

ACC 10000/146/37

LSC/116

PLANNING FOR N.W. ITALY

ACC 347

Jan. - Nov. 1945

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**Allied Military Government
of Occupied Territory
GENERAL ORDER No. 41
FIXING OF WAGES AND PRICES**

**Allied Military Government
of Occupied Territory
GENERAL ORDER No. 41
FIXING OF WAGES AND PRICES**

I, ELLERY WHEELER STONE, Rear Admiral, United States Naval Reserve, Chief Civil Affairs Officer, for and on behalf of the Supreme Allied Commander and Military Governor hereby order as follows:

ARTICLE I

This Order applies to all territory subject to Allied Military Government and situated north of the northern boundaries of the Provinces of Ravenna, Firenze, Pistoia, Lucca and Apuania. Such territory is hereinafter referred to as the northern territory and all other territory of Italy whether subject to Allied Military Government or to the administration of the Italian Government is hereinafter referred to as the southern territory. The Province of La Spezia forms part of the northern territory.

This order shall come into effect in any province or part thereof in the northern territory on the date of its first posting therein.

ARTICLE II

Until further order of the Allied Military Government, all persons who, within any province of the northern territory, at the effective date of this Order are or may thereafter become employees of state administrations, including those under autonomous management, or of parastatal organizations or of organizations created by public law shall receive payment by way of salaries and allowances in respect of such employment at the rates which were in fact in force on the 3rd April 1945 for employees in that province engaged on similar employment.

It is forbidden to demand, receive, offer or pay in respect of such salaries or allowances any sum in excess of the said rates.

ARTICLE III

In each province of the northern territory the rates of wages for employees other than those mentioned in Article 2 of this Order shall from the effective date of this Order and until further order of Allied Military Government be the rates which were in fact in force in such province on the 3rd April 1945 and no person shall, save as provided in article 4 hereof, demand, receive, offer or pay any sum for labor in excess of such rates.

ARTICLE IV

Notwithstanding the provisions of Article 3 of this Order it shall be lawful for the employees therein specified to negotiate with their employers for the purpose of modifying the wage rates laid down by this Order provided always that any agreement made as a result of such negotiation shall be submitted through the local Ufficio del Lavoro to the Allied Military Government for consideration and shall not be binding upon the employers or employees concerned and shall have no legal effect unless and until approved in writing by the Allied Military Government.

ARTICLE III

In each province of the northern territory the rates of wages for employees other than those mentioned in Article 2 of this Order shall from the effective date of this Order and until further order of Allied Military Government be the rates which were in fact in force in such province on the 3rd April 1945 and no person shall, save as provided in article 4 hereof, demand, receive, offer or pay any sum for labor in excess of such rates.

ARTICLE IV

Notwithstanding the provisions of Article 3 of this Order it shall be lawful for the employees therein specified to negotiate with their employers for the purpose of modifying the wage rates laid down by this Order provided always that any agreement made as a result of such negotiation shall be submitted through the local Ufficio del Lavoro to the Allied Military Government for consideration and shall not be binding upon the employers or employees concerned and shall have no legal effect unless and until approved in writing by the Allied Military Government.

It is forbidden to demand, receive, offer or pay any sum in respect of any such agreement unless and until the same has been approved as aforesaid.

ARTICLE V

Articles 2, 3 and 4 of this Order shall not apply to:

- (a) Persons employed in the northern territory by the Armed Forces of the Allies; or
- (b) Members of the CRR in the northern territory who shall receive pay and allowances in accordance with the scales officially in force in the southern territory for the payment of all members of the CRR.

ARTICLE VI

The following provisions for the determination of maximum prices for food and other commodities shall from the effective date of this Order and until further Order of the Allied Military Government apply to each province in the northern territory.

- (a) The maximum price for any item of foodstuffs sold or offered for sale;
 - (i) shall be the official price prevailing therefore in such province on the 3rd April 1945; or
 - (ii) in the absence of such official price shall be fixed by reference to the items for which an official price did prevail in such manner that the said respective prices shall stand in the same proportion to each other as they stood on the 1st May 1938.
- (b) The maximum price for any commodity, other than food, which has not been imported into the northern territory either from the southern territory or elsewhere.
 - (i) In respect of those items for which on the 3rd April 1945 a maximum price had in fact been established, shall be such maximum price.
 - (ii) In respect of all essential items not included in clause b (i) of this Article shall be fixed by reference to the items which are so included in such manner that the said respective prices shall stand in the same proportion one to another as they stood on the 1st May 1938.
- (c) The maximum price for any commodity other food, which has been imported into the northern territory either from the southern territory or elsewhere shall be either:
 - (i) The price prevailing for such commodity in such province on 3rd April 1945; or in the absence of such price,
 - (ii) the cost to the importer thereof on entry into the northern territory together with the costs necessarily incurred in the subsequent distribution thereof.
- (d) In respect of medical supplies, transportation and utility services, rents and such other goods or services as may be hereafter specified in such further order, the maximum prices shall be as laid down from time to time by further order of the Allied Military Government.

It is forbidden to demand, receive, offer or pay any sum in excess of the maximum prices hereinbefore specified.

ARTICLE VII

For the purpose of this Order the term « essential items » shall, unless subsequently varied by notice of the Allied Military Government, include:

- (a) Metals, ferrous and non-ferrous, fabricated and non-fabricated.
- (b) Building materials.

or services as may be hereafter specified in such further order, the maximum prices shall be as laid down from time to time by further order of the Allied Military Government. It is forbidden to demand, receive, offer or pay any sum in excess of the maximum prices hereinbefore specified.

ARTICLE VII

For the purpose of this Order the term « essential items » shall, unless subsequently varied by notice of the Allied Military Government, include:

- (a) Metals, ferrous and non-ferrous, fabricated and non-fabricated.
- (b) Building materials.
- (c) Plywood.
- (d) Electrical materials.
- (e) Industrial Gases and Chemicals.
- (f) Hemp-raw, tow and manufactured products including rope and canvas.
- (g) Leather and all leather articles.
- (h) Hides and skins.
- (i) Greases and solvents.
- (j) Textile fibres.
- (k) Matches.
- (l) Phosphate rock.
- (m) Tanning materials.
- (n) Cellulose for paper-making.
- (o) Carbon Bisulphide.
- (p) Soap.
- (q) Sulphuric acid.
- (r) Sulphur rock and Processed Sulphur.
- (s) Newsprint and printing paper.
- (t) Solid fuel.
- (u) Petroleum products, oils and lubricants and containers therefor.
- (v) Tyres, rubber and rubber products.
- (w) Motor and animal drawn vehicles, and parts and accessories therefor.
- (x) Animals customarily used for draught purposes.

ARTICLE VIII

All provisions of the Italian law and all decrees and regulations in force on 8 September 1943 or enacted by the legitimate Italian Government after that date which are inconsistent with the provisions of this Order are hereby suspended from operation in the northern territory.

ARTICLE IX

Any person who fails to comply with this Order or otherwise disobeys the provisions thereof shall upon conviction by an Allied Military Court be liable to such lawful punishment as the said court may determine.

ARTICLE X

This Order shall continue in full force and effect until varied or cancelled by further Order of the Allied Military Government.
Dated:

For the Supreme Allied Commander and Military Governor:

ELLERY WHEELER STONE,
REAR ADMIRAL
UNITED STATES NAVAL RESERVE,
CHIEF CIVIL AFFAIRS OFFICER.

Governo Militare Alleato

del Territorio Occupato

ORDINANZA GENERALE N. 41

FISSAZIONE DELLE PAGHE E DEI PREZZI

Io, ELLERY WHEELER STONE, Contrammiraglio nella Riserva della Marina degli Stati Uniti, Ufficiale Capo Affari Civili, in nome e per conto del Comandante Supremo Alleato e Governatore Militare, con la presente ordino quanto segue:

ARTICOLO I

La presente Ordinanza si applica a tutto il territorio soggetto al Governo Militare Alleato e situato al nord dei confini settentrionali delle provincie di Ravenna, Firenze, Pistoia, Lucca ed Apuania. Tale territorio viene da qui innanzi chiamato territorio settentrionale e tutto il rimanente territorio dell'Italia, soggetto sia al Governo Militare Alleato che all'amministrazione del Governo Italiano, viene quindi innanzi chiamato territorio meridionale.

La provincia della Spezia fa parte del territorio settentrionale.

La presente Ordinanza entra in vigore in ciascuna provincia o parte di essa nel territorio settentrionale alla data della sua prima affissione nella stessa.

ARTICOLO II

Fino a nuovo ordine del Governo Militare Alleato tutti coloro che in qualsiasi provincia del territorio settentrionale alla data di entrata in vigore della presente Ordinanza sono o in seguito diventino impiegati nelle amministrazioni dello Stato, comprese quelle con ordinamento autonomo, o di enti parastatali o di diritto pubblico devono essere retribuiti a titolo di stipendio e indennità relativi al loro impiego sulla base delle tabelle che erano effettivamente in vigore al 3 aprile 1945 in quella provincia per impiegati delle rispettive categorie.

E' vietato di domandare, ricevere, offrire o pagare rispetto a tali stipendi o indennità somma alcuna in eccedenza delle dette misure.

ARTICOLO III

In ciascuna provincia del territorio settentrionale le misure delle paghe per prestatori d'opera, diversi da quelli menzionati nell'Art. 2 della presente Ordinanza, devono essere dall'entrata in vigore della presente Ordinanza e fino a nuovo ordine del Governo Militare Alleato quelle di fatto in vigore in tale provincia al 3 aprile 1945 e nessuno, salvo quanto disposto nell'Articolo 4 della presente potrà domandare, ricevere, offrire, o pagare per tale lavoro somma alcuna in eccedenza di tali misure.

ARTICOLO IV

Nonostante le disposizioni dell'Art. 3 della presente Ordinanza, sarà lecito ai prestatori d'opera indicate nella stessa di trattare coi loro datori di lavoro allo scopo di modificare le misure delle paghe indicate dalla presente Ordinanza, ma qualsiasi accordo raggiunto in esito a tali trattative deve essere sempre sottoposto all'esame del Governo Militare Alleato per il tramite del locale Ufficio del Lavoro e l'accordo stesso non sarà vincolativo per i datori di lavoro o per i prestatori d'opera interessati e non avrà effetto legale a meno che e finché non sia approvato in iscritto dal Governo Militare Alleato.

E' vietato di chiedere, ricevere, offrire o pagare qualsiasi somma in dipendenza di qualsiasi accordo di tal genere a meno che e finché il medesimo non sia stato approvato come detto.

elle amministrazioni dello Stato, comprese quelle con ordinamento autonomo, o di enti parastatali o di diritto pubblico devono essere retribuiti a titolo di stipendio e indennità relativi al loro impiego sulla base delle tabelle che erano effettivamente in vigore al 3 aprile 1945 in quella provincia per impiegati delle rispettive categorie.

E' vietato di domandare, ricevere, offrire o pagare rispetto a tali stipendi o indennità somma alcuna in eccedenza delle dette misure.

ARTICOLO III

In ciascuna provincia del territorio settentrionale le misure delle paghe per prestatori d'opera, diversi da quelli menzionati nell'Art. 2 della presente Ordinanza, devono essere dall'entrata in vigore della presente Ordinanza e fino a nuovo ordine del Governo Militare Alleato quelle di fatto in vigore in tale provincia al 3 aprile 1945 e nessuno, salvo quanto disposto nell'Articolo 4 della presente potrà domandare, ricevere, offrire, o pagare per tale lavoro somma alcuna in eccedenza di tali misure.

ARTICOLO IV

Nonostante le disposizioni dell'Art. 3 della presente Ordinanza, sarà lecito ai prestatori d'opera indicati nella stessa di trattare coi loro datori di lavoro allo scopo di modificare le misure delle paghe stabilite dalla presente Ordinanza, ma qualsiasi accordo raggiunto in esito a tali trattative deve essere sempre sottoposto all'esame del Governo Militare Alleato per il tramite del locale Ufficio del Lavoro e l'accordo stesso non sarà vincolativo per i datori di lavoro o per i prestatori d'opera interessati e non avrà effetto legale a meno che e finché non sia approvato in iscritto dal Governo Militare Alleato.

E' vietato di chiedere, ricevere, offrire o pagare qualsiasi somma in dipendenza di qualsiasi accordo di tal genere a meno che e finché il medesimo non sia stato approvato come detto sopra.

ARTICOLO V

Gli Articoli 2, 3 e 4 della presente Ordinanza non si applicano:

- (a) alle persone impiegate nel territorio settentrionale dalle Forze Armate degli Alleati;
- (b) agli appartenenti all'Arma CC. RR. nel territorio settentrionale che riceveranno la paga e le indennità in conformità alle misure ufficialmente in vigore nel territorio meridionale per la retribuzione di tutti gli appartenenti all'Arma del CC. RR.

ARTICOLO VI

Dalla data dell'entrata in vigore della presente Ordinanza e fino a nuovo ordine del Governo Militare Alleato si applicano in ciascuna provincia del territorio settentrionale le seguenti disposizioni per la fissazione dei prezzi massimi per i generi alimentari e per le altre merci.

- (a) Il prezzo massimo per ogni specie di generi alimentari venduti od offerti in vendita
 - (i) deve essere il prezzo ufficiale in vigore per i generi stessi in tale provincia al 3 aprile 1945; oppure
 - (ii) in mancanza di tale prezzo ufficiale, deve essere fissato con riferimento alle specie per le quali era in vigore un prezzo ufficiale in modo che i rispettivi prezzi mantengano fra essi il medesimo rapporto in cui si trovavano al 1. maggio 1938.
- (b) Il prezzo massimo per qualsiasi merce, diversa dai generi alimentari, che non sia stata importata nel territorio settentrionale sia dal territorio meridionale sia da altrove
 - (i) per quelle voci per le quali al 3 aprile 1945 era effettivamente fissato un prezzo massimo, deve essere il prezzo massimo stesso;
 - (ii) per tutte le voci essenziali non comprese nel paragrafo b (i) del presente articolo deve essere fissato con riferimento alle voci che vi sono comprese in modo che i rispettivi prezzi mantengano fra essi il medesimo rapporto in cui si trovavano al 1. maggio 1938.
- (c) Il prezzo massimo per ogni merce, diversa dai generi alimentari, che è stata importata nel territorio settentrionale sia dal territorio meridionale sia da altrove sarà:
 - (i) il prezzo corrente per la merce stessa in quella provincia al 3 aprile 1945; in mancanza di tale prezzo
 - (ii) il costo per l'importatore della stessa all'atto dell'introduzione nel territorio settentrionale, maggiorato delle spese necessariamente sopportate nella susseguente distribuzione della merce stessa.
- (d) Verranno successivamente determinati di volta in volta con ordinanza del Governo Militare Alleato i prezzi massimi per i medicinali, per i trasporti, per i servizi di pubblica utilità, per le pigioni e per le altre merci o per gli altri servizi che potessero essere in seguito specificati nell'Ordinanza stessa.

E' vietato di domandare, ricevere, offrire o pagare qualsiasi somma in eccedenza delle dette misure.

Dalla data dell'emanazione in vigore della presente Ordinanza e fino a nuovo ordine del Governo Militare Alleato si applicano in ciascuna provincia del territorio settentrionale le seguenti disposizioni per la fissazione dei prezzi massimi per i generi alimentari e per le altre merci.

- (a) Il prezzo massimo per ogni specie di generi alimentari venuti od offerti in vendita
 - (i) deve essere il prezzo ufficiale in vigore per i generi stessi in tale provincia al 3 aprile 1945; oppure
 - (ii) in mancanza di tale prezzo ufficiale, deve essere fissato con riferimento alle specie per le quali era in vigore un prezzo ufficiale in modo che i rispettivi prezzi mantengano fra essi il medesimo rapporto in cui si trovavano al 1. maggio 1938.
- (b) Il prezzo massimo per qualsiasi merce, diversa dai generi alimentari, che non sia stata importata nel territorio settentrionale sia dal territorio meridionale sia da altrove
 - (i) per quelle voci per le quali al 3 aprile 1945 era effettivamente fissato un prezzo massimo, deve essere il prezzo massimo stesso;
 - (ii) per tutte le voci essenziali non comprese nel paragrafo b (i) del presente articolo deve essere fissato con riferimento alle voci che vi sono comprese in modo che i rispettivi prezzi mantengano fra essi il medesimo rapporto in cui si trovavano al 1. maggio 1938.
- (c) Il prezzo massimo per ogni merce, diversa dai generi alimentari, che è stata importata nel territorio settentrionale sia dal territorio meridionale sia da altrove sarà:
 - (i) il prezzo corrente per la merce stessa in quella provincia al 3 aprile 1945; in mancanza di tale prezzo
 - (ii) il costo per l'importatore della stessa all'atto dell'introduzione nel territorio settentrionale, maggiorato delle spese necessariamente sopportate nella susseguente distribuzione della merce stessa.
- (d) Verranno successivamente determinati di volta in volta con ordinanza del Governo Militare Alleato i prezzi massimi per i medicinali, per i trasporti, per i servizi di pubblica utilità, per le pigioni e per le altre merci o per gli altri servizi che potessero essere in seguito specificati nell'Ordinanza stessa.

E' vietato di domandare, ricevere, offrire o pagare qualsiasi somma in eccedenza ai prezzi massimi sopra specificati.

ARTICOLO VII

Ai fini della presente Ordinanza, sotto l'espressione « voci essenziali », salvo successiva modifica mediante avviso del Governo Militare Alleato, vanno compresi:

- (a) Metalli, ferrosi e non ferrosi, lavorati e non lavorati.
- (b) Materiali da costruzione.
- (c) Legno compensato.
- (d) Materiale elettrico.
- (e) Gas industriali e prodotti chimici.
- (f) Canapa greggia, stoppa e manufatti, compresi cordami e tele di canapa.
- (g) Cuoio e tutti gli articoli in cuoio.
- (h) Cuoi greggi e pellami.
- (i) Grassi e solventi.
- (j) Fibre tessili.
- (k) Fiammiferi.
- (l) Fosforiti.
- (m) Materiali da concia.
- (n) Cellulosa per la fabbricazione della carta.
- (o) Bisolfito di carbonio.
- (p) Sapone.
- (q) Acido solforico.
- (r) Zolfo greggio e zolfo raffinato.
- (s) Inchiostro da stampa e carta da stampa.
- (t) Combustibili solidi.
- (u) Prodotti del petrolio, oli e lubrificanti e recipienti degli stessi.
- (v) Copertoni, gomma e prodotti di gomma.
- (w) Veicoli a motore ed a trazione animale e relativi pezzi di ricambio ed accessori.
- (x) Animali da tiro.

ARTICOLO VIII

Rimane con ciò sospesa l'applicazione, nel territorio settentrionale, di tutte le disposizioni della legge italiana e di tutti i decreti e regolamenti in vigore all'8 settembre 1943 o emanati dal legittimo Governo Italiano dopo quella data che sono incompatibili con le disposizioni della presente Ordinanza.

ARTICOLO IX

ARTICOLO VII

Al fini della presente Ordinanza, sotto l'espressione « voci essenziali », salvo successiva modifica mediante avviso del Governo Militare Alleato, vanno compresi:

- (a) Metalli, ferrosi e non ferrosi, lavorati e non lavorati.
- (b) Materiali da costruzione.
- (c) Legno compensato.
- (d) Materiale elettrico.
- (e) Gas industriali e prodotti chimici.
- (f) Canapa greggia, stoppa e manufatti, compresi cordami e tele di canapa.
- (g) Cuolo e tutti gli articoli in cuolo.
- (h) Cuoi greggi e pellami.
- (i) Grassi e solventi.
- (j) Fibre tessili.
- (k) Fiammiferi.
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ARTICOLO IX

Chiunque non ottempererà alla presente Ordinanza o altrimenti trasgredisca alle disposizioni della stessa, sarà passibile, se riconosciuto colpevole da un Tribunale Militare Alleato, di quella pena legittima che il Tribunale stesso riterrà d'applicare.

ARTICOLO X

La presente Ordinanza manterrà pieno vigore ed efficacia finché non venga modificata o abrogata da una successiva Ordinanza del Governo Militare Alleato.

Per il Comandante Supremo Alleato e Governatore Militare:

ELLERY WHEELER STONE

CONTRAMIRAGLIO,

RISERVA DELLA MARINA DEGLI STATI UNITI,

UFFICIALE CAPO AFFARI CIVILI.

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

WHR/rmw/fg

TEL : Ext. 550

REF : LSC/116/413

6 November 1945

SUBJECT: Administration of Labor Questions -- Northern Italy

TO : Economic Commissioner, Northern Italy

and
Regional Commissioners -- Liguria, Piemonte, Lombardia
and Venezia
Attention: Regional Labor Officers

1. Executive Order No. 84 announced the creation of the Office of Economic Commissioner, Northern Italy, and indicated that the Economic Commissioner will be responsible for all economic functions in Liguria, Piemonte, Lombardia and Venezia. This memorandum deals with the administration of labor questions consequent upon the transfer of functions to the Economic Commissioner.

2. Allied Labor Officers in the Regions will be withdrawn and advice on labor questions in Northern Italy will be submitted to the Economic Commissioner and to Regional Commissioners by Allied Labor Officers attached to the staff of the Economic Commissioner and located in the latter's office in Milan. Allied Labor Officers will keep in close contact with labor developments in the Regions by correspondence and by visits as occasion arises, and as directed by the Economic Commissioner.

3. In each Region the routine administration of labor questions, other than questions relating to employees of Allied Authorities, will be conducted by the Regional Labor Offices and the Provincial Labor Offices already established throughout Northern Italy, assisted as necessary by Regional Italian Joint Advisory Committees.

4. General Order No. 41 requires wage agreements to be submitted ³⁵²⁴ Regional Commissioners for approval in AMC territory. The procedure already established in LSC/116 of 4 May 1945, and later instructions, will continue to operate; namely, wage agreements will be submitted through the Labor Offices (Italian) to the RIJACs for consideration and recommendation.

Where the RIJAC recommends approval of a wage agreement and where the Regional Labor Director (Italian) is satisfied that the agreement is generally in line with the current wage structure in Northern Italy, the latter will prepare for the signature of the Regional Commissioner concerned a formal statement of approval. The Regional Labor Directors (Italian) will have regard to the Rome Agreement of 27 November 1945 establishing, in detail, the basic wages and indemnities for the respective categories of workers of all industries

TO : Economic Commissioner, Northern Italy
and
Regional Commissioners -- Liguria, Piemonte, Lombardia
and Venetie
Attention: Regional Labor Officers

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4. General Order No. 41 requires wage agreements to be submitted ³⁵²⁴ to Regional Commissioners for approval in AMG territory. The procedure already established in LSC/116 of 4 May 1945, and later instructions, will continue to operate; namely, wage agreements will be submitted through the Labor Offices (Italian) to the RIJACs for consideration and recommendation.

Where the RIJAC recommends approval of a wage agreement and where the Regional Labor Director (Italian) is satisfied that the agreement is generally in line with the current wage structure in Northern Italy, the latter will prepare for the signature of the Regional Commissioner concerned a formal statement of approval. The Regional Labor Directors (Italian) will have regard to the Rome Agreement of 27 November 1945 establishing, in detail, the basic wages and indemnities for the respective categories of workers of all industries in Northern Italy.

Where the RIJAC does not recommend approval, or where, even if approval is recommended, the Regional Labor Director (Italian) is of the opinion that there is an important divergence from the approved wage structure for Northern Italy, the proposed wage agreement with an explanatory memorandum should be forwarded to the Economic Commissioner for Northern Italy for the

attention of the Allied Labor Officers. Reference will be made, as necessary, to Headquarters Allied Commission for the advice of the Labor Sub-Commission on questions of doubt or difficulty.

5. Copies of wage agreements which have been approved should be forwarded to Labor Division, Economic Commissioner for Northern Italy, for information and onward transmission to Allied Commission Headquarters, Rome.

6. Copies of this memorandum are being sent directly to the Regional Labor Directors (Italian) for their own guidance and for information of Provincial Labor Directors (Italian). Allied Labor Officers under the direction of the Economic Commissioner should insure that the arrangements are duly operated.

Harlan Cleveland
HARLAN CLEVELAND
Acting Vice President
Economic Section

DISTRIBUTION:

Director (Italian)	Regional Labor Office	- Milan (1)
"	"	- Genoa (1)
"	"	- Turin (1)
"	"	- Padova (1)
All Provincial Labor Directors (Italian)	(one each)	
SCAO - Venezia Giulia (for information)		
Economic Section	(2)	

DISTRIBUTION :

Director (Italian) Regional Labor Office - Milan (1)
 " " " " - Genoa (1)
 " " " " - Turin (1)
 " " " " - Padova (1)
 All Provincial Labor Directors (Italian) (one each)
 SCAO - Venezia Giulia (for information)
 Economic Section (2)

Handwritten: *Handwritten:*
 HANSEN CLIFTON AND
 Acting Vice President
 Economic Section

HEADQUARTERS ALLIED COMMISSION
APO 394

Suspense _____

Date 15/10/45

FROM	TO	FROM	TO
Staff Officer to CC		Political Advisers	
Executive Commissioner		Establishment Section	
Message Center		Executive Officer (A)	
Liaison Division		Executive Officer (B)	
Civil Affairs Section		G-1 (A)	
Dis Per & Repat		G-1 (A) Civilian Emp.	
Local Govt		G-1 (B)	
Patriots Branch		G-4 (A)	
Public Safety		G-4 (B)	
Security Division		2675th Regt	
Public Health		Headquarters Commandant	
Legal		Allied Civ. Pers. Director	
Education		Adjutant, Allied Commission	
Monuments & Fine Arts		Navy	
Economic Section <i>Act. 112</i>		Land Forces (MMIA)	
Requisition Branch		Air	
Agriculture		Communications	
Commerce		Civil Censorship Group	
Coal Div		WMD & POW	
Finance		Truck Operating Group	
Property Control Div		Public Relations Branch	
Food		Information Division	
Industry		Archivist	
Mining Division			
Labor			
Public Works & Utilities			
Shipping			
Transportation			

Signature _____
 Remarks & Recommendations _____
 Information _____
 Approval/Disposal _____
 Appropriate Action ☒ _____
 Investigation & Report _____
 Dispatch _____

Remarks: _____

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

C 9 0
1,44
KJH/rmw

Ext. : 204

15 November 1945

REF : LSC/116

SUBJECT: Removal of Labor Officers from AMG Regions --
Cancellation of General Order No. 41.

TO : Acting Vice President
Economic Section

1. Reference is made to General Order No. 41 and to memorandum LSC/116 of 4 May 1945, copies attached.

2. Arising from the proposal to withdraw Labor Officers from the Northern Regions, it is necessary to consider early cancellation of General Order No. 41 which provides, under Article IV, for the submission of wage agreements to Allied Military Government for approval.

3. The procedure has been for wage agreements, properly negotiated by workers and employers, to be submitted to Labor Officers for examination and a recommendation to Regional Commissioners as to whether or not approval shall be granted. With the withdrawal of Labor Officers there will be no practical value in continuing the present procedure and the time seems opportune for permitting the Italian joint negotiating machinery to function without the restriction imposed by General Order No. 41.

4. The procedure for referring wage agreements for the approval of a central and independent authority does not operate in territory administered by the Italian Government, nor has that Government expressed any desire for the continuance of such a procedure in Northern Italy.

5. Regional Italian Joint Advisory Committees referred to in the memorandum of 4 May can still continue to function after cancellation of General Order No. 41. By being relieved, however, from their present responsibility of reviewing wage agreements (such review at the present time is entirely formal), they will be able to concentrate on constructive surveys and reviews of local conditions, and in their advisory capacity can make a valuable contribution to industrial rehabilitation.

6. Cancellation of General Order No. 41, at an early date, is recommended.

W. H. BRAINE 3522
Director
Labor Sub-Commission

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

Cross Reference Sheet.

File: LSC / 116
Subject: Approval of weapons equipment by A.H. R.
Date: 1 / 11 / 1965
To: Latin etc
From: PICHONTE REGION
Documents Filed: LSC / 1205

3520

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

WHE/rmw

TEL : Ext. 204

11 June 1945

REF : LSC/901/116

SUBJECT: Regional Commissioners' Conference, 12 June 1945.
Items for Agenda.

TO : Acting Vice President
Economic Section

1. In conformity with your telephone request today, I am submitting herewith a list of items for discussion at the Regional Commissioners' meeting tomorrow:

- (a) Establishment of Regional, Provincial and other Labor Offices.
- (b) Establishment of Regional Italian Joint Advisory Committees.
- (c) Unemployment and surplus labor--
 - (1) Policy to continue the use of Cassa Integrazione;
 - (11) Diversion of surplus labor to agriculture, work relief projects and other supplementary schemes.
- (d) Wages adjustments--
 - (1) Private industry.
 - (11) Government employees.
- (e) Socialization of industry--
 - (1) Status of Works' Management Committees and commissari appointed.

W. H. H. H.
Director
Labor Sub-Commission

3519

LSC/116 + 810

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB-COMMISSION

FP/pm

Tel. 489081 - Ext. 204

Ref. : LSC/116/810

2 June 1945

SUBJECT : Wage Policy in North. Regional Orders.

TO : Regional Commissioner
Toscana Region.

1. With reference to your minutes of 27th April and 17th May 1945 (reference RVIII/48/28 and 29).

2. Regional Commissioners are authorised to approve the grant of increases in wages in respect of private employment, in accordance with the policy outlined in Memo LSC/166 of 4th May 1945, copy of which is attached, and it follows that Regional Commissioner may fix amounts to be paid within the terms of that policy.

3. In approving increase in respect of properly negotiated collective agreements, Regional Commissioners may, at their discretion, authorise the operation of such increases from the date of the agreement or from a date, which in all the circumstances appears to be reasonable.

W. H. BRAINE
Director,
Labour Sub-Commission

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FILE

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

LCS/rmw

TEL : Ext. 416

29 May 1945

REF : LSC/116

SUBJECT: Wage Policy for the North

TO : Directorate of Labor
A.F.H.C.

1. In accordance with your request to Mr. Sachs, Deputy Director of this Sub-Commission, I enclose three copies of Labor Sub-Commission memorandum LSC/116 of 4 May 1945, reference the above subject.

W. H. BRAINE
Director
Labor Sub-Commission

Attachments (3)

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HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB COMMISSION

WHB/ac

REF : LSC 308/116

28 May 1945

SUBJECT: Social Insurance in the North of Italy

MEMORANDUM

1. The Istituto di Previdenza Sociale has been put under the charge of Dott. Ambrosio who was appointed Commissario del Lavoro for Lombardia by the C.L.N. at Via Vivaio 1, Milan. Integrazione or sussidi di disoccupazione amounting to 75% of normal wages was paid through the Istituto. Firms are not now making their contributions and unless the income of the fund can be kept up, the payments cannot continue. In actual cash, the fund is bankrupt, the Fascists drained it. The Istituto di Previdenza Sociale has assets in buildings and equipment which cannot be realised.

2. Dott. Ambrosio thinks that a lot of firms made high profits working for the Germans and that they can afford to go on paying workers and to contribute to the fund.

3. Integrazione was in force in Southern and Central Italy when the Allies arrived and was discontinued in Sicily both as regards contributions and payments and the extent to which it is operating in Central Italy is not clear; Finance Sub-Commission are ascertaining the position.

Finance will also ascertain by cable to Regional Finance Officers the position in the various Provinces in the North.

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W. H. BRAINE
Director,
Labour Sub-Commission

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

Cross Reference Sheet

File: LSC/116

Subject: Allocation of Coal in North Italy

Date: 25 May '45

To: Commerce Sec

From: W. H. Braine - Director

Documents Filed: LSC/503

FYI
100/116
HEADQUARTERS ALLIED COMMISSION

APO 394

LABOUR SUB-COMMISSION

WEB/rmw

21 May 1945

LABOUR AND EMPLOYMENT IN NORTH ITALY

1. The following memorandum is based upon impressions gathered during a rapid tour of North Italy with a mission from Economic Section of Headquarters, A.C., Italy, which left Rome on 6 May and returned on 19 May, 1945. During this period visits were paid to Bologna, Padova, Venice, Milan, Turin and Genoa.

2. The main impressions are:

- (i) The unexpectedly favorable state of industrial establishments, plant, power, trains, etc.
- (ii) The optimism on the part of the Italians.
- (iii) The hard fact that owing to the prospects of supply of coal there will inevitably be mass unemployment.
- (iv) The necessity of providing alternative work schemes.
- (v) The necessity equally of providing state relief in cash and in kind, including feeding in popular kitchens, on a scale superior to the present system.
- (vi) The different character and temper of the Italians of the North from those of the South; and the general recognition on the part of Allied Officers in the North that detailed administration and control as in the South is not necessary and would be resented.
- (vii) The fact that however efficient the Italian machinery of administration, there must be formulation of policy and direction from above to guide the machinery; and that the Committee of National Liberation is not in itself able to provide this, although it has assumed a position of authority which rivals or even challenges AMG control.
- (viii) The necessity of arranging for the Italian Government to administer relief schemes, public assistance, feeding, etc., through the efficient machinery to which Allied officers may tribute - instead of trying to build up from scratch an Allied administered system. This is without prejudice to any views expressed elsewhere as to the advisability of Allied control, in general or in detail, of Italian industry.

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3. The most important step is perhaps to dispel the false optimism which pervades Italian circles. Having seen one miracle, viz., the preservation of their plant, power and equipment from the deliberate destruction which ruined the center and south, they expect another, viz., the supply of coal and raw material on a scale which will enable them to resume full production.

Italian industry required 1,000,000 tons of coal per month to keep its industries going. It cannot look to Germany, France nor Austria for supplies - its own output in Sardinia is not sufficient for the needs of the

center and south - and it can expect to get coal only from South Africa and America, I understand.

On 16th May I was given to understand that in June and July an average of 36,000 tons per month would be imported and in August 69,000 tons for Italian industry. (Other amounts would be imported for military nurseries and for railways in addition). Today, 20th May, I learn that perhaps 200,000 tons may be imported in the earlier months (per month), rising to 300,000 tons per month by the end of the year. Whatever estimate is true, it is obvious that Italian industry will operate at less than one-third of its capacity and that from four to six million workers will be unemployed.

4. During the pre-liberation period, Italian industry kept on its books as much labor as possible to save men from being deported to Germany. They paid 75 p.c. of normal wages to those for whom no work could be found. Thus at the moment of liberation it was said that in Milan there was no unemployment. Under Fascist law, and under an ordinance of the C.L.N.A.I. it was forbidden to dismiss any workers without permission. The requirements are of doubtful application now, and I happened to attend a meeting of employers at Turin where the need for factory discipline, power to dismiss or substitute efficient for inefficient workers, etc., was expressed.

Now there is the dangerous situation that there are workers returning from the mountains where they had taken refuge to avoid deportation to Germany, and those returning from Germany and Austria, etc., who receive only 16 of 20 lire per day by way of public assistance, as compared with those who happen to be on the payroll of industrial establishments and who receive 75 p.c. of their normal wage. Already in Genoa and La Spezia there are thousands without sufficient means for maintenance.

Large scale work schemes must be prepared and put into effect as soon as possible. The most obvious possibilities are the repair of bridges and roads, railroads, houses and factories, and the diversion of surplus labor from the cities to agriculture. Cement, bricks and steel are required for repair and reconstruction work, and the allocation of coal and material should be made with these necessities in mind. Similarly transport of all descriptions should be allocated for these nurseries.

While the Allied Authorities can give advice and guidance on the preparation and operation of such work schemes, and can influence the allocation of transport, coal and material, it is considered that the Italian Government should be responsible for the execution of the program.

5. Similarly, in the allocation of coal, material and transport that may be supplied by the Allies, one of the factors to be borne in mind is the amount of employment that can be provided in particular districts. It may be advisable to allocate coal to an establishment where the degree of efficiency may not be as high as in others, for the purpose of affording employment in an area where there is little opportunity. Allocation solely on efficiency basis may concentrate production in certain areas at the expense of others.

6. There is already in operation in North Italy an efficient system of public restaurants where standard meals are served at fixed prices varying from

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6. There is already in operation in North Italy an efficient system of public restaurants where standard meals are served at fixed prices varying from 20 to 25 lire per meal. These should be encouraged and extended, and the supply of foodstuffs guaranteed, in order to meet the demand that is already growing. Here again the Italian administration can operate without the Allied authorities taking over detailed administration. A system of meal tickets for those without resources will probably be necessary in the immediate future.

7. With the abolition of Fascist labor regulation on liberation, it is necessary to make special legal provision to meet the situation which has been found on entry to the North as regards the retention on the pay roll of work-

ers for whom there is not sufficient employment. The Committee of National Liberation made an ordinance forbidding the dismissal of surplus staff without the permission of the factory CLN Committee. Apart from the doubtful force of such an ordinance now, there are no sanctions to support it. Arrangements should be made for the regulated release of surplus staff, and for the maximum amount of agreement between employers and workers in the selection of workers to be dismissed.

8. Wage scales were fixed by Fascist government orders but are now open to joint negotiation between industry and the workers, subject to ratification by AMG. Wages scales were considerably lower than those obtaining in Central and South Italy, even after allowing for the various bonuses and piece-work rates by which workers in certain industries obtained more than the minimum rates. For example, in Turin piece workers who would normally earn a bonus on production but who combined with the employers to produce as little as possible for the Germans, were paid a "cattino" or bonus amounting to 41 p.c. of the basic wage (i.e., omitting indemnities and bonuses). Time workers were given an increase amounting to 60 p.c. of that bonus.

Prices are gradually rising - and one factor in increasing them is the influx of repatriated workers and ex-prisoners, and of refugees, who arrive in the large towns and cities with no possessions other than the clothes they wear. They seem to have funds to make extensive purchases. Consequently there is already a move for the upward revision of wages.

9. On matters of labor regulation, wages, etc., the Joint Advisory Committees intended to advise the Allied Regional Commissioners, should be of service to advise the Italian administration. The Government, industry and workers had agreed to the establishment of such Committees, comprising representatives of the three interests, and they should be put into operation at the earliest date. At the same time, it is extremely doubtful whether the machinery of AMG could cope with the detailed administration of private industry and other establishments in this respect, and the Italian machinery should continue with guidance and advice from AMG rather than minute control.

10. A public pronouncement should immediately be made regarding

- (a) the appointment of Works Management Councils (consiglio di Gestione Aziendale);
- (b) the payment of Liberation Bonus to workers, varying from 5,000 lire for adult heads of families to 1,500 lire for others;
- (c) the appointment of Commissioners and Vice-Commissioners in replacement of compromised or missing managements.

The first depends upon a so-called Decree of the Committee of National Liberation for Upper Italy, dated 17th April 1945, which abolished the Fascist "socialization" decree but applied, to establishments which capital of one million lire and above which had been liable to socialization, provisions for managements councils containing 50 p.c. representation of workers.

The second rests upon an alleged agreement between representatives of industry and of workers in the CLN, and required payment of the bonus to industrial workers to be completed by 31st May. It was later extended to employ-

minimum rates. For example, in Turin piece workers who would normally earn a bonus on production but who combined with the employers to produce as little as possible for the Germans, were paid a "cattino" or bonus amounting to 41 p.c. of the basic wage (i.e., omitting indemnities and bonuses). Time workers were given an increase amounting to 60 p.c. of that bonus.

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The second rests upon an alleged agreement between representatives of industry and of workers in the CLM, and required payment of the bonus to industrial workers to be completed by 31st May. It was later extended to employees in commerce, to be paid by 31st August. Any number from four to six million workers would be affected and as the average payment would be in the neighborhood of 3,500 lire per worker, the inflationary effect and other results would be serious if the payments were made.

The third started as the nomination by local CLNs of interim managers to keep businesses going when the managers disappeared, but has been interpreted as the right to substitute nominees at the instigation of such Committees. The demand is made that a worker should be appointed if possible; otherwise, that a worker should be appointed Vice-Commissioner.

11. In fact, the three questions were not heard of in Bologna, Venezia, Padova, and were not much in evidence in Genoa. They are being developed most in the Milan area and also in Turin. Threats of personal violence are being made in Milan area to enforce payment of the bonus, but even so it has not been generally said. In the Turin area some employers made the theatrical gesture of offering the keys of their establishments to the workers when they were asked for the bonus, which they said would mean the closing of their businesses.

I gathered the impression in Milan, Turin and Genoa that the workers' representatives in the various Camere del Lavoro were themselves fearful of the consequences of pursuing these issues, with the exception of the Communist secretary of the Camera at Milan. His other two colleagues (Socialist and Christian-Democrat) told me that they did not support him, but were keeping quiet to avoid an open break which would disrupt the workers' movement.

12. Publicity has been given to these questions and if high policy decides that counter-action should be taken, equal publicity should be given. On the first two issues it is recommended that a decision should be taken to suspend action until the Italian Government has fully considered all the implications. On the third issue it is recommended that commissioners or receivers should be appointed by AMG or the Italian Government, in substitution where advisable, of those appointed by CLMS, and that orders should be issued that there should be no arbitrary replacement of existing managements.

13. During the conduct of military operations and the progress of the Allied Armies up through southern and central Italy, the Allies gave a considerable amount of employment to Italian civilians. There is an entirely different position in the North. In Genoa, for example, only 2,365 civilians are directly employed. Ex-enemy personnel are also available for work in the Army areas.

14. This raises another issue. In the South and in Central Italy, the end of military operations involves the closure or reduction of military establishments with dismissal of civilians. Early consideration should be given to the regulation of such dismissals and to as much advance notice as possible.

15. Communications in the North are difficult. It is recommended that the military despatch service should be made available for the collection of up-to-date information on the labor and employment position and that Allied representatives in the various Provinces should ascertain and report:

- (a) actual unemployment; i.e., returning refugees, etc., and local residents without work;
- (b) potential unemployment; i.e., workers on the payroll who are not in productive employment but who are being paid 75 p.c. of wages;
- (c) relief schemes in operation or proposed;
- (d) feeding position in popular restaurants, etc.

16. In each center visited, contact was made with the local Camera (where it has not been set up), and the Joint Secreta-

3512

Christian-Democrat) told me that they did not support him, but were keeping quiet to avoid an open break which would disrupt the workers' movement.

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16. In each center visited, contact was made with the local Camera del Lavoro (except Venice where it has not been set up), and the Joint Secretaries in each instance undertook to cooperate to the utmost with the Allied authorities and with industry. Local industrial representatives were also seen and gave similar assurances. The introductions from the General Confederation of Italian Labor, and the earlier contacts made in Rome proved exceedingly useful. Representatives of banks, and of local Italian administration, including some Prefects, were also met.

Special facilities should be afforded for the representatives of the C.G.I.L. (labor), and of the employers' national Federation, to visit the North. It is also recommended that the "official" labor paper IL LAVORO should be allowed to circulate in the North and should be given special facilities.

It should thus replace the former clandestine sheets and would give an open and official air to Italian labor policy.

17. To summarize:

- (a) Relief work schemes must be prepared for execution through the Italian Government machinery;
- (b) Employment possibilities should be considered in the allocation of coal, material and transport;
- (c) Public restaurants should be maintained and extended, under Italian administration;
- (d) Special labor legislation should provide for regulation of wages, employment and dismissals, with agreement between employers and workers, (e.g., Regional Italian Joint Advisory Councils);
- (e) Action regarding appointment of Commissioners by CLN or workers, appointment of Works Management Councils, and payment of a Liberation bonus, should be suspended and a public announcement made jointly by AMG, Italian Government and CLN;
- (f) The program for the gradual reduction of Allied civilian establishments should be prepared;
- (g) Up-to-date information regarding labor and unemployment situations should be collected through military services;
- (h) Special facilities should be given to C.G.I.L. representatives, employers' federation representatives, and trade union representatives to visit the North to organize industrial negotiating machinery. Facilities should also be given to the official labor paper IL LAVORO to circulate in the North.

W. H. Braine
~~W. H. Braine~~
Director,
Labour Sub-Commission

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HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB-COMMISSION

FILE

Ref: *LSC/116*

16 May, 1945.

Subject: Food and Wage Study, North West Italy.

To: Col. Sheldon, A.F.H.Q.

1. I attach for your information schedules giving rates of wages paid and food prices in various districts in Northern Italy collected by Captain Fred Murphy of Industrial Division and Captain John Morratt of Labour Division.
2. The information relating to wages paid by the German Army to civilian workers was obtained from the following sources:-
 - (a) German Army records left in the Labour Office in Modena.
 - (b) A Lt. Colonel of the German Quartermaster Corps.
 - (c) A German civilian employee of the Paymaster's Department.
3. In private industry the minimum wages established by the Republican Decree of November 1st, 1944, were generally paid. In the past few months workers have demanded and received advances of one to five thousand lire a month.

RA
W.H. BRAINE
Director,
Labour Sub-Commission.

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MINIMUM WAGE - GROSS - FOR WORKER WITH WIFE AND TWO CHILDREN

EMPLOYER

CLASSIFICATION	MECHANICAL AND METAL TRADES MILAN	BUILDING TRADES MILAN	GROUP I PRIVATE INDUSTRY	GROUP II PRIVATE INDUSTRY	STATE	GERMAN ARMY	TOTAL
HIGHLY SKILLED WORKERS	122.80	110.00	112.40	108.80	96.33	176.40	--
SKILLED WORKER	114.60	104.40	104.40	101.20	94.00	136.40	100
SEMI-SKILLED WORKER	106.32	--	97.20	94.40	88.16	136.40	--
COMMON LABOR	102.60	97.20	94.00	91.60	91.00	136.40	92

NOTE : THESE ARE MINIMUM RATES UNDER NEW CONTRACT WHERE INCREASE HAD BEEN GRANTED UNDER OLD CONTRACT - SAME INCREASE APPLIED TO NEW CONTRACT.

NOTE : GROUP I ABOVE INCLUDES LARGER PROVINCES OF NORTH ITALY - GROUP II THE SMALLER.

MINIMUM WAGE - GROSS - FOR WORKER WITH WIFE AND TWO CHILDREN

A P P E N D I X

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MECHANICAL AND METAL TRADES MILAN	BUILDING TRADES MILAN	GROUP I PRIVATE INDUSTRY	GROUP II PRIVATE INDUSTRY	STATE	GERMAN ARMY	TOTAT	ARMED FORCES
122.80	110.00	112.40	108.80	96.33	176.40	--	--
114.60	104.40	104.40	102.20	94.00	136.40	108.40	--
106.32	--	97.20	94.40	88.16	136.40	--	--
102.60	97.20	94.00	91.60	91.00	136.40	92.40	85.00

NOTE : THESE ARE MINIMUM RATES UNDER NEW CONTRACT WHERE INCREASE HAD BEEN GRANTED UNDER OLD CONTRACT - SAME INCREASE APPLIED TO NEW CONTRACT.

NOTE : GROUP I ABOVE INCLUDES LARGER PROVINCES OF NORTH ITALY - GROUP II THE SMALLER.

FOOD PRICES IN LIRE

COMMODITY	UNIT	B O L O G N A			M O D E N A			R A T I O N
		RATION	LEGAL	BL. SET	RATION	LEGAL	BL. SET	
BREAD	KILO	150 GR 350 GR H. WK	6	30	250 GR 450 H. WK	2.40	15-20	325 GR EVERY 200 GR MONTH 250 GR H. WK
PASTA	KILO	none	none	50	150 GR WK	3.80	20-25	3 KILOS-MON
OIL	LITRE	none	none	1100	3 LITRES IN 3 MONTHS	97.0	1100	100 GR IN 10 MONTHS
BUTTER	KILO	none	none	1200	none IN A MON.	75.0	700	150 GR PER H.
LARD	KILO	none	none	none	100 GR IN DEC 44	29	600	CHOICE-SUB F. BUTTER
TOMATO PASTE	KILO	100 GR. INTER	30	200	300 GR. 6 MONTHS	21	100	50 GR FOR 3
CHEESE	KILO	none	none	none	1 KILO-6 MONTHS	30	300	50 GR A MONTH 100 GR A MONTH
CHEESE PASTE	KILO	none	none	none	none	none	400	300 GR A MONTH
SALT	KILO	200 GR. INTER	36	400	none	none	400	250 GR A MONTH
SUGAR	KILO	none	none	750	250 GR PER MON old-sick-young	92.40	700	250 GR A MONTH old-sick-young
MARSHALDE	KILO	none	none	300	170 GR A MONTH old-sick-young	49	100	none
MEAT FRESH	KILO	none	none	400	100 GR A WEEK	50	160	130 GR A WEEK
MEAT PRESERV	KILO	none	none	none	none	none	none	30 GR A WEEK
EGGS	EACH	FREE MARKET	20-30	none	2 in 6 MONTHS	10	17	none
WINE	LITRE	FREE MARKET	28-56	none	FREE MARKET	12.50	30	FREE MARKET
POTATOES	KILO	FREE MARKET	7	none	FREE MARKET	6	none	FREE MARKET
VEGETABLES	KILO	FREE MARKET	50-70	none	FREE MARKET	40-50	none	FREE MARKET
GRUINS	KILO	FREE MARKET	70	none	FREE MARKET	15-20	none	FREE MARKET
MILK	LITRE	FREE MARKET	30	none	none	none	none	1/2 ltr to you day
PINEWOOD	QUINTAL	FREE MARKET	600	none	8 c. per fan for winter	1/8	600	none
SOAP-FRESH	KILO	none	none	300	125 GR A MONTH	40	200	unknown
SHOES SOWK	PAIR	none	none	none	1 PR. - YEAR	200	450	none
CANNIES	EACH	none	none	none	6 PER MONTH	6	25	unknown

N O T E : IN MODENA PROVINCE EACH PERSON RECEIVED ON SEPTEMBER 1, 1944, ONE YEAR'S RATION
OF FLOUR FOR HOME PASTA OF 1 1/2 QUINTAL AT 160 LIRE PER QUINTAL

FOOD PRICES IN LIRA

	BOLOGNA			MODENA			MANTOVA		
	RATION	LEGAL	BL. MKT	RATION	LEGAL	BL. MKT	RATION	LEGAL	BL. MKT
	150 GR 350 GR H. WK	6	30	250 GR 450 H. WK	2.40	15-20	325 GR EWE 200 GR NONAL 250 GR H. WK	4.5	none
	none	none	50	100 GR WK	1.80	20-25	3 KILOS-MON	4.50	none
	none	none	1100	3 LITRES IN 8 MONTHS	97.0	1100	100 GR IN 10 MONTHS	25.00	500-600
	none	none	1200	NONE IN 1 MON.	75.0	700	150 GR PER MON.	70.00	600
	none	none	none	100 GR IN DEC	29	600	CHOICE-SUB FOR BUTTER	30.00	600
	150 GR-INTER	30	200	300 GR-6MONTHS	21	100	50 GR FOR 3 MON	50.00	150
	none	none	none	1 KILO-6MONTHS	30	300	50 GR A MONTH	40.00	400
	200 GR-INTER	36	400	none	none	400	100 GR A MONTH	40.00	150
	none	none	750	250 GR PER MON old-sick-young	32.40	700	300 GR A MONTH	1.4	500
	none	none	300	170 GR A MONTH old-sick-young	49	100	250 GR A MONTH old-sick-young	24.0	300
	none	none	400	100 GR A WEEK	50	160	none	none	none
	none	none	none	none	none	none	130 GR A WEEK	50	150
	none	none	none	2 in 6 MONTHS	10	17	30 GR A WEEK	95	500
CH	FREE MARKET	23-30	none	FREE MARKET	12.50	30	none	none	none
FR	FREE MARKET	26-56	none	FREE MARKET	6	none	FREE MARKET	50	none
LO	FREE MARKET	7	none	FREE MARKET	40-50	none	FREE MARKET	15	none
LO	FREE MARKET	50-70	none	FREE MARKET	15-20	none	FREE MARKET	40	none
LO	FREE MARKET	70	none	none	none	none	FREE MARKET	30	none
FR	FREE MARKET	30	none	none	none	none	1/2 ltr to young day	5	none
ITAL	FREE MARKET	600	none	8 c. per fan for winter	148	600	none	5	none
LO	none	none	300	125 GR A MONTH	40	200	none	none	none
FR	none	none	none	1 PR - YEAR	200	450	unknown	unknown	none
CH	none	none	none	6 PER MONTH	6	25	none	none	none

MODENA PROVINCE EACH PERSON RECEIVED ON SEPTEMBER 1, 1944. ONE YEAR'S RATION
 FLOUR FOR HOME PASTA OF 1 1/2 QUINTAL AT 160 LIRA PER QUINTAL

0517

Declassified E.O. 12356 Section 3.3/NND No. 785021

COMMODITY	UNIT	M I L A N		
		RATION	RED-L	BL. RICE
BREAD	KILO	150 GR NORMAL 375 GR WORKER 475 GR H. GR. 575 GR V.H. GR.	5	40
PASTA	KILO	3 KILOS MONTH 1 KILO H. GR.	7.5	50
OIL	LITRE	100 GR A MONTH	45	900
BUTTER	KILO	100 GR A MONTH	85	750
LARD	KILO	none	none	750
TOMATO PASTE	KILO	100 GR A MONTH	85	250
CHEESE	KILO	100 GR A MONTH	45	500
CHEESE CREAM	KILO	50 GR A MONTH	45	200
SALT	KILO	none IN 3 MONTHS	2.5	600
SUGAR	KILO	500 GR A MONTH old, sick, young	27.50	600
MARSHALADE	KILO	none	none	250
MEAT FRESH	KILO	150 GR A MONTH	85	600
MEAT PRESERV	KILO	none	none	550
EGGS	EGGS	FREE MARKET	20	.
WINE	LITRE	FREE MARKET	90	.
POTATOES	KILO	FREE MARKET	30	.
VEGETABLES	KILO	FREE MKT - MEAS DRIED 200-100		.
GRANES	KILO	FREE MARKET	50	.
MILK	LITRE	100 GR A DAY young	6	.
MEAT COD	UNITAL	25 KILO PER MONTH	250	750
SOAP FRESH	KILO	none	none	400
SHOES - BOYS	PAIR	none	none	3000
CANDIES	EAH	none	none	12-15

2556

UNIT	M I L A N		
	RATION	LEGAL	BL. MCT
KILO	150 GR NORMAL 375 GR - ORKER 475 GR H. GR. 575 GR V.H. BK.	5	40
KILO	3 KILOS MONTH 1 KILO H. BK.	7.5	50
LITRE	100 GR A MONTH	45	900
KILO	100 GR A MONTH	85	750
KILO	none	none	750
KILO	100 GR A MONTH	85	250
KILO	100 GR A MONTH	45	500
KILO	50 GR A MONTH	45	200
KILO	none IN 9 MONTHS	2.5	600
KILO	500 GR A MONTH old, sick, young	27.50	600
KILO	none	none	250
KILO	150 GR A MONTH	85	600
KILO	none	none	550
EGG	FREE MARKET	20	-
LITRE	FREE MARKET	90	-
KILO	FREE MARKET	30	-
KILO	FREE MKT - PEAS DRIED 200-100	-	-
KILO	FREE MARKET	50	-
LITRE	100 GR A DAY young	6	-
UNITAL	25 KILO PER MONTH	250	750
KILO	none	none	400
PAIR	none	none	3000
PAIR	none	none	12-15

2526

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB-COMMISSION

DCS/fg

Tel. 429081 - 204

REF : LSC/116

4 May 1945

SUBJECT: Wage Policy for the North

TO : See Distribution List

1. The economic policy which it has been decided to adopt for Northern Italy is fully described in ALCOM signal 5920 of 24 April, and has been implemented by General Order No. 41 which imposes the necessary restrictions and penalties. The economic boundary line will be the Northern boundaries of Ravenna, Firenze, Pistoia and Lucca, and the Northern and Western boundary of Anagnina. As one step to avoid inflation it is proposed to maintain the wage-price relationship of 3 April, 1945, at least for an initial period.

To the extent, however, that the price level cannot be effectively held, some adjustment will have to be made in wages. This should be done in a gradual, orderly and controlled manner.

2. Wages in Private Industry

(a) Wages in private industry will be fixed at 3 April rates. This is provided for by Article 3 of General Order 41 which freezes wages in private industry to the level prevailing on 3 April, and makes it a penalty to demand, receive, offer or pay any sum in excess of such rates, except as provided in Article 4.

(b) Nevertheless, it will be lawful for employees and employers to negotiate for and agree upon proposed wage increases. Accordingly, Article 4 of General Order No. 41 provides that negotiations for wage increases will be permitted between employers and employees. Any agreement reached as the result of such negotiations will be submitted through the local Ufficio del Lavoro to AMG and will be valid only upon receipt of AMG approval in writing.

(c) It will be the policy not to approve increases as long as the price level remains substantially constant. Where, however, there has been a substantial increase in the cost-of-living, such agreements may be approved to the extent deemed appropriate under the circumstances, after regard has been paid to the recommendation of the Regional Italian Joint Advisory Committee in each case.

(d) The following procedure will be pursued in implementing the program outlined above.

Requests for approval of proposed wage changes will be received in the first instance by the appropriate Ufficio del Lavoro. The latter will forward the agreement with its recommendation to the Regional Commissioner for approval, via the Italian Regional Director of Labour.

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In the case of a proposed wage change which would represent a break from a previously existing level as established by prior precedent, the submission to the Regional Commissioner should be accompanied with a statement of pertinent data such as previously existing rates, whether important interests are not parties to the agreement, corresponding wages paid to employees of the Allied Forces, and cost-of-living data. The Regional Commissioner will refer the proposal to the Regional Italian Joint Advisory Committee (RIJAC).

before ruling upon the request. (RIJAC is described below).

In the case of a proposed wage change which is in conformity with a previously approved change for another industry or district, the submission to the Regional Commissioner should contain a brief summary of the agreement together with a statement that the proposals do not exceed newly established levels. Such an agreement may be approved by the Regional Commissioner without consultation with RIJAC.

(e) The functions and terms of reference of RIJAC are set forth in Memorandum ISC/910 of 28 April, 1945. There will be established in each region a Regional Italian Joint Advisory Committee consisting of representatives of the Italian Government, employees and employers. The functions of RIJAC, which are purely advisory, will be to assist the Regional Commissioner on labour and industrial questions.

(f) Labour Officers will undertake to see that the Director of the Regional Labour Office and each Ufficio del Lavoro is fully acquainted with their respective duties in regard to wage agreements as set out above. It is important that prices of cost-of-living items, especially as of 3 April, be collected carefully and kept current. The Director of the Regional Ufficio del Lavoro should be furnished with a copy of the memorandum concerning RIJAC (ISC/910 of 26 April), and should be informed that he is an ex-officio member of RIJAC. He should be reminded that consideration must be given to prevailing rates in similar industries, both in the Northern Regions and in other parts of Italy, and the effect of the proposed change upon other industries in the same locality. Since the recommendation of RIJAC may take the form of more effective price control rather than wage relief, it will be the duty of the Regional Director to be in a position to furnish the Committee with the necessary information.

(g) There should be regular consultation between Regional Labour Officers for the respective Regions in order to coordinate policy and practice in dealing with requests for wage increases. It is not intended nor desired that there should be uniformity in the extent to which increases are permitted but rather that variations in circumstances between localities should be recognized.

(h) Regional Finance Officers should be invited to attend meetings of RIJACs and/or to give comments and information regarding cost-of-living levels in various localities.

(i) When formal approval is issued for the application of an agreement providing for an increase in wages, a written report to Labour Sub-Commission giving relevant details including the reasons accepted as justifying an increase, should be forwarded without delay.

In addition a telegram should be sent in respect of the first substantial increase authorized in each Province. The telegram should state:

- (1) Province
- (2) Locality or town
- (3) Industry
- (4) Net take-home wage for man, wife and two dependents on 3 April-
 - (a) skilled; (b) semi-skilled; (c) unskilled
- (5) Increase approved
- (6) Date of application and resultant increased wages as in 4

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- (5) Increase approved
- (6) Date of application and resultant increased wages as in 4
 - (a), (b) and (c).

Later increases which do not materially exceed those already reported need not be telegraphed, but should be reported in writing.

(j) Implementation of Italian Government Decrees. As part of the policy referred to, the Italian Government Decrees referring to wage increases

es in private industry will be excluded from further implementation in the North. The important Decrees under this heading are RDL No. 23-3 of 7 December, 1943; DLI No. 303 of 2 November, 1944, and DLI No. 307 of 9 November, 1944. The order excluding these Decrees from further implementation will be found in the special supplement to the Official Gazette No. 51 of 28 April, 1945. The memorandum describing the implementation status of Italian Government Decrees in the North is AC/4010/9/L of 30 April, entitled "Economic Decrees". In view of the fact that it may be necessary to bring into effect some or all of these Decrees at short notice, the special order provides for implementation in any Province by the Provincial Commissioner. No such implementation order may be issued without express authority from Headquarters Allied Commission.

3. Wages - Government Employees

(a) Employees of the Italian Government North of the economic boundary will receive the salaries and allowances which were in force on 3 April. This is provided for by Article 2 of General Order No. 41. Special provision is being made for such Government personnel as may be transferred from the South to the North. Those transferred will be paid at the scale applicable to the North but will be credited for the difference in home. Members of the Carabinieri, however, will receive the full rate in the North.

(b) As in the case of private wage increase Decrees, the Italian Government Decrees providing for wage increases to Government employees will not be implemented in the North. The important Decrees in this respect are RDL No. 18-B of 6 December, 1943; DLI No. 328 of 18 November, 1944 and the more recent Decree, DLI No. 116 of 13 March, 1945. This is also provided for by order appearing in Official Gazette No. 51 of 28 April and described in the memorandum entitled "Economic Decrees", AC/4010/9/L of 30 April.

4. Allied Forces Wage Scale.

(a) Civilians employed by the Allied Forces will not be paid at the rates currently prevailing in the South. The intention is to pay only such rates as will conform to the 3 April level. Preliminary instructions are in A.F.L.R.S. signal IRS/60LA of 23 April, 1945, and will be dealt with more specifically by an AFHQ directive which will issue shortly. The cost-of-living bonus (Administrative Memoranda No. 62 and No. 18) will not be paid.

(b) Directions regarding supplementary rations to employees of the Allied Forces in the North will be found in Appendix "B" to minutes of the Allied and Wages Control Committee (A.F.L.R. (I) E.) meeting of 27 April, 1945.

DISTRIBUTION:

R.C. Umbria-Marche Region
R.C. Toscana Region
R.C. Emilia Region
R.C. Piemonte Region
R.C. Liguria Region
R.C. Lombardia Region
R.C. Veneto Region

W. H. BRAINE
Director,
Labour Sub-Commission

3505

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 R.C. Lombardia Region
 R.C. Venezia Region
 S.C.A.O. A.M.G. V ARMY
 S.C.A.O. A.M.C. VIII ARMY
 Capt. Schner - Umbria-Marche Region
 Maj. Small - Toscana Region
 Maj. Albright - Emilia Region
 Maj. Scicluna - Piemonte Region
 Lt. Cantilli - Piemonte Region
 Capt. Alessandrini - Liguria Region
 Maj. Fisher - Lombardia Region
 Capt. Adams - Lombardia Region
 Capt. Holsten - Lombardia Region
 Capt. Bailey - Venezia Region
 Capt. Giammarco - Venezia Region
 Finance Sub-Commission
 Economic Section

W. H. BRAINE
 Director,

Labour Sub-Commission

3505

FILE

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB COMMISSION

LSC/116

113/20

REF : LSC/116-1105

3 Maggio 1945

OCCASIONE: Personale degli Uffici del Lavoro
nell'Italia Settentrionale.

1. Questa e' in risposta alla Sua lettera del 26.3.45 nella quale era proposto il numero di impiegati di diverse categorie addetti agli uffici Regionali, provinciali e del Lavoro nelle Province Settentrionali.

2. Abbiamo accettato queste medie ed abbiamo chiesto ai Commissari Regionali di osservarle al momento di stabilire i vari Uffici del Lavoro ed e' inteso che in riguardo ai salari, le spese adeguate verranno al momento dovuto riconosciute dal Governo Italiano.

3. In certi casi il complesso comprende un autista, ed a questo proposito sorge un quesito al quale gradirei una pronta risposta: vale a dire fornire una macchina per l'uso di ognuno dei Direttori Regionali. In Toscana, per esempio, ci e' stato chiesto di approvare l'acquisto di un'automobile per la somma di 400.000 lire e mentre e' ovvio che l'uso di una macchina e' essenziale per permettere al Direttore Regionale del Lavoro di svolgere i suoi compiti attraverso la Regione della Toscana, saremmo felici di avere la Sua assicurazione che questa spesa e' considerata opportuna, e verra' a suo tempo riconosciuta dal Governo Italiano.

W. H. BRAINS

W. H. BRAINS
Direttore della
Sottocommissione del Lavoro

B. E. Giovanni Gronchi
Ministro dell'Industria, Commercio
e Lavoro,
Roma.

3504

LSC/116

also to AMG 5 Army and AMG 8 Army

REGIONAL COMMISSIONER TOGANA REGION FOR ATTENTION OF
LABOUR OFFICERS

5013

8 APRIL 1945

CONFIDENTIAL
PRIORITY

RESTRICTED PD

SUBJECT IS RATES OF WAGES TO BE APPLIED FROM ARMED FORCE WAGES
DUABLE TO CIVILIAN EMPLOYEES OF ARMED FORCES IN NORTHERN ITALY
THAT IS TO SAY NORTH OF TOGANY REGION BOUNDARY PD

PARA ONE PD REGIONAL COMMISSIONER TOGANA REGION FOR ATTENTION OF
LABOUR OFFICERS FROM ALONG SITE ADLAN PAREN

IT HAS BEEN DECIDED IN PRINCIPLE THAT THE RATES AT
PRESENT PAID SHOULD NOT BE AUTOMATICALLY CARRIED
FORWARD SINCE THIS WOULD CONTRAST TOO SHARPLY WITH WAGES STANDARDS
BELIEVED TO BE APPLICABLE IN NORTH PD

PARA TWO PD COST OF LIVING WAGES MUST NOT BE CARRIED NOT BE ADDED
TO BASIC RATE UNTIL AUTHORITY IS RECEIVED PD THEREFORE FIRST
STEP ON ENTRY INTO NEW TERRITORY MUST BE ASCERTAINMENT OF LOCALLY
PREVAILING RATE WHICH SHOULD BE TAKEN AS THE BASIC AGREEMENT RATE
IN FORCE ON OR ABOUT THIRD APRIL TO AVOID ENCOUNTERING SEVERE WAGE
BREAKAWAY IN WAGES PD

PARA THREE PD WHEN ADD THAT RATE FAMILY ALLOWANCE AS CUSTOMARY
FOR ARMED FORCE WAGES SCALE BASED ON NATIONAL FAMILY OF MAN WITH
TWO DEPENDANTS AND GIVE OUT NET WAGE PACKAGE PD

3503

- 2 -

REGIONAL COMMISSIONER MONTANA REGION FOR ATTENTION OF
LABOUR OFFICERS

5023

5 APRIL 1945

CONFIDENTIAL
PRIORITY

FIND IN ARMED FORCES WAGE SCALE TABLE THE NEAREST SIMILAR RATE AND
FOR THIS PURPOSE REFER TO SARDINIA RATE OR DIGBY RATE OR APPROPRIATE
POINT IN MINIMUM AND MAXIMUM RATES FOR MAINLAND AND DECLASS RATE NO
FOUND TO APPLY PD

PARA FOUR PD ON NO ACCOUNT APPLY MAINLAND PRESENT MAXIMA WITHOUT
ADEQUATE JUSTIFICATION WHICH WILL NOT REPEAT NOT INCLUDE SHORTAGE
OF LABOUR BECAUSE HIGH RATES DO NOT PRODUCE OTHERWISE NONEXISTENT
LABOUR PD

PARA FIVE PD IN THIS WAY IT IS HOPED TO AVOID SUGGESTION THAT
PRIVATE INDUSTRY IN NORTH FEELS COMPELLED TO RAISE RATES BECAUSE
ARMED FORCES INTRODUCES NEW STANDARDS PD

PARA SIX PD ON THE CONTRARY ARMED FORCES WILL FOLLOW LOCAL STANDARDS
AND PRINCIPLE OF UNIFORM RATE FOR ALL EMPLOYEES OF ARMED FORCES IN
ALL DISTRICTS WILL DISAPPEAR THERE WILL BE VARYING RATES FOR DIFFERENT
DISTRICTS PD

PARA SEVEN PD EMPLOYING UNITS MUST OF COURSE RECEIVE PROPER
INSTRUCTIONS FROM RESPECTIVE HEADQUARTERS AND THIS MESSAGE IS TO
ACQUAINT YOU OF THE PRINCIPLES ESTABLISHED BY HIGHEST AUTHORITY
WHICH WILL BE TRANSLATED INTO ORDERS BY AFHQ PD

* 3502

- 3 -

REGIONAL COMMISSIONER TOSCANA REGION FOR ATTENTION OF
LABOUR OFFICERS

5021

8 APRIL 1945

CONFIDENTIAL
PRIORITY

PARA SIGHT PR ALSO FOR YOUR INFORMATION AND HOPE TO MAINTAIN
PRICE AND COMMODITY CONTROL TO JUSTIFY RETENTION OF PRESENT WAGE
STANDARDS IN NORTH PR

LABOUR COMMISSION

104

3501
NICHOLAS PLOWING
CFO USA
AGENT ADJUTANT

~~REPRODUCTION COPY~~

File

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB COMMISSION

WHE/ao

REF : LSC/116/110

28 March 1945

SUBJECT: Price Control, Northern Italy.

TO : Economic Section

Reference your letter H/18.09, 27 March 1945, this is to indicate concurrence in the Memorandum which it is proposed to send to Regional Commissioners on the subject of price control.

W. H. BLAIR
Director,
Labour Sub-Commission.

3560

READING FILE

LSC/116 + 901

HEADQUARTERS ALLIED COMMISSION
APO 394
Labor Sub-Commission

WHB/raw

TEL : Ext. 304

20 March 1945

REF : LSC/116 + 901

SUBJECT: Meeting with Regional Commissioners

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

1. The Regional Commissioners were fully engaged yesterday, 19 March, discussing personnel assignments for Northern Regions and there was no opportunity for me to take to them on labor policy in the North. They have now dispersed since the and some have left Rome. I shall therefore try to make contact individually with those who are still about, but for a joint talk on labor policy I think I should ask if you can arrange for this to be put on the agenda when there is the next formal gathering of Regional Commissioners. By the time the next conference takes place we should have received approval of the Chief Commissioner or higher authority for the memorandum setting up proposed policy.

W. H. BRAINE
Director
Labor Sub-Commission

3499

MINUTE SHEET

I

16 March 1945

TO: The Executive Commissioner:

1. The attached memorandum has already been concurred in by the Civil Affairs Section, this Section and your office. Certain corrections indicated by you to be desirable have been made by the Labor Sub-Commission, and the memorandum is now in final form for signature.
2. When it is signed, would you please return one copy to the Labor Sub-Commission and one copy to the Economic Section?

SK
19/3.

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

- 2 -

C.S.O.

1. Memorandum revised for signature of Executive Commissioner to be sent to R.Cs of the North on Patriot Employment.
2. Para. 3 (c), (d) and (e) to note.

19 March 1945.

House

Ex Com inactive

Letter signed 1/3 20/3.

18/3/3

3

3498

Econ Sec:

Letter to Regions, dated 20 Mar 45, signed by Exec Comm, is returned for dispatch. Two copies withdrawn for files of C.C. and E.C. 20 Mar 45.

J.R. Rively
MASOR.

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Executive Commissioner

File

REF. : LSC/116

Tel. 478904
20 March 1945

SUBJECT : Northwest Italy Planning-
Employment of Patriots.

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

1. This memorandum deals with the civil employment of Patriots, following liberation of Northern territory, in pursuance of the primary object of Patriot policy to return these men to normal civil life as early as possible.

2. Patriots should be placed in employment at the earliest possible moment. The employment should be of a long-term character and regard should be paid to the industrial background and skill of individual Patriots so that the employment should be suited to their qualifications. It will be recognized that if Patriots are placed in casual employment lasting a few days only, the problem of reestablishing them in civil employment will be continually recurrent. Equally, employing units should not discharge known partisans without sufficient reason and without informing at an early date, and if possible before discharge, a responsible representative of the Regional Commissioner, e.g., the Provincial Patriots Officer.

3. The following directions give effect to the policy and principles stated above:

(a) Registration of Partisans for Civilian Employment. Patriots will be registered at Patriot Centers or Camps where these have been established; or at AMG Labor Offices; or at offices opened by D.A.D.L. or military employing units for the engagement of Italian civilian personnel.

At each Patriot Center a Labor Officer should ³⁴⁶ attend for the specific purpose of registering patriots for civil employment. At the other offices arrangements should be

made for the separate registration of patriots. At the registration stage patriot leaders should identify the men as recognized patriots and the registration personnel should proceed to ascertain and record the qualifications and industrial background of individual patriots in order that they may be placed on the highest graded job for which they are qualified. Patriots whose services are terminated for good cause after employment will be entitled to re-register. The Patriots Register should be made available for the selection of men for employment by the Allied Armed Forces and also for employment in civilian industrial establishments from which demands for labor are received or are known to be developing. It will be realized that the closest cooperation between all interested parties will be essential to insure the effective operation of established policy in this connection.

(b) Immediate steps should be taken on receipt of these directions to ascertain the estimated requirements of the Armed Forces in various localities. Naval, Military, Air Force and Civil Affairs Officers who are able to estimate by localities and by trades their labor requirements should supply such estimates to Regional Commissioners so that, through the Regional and other Labor Offices, and through the Provincial Patriot Offices, a number of posts may be reserved for patriots to the extent that suitable men can be made available from the registered patriots. As and when further possibilities of employment can be estimated or reported, similar steps should be taken through Regional Commissioners and the Offices indicated, to relate the labor requirements to the register of patriots. Prompt communications between offices involved will be essential, but employing units should be prepared to accept a slight delay in filling positions reserved for patriots, before filling them from other sources.

(c) Employing units should identify patriots employed by them with the object of insuring that when reductions of personnel, or discharges, take place, the patriots are the last to be discharged. Equally, if disciplinary or suitability issues arise which may lead to the discharge of patriots, special endeavor should be made to retain their services by rearrangement of work; failing which, early notification should be given to Patriot Offices and Labor Offices to which the discharged patriots should be instructed to report for the purpose of obtaining other employment.

(d) Similar action should be urged by Labor Officers upon other employers, e.g., public utilities, relief schemes, and private employers.

(e) Although arrangements are being made for the accommodation, feeding and payment of patriots in the interim period while they are being considered for recruitment or for placing in civil employment, it should be understood that patriots who refuse suitable employment will forfeit their rights to benefits and preferential treatment. This principle should not however be harshly applied, and due regard should be paid to personal circumstances and industrial background when deciding whether a patriot has just cause for refusing offered employment.

4. From time to time reports will be required regarding the application and operation of this policy, and units should keep suitable records to be in a position to render necessary reports, the form of which will be indicated in separate instructions.

For the Chief Commissioner:

/s/ M.S. LUSH

Brigadier,
Executive Commissioner

AB LSC/116

HEADQUARTERS ALLIED COMMISSION
APO 394
CIVIL AFFAIRS SECTION

94/Pat.

2nd March, 1945.

SUBJECT: Northwest Italy Planning : Employment of Patriots.
TO: Labour Sub-Commission (Attention Mr. W.H. Braine).

I am in complete agreement with your memorandum on the civil employment of Patriots and preparation in its final form, for signature by the Chief of Staff, is approved.

R.R. Cripps
R.R. CRIPPS, Col.
CSO CA Section.

for V.P. C.A. Sec.

3493

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HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

REF : *LSC/116* 26 February 1945
SUBJECT : Northwest Italy Planning
Employments of Patriots
TO : Economic Section

1. Reference ES/1.00 15 February.
2. Enclosed is copy of ^{*draft*} instructions; ^{*another copy has been*} Forwarded to Civil Affairs Section.
3. It is suggested that ^{*contact*} be made with AFHQ for the purpose of forwarding similar instructions for British DADL'S.

W.H. Braine
W.H. BRAINE
Director
Labor Sub-Commission

3492

26 Feb
11

File

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

DCS/af

TEL : Ext. 204

26 February 1945

REF *LSC/116*
SUBJECT : Northwest Italy Planning
Employments of Patriots
TO : Civil Affairs Section

1. Enclosed is draft of instructions for signature
by the Chief of Staff prepared in accordance with memo ES/1.00
15 February of Economic Section.

W.H. BRAINE
Director
Labor Sub-Commission

3491

FILE COPY LAB S/C

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Chief of Staff

Tel.

26 February 1945

REF : LSC/116

SUBJECT: Northwest Italy Planning-
Employment of Patriots

TO : Regional Commissioners in Northern Areas.

1. This memorandum deals with the civil employment of Patriots, following liberation of Northern territory, in pursuance of the primary object of Patriot policy to return these men to normal civil life as early as possible.

2. Patriots should be placed in employment at the earliest possible moment. The employment should be of a long-term character so far as possible, and regard should be paid to the industrial background and skill of individual Patriots so far as possible so that the employment should be suited to their qualifications. It will be recognized that if Patriots are placed in casual employment lasting a few days only, the problem of reestablishing them in civil employment will be continually recurrent. Equally, employing units should not discharge known partisans without sufficient reason and without informing at an early date, and if possible before discharge, a responsible representative of the Regional Commissioner, e.g., the Provincial Patriots Officer.

3. The following directions give effect to the policy and principles stated above:

(a) Registration of Partisans for Civilian Employment. Patriots will be registered at Patriot Centers or Camps where these have been established; or at AME Labor Offices; or at offices opened by D.A.D.L. or military employing units for the engagement of Italian civilian personnel.

At each Patriot Center a Labor Officer should attend for the specific purpose of registering patriots for civil employment. At the other offices arrangements should be made for the separate registration of patriots. At the registration stage patriot leaders should identify the men as recognized patriots and the registration personnel should proceed to obtain and record the qualifications and industrial background of

3499

- 2 -

individual patriots in order that they may be placed on the highest graded job for which they are qualified. Patriots whose services are terminated for good cause after employment will be entitled to re-register. The Patriots Register should be made available for the selection of men for employment by the Allied Armed Forces and also for employment in civilian industrial establishments from which demands for labor are received or are known to be developing. It will be realized that the closest cooperation between all interested parties will be essential to insure the effective operation of established policy in this connection.

(b) Immediate steps should be taken on receipt of these directions to ascertain the estimated requirements of the Armed Forces in various localities. Naval, Military, Air Force and Civil Affairs Officers who are able to estimate by localities and by trades their labor requirements should supply such estimates to Regional Commissioners so that, through the Regional and other Labor Offices, and through the Provincial Patriot Offices, a number of posts may be reserved for patriots to the extent that suitable men can be made available from the registered patriots. As and when further possibilities of employment can be estimated or reported, similar steps should be taken through Regional Commissioners and the Offices indicated, to relate the labor requirements to the register of patriots. Prompt communications between offices involved will be essential, but employing units should be prepared to accept a slight delay in filling positions reserved for patriots, before filling them from other sources.

(c) Employing units should identify patriots employed by them with the object of insuring that when reductions of personnel, or discharges, take place, the patriots are the last to be discharged. Usually, if disciplinary or suitability issues arise which may lead to the discharge of patriots, special endeavor should be made to retain their services by rearrangement of work; failing which, early notification should be given to Patriot Offices and Labor Offices to which the discharged patriots should be instructed to report for the purpose of obtaining other employment.

(d) Similar action should be urged by Labor Officers upon other employers, e.g., public utilities, relief schemes, and private employers.

(e) Although arrangements are being made for the accommodation, feeding and payment of patriots in the interim period while they are being considered for recruitment or for placing in civil employment, it should be understood that patriots who refuse suitable employment will forfeit their rights to 3489 rights.

✓

- 3 -

and preferential treatment. This principle should not however be harshly applied, and due regard should be paid to personal circumstances and industrial background when deciding whether a patriot has just cause for refusing offered employment.

4. From time to time reports will be required regarding the application and operation of this policy, and units should keep suitable records to be in a position to render necessary reports, the form of which will be indicated in separate instructions.

For the Chief Commissioner:

Brigadier,
Chief of Staff.

3488

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB-COMMISSION

File

Ext. 204

REF. : LSC/116

19 February 1945

SUBJECT : North West Italy - Co-ordinating Planning Committee
Wage Policy Recommendations.

TO : Economic Section.

1. Reference is made to the labour and unemployment problems of North West Italy, as reported in the minutes of the meeting of 1st February, 1945.

2. Wage scales.

It is understood that the policy has hitherto been to "freeze" wage scales and working conditions as found to be in existence when territory is liberated. The question arises in two separate sets of circumstances:-

- (a) employment by Allied authorities;
- (b) employment in private industry.

In the first instance the Armed Forces wage scale will apply and will already have been brought into operation by A.M.G. 5th Army. Experience has shown that it is necessary to adjust this Armed Forces wage scale from time to time in accordance with any changes in wage agreements which may be negotiated on a large scale in private industry with the approval of the Italian Government. It is assumed that the same precedents will be followed in the North of Italy.

3. With regard to private industry, which may be taken broadly as employment other than for the Armed Forces, the money payments will in some cases be linked with issues in kind and other facilities, a.g., food, travelling, protective clothing, free accommodation. Changes of circumstance arising from the liberation of the territory may affect the continuance of such facilities and will lead to requests for variation of monetary payments.

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Differences between existing wage rates in private industry current in the North of Italy at the time of liberation and those already current in the Centre and South of Italy as the result of general wage agreements, will lead to requests for levelling up. On the other hand, where existing wage rates in the North based on collective agreements are higher than those obtaining in the Centre and South of Italy, requests will be made for their continuance.

4. Request for the continuance of higher wage rates in Northern Italy will have to be divided into two categories:

- (a) those where the high Northern rates reflect normal pre-war practices of differentiation between Northern rates and those applicable in Central and Southern Italy;
- (b) those where the rates have been artificially raised by the Fascist-Nazi regime as a measure of political warfare to introduce inflation and chaos in the economic system.

The first type of case, if duly confirmed, should be allowed to continue since it would reflect normal pre-war practices. But even in these cases care should be taken to insure that liberated Italian Government Decrees providing for special payments and bonuses (cost of living or increased cost of bread, for example), should not be unduly added if the existing rate is deemed to include bonuses granted before the liberation for exactly the same purposes.

With regard to the second type of artificially raised wages, the normal rate to be recognized should be that applying at some arbitrarily chosen date after which it might be assumed that wage increases were given as a method of political warfare rather than as the result of ordinary wage negotiations.

5. The application of the above recommendations would be complicated unless there is consultation with the Italian Government authorities and complete agreement as to the identification of wage scales and the procedure to be followed in this connection.

6. It is recommended that:

- (a) The Armed Forces wage scale should be applied as ³⁴⁸⁶

regards employment with the Armed Forces;

- (b) Machinery be established to attend to requests for modifications of those scales according to local circumstances, without necessarily assuming that such requests will be granted;
- (c) Where existing collective agreements and other wage agreements in private industry are inferior to those recognised in Centre and South of Italy, agreement in principle shall be given to the conduct of negotiations for improvement of the scales, without necessarily assuming that such improvement would be granted, having regard to varying local factors;
- (d) That where Government Decree or other properly made agreements provide for special payments and bonuses, e.g., holidays with pay, bonus to meet increased cost of bread, such agreements should be applied in the North of Italy in A.M.G. and A.C. territory, except where it is established that existing wage agreements already include specially added increases for the same purposes;
- (e) That collective agreements in private industry which were in force at a date to be decided, shall continue to be applied even if they provide wages and conditions superior to those ruling in Centre and South Italy. The recognition of wage increases given after the date to be decided shall be withheld in order that they may be examined to decide the nature and origin of such increases.

7. The Italian Minister of the Treasury has been requested to arrange early consultation between Italian Government authorities including the Minister of Industry Labour and Commerce, and representatives of the Allied Commission in order to obtain agreement in the formulation and application of a wage policy for State employees and in private industry.

Distribution:

Finance S/C
Lt.Col.Morley - Fletcher

3485
W.H. Braine
W. H. BRAINE
Director
Labour Sub-Commission

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR USE COMMISSION

WIB/ea

REF : HQ/116

31 January 1945

SUBJECT: North West Italy - Allocation of Labour Officers.

1. Available for allocation:

Major Scholun
Captain Dorf
Captain Solenberger
Captain Toplice
Captain Giammarco
Lt. Cantilli
Captain Alessandrini (on replacement)
Captain Mason (on replacement)
Major Fischer (from Marche)
Captain Moffitt (from 5 Army)
Major Albright (from 6 Army)
Colonel Smith (from H. 1.)

2. Of the above, the following are earmarked for Austria and cannot be relied upon unless changes are made:

Captain Toplice
Captain Buckwell
Colonel Smith
Captain Solenberger
Captain Robertson

3. 5 Army at present have:

Colonel Lane
Captain Robertson
Captain Giammarco
Lt. Cantilli
Captain Moffitt

They may release the last three, but will possibly insist on retaining the first two.

4. It is proposed to reduce Headquarters strength to an absolute minimum for an interim period before British personnel arrive; this minimum will consist of:

The Director
Lt. Col. Babcock
Captain Toplice
Mr. Di Vale

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The outposted officers would be:

Sicily: Mr. Sachs (releasing Captain Mason for the North)

Naples: Captain Bethem (with Mr. Gerrito)

Bari: Captain Alessandrini

Rome: Captain Holston and Captain Adams

Marche - Abruzzi: Captain Bailey (Major Fischer to move forward)

Toscana: (including Lucca and Leghorn) Major Small, Captain Schnee
and Captain Buckwell (releasing Lt. Col. Babcock for A.C. H.Q.)

Emilia: Major Scicluna (releasing Major Albright for Venezia), and
Captain Dorf

Venezia: Major Albright and Captain Ciamparino

Piemonte: Turin - Captain Moffitt and Lt. Cantilli

Liguria: Major Fischer and Captain Mason

Lombardia: Colonel Smith, Captain Solenberger, Captain Alessandrini(?)
and Captain Buckwell(?) when Livorno is easier.

W. H. BRATHE
Director,
Labour Sub-Commission.

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FILE

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB COMMISSION

JRS/ao

REF : LSC/116

SUBJECT: Labor and Unemployment
(Planning for North West Italy)

30 January 1945

TO : Mr. Braine.

1. It is a justifiable conjecture that Labor problems in North West Italy may well present greater difficulties than have heretofore been met. This is due, of course, to the heavy industrialization of the North as opposed to the rest of Italy, and the past history of articulate and well knit workmens' organizations specially in centers like Milano and Torino. Despite these conditions, I see no reason in changing what is normally the most successful approach to the solution of workmens' grievances, namely a frank and free round table discussion, with representatives of Labor, management and Government.

2. It is futile to plan in advance for what systems may be set up or how problems will be solved, until a survey of the situation is made on the spot. In the first place we have no worth while information as to what the present situation is, and secondly the situation itself will probably change daily until our troops arrive.

3. I have always been of the opinion that the entire North West, including the Regions of Liguria, Piemonte, Lombardia and also Emilia should be considered as one area as far as Labor is concerned. You will recall that there is talk at present of setting up a "super-duper" Region for the entire area, and such a set-up will key in with our plans, whereby the top Labor Officer will be at Milano while his Deputies will be in Torino, Genova and Bologna and other centers, so in this manner Headquarters at Rome will have occasion to contact only one top Officer, namely the chief in Milano.

4. Taking the questions posed individually, herewith is my best "guess":

- (a) Wage Scale - It is quite likely that the general average of wages is higher in large centers than in the rest of Italy, and that such rates have been boosted still higher by the Germans in order to accelerate production. However, it is well to point out that the industrial wage index census covering the period 1937 ³⁴⁸⁹ and using Naples as 100 (which index is also average for all of Italy), ~~we have~~ ^{gives} the following indices:

Taranto	109
Foggia	104
Naples	100
Rome	117
Livorno	120

-2-

Bologna	104
La Spezia	120
Ravenna	102

Milano	110
Torino	124
Genova	131
Savona	122
Verona	88
Venezia	106
Trieste	130
Alessandria	92
Padova	83

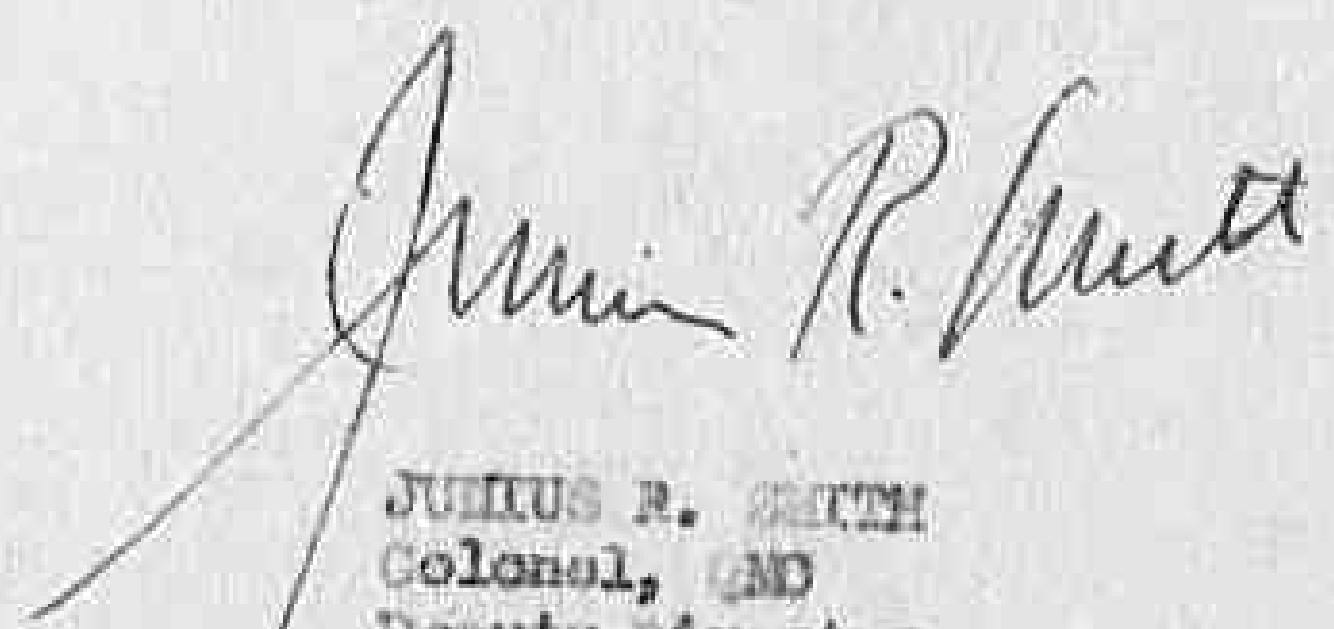
On the foregoing, it might well be premised that since the Armed Force wage scale plus the recent increases is working fairly well throughout the present occupied territories, we can plan to go into the N.A. with the same scale. Certainly it is that we can ignore the German rates since, as always, we must go into these areas with food, and from past experience, the food content we have furnished to the general public has been in greater amount and higher quality than the Germans furnished regularly. Of course by proclamation we will recognize existing collective contracts.

- (b) Registration - Registration must be undertaken at once and through a central agency such as would be set up by the Provincial Labor Office. Such an office would be manned by Italians and paid for by the Provincial budget and not by AMG budget.
- (c) and (d) Unemployment - It is quite likely that in the industrial areas where plants are being worked hard by the Germans, there is very little unemployment at present. With our advent and the stoppage of war activities, such plants will be closed down or destroyed and we will have a large number of unemployed industrialists who would not normally scatter to the agricultural areas for relief or employment. Obviously therefore, we must come to the area with food and clothing so as to afford relief to the unemployed for possibly 3 months; by the same token, if war destruction is light, "made work" ³⁴⁸¹ must be started. It is assumed that a minor percentage of skilled artisans might be called upon to go to other areas of greater destruction such as Genova for employment there. Thought must be given to the possibility that plants in good condition or quickly rehabilitable can be set going at once on projects for the Allies. I understand that there are some 5 million spindles in the Lombardia area which, if in good condition and providing raw material can be bought at once, will employ a great many people to turn out materials that the rest of Italy needs very badly.

-3-

- (e) Employers and Retention of employees. - I advocate the continuance as far as possible of any plant the wheels of which are turning when we get there. Otherwise, and dependent on the financial resources of the employers, it would be healthy to retain a number of essential employees on the payroll, even if financial subsidy to pay wages must be provided. This question must be carefully explored so that we will not be in a position of having a large number of employees being paid and doing nothing.
- (f) Strike Policy - Since initial occupation and subsequently ~~AND~~ operation ~~which~~ is military in its character, strikes and lock-outs are prohibited (by Italian law).
- (g) AND Employees - These will fall into two groups:
1. - Those employed locally. This group will be given the Armed Forces wage scale plus the mid-day meal plus some transportation facilities between office and home.
 1. - Those who are brought in from outside. This group which would involve primarily Italian specialists and executives, would have to be housed and fed on military rations. (Practice now being followed in Rome).

Arrangements made for overtime and travelling allowances as provided for in the Armed Force wage scale, will obtain.


JULIUS R. SMITH
Colonel, ~~AND~~
Deputy Director,
Labor Sub-Commission

3480

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

Cross Reference Sheet

File: LSC/116

Subject: Program of Conferences

Date: 27 Jan. 45

To: /

From: AMG. N.W. Italy Coordinating Planning Committee

Documents Filed: Personal file of Mr. W. H. Braine 3479

0550

Declassified E.O. 12356 Section 3.3/NND No. 785021

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

Cross Reference Sheet

File: LSC/HB
Subject: Minutes 2nd Meeting: 20 Jan. 45
Date: 24 Jan. 45
To: -
From: AMG. N.W. Italy - Coordinating Planning Committee
Documents Filed: Personal file of Mr. W.H. Brune

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

LDD:GOW

1.00/25

17 January 1945

SUBJECT: Northwest Planning

TO : All Sub Commissions, Economic Section

1. In order that the activities of all the Sub-Commissions on Northwest planning should be properly coordinated, you are requested to clear through the Economic Section any memoranda written to organizations outside the Allied Commission, and to send copies to the Economic Section of any correspondence within the AC on this subject.

100
L.D. DENHAM
Colonel, FA
Acting Deputy Chief of Staff
Recn Sec

Distribution:
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Finance
Food
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Labor
Transportation
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Recn Sec Files (2)

3478

SECRET

LAFOR SUB-COMMAGION
A. C.
Routing Slip

	Initials	Date
Colonel SMITH	WBS	19/1
Lt. Col. BARCOCK		
Major SCIOLERA		
Capt. DORF		
Capt. TOPPIS		
Capt. SOLEBERGER		
Mr. SAGHS		
Mr. DI FEO		
Mr. GERRITO		
Mr. LA MONTA		
Chief Clerk Please speak to me with any earlier papers on N.W. planning.		

WBS 19/1

3477

SECRET

HEADQUARTERS ALLIED COMMISSION
APO 334
LABOR SUB-COMMISSIONFile Copy
SECRET

JHB/rav

TBL : 478304

5 January 1945

REF : LSC/110

SUBJECT: Regional Organization - Northwest Italy.

TO : Economic Section

1. The Labor Sub-Commission is strongly of the opinion that the Northwest Area should be operated as a single unit with headquarters in Milano.

2. There is no question that a new series of problems in the labor field will present themselves in this area, due to its industrial concentration, the more advanced mentality and experience of the workers in organizing themselves for concerted action, and a past history of labor unity and strikes which do not have their counterpart in the area we now occupy.

3. These conditions indicate, without equivocation, the presence of the strongest possible team of labor experts to consider and have control over the entire problem, so that uniformity of purpose and action may be achieved. In simple words, the Labor Sub-Commission must present a strong, united front to cope with what will undoubtedly be a strong labor front.

4. This Sub-Commission plans, in addition to a strong team in Milano, to have subsidiary teams in Piemonte and Liguria. For the present our plans call for the undersigned, Lt. Colonel Babcock and Captain Huxwell to man the Milano headquarters.

JUNIUS M. SMITH
Colonel, GNC
Acting Director
Labor Sub-Commission

3476

TOP SECRET

254/110

1.00/RS

LDD/es

3 January 1945

MEMORANDUM FOR DIRECTOR, COMSEC S/C
FINANCE S/C
FOOD S/C
INDUSTRY S/C
LABOR S/C ✓
PUBLIC WORKS & UTILITIES S/C
TRANSPORTATION S/C
AGRICULTURE S/C

Subject: Regional Organization NE Italy

1. From a discussion at the GCS meeting this morning it appears that if the Economic Section puts up a strong enough case, there is a reasonable possibility that the three regions can be amalgamated into one region. If you are in accord with this, I would suggest that your memorandum on the matter called for at the staff meeting last Friday be made as strong as possible.

2. Memorandum, of course, to be submitted to the Economic Section.

LDD
L. D. BERNARD
Colonel, FA
AGCS, S/S

3475

TOP SECRET

Translation Baldassi and Latorreca

/js

TEXT OF A DECREE ON THE SOCIALIZATION AND STATE MANAGEMENT OF CONCERNS

Text of Legislative decree of 12 February 1944
on the socialization of Concerns:

The "Duce" of the Italian Social Republic,
Having seen the Labour Chart; having seen the
presable to the new economic-social State structure,
as approved by the Council of Ministers on 13 January 1944,

Having heard the Council of Ministers,
on proposal of the Minister for Corporative Economy,
in agreement with the Ministers of Finance and
Justice, is issuing the following decree:

TITLE I

On the socialized management of the Concerns

Art. 1 - (Management of concerns) - The management of concerns, whether the latter are under State or personal ownership, is socialized. Labour is directly taking part in the management of the same.

The organization of socialized concerns is governed by this decree, as well as by the Statute or Regulations of each concern and by the rules of Civil Code and the special laws existing in the matter, in so far as they are not in contrast with the provisions of this decree.

Art. 2 - (Agencies for the management of concerns)
- The following are the agents and agencies for the management of concerns:

a) for private concerns under the form of a joint stock company or of limited partnership with at least one million capital: the Head of the concern, the Assembly, the Administration (management) Council and the Trade Union Board;

b) for private concerns organized along other partnership lines: the Head of the concern and the Administration (management) Council;

c) for concerns under personal ownership: the Head of the concern and the Management Council;

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d) for concerns under State ownership: the Head of the concern, the Management Council and the Trade Union Board.

SECTION I

Management of concerns under personal ownership

Paragraph 1 - Management of concerns with corporate capital.

Art. 3 - (Agencies for the management of Joint stock Companies and of Companies with limited liability of corporate stock holders (limited partnership)).- In the Joint stock Companies and in those with limited partnership possessing at least one million capital, also the representatives appointed by the personnel of each concern shall take part in the working of the mechanism of collective management, that is: manual workers as well as administrative, technical and management employees.

Art. 4 - (Assembly, Management Council, Trade Union Board). - While the provisions of Articles 2368 and following of the Civil Code remain unchanged as well as those relating to the powers of the Assembly, the workers' representatives shall take part in the same Assembly with a number of votes equal to that of the attendant representatives of the capital.

The Assembly shall appoint a Management Council formed by half by the stockholders representatives and by the other half by the representatives of the workers.

The Assembly shall appoint also an Auditors Board, which must comprise among its members at least an Auditor in office and a substituting Auditor designed by the workers' representatives, while the provisions of the Civil Code for the appointment of Trade Union Boards remain unchanged.

Art. 5 - (Voting) - At a parity of votes, both in the voting of the Assembly and of the Management Council, there shall prevail the vote of the Head of the concern, who is personally entitled to preside over the said managing agencies.

Art. 6 - (Management Council of Companies other than under form of a joint stock or of limited partnership). - In the companies not contemplated in the preceding Art. 3, with at least one million capital or at least 100 workers in their employ, the Management Council ³⁴⁷² be formed by stockholders and by an equal number of re-

representatives appointed by the workers in the employ of each concern.

Art. 7 - (Powers of the Management Council) - The Management Council of private concerns organized along partnership lines shall fulfil the following tasks on the basis of a periodical and systematic survey of the technical, economic and financial elements of the management:

- a) to take a decision on all questions relating to the existence of the concern, as well as to the scope and expansion of productive activity within the framework of the national plan established by competent State agencies;
- b) to make known its standpoint on the stipulation of labour agreements relating to each concern, in connection with the Syndical Associations affiliated to the Unique Confederation of Labour, Technique and Arts, and on any other question connected with the discipline and protection of labour within each concern;
- c) to exercise, in general, within the respective concern, all the powers delegated to the Management Council by the Statute, as well as those contemplated by the laws actually in force pertaining to the activity of administrators, provided that such Statute and laws are not in contrast with the provisions of this decree;
- d) to draw the balance sheet of the concern and to propose the division of profits of the concern, according to the provisions of the present decree and of Civil Code.

Art. 8 - (Bail for the members of the Management Council). - The members of the Management Council appointed by the workers are dispensed from the obligation of giving bail.

Art. 9 - (The Head of Concern). - In the Joint stock Companies and in those with limited partnership with at least one million capital, the Head of the concern is appointed by the Assembly.

In all other concerns with corporate capital, the Head of the concern is appointed by the members of the Company, in accordance with provisions contemplated in the Foundation Acts, Statute and Regulations of the Company itself.

Art. 10 - (Powers of the Head of concern) - The Head of the concern calls and presides over the Assembly, in the concerns where the latter exists; likewise

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it presides over the meetings of the Management Council and represents the concern in its relations with third parties.

On him are falling the responsibilities and duties specified in Art. 21 and following, and he is exercising all the powers delegated to himself by the Statute, as well as those contemplated by the laws actually in force, in so far as they are not in contrast with the provisions of the present decree.

Chapter 2 - Management of private concerns with personal capital.

Art. 11 - (Management Council). - Within the private concern, provided that the invested capital is of at least one million, or the number of employed workers is at least of 100, it shall be established a Management Council composed of at least 5 members, to be appointed, according to the regulations governing the concern, by the different categories of workers: manual workers, administrative, technical and managing employees.

Art. 12 - (Head of concern). - (Powers of the Management Council). - Within each private concern, the employer, to whom it is acknowledged a legal position as Head of the concern, with the responsibilities and duties as specified in articles 21 and following, is being assisted in the management of the concern itself, by the Management Council, which is under obligation to conform its activity with the leading principles of the social policy of the State.

The Employer, Head of the concern, is under obligation to call at least once in a month a meeting of the Council, in order to submit to the consideration of the same all questions concerning the productive activity of the concern, and to call another meeting, at least once in a year, at the closing of balance sheet, for the approval of the same and the division of profits.

SECTION II

Management of concerns under State ownership

Art. 13 - (Head of concern). - The Head of concern under State ownership is appointed, by a decree enacted by the Minister of Corporative Economy in agreement with the Minister of Finance, on proposal of the members of the Management Council, from amongst the members of the Management Council of the concern, or from amongst other members of the concern belonging to the same sector of

productive activity, provided that the appointed person is deserving trust for his technical and administrative ability.

On the Head of concern are falling the responsibilities and duties specified in Art. 21 and following and he is exercising all the powers delegated to himself by the Statute of each concern.

ART. 14 - (Management Council) - The Management Council is presided over by the Head of the concern and is being formed by representatives appointed by the various categories of workers in the employ of the concern: manual workers, technical, administrative and managing employees, as well as by at least a representative proposed by the Management and Financing Institute and appointed by the Minister of Corporative Economy, in agreement with the Minister of Finance.

The rules governing the election of the Council and the number of the members of the latter, will be fixed by the Statute of each concern.

No special reward, save the refunding of expenses, is due for their activity, to the members of the Council.

ART. 15 - (Powers of the Management Council). - For the powers entrusted with the Management Councils of concerns under State ownership, the rules specified in the preceding Art. 7 are to be considered as valid.

ART. 16 - (Trade Union Board) - Trade Union Board of concerns under State ownership are established by a decree of the Minister of Corporative Economy, in agreement with the Minister of Finance, on proposal of the Management and Financing Institute. The reward to be paid to the Auditors is fixed by the Management and Financing Institute.

ART. 17 - (Approval of the balance sheet and division of profits - Decisions exceeding the scope of usual administration). - The balance sheet of concerns under State ownership, as well as the scheme of the division of profits, the increase or diminution of capital, not less than the amalgamations, concentration, dissolving and selling off of concerns under State ownership, are proposed by the Management and Financing Institute, following an hearing of the Management Council of the interested concerns, with the approval of the Minister for Corporative Economy, in agreement with the Minister of Finance and with the other interested Ministers.

SECTION III

Provisions common to the preceding Sections

Art. 18 - (Foundation and statutory Acts of concerns under State ownership). - Foundation and statutory acts concerning the concerns under State ownership, as well as every alteration of the same acts are approved by a decree of the Minister for Corporative Economy, in agreement with the Minister of Finance.

Art. 19 - (Statutes and regulations of concerns under private ownership). - Within the date of 30 June 1944, all concerns under private ownership, must provide to conform their Statutes to the provisions contemplated in the present decree. Also personal concerns, not governed by a Statute, must draw up a text of regulations within the above mentioned date.

Both Statutes and regulations must be submitted, within a 30 days period, to the homologation of the tribunal, which, following the ascertainment of their regularity and conformity with the provisions of the present decree and the other laws actually in force, shall order their transcription in the concerns' register.

Art. 20 - (Rules governing the election of workers' representatives). - Representatives of the workers invited to form part of the organization of socialized concerns, whether the latter are under State or private ownership, are to be elected with secret vote by all the workers in the employ of the concern, viz: manual workers, technical, administrative and managing employees, from a list drawn up by communal trade unions of the different labour categories. The list in question shall comprise a number of workers multiple of that of the representatives to be elected and proportionate to the different categories of workers in the employ of the concern.

SECTION IV

Responsibility of the Head of the concern and of the administrators.

Art. 21 - (Responsibility of the Head of the concern). - The Head of the concern, whether the latter is under State or private ownership, is personally responsible to the State of the progress of working activity within the concern. He is liable to be dismissed or replaced by another Head, according to the provisions of

the following articles, as well as whenever his activity is not in line with the general production plans and with leading principles of the social policy of the State, in such cases as contemplated by laws actually in force.

Art. 22 - (Replacement of the Head of concern under State ownership). - In concerns under State ownership, the replacement of the Head of concern is ordered by the Minister of Corporative Economy, in agreement with the Minister of Finance, either officially or on proposal of the Management and Financing Institute or of the Management Council or of the Auditors, after that all due ascertainties on the matter have been made.

Art. 23 - (Replacement of the Head of private concerns with corporate capitals). - In the Joint stock Companies the replacement of the Head of the concern is decided upon by the Assembly. In all other concerns with corporate capital, the replacement of the Head of concern is governed by the Foundation Acts, as well as by the Statutes and Regulations of it may be proposed by the Management Council, according to the same procedure contemplated by Articles 21 and following concerning private concerns under personal ownership.

The Minister for Corporative Economy is empowered to replace ex officio the Head of concern, whenever the latter shows to be deprived of a sense of responsibility and to disregard his duties, as mentioned in Art. 21.

Art. 24 - (Replacement of the Head if a concern under private ownership). - In private concerns with capital under personal ownership, the employer Head of the concern, may be replaced only as a result of a sentence issued the Labour Magistracy, fixing the responsibility of the said Head.

The action of placing the responsibility as above, may be promoted by the Management Council of the concern, or by the Management and Financing Institute or by the Minister of Corporative Economy, by means of a petition forwarded to the State-Attorney of the Court of Appeal of the competent territory.

Art. 25 - The Labour Magistracy, after having heard the employer, the Public Prosecutor, the Management Council of the concern as well as the Management and Financing Institute, and following a due ascertainment of facts, shall issue a sentence on the responsibility of the employer.

It is allowed an appeal against the sentence to the Supreme Court, as per Art. 426 of the Code of Civil procedure.

Art. 26 - (Sanctions against the Head of concerns)- Following the sentence that declares the responsibility of the employer, the Minister of Corporative Economy adopts those administrative provisions which he judges fit for the case and, if necessary, entrusts the management of the concern to a cooperative to be organized by the attached personnel of the concern.

Art. 27 - (Cautionary Measures) - Pending the action as per preceding articles, the Minister of Corporative Economy may suspend the employer, Head of concern, from his activity and appoint a commissioner for the temporary management of the concern.

Art. 28 - (Responsibilities of the members of the managing council) - Whenever the managing council of a concern under State or private ownership does not show enough sense of responsibility in carrying on the functions concerning the improvement of the concern's activity, which must be in conformity with the production plans and social policy of the Republic, the Minister of Corporative Economy in accordance with the Minister of Finance may dissolve the council and appoint a commissioner for the temporary management of the concern.

The intervention of the Minister of Corporative Economy may take place officially, on request of the managing and financing Institute, if interested, or on request of the Head of concern as well as of the assembly or of the majors.

Art. 29 - (Penal Sanctions) - All penal sanctions, contemplated by the laws governing employers and managers of commercial companies, may be applied to the Head of concern and to the members of the managing council of concerns under State or private ownership.

TITLE II

Concerns under State Ownership

Art. 30 - (The passing of concerns under State ownership) - The ownership of concerns in connection with the basic sectors of the politic and economic independence of the country, as well as concerns which supply raw materials or which perform indispensable services for the development of social life, may be assumed by the State according to the rules of the present decree.

When a concern embraces firms having different producing activities, the State may assume the ownership of only a part of the same concern. The State may also have a part in the formation of the capital of private concerns.

Art. 31 - (Ascertainment of a concern to be passed under State ownership) - From time to time the concerns which are to be passed under State ownership will be determined by decree of the Head of the State, on hearing the managing council, on proposal of the Minister of Corporative Economy and in accordance with the Minister of Finance.

Art. 32 - (Controlling management. Appointment of inspectors and Government Commissioners). - By means of the same decree as per preceding article or by means of following decrees, concerns which have been chosen to pass under State ownership are subject to control as per procedure contemplated by the law of 17 July 1948, No 1100. The same decree contemplates the appointment of inspectors. The temporary management of a concern may be given to one of the managers of a concern who will function as commissioner of the Government.

Art. 33 (Voidance of businesses that modify the legal status of capital ownership) - All businesses among living persons which modify the legal status of capital ownership in regards to securities representing the capital of concerns which are to be passed under State ownership are considered null from the day on which the passing of ownership is effected.

Art. 34 (Management of capital of concerns under State ownership) - The capital of concerns under State ownership is administered by a managing and financing Institute. The establishment of the Institute and the approval of its respective statute will be fixed by means of separate provisions.

Art. 35 - (Tasks of the managing and financing Institute) - The managing and financing Institute controls the activities of a concern as per Art. 29, according to instructions of the Minister of Corporative Economy and it also administers the shares of private concerns owned by the State.

Art. 36 - (Transformation of capital quotas) - Capital quotas formerly invested in private concerns which pass under State ownership are substituted by credit

quotas which are apportioned to the different shareholders by the managing and financing Institute. These quotas of credit are represented by securities which are issued by the same Institute according to the following article 40.

Art. 37 - (Transfer of capital quotas) - The substitution of capital quotas formerly invested in each concern which passes under State ownership with securities of the managing and financing Institute is effected by an amount equal to the effective value of the aforementioned quotas.

Art. 38 (Fixing of the value of capital quotas) - The effective value of capital of concerns to be passed under State ownership is fixed by a decree of the Minister of Corporative Economy in accordance with the Minister of Finance and on proposal of the managing and financing Institute in contradiction with the managers of the concern.

The managers of the concern may appeal to the State Council against the Minister's decree within 60 days of its issue.

Art. 39 - (Characteristics of securities of the managing and financing Institute) - The securities of the managing and financing Institute are personal, negotiable, transferable and their incomes are liable to changes.

The securities are issued in different series according to the various sectors of production. The Committee of Ministers appointed for the protection of savings and credit management annually fixes the income series, on proposal of the managing and financing Institute, by keeping account of the producing sectors and of the production viewed as a whole.

Art. 40 - (Limitation of the negotiability) of securities) - It is requested that the Committee of Ministers, appointed for the protection of savings and credit management, limit the negotiability of securities of the managing and financing Institute issued in substitution of capital quotas. It is also requested that the aforementioned Committee registers in the books of the Institute the credits of the securities of such capital quotas without delivering the securities.

Art. 41 (Modalities concerning the passing of concerns under State ownership) - Together with the decree that establishes the passing of private concerns under State ownership there will be also issued a number of additional rules governing the passing of the same concerns as well as other rules governing the transfer

of capital to the State and the distribution of securities of the managing and financing Institute to those who are entitled to them.

T I T L E I I I

Fixation and Division of Profits

Art. 42 - (Fixation of Profits) - The net profits of concerns are shown by the complete balance according to the rules of the Civil Code and on the basis of a firm's bookkeeping which may successively be unified by opportune law provisions.

Art. 43 - (Remuneration of capital) - After the setting aside of reserve--funds according to the laws and after the constitution of eventual special reserves that will be established by statutes and regulations these will be allowed a small profit on the capital invested in the concern; such a profit is to be fixed by the ministerial committee, appointed for the protection of savings and credit management, for the different productive sectors.

Art. 44 - (Allotment of Profits to Workers) - Residual Profits available after the allotments given to capitalists as per above art. 43, will be shared among the office, manual and technical workers proportionate to the amount of pay received during the year.

Such an allotment cannot however exceed the 30% of the total net pays granted to workers during the year.

Surplus profits will be deposited in a compensation fund (Cassa di compensazione) administered by the managing and financing Institute which will use the surplus amount for social and productive scopes.

The regulation of the abovementioned fund by means of a provision issued by the Minister of Corporative Economy in accordance with the Minister of Finance.

Art. 45 - (Profit Shares)- The profit share of a concern with capital under private ownership to be given to workers must be proportionate to the percentage of the ascertained income in connection with the income tax.

Art. 46 - The present decree, which will be published in the "Gazzetta Ufficiale d'Italia" is registered in the official collection of laws and decrees and it bears the seal of the State.

The present decree will become effective on the day that will be fixed by a following decree of the Duce.

THE MANAGING AND FINANCING INSTITUTE

Here is the text of the decree concerning the establishment of the managing and financing Institute:

Art. 1 - The managing and financing Institute is established in Rome as an organization having a legal status.

Art. 2 - The managing and financing Institute has the following scopes:

- a) to administer the capital of concerns under State ownership;
- b) to have a part in the formation of the capital of private concerns;
- c) to take charge of the selling off of shares which do not interest the State;
- d) to provide the financing of concerns under private or State ownership.

Art. 3 - The Managing and financing Institute has two sections:

- a) management section for the purpose as per above letters a, b, c, of art. 2;
- b) finance section for the purpose as per above letter b of article 2;

Each section has a legal status and its own balance as well as its own capital assets.

Art. 4 - The Istituto per la Ricostruzione Industriale (I.R.I. = Industrial Reconstruction Institute) and the Istituto Mobiliare Italiano (I.M.I.) constitute the two sections mentioned in the above article.

The Istituto per la Ricostruzione Industriale (I.R.I.) forms part of the management section and it is called

Istituto per la Ricostruzione Industriale (I.R.I.) -
Section of the managing and financing Institute.

The Istituto Mobiliare Italiano (I.M.I.) forms part
of the finance section and is called Istituto Mobiliare
Italiano (I.M.I.) - Section of the managing and financing
Institute.

Art. 5 - The management and finance sections of
the Institute are composed of the following:

a) president of the Istituto for Industrial Recon-
struction (I.R.I.) and for the Istituto Mobiliare Ita-
liano (I.M.I.) save provisions contained in the follow-
ing articles 7, 8, 9.

With a following decree of the Minister of Corpo-
rative Economy, in accordance with the Minister of Fi-
nance, if necessary modifications will be made to the
Statutes of the Istituto Mobiliare Italiano.

(Translation of this article is not clear because
italian text lacks of a whole sentence).

Art. 6 - In derogation from the contents of ar-
ticle 16 of the Statute of I.R.I., the managing council,
management section, is composed of the following:

a) president of the managing and financing Insti-
tute;

b) vice-president of the managing and financing
Institute appointed for such position in connection with
the management section;

c) 9 members of which 3 are appointed by the Corpo-
rative Economy, 2 by the Ministry of Public Works, one
by the Ministry of Communications and 2 by the Confedera-
tion of Labour and Arts.

Art. 7 - In derogation from the contents of arti-
cle 12 of the Statute of I.M.I., the managing council,
finance section, is composed of the following:

a) president of the managing and financing Insti-
tute;

b) vice-president of the managing and financing
Institute appointed for such a position in connection
with finance section;

c) 9 members of which 2 appointed by the Ministry
of Finance, 3 by the affiliated institutes, 2 by the Mi-
nistry of Corporative Economy, one by the Ministry of
Communications and one by the Confederation of Labour
and Arts.

Art. 8 - In derogation from the contents of article
18 of the Statute of I.R.I. and of article 27 of the Sta-
tute of I.M.I., the executive board of the industrial re-

construction Institute (I.R.I.) and the executive committee of the Istituto Mobiliare Italiano (I.M.I.) are respectively composed of the President of the Institute, of the vice-presidents of both sections and of 3 members appointed by their respective managing council.

Article 9 - The Minister of Corporative Economy in accordance with the Minister of Finance, appoints the President and the two vice-presidents of the managing and financing Institute, establishing the section for each of the two vice-presidents.

Article 10 - The attached Statute of the managing and financing Institute is approved.

All provisions contained in the Statutes of the two sections and the following modifications are abolished if contrary to the present decree and to the Statute of the managing and financing Institute.

The present decree, which will be published in the "Gazzetta Ufficiale d'Italia", is registered in the official collection of laws and decrees, enters in force on the day of its publication.

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