essential commodities. In these circumstances, and as no specific proposals have yet been received from Gen. di Iacono, it is recommended that no change be made for the present.

2. Passenger Rates: It is recommended that the application for an increase in railway passenger rates of 100% be approved and made effective in all occupied territory of the continent of Italy on and from 1 Jan 44, for the following reasons:

(a) Such an increase has already been approved for the portion of Public under AOC control, and it follows therefore, that similar treatment should be accorded to the remainder of the occupied territory.

(b) The present passenger fare rates are low. This fact, coupled with the financial effect of the 100% increase which has been authorized justifies the application.

3. The above recommendation regarding passenger fares has been approved by HQ AOC. They consider the effect of the 100% increase should be the same for the whole of the occupied territory of the continent, and pending a decision they have requested the Italian Government to withhold issuance of rates increase for the four AOC provinces of Naples. I am requested to advise them of the decision and effective date as regards Lombardy now under consideration so that the same date can apply throughout. There is no objection to this.

4. Freight Rates: This subject is much more complicated and far reaching because, for example, its effect on prices, including those of essential commodities. In these circumstances, and as no specific proposals have yet been received from Gen. di Dubouche, it is recommended that no changes be made for the present. If and when any increase is proposed, it will be necessary for the Italian authorities to furnish evidence of reasonable need and necessity.

S/ Colonel,  
Chief of Internal Transportation Sub-Commission, AOC.

2582

Ministero delle Comunicazioni  
SOTTOSEGRETARIATO DI STATO

per le Ferrovie, Motorizzazioni Civili e Trasporti in Caricamento

-----00000-----

№ 251 of prot.

December the 12th, 1943

CONCERN: Rates rise.

MEMORANDUM to General Gray.

-----

- 1.) The rates for the passenger and freight transport, actually in force on the State Railway has been issued in January 1940.

The rates system accepted in Italy result from the short enclosed report. It is based on the Belgian system which, as known, has been adopted by the majority of the European Countries.

- 2.) In four years the price of all goods, of handcraft and of every other service has suffered a very great rise.

That is consequence of the war, which have produced a consume rise and a principal materials rarefaction.

That is a result, common to all conflicts.

- 3.) The State Railway administration could till now satisfy the own budget needs with the profits proceeding from the great number of military transports affected for military needs, the amount of which was payed by the War Ministry.

Leaving off the operations, since the armistice, the profits nearly vanished not only consequently to the strong request reduction but, over all, because the train circulation is great part has ceased after the destruction of implantations and lines.

To that, the risen cost of the materials and of the salaries for the staff working on repair yards for private firms, has to be added, so that the difference between import and expense has always become higher.

- 4.) It is also to consider that, while the number of trains has decreased, the number of passengers increased. These people, being in the impossibility to miss, for many reasons, the transfer from a locality of another, are obliged, for want of auto-transports, to use only the railway lines.

That is consequence of the war, which have produced a consume rise and a principal materials rarefaction.

That is a result, common to all conflicts.

3.) The State Railway administration could till now satisfy the own budget needs with the profits proceeding from the great number of military transports effected for military needs, the amount of which was payed by the War Ministry.

Leaving off the operations, since the armistice, the profits nearly vanished not only consequently to the strong reques reduction but, over all, because the train circulation is great part has ceased after the destruction of implantations and lines.

To that, the risen cost of the materials and of the salaries for the staff working on repair yards for private firms, has to be added, so that the difference between import and expense has always become higher.

4.) It is also to consider that, while the number of trains has decreased, the number of passengers increased. These people, being in the impossibility to rise, for many reasons, the transfer from a locality of another, are obliged, for want of auto-transporte, to use only the railway lines.

The few trains for which you give the authorization to run, General, are therefore taken by storm.

I do not hide my and the Italian Government's great preoccupation for the painful situation of thousands of families which live in the greatest unhappiness, which do not receive news from their owns and which wander from a place to another to find a little tranquillity and a minimum of food-supplies.

5.) To regulate a little part of the actual deficit and to reduce at least partially, the passenger number on the trains, the Italian Government has approved a rates rise which can rejoin at maximum the 100% in regard to the rates in force since 1910.

4581

It would be right, now, if the rise in question could be extended to all lines which are free from the german occupation, excluding naturally Sicilia.

I am sure that you, who are a master in transports things, will perceive that necessity and that you will permit to extend the measure also to the Departments of Naples, Reggio Calabria and Sardegna.

36.3

THE UNDERSECRETARY OF STATE  
sig. G. di Raimondo

AFHQ ADVANCED ADMINISTRATIVE SECTION  
Military Government Section, Advance  
APO 400

JAT/ae

WASA 36

15 December 1943

MEMORANDUM FOR: Internal Transportation Sub-Committee  
AFHQ ADV. SEC. FOR.

SUBJECT: Proposed Changes in Railway Tariffs.

1. Your attention is invited to the attached memorandum from General de Bismarck to the DMR which recommends an increase in passenger fares.
2. It is requested that you investigate this proposal so as to make what changes, if any, in railway tariffs in Occupied Italy are desirable. It is also suggested that your inquiry include freight rates as well as passenger fares.
3. Please inform this Office of your action taken in order that the request in the DP/CMOS memo of 22 November may be completed fully.

D. A. T. C. D.  
Major, A. S.  
Chief, ITS Service.

0830

Declassified E.O. 12356 Section 3.3/NND No. 785016

J. A. TORD,  
Major, U.S.A.,  
Chief, MS Division.

4580

Internal Transportation Sub-Committee, AGC  
C/O Nov 6 Th.  
AFAP Advanced Administrative Mechanism,  
O.A.T.

Our reference: AGC Th 30/12

Date : 24 Dec 43.

TO Military Government Section, Advance,  
APO LGO.

SUBJECT : Proposed changes in Railway Tariffs.

1. Reference your Memorandum dated 15 Dec 43 under reference HBSA 36 and attached document number 251 from Gen. di Raimondo.
2. Passenger Fares: It is recommended that the application for an increase in railway passenger fares of 100% be approved and made effective in all occupied territory of the mainland of Italy on and from 1 Jan 44, for the following reasons:

(a) Such an increase has already been approved for the portion of Puglia under AGC control, and it follows therefore, that similar treatment should be accorded to the remainder of the occupied territory.

(b) The present passenger fare rates are low. This fact, coupled with the financial effect of the war is increase which has been authorized justifies the application.

3. The above recommendation regarding passenger fares has been approved by HQ AGC. They consider the effective date for an increase should be the same for the whole of the occupied territory of the mainland, and pending a decision they have requested the Italian Government to withhold issuance of rates increases for the four AGC provinces of Puglia. I am requested to advise them of the decision and effective date (is regards territory now under consideration so that the above date can apply throughout. Please make us to do this.

4. Freight Rates: This subject is much more complicated and far reaching because, for example has effect on prices, including those of essential commodities. In those circumstances, and as no specific proposals have yet been received from Gen. di Raimondo, it is recommended that no changes be made for the present. If and when any increase is proposed, it will be necessary for the Italian authorities to furnish evidence of reasonableness and necessity.

S/ Colonel,  
Chief of Internal Transportation Sub-Committee, AGC.

Justifies the application.

3. The above recent increase in prevailing passenger fares has been approved by HQ ACC. They consider the effective date for the increase should be the same for the whole of the occupied territory of the mainland, and pending a decision they have requested the Italian Government to withhold issuance of rates increases for the entire ACC province of Puglia. I am requested to advise them of the decision and effective date as regards territory now under consideration so that the same date can apply throughout. Please enable me to do this.

1. Freight Rates: This subject is much more complicated and far reaching because, for example, its effect on prices, including those of essential commodities. In these circumstances, and as no specific proposals have yet been received from Gen. di Ravenna, it is recommended that no charges be made for the present. If and when any increase is proposed, it will be necessary for the Italian authorities to furnish evidence of reasonableness and necessity.

S/ Colonel,  
Chief of Internal Transportation Sub-Commission, ACC.

6235

Ministero delle Comunicazioni  
SOTTOSCRITTARIO DI STATO

per le Ferrovie, Motorizzazioni Civili e Trasporti in Concorso

-----00000-----

Nº 251 of prot.

December the 12th, 1913

CONCERN: Rates rise.

MEMORANDUM to General Grey.

-----

- 1.) The rates for the passenger and freight transport, actually in force on the State Railway has been issued in January 1910.

The rates system accepted in Italy result from the short enclosed report. It is based on the Belgian system which, as known, has been adopted by the majority of the European Countries.

- 2.) In four years the price of all goods, of handicraft and of every other service has suffered a very great rise.

That is consequence of the war, which have produced a consume rise and a principal materials rarefaction.

That is a result, common to all conflicts.

- 3.) The State Railway administration could till now satisfy the own budget needs with the profits proceeding from the great number of military transports affected for military needs, the amount of which was payed by the War Ministry.

Leaving off the operations, since the armistice, the profits nearly vanished not only consequently to the strong request reduction but, over all, because the train circulation is great part has ceased after the destruction of implantations and lines.

To that, the risen cost of the materials and of the salaries for the staff working on repair yards for private firms, has to be added, so that the difference between import and expense has always become higher.

- 4.) It is also to consider that, while the number of trains has decreased, the number of passengers increased. These people, being in the impossibility to miss, for many reasons, the transfer from a locality of another.

That is consequence of the war, which have produced a consume rise and a principal materials rarefaction.

That is a result, common to all conflicts.

- 3.) The State Railway administration could till now satisfy the own budget needs with the profits proceeding from the great number of military transports effected for military needs, an amount of which was payed by the War Ministry.

Leaving off the operations, since the armistices, the profits nearly vanished not only consequently to the strong reques reduction but, over all, because the train circulation is great part has ceased after the destruction of implantations and lines.

To that, the risen cost of the materials and of the salaries for the staff working on repair yards for private firms, has to be added, so that the difference between import and expense has always become higher.

- 4.) It is also to consider that, while the number of trains has decreased, the number of passengers increased. These people, being in the impossibility to miss, for many reasons, the transfer from a locality of another, are obliged, for want of subo-transports, to use only the railway lines.

The few trains for which you give the authorization to run, General, are therefore taken by storm.

I do not hide my and the Italian Governments great preoccupation for the painful situation of thousands of families which live in the greatest unhappiness, which do not receive news from their own, and which wander from a place to another to find a little tranquillity and a minimum of food-supplies.

- 5.) To regulate a little part of the actual deficit and to reduce at least partially, the passenger number on the trains, the Italian Government has approved rates rise which can rejoin at maximum the 100% in regard to the rates in 1940 since 1940.

It would be right, now, if the rise in question could be extended to all lines which are free from the German occupation, excluding naturally Sicilia.

I am sure that you, who are a master in transports things, will perceive that necessity and that you will permit to extend the measure also to the Departments of Naples, Reggio Calabria and Sardegna.

THE UNDERSECRETARY OF STATE  
sig. G. di Raimondo

36.3

THE ADVANCED ADMINISTRATIVE DIVISION  
Military Government Section, Advance  
370 400

JAT/hc

WDS: 36

15 December 1943

MEMORANDUM FOR: Internal Transportation Sub-Commission  
AFHQ, 204 100th St.

SUBJECT: Proposed Changes in Railway Tariffs.

1. Your attention is invited to the attached memorandum from Internal  
H. R. Lando to the DMR which recommends an increase in passenger fares.
2. It is requested that you investigate this proposal to determine what  
change, if any, in railway tariffs in occupied Italy are indicated. It is  
also suggested that your inquiry include freight rates as well as passenger  
rates.
3. Please inform this office of your action taken in order that the re-  
quest in the DMR may be complied with.

J. A. TODD,  
Major, A. C.,  
Chief, INS Division.

0830

Declassified E.O. 12356 Section 3.3/NND No. 785016

J. A. TODD,  
Lt. Col., U.S.A.,  
Chief, MSS Branch.

4837

Internal Transportation Sub-Commission, ACC  
C/o Mr. & Mrs.  
HQ Advanced Administrative Echelon,  
C.M.F.

Our reference: ACC TR 30/12

Date : 24 Dec 43.

TO Military Government Section, Advance,  
APO 600.

SUBJECT : Proposed changes in Railway Tariffs.

1. Reference your Memorandum dated 15 Dec 43 under reference MSA. 36 and attached document number 251 from Mr. de Helmsdo.
2. Paragraph 1: It is recommended that the application for an increase in railway passenger fares of 100% be approved and made effective in all occupied territory of the Kingdom of Italy on and from 1 Jan 44, for the following reasons:
  - (a) Such an increase has already been approved for the portion of Puglia under ACC control, and it follows therefore, that similar treatment should be accorded to the remainder of the occupied territory.
  - (b) The present passenger fare rates are low. This fact, coupled with the financial effect of the above increase which has been authorized justifies the application.
3. The above recommendation regarding passenger fares has been approved by HQ ACC. They consider the effective date for the increase should be the same for the whole of the occupied territory of the mainland, and pending a decision they have requested the Italian Government to withhold issuance of rates increase for the four ACC provinces of Puglia. I am requested to advise them of the decision and effective date as regards territory now under consideration so that the same date can apply throughout. Please advise me to this.
4. Freight Rates: This subject is such a complicated and far reaching because, for example its effect on prices, including those of essential commodities.

territory of the mainland of Italy and from 1 Jan 44. For the following reasons:

(a) Such an increase has already been approved for the portion of Public under AOC control, and it follows therefore, that similar treatment should be accorded to the remainder of the occupied territory.

(b) The present passenger fares are low. This fact, coupled with the financial effect of the price increase which has been authorized justifies the application.

3. The above recommendations regarding passenger fares has been approved by HQ ACC. They consider the effective date for the increase should be the same for the whole of the occupied territory of the mainland, and pending a decision they have requested the Italian Government to withhold issuance of rates increase for the four ACC provinces of Puglia. I am requested to advise them of the decision and effective date as regards territories now under consideration so that the same rate can apply throughout. Please advise me to do this.

4. Freight Rates: This subject is much more complicated and far reaching because, for example its effect on prices, including those of essential commodities. In these circumstances, and as no specific proposals have yet been received from Gen. di Belinardo, it is recommended that no changes be made for the present. If and when an increase is proposed, it will be necessary for the Italian authorities to furnish evidence of reasonableness and necessity.

S/ Colonel,  
Chief of Internal Transportation Sub-Commission, ACC.

4576

FOR FILES

Summary of interchange of telegrams between Col. Fitch and General Joyce on 28 December 43 re proposed increase in Italian State Railway Passenger rates following meeting of CEC on 27 December at which it was decided the increase should not be permitted pending further study by the Committee of additional data requested from Col. Fitch.

28 Dec. 43  
---  
Telegram from Fitch to Joyce: Understand proposed rate increase not to operate 1 January. Matter will be reconsidered by Committee when information which they request is available.

28 Dec. 43  
----  
Telegram from Stone (AGC Transportation under Joyce) to Fitch: We confirm increase will not be put into effect pending receipt of advice of economic committee.

###

4575

36.3

0 8 4 0