

ACC

10000/136/428

136/428

ADVISORY ANTI-INFLATION BOARD
MAR., APR. 1945

4603-2/CC

LIST OF PAPERS

Office of the
Chief Commissioner

File under No. 4603-2 ADVISORY ANTI-INFLATION BOARD

ALLIED COMMISSION

SECRET

Page 1

SERIAL NUMBER	FROM—	DATE	TO—	SYNOPSIS
1	Draft Ltr /ES	30 Mar 45	Antolini	Proposed terms of reference for Board. 'Domestic price recommendations'. <u>Composition & Terms of Reference.</u>
1a	Memo	1 Apr 45		
2	ES/11.06, Stone	2 Apr 45		
3	Report, Antolini	4 Apr 45		Interim Report on prices control, commodity control and wages regulation.
4	Ltr, Antolini	4 Apr 45	CC	Interim report on prices/commodity control, for forwarding to Bonomi.
5	CC 4603-2, Stone	7 Apr 45	Antolini	Interim report of Board to be sent PM as Aide-Memoire; PM welcomes assistance.
6	CC 4603-2, Quayle	10 Apr 45	Antolini	Interim report of Board sent to PM as Aide Memoire. INCL: Aide-Memoire, dtd 4 Apr 45.
7	CC 4603-2, Stone	10 Apr 45	Bonomi	AC interested in wages control, and will gladly assist/consult with IG.
8	11.06, ES, Antolini	12 Apr 45	Stone	Report on proposed economic policies for northern regions of Italy.

2003

Confidential

HEADQUARTERS ALLIED COMMISSION
ECONOMIC SECTION
APO 394

KMS/ga

11.06/MS

12 April 1945

MEMORANDUM FOR REAR ADMIRAL STONE:

SUBJECT: Advisory Anti-Inflation Board Report for North Italy

1. Attached is the Advisory Anti-Inflation Board report on proposed economic policies for the northern regions of Italy.

*not used for
P-144/45*

2. Changes in the military organization have occurred while this report was in preparation so that it now appears that neither AMG/Army nor AMG/AG will be, in the initial phase, the administrative organization responsible for carrying out the proposals. The effectiveness of the policies proposed will depend in a large measure upon their vigorous application from the moment of liberation. It is urged, therefore, that the appropriate Army organizations be requested to adopt the policies for the immediate purpose of controlling inflationary forces and for the later purpose of insuring continuity of policy throughout the time the north is administered by Allied organizations.

3. In view of the present military situation in the north, it is suggested that a signal giving general policies should be sent to appropriate Regional Commissioners and military groups. Draft copy is attached for your approval.

2004

A. G. ANTOLINI
Acting Vice President
Economic Section

2 Attachments

4603-2/CC

A

8

CC 4603-2

10 April 1945.

My dear Mr. Prime Minister:

There was forwarded to you yesterday, and I enclose herewith an additional copy, an Aide-Memoire containing the Commission's views with respect to the desirability of instituting inflationary control. The Commission's interest, you will appreciate, arises from the fact that the present rising trend of wages of workers employed by private industry is having, and has had, a serious effect on the labor problems of the Allied Armed Forces, who, as you know, are the employers of large numbers of civilians.

As I advised you orally last Friday, the Commission will be glad to assist and consult with your Government on this important question after the Ministers concerned have had an opportunity to review the attached.

Sincerely,

ELBERT W. STONE
Rear Admiral, USNR
Chief Commissioner

His Excellency Ivanoe Bonomi,
The President of the Council of Ministers,
Italian Government,
Rome.

Copy to: Mr. A.G. Antolini, A/VP Econ. Sec.
Brig. G.R. Upjohn, CA Sec.
Brig. Grafftey-Smith, Finance S/C
Comdr. J.J. Lawler, Finance S/C
W.H. Braine, Labor S/C
Lt. Comdr. Tasca, Treasury Attache, American Embassy
Mr. Nosworthy, Commercial Attache, British Embassy
U.S. Political Advisor (AC)
British Political Advisor (AC)
Exec. Commissioner
CC Files.

JAG/dfe

CC 4603-2

10 April 1945

Subject: Report of Advisory Anti-inflation Board

To: Mr. A. C. Antolini, Acting Vice President, Economic Section.

Further to Chief Commissioner's letter of 7 April 1945, same reference and subject as above, enclosed is a copy of the Aide Memoire which was forwarded to the Office of the President of the Council of Ministers on 9 April 1945.

J. A. QUAYLE

Major, R. A.

Staff Officer to CC

Copy to: Brig. G. R. Upjohn, CA Sec.
 Brig. Grafftey-Smith, Finance S/C
 Comdr. J. J. Lawler, Finance S/C
 W. H. Breine, Labor S/C
 Lt. Comdr. Tasea, Treasury Attache, American Embassy
 Mr. Nosworthy, Commercial Attache, British Embassy
 U.S. Political Advisor (AC)
 British Political Advisor (AC)

EXEC. COMD.

CC FILES

2000

1. MCL

6 More copies of Aide Memoire to Stauffer, 11 Apr.
 1 Copy Aide Memoire to Chf Clk Econ Sec 11 Apr.

4603-2/12

(6)

2 April 1945

AIDE-MEMOIRE

ANTI-INFLATION BOARD

1. The Advisory Anti-Inflation Board appointed by the Chief Commissioner, Allied Commission, Italy, on 30 March 1945, submits, as requested, an interim report which as a matter of urgency deals with price control, commodity control and wage regulation in Italian administered territory, referring also to similar measures in AMG territory. It does not deal with Italian National Finances which will be the subject of a separate report.

2. THE MEMORANDUM DIRECTIVE

The Aide Memoire communicated to the Italian Government by the Acting President on the contents of the new directive on the functions of the Allied Commission states:

"It is essential that the Italian Government formulate and implement appropriate economic controls and take all other steps possible both in order to ensure that maximum production and effective and equitable distribution and control of consumption of local resources possible under existing conditions be secured and as a prerequisite to increased economic assistance."

3. It is felt that the Italian Government is making definite efforts in the fiscal and financial field and that in any event the effect of fiscal and financial measures on the present situation will be delayed. However, in two major areas the efforts of the Italian Government do not appear to have been effective. It is in these two areas, control of prices and wages, that the attention of the government should be devoted at this time.

4. This interim report recommends that the Italian Government be advised to assume and more rigidly to enforce control over the distribution of essential commodities, the prices of such commodities; and to introduce regulation of changes in wages and salaries. The first largely governs the second, and it is emphasized that the measures which are recommended for the regulation of wages and salaries will fail, both in application and enforcement, unless there is ample evidence of a determined effort to deal with the problems of controlled commodities and prices. The wage problem cannot be treated in isolation from the other inter-related questions, and any attempt to do so will inevitably lead to unrest.

⑥ 10114
2 April 1945
2 copies were mailed to:
Sr. Salvatore Camera
Presidency of Council of Ministers
Italian Government
Rome

- 2 -

culminating in large scale disorder.

5. CONTROL OF COMMODITIES AND PRICES.

In considering the prices of goods and services which enter into the cost of living, it becomes apparent that the greatest problem lies in making price and distribution controls effective. Determination of the proper relationship between wages and prices becomes entirely academic when the prices fixed are not observed. It is evident that the bulk of foodstuffs are not sold at legal prices.

Rents are controlled. Enforcement in this field is comparatively simple because of the inelasticity of the commodity involved. Textiles, clothing and shoes are in such short supply that price fixing and distribution controls require particular emphasis. The rates for gas, electricity, telephone service and public transportation are relatively low. Food constitutes the immediate problem and the area in which vigorous price and distribution control action would yield the greatest results in curbing the present inflation.

Most of the present price and distribution control measures taken by the Italian Government are ineffective. Experience in wartime controls indicates clearly that effective price control action can be taken only with respect to that portion of supplies which it is possible to control in the most absolute physical sense of the word. This does not mean that the commodities need always actually be taken into control physically; the existence of the possibility of doing so is frequently sufficient to bring the normal buying and distribution mechanism into observance of the regulations.

The first principle to be followed is for the Government or Government licensed and supervised agencies to buy and take possession of the commodities. A pattern for such an organization exists in the Consorzio Agrario. This recommendation does not contemplate indefinite perpetuation of Government organizations as sole primary buying agents of commodities. Private agents should also be licensed as they demonstrate their ability to function effectively and their willingness to function within established regulations.

The next to be observed is complete control of transportation for the double reasons that it is itself one of the shortest commodities in Italy and that its control is essential to prevent diversions to uncontrolled channels and to force sale to the approved agencies. A pattern for such an organization exists in R.A.C.

Third is the control of any intermediate handlers and the channels

- 2 -

- 3 -

through which controlled commodities finally reach the consumers. At this stage as in the initial buying, the Government should provide a distributing organization and/or apply rigorous licensing measures to private distributors.

Controls placed on the initial buying, transportation and distribution must be integrated. A wartime control of prices involving the operations of private organizations requires that the Government's position be clear with respect to prices at all levels of trade and with respect to utilization of transport. Whether controls established are based on exclusive Government operation or exclusive operation of private enterprises under Government regulations or some combination of the two, it is necessary that the controls cover all stages from producer to consumer.

6. WAGES AND THE COST OF LIVING

The official Central Institute of Statistics provides information regarding the monthly food expenditure of a typical family, consisting of 5 persons (equals 5.73 consuming units) on the basis of 2,200 calories daily per consuming unit. Fluctuating from month to month these statistics show an upward trend which for Rome rose from 9,194 lire in September 1944, to 12,596 lire in February 1945. In other districts there is generally the same upward trend and the significant feature is that it is more sharply pronounced in most recent months. It is reported that at least 70% of essential food items can be obtained only outside the controlled markets and the costs reflect unofficial prices to this extent. This factor is evidence of failure to control commodity prices and distribution of essential items. Comparison with gross wages of Senior State employees shows the difficulty of maintaining food standards from salaries. Normally the cost-of-living index covers other items, such as clothing and household necessities, but these are not included in the cost of food figures. A cost-of-living index based on normal family necessities would, at prevailing Italian prices, produce an astronomical figure.

7. WAGES REGULATION

Prior to the down-fall of Fascism wage changes were regulated by the State. After the liberation wage changes were ostensibly subject to approval by Government (Italian or Allied Military Government in respect of territories). Approval was given for a 70% increase on basic rates at the times of liberation, but in October 1944 it was found necessary to acquiesce in payment of a further cost-of-living bonus. In December 1944 the Italian General Confederation of Labor presented a memorial to the Italian Government requesting various measures to be taken to improve the condition of the working class, such as elimination of black market, provision of Works Canteens and public food kitchens, use of cooperatives in

- 3 -

- 4 -

distribution of food and necessities, and also immediate measures to increase workers wages in the light of prevailing circumstances. The Italian Government decided, with regard to the final item, to permit representatives of industry and of labor to negotiate among themselves for a revision of the wages scale, in private industry; and decided also to grant substantial salary increases to State employees.

The effect of wage increases agreed up to March 1945, is mainly in the form of additional cost-of-living bonuses and there has been no detailed revision of basic rates. In view of the change in money values and in the size of the various bonuses subsequently granted, the distinction between skilled and unskilled workers, which was reflected in the basic wages of 1942, is losing its significance. For example, in the building industry a bricklayer, who is a skilled operator, receives 285 lire per day, and an unskilled laborer receives 275 lire per day.

In addition to these wage changes which are duly recorded as trade agreements, there are unofficial rates which are paid by individual employers to placate or to retain their workers. For example, the sheet metal worker may receive 600 lire per day in Rome and other trades correspondingly high in rates. It therefore represented an improvement on unofficial wage agreements to encourage wage negotiations between responsible representative organizations of industry and labor respectively. But central regulation and guidance is not provided.

5. WAGE REGULATION IN PRIVATE INDUSTRY IN ITALIAN GOVERNMENT TERRITORY

It is recommended that the Italian Government establish a National Wage Regulation Committee to advise it on the variation of wages in private industry; and that provincial wage regulation committees be established to advise Prefects in the respective provinces in Italian administered Territory.

The right of freedom of association of workers in industry for the purpose of maintaining and improving their conditions of labor has been restored in liberated Italy and the right of collective bargaining on wages and working conditions is being exercised by trade unions and workers' associations which have developed since the downfall of Fascism. Where wage changes which may be agreed between employers and workers can be applied without unduly disturbing the balance of prices of necessities or of the wage structure in the same industry in other localities or other industries in the same locality, it is desirable to allow negotiated wage changes to take effect. In the disturbed conditions of war-time and particularly in the light of difficulties which may be temporary in nature or due to be affected by special measures, it is desirable to arrange for special consideration of proposed wage changes when the negotiating parties are unable to reach agreement or when objection is lodged by other interested parties.

- 4 -

- 5 -

It is the responsibility of organized industry to have regard to the overall effect of individual wage changes, and it is the responsibility of organized workers to look after the interests of their members. The Italian Government has the overall responsibility for insuring that wage changes in industry do not adversely affect the financial and economic position of the country.

Any of these parties should therefore be afforded the opportunity of protesting against proposals for wage variations; and the recommended National Wages Regulation Committee, together with the Provincial Wages Regulation Committees, would be the appropriate authorities to which reference should be made. The proposed bodies would keep in touch with wage negotiations in progress and should be able to exercise some influence on the conclusion of such negotiations or to prepare the way for further consideration if it becomes evident that difficulties are likely to arise.

Similar Advisory Committees are to be established to assist Regional Commissioners in Allied Military Government Territory. They will be advisory only, and the responsibility for ultimate decisions will rest with Allied Military Government.

It is for the Italian Government to decide to what extent authority and responsibility would be delegated to the proposed Wages Regulation Committees if the recommendation is adopted. If the recommendations of the National Committee are not given the force of law, it is recommended that the Italian Government assumes power to give decisions based upon the recommendations of the National Committee.

2. ESTABLISHMENT OF REGIONAL INQUIRY JOINT ADVISORY COMMITTEES ON LABOR AND INDUSTRIAL QUESTIONS IN AMG TERRITORY

1994 Following a decision to appoint an Advisory Committee for each Regional Commission in AMG territory, comprising representatives of Italian Government, industry and organized workers, the Prime Minister has been invited to submit nominations of individuals to serve on the Committees. While AMG will retain full responsibility, the Advisory Committees should be of considerable assistance with regard to the regulation of wages changes and their successful operation should assist in setting the standard for Italian administered territory. The effective control of commodity distribution and of price levels in AMG territory will affect the success of wage regulation in Italian Government territory.

(6) 1744

- 5 -

- 6 -

RECOMMENDATIONS:

That the Italian Government take the following action:

- I . To extend control of purchasing, transporting and distribution organizations for essential commodities, together with price control at all stages.
- II - To exercise strict enforcement of these controls.
- III - To establish wage regulation committees to deal with variation of wages in private industry.
- IV - To enforce observance of accepted recommendations of the National Wages Regulation Committee.

/s/ Antolini
A. G. ANTOLINI, CHAIRMAN
ADVISORY ANTI-INFLATION BOARD

- 6 -

CG 4603-2

7 April 1945.

SUBJECT: Report of Advisory Anti-inflation Board.

TO : Mr. A. G. Antolini, Acting Vice President,
Economic Section.

1. The draft letter of 4 April to the Prime Minister forwarding interim report of the Advisory Anti-inflation Board has not been and will not be signed. Instead, I conferred with the Prime Minister yesterday setting forth our concern over the inflationary trend of wages, specifically as to its effect on the employment of civilians by Allied Armed Forces. I stated that the question of wage control was but one of the factors involved in the general inflationary trend; that for the purpose of giving advice and assistance to the Italian Government pursuant to the new directive under which the Commission operates, I had established an Advisory Anti-inflation Board which had submitted to me an interim report; that I should be glad to make this interim report available to the Prime Minister in the form of an Aide-Memoire for his consideration if he so desired. The Prime Minister stated that he would be glad to receive the Aide-Memoire and welcomed our continued assistance.

/s/ Ellery W. Stone

ELLEERY W. STONE
Rear Admiral, USNR
Chief Commissioner

199 / Copy to: Brig. G. R. Upjohn, CA Sec
Brig. Graffety-Smith, Finance S/C
Comdr. J. J. Lawler, Finance S/C
W. H. Braine, Labor S/C
Lt. Comdr. Tasca, Treasury Attache,
American Embassy
Mr. Nosworthy, Commercial Attache,
British Embassy
U.S. Political Advisor
British Political Advisor
EXEC. COMM. FILES
CC FILES

5

4603-2/10

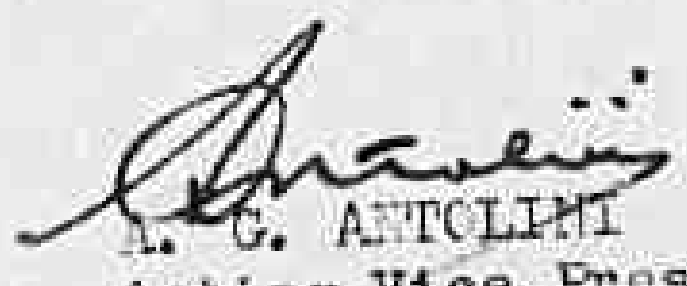
HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

4 April 1945

/ES

MEMORANDUM FOR ADMIRAL STONE:

Attached is draft letter for your signature
to H. E. The Prime Minister forwarding a copy of this
recommendation for appropriate action.


A. G. ANTOLINI
Acting Vice President
Economic Section

1995

See (5)

100-2140

(4)

HEADQUARTERS ALLIED COMMISSION

Office of the Chief Commissioner

APO 394

/ES

4 April 1945

My dear Mr. Prime Minister:

Recently I had the honor to transmit to Your Excellency a letter indicating Allied policy in which the Italian Government was advised that as a prerequisite to increased economic assistance it must formulate and implement appropriate economic controls. I have now the honor to forward a copy of an interim report of a Board appointed by me to consider the trend of inflation apparent in Italy, and I have to invite your attention to the recommendations in that report with regard to control of commodities and prices and the establishment of machinery for the regulation of changes in wages and salaries.

I shall be glad to be informed of the steps that the Italian Government proposes to take to give effect to these recommendations.

Yours very truly,

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

1995

His Excellency Ivanoe Bonomi
The President of the Council of Ministers
Italian Government
Rome

(4)

HEADQUARTERS ALLIED COMMISSION
ADVISORY ANTI-INFLATION BOARD

4 April 1945

1. The Advisory Anti-Inflation Board appointed by the Chief Commissioner, Allied Commission, Italy, on 30 March 1945, submits, as requested, an interim report which as a matter of urgency deals with prices control, commodity control and wages regulation in Italian administered territory, referring also to similar measures in AMG territory. It does not deal with Italian National finances which will be the subject of a separate report.

2. THE MACMILLAN DIRECTIVE

The Aide Memoire communicated to the Italian Government by the Acting President on the contents of the new directive on the functions of the Allied Commission states:

"It is essential that the Italian Government formulate and implement appropriate economic controls and take all other steps possible both in order to ensure that maximum production and effective and equitable distribution and control of consumption of local resources possible under existing conditions be secured and as a prerequisite to increased economic assistance."

3. It is felt that the Italian Government is making definite efforts in the fiscal and financial field and that in any event the effect of fiscal and financial measures on the present situation will be delayed. However, in two major areas the efforts of the Italian Government do not appear to have been effective. It is to these two areas, control of prices and wages, that the attention of the government should be devoted at this time.

4. This interim report recommends that the Italian Government be advised to assume and more rigidly to enforce control over the distribution of essential commodities, the prices of such commodities; and to introduce regulation of changes in wages and salaries. The first largely governs the second, and it is emphasized that the measures which are recommended for the regulation of wages and salaries will fail, both in application and enforcement, unless there is ample evidence of a determined effort to deal with the problems of controlled commodities and prices. The wages problem cannot be treated in isolation from the other interlocked questions, and any attempt to do so will inevitably lead to unrest culminating in large scale disorder.

5. CONTROL OF COMMODITIES AND PRICES.

In considering the prices of goods and services which enter into the cost of living, it becomes apparent that the greatest problem lies in making price and distribution controls effective. Determination of the proper relationship between wages and prices becomes entirely academic when the prices fixed are not observed. It is evident that the bulk of foodstuffs are not sold at legal prices.

Rents are controlled. Enforcement in this field is comparatively simple because of the immobility of the commodity involved. Textiles, clothing and shoes are in such short supply that price fixing and distribution controls require particular emphasis. The rates for gas, electricity, telephone service and public transportation are relatively low. Food constitutes the immediate problem and the area in which vigorous price and distribution control action would yield the greatest results in curbing the present inflation.

Most of the present price and distribution control measures taken by the Italian Government are ineffective. Experience in wartime controls indicates clearly that effective price control action can be taken only with respect to that portion of supplies which it is possible to control in the most absolute physical sense of the word. This does not mean that the commodities need always actually be taken into control physically; the existence of the possibility of doing so is frequently sufficient to bring the normal buying and distribution mechanism into observance of the regulations.

The first principle to be followed is for the Government or Government licensed and supervised agencies to buy and take possession of the commodities. A pattern for such an organization exists in the Consorzio Agrario. This recommendation does not contemplate indefinite perpetuation of Government organizations as sole primary buying agents of commodities. Private agents should also be licensed as they demonstrate their ability to function effectively and their willingness to function within established regulations.

The next to be observed is complete control of transportation for the double reasons that it is itself one of the shortest commodities in Italy and that its control is essential to prevent diversions to uncontrolled channels and to force sale to the approved agencies. A pattern for such an organization exists in ENAC.

Third is the control of any intermediate handlers and the channels through which controlled commodities finally reach the consumers. At this stage as in the initial buying, the Government should provide a distributing organization and/or apply rigorous licensing measures to private distributors.

Controls placed on the initial buying, transportation and distribution must be integrated. A wartime control of prices involving the operations of private organizations requires that the Government's position

be clear with respect to prices at all levels of trade and with respect to utilization of transport. Whether controls established are based on exclusive Government operation or exclusive operation of private enterprises under Government regulations or some combination of the two, it is necessary that the controls cover all stages from producer to consumer.

6. WAGES AND THE COST OF LIVING

The official Central Institute of Statistics provides information regarding the monthly food expenditure of a typical family, consisting of 5 persons (equals 3.73 consuming units) on the basis of 2,200 calories daily per consuming unit. Fluctuating from month to month these statistics show an upward trend which for Rome rose from 9,194 lire in September 1944, to 12,696 lire in February 1945. In other districts there is generally the same upward trend and the significant feature is that it is more sharply pronounced in most recent months. It is reported that at least 70% of essential food items can be obtained only outside the controlled markets and the costs reflect unofficial prices to this extent. This factor is evidence of failure to control commodity prices and distribution of essential items. Comparison with gross wages of Senior State employees shows the difficulty of maintaining food standards from salaries. Normally the cost-of-living index covers other items, such as clothing and household necessities, but these are not included in the cost of food figures. A cost-of-living index based on normal family necessities would, at prevailing Italian prices, produce an astronomical figure.

7. WAGES REGULATION

199 Prior to the down-fall of Fascism wage changes were regulated by the State. After the liberation wage changes were ostensibly subject to approval by Government (Italian or Allied Military Government in respect of territories). Approval was given for a 70% increase on basic rates at the times of liberation, but in October 1944 it was found necessary to acquiesce in payment of a further cost-of-living bonus. In December 1944, the Italian General Confederation of Labor presented a memorial to the Italian Government requesting various measures to be taken to improve the condition of the working class, such as elimination of black market, provision of Works Canteens and public food kitchens, use of cooperatives in distribution of food and necessities; and also immediate measures to increase workers wages in the light of prevailing circumstances. The Italian Government decided, with regard to the final item, to permit representatives of industry and of labor to negotiate among themselves for a revision of the wages scale, in private industry; and decided also to grant substantial salary increases to State employees.

2 The effect of wage increases agreed up to March 1945, is mainly in the form of additional cost-of-living bonuses and there has been no detailed revision of basic rates. In view of the change in money values and in the size of the various bonuses subsequently granted, the distinction between skilled and unskilled workers, which was reflected in the basic wage of 1942, is losing its significance. For example, in the building industry a brick-layer, who is a skilled operator, receives 323 lire per day, and an unskilled laborer receives 273 lire per day.

In addition to these wage changes which are duly recorded as trade agreements, there are unofficial rates which are paid by individual employers to placate or to retain their workers. For example, the sheet metal worker may receive 600 lire per day in Rome and other trades correspondingly high in rates. It therefore represented an improvement on unofficial wage agreements to encourage wage negotiations between responsible representative organizations of industry and labor respectively. But central regulation and guidance is not provided.

6. WAGES REGULATION IN PRIVATE INDUSTRY IN ITALIAN GOVERNMENT TERRITORY

It is recommended that the Italian Government establish a National Wage Regulation Committee to advise it on the variation of wages in private industry; and that Provincial wages regulation committees be established to advise Prefects in the respective Provinces in Italian Administered Territory.

The right of freedom of association of workers in industry for the purpose of maintaining and improving their conditions of labor has been restored in liberated Italy and the right of collective bargaining on wages and working conditions is being exercised by trade unions and workers' associations which have developed since the downfall of Fascism. Where wage changes which may be agreed between employers and workers can be applied without unduly disturbing the balance of prices of necessities or of the wage structure in the same industry in other localities or other industries in the same locality, it is desirable to allow negotiated wage changes to take effect. In the disturbed conditions of war-time and particularly in the light of difficulties which may be temporary in nature or due to be affected by special measures, it is desirable to arrange for special consideration of proposed wage changes when the negotiating parties are unable to reach a agreement or when objection is lodged by other interested parties.

It is the responsibility of organized industry to have regard to the overall effect of individual wage changes, and it is the responsibility of organized workers to look after the interests of their members. The Italian Government has the overall responsibility for insuring that wage changes in industry do not adversely affect the financial and economic position of the country.

Any of these parties should therefore be afforded the opportunity of protesting against proposals for wage variations; and the recommended National Wages Regulation Committee, together with the Provincial Wages Regulation Committees, would be the appropriate authorities to which reference should be made. The proposed bodies would keep in touch with wage negotiations in progress and should be able to exercise some influence on the conclusion of such negotiations or to prepare the way for further consideration if it becomes evident that difficulties are likely to arise.

Similar Advisory Committees are to be established to assist Regional Commissioners in Allied Military Government Territory. They will be advisory only, and the responsibility for ultimate decisions will rest with Allied Military Government.

It is for the Italian Government to decide to what extent authority and

responsibility would be delegated to the proposed Wages Regulation Committees if the recommendation is adopted. If the recommendations of the National Committee are not given the force of law, it is recommended that the Italian Government assumes power to give decisions based upon the recommendations of the National Committee.

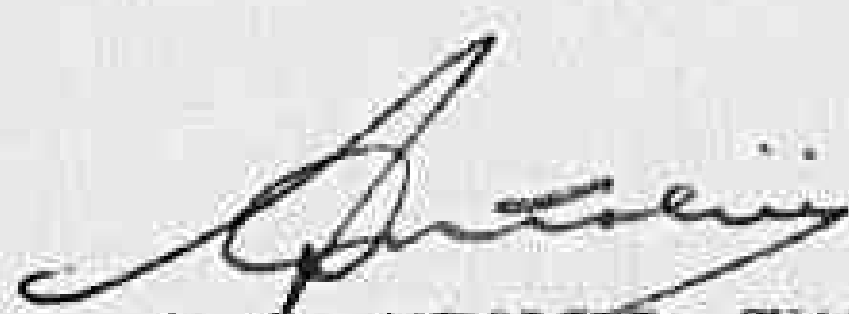
9. ESTABLISHMENT OF REGIONAL ITALIAN JOINT ADVISORY COMMITTEES ON LABOR AND INDUSTRIAL QUESTIONS IN AMG TERRITORY

Following a decision to appoint an Advisory Committee for each Regional Commission in AMG territory, comprising representatives of Italian Government, industry and organized workers, the Prime Minister has been invited to submit nominations of individuals to serve on the Committees. While AMG will retain full responsibility, the Advisory Committees should be of considerable assistance with regard to the regulation of wages changes and their successful operation should assist in setting the standard for Italian administered territory. The effective control of commodity distribution and of price levels in AMG territory will affect the success of wage regulation in Italian Government territory.

RECOMMENDATIONS:

That the Italian Government take the following action:

- I - To extend control of purchasing, transporting and distribution organizations for essential commodities, together with price control at all stages.
- II - To exercise strict enforcement of these controls.
- III - To establish wage regulation committees to deal with variation of wages in private industry.
- IV - To enforce observance of accepted recommendations of the National Wages Regulation Committee.


A. G. ANTOLINI, CHAIRMAN
ADVISORY ANTI-INFLATION BOARD

199

11.06/23

2 April 1945

SUBJECT: Terms of Reference for Advisory Anti-Inflation Board

TO : Mr. A. G. Antolini, Chairman

1. Since the issue of the Anti-Inflation Committee report, there have been many changes in the economic conditions in Italy. It is now necessary to consider anew what measures should be adopted both by the Italian Government and this Headquarters to check the continued tendency towards inflation.

2. It has been decided therefore to form an "Advisory Anti-Inflation Board" composed as follows:

Chairman: - Vice President, Economic Section

Members : - Vice President, Civil Affairs Section
Joint Directors, Finance Sub-Commission
Director, Labor Sub-Commission

Advisors to be
co-opted as

required: Treasury Attache, American Embassy
Treasury Attache, British Embassy
A representative from the Italian Government

Secretary: To be appointed by the Chairman.

3. Terms of reference:

a. Report to the Chief Commissioner measures and policies which should be recommended to the Italian Government for immediate action to check and control the existing tendencies towards inflation. In particular, this report will deal with the bearing of the Board's recommendations on production and procurement for the military.

b. Apart from preparation of the report mentioned above in paragraph (a), the Board will:

(1) Consider what advice should be given to the Italian Government with respect to future measures for the control of wages and prices in Italian Government territory (with particular attention given to the bearing of such advice on problems of military production and procurement).

1984

4603-1/10

(2)

- 2 -

- (2) Consider and recommend policies appropriate for Military Government territory and for territory which later will be liberated.
 - (3) Consider questions involving or having a bearing on inflation which may be submitted to it from time to time.
4. The Board will meet at such times and places as the Chairman may direct.

W. Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Copies to:

Brig. G. R. Upjohn, COS
Brig. Graffaty-Smith, Finance S/C
Cdr. J. J. Lawler, Finance S/C
W. H. Dreine, Labor S/C
Ex. Comm'n
cc. FILES.

Approved

A. G. Antolini
Acting Vice President
Economic Section

1984

(2)

DOMESTIC PRICE RECOMMENDATIONS
INDEPENDANT DETERMINATIONS BY PRICE
OFFICER

GK/mt

1 April 1945

PRICE IN LIRE UNIT DATE FIXED

1. ALCOHOL DETERMINED IN ITALY

litre 2 Feb 45

2. BORAX AND BORIC ACID

Borax
Boric acid

35.---
30.---
36.---

kilo
kilo

30 Mar 1945

3. BUILDING MATERIAL

Glass
Lined & Hammered, 1/16 mm.
" " 6/7 mm.
Frosted - White 3 1/4 mm.
" Colored 3 1/4 mm.
Hydraulic lime
Tiles

155.---
165.---
155.---
170.---
14.---

s. meter
s. meter
s. meter
s. meter
quintal

12 Feb 45

"Marsigliosi"
Curved tiles
Plain tiles

2000.---
1195.---
850.---

1000
1000
1000

Bricks

Solid

Hollow

Nails

575.---
800.---

1000
1000

Square with uniform body

Soft steel, 20 mm.

Reinforcing iron (weave)

Timber (construction)

Fir or Pine

Larch

Chestnut

Beech

For planned planks add 100 lire per
cubic meter.

3600.---
4500.---
2625.---
2250.---

c. meter
c. meter
c. meter
c. meter

4. GRAVEL

1984.

GRAVEL

Ordinary pit gravel, medium size

50.---

kilo

28 Feb 45

133.---

c. meter

6 Mar 45

Chief Commissioner
A.B.

APR 22 1945
2

0

5

4603-2/C

Q

Description	Quantity	Unit	Date
Hydraulic line Tiles	170.00	c. meter	28 Feb 45
"	44.00	quintal	6 Mar 45
"Marsigliotti"	2000.00	kilo	14 Feb 45
Curved tiles	1195.00	kilo	27 Feb 45
Plain tiles	850.00	kilo	31 Mar 45
Bricks	875.00	kilo	
Solid	800.00	kilo	
Hollow			
Nails	13.00	kilo	
Square with uniform body	19.00	kilo	
Soft steel, 20 mm	8.00	kilo	
Reinforcing iron (cast)			
Timber (construction)			
Pine or Fir	3600.00	c. meter	
Larch	4500.00	c. meter	
Chestnut	2625.00	c. meter	
Beech	2250.00	c. meter	
For planned planks and 100 lire per cubic meter.			
4. RUMI	50.00	kilo	28 Feb 45
1984. GALVEL			
Ordinary pit gravel, medium size	133.00	c. meter	6 Mar 45
6. IRON WIRE	1060.00	quintal	14 Feb 45
7. JARS, LIDS AND OLIFS			
Glass Jar Jars	1.50	each	27 Feb 45
" " Lids	0.50	each	
Metal ring clips	0.50	each	
8. METALS			
Aluminium ingots 1st class, pure	33.10	kilo	31 Mar 45
Brass			
1st category : Scrap from sheet, six 11			
2nd category : Scrap from pipe	57.00	kilo	
3rd category : Scrap from and scraps	28.00	kilo	
4th category : Turnings	25.00	kilo	
5th category : Scrap picked up in the fields (brass variously compounded)	26.00	kilo	
6th category : Turnings picked up in the fields (brass variously compounded)	23.00	kilo	

1a

- 2 -

<u>COMMODITY</u>	<u>PRICE IN DOLLARS</u>	<u>UNIT</u>	<u>DATE FIXED</u>
8. <u>METALS (cont'd)</u> <u>Copper</u> 1st category: Electrolytic copper scrap made of unscrapped feasible trolley wire; uncovered electrolytic wire, w/diam not less than no 5 (3/32")	51.50	kilo	
2nd category: Red copper scrap, in pieces w/thickn. not less than 2 mm (2/25"), from copper plated and copper pipe (new)	48.00	kilo	
3rd category: Small copper scrap, with thickn. not less than 2 mm (2/25") from copper pot- tery tinned and iron lined	45.50 4800.00 10.10 22.50	kilo m. ton kilo kilo	27 Feb 45
Iron Pig Lead Zinc Ingots			
9. <u>PAPER</u> Waxed paper Kraft paper White packing paper White Trenchment paper Brown paper	28.00 28.00 15.00 23.00 6.00	kilo kilo kilo kilo kilo	27 Feb 45
10. <u>PRODUCER BRONZE ALI</u>	27.00	kilo	7 Mar 45
11. <u>PLYWOOD</u> Dimension 3 and 4 mm 5 mm 6 & 8 mm Full board	15000.00 13500.00 12000.00 175.00	c. meter c. meter c. meter c. meter	9 Feb 45
12. <u>RUBBER SCRAP</u>			22 Mar 45
a) Ex auto and motor-cycles tires b) " " " "	20.00	kilo	

thick, not less than 2 mm
(2/25") from copper pot-
tery tinned and not tinned

Iron Pig	kilo	45.50	27 Feb 45
Lead	m. ton	4800.---	
Zinc ingots	kilo	10.10.	
	kilo	22.50	
9. <u>PAPER</u>			
Waxed paper	kilo	28.---	
Kraft paper	kilo	28.---	
White packing paper	kilo	15.---	
White parchment paper	kilo	23.---	
Brown paper	kilo	6.---	
10. <u>PHOSPHOR BRONZE BIL</u>	kilo	27.---	7 Mar 45
11. <u>FLYWOOD</u>			9 Feb 45
Dimension			
3 or 4 mm	c. meter	15000.---	
5 mm	c. meter	13500.---	
6 & 8 mm	c. meter	12000.---	
Wall board	c. meter	175.---	
12. <u>RUBBER SCRAP</u>			22 Mar 45
a) Ex auto and motor-cycles tires	kilo	20.---	
b) " " " inner tubes	kilo	25.---	
c) Cass pieces with canvas	kilo	15.---	
d) Rings for industrial cars ball			
pneumatic without metallic parts	kilo	20.---	
e) All the other rubber scrap containing			
a high percentage of rubber, hence			
excluding items already produced with			
"reclaimed rubber"	kilo	15.---	
13. <u>TIMBER CONSTRUCTION</u>			
(see Building material)			
14. <u>TIMBER, STRAW, CARBOUS</u>			24 Jan 45
Timber	quintal	250.---	
Straw	quintal	250.---	
Carbous (to be smashed)	quintal	550.---	

Tel. 497.

HEADQUARTERS ALLIED COMMISSION
AEO 392
ECONOMIC SECTION

CK/mt

1 April 1945

PRICES FIXED BY PRICE COMMITTEE

<u>COMMODITY</u>	<u>PRICE IN LINES</u>	<u>UNIT</u>	<u>DATE FIXED</u>
1. <u>BARLEY</u> (consorzio to farmer)			
With hulls (orzo vestito)	700.--	quintal	25 May 44
Hull less (orzo mondo)	950.--	quintal	5 Jun 44
2. <u>BINDER TWINE & ROPE</u> (consorzio to producer)			15 Jul 44
Binder twine			
Rope, large (over 8 mm. diam.)	74.60	kilo	
1st quality			
2nd quality	69.80	kilo	
3rd, 4th, 5th.	66.30	kilo	
Rope, small (under 8 mm. diam.)	64.--	kilo	
2 mm			
3 - 4 mm	87.10	kilo	
5 - 8 mm	81.20	kilo	
	75.55	kilo	
3. <u>BRAN</u> (consorzio to mill)			2 Aug 44
Price ex-mill	160.--	quintal	
4. <u>HEAD & PASTA</u> (AGC Territory) (consumer to retailer)			24 Mar 45
Bread not to exceed			
Pasta not to exceed	16.--	kilo	
Effective 10 April 1945	20.--	kilo	

Binder twine
 Rope, large (over 8 mm. diam.)
 1st quality
 2nd quality
 3rd, 4th, 5th.
 Rope, small (under 8 mm. diam.)
 2 mm
 3 - 4 mm
 5 - 6 mm

3. BRASS
(conservation to mill)

Price ex-mill

4. BREAD & PASTA (and territory)
(consumer to retailer)

Bread not to exceed
 Pasta not to exceed
 Effective 10 April 1945

1935: CANDLES

Adjustment of the retail selling price of
candles for the Rome area from L. 4 to L.

6. CARTS (see horses and carts)

7. CEMENT, Portland

Armed Forces to manufacturers

Cement packed in paper bags, bulk price
 Cement packed in cloth bags, bulk price

8. CHILLIES

Fresh green and red chillies of a quality
 suitable for preserving, Maximum
 Dried chillies

71.60	kilo	2 Aug 44
69.80	kilo	
66.30	kilo	
64.---	kilo	
87.10	kilo	
81.20	kilo	
75.55	kilo	
160.---	quintal	24 Mar 45
16.---	kilo	
20.---	kilo	
4.50	cash	27 Sep 44
55.---	quintal excess excess	28 Mar 44
62.50	quintal	31 Jan 45
70.---	quintal	
1,400.---	quintal	15 Feb 45
3,000.---	quintal	

- 2 -

<u>COMMODITY</u>	<u>PRICE IN DOLLARS</u>	<u>UNIT</u>	<u>DATE FIXED</u>
9. <u>COAL</u>			28 Nov 44
<u>SARAWAK</u>			
Free metallic mine - 10 mm & up	1050.--	m. ton	
F.O.B. Sant'Antiooco- 10 mm & up	1150.--	m. ton	
C.I.F. Italian ports 10 mm & up	1553.--	m. ton	
Free metallic mine - Less than 10 mm	850.--	m. ton	
F.O.B. Sant'Antiooco- Less than 10 mm	1050.--	m. ton	
C.I.F. Italian Ports Less than 10 mm	1450.--	m. ton	
<u>LIGNITES</u>			
<u>Robelle metallic mines</u>			
Free metallic mine - 10 mm & up	1230.--	m. ton	
Free metallic mine - Less than 10 mm	1050.--	m. ton	
<u>LIGNITE PINTUANITL</u>			
(moisture not exceeding 32%)			28 FEB 1945
Lumps 10 mm and larger F.O.B. mines	725.--	m. ton	
Lumps less than 10 mm F.O.B. mines	625.--	m. ton	
(moisture between 32% and 50%)			
Lumps 10 mm and larger F.O.B. mines	480.--	m. ton	
Lumps less than 10 mm F.O.B. mines	460.--	m. ton	
<u>LIGNITES, excepted those above listed</u>			
(moisture 32%) Lumps 10 mm & up	925.--	m. ton	1 MAR 1945
(moisture 32%) Less than 10 mm	775.--	m. ton	
For each 1% increase in moisture, deduct 20 lire per metric ton			
<u>BRIQUETTES</u>	1100.--	m. ton	1 MAR 1945
10. <u>FERTILIZER (44%)</u>			24 Mar 45
Calciumnitride 20/21% - unsacked	360.--	75 kilos	
Ammonium sulphate 20/24% - unsacked	439.--	quintal	
Calcium nitrate 45/16% - sacked	454.--	quintal	
Ammonium nitrate 15/16% - sacked	446.--	quintal	
Mineral phosphate recommended for			
40 territory 14/16% not to exceed	300.--	quintal	
11. <u>GLUE</u>	37.--	kilo	10 Mar 45
12. <u>GRAINS</u> (see legumes and grains)			
13. <u>HORSES AND CATTLE</u>			28 Nov 44

The hire rate for a horse and cart shall

Lumps less than 10 mm f.o.b. mines (moisture between 32% and 50%).	625.---	m. ton	1 MAR 1945
Lumps 10 mm and larger f.o.b. mines	480.---	m. ton	
Lumps less than 10 mm f.o.b. mines	450.---	m. ton	
LUMINES, excepted those above listed (moisture 52%) Lumps 10 mm & up (moisture 32%) Lumps than 10 mm, for each 1% increase in moisture, deduct 20 Lira per metric ton	925.---	m. ton	
BAUQUETTES	775.---	m. ton	
	1100.---	m. ton	1 MAR 1945
			24 MAR 45
Calciochloride 20/21% - unsecked	360.---	75 kilos	
Ammonium sulphate 20/21% - unsecked	439.---	quintal	
Calcium nitrate 45/16% - secked	454.---	quintal	
Ammonium nitrate 15/16% - secked	416.---	quintal	
Mineral phosphate recommended for MC territory 14/16% not to exceed	300.---	quintal	
	37.---	kilo	10 Mar 45
			28 Nov 44

10. FERTILIZER (see)

Calciochloride 20/21% - unsecked
 Ammonium sulphate 20/21% - unsecked
 Calcium nitrate 45/16% - secked
 Ammonium nitrate 15/16% - secked
 Mineral phosphate recommended for
 MC territory 14/16% not to exceed

11. FLUE12. GRAINS (see legumes and grains)13. HORSES AND CARTS

The hire rate for a horse and cart shall be the same as the prevailing wage rate paid a day laborer at the same locality on an eight hour basis but the rate shall not exceed 250 Lira per day. Otherwise, the rate paid for 2 horses and a cart shall be double the prevailing wage rate paid a day laborer or not to exceed 400 Lira. Similarly, for 3 horses and a cart shall be determined by multiplying the wage of a laborer by 3, but the total shall not exceed 550 Lira per day. No distinction is used between two and four wheel carriages.

COMMODITY14. LEGUMES AND GRAINS (14 production)
(consorzio to farmer)

Horse beans (fave)
Chick peas (ceci)
Dry beans (fagioli)
Chickling vetch (cicerchia)
Lentils (lenticchia)
Peas (piselli)
Corn (granoturco)
Oats (avena)
Rye (segale)

PRICE IN LIRE	UNIT	DATE FIXED
675.--	quintal	10 Jun 44
1000.--	quintal	
1250.--	quintal	
750.--	quintal	
1300.--	quintal	
1050.--	quintal	
650.--	quintal	
750.--	quintal	
900.--	quintal	

15. LINSEED (Flax)

1944 crop
1942-43 crop

1740.--	quintal	2 Feb 45
950.--	quintal	

16. MATCHES

By British Army to manufacturer
(Approval for a contract of 250,000 boxes)

0.56	box	18 Mar 44
------	-----	-----------

17. MILK (in Rome)

Payments by
Consorzio to producer
Milk central to Consorzio Lascio
Retailer to Milk Central
Consumer to Retailers

10.--	litre	4 Nov 44
11.90	litre	
13.90	litre	
15.--	litre	

18. MILLING AND PASTEURIZATION CHARGES
(recommended for A/C Territory)
Milling

Not to exceed 50 Lire per quintal for mills operating below 50% of their milling capacity. For each ten per cent increase in output over 50% of any mill's capacity the charge shall be decreased two Lire per quintal up to 90% of the mill's capacity, beyond which no further progressive decrease in milling charges shall be mandatory.

198

16. MATCHES

By British Army to manufacturer
(Approved for a contract of 250,000 boxes)

18 Mar 44

box

0.56

17. MILK (in Rome)

Payments by

Consorzio to producer

Milk Central to Consorzio Laziale

Retailer to Milk Central

Consumer to Retailers

litre
litre
litre
litre

4 Nov 44

18. MILLING AND PASTEURIFICATION CHARGES

(recommended for AMG Territory)

Milling

Not to exceed 50 Lire per quintal for mills operating below 50% of their milling capacity. For each ten per cent increase in output per 50% of any mill's capacity the charge shall be decreased two Lire per quintal up to 90% of the mill's capacity, beyond which no further progressive decrease in milling charges shall be mandatory.

Pasteurification

Maximum fee

200.---

quintal

27 Feb 45

19. OLIVE OIL

(a) Amount to Producer up to 2% acidity

" " 5%

" " 7%

6000.---
700.---
5400.---

quintal
quintal
quintal

12 Dec 44

Wholesaler to Consorzio

Agario Provinciale. One sale type

of oil

Retailer to Wholesaler

of oil

Consumer. One sale type of oil

(b) The above prices are to be applied for all oil distributed in the production area (province) In case the oil is imported from another province, then the following prices are to be applied.

Wholesaler to Consorzio Agario Prov.

Retailer to Wholesaler

quintal

quintal

litre

quintal

quintal

6950.---
7400.---

1a

<u>COMMODITY</u>	<u>PRICE IN LIRE</u>	<u>UNIT</u>	<u>DATE FIXED</u>
Plus transport expenses from loading point (f.o.r. or f.o.t.) to station or wholesaler's depot (according to how the oil is transported - either by rail or trucks) The Price to Consumer will then be lire 71.- per litre plus the transport cost paid by the wholesaler.			
20. <u>POSTAL AND TELEGRAPH</u>			17 Jul 44
100% increase			
21. <u>PRESSED GRAPES (1943-44 season)</u>			28 Sep 44
Approval to the contractual payment of L. 35,--- per quintal delivered to distiller			
22. <u>RATES</u>			
<u>TRANSPORTATION</u>			
(a) A.T.A.C. Transit			2 Jan 45
100% increase			
Schedule available Price Office			
(b) Marine			14 Dec 44
Temporary marine rates for shipping between Naples and Cagliari			
Passenger rates (a)	2000.---	per cabin	
(b)	1000.---	for deck	
(c)	3614.---	ton (1st class)	
(d)	2730.---	ton (2nd class)	
(e)	2025.---	ton (3rd class)	
(f)	1283.---	ton (4th class)	
(c) Temporary schooner rates for Inter Insular and Coastwise Italian Shipping for distances from 109 to 1,004 miles			22 Dec 44
Schedule available Price Office			
(d) S.T.E.F. Rates			13 Mar 45
made comparable with A.T.A.C. rates (see above)			

22. RATESTRANSPORTATION(a) A.T.A.C. Transit
100% increase

Schedule available Price Office

(b) Marine

Temporary marine rates for shipping
between Naples and Cagliari

Passenger rates (a)

(b)

(c)

(d)

(e)

(f)

(g)

(h)

(i)

(j)

(k)

(l)

(m)

(n)

(o)

(p)

(q)

(r)

(s)

(t)

(u)

(v)

(w)

(x)

(y)

(z)

(aa)

(ab)

(ac)

(ad)

(ae)

(af)

(ag)

(ah)

(ai)

(aj)

(ak)

(al)

(am)

(an)

(ao)

(ap)

(aq)

(ar)

(as)

(at)

(au)

2 Jan 45

14 Dec 44

2000.--	per cabin
1000.--	per deck
3614.--	ton (1st class)
2730.--	ton (2nd class)
2025.--	ton (3rd class)
1283.--	ton (4th class)

22 Dec 44

13 Mar 45

30 Mar 45

30 Mar 45

5 Oct 44

(c) Temporary schooner rates for Inter
insular and Coastwise Italian
Shipping for distances from 109 to
1,004 miles

Schedule available Price Office

(d) S.T.E.F.E.R. Rates

made comparable with A.T.A.C. rates (see above)

UTILITY(a) Electricity for Florence
temp. surcharge 400% - Effective
from 1 April to 30 June(b) Gas Florence
temporary surcharge 600%
effective from the date of
resumption of service until
30 May 1945.23. RAW MATERIALS (Blocked stocks-) 1943 production

Fatty acid

Sulphur oil

(av. fatty acid content 95%)

Oleino

(av. fatty acid content 97%)

Pasta di raffinazione

(av. fatty acid content 55%)

(caustic soda av. content 5%)

20.--

19.--

19.40

11.50

kilo

kilo

kilo

kilo

- 5 -

COMMODITY	PRICE IN LBS	UNIT	DATE PAID
24. <u>RICE</u> , Rough			27 Oct 44
"Originario" Common type	445.--	quintal	
"Originario" 1st quality	470.--	quintal	
Maratelli & P 6 (squirrel)	515.--	quintal	
Vialone (fine & superfine)	560.--	quintal	
25. <u>ROPE</u> (see Binder Twine)			
26. <u>SALT</u> (Retail price)			26 Oct 1944
Common salt	1000.--	quintal	
fine "	1200.--	quintal	
grinded "	1600.--	quintal	
refined "	2000.--	quintal	
white "	3000.--	quintal	
common salt for salting of fishes	240.--	quintal	
grinded " for salting of fishes	200.--	quintal	
Common " for the salting of the soil	400.--	quintal	
products, edible, destined to the			
extraction			
Salt for feeding	240.--	quintal	
Common salt for the ice industry and for	200.--	quintal	
the preparation of the champagne			
For the industries which are permitted			
to buy at a special price and which are			
not considered in these rates			
"Salcoocio"	240.--	quintal	
	120.--	quintal	
27. <u>SHEEP LIVE</u>			15 Feb 45
Yearlings weighing 42 to 45 kilos	1200 to 1500	each	
2 years old 45 to 50 kilos	2000 to 2500	each	
Lambs and yearlings	50.--	kilo	6 Mar 45
rams and ewes (over 2 years old)	40.--	kilo	
28. <u>SILK COCOONS</u> (to producer 1944 prod.)			4 Nov 44
Real Yellow cocoons, category 1	70.--	kilo	
" " " " " 2	65.--	kilo	
" white " " " 1	90.--	kilo	
" " " " " 2	85.--	kilo	
Yellow collected (double 2 rejected)			

a) Mineral sulphur	
Refined "	
Metall "	with copper
Refined "	" "

300, --
700, --
500, --
900, --

1a

- 6 -

COMMODITY

<u>COMMODITY</u>	<u>PRICE IN LIRE</u>	<u>UNIT</u>	<u>DATE FILLED</u>
b) Sulphur, Sicilian To the Date Zolfi Siciliani f.o.b. Catania, Porto Empedocle, Nicosia and Mazara Marone "Ciello Superiore" "Ciello inferiore" "Muna Sicilia" "Corrente"	5700.--- 5670.--- 5630.--- 5600.---	m. ton m. ton m. ton m. ton	14 Mar 45
31. <u>TELEGRAPH</u> (see Postal and Telegraph)			
32. <u>TELEPHONE</u> (see for posts)			
Canners to farmers Cannere to farmers (b) Tomatoes (canned peeled 44 production) cannere to farmers (c) Tomato paste Concentrated with not less than 36% Triple to producer to consumer Double concentrated with not less than 50/52% to producer to consumer Single concentrated with not less than 15/22% to producer to consumer Extra single concentrated with not less than 24/26% to producer to consumer	85.--- 250.--- 300.--- 162.55 214.--- 140.--- 164.--- 90.--- 121.--- 113.--- 148.---	quintal quintal quintal kilo kilo kilo kilo kilo kilo kilo kilo	17 Mar 44 3 Jul 44 23 Dec 44 2 May 44
33. <u>WHEAT</u> (cons ratio to farmer)			
Hard Soft	1000.---	quintal	

33. <u>WHEAT</u> (cons rate to farmer)					
Hard					
Soft					
(on 22 Sep 44 the national price above was extended to Northern Italy)					
34. <u>WHEAT</u>					
Triple					
to producer					
to consumer					
Double concentrated with not less than 30/32%					
to producer					
to consumer					
Single concentrated with not less than 16/26%					
to producer					
to consumer					
Extra single concentrated with not less than 24/26%					
to producer					
to consumer					
35. <u>WHEAT</u> (actual)					
Rate Roman IV & V, Central Italy & Sicily (inc. VI) (unit allows to be returned to manufacturers, or paid on actual cost basis)					

3 JUL 44

quintal

300.---

23 Dec 44

kilo
kilo162.55
211.---kilo
kilo

140.---

kilo
kilo

90.---

kilo
kilo

113.---

2 May 44

quintal
quintal

1000.---

1 Jun 44

5 Oct 44

kilo

17.---

PROPOSED TERMS OF REFERENCE FOR ADVISORY ANTI-INFLATION BOARD

ES/

30 March 1945

1. Since the issue of the Anti-Inflation Committee report, there have been many changes in the economic conditions in Italy. It is now necessary to consider what measures should be adopted both by the Italian Government and this Headquarters to check the continued tendency towards inflation.

2. It has been decided therefore to form an "Advisory Anti-Inflation Board" composed as follows:

Chairman: - Vice President, Economic Section

Members: - Vice President, Civil Affairs Section
Joint Directors, Finance Sub-Commission
and Labor Sub-Commission

Advisors to
be invited: Treasury attache, American Embassy
Treasury attache, British Embassy
A representative from the Italian
Ministry of the Treasury.

Secretary: To be appointed by the Chairman.

3. Terms of Reference:

a. To submit a report to the Chief Commissioner making recommendations as to the advice which shall be given to the Italian Government on the measures and policy which should be adopted in order that the tendencies towards inflation can be controlled and checked.

b. Apart from the preparation of the report mentioned in paragraph (a) above, the Board will consider such questions involving inflation as may be submitted to it from time to time. In particular the Board will consider the question of advice to be given to the Italian Government on future control of wages and prices in Italian Government territory. The Board will also consider policy appropriate for Military Government territory and territory which will later be liberated.

4. The Board will meet at such times and places as the Chairman may direct.

193

4603-2/CC

Office of the
Chief Commissioner

ALLIED COMMISSION

LIST OF PAPERS

File under No. 4603-2 ADVISORY ANTI-INFLATION BOARD

SECRET

Page 1

SERIAL NUMBER	FROM—	DATE	TO—	SYNOPSIS
1	Ltr ES/	30 Mar 45		Proposed terms of reference for Advisory Anti-Inflation Board
2	ES/11.06, Stone	2 Apr 45	Antolini	<u>Terms of Reference</u> for Advisory Anti-Inflation Board.
3	CC 4603-2, Stone	7 Apr 45	Antolini	Interim report of Board to be pre- sented as Aide-Memoire to Bonomi, who welcomes continued assistance.

SECRET

1874