

acc 10000/146/264 L.S.C./1204 PRICE OF BREAD
Feb.-Sept. 1945

OF BREAD

Sept. 1945

JCK SLIP

DATE

1 Nov. '45

HEADQUARTERS

ALLIED COMMISSION

FINANCE SUB-COMMISSION

250/204

From

To

From		To
	INTERNAL	
	Col. R. B. Menapace	
	Lt. Col. P. D. Banning	
	Lt. Col. E. C. King	
	Lt. Col. E. P. Waters	
	Major B. E. L. Timmons	
	Major D. B. Mathias	
	Major A. H. Reede	
	Major F. B. Forster	
✓	Lt. E. O'Connor	
	SSM R. H. L. Angibault	
	S/Sgt. R. G. Le Blond	
	<u>Labor Sub-Commission</u>	✓
	EXTERNAL	
	Office of the Chief Commissioner	
	Office of Ex. Commissioner	
	Civil Affairs Section	
	Economic Section	
	Establishment Section	
	Message Centre	

FOR

FOR

Investigation draft reply and return
 Perusal & return
 ✓ Necessary action & return
 Signature
 Translation

Information & retention
 Necessary action & retention
 Filing
 Despatch
 Circulation

REMARKS

Mr. Stauffer, Economic Section,
suggests this is a matter for Labor Sub-
Commission. Can you help?

FINANCE S/C
Lt. O'Connor

31 Oct 45

LSH/1204

1. The attached appears to refer to indemnities added to workers earnings to compensate for the high cost of bread. As such I suggest that you take the matter up with Labor S/C
2. Because of the misleading subject, this file was attached to material referred to the North Italy Price Fixing Board, therefore the delay in returning it to you.

K. E. S.

Kenneth E. Stauffer
Chief, Price Office

CCA

BUCK SLIP

DATE

HEADQUARTERS

ALLIED COMMISSION

FINANCE SUB-COMMISSION

From

To

INTERNAL

Brig. A. P. Graftey Smith

Col. R. B. Menapace

Col. H. G. Crawshaw

Lt. Col. P. D. Banning

Lt. Col. A. J. Baxter

Lt. Col. N. T. Beard

Lt. Col. E. C. King

Lt. Col. J. H. Penick

Lt. Col. E. P. Waters

Major J. R. H. Hall

Major J. Osmon

Major B. E. L. Timmons

Capt. G. H. Tipping

SSM R. H. I. Angibault

S/Sgt. R. G. Le Blond

Lt. O'Connor

Mr. Stauffer (Price Control)

EXTERNAL

Office of the Chief Commissioner

Office of Ex. Commissioner

Civil Affairs Section

Economic Section

Establishment Section

Message Centre

FOR

Investigation & draft reply

Perusal & return

Necessary action & return

Signature

Translation

FOR

Information & retention

Necessary action & retention

Filing

Despatch

Circulation

REMARKS

Have you helped 663

CHECK SLIP

DATE

0

21/9/45.

HEADQUARTERS

ALLIED COMMISSION

FINANCE SUB-COMMISSION

From		To
	INTERNAL	
	Brig. A. P. Graftey Smith	
	Col. R. B. Menapace	
	Col. H. G. Crawshaw	
	Lt. Col. P. D. Banning	
	Lt. Col. A. J. Baxter	
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	Major J. Osmon	
✓	Major B. E. L. Timmons	
	Capt. G. H. Tipping	
	SSM R. H. L. Angibault	
	S/Sgt. R. G. Le Blond	
	<i>St. O'Conor</i>	✓
	EXTERNAL	
	Office of the Chief Commissioner	
	Office of Ex. Commissioner	
	Civil Affairs Section	
	Economic Section	
	Establishment Section	
	Message Centre	

FOR

✓ Investigation & draft reply
 ✓ ~~Return~~ & return
 Necessary action & return
 Signature
 Translation

FOR

Information & retention
 Necessary action & retention
 Filing
 Despatch
 Circulation

REMARKS

663

TRANSLATION

MINISTERO dell'INTERNO
DIR. GEN. AMM. CIVILE

Ref : No. 25100 - 35.

16 September 1945

SUBJECT : Application of the decree of 22 February 1945, n. 38, relating to the price of bread and pasta.

TO : A.C.H.Q.

The Prefects of Udine and Verona have asked for instructions relating to the payment of the indemnity established by the decree of 22 February 1945, n. 38, which, according to information, has been extended by the AMG to the provinces of Northern Italy, effective from August 1st last.

The Ministry of the Treasury was informed that, as far as the prices for cereals are concerned, the AMG did not extend the prices established by the said decree n. 38 to the territories of Northern Italy, but that new prices, different from those indicated in the decree, although inspired to the same criteria, and effective from 1 August, were established.

Now as instructions relating to payment of the said indemnity must be given to the Prefects of Udine and Verona and, eventually, to others of the Northern provinces, We beg your A.C. to ascertain and to communicate whether the order of extending the "high cost of bread" indemnity, as per art. 3 of decree n. 38, to the Northern provinces still under the jurisdiction of AMG, was really issued.

10

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TO : A.C.H.Q.

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The Ministry of the Treasury was informed that, as far as the prices for cereals are concerned, the AMG did not extend the prices established by the said decree n. 38 to the territories of Northern Italy, but that new prices, different from those indicated in the decree, although inspired to the same criteria, and effective from 1 August, were established.

Now as instructions relating to payment of the said indemnity must be given to the Prefects of Udine and Verona and, eventually, to others of the Northern provinces, we beg your A.C. to ascertain and to communicate whether the order of extending the "high cost of bread" indemnity, as per art. 3 of decree n. 38, to the Northern provinces still under the jurisdiction of AMG, was really issued.

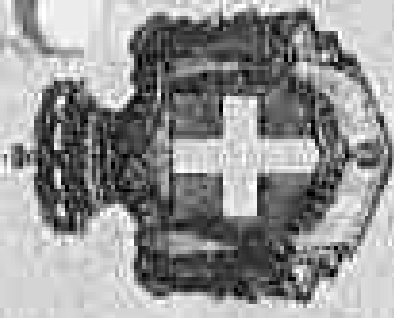


1961



Handwritten signature and initials, possibly 'G. H. S. 11/11/55'.

Handwritten signature and date '22/8/55'.



Ministero dell'Interno
DIR. GEN. AMM. CIVILE

Mod. 868

Roma, 16 Settembre 1945

AL QUARTIERE GENERALE DELLA
COMMISSIONE ALLEATA

R O M A

Direzione 3^a Sez. I^a bis
Prot. N. 25100-35 Allegati

*Proposta al Togliu del
Dir. 43*

OCCETTO Applicazione del D.L.L. 22 febbraio 1945, n. 38 circa l'aumento del prezzo del pane e della pasta.

I Prefetti di Udine e di Verona hanno chiesto istruzioni circa la concessione dell'indennità prevista dal D.L.L. 22 febbraio 1945 n. 38, che, secondo quanto è stato segnalato, sarebbe stato esteso alle provincie dell'Italia settentrionale, dal Governo Militare Alleato, a decorrere dal 1° agosto scorso.

Risulta al Ministero del Tesoro che, per quanto concerne i prezzi dei cereali, non si sarebbe proceduto, da parte dell'A.M.G., nei territori dell'Italia settentrionale, all'estensione dei prezzi fissati dal predetto Decreto Luogotenenziale N. 38, ma sarebbero stati stabiliti, con effetto dal 1° agosto 1945, nuovi prezzi diversi da quelli indicati nel decreto stesso, per quanto ispirati agli stessi criteri.

Ciò premesso, poichè occorre fornire ai Prefetti di Udine e di Verona, ed eventualmente anche agli altri delle provincie settentrionali, le istruzioni necessarie per la concessione dell'indennità di cui trattasi, si prega codesta Commissione Alleata di accertare e di comunicare, con cortese sollecitudine, se sia effettivamente intervenuto l'ordine di estendere l'indennità caropane, di cui all'art. 3 del D.L.L. n. 38, alle provincie settentrionali tuttora soggette all'amministrazione alleata.

Divisione 3^a Ser. I^a bis
Prot. N. 25100-35 Allegato

Risposta al Foglio del
Dir. Ser. N. 2

OCCORRENZA Applicazione del D.L.L. 22 febbraio 1945, n. 38 circa l'aumento del prezzo del pane e della pasta.

I Prefetti di Udine e di Verona hanno chiesto istruzioni circa la concessione dell'indennità prevista dal D.L.L. 22 febbraio 1945 n. 38, che, secondo quanto è stato segnalato, sarebbe stato esteso alle provincie dell'Italia settentrionale, dal Governo Militare Alleato, a decorrere dal 1° agosto scorso.

Risulta al Ministero del Tesoro che, per quanto concerne i prezzi dei cereali, non si sarebbe proceduto, da parte dell'A.M.G., nei territori dell'Italia settentrionale, all'estensione dei prezzi fissati dal predetto Decreto Luogotenenziale N. 38, ma sarebbero stati stabiliti, con effetto dal 1° agosto 1945, nuovi prezzi diversi da quelli indicati nel decreto stesso, per quanto ispirati agli stessi criteri.

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PEL MINISTRO

Valeriani

Full.
This has been replied to.
Kalach

630

LABOR SUB-COMMISSION
A.C.
Routing Slip

	Initials	Date
Mr. W.H. BRAINE		
Mr. SACHS		
Mr. HIRD		
Mr. SCOTT		
Mr. PROCTOR		
Miss. STEVENSON		
Miss. SANSEVERINO		
Chief Clerk		

REMARKS:

Mr. Proctor

1. Our Hon. Order in lieu of Dec 38 did not provide for conv. from indemnities - but
2. We did agree to implement that gov. share responsibility indemnities with form bill system but as far as I know this share has never been published.

Yes

Price Memorandum No. 10
21 August 1945

SUBJECT: Prices on Grains Delivered to Mill and Maximum Processor Selling
Prices of Cereal Products

TO : See distribution below

A SECTION

1. The purpose of this memo is:

- a. To establish maximum processor selling prices on corn for polenta and on corn meal for livestock feed.
 - b. To establish the price at which the Federazione Consorzi will deliver corn to mills for the purpose of milling flour for polenta and for livestock feed.
 - c. To record for the convenience of supply officers the prices established in Ec Sec letter 45.2/11.6/1945, 12 July and General Order No. 51.
2. The definitions, general policies and provisions of Price Memo No. 3 apply.
3. The prices and price bases stated in this memo are the recommendations of the North Italy Price Fixing Board and have been approved by Headquarters, Allied Commission.

B SECTION

1. Regional Commissioners are instructed to issue appropriate orders and instructions to effectuate the following:

- a. Establish the prices indicated in Section C of this memo where not previously established.
- b. Establish wholesale and retail selling prices appropriate to the processor selling prices established in this memo.
- c. Rescind General Order No. 41 as authorized in Article 6 of that order with respect to corn flour for polenta and corn meal for animal feed.
- d. Effectuate all the changes provided for above not later than 31 August 1945.

2. Price Memo No. 1 is hereby superseded with respect to corn flour for polenta and corn meal for animal feed.

C SECTION

Labar 5/15
15c/1004

RECOMMENDED BY THE COMMISSION
FOR THE ALLIED COMMISSION
21 AUGUST 1945

- b. To establish the price at which the Federazione Consorzi will deliver corn to mills for the purpose of milling flour for polenta and for livestock feed.
- c. To record for the convenience of supply officers the prices established in Ec Sec Letter 15-11-48/2001, 22 July and General Order No. 51.
- 2. The definitions, general policies and provisions of Price Memo No. 3 apply.
- 3. The prices and price bases stated in this memo are the recommendations of the North Italy Price Fixing Board and have been approved by Headquarters, Allied Commission.

B. SECTION

- 1. Regional Commissioners are instructed to issue appropriate orders and instructions to effectuate the following:
 - a. Establish the prices indicated in Section C of this memo where not previously established.
 - b. Establish wholesale and retail selling prices appropriate to the processor selling prices established in this memo.
 - c. Reconfirm General Order No. 41 as authorized in Article 6 of that order with respect to corn flour for polenta and corn meal for animal feed.
 - d. Effectuate all the changes provided for above not later than 30 August 1945.
- 2. Price Memo No. 1 is hereby superseded with respect to corn flour for polenta and corn meal for animal feed.

C. SECTION

- 1. Processor cost prices for grain whether domestically grown or imported delivered free to mill, arranged by authorized distributing agent, including imposts generale sull'exportazione, are as follows:

a. Corn for milling to polenta flour or animal feed Basis, 16% moisture content	835.75* qtl.
b. Corn for milling to bread or pasta flour Basis, 16% moisture content	1006.05 "
c. Wheat (hard or soft) for milling to bread or pasta flour Basis, 1% of worthless foreign matter; specific weight, 78 kg. per Hl for soft wheat and 80 kg per Hl for hard wheat.	1120.85 "
d. Barley (unmilled) for milling to bread or pasta flour Basis, 1% of worthless foreign matter; specific weight, 64.5 kg. per Hl.	845.60 "

e. Rye for milling to bread or pasta flour
Basis, 1% worthless foreign matter; specific
weight, 68 kg. per Hl. 1018.00 qtl.

2. Maximum processor selling prices for milled grain products, sacked, weighed, and loaded (free at mill) on buyer's vehicles, in buyer's sacks, are as follows:

a. Corn for making polenta 1023.20* qtl.
Moisture content not more than 16%, milled at a
yield rate of not less than 83%,

b. Corn meal for animal feed 944.25* "
Basis, 16% moisture content, yield of not less
than 87%.

c. Flour for bread or pasta (wheat, barley, rye, corn or
mixture) 1310.00 "
Maximum moisture 14.50%, ashes for soft wheat,
barley, rye and Australian wheat, not more than
1.45%; for durum wheat, not more than 1.50%.
Yield of not less than 91% from wheat, 64% from
barley, 80% from rye, 78% from corn.

d. Bran (wheat, barley, rye, corn or mixtures) 390.00 "
This price includes 15.00 lire per quintal for
weighing, sacking and loading of sacked bran,
hence the maximum price is 375.00 lire per quintal
where these functions are not performed by the
miller processor.

Yield of not more than 9% from wheat, 29% from
barley, 20% from rye, 4% from corn.

e. Corn germe 450.00 "
Yield of not more than 12%.

f. Corn farinetta 405.00 "
Yield of not more than 5%.

g. Barley chaff (lolla) 69.00 "
Yield of not more than 5%.

NOTE: Yield is calculated on the basis of usable grain, i.e. the
total weight purchased by the processor less the percentage of
worthless foreign matter determined and allowed in the purchase
price.

3. The maximum processor selling price for pasta, maximum moisture
content 13%, free at factories, weighed, labelled, packaged and
loaded on buyer's vehicles 1770.00* qtl.

NOTE: Asterik indicates prices which were not previously established

c. Flour for bread or pasta (wheat, barley, rye, corn or mixture)

Maximum moisture 14.50%, ashes for soft wheat, barley, rye and Australian wheat, not more than 1.45%; for durum wheat, not more than 1.50%. Yield of not less than 91% from wheat, 64% from barley, 80% from rye, 78% from corn.

1310.00 "

d. Bran (wheat, barley, rye, corn or mixtures)

This price includes 15.00 lire per quintal for weighing, sacking and loading of sacked bran, hence the maximum price is 375.00 lire per quintal where these functions are not performed by the miller processor.

390.00 "

Yield of not more than 9% from wheat, 29% from barley, 20% from rye, 4% from corn.

e. Corn germe

Yield of not more than 12%.

450.00 "

f. Corn farinetta

Yield of not more than 5%.

405.00 "

g. Barley chaff (lolla)

Yield of not more than 5%.

69.00 "

NOTE: Yield is calculated on the basis of usable grain, i.e. the total weight purchased by the processor less the percentage of worthless foreign matter determined and allowed in the purchase price.

3. The maximum processor selling price for pasta, maximum moisture content 13%, free at factories, weighed, labelled, packaged and loaded on buyer's vehicles

1770.00* qtl.

NOTE: Asterik indicates prices which were not previously established in letter 45-1/146/Food, 22 July or General Order No. 51, and are now to be established by regional order.

DISTRIBUTION

Venezia Region	23	AMG 8 Army	1
Liguria	11	SCAO IV Corps	1
Lombardia	21	G-5 15 Army Gp	1
Piemonte	17	AFHQ G-5	1
Emilia Maison office	2	Rome Office:	
SCAO 13 Corps	17	Food S/C	2
AMG 5 Army	1	Agriculture S/C	2

Labor S/C	1
Commerce S/C	1
Milan Office:	
Food S/C	2
Agr. S/C	2
Commerce S/C	1
Industry S/C	1

E. B. MCKINLEY
BRIG. GENERAL, USA
ACTING VICE PRESIDENT

LABOR SUB COMMISSION
A. C.
Routing Slip

	Initials	Date
Mr. W. H. BRAINE	<i>W</i>	
Mr. SACHS		
Mr. HIRD		
Mr. SCOTT		
Mr. PROCTOR		
Miss STEVENSON		
Miss SANSEVERINO		
Chief Clerk		

REMARKS:

HEADQUARTERS ALLIED COMMISSION
A.P.O. 394
ECONOMIC SECTION

WJL/ELCK/sl

Tel: 489081 Ext. 584

22 July 1945

Ref: 45-1/146/FOOD

SUBJECT: New Price for Bread and Pasta

TO : See Distribution

1. Beginning 1st August 1945, wheat and other cereals, either home grown or imported, destined to be milled for human consumption are to be delivered by the Federazione dei Consorzi Agrari through the medium of the local Consorzi Agrari to the mills at the terms of goods "free at mill". The term "free at mill" is employed for accounting purposes only.

2. This clause means that the transfer of cereals from the Granai del Popolo or from the ports of discharge to the mills, unloading included, is to be made by the Consorzi Agrari, and that the relative expenses, including the unloading, are to be borne by the Consorzi Agrari, on behalf of the Federazione dei Consorzi Agrari.

3. Where, however, the actual transfer of cereals, although at the expense of the Consorzi Agrari would be handled entirely or partly by the receiving mills, either through their own means or through the Uffici Trasporti or other organizations, the mill should not refuse, should the Consorzi require it, to continue its assistance in order to assure the most rational and rapid transfer of the cereals.

4. In order to simplify the debit and credit entries between the Consorzi Agrari and the mills, it has been agreed that all the mills are to pay in cash to the Consorzi Agrari Provinciali and have constantly as a non-interest bearing advance financing, the amount corresponding to the quantity of cereals which is milled on the average every six days.

Apart from the above advance, the mills are to pay for the cereals on delivery up to the quantity corresponding to the quantity which is milled on the average in four days.

The amount of the cereals delivered to them in excess of the above is considered as having been delivered to them as a trust deposit. This is to be construed as instructions regarding only the financial aspect of this type of transaction.

5. Milling remuneration is fixed at Lit. 105 for each quintal

656

256/1204

1. Beginning 1st August 1945, wheat and other cereals, either home grown or imported, destined to be milled for human consumption are to be delivered by the Federazione dei Consorzi Agrari through the medium of the local Consorzi Agrari to the mills at the terms of goods "free at mill". The term "free at mill" is employed for accounting purposes only.

2. This clause means that the transfer of cereals from the Granai del Popolo or from the ports of discharge to the mills, unloading included, is to be made by the Consorzi Agrari, and that the relative expenses, including the unloading, are to be borne by the Consorzi Agrari, on behalf of the Federazione dei Consorzi Agrari.

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Apart from the above advance, the mills are to pay for the cereals on delivery up to the quantity corresponding to the quantity which is milled on the average in four days.

The amount of the cereals delivered to them in excess of the above is considered as having been delivered to them as a trust deposit. This is to be construed as instructions regarding only the financial aspect of this type of transaction.

656

5. Milling remuneration is fixed at Lit. 105 for each quintal of cereals to be milled. This remuneration will be granted to mills which have worked, during a cereal year, up to 50% of their potentiality. For every 1% increase, on the basis of actual work done and compared with the potentiality of the mill, the remuneration will be reduced by Lit. 0.5 per quintal, so that for instance the mill which will have used its working capacity up to 90/100% will receive a remuneration of Lit. 80 per quintal.

The first period will end on the 31st October 1945.

6. Further instructions, to be agreed upon with the Ministero del Tesoro, will be imparted regarding the system to be used in order to recover from the mills the eventual differences due from them, owing to the above mentioned clause.

PRICE OF BREAD AND PASTA: Con'd.

7. Price of Bran: Bran must be kept at the complete disposal of the Federconsorzi. The price is Lit. 375 per quintal in bulk delivered "franco" mill.

8. Milling Cost: In consequence of what has been said and as a result of the new adjustment of prices of cereals, to be valid from the 1st August, the cost of milling results as follows:-

SOFT AND DURUM WHEAT:Costs

Sale price of wheat, basis 1% of worthless foreign matter for goods delivered free at mill (including imposta generale sull'entrata)

1120.85

Remuneration of the mill (adjustment reserved)

105.00

Cost of 1 quintal of products free at mill

1235.85

Proceeds

Kg. 91 of flour at Lit. 1310.00 a quintal
Kg. 9 of bran at Lit. 375.00 a quintal

1192.10

33.75

1225.85

UNSHELLED BARLEY:Costs

Sale price of barley basis 1% worthless foreign matter for goods delivered free at mill (including the imposta generale sull'entrata)

845.60

Remuneration of the mill (Adjustment reserved)

105.00

Cost of 1 quintal of products free at mill

950.60

Proceeds

Kg. 64 flour at Lit. 1310.00
Kg. 29 bran at Lit. 375.00
Kg. 5 chaff at Lit. 69.00

838.40

108.75

3.45

950.60

RYE:Costs

2080

Sale price of wheat, basis 1% of worthless foreign matter for goods delivered free at mill (including imposts generale sull'entrata)	1120.85
Remuneration of the mill (adjustment reserved)	105.00
Cost of 1 quintal of products free at mill	1225.85
<u>Proceeds</u>	
Kg. 91 of flour at Lit. 1310.00 a quintal	1192.10
Kg. 20 of bran at Lit. 375.00 a quintal	33.75
	1225.85

UNSHIELLED BARLEY:

<u>Costs</u>	
Sale price of barley basis 1% worthless foreign matter for goods delivered free at mill (including the imposts generale sull'entrata)	845.60
Remuneration of the mill (adjustment reserved)	105.00
Cost of 1 quintal of products free at mill	950.60
<u>Proceeds</u>	
Kg. 54 flour at Lit. 1310.00	838.40
Kg. 29 bran at Lit. 375.00	108.75
Kg. 5 chaff at Lit. 69.00	3.45
	950.60

RYE:

<u>Costs</u>	
Sale price of Rye, basis 1% worthless foreign matter for goods delivered free at mill (including imposts generale sull'entrata)	1018.00
Remuneration of the mill (adjustment reserved)	105.00
Cost of 1 quintal of products free at mill	1123.00
<u>Proceeds</u>	
Kg. 80 flour at Lit. 1310.00	1048.20
Kg. 20 bran at Lit. 375.00	75.00
	1123.00

BREAD AND PASTA PRICES: Cont'd.

CORN:

Costs

Sale price of Corn basis 16% humidity for goods delivered free at mill (including imposts generale sull'entrato).

1006.05

Remuneration of the mill

105.00

1111.05

Proceeds

Kg. 78 flour at Lit. 1310.00
Kg. 12 Germe at Lit. 450.00
Kg. 15 farinetta " 405.00
Kg. 4 bran at Lit. 375.00

1021.80
54.00
20.25
15.00

1111.05

9. From the above calculations it is evident that the costs have taken as basis equal quantities of products employed and their yields.

10. Yield of cereals milled during a cereal year should however give at least the following results:-

	Soft Wheat	Durum Wheat & Soft	Australian Wheat	Barley	Rye	Corn
Flour	90	91	64	80	Flour	78
Bran & worthless foreign matter	10	11	29	21	Germe	12
Chaff	101	102	8	101	Farinetta	5
			98	101	Bran	4
						99

The ulterior "extra yields" must also be declared and kept at the disposal of the Direzione Generale dell'alimentazione.

11. In order to protect the quality of the products the relative proportion between flour and bran must be maintained, taking as basis the average figures of a year.

Characteristics of the products are as follows:

Kg.	78 flour at Lit.	1310.00
Kg.	12 germe at Lit.	54.00
Kg.	5 farinetta "	20.25
Kg.	4 bran at Lit.	15.00
		1411.05

9. From the above calculations it is evident that the costs have taken as basis equal quantities of products employed and their yields.

10. Yield of cereals milled during a cereal year should however give at least the following results:-

	Soft Wheat	Durum Wheat & Soft Australian Wheat	Barley Rye	Corn
Flour	90	91	64 80	Flour 78
Bran & worthless foreign matter	10	11	29 21	Germe 12 Farinetta 5
Chaff	101	102	98 101	Bran 4 99

The ulterior "extra yields" must also be declared and kept at the disposal of the Direzione Generale dell'Alimentazione.

11. In order to protect the quality of the products the relative proportion between flour and bran must be maintained, taking as basis the average figures of a year.

Characteristics of the products are as follows:

Maximum moisture.....	14.50%
Ashes for soft wheat, barley, rye and Australian wheat.....	1.55%
Ashes for Durum Wheat.....	1.70%

12. Profits resulting from "extra yields" are left to the mills as compensation:

- (a) for milling barley and rye which necessitates longer than wheat milling;
- (b) for higher technical equipment necessary in order to obtain "extra yields".

PRICE OF BREAD AND PASTA: Cont'd.

13. The Price of Bread. On the basis of the above mentioned price of flour of Lit. 1310.00 per quintal for goods in bulk, free at mill or intercommunal warehouse of the Consorzi Agrari, delivered on receiver's vehicle, the provincial Seprrals will fix the price of bread, adding the mill's or the warehouse's actual transport expenses, the wear of the bags, the baker's remuneration, the whole divided by the baking yield, fixed in each commune, in relation to the size of loaf adopted. Said yield will not be less than 120 Kg. bread per 100 Kg. flour.

14. The Seprrals in cases where they should find it opportune to fix different prices for each commune owing to yields and baking remuneration, shall be entitled to add to the above price of Lit. 1310.00 the difference necessary to adjust the transport expenses from the mill or from the intercommunal warehouses respective Communes.

15. Production of Pasta. Beginning with the 1st of August products meant for pasta manufacture will be delivered to the Pastificio as done up to now, free of expenses, unloaded at the Pastificio. Transport expenses will be borne by the Federconsorzi, which will see to this task through the Consorzi Agrari. Delivery of flour to the Pastificio will be made according to the rule fixed for the delivery of cereals to the mills.

16. Price of Pasta:

- (i) A maximum remuneration is fixed to Pastificio of Lit. 460 per quintal of flour processed;
- (ii) A minimum yield is fixed of Kg. 95.50 of pasta for every Kg. 100 of flour. Moisture of pasta will not exceed 13%;
- (iii) the remuneration fixed for Pastificio is to be understood for goods weighed, labelled, packetted, or delivered in buyer's bags on receiver's vehicles.
- (iv) Based upon price of pasta established ex Pastificio in accordance with (i), (ii), (iii), above, Provinces will fix the price of Pasta to the consumer by adding the actual transport expenses from the Pastificio or intercommunal warehouses to the places of distribution.

17. Delivery of cereals in kind i.e. instead of Bread and Pasta:

14. The Soprali in cases where they should find it opportune to fix different prices for each commune owing to yields and baking remuneration, shall be entitled to add to the above price of Lit. 1310.00 the difference necessary to adjust the transport expenses from the mill or from the intercommunal warehouses respective Communes.

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16. Price of Pasta:

(i) A maximum remuneration is fixed to Pastificio of Lit. 480 per quintal of flour processed;

(ii) A minimum yield is fixed of Kg. 96.50 of pasta for every Kg. 100 of flour. Moisture of pasta will not exceed 13%;

(iii) the remuneration fixed for Pastificio is to be understood for goods weighed, labelled, packeted, or delivered in buyer's bags on receiver's vehicles.

(iv) Based upon price of pasta established ex Pastificio in accordance with (i), (ii), (iii), above, Provinces will fix the price of Pasta to the consumer by adding the actual transport expenses from the Pastificio or intercommunal warehouses to the places of distribution.

17. Delivery of cereals in kind i.e. instead of Bread and Pasta:

In those communes where cereals are distributed instead of bread and pasta, the Consorzio Agrario will fix the same price, for goods delivered free at intercommunal or ammassi warehouses, as paid by the mills for these products for goods delivered free at mill.

18. Provincial prices of bread and pasta worked out along the lines indicated above shall in all cases be kept as low as possible. Prices will be fixed by Provincial Commissioner and will in all cases be reported back to this Headquarters and may be subject to revision there if they appear excessive.

PRICE OF BREAD AND PASTA: Cont'd.

19. It is pointed out that the SEPRAL's in fixing the new prices for bread and pasta, should take into account SEPRAL's expenses.

By command of Rear Admiral STONE:


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

Distribution:

Regional Commissioner Liguria Region)	
Regional Commissioner Piemonte Region)	
Regional Commissioner Lombardia Region)	All for
Regional Commissioner Venezia Region)	Action
Regional Commissioner Emilia Region)	
SCAO Venezia Giulia Region)	
Chief Commissioner)	
Executive Commissioner)	
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Labor Sub-Commission)	
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Industry Sub-Commission)	
AHQ, G-5)	
Ministry of Food)	
Food Sub-Commission Northern H.Q.)	

All for
Information

654

E. P. LCKINLEY
Brigadier General, USA
Acting Vice President

Distribution:

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Commerce Sub-Commission)	Information
Industry Sub-Commission)	
AFHQ, G-5)	
Ministry of Food)	
Food Sub-Commission Northern H.Q.)	

65A

HEADQUARTERS ALLIED COMMISSIONDate...JUL 23 1945FOOD SUB-COMMISSION

FROM	TO
COL. W. J. LEEG	
LT. COL. J. HERIE	
MAJ. H. J. DE THIERRY	
MAJOR V. A. A. COMPERE	
MAJOR A. J. PARKER	
MAJOR J. D. SINCLAIR	
MAJOR E. G. LUSH	
MAJOR E. J. CURRIE	
CAPT. L. W. OAKLEY	
CAPT. M. B. NEURUNG	
CHIEF CLERK	
LABOUR S/C	✓

FOR:

Necessary action.....
 Recommendations & remarks.....
 Information & retention.....
 Personal and return.....
 Approval or Disposal.....
 Filing.....
 Investigation and report.....
 Despatch.....

REMARKS:

.....

LABOR SUB-COMMISSION
A.C.
Routing Slip

	Initials	Date
Mr. W.H. BRAINE	WMB	25/7
Mr. SACHS	KS	
Mr. HIRD	RA	27/7
Mr. SCOTT	JS	29/7
Mr. PROCTOR	JS	31/7
Miss. STEVENSON		
Miss. SANSEVERINO		
Chief Clerk		

REMARKS:

See price of book -
para. 13.

WMB

652

FILE

Mrs. Brown

24.0

as soon as possible
meeting

Mrs. Stearns

Digest
movement
for

MR
W

LSC/1204

	<u>Production</u>	<u>Retentions by Producers</u>	<u>For Distribution to Non-Producers</u>
1944	6.4 million tons	2.8 million tons	3.6 million tons
1945	4.4 " "	2.8 " "	1.6 " "

Increase in Import Requirement			2.0 million tons

651

Italian Wheat Situation

a. Estimated Wheat Acreage		10,783,799 acres
b. Estimated Wheat Yield	2,052,000 north <u>2,375,000</u> south (in- cluding Islands)	4,427,000 metric tons
c. Estimated Amassing Target		1,500,000 " "
d. All Estimates Concurred in by Ministry of Agriculture		
e. Estimated Legal Retentions (same as in 1942-43)		2,865,000 " "
f. Actual Retentions in 1942-43		3,695,000 " "
g. Expected Actual Retentions in 1945		3,286,000 " "
h. Net Available after Legal Retentions	1,017,000 north <u>545,000</u> south (in- cluding Islands)	1,562,000 " "

Acreage reduction since last season 8% due largely to retirement from production of mountainous marginal and inter-planted grove areas and accumulated fertilizer shortage, but also reduced by flooding in Po Valley areas and general shortage of farming equipment.

Estimated yield sharply reduced due to reduced yield per acre because of widespread drought conditions prevailing which are reported worst since 1922, largely without relief since March, aggravated by fertilizer deficiencies which delayed maturing.

Estimated total amassable wheat is reduced by drought conditions in important producing areas, such as Foggia, but damage to high-producing plains areas is generally less than that to small holdings especially in mountainous areas, hence the amassable total is affected only in part with proportionately greater reduction to the amount available to small farmers who normally contribute little or nothing to the Amassi.

The above information was forwarded to AFHQ, G-5 Section, in signal 274 of 21 June 1945, for onward transmission to TROOPERS and AGWAR in reply to their PAT 100 of 2 June.

Agriculture Sub-Commission
22 June 1945

650

HEADQUARTERS ALLIED COMMISSION
APC 394
TRANSPORTATION SUB-COMMISSION

Tel: 318

MJS/bja

383/149/TN 3

22 June 1945

SUBJECT: Points for Discussion at
the Economic Staff Meeting.

TO : Director, Transportation Sub-Commission

1. Italian Port Position

South of the Pisa-Rimini line, with the exception of Leghorn, port capacities as allocated are sufficient to meet A.C. requirements against the disease and unrest programs. Tonnages, which it was desired to bring thru Leghorn, are being handled thru Piombino. Steps are being taken to increase the port capacity at Piombino to 1,500 tons per day. The present capacity of Piombino is 1,200 tons per day, which is inadequate. The main redeployment ports are Naples, Leghorn, Ancona, and Bari. To a large extent the Naples programs during this period is being met thru the Naples satellite ports, and the Bari-Ancona position is being eased by the opening of a main railway line along the east coast.

2. Northern Ports.

Civil supplies in the N.E. in the main will be moved thru Genoa and Savona. There has been delay in these ports due to the discovery of a new type of mine. At present Genoa is discharging coasters inside the port, and liberty craft in the outer harbour; the acceptance of a greater number of vessels at Genoa is under consideration. Savona has not yet been opened; it should be possible to operate this port within the next four weeks. The delays in opening these ports has considerably affected the A.C. programs for the north, and meant the continuation of the long inland hauls along the Ancona-Bologna axis for a longer period than originally anticipated.

3. Other ports on the north west coast have suffered considerable damage due to Allied bombing and enemy demolitions, and while it is anticipated that they may be soon open to schooner traffic, the bulk of the A.C. tonnages for some time to come will be handled thru Genoa and Savona.

4. Main ports for the handling of A.C. traffic in the N.E.

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4. Main ports for the handling of A.C. traffic in the N.E. will be Venice and Trieste. Fulfillment of the full programs

- 2 -

for both ports has been delayed due to political trouble at Trieste, and mines at both Trieste and Venice. It is anticipated that there will be no difficulty in meeting the desired programmes after mid-July.

5. The following tonnages have been accepted for movement thru main ports as shown -

	June	July	Aug.	Sept.
Naples Group	68428	65948	62214	65982
Civitavecchia	10194	28116	27696	17160
Piombino/Leghorn	16463	31859	23968	24531
Genoa/Savona (a)	92800	81550	82100	70543
Tos Group	11000	7700	10900	12800
Haar Group	95378	27620	25912	28628
Ancona	14119	22000	18453	22913
Venice/Trieste (a)	32000	32000	32000	32000

Note - 1 (a) acceptance based on ports being declared free of mines. Restricted acceptance for June is

Genoa/Savona	9000	Venice/Trieste	3200
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2. All figures in tons per month.

6. Analysis of A.C. Tonnes Moved by Rail.

1. Analysis of loading programmes over the four week period 30 April - 27 May 1945 gives the following figures:

a) Tonnage programmed to load	352318 tons
b) Tonnage moved	204806 tons
c) Tonnage not moved	131057 tons
d) Tonnage not accounted for	16455 tons
e) Percentage of total programme moved -	58%
	352,318 tons

2. Breakdown of tonnage not moved (para 6 (c)) shows reasons for failure to move as follows:

a) Shortage of wagons	34,578 tons - 27%
b) Failure of consignor to load	44,052 tons - 33%
c) Numerous accidental reasons	52,427 tons - 40%

65982	62215	65988	62215
17160	27696	28116	27696
24531	23968	31859	23968
70543	82100	81550	82100
12000	10900	7700	10900
28628	25912	27620	25912
22913	18453	22000	18453
32000	32000	32000	32000

65982	62215	65988	62215
17160	27696	28116	27696
24531	23968	31859	23968
70543	82100	81550	82100
12000	10900	7700	10900
28628	25912	27620	25912
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32000	32000	32000	32000

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Genoa/Savona 9000 Venice/Trieste 9200

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b) Failure of consignor to load	44,852 tons - 33%
c) Numerous accidental reasons	52,427 tons - 40%

TOTAL 131,057 tons - 100%

3. It may happen that owing to large military movements of high priority an acute scarcity of wagons is caused in certain areas for a short period, or that large personnel move absorbs all covered wagons, thus upsetting the plans of civilians requiring this type of gear for their goods, but in general the largest figure of tonnage not moved is accounted for by failure of consignors to implement their bid. Analysis of failures to load shows that the worst offenders are:

a) The Consorzio Agrario which seems unable, in many cases, to keep an up to date record of

- 3 -

what its stocks are in stations or station areas.

- (b) Merchants contracting to load perishable fruits and vegetables who, thru weather conditions which spoil the crop or because of price changes, decide, during the interval between placing their bid and receiving their allotment of cars, that they do not wish to complete their contract.
- (c) Speculators who wait for the assignment of a wagon before making any arrangements to purchase the goods they have proposed to ship.

7. It is believed that there has been some improvement in the proportion of tonnage moved during June. The improvement, insofar as wagon availability is concerned, would have been much greater, if it had not been necessary to allocate so much rail capacity to the movement of refugees.

/sgt/ M.T. SIEFF, Colonel

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HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

Cross Reference Sheet.

File: LSC / 1204
Subject: Uniform flour price for all of North Italy
Date: 10 July 1949
To: All Regional Commissioners
From: Economic Section
Documents Filed: IN CABLES

646

HEADQUARTERS ALLIED COMMISSION
ECONOMIC SECTION254/1204 + 116
9 July 1946

18/13/ES

SUBJECT: Economic Bread Price and Caropane for North Italy

TO : Col. W. E. Behrens
Legal Sub-Commission

1. It is planned to establish a uniform North Italy Maximum Selling Price on flour mills based on the new wheat price for the North. Bread prices based on the new flour prices will be determined by local price fixing organizations and will be lower than the South Italy bread prices because of the difference in grain and flour prices. There will be no subsidy.

2. It is believed that the wage increase to employees in private industry which is now being negotiated, will be announced at the same time as the new policy with respect to bread prices, thereby eliminating demands for indemnities to cover the higher bread prices when they are put into effect. However, this is still the subject of negotiation and some caropane might be required if all parties concerned do not agree.

3. D.L. No. 116 providing salary, wage and pension increases for public employees, is scheduled to be implemented in the North on August 1. Therefore, it will be unnecessary to provide caropane indemnity for these employees.

4. Finance, Labor, Food and Agriculture Sub-Commissions are in agreement on these proposals. Your comments will be appreciated, since advance agreement on the means to be employed will have a bearing on the time schedule within which the necessary work must be accomplished. It is hoped to have new bread prices in effect not later than August 1 which means the new flour price must be in the hands of the local price fixing organizations not later than 30 July. It is suggested that the best way to achieve the desired objectives would be to issue a general order based on D.L. 38 making what modifications are required by the shift from a Government decree to a General Order and those changes required by the caropane considerations stated above. Assuming that negotiations mentioned in Par. 2 are successful, it appears that such a general order should include the following:

- a. The last three paragraphs of Article 1 which provide for the operations of the Consorzi Agrari and the pricing of derivative products.
- b. All of Article 2 providing for payments to the State on increased inventory evaluations.
- c. All of Article 3 providing a monthly indemnity to certain special groups.
- d. The first sentence of Article 10.

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- 2 -

- e. An article abolishing the existing subsidy in the North.
- f. An article stipulating that the flour prices and price definitions (Article 1 of DLL 38) will be determined and issued by AG Headquarters in appropriate price names.

5. Sub-paragraph (f) above is indicated by the possibility that minor adjustments in prices may be made and it is believed that removing the price definition from the general order will allow greater flexibility for such changes. Price names issued would tie-back to the General Order. Further consideration is that the General Order without the price could be issued immediately thus permitting more time for doing the necessary preparatory work. The Consorzi Agrari could prepare its organization and arrangements could be completed for collecting inventory increments and for payment of the indemnities without knowledge of the exact price which would apply. The exact prices which require detailed study of milling and transportation costs could then follow a few days later.

6. It is also desired to include the provinces of Ravenna and Forlì on pricing arrangements for the North.

K. F. STAUFFER
Chief,
Price Control Branch

cc: Brig. General McKinley
Finance S/C
Labor S/C ✓
Food S/C
Agriculture S/C
Price Office

644

LABOR SUB-COMMISSION

A.C.

Routing Slip

		Initials	Date
	Mr. W.H. BRAINE	<i>[Handwritten initials]</i>	
	Mr. SACHS		
	Mr. HIRD		12/7
	Mr. SCOTT		10/7
	Mr. PROCTOR		11/7
	Miss. STEVENSON		12/7
	Miss. SANSEVERINO		
	Chief Clerk		

REMARKS:

file
LSC/1204HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

DCS:ab

7 July 1945

MEMORANDUM TO MR. BRAINE

Subject: Price of Bread.

1. At a meeting held yesterday, 6 July, under the chairmanship of General McKinley, the question of the economic price of bread was considered.

2. Colonel Iaric (Food) reported that the Italian Government were in agreement on the policy of permitting bread to go to the economic price. The Government suggested, however, the appointment of a committee to work it out which will not get going until 20 July. Iaric advised the Government that this would be too late for appropriate action.

3. At the conference it was agreed:

- (a) That bread should reach the economic level.
- (b) That this should be done at the earliest possible moment and in any event not later than 1 August. It was expected that administrative difficulties would prevent the effective date from being much earlier than 1 August.
- (c) For the time being there would be a different price on grain to millers between the North and South due to the different wheat prices. It was expected that this would necessitate some changes in Decree No. 38.
- (d) Colonel Iaric will take the lead in submitting our proposals to the Italian Government but it was agreed that we would not hold up our plans except in the event of very strong objections on the part of the Italian Government.

4. On the side of wages for Government employees, this action would pave the way for the implementation of Decree No. 116 without modification. It was agreed, however, that this decree should not be effective prior to August 1. On the private wages side, the Committee adopted my suggestion that you make an effort to arrange that the present negotiations for a wage increase in the North provide for the absorption of a separate caropane indemnity. It was hoped that this could be done because the

increase in bread prices could be considered as part of the whole transaction involving wage increases, because the indemnity is very small (3 lire per day per capita) in proportion to the size of the wage increase and also because the level reached by the present increase in the North is at least equivalent to the level prevailing in the South which includes the caropane indemnity. In order to facilitate this suggestion, a price release announcing a forth coming increase in bread price will be shortly issued.

DAVID G. SACHS
Deputy Director
Labor Sub-Commission

612

HEADQUARTERS ALLIED COMMISSION
APO 384
LABOR SUB-COMMISSION

Mr. Seck
file 02
FP/rw gme

5 July 1945

TEL : Ext. 804

REF : LSC/1204/418

SUBJECT: Price of Bread and Caropane Indemnity in the North.

TO : Economic Section

1. As you know, decision has already been made to implement Decrees RDL No. 18-B of 6 December 1943 and DLL No. 328 of 13 November, 1944, which provide for certain increases in the salaries of public employees. The next step will be consideration of implementing Decree No. 116 of 16 March, 1945. This Decree would place public employees in the North upon the same footing as those in the South. It was the tentative thinking of both Finance and Labor Sub-Commissions that August would be the appropriate time to take this action. At the Regional Commissioner's conference of June 27-28 Col. Paletti, with whom the other Regional Commissioners were in full agreement, insisted that immediate implementation of this Decree was a matter of urgency, and that the increases should come in for the month of July. It was reported that cost-of-living in the North had risen to a point which would justify uniform wage scales for public employees as between North and South. This fact has since been confirmed from data received from the North, particularly Milan.

2. Before the Decree can be implemented in the present form, however, it will be necessary to have a firm decision on the price of bread in the North. A certain portion of the Decree provides for a food ration allowance which absorbed the caropane indemnity established under Decree No. 38. The latter Decree provided for the elimination of the subsidy to the price of bread together with compensating indemnities to persons in public and private employment to offset the increase in the bread cost. In order to properly determine whether or not Decree No. 116 should be modified in this respect at the time of implementation, it will be necessary to have a clear and definite policy established at that time for the North.

3. If the price of bread in the North is permitted to reach its economic level, then the provisions of No. 116, which grew out of the action taken under Decree No. 38, would be applicable to the North with minor modifications due to the difference in the price at the moment in the North. If, on the other hand, it is decided to establish or continue a subsidy for the purpose of pegging the price of bread there, such provisions would be inapplicable.

4. It would be appreciated if urgent consideration could be accorded to this problem, and this Sub-Commission advised of a decision as early as possible.

W. H. BRAINE, Director
Labor Sub-Commission

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB-COMMISSION

FP/pm

Memo for Mr. BRAINE

Sat. 9th June 1945

PRICE MEETINGWheat Price in North:

Since the date of the previous meeting information had been received that prices in the North already showed a marked upwards trend. Reports of Agriculture Sub-Commission Officers indicated that a price of 700/800 would now be necessary to secure proper amassing. In addition reports were considered from (a) the CLN Commissioner for Agriculture and (b) the CLN Price Committee; these bodies recommended (a) that a price of not less than £. 700 was necessary and (b) that 630 to 700 would probably meet the position. A subsequent report from the CLN Sub-Committee on Prices dated a few days later indicated that prices had reached from £. 800 to £. 1000 per quintal for wheat.

After some discussion, during which Labour Sub-Commission representative again stressed to importance of the effect of increased wheat price on the price of bread and consequent upwards spiral of cost of living and wages, it was proposed and carried that the price of wheat be fixed at £. 725 per quintal for soft wheat and £. 800 per quintal for hard wheat. An amended proposal of £. 750 and £. 800 respectively was defeated.

No further information was available to the Committee on the Italian Government proposal to subsidise wheat prices.

1. Silk. The price of silk cocoons was also considered and it was agreed to fix the price at £. 200 per kilo.

3. Olive Oil.
Oil Seed.
Wool. } Considerations of these items was deferred to the next meeting of the Committee.

F. PROCTOR
Labour Sub-Comm.

646



Ministero delle Corporazioni

SEGRETERIA
DI S. E. IL MINISTRO

LSC/1204

**Il « caro-pane » assorbito
dalla insennità di carovita**

La Confederazione Generale dell'Industria Italiana comunica che in base all'accordo raggiunto con la Confederazione del Lavoro il 21 febbraio, l'indennità caro-pane di cui all'art. 5 del Decreto Luogotenenziale del 22 feb. 1945 n. 28 deve, analogamente a quanto è stato deciso per i dipendenti dello Stato, essere assorbita dal nuovo carovita per la determinazione del quale sono in corso trattative e che decorrerà dal 16 febbraio. E' stata pertanto prospettata al Ministero competente la necessità di un coordinamento di detta disposizione.

Dev:

Negotiations are underway between representatives of C. G. I. L. and representatives of the Industrialists Confederation on the question of whether or not Caro pane bonus is included in the agreement negotiated on Feb. 27.

The parties met yesterday and will meet again on Friday, March 16.

The workers claim they are entitled to the extra bonus provided in the Caro Pane decree. The Industrialists claim this new bonus was provided for in the increases already granted.

Joe Di Fed
633

FILE

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

TEL : Ext. 204

VHB/rmw

REF : LSC/1204 (1303)

7 March 1945

SUBJECT: General Order No. 38 -
Price of Bread and PastaTO : Acting Vice President
Economic Section

1. The terms of the proposed General Order No. 38 are agreed on the understanding that they relate to persons other than direct employees of the Armed Forces. Probably Article VII excludes Armed Force employees or there may be some general Order stating that Armed Force employees are excluded from the terms of general wage or bonus Decrees.

2. If there is no such general exclusion or if Legal Sub-Commission are of the opinion that the general term "worker" used in the proposed Order could be interpreted as applying to Armed Force employees, it would be advisable to include an Article stating that the provisions of the Order do not apply to these persons.

W. H. BRAINE

W. H. BRAINE
Director
Labor Sub-Commission

638

LSC/204 + 1303

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

Tel. 271

ES/18.13

Jmm
JMS/amm

6 March, 1945

SUBJECT: General Order No. 38 -
Price of Bread and PastaTO : Director, Food Sub-Commission
Director, Finance Sub-Commission
Director, Labor Sub-Commission
Price Control Branch

1. The Italian Government has issued a decree raising the price of grain in order to fix the price of bread, and granting an indemnity to workers.

2. The decree has been implemented in those provinces of AMG territory where implementation procedure operates.

3. It is the intention that so far as possible the decree should be applied also to the remaining provinces. This must be done by a General order, not a provincial Order, as it involves cancellation of General Order 30.

4. Attached hereto is a proposed General Order No. 38 designed to implement the decree in the remaining provinces, together with an Italian translation thereof. The proposed order has been drafted by the Legal Sub-Commission and certified by it as being proper in form for signature by the Chief Civil Affairs Officer. Your comments are requested as to whether the decree is proper in substance for signature by the Chief Civil Affairs Officer.

5. As it is desired to implement the decree in the provinces of Forlì and Ravenna as early as practicable, your comments are requested not later than 1400 hours 7 March, 1945.

Enc. 1 copy G.O. 38
1 copy translation
E.B. MCKINLEY
Brigadier General, U.S.A.
Acting Vice President
Economic Section

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ALLIED MILITARY GOVERNMENT

OF OCCUPIED TERRITORY

GENERAL ORDER NO. 38.

PRICES OF BREAD AND PASTA

WHEREAS the Italian Government has established certain basic prices for wheat, rye and barley with a view to fixing and controlling the prices of bread and pasta,

AND WHEREAS a decree of the Italian Government being D.L. No 38 of 22 February 1945 has been published to this effect in the Official Gazette of 1 March 1945, No 26,

NOW, THEREFORE, I, MILLY E. STONE, Rear Admiral, USNR, Chief Civil Affairs Officer, for and on behalf of the Supreme Allied Commander and Military Governor hereby order as follows:

ARTICLE 1

General Order No. 30 of the Allied Military Government is hereby cancelled.

ARTICLE 2

This General Order which incorporates in substance the provisions of D.L. No 38 of 22 February 1945, shall become operative and have the full force and effect of law in each province of occupied territory on the date on which it is first posted therein.

ARTICLE 3

Basic prices for the sale to mills of wheat, of unhusked barley and of rye, either home grown or imported, to be used to make bread or pasta are fixed as follows:

Wheat, soft	L.1.241.30 per ql. free at mill unbagged
Wheat, hard	" 1.241.30 per ql. " "
Barley, unhusked	" 953.80 per ql. " "
Rye	" 1.137.20 per ql. " "

Such prices include:

2. Rates for transport of cereals "free at mill" and of flour for bread "free at intercommunal warehouse", of flour for pasta "free at pasta

for wheat, rye and barley with a view to fixing and controlling the prices of bread and pasta.

AND WHEREAS a decree of the Italian Government being D.L. No 38 of 22 February 1945 has been published to this effect in the Official Gazette of 1 March 1945, No 26,

NOW, THEREFORE, I, MILITARY W. STONE, Rear Admiral, USNR, Chief Civil Affairs Officer, for and on behalf of the Supreme Allied Commander and Military Governor hereby order as follows :

ARTICLE 1

General Order No. 30 of the Allied Military Government is hereby cancelled.

ARTICLE 2

This General Order which incorporates in substance the provisions of D.L. No 38 of 22 February 1945, shall become operative and have the full force and effect of law in each province of occupied territory on the date on which it is first posted therein.

ARTICLE 3

Basic prices for the sale to mills of wheat, of unhusked barley and of rye, either home grown or imported, to be used to make bread or pasta are fixed as follows :

Wheat, soft	L.1.241.30 per ql. free at mill unbagged
Wheat, hard	" 1.241.30 per ql. " " "
Barley, unhusked	" 953.80 per ql. " " "
Rye	" 1.137.20 per ql. " " "

Such prices include :

- Rates for transport of cereals "free at mill" and of flour for bread "free at intercommunal warehouse", of flour for pasta "free at pasta manufacturing plant" and of pasta "free at intercommunal warehouse".
- Rates of expenditure for the management of ammassi.
- Rates of expenditure owing to fluctuation of prices due to the nature of products.
- The general turnover tax established in the measure of L.46.08 a ql. for soft wheat, of L.49.80 a ql. for hard wheat, of L.40.98 a ql. for unhusked barley and of L.47.16 a ql. for rye.

with rates as per paragraphs a, b, and c, the Federazione Italiana dei Consorzi Agrari will set up three separate managements and will also strike the balance between the proceeds from the prices established in the first paragraph of the present article to the "granai del popolo" and the prices to be paid to those who bring their wheat to the granaries.

On the basis of prices indicated in the first paragraph of the present article, which can be changed by order of the Allied Military Government, the prices of derivative products will be fixed.

ARTICLE 4

Mills, pasta manufacturers, bakers, wholesalers, provincial warehouses and retailers must pay to the Tesoreria Provinciale for any stock of grains mentioned in Article 3, and their derivatives existing at the effective date of the present order, the difference between the prices deriving from the enforcement of the present order and the prices paid by them.

The relative verification will be made by the Provincial Food sections with the assistance of the Intendenza di Finanza, which will be entrusted with the recovery.

ARTICLE 5

An indemnity charged to the State is established for:

- a. Those involuntarily unemployed;
- b. Those registered as paupers or permanently assisted by enti comunali assistenza (E.C.A.) from their own funds;
- c. Those entitled to a daily subsidy from the State according to regulations, of the following categories:
 - (1) dependents of enlisted men serving with their age group or recalled or detained in the army;
 - (2) dependents of military personnel who are prisoners of war or internees or missing in action;
 - (3) dependents of civilians who have been deported by the Germans;
 - (4) persons repatriated from Italian Africa or from abroad or dependents of civilians residing in Italian Africa or abroad;
 - (5) refugees, evacuees or "bombed-out" people.

An indemnity of Lire 95. monthly is granted to each of such persons and to each of his dependents living with him provided that the said indemnity will only be paid to persons who are in possession of individual food cards for bread and pasta.

In particular cases, on the decision of the Allied Military Government the indemnity may be granted to institutions providing food to the persons entitled to the indemnity, instead of to the individuals concerned.

Mills, pasta manufacturers, bakers, wholesalers, provincial warehouses and retailers must pay to the Tesoreria Provinciale for any stock of grains, mentioned in Article 3, and their derivatives existing at the effective date of the present order, the difference between the prices deriving from the enforcement of the present order and the prices paid by them.

The relative verification will be made by the Provincial Food Sections with the assistance of the Intendenza di Finanze, which will be entrusted with the recovery.

ARTICLE 5

An indemnity charged to the State is established for:

- a. Those involuntarily unemployed;
- b. Those registered as paupers or permanently assisted by enti comunali assistenza (E.C.A.) from their own funds;
- c. Those entitled to a daily subsidy from the State according to regulations, of the following categories:
 - (1) dependents of enlisted men serving with their age group or recalled or detained in the army;
 - (2) dependents of military personnel who are prisoners of war or internees or missing in action;
 - (3) dependents of civilians who have been deported by the Germans;
 - (4) persons repatriated from Italian Africa or from abroad or dependents of civilians residing in Italian Africa or abroad;
 - (5) refugees, evacuees or "bombed-out" people.

An indemnity of Lire 95. monthly is granted to each of such persons and to each of his dependents living with him provided that the said indemnity will only be paid to persons who are in possession of individual food cards for bread and pasta.

In particular cases, on the decision of the Allied Military Government the indemnity may be granted to institutions providing food to the persons entitled to the indemnity, instead of to the individuals concerned.

ARTICLE 6

An indemnity of L. 95. monthly is established for workers and for each of their dependents according to the conditions laid down in the following articles.

The indemnity is granted only to persons in possession of individual food cards for bread and pasta.

ARTICLE 7

Workers who have been engaged under collective contracts of work in accordance with Law 3 April 1926, No 563 and its subsequent modifications, will be granted this indemnity by their employers and this will include a like indemnity for each of their dependents living with them.

This indemnity is not to be granted to married workers residing in cities with more than 100,000 inhabitants who enjoy an aggregate monthly income of more than 9,000 lire net, or those residing in cities with up to 100,000 inhabitants enjoying an aggregate monthly income of more than 7,000 lire net. For bachelors, without family dependents living with them, the above limits of income are fixed at Lire 6,000 and Lire 5,000 net.

ARTICLE 8

To State personnel and to persons in the employ of State officials covered respectively by Articles 4 and 5 of LID of 18 November 1944, No 328, the indemnity is paid by their respective administrations.

Such indemnity is due to those enjoying pensions from State administrations or from Istituti di Previdenza managed by Cassa Depositi e Prestiti and to the dependents of such pensioners.

For the purpose of granting of this indemnity, dependents are considered to be only the wife and minor children.

Personnel enjoying food rations in kind or in money, either partially free or entirely free, the indemnity to be paid as per the first paragraph of the present article is restricted to dependents as defined in the third paragraph of this article.

Said indemnity is not granted to personnel or pensioners residing abroad.

The expenditure for indemnities to personnel and pensioners which is entirely or partially charged to non-State budgets, will be charged to the Enti sustaining the expenditure and in that proportion.

The expenditure for the indemnity to pensioners on Istituti di Previdenza managed by Cassa Depositi e Prestiti is charged to the State.

ARTICLE 9

The indemnity as per Article 8 is extended to provincial secretaries and communal secretaries and to personnel of Enti as per Article 12 of LID of 18 November 1944, No 328 and is charged to the respective budgets.

The provisions of the preceding paragraph apply in the same manner to pensioners whose pensions are charged to the budgets of Enti contemplated

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Such indemnity is due to those enjoying pensions from State administrations or from Istituto di Previdenza managed by Cassa Depositi e Prestiti and to the dependents of such pensioners.

For the purpose of granting of this indemnity, dependents are considered to be only the wife and minor children.

Personnel enjoying food rations in kind or in money, either partially free or entirely free, the indemnity to be paid as per the first paragraph of the present article is restricted to dependents as defined in the third paragraph of this article.

Said indemnity is not granted to personnel or pensioners residing abroad.

The expenditure for indemnities to personnel and pensioners which is entirely or partially charged to non-State budgets, will be charged to the Enti sustaining the expenditure and in that proportion.

The expenditure for the indemnity to pensioners on Istituto di Previdenza managed by Cassa Depositi e Prestiti is charged to the State.

ARTICLE 9

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The indemnity as per Article 8 is extended to provincial secretaries and communal secretaries and to personnel of Enti as per Article 12 of LID of 18 November 1944, No 328 and is charged to the respective budgets.

The provisions of the preceding paragraph apply in the same manner to pensioners whose pensions are charged to the budgets of Enti contemplated by the present article.

For the above personnel and pensioners the indemnity is granted also for a wife and minor children.

ARTICLE 10

The indemnity as per preceding articles is not granted to persons listed on the rolls of imposti ordinaria sul patrimonio for a rateable value of not less than 150,000 lire or to persons listed on rolls of imposti complementare for an aggregate income of not less than 24,000 lire, excluding earned income of a fixed nature consisting of stipends, salaries, pensions and allotments provided by the State and by other public or private bodies, and by private persons.

Workers coming within the provisions of the preceding paragraph must make a declaration accordingly to their employers.

Uffici Distrettuali delle Imposte Dirette will notify the disbur-sing administration concerned of any State employees or employees of other public bodies either in active service or retired whose names are on the rolls of the imposti complementare.

ARTICLE 11

Persons who may be entitled to receive the indemnity under different articles of this decree may be granted one indemnity only.

If a person is entitled to the indemnity under the provisions of Articles 7, 8 and 9 and in accordance with Article 5, he will be granted only the indemnity arising from his title as a worker.

If a worker is employed at the same time by several employers the expenditure for the indemnity is apportioned correspondingly to the wages paid by each employer.

When one of the dependents is entitled to the indemnity in his own right, an indemnity is not granted to the head of the family for such dependent.

ARTICLE 12

Indemnities according to the preceding articles are exempt from taxation.

Administrative rules will be issued governing the granting and payment of indemnities.

FOR THE SUPREME ALLIED COMMANDER AND MILITARY GOVERNOR :

ufficio Distrettuali delle Imposte Dirette will notify the disbur-
sing administration concerned of any State employees or employees of other
public bodies either in active service or retired whose names are on the
rolls of the Imposte complementare.

ARTICLE 11

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different articles of this decree may be granted one indemnity only.

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of Articles 7, 8 and 9 and in accordance with Article 5, he will be
granted only the indemnity arising from his title as a worker.

If a worker is employed at the same time by several employers the
expenditure for the indemnity is apportioned correspondingly to the
wages paid by each employer.

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right, an indemnity is not granted to the head of the family for such
dependent.

ARTICLE 12

Indemnities according to the preceding articles are exempt from
taxation.

Administrative rules will be issued governing the granting and
payment of indemnities.

FOR THE SUPREME ALLIED COMMANDER AND MILITARY GOVERNOR :

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MILLY N. STONE,
Rear Admiral, USNR,
Chief Civil Affairs Officer.

Dated,

GOVERNO MILITARE ALLIATO

DEL TERMINO COMUNITARIO

ORDINANZA GENERALE No. 30

PREMI DEL PANE E DELLA PASTA

Poiché il Governo Italiano ha stabilito determinati prezzi base per il grano l'orzo e la segale allo scopo di fissare e controllare il prezzo del pane e della pasta, e

Poiché il Governo Italiano ha emanato a tale effetto il D.L. 22 febbraio 1945 No. 30 pubblicato nella Gazzetta Ufficiale No. 26

Io, ELISEO M. STONE, Contrammiraglio U.S.N.R., Ufficiale Capo degli Affari Civili, in nome e per conto del Comandante Supremo Alleato e Governatore Militare con la presente ordino quanto segue:

ARTICOLO 1

L'Ordinanza Generale No. 30 del Governo Militare Alleato e' con la presente annullata.

ARTICOLO 2

La presente Ordinanza Generale che in sostanza compendia la disposizione del D.L. 22 febbraio 1945 No. 30, entra in vigore ed ha piena forza ed effetto di legge in ogni provincia del territorio occupato alla data della sua prima affissione nella provincia stessa.

ARTICOLO 3

I prezzi base di cessione ai molini del frumento, dell'orzo vestito e della segale di produzione nazionale e di importazione, destinati alla panificazione ed alla pastificazione, sono fissati come segue:

grano tenero	: L. 1.241,30 al quintale franco molino merce nuda;
grano duro	: L. 1.241,30 al quintale franco molino merce nuda;
orzo vestito	: L. 933,80 al quintale franco molino merce nuda;
segale	: L. 1.137,20 al quintale franco molino merce nuda.

I prezzi predetti sono comprensivi:

- a) della quota per le spese di trasporto dei cereali "franco molino", delle farine per panificazione "franco magazzino intercomunale", degli infarinati per pastificazione "franco pastificio" e della pasta "franco magazzino intercomunale";
- b) della quota spese di gestione annue;
- c) della quota spese per variazioni di prezzo derivanti dalle effettive

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Potenza' il Governo Italiano ha ornato a tale effetto il D.L. 22 febbraio 1945 No. 36 pubblicato nella Gazzetta Ufficiale No. 26

Io, EMILIO G. STONE, Contrammiraglio U.S.N.R., Ufficiale Capo degli Affari Civili, in nome e per conto del Comandante Supremo Alleato e Governatore Militare con la presente ordino quanto segue :

ARTICOLO 1

L'Ordinanza Generale No. 30 del Governo Militare Alleato e' con la presente annullata.

ARTICOLO 2

La presente Ordinanza Generale che in sostanza compendia le disposizioni del D.L. 22 febbraio 1945 No. 36, entra in vigore ed ha piena forza ed effetto di legge in ogni provincia del territorio occupato alla data della sua prima attuazione nella provincia stessa.

ARTICOLO 3

I prezzi base di cessione ai molini del frumento, dell'orzo vestito e della segale di produzione nazionale o di importazione, destinati alla panificazione ed alla pastificazione, sono fissati come segue :

grano tenero	: L. 1.241,30 al quintale franco molino merce nuda;
grano duro	: L. 1.241,30 al quintale franco molino merce nuda;
orzo vestito	: L. 953,80 al quintale franco molino merce nuda;
segale	: L. 1.157,20 al quintale franco molino merce nuda.

I prezzi predetti sono comprensivi :

- a) della quota per le spese di trasporto dei cereali "franco molino", degli oneri per panificazione "franco magazzino intercomunale", degli sferzanti per pastificazione "franco pastificio" e della pasta "franco magazzino intercomunale";
- b) della quota spese di gestione annue;
- c) della quota spese per variazioni di prezzo derivanti dalle effettive caratteristiche dei prodotti;
- d) dell'imposta generale sull'entrata nelle misure fisse di L. 46,08 a quintale per il grano tenero, di L. 49,80 a quintale per il grano duro, di L. 40,33 al quintale per l'orzo vestito e di L. 47,16 per la segale.

Con le quote di cui ai punti a), b) e c) si costituiranno tre separate gestioni, tenuto dalla Federazione Italiana dei Consorzi agrari che effettuerà anche i conguagli tra i ricavi derivanti alla gestione "grani del popolo" dei prezzi fissati al primo comma del presente articolo ed i prezzi praticati nei riguardi dei conferenti all'ammasso.

Sulla base dei prezzi indicati al primo comma del presente articolo, che potranno essere variati con Ordinanza del Governo Militare Alleato saranno determinati i prezzi dei prodotti derivati.

ARTICOLO 4.

panifici.

I molini, pastifici, grossisti, depositi provinciali e dettaglianti sono tenuti a versare alla Tesoreria Provinciale per la gestione dei cereali di cui all'art. 3 dei derivati esistenti all'entrata in vigore della presente Ordinanza, la differenza fra i prezzi derivanti dall'applicazione della presente Ordinanza e quelli da essi pagati.

I relativi accertamenti saranno effettuati dalle Sezioni provinciali di dell'alimentazione col concorso delle Intendenze di finanza, le quali provvederanno al riapero.

ARTICOLO 5

E' istituita a carico dello Stato un'indennita' a favore ⁶³¹

- a) dei disoccupati involontari;
- b) degli iscritti nelle liste dei poveri e degli assistiti in modo continuativo dagli Enti Comunali di assistenza a carico dei propri fondi;
- c) degli ammessi ai soccorsi giornalieri gravanti sullo Stato a norma delle vigenti disposizioni, nella qualita' di:

- (1) congiunti di militari in servizio di leva o richiamati o trattenuti alle armi;
- (2) congiunti di militari prigionieri di guerra o internati o dispersi;
- (3) congiunti dei civili deportati dai tedeschi;
- (4) rimpatriati dall'Africa italiana o dall'estero o di congiunti dei cittadini residenti in Africa italiana o all'estero;
- (5) profughi, sfollati o sministrati di guerra.

L'indennita' e' fissata nella misura di L. 25 mensili per i titolari e per ciascuna delle persone di famiglia conviventi ed a carico ed e' corrisposta solo a coloro che siano muniti di carte annonarie individuali per il pane e per la pasta.

In casi particolari l'indennita' predetta puo' essere erogata, in

I soldati, i partigiani, i volontari, i lavoratori provinciali e comunali sono tenuti a versare alla Tesoreria Provinciale per le giacenze dei cereali di cui all'art. 1 dei decreti esistenti all'entrata in vigore della presente Ordinanza, le differenze fra i prezzi derivanti dall'applicazione della presente Ordinanza e quelli da essi pagati.

I relativi ecertamenti saranno effettuati dallo Sezioni provinciali dell'alimentazione col concorso delle Intendenze di finanze, le quali provvederanno al ricupero.

ARTICOLO 5

E' istituita a carico dello Stato un'indennita' a favore : 621

- a) dei disoccupati involontari;
- b) degli iscritti nelle liste dei poveri e degli assistiti in modo continuativo degli Enti Comunali di assistenza a carico dei propri fondi;
- c) degli ammessi ai soccorsi giornalieri gravanti sullo Stato a norma delle vigenti disposizioni, nella qualita' di :
 - (1) congiunti di militari in servizio di leva o richiamati o trattenuti alle armi;
 - (2) congiunti di militari prigionieri di guerra o internati o dispersi;
 - (3) congiunti dei civili deportati dai tedeschi;
 - (4) rimpatriati dall'Africa Italiana o dall'estero o di congiunti dei cittadini residenti in Africa Italiana o all'estero;
 - (5) profughi, sfollati o sministrati di guerra.

L'indennita' e' fissata nella misura di L. 95 mensili per i titolari e per ciascuna delle persone di famiglia conviventi ed a carico ed e' corrisposta solo a coloro che siano muniti di carte annonarie individuali per il pane e per la pasta.

In casi particolari l'indennita' predetta puo' essere erogata, in seguito a determinazione del Governo Militare Alleato, anziche' direttamente ai beneficiari ad istituzioni che provvedano alla distribuzione di alimenti ai beneficiari stessi.

ARTICOLO 6

E' istituita a favore di tutti i prestatori d'opera, un'indennita' di L. 95 mensili per i prestatori stessi e per ciascuno dei componenti le loro famiglie alle condizioni e con le modalita' indicate nei successivi articoli.

L'indennita' spetta solo a coloro che siano muniti di carta annonaria individuale per il pane e per la pasta.

ARTICOLO 7

Per i prestatori d'opere con rapporti di lavoro già disciplinati mediante contributi collettivi ai sensi della legge 3 aprile 1926, n. 563, e successive modificazioni ed integrazioni, l'indennità e' a carico dei datori di lavoro e viene da essi corrisposta, anche per ogni persona di famiglia convivente ed a carico.

Sono esclusi dalla concessione dell'indennità i lavoratori conigliati residenti nei centri con popolazione superiore ai 100.000 abitanti, che percepiscono una retribuzione complessiva superiore a L. 9000 mensili nette e quelli residenti in centri con popolazione sino a 100.000 abitanti, fruanti di retribuzione complessiva superiore a L. 7.000 mensili nette. Per i celibi, che non abbiano persone di famiglia conviventi e a carico, tali limiti di retribuzione, agli effetti dell'esclusione dalla concessione dell'indennità, sono rispettivamente stabiliti in L. 6.000 e 5.000.

ARTICOLO 8

Per i dipendenti statali e per i personali in servizio presso i dipendenti statali contemplati, rispettivamente, negli articoli 4 e 5 del decreto legislativo luogotenenziale 18 novembre 1944, n. 328, l'indennità e' corrisposta dalle rispettive Amministrazioni.

L'indennità di cui al precedente comma spetta inoltre ai titolari di pensioni a carico delle Amministrazioni statali o degli Istituti di previdenza amministrati dalla Cassa depositi e prestiti anche per le persone componenti la loro famiglia.

Ai fini di cui ai precedenti commi per persone di famiglia si intendono la moglie ed i figli minorenni.

Al personale che comunque fruisca di reazioni viveri in natura od in contanti, a titolo gratuito, totale o parziale, l'indennità di cui al primo comma del presente articolo e' dovuta limitatamente alle quote relative alle persone di famiglia indicate nel precedente comma.

L'indennità di cui sopra non spetta al personale ed ai pensionati residenti fuori del territorio del Regno. 63

Per i dipendenti ed i pensionati i cui trattamenti sono parzialmente od integralmente a carico di bilanci non statali, l'onore per le concessione dell'indennità gravere' sugli enti che attualmente sostengono le spese nelle medesime rispettive proporzioni.

Per i pensionati degli Istituti di previdenza amministrati dalla Cassa depositi e prestiti l'onore predetto e' carico dello Stato.

ARTICOLO 8

per i dipendenti statali e per i personali in servizio presso i dipendenti statali contemplati, rispettivamente, negli articoli 4 e 5 del decreto legislativo luogotenenziale 10 novembre 1944, n. 328, l'indennità e' corrisposta dalle rispettive Amministrazioni.

L'indennità di cui al precedente comma spetta inoltre ai titolari di pensioni a carico delle Amministrazioni statali o degli Istituti di previdenza amministrati dalla Cassa depositi e prestiti anche per le persone componenti la loro famiglia.

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Al personale che comunque fruisca di razioni viveri in natura od in contanti, a titolo gratuito, totale o parziale, l'indennità di cui al primo comma del presente articolo e' dovuta limitatamente alle quote relative alle persone di famiglia indicate nel precedente comma.

L'indennità di cui sopra non spetta al personale ed ai pensionati residenti fuori del territorio del Regno.

Per i dipendenti ed i pensionati i cui trattamenti sono parzialmente od integralmente a carico di bilanci non statali, l'onere per le concessione dell'indennità gravera' sugli Enti che attualmente sostengono le spese nelle medesime rispettive proporzioni.

Per i pensionati degli Istituti di previdenza amministrati dalla Cassa depositi e prestiti l'onere predetto e' carico dello Stato.

ARTICOLO 9

L'indennità prevista dall'art. 8 e' estesa ai segretari provinciali e comunali e al personale dipendente dagli enti contemplati dall'art. 12 del decreto legislativo luogotenenziale 18 novembre 1944, n. 328, e grava sui rispettivi bilanci. La disposizione di cui al precedente comma si applica, con le stesse modalità, anche nei confronti dei titolari delle pensioni facenti carico ai bilanci degli enti contemplati dal presente articolo.

Nei confronti del personale e dei pensionati suddetti, l'indennità viene corrisposta anche per la moglie e per i figli minorenni.

ARTICOLO 10

Le indennità di cui agli articoli precedenti non spettano agli iscritti nei ruoli dell'imposta ordinaria sul patrimonio per un'imposta non inferiore alle L. 150.000 ed agli iscritti nei ruoli dell'imposta complementare per un reddito complessivo non inferiore a L. 24.000. Ivi esclusi i redditi di carattere fisso, costituiti da stipendi, salari, pensioni ed assegni, corrisposti dallo Stato e da altri enti pubblici o privati, e da persone fisiche.

I prestatori d'opera che si trovino nelle condizioni previste dal comma precedente debbono farne denuncia al datore di lavoro.

Per i dipendenti dello Stato e degli enti pubblici, in attività di servizio o in quiescenza, iscritti a ruolo per l'imposta complementare a norma del primo comma, gli Uffici distrettuali delle imposte dirette ne daranno comunicazione all'ente pagatore.

ARTICOLO 11

Le indennità previste dagli articoli precedenti vanno corrisposte una sola volta ai beneficiari che abbiano diritto alle indennità stesse per titoli diversi.

Nel caso che il diritto all'indennità sia sussistente in applicazione degli articoli 7, 8 e 9 e in applicazione dell'articolo 5, viene corrisposta soltanto l'indennità derivante da rapporto di lavoro.

Ove un prestatore d'opera sia contemporaneamente alle dipendenze di vari datori di lavoro, l'onere dell'indennità viene ripartito tra questi in proporzione delle singole retribuzioni da essi corrisposte al prestatore d'opera stesso.

Ove uno dei componenti la famiglia abbia diritto per titolo proprio all'indennità, la medesima non spetta al capo famiglia per la quota del componente stesso.

ARTICOLO 12

Le indennità di cui ai precedenti articoli sono esenti da ogni imposta.

Le norme per l'attribuzione ed il pagamento delle indennità previste dagli articoli precedenti saranno emanate.

ARTICOLO 11

Le indennità previste dagli articoli precedenti vanno corrisposte una sola volta ai beneficiari che abbiano diritto alle indennità stesse per titoli diversi.

Nel caso che il diritto all'indennità sussista in applicazioni degli articoli 7, 8 e 9 e in applicazione dell'articolo 5, viene corrisposta soltanto l'indennità derivante da rapporto di lavoro.

Ove un prestatore d'opera sia contemporaneamente alle dipendenze di vari datori di lavoro, l'onere dell'indennità viene ripartito tra questi in proporzione delle singole retribuzioni da essi corrisposte al prestatore d'opera stesso.

Ove uno dei componenti la famiglia abbia diritto per titolo proprio all'indennità, la medesima non spetta al capo famiglia per la quota del componente stesso.

ARTICOLO 12

Le indennità di cui ai precedenti articoli sono esenti da ogni imposta.

Le norme per l'attribuzione ed il pagamento delle indennità previste dagli articoli precedenti saranno emanate.

PER IL COMANDANTE SUPREMO ALLIATO E GOVERNATORE MILITARE:

ALLERY E. TONE,
Contrammiraglio, USN
Ufficiale Capo degli Affari Civili

Datato.

FILE

HEADQUARTERS ALLIED COMMISSION,
APO 394
LABOR SUB COMMISSION

JRS/ac

REF : LSC/1204
1204

24 February 1945

SUBJECT: Communique to Italian Press on Caropane
bonus adjustment.

TO : Mr. Braine

1. Attached herewith are communications relative to
Press release in connection with the Caropane bonus.

2. I quote from the statement:-

"The Allied Commission recognizes that the increased
cost of bread will also affect civilians employed by
the Allied Armed Forces in Italy. The Allied Commission,
in agreement with the Allied Forces, has decided to revise
the Allied Force wage scale"...

As you know, the Allied Commission cannot alone revise the Allied
Force wage scale, such action being reserved to AFHQ through its
Resources Board. The communique should therefore indicate that
action is being taken by AFHQ rather than by the Allied Commission.

Junius R. Smith
JUNIOR R. SMITH
Chairman,
Labor and Wages Control Committee.

020

COPY

DRAFT

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB COMMISSION

February 1945

CAROPANE BONUS-ADJUSTMENT TO ARMED FORCES WAGE SCALE

In connection with the decision of the Italian Government concerning the price of bread and pasta, and the arrangements that have been made for the payment of caropane indemnity to State employees and workers in private industry, the Allied Commission recognizes that the increased cost of bread will also affect civilians employed by the Allied Armed Forces in Italy. The Allied Commission, in agreement with the Allied Forces, has decided to revise the Allied Force wage scale to include a bonus which will assist its employees to meet the increased cost of bread and pasta. The necessary instructions are being issued to enable the increased wages to be paid at the earliest possible pay day.

627

COPY

HEADQUARTERS ALLIED COMMISS. I

APO 394

ECONOMIC SECTION

ERC/lrw

REF : EB/7.12

23 February 1945

SUBJECT: Communiqué to the Italian Press - Caropane

TO : Public Relations Branch

1. Attached is text of a communiqué for release to the Italian Press, regarding the adjustments to the Armed Forces Wage Scale, in connection with the caropane bonus.

2. This communiqué has been cleared with Labour Sub-Commission, and is approved by Economic Section.

3. It is important that the communiqué should not be released before the Italian Government makes its own announcement on the caropane bonus and on the price of bread. It is equally important that its issue should not be unduly delayed after the Italian Government's announcement. The ideal would be to synchronize the issue of Allied Commission's communiqué with the Italian Government's announcement.

E. B. MCKINLEY
Brigadier General, U.S.A.
Acting Vice President
Economic Section.

626

WRS ✓

ECONOMIC SECTION

Circulation

Date 27 Feb. 45

Internal

External

Fr.	To	Fr.	To
Vice President		✓ ECONOMIC SECTION	
Col. Bensmore		ARMY AND AIR FORCE	
Mr. Cleveland		COURT " "	
Maj. Doe		FINANCE " "	
Maj. Fichstien		FOOD " "	
Maj. Fooby		INDUSTRY " "	
Maj. Green		LABOR " "	✓
Capt. McNamara		S. S. U. " "	
Capt. McFarland		ARMY OF AMERICA " "	
Lieut. Atkins		CHIEF COLLEGE	
Mr. Bakken		CITY OF CHIEF	
Mr. Stauffer		DEPT. CHIEF OF CHIEF	
Mr. Lehman		CIVIL AFFAIRS SECTION	
Chief Clerk		ESTABLISHMENT SECTION	
For Appropriate Action		Noting & Retention	
Remarks/Recommendation		Signature	
Dispatch		Investigation & Report	
Information	✓	File Copy	
Circulation Return		Noting & Return	

Remarks:

NOTE: When the attached piece of correspondence is ready for file - please write the word "FILE" and initial the correspondence - FOR the Buck-Slip. It is suggested that pertinent remarks showing continuity of action should be noted on the letter itself, i.e. the margins, rather than on the Buck Slip which will be destroyed when letter is filed.

62

ESC/1204

ALLIED COMMISSION
Inter Office Memo

From: Executive Commissioner

SUBJECT: Decree Relating to Price of Bread

File No. 4020/45/EC

TO: Director,
Economic Section

22 February, 1945

Ref your ES/18.13 of 17 Feb 45.

The Chief Commissioner has approved the application of
the Decree relating to the Price of Bread to A.M.G. Territory.

M.S. LUSH (sgd)
Brigadier.
Executive Commissioner

624

LABOR SUB-COMMISSION
A.C.
Routing Slip

	Initials	Date
Mr. W.H. BRAINE ✓	<i>JWS</i>	
Colonel SMITH		
Lt.Col.BABCOCK		
Capt. DORF		
Capt. TOPLISS		
Capt.SOLENBERGER	<i>KH</i> <i>QO.</i>	<i>2/3</i>
Mr. SACHS		
Mr. DI FEDE		
Chief Clerk		

FILE LAB. S/C ✓

REF : LSC/1204 (402/)

22 February 1945

SUBJECT: Proposed increase in cost-of-living bonus for Italian civilian employees of the Allied Forces to provide for an increase in the cost of bread.

TO : Chairman, Labor and Wages Control Committee,
A.F.L.R.B. (Italian)

1. Reference is made to Paragraph 88 of the minutes of the meeting of the Labor and Wages Control Committee, 18 February, 1945, which reads as follows:

"Cost of Bread Increase:

"The AC representative reported that the Italian Government had intimated that they were no longer able to subsidize the price of bread, which would result in the present price of 5 lire per kilo being raised to approximately 14 lire per kilo, with effect from 1 Mar 45. In order to mitigate the effect of this increase on the working classes it was the intention of the Italian Government to authorize a special bonus (Caropene) of 75 to 95 lire per month, per dependent, payable to workers drawing less than a certain wage and not in receipt of private income.

"The Committee came to the unanimous conclusion that if some such similar action was not taken by the Allied Forces simultaneously with that of the Italian Government, including simultaneous publication, an extremely adverse situation would arise insofar as military labour was concerned.

"In view of the short notice, AFLRS agreed to bring these facts urgently to the notice of the Joint Chairmen of the Board with a request for interim action on the following lines:-

"Immediate publication of the facts that:

"(a) In the event of the Italian Government taking such action as was intimated some similar gesture would be made by the Allied Armed Forces to their civilian employees with effect from the same date.

623

- 2 -

"(b) The Midshift Meal, as at present supplied, will be maintained without additional cost to the worker."

2. The Allied Forces Local Resources Board meets on 3 March. It is requested that the Labor and Wages Control Committee adopt specific recommendations which may be presented at the 3 March meeting of the Board.

3. Attached hereto are: (a) a proposed minute for consideration by the Labor and Wages Control Committee, and (b) a proposed revision to Appendices "A" and "B" of AFHQ Administrative Memorandum No. 62.

4. The first attachment (a) recommends certain increases in the maximum permissible cost-of-living bonus commencing the first pay period subsequent to 1 March 1945, without changing any other provisions of Administrative Memorandum No. 62.

5. The second attachment (b) shows the proposed revision of Appendices "A" and "B" resulting from incorporation of the recommended increases. These increases are calculated as follows:

- (a) The Italian Government's withdrawal of a bread subsidy will raise the cost of the average consumer's bread ration by 95 lire per month. The Allied Forces in Italy have always used the notional family of a man, wife and two children as the basis for making wage computations. On this basis, the increased bread cost per worker may be established at 380 lire per month (4×95), or a rounded figure of 15 lire per working day, assuming 26 days to the month. Reconverting this daily rate into a monthly rate (15×26) yields a figure of 390 lire to be added to monthly cost-of-living bonus.
- (b) Based on this method of calculation, it is proposed to add 15 lire and 390 lire, respectively, to the daily and monthly maximum bonuses for adults in Appendix "A" of AFHQ Administrative Memorandum No. 62.
- (c) It is proposed that 5 lire and 130 lire, respectively, be added to the daily and monthly maximum bonuses for juveniles, since they will not have, for the most part, any other consumers dependent on them.

622

- 2 -

(d) In Appendix "B", covering hotel grades, it is proposed that \$88 lire per month be added to the present maximum bonus for adults. This will cover the increased bread cost for 3 persons only (i.e., wife and two children in the notional family), since the worker is presumed to be taken care of by his partial compensation in the form of food. Using similar reasoning, no increase is proposed for juveniles employed in hotels.

/s/ Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Thom R. Lewis
Cor.

621

ATTACHMENT (A)PROPOSED MINUTE ON INCREASE IN COST-OF-LIVING
BONUS FOR CIVILIAN EMPLOYEES

1. In view of the action taken by the Italian Government authorizing a "caropane" indemnity to workers in private industry as an offset to the increased price of bread, the Labor and Wages Control Committee recommends that the maximum cost-of-living bonus for Italian civilian employees of the Allied Forces, as provided by AFHQ Administrative Memorandum No 62 of 19 December, 1944, be increased as follows:

APPENDIX "A" - Admin. Memo. No 62

1. Daily Wage Group	
a; Adult group	Increase of 15 lire per day
b; Juveniles	" " 5 " "
2. Monthly Wage Group	
a; Adult group	Increase of 390 lire per month
b; Juveniles	" " 130 " "

APPENDIX "B" - Admin. Memo. No 62

1. Adult Group	Increase of 285 lire per month
2. Juveniles	No increase

2. It is further recommended that the above increases be made effective with the first pay period subsequent to 1 March, 1945, and that an amendment to AFHQ Administrative Memorandum No 62 incorporating them in Appendices "A" and "B" be issued as expeditiously as possible.

1 5 0 3
Allied Forces, as provided by AFHQ Administrative Memorandum No 62 of 19 December, 1944, be increased as follows:

APPENDIX "A" - Admin. Memo. No 62

1. Daily Wage Group

a; Adult group	Increase of 15 lire per day
b; Juveniles	" " 5 "

2. Monthly Wage Group

a; Adult group	Increase of 390 lire per month
b; Juveniles	" " 130 "

APPENDIX "B" - Admin. Memo. No 62

1. Adult Group
2. Juveniles

Increase of 285 lire per month
No increase

2. It is further recommended that the above increases be made effective with the first pay period subsequent to 1 March, 1945, and that an amendment to AFHQ Administrative Memorandum No 62 incorporating them in Appendices "A" and "B" be issued as expeditiously as possible.

(ATTACHMENT B)

APPENDIX "A" to AFHQ Adm Memo No. 62 (Proposed Revision)

COST-OF-LIVING BONUS FOR ITALIAN CIVILIAN EMPLOYERS
OTHER THAN THOSE COVERED BY APPENDIX "B"1. Daily Wage Group.a. Adult Group:

<u>Basic Wage</u>	<u>Maximum Permissible Bonus</u>
Up to and including 120 lire	75 lire
From 121 to 125 lire	72 lire
From 126 to 130 lire	70 lire
From 131 to 135 lire	67 lire
From 136 to 165 lire	65 lire
From 166 to 170 lire	62 lire
From 171 to 175 lire	60 lire
From 176 to 180 lire	57 lire
From 181 and above	55 lire

b. Juveniles may be paid a cost-of-living bonus up to 30 lire per day.

2. Monthly Wage Group:a. Adult Group:

<u>Basic Wage</u>	<u>Maximum Permissible Bonus</u>
Up to and including 3000 lire	1950 lire
From 3001 to 3100 lire	1920 lire
From 3101 to 3200 lire	1870 lire
From 3201 to 3300 lire	1820 lire
From 3301 to 3400 lire	1770 lire
From 3401 to 3500 lire	1720 lire
From 3501 to 5000 lire	1690 lire
From 5001 to 5100 lire	1620 lire
From 5101 to 5200 lire	1570 lire
From 5201 to 5300 lire	1520 lire
From 5301 to 5400 lire	1470 lire
From 5401 and above	1430 lire

b. Juveniles may be paid a cost-of-living bonus up to 780 lire per month.

a. Adult Group:Basic Wage

Up to and including 120 lire
 From 121 to 125 lire
 From 126 to 130 lire
 From 131 to 135 lire
 From 136 to 165 lire
 From 166 to 170 lire
 From 171 to 175 lire
 From 176 to 180 lire
 From 181 and above

Maximum
Permissible Bonus

75 lire
 72 lire
 70 lire
 67 lire
 65 lire
 62 lire
 60 lire
 57 lire
 55 lire

b. Juveniles may be paid a cost-of-living bonus up to 30 lire per day.

2. Monthly Wage Group:a. Adult Group:Basic Wage

Up to and including 3000 lire
 From 3001 to 3100 lire
 From 3101 to 3200 lire
 From 3201 to 3300 lire
 From 3301 to 3400 lire
 From 3401 to 3500 lire
 From 3501 to 5000 lire
 From 5001 to 5100 lire
 From 5101 to 5200 lire
 From 5201 to 5300 lire
 From 5301 to 5400 lire
 From 5401 and above

Maximum
Permissible Bonus

1950 lire
 1920 lire
 1870 lire
 1820 lire
 1770 lire
 1720 lire
 1690 lire
 1620 lire
 1570 lire
 1520 lire
 1470 lire
 1430 lire

b. Juveniles may be paid a cost-of-living bonus up to 780 lire per month.

612

APPENDIX "B" to AFHQ Admin Memo No. 62

COST-OF-LIVING BONUS FOR ITALIAN CIVILIANS EMPLOYED IN ALLIED
HOTELS, CLUBS AND MESSES AND OTHER EMPLOYERS WHOSE WAGES ARE
PAID PARTLY IN KIND

1. Adult Group:

<u>Basic Wage</u>	<u>Maximum Permissible Bonus</u>
Up to and including 3600 lire	1325 lire
From 3601 lire to 3700 lire	1275 lire
From 3701 lire to 3800 lire	1225 lire
From 3801 lire to 4900 lire	1175 lire
From 4901 lire to 5000 lire	1125 lire
From 5001 lire to 5100 lire	1075 lire
From 5101 lire to 5200 lire	1025 lire
From 5201 lire and above	955 lire

2. Juveniles may be paid a cost-of-living bonus up to 130 lire per month.

fe/

HEADQUARTERS ALLIED COMMISSION
APO 894
LABOR SUB-COMMISSION

File

TEL : Ext. 204
REF : LSC/1204
SUBJECT: Caropane bonus
TO : Director
Labor Sub-Commission

JOB/rmw

22 February 1945

1. I have received a telephone call from Col. Libby, G-4, Caserta, inquiring as to how we intended to handle the increase in wages for caropane. He was informed that the proposal which is being formulated would add the increase to the cost of living bonus. Col. Libby said that he had talked with Gen. Hamlin and all U. S. interests at Caserta and that that was the only practical way that they could see of handling the matter, and that we could count on the complete backing of the U. S. Forces in such proposal. He had not as yet cleared with the British Forces, but indicated his intention to do so.

JAMES O. BABCOCK
Lt. Col., S.R.
Labor Sub-Commission

618

FILE

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

(4)

(1-Mr. Du-)

TEL : Ext. 104

WRB/rmf

REF : LSC/1004

21 February 1945

SUBJECT: Draft communique to the Italian press.

TO : Economic Section

1. Enclosed are four copies of a draft communique to be issued to the Italian press regarding the adjustments to the Armed Forces wage scale in connection with the caropene bonus.

2. It is submitted for consideration and transmission to Public Relations Branch.

3. It is important that the draft of any communique based upon it should not be released before the Italian Government makes its own announcement on the caropene bonus and on the price of bread. It is equally important that its issue should not be unduly delayed after the Italian Government's announcement. The ideal would be to synchronize the issue of Allied Commission's communique with the issue of the Italian Government's.

W. H. BRAINE
Director
Labor Sub-Commission

Encl. (4)

617

DRAFT

HEADQUARTERS ALLIED COMMISSION
APO 384
LABOR SUB-COMMISSION

BHB/rmw

21 February 1945

EUROPEAN BONUS ADJUSTMENT TO ARMED FORCES
WAGE SCALE.

In connection with the decision of the Italian Government concerning the price of bread and pasta, the Allied Commission has taken ^{into} ~~the~~ consideration the arrangements that have been made for the payment of European indemnity to State employees and to workers in private industry. The Allied Commission recognizes that the increased cost of bread will affect Italian civilians employed by the Allied Forces in Italy and has decided to grant increases of wages to such workers in the form of a bonus which will assist its employees to meet the increased cost of bread and pasta. The necessary instructions will be issued to enable the increased wages to be paid at the earliest possible pay day.

W. H. BRADNE
Director
Labor Sub-Commission

616

FILE

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB COMMISSION

WJB/ac

TKL 204

21 February 1945

REF : LSC/1204

SUBJECT: Cost of Bread Increase

TO : Chiefs of Section,
Allied Forces Local Resources Section,
Base Area Allied Command,
C. M. F.

Reference is made to Chief Commissioner's minute of 21 February 1945 on above-mentioned subject. Before the receipt of a copy of that minute in Labour Sub-Commission, a draft communique had been prepared and forwarded to Economic Section. Copies of the draft communique and covering minute to Economic Section are attached.

amount of the bread coupon of the
It will be observed that no reference is made in the draft communique to the mid-shift meal. This is because it is now learnt that as a separate issue the measure of the mid-shift meal is about to be increased with a resultant increase in price.

Any reference to a proposal not to add additional cost in respect of the mid-shift meal as proposed at the meeting night, in these circumstances be misconstrued.

Copy to Economic Section

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

615

CONFIDENTIAL18.13
LSC/1204

Ref: 4029/80

21 February 1945

SUBJECT: Cost of Bread Increase.

TO : Chiefs of Section,
Allied Force Local Resources Section,
Rome Area Allied Command,
G. M. F.

1. I refer to your letter LRS/2142/132 of 15 February 1945 and to telegram F29606 of 19 February from Lieut. General Robertson, Joint Chairman.

2. I consider that in spite of the publicity already given to the proposed action of the Italian Government, immediate publication would be premature. The Allied military authorities, however, should publish their intentions simultaneously with the official announcement of the Italian Government that a special bonus will be paid. Labour Sub-Commission of the Allied Commission should prepare such a statement and transmit it to you for action through P.R.O. There is, of course, no objection to informing military formations immediately and confidentially of the proposed action. The recommendation with regard to the maintenance of the midshift meal without additional cost is approved.

/s/ Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Copy to: Labour Sub-Com (with copy of cable and letter
Economic Sec under reference).

614

21 Feb
13

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

LRS/214D/132.

SUBJECT: Cost of Bread Increase.

TO : C.A.O., A.F.H.Q.
Chief Commissioner, HQ AC.Postal Address:
AFHRS, Rome Area
Allied Command, CEF.

TEL: ROME 66275

15 February 1945.

1. At the monthly meeting of the Labour & Wages Control Committee held today HQ AC obtained permission under the heading of "Other Business" to bring up for consideration the intention of the Italian Government to discontinue as from 1 MAR 45 the bread subsidy.

2. There was a good attendance and in spite of the fact that no previous notice had been given the matter received, in the opinion of this Section, adequate consideration.

3. Attached is a copy of minute No 89 setting out the basic facts and the Committee's unanimous conclusions.

4. The Chairman, Col J.R. SMITH, Deputy Director of the Labour Sub-Commission AC and the Director Mr. Brain, who attended to present the case did not hide their opinion that it was essential that the Armed Forces not only follow suit in taking action to mitigate the effect on the workers, but also if possible announce their intention to do so without delay. This opinion was endorsed by the other members.

5. In view of these facts it is requested that the recommendation of the Committee receive consideration prior to the next meeting of the Board on 3 MAR 45 and, that if thought fit, interim action be taken by the Joint Chairmen on the lines proposed.

6. At the request of this Section the Chairman directed the members of the Committee to treat the proceedings as Confidential and not to allow the fact that action was contemplated by the Italian Government or by the Armed Forces to become known prematurely.

(Sgd) THOMAS R. GIBSON, Col., AUS,
Chief of Section (US),
A.F.L.R.S.

(Sgd) J.L. PRESCOTT, Lt.Col. AQMG,
Acting Chief of Section (Br)
A.F.L.R.S.

JLP/gb.

Copy to: AFHRS AFHQ CASERTA
Chairman, Labour and Wages Control Committee

613

Extract from Minutes of meeting of the Labour
and Wages Control Committee, 15 FEB 1945.

89. COST OF BREAD INCREASE:

HQ AC representative reported that the Italian Government had intimated that they were no longer able to subsidize the price of bread, which would result in the present price of 5 lire per kilo being raised to approximately 14 lire per kilo, with effect from 1 MAR 45. In order to mitigate the effect of this increase on the working classes it was the intention of the Italian Government to authorize a special bonus (Caropane) of 75 to 95 lire per month, per dependent, payable to workers drawing less than a certain wage and not in receipt of private income.

The Committee came to the unanimous conclusion that if some similar action was not taken by the Allied Forces simultaneously with that of the Italian Government, including simultaneous publication, an extremely adverse situation would arise in so far as military labour was concerned.

In view of the short notice AFERS agreed to bring these facts urgently to the notice of the Joint Chairman of the Board with a request for interim action on the following lines:

Immediate publication of the facts that:

- (a) In the event of the Italian Government taking such action as was intimated some similar gesture would be made by the Allied Armed Forces to their civilian employees with effect from the same date.
- (b) The Midshift meal as at present supplied will be maintained without additional cost to the worker.

51 FEB 1968

COPY. CONFIDENTIAL.

REF: F 29606
DATE: FEB 191227A

D/2438
FEB 191410A
PRIORITY

FROM: AFHQ SIGNED SACMED CITE FHCAO
TO : ALCOM INFO AFLRS, RAAC

CONFIDENTIAL.

Personal for Admiral STONE from ROBERTSON.

Subject bonus on labour rates for increased cost of bread.
AFLRS letter LRS/214D/132 of 15 February refers. Please take such
action as you think fit on recommendation made by Labour and Wages
Control Committee at meeting on 15 February. You may assume my
agreement.

Dist.

Action - S.O. to Chief Commissioner(2)
Info - A/President
Chief Commissioner
File

611

HEADQUARTERS ALLIED COMMISSION

AFU 394

LABOR SUB-COMMISSION

TEL : Ext. 204

-mb/rmw

REF : LEO/1204

21 February 1945

SUBJECT: European bonus.
Adjustment of Armed Forces wage scales.

TO : Economic Section

1. It is understood that AFAC have accepted in principle the recommendation of the Labor and Wage Control Committee that the Armed Forces wage scale should be adjusted to keep step approximately with the agreement of Italian Government, industry and workers for payment of a bonus to certain classes of workers to meet the expected increased price of bread.

2. A press announcement to this effect will be prepared by Labor Sub-Commission and submitted through Economic Section to Public Relations Branch for agreement with high authority and issued.

The date of issue must not be before the Italian Government's announcement of its own policy, but should synchronize or follow closely after the Italian Government announcement.

3. Details of the proposed adjustments to the Armed Forces wage scale will be prepared in draft by Labor Sub-Commission and submitted to the meeting of the Wage Sub-Committee due to be held at Naples on 23 February.

4. The recommendation of the Wage Sub-Committee will be presented by the Chairman of the Labor and Wage Control Committee at the next full meeting of the board due to be held on 3 March, for ratification.

Draft instructions on the implementation of the proposed wage adjustments of the Armed Forces wage scale will be prepared by Labor Sub-Commission for immediate issue by AFAC to all employing units as soon as possible after the meeting of the full board on 3 March.



W. H. Brading

Director

Labor Sub-Commission

610

Received
in two copies

CONFIDENTIAL

18.13

File 1204

21 February 1945

Ref: 4029/80

SUBJECT: Cost of Bread Increase.

TO : Chiefs of Section,
Allied Force Local Resources Section,
Rome Area Allied Command,
C. H. F.

1. I refer to your letter LRS/2440/132 of 15 February 1945 and to telegram #29606 of 19 February from Lieut. General Robertson, Joint Chairman.

2. I consider that in spite of the publicity already given to the proposed action of the Italian Government, immediate publication would be premature. The Allied military authorities, however, should publish their intentions simultaneously with the official announcement of the Italian Government that a special bonus will be paid. Labour Sub-Commission of the Allied Commission should prepare such a statement and transmit it to you for action through P.E.O. There is, of course, no objection to informing military formations immediately and confidentially of the proposed action. The recommendation with regard to the maintenance of the midship's meal without additional cost is approved.

[s] Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Economic Section
Copy to: Labour Sub-Com (with copy of cable and letter under reference).

609

21 Feb
13

COPY.

CONFIDENTIAL.

F 29606
FEB 191227A

PRIORITY

FROM.....AFHQ SIGNED SACMED CITE FHCAO
TO.....ALCOM INFO AFLRS, RAAC

CONFIDENTIAL.

Personal for Admiral STONE from ROBERTSON.

Subject bonus on labour rates for increased cost
of bread. AFLRS letter LRS/214D/132 of 15 February refers.
Please take such action as you think fit on recommendation made
by Labour and Wages Control Committee at meeting on 15 February.
You may assume my agreement.

Dist.

Action - SO to CC (2)
Info - A/President
CC
File

608

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

LRS/214D/132.

SUBJECT: Cost of Bread Increase.

TO : C.A.G., A.F.H.Q.
Chief Commissioner, HQ AG.Postal Address:
AFHRS, Rome Area
Allied Command, GAF.

TEL: ROME 66275

15 February 1945.

1. At the monthly meeting of the Labour & Wages Control Committee held today HQ AG obtained permission under the heading of "Other Business" to bring up for consideration the intention of the Italian Government to discontinue as from 1 MAR 45 the bread subsidy.

2. There was a good attendance and in spite of the fact that no previous notice had been given the matter received, in the opinion of this Section, adequate consideration.

3. Attached is a copy of minute No 89 setting out the basic facts and the Committee's unanimous conclusions.

4. The Chairman, Col J.R. SMITH, Deputy Director of the Labour Sub-Commission AG and the Director Mr. Brain, who attended to present the case did not hide their opinion that it was essential that the Armed Forces not only follow suit in taking action to mitigate the effect on the workers, but also if possible announce their intention to do so without delay. This opinion was endorsed by the other members.

5. In view of these facts it is requested that the recommendation of the Committee receive consideration prior to the next meeting of the Board on 3 MAR 45 and, that if thought fit, interim action be taken by the Joint Chairman on the lines proposed.

6. At the request of this Section the Chairman directed the members of the Committee to treat the proceedings as Confidential and not to allow the fact that action was contemplated by the Italian Government or by the Armed Forces to become known prematurely.

(Sgd) THOMAS R. GIBSON, Col., AUS,
Chief of Section (US),
A.F.L.R.S.(Sgd) J.L. PRESCOTT, Lt. Col. AGMC,
Acting Chief of Section (Br)
A.F.L.R.S.

JIP/gs.

Copy to: AFHRS AMHQ CASERTA
Chairman, Labour and Wages Control Committee

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Extract from Minutes of meeting of the Labour
and Wages Control Committee, 15 FEB 1945.

89. COST OF BREAD INCREASE:

HQ AG representative reported that the Italian Government had intimated that they were no longer able to subsidise the price of bread, which would result in the present price of 5 lire per kilo being raised to approximately 14 lire per kilo, with effect from 1 MAR 45. In order to mitigate the effect of this increase on the working classes it was the intention of the Italian Government to authorise a special bonus (Caropane) of 75 to 95 lire per month, per dependent, payable to workers drawing less than a certain wage and not in receipt of private income.

The Committee came to the unanimous conclusion that if some similar action was not taken by the Allied Forces simultaneously with that of the Italian Government, including simultaneous publication, an extremely adverse situation would arise in so far as military labour was concerned.

In view of the short notice AFERS agreed to bring these facts urgently to the notice of the Joint Chairman of the Board with a request for interim action on the following lines:

Immediate publication of the facts that:

- (a) In the event of the Italian Government taking such action as was intimated some similar gesture would be made by the Allied Armed Forces to their civilian employees with effect from the same date.
- (b) The Midshift meal as at present supplies will be maintained without additional cost to the worker.

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HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB COMMISSION

File 1204

JOB/ac

REF: LSC/1204

21 February 1945

MEMORANDUM ON EFFECT OF INCREASED COST OF BREAD ON MIDSIFT MEAL
FOR ALLIED FORCE WORKERS.

Food Sub-Commission informs that:

1. The proposed increase cost in bread to be announced by the Italian Government as of 1 March 1945 will have no effect on the cost of the mid-shift meal to the workers employed by the Allied Forces.

2. The cost of the mid-shift meal will be raised because it is planned to add a larger amount of bread component to the mid-shift meal, but this increase cost is in no way related to the action of the Italian Government.

3. The reason why the action of the Italian Government has no effect is as follows:

The bread given to workers of the Allied Forces is all imported. The Italian mills cannot mill a quality of flour that can be used by the Allied Forces for purposes of the mid-shift meal. The reason is that the workers for the Allied Forces have already been paying a price which is almost equivalent to the import price for the bread which they receive on the mid-shift meal.

4. It is recommended that in calculating wage adjustments for Allied Forces workers predicated on the action of the Italian Government, there be no adjustment based on the fact of the probable increase in cost of the mid-shift meal, but that such adjustments as are made in the wage structure relate solely to his consumption of bread as a normal consumer.

James O. Babcock
JAMES O. BABCOCK
~~Deputy Director~~
Labour Sub-Commission

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HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB-COMMISSION

JUN/18

Tel. 478828

16 February 1945

REF : LSC/1204

SUBJECT: Economic Price of Bread and Salary Adjustments

TO : Regional Labour Officers - for Information

1. The Italian Government proposes to allow the cost of bread to rise to its economic price.

2. The Government is also considering some form of wage bonus to the workers as a measure of recompense in order to enable the wage-earners to meet the higher cost of bread.

3. In view of the foregoing proposals it is probable that the Allied Force wage-scale will be similarly adjusted.

4. We will notify you as soon as any of these measures have been approved and adopted.

W. H. Braine

W. H. BRAINE
Director,
Labour Sub-Commission

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Div. XIX
Price of bread

19th February 1945

DECRET
HUBERT OF SAVOY
PRINCE OF PIEMONTE
LIEUTENANT GENERAL OF THE REAIN

In view of the authority with which we are invested;
In view of the royal decree law of the 10th May 1943, No. 397, in which the harvest and distribution of cereals and beans is regulated;
In view of the Lieutenant's decree of the 3rd August 1944, No. 137, which fixes the selling price of bread and "pasta";
In view of the royal decree law of the 30th October 1943, No. 23, referring to the suspension of the measures concerning the issuing, registering and publishing of the Royal decrees and other measures;
In view of the Lieutenant's law decree of the 25th June 1944, No. 151, concerning the Assembly for the new Constitution of the State, the swearing of the Members of the Government and the power of the Government for issuing new judicial measures;
In view of the resolution of the Council of Ministers;
On the proposal of the President of the Council of Ministers, Prime Minister, Secretary of State and Minister of the Interior, in agreement with the Ministers of the Treasury, Agriculture and Forestry, of Industry, Commerce and Labour. We have sanctioned and decided the following:

ARTICLE 1

The basic price of wheat, barley and rye of national production or imported, intended for the making of bread and pasta, on being handed over to the flour mills, are fixed as follows:

soft wheat	-- lire	1,241,30	a quintal free on
hard wheat	-- lire	1,241,30	" " the mill
barley	-- lire	853,30	" " "
rye	-- lire	1,137,20	" " "

These prices include:

- part of the expenses for transporting the cereals free on the mill, of the flour for breadmaking, free on the borough warehouse, of the flour for making "pasta", free at the "pasta" manufactory and the "pasta" free on the borough warehouse;
- part of the pool management expenses;

No. 167, which fixes the selling price of bread and pasta in view of the royal decree law of the 30th October 1943, No. 2 B, referring to the suspension of the measures concerning the issuing, registering and publishing of the Royal decrees and other measures.

In view of the lieutenant's law decree of the 25th June 1944, No. 151, concerning the Assembly for the new Constitution of the State, the swearing of the members of the Government and the power of the Government for issuing new judicial measures.

In view of the resolution of the Council of Ministers, On the proposal of the President of the Council of Ministers, Prime Minister, Secretary of State and Minister of the Interior, in agreement with the Ministers of the Treasury, Agriculture and Forestry, of Industry, Commerce and Labour. We have sanctioned and decided the following:

ARTICLE 1

The basic price of wheat, barley and rye of national production or imported, intended for the making of bread and pasta, on being handed over to the flour mills, are fixed as follows:

soft wheat	-- lire	1,241,30	a quintal free on
hard wheat	-- lire	1,241,30	" " the mill
barley	-- lire	953,80	" " " "
rye	-- lire	1,137,20	" " " "

These prices include:

- part of the expenses for transporting the cereals free on the mill, of the flour for breadmaking, free on the borough warehouse, of the flour for making "pasta", free at the "pasta" manufactory and the "pasta" free on the borough warehouse;
 - part of the pool management expenses;
 - part of the expenses incurred from variation of price derived from the real characteristics of the products;
 - the general tax on profits fixed at 16,08 lire a quintal for soft wheat, at 49,80 lire a quintal for hard wheat, at 40,38 lire a quintal for barley and at 47,16 lire a quintal for rye.
- With the money derived from points (a), (b) and (c), three separate managements will be formed, run by the Italian Federation of Agricultural Trusts (Federazione Italiana dei Consorzi Agrari) on behalf of and under the supervision of the State.
- On behalf of and under the supervision of the State the difference between the money collected by the wheat pools (granai del popolo) from the prices as fixed in the first paragraph of this article and the prices paid to those farmers who assigned their wheat to the pools will be made good by the Italian Federation of Agricultural trusts.
- On the basis of the prices indicated in the first paragraph

- 2 -

of this article, which may be altered by decrees of the President of the Council of Ministers on the proposal of the High Commissioner for food and in agreement with the Minister of the Treasury and with the Minister of Agriculture and Forestry, the prices of products made from wheat etc. will be fixed.

ARTICLE 2

The flourmills, "pasta" manufactures, breadmaking concerns, wholesale dealers, retailers and provincial warehouses must pay the State the difference between the prices obtained by the application of this present decree and those formerly paid by them for the stocks of cereals and by products mentioned in articles in their possession on the entering into force of this decree.

The relative assessments will be carried out by the provincial sections of food control with the help of the excise offices (Intendenza di Finanza) who will to the collection.

ARTICLE 3

It has been agreed to grant an indemnity, which will be paid by the State, to

- a) the involuntary unemployed;
- b) those persons in the list of paupers and who have always been assisted by the local assistance Boards out of their own funds.
- c) those persons, who receive daily assistance from the State in consideration of the existing measures, as such as
 - next of kin of soldiers, either conscripted, called up or anyway in service;
 - next of kin of soldiers who are either prisoners of war, or interned or listed as missing;
 - next of kin of civilians deported by the Germans;
 - people repatriated from the Italian Colonies in Africa, or from other countries, or next of kin of Italian living in the Italian African Colonies or elsewhere abroad.
 - displaced persons, refugees or homeless through the war.

The indemnity is fixed at 95 lire a month for said persons and for each person of the family living with and maintained by said person, and will be granted only to those who are duly furnished with separate bread and "pasta" ration cards.

In special cases said indemnity, after due authorization has been given by the High Commissioner for Food, an agreement with the Ministry of the Treasury and any other Ministries concerned, can be paid to Institutes which distri-

obtained by the application of this present decree and those formerly paid by them for the stocks of cereals and by products mentioned in articles in their possession on the entering into force of this decree.

The relative assessments will be carried out by the provincial sections of food control with the help of the excise offices (Intendenza di Finanza) who will to the collection.

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a) the involuntary unemployed;
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c) those persons, who receive daily assistance from the State in consideration of the existing measures, as such as

-next of kin of soldiers, either conscripted, called up or anyway in service;

-next of kin of soldiers who are either prisoners of war, or interned or listed as missing;

-next of kin of civilians deported by the Germans,

-people repatriated from the Italian Colonies in Africa, or from other countries, or next of kin of Italian

living in the Italian African Colonies or elsewhere abroad.

-displaced persons, refugees or homeless through the

war.

The indemnity is fixed at 95 lire a month for said persons and for each person of the family living with and maintained by said person, and will be granted only to those who are duly furnished with separate bread and "pasta" ration cards.

In special cases said indemnity, after due authorization has been given by the High Commissioner for Food, an agreement with the Ministry of the Treasury and any other Ministries concerned, can be paid to Institutes which distribute food to these persons instead of directly to said persons.

ARTICLE 4

A monthly indemnity of 95 lire a month has been decreed in favour of all workers and for each member of their families according to the conditions and measures which will be indicated here under.

Said indemnity will only be paid to those persons supplied with separate bread and pasta ration cards.

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ARTICLE 5

For those workers whose contract is already controllable by means of collective contracts according to law No. 563 of the 3rd April 1926 and following alterations, the indemnity must be paid by the employers, and extended to each member of the workers family living with, or maintained by him.

Married workers, residing in towns with a population of over 100,000 inhabitants, who earn more than 9,000 lire a month net, and those residing in towns of under and up to 100,000 inhabitants, and who earn more than 7000 lire a month net, are excluded from benefitting by this indemnity.

For bachelors, who have no members of their family living with or maintained by them, the limits of exclusion from benefitting by this indemnity are respectively 6,000 and 5,000 lire a month.

ARTICLE 6

For State employees and for personnel working for State employees considered, respectively in the articles 4 or 5 of the Lieutenant's law decree No. 328 of the 16th November 1944, the indemnity will be paid by the respective administrations.

The indemnity mentioned in the above paragraph is due besides to the holders of pensions, and will be paid by State Administrations or by the welfare institutions managed by the Cassa Depositi e Prestiti to the members of their families as well.

To define which members, as in the foregoing paragraphs, are meant the wife and children under age.

To the personnel to whom are granted food rations, in kind or in money, free, whole or partial, the indemnity which is mentioned in the first paragraph of this article will be granted only in proportion to the part concerning the members of the family, as indicated in the preceding paragraph.

The above said indemnity is not due to personnel and pensioners living outside the territory of the realm.

For the employees and pensioners whose payments are made partially or wholly by non State concerns, the cost of said indemnities will be borne by those concerns which at present bear the expence in the same respective proportions.

For the pensioners of the Welfare Institutions managed by the Cassa Depositi e Prestiti the cost of said indemnity will be borne by the State.

ARTICLE 7

for technicians, who have no members of their family living with or maintained by them, the limits of exclusion from benefitting by this indemnity are respectively 6,000 and 5,000 lire a month.

ARTICLE 6

For State employees and for personnel working for State employees considered, respectively in the articles 4 or 5 of the Lieutenant's law decree No. 326 of the 18th November 1944, the indemnity will be paid by the respective administrations.

The indemnity mentioned in the above paragraph is due besides to the holders of pensions, and will be paid by State Administrations or by the Welfare Institutions managed by the Cassa Depositi e Prestiti to the widows of their families as well.

To define which members, as in the foregoing paragraph, are meant the wife and children under age.

To the personnel to whom are granted food rations, in kind or in money, free, whole or partial, the indemnity which is mentioned in the first paragraph of this article will be granted only in proportion to the part concerning the members of the family, as indicated in the preceding paragraph.

The above said indemnity is not due to personnel and pensioners living outside the territory of the realm.

For the employees and pensioners whose payments are made partially or wholly by non State concerns, the cost of said indemnities will be borne by those concerns which at present bear the expenses in the same respective proportions.

For the pensioners of the Welfare Institutions managed by the Cassa Depositi e Prestiti the cost of said indemnity will be borne by the State.

ARTICLE 7

The indemnity provided for by article 6 is extended to Provincial or Borough Secretaries and to the personnel depending from the Bodies referred to in Article 12 of the Lieutenant's law decree No. 326 of the 18th November 1944 and will be paid for by said Bodies.

The measure, in the previous paragraph applies also to the holders of pensions drawn from the Bodies referred to in the present Article.

The indemnity will also be paid to the wife and children under age of the said personnel and pensioners.

ARTICLE 8

The indemnities referred to in the preceding articles will not be granted to those persons registered in the lists of people dying an ordinary tax or capital for an amount not below 150,000 lire and to those persons registered in the lists of people paying a supplementary tax on a comprehensive income of an amount not less than 24,000 lire, in which are excluded the income from work classified in catalogue C.2 according to Article 4 of the Lieutenant's law decree No. 384 of the 19th October 1944.

The workers who are in the conditions described in the previous paragraph must make a declaration of same to their employers.

In the case of employees of the State or other public bodies, either actively working or pensioned off, who are registered in the lists of people paying supplementary taxes as in the first paragraph, the District Offices of direct taxation will inform the paying Bodies of this fact.

ARTICLE 9

The indemnities under consideration in the preceding articles will be paid only once to those beneficiaries who are entitled to receive said indemnities for various reasons.

In the case that right to the indemnity exists in the application of articles 5, 6, 7 as well as in the application of articles 3, only the indemnity due from reasons of work will be paid.

When a worker is employed by various employers at the same time, the amount of the indemnity will be divided among them in proportion to the wages paid by each employer to said worker.

When one of the members of the family has a right to receive the indemnity on his own account, said indemnity will not be due to the head of the family for that member's part.

ARTICLE 10

The indemnities hitherto referred to are free from taxation.

Resources for the granting and paying of the indemnities mentioned in the preceding articles will be issued by the Minister of the Treasury in agreement with the Minister of the Interior, the Ministry for Agriculture and Forestry and the Ministry for Industry, Commerce and Labour.

ARTICLE 11

In the case of employees of the State or other public bodies, either actively working or pensioned off, who are registered in the lists of people paying supplementary taxes as in the first paragraph, the District offices of direct taxation will inform the paying bodies of this fact.

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When one of the members of the family has a right to receive the indemnity on his own account, said indemnity will not be due to the head of the family for that member's part.

ARTICLE 10

The indemnities hitherto referred to are free from taxation.

Measures for the granting and paying of the indemnities mentioned in the preceding articles will be issued by the Minister of the Treasury in agreement with the Minister of the Interior, the Ministry for Agriculture and Forestry and the Ministry for Industry, Commerce and Labour.

ARTICLE 11

The Minister of the Treasury is authorized to bring about, by means of decrees issued by him, the necessary variations to the Budget to meet the extra expenses derived from the putting in force of the present decree.

ARTICLE 12

From the date in which the present decree enters into force the Lieutenant's law decree No. 167 of the 3rd August 1944 in which the prices of bread and "pastas" were fixed, is repealed.

- 5 -
ARTICLE 13

The present decree comes into force on the same day in which it is published in the official Gazette of the Realm.

Its measures are to be applied in all the provinces which on said date have already passed under the jurisdiction of the Italian Government.

In the other provinces the same measures will be applied after authorization has been given by the A.M.G.

We order to all whom it may concern to observe the present decree and to see that it is observed as if it were a law of the State.

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present decree and to see that it is observed as if I were
a law of the State.

109

Mrs. Brante

✓	APGS	✓
✓	JUL	✓
✓	RECEIVED	✓
✓	RECEIVED	✓

F.F. "IL TEMPO" of 10th February 1945.

Summary of the article "LIRA and BREAD".

The decision to abolish the political price of bread has been rightly considered as one of the most efficient measures for the defense of the lira. Bread below cost to all consumers with a burden of 16 billions on the Treasury is an absurd mistake. When the feeding of citizens is entrusted by the powerless State to the uncontrolled individual activity and when there is no control of production and prices.

Is this saving a necessary condition for preventing the lira from slipping into a fading power of purchase? It is necessary, nay indispensable, but not sufficient in itself for monetary rehabilitation.

The depreciation of the lira depends not only on the continuing increase of banknotes, but also on the shortage of fresh production and on the tragic difficulties of transportation which affect prices terrifically. There is an enormous plan of effort which is required of us and available materials which must be given us by the Allies in exchange for our services; if it is not started, the lira will not be more depreciated but it cannot improve.

What is to be done in the meantime with salaries and wages? Will their periodic increase every one or two months be sufficient? No, we must reorganise the markets. Now there is no longer a market-it is hampered by restrictive regulations which could be justified by war and by the existence of a machinery of control and supply by the State. But now the State is absent and powerless. Private initiative is limited by such penalties that every honest man shrinks from it. Therefore the black market flourishes - unscrupulous men who risk imprisonment charge very high for their services.

This is the absurd situation of Italy - the Province which abounds in agricultural products fights against the Town which might dispose of some industrial products and imposes hard terms for the barter of commodities. These facts are known to any one possessing the slightest historical knowledge! How can a remedy be put to this mess? It seems only by promoting the participation of all citizens to the formation of the market, substituting competition with the control of the consumers.

LSC/1204

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The function of cooperatives seems to find the best conditions for developing - it is entrusted to the conscience of all citizens of any class or category. Woe to us if this sense of responsibility is found wanting! It will be the ruin of everyone. Only thus can the power of money be protected and the welfare of all and the necessary social reforms for the poorer be promoted.



BUCK SLIP

DATE

14 Feb. '45

HEADQUARTERS
ALLIED COMMISSION
 FINANCE SUB-COMMISSION

From

To

☒	Col. A. P. Graftey-Smith	
	Comdr. J. J. Lawler, USCGR	
	Col. H. G. Crawshaw	
	Lt-Col. J. H. Penick	
	Lt-Col. P. D. Banning	
	Lt- Col. E. P. Waters	
	Lt.-Col. A. J. Baxter	
	Major B. E. L. Timmons	
	Major J. Osmon	
	Major E. J. Gits	
	Major W. E. Price	
	Major J. R. H. Hall	
	Major M. M. Daugherty	
	Capt. G. H. Tipping	
	Property Control Division	
	SSM Angibault	
	<i>Labour Spc</i>	
	<i>(Mr. Brane)</i>	☒
	Economic Section	
	Message Centre	

FOR:

☒ Recommendations & Remarks Necessary Action and return
☒ Information & Retention Perusal & Return
☐ Approval or Disapproval Filing
☐ Investigation & Report Despatch
☐ Necessary Action and retention

REMARKS:

A. C. - Gen. 1945

599

FILE COPY

HEADQUARTERS ALLIED COMMISSION
APO 234
LABOR SUB-COMMISSION

WHS/raw

10 February 1945

TEL : Ext. 204

REF : LSC/1204

SUBJECT: Adjustment of Armed Forces Wage Scale in relation
to increased cost of bread.

TO : Colonel Smith

1. It is understood that the Italian Council of Ministers has decided in principle to allow the cost of bread to reach its economic price as from 1 March, and to approve compulsory wage adjustments to meet the resulting position.

2. The increased price of bread will, of course, affect all Armed Forces civilian employees and consideration must be given to necessary adjustments, a most important aspect being the synchronization of the announcement of such adjustments with the coming into effect of the increased cost of bread, etc.

3. The compulsory wage adjustments for private industry and for Italian State employment are based on various factors such as size of family, the salary income limits, and private income limits. It is understood to be a matter of principle that the Armed Forces Wage Scale should not exactly reflect the family allowance system but that adjustments of this nature should have regard to a notional family of man, wife and two children, and that a flat rate adjustment should be made.

4. In collaboration with Finance Sub-Commission will you please obtain, at the earliest possible date, the exact details of the proposed Italian compulsory wage adjustment and prepare proposals for similar adjustments of the Armed Forces Wage Scale. As the important thing is to insure synchronization of adjustment of Armed Forces Wage Scale with the rise in the price of bread, will you please consider emergency action, if necessary, to obtain the agreement of the appropriate authorities to early adjustments.

W. H. BRAINE
Director
Labor Sub-Commission

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CAROPANE
FILE

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB-COMMISSION

WHB/ja

9 February 1945

URGENT

MEMO

TO: Colonel Smith

At your committee meeting on 15/2/45, will you please consider a motion that the wage scale should be adjusted coincidentally with the grant of "CAROPANE" allowances in State Employment and in private industry.



WILLIAM H. BRAINE
Director
Labour Sub-Commission

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FILE COPY

HEADQUARTERS ALLIED COMMISSION
APO 894
LABOR SUB-COMMISSION

WHB/rmw

8 February 1945

REF: LSC/1204

SUBJECT: Cost of bread - substitution of economic price.

MEMORANDUM

1. Brig. Lush, Chief of Staff, inquired on 8 February 1945 on certain points arising from my report of 4 February relating to the interview with Minister Soleri. The inquiries and the answers, which were subsequently confirmed with Colonel Grafftey-Smith of Finance Sub-Commission, are as below:

- (1) Is it recommended that the bonuses and wage adjustments proposed by the Italian Government should be applicable in AMG/AC territory?

Answer: If the price of bread is to be allowed to find its economic level in AMG/AC territory, it is recommended that the consequent adjustment of wages, etc., should equally apply.

If the price of bread is pegged at a political price in AMG/AC territory, then the need for wages, etc., adjustments would not arise.

- (2) Is it recommended that in AMG/AC territory the ration be raised to 390 grams?

Answer: Yes, The key-note of the discussion and proposals is to achieve uniformity. At the same time, synchronization of announcements of decisions is essential.

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

cc: Colonel Grafftey-Smith
Finance Sub-Commission

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FILE COPY

HRM() QUARTERS ALLIED COMMISSION ()
APO 894
LABOR SUB-COMMISSION

WHB/rmw

7 February 1945

TEL : Ext. 804

REF : LSC/1904 (401 - 407 - 410)

SUBJECT: Wage Adjustments to meet proposed revision of price of bread.

TO : Colonel L. D. Densmore
Economic Section

1. In my minute of 4 February 1945, I reported the allowances proposed to be granted to State employees and in private industry to meet the increase in the price of bread.

2. In earlier wage adjustments of this nature, the Armed Forces Wage Scale was adjusted after some little delay, which inevitably causes discontent. It is now proposed to institute action so that the Armed Forces Wage Scale may keep in step with the proposed increases to meet the cost of bread and so that adjustments may be made simultaneously with adjustments in Italian Government and private industry employment.

3. This note is for your information (copy to Finance Sub-Commission), and formal action will be instituted separately.

W. H. Braise

W. H. BRAISE
Director
Labor Sub-Commission

cc: Finance Sub-Commission

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COPYCOPY

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

WHE/rmw/cf

FILE

4 February 1945

TEL : Ext. 204

REF : (LSG/1002) = LSC/1204

SUBJECT : Cost of Bread -- Substitution of economic price
for politically subsidized price.TO : Colonel L. D. Densmore
Economic Section

1. I accompanied Colonel Grafftey-Smith to the Ministero delle Finanze today, Sunday, 4 February 1945, and we saw Minister Soleri with regard to the proposals for the withdrawal of the subsidy from bread and substitution of an economic price. The following report is submitted for your information and interest.

2. Minister Soleri outlined the proposals which would have the effect of raising the cost of bread from 5 lire to 14 lire and the cost of pasta from 9 lire to 18 lire per kilo; in each case an increase of 9 lire. It was estimated that the additional charge on family budget would be 2.50 lire per person, per day. Many persons now purchase in the black market at uncontrolled prices and if the proposed change results in increased supplies at the fixed rate there would be a compensatory saving, i.e., the bread purchased at the economic price would still be cheaper than the bread now purchased at black market prices. But this is an imponderable and cannot be taken into account.

3. Minister Soleri admitted that when the liberation on this proposed change began a month or six weeks ago, representations were received from labor representatives that workers should either receive bread at a specially cheap rate or that other measures should be taken to relieve the charge upon workers' family incomes.

He said that the following proposals had been formulated and would be taken into consideration by the Council of Ministers on Wednesday next:

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- 2 -

State Employees - An allowance of 75 lire per month for each member of the family;

Excepting employees who had a private income of 24,000 lire per annum.

This allowance will be given to State and para-statal employees.

As regards employees of communes (or local government authorities), the Government would give an indication that they should follow the lead of the State, but the cost would not be met out of the National State budget. If, at a later date, the cost of local government is borne directly by the State it would follow that this charge would come out of the State budget.

Private Industry - A similar allowance of 75 lire per month, per member of the family is to be paid by employers to employees in receipt of salaries up to 8,000 lire per month (it may be that after deliberation this limit will be raised to 10,000 lire per month). The exclusion of persons in receipt of a private income of more than 24,000 lire per annum would apply in private industry as in State employment.

4. Three other classes of citizens would also receive this proposed allowance, viz.,

- (1) Unemployed persons;
- (2) Claimants to poor relief from the State;
- (3) Families of soldiers who are retained in military service after completion of their normal period and who receive military allowances on this account.

5. It was recognized that the small self-employer (i.e., persons conducting a one-man business), and the person in receipt of a small private income but who is not employed, would have to meet the increased cost of bread, etc., but would receive no compensatory allowance.

6. It is proposed that the charge should take effect from 1 March 1945. In the interim measures controlling the cost of milling, and other fiscal measures, would be imposed.

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The fiscal measures include a single levy of 1,200 lire from heads of families who have either an income exceeding 100,000 lire per annum, or who possess a capital exceeding 250,000 lire. This levy is more in the nature of a gesture than a serious attempt to obtain funds.

7. Minister Soleri said that the political subsidy of the price of bread was shown at about 15 miliardi and was costing between 8 and 10 miliardi per annum. The cost of the allowances is estimated at 3 miliardi per annum for the whole of Italy.

8. Colonel Graffety-Smith indicated in general terms, recognition of the considerations which led the Government to formulate these proposals and offered collaboration in the prompt promulgation of a Decree to give legal effect to the decision which might eventually be made. We agreed that it would be undesirable to have an unduly long interval which might give employers an excuse for not paying the allowance laid down, for the reason that no legal basis existed and that the only announcement was in the form of a newspaper publication, thus making it difficult for workers to obtain arrears, especially if they change their employment between the public announcement and the publication of the Royal Decree.

9. I emphasized the desirability of prior consultation with representatives of industry and of workers, and also of making a joint announcement stating that the interests concerned were in general agreement with the proposals. This would help to stifle exaggerated demands for more concessions on the part of the workers if their own representatives indicated that they recognized that the terms were the best possible obtainable under the circumstances; and would advise employers in private industry that their representatives were similar in agreement with the Government proposals.

I pointed out that the principle of dictating, at Government level, increases in wages to be paid in private industry appeared to be developing, two earlier examples being the caro vita decision of October 1944 and the Christmas allowances and holiday-with-pay decision of Christmas 1944. This practice might lead to the employers passing on the cost of these increases to the consumer, with a consequent increase

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- 4 -

in general costs or to the dismissal of employees or restriction of activities on the ground that industry would not be able to continue as hitherto with additional costs. Minister Soleri said that Minister Gronchi was brought into consultation on these points which were duly recognized, but that for the Italian Government under present circumstances, it was a choice between two evils.

10. Effect on North of Italy, When Liberated.

Colonel Graffety-Smith and I discussed separately the effect of this arrangement on Northern Italy, as and when it becomes liberated. We agreed that if the price of bread was allowed to reach its economic level, as under the present proposal, it would not be possible to freeze wages as territory come under AMG/AC control; and that we should confer later as to the wages policy on this and other issues to be adopted in the North. It should be noted that the Government estimates of costs are framed on the basis of the whole of Italy, not only hitherto liberated Italy.

W. H. BRAINE
Director
Labor Sub-Commission

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LSC/907 + 1902

HEADQUARTERS
ALLIED COMMISSION
FINANCE SUB-COMMISSION
A.P.O. 394.

13021/P.

1 February 1943.

SUBJECT: Price of Bread.

TO : A.B.C.O.S.,
Economic Section.

1. Reference is made to your 18.13/HS of today's date.
2. Soleri is still confined to his bed but I have passed a message to his personal secretary asking that the Minister be informed that the interested Sub-Commissions wish to be fully advised of the progress of the suggested decree, raising the price of bread. I indicated that the Allied Commission are particularly concerned since any change in the price of bread and pasta will have to be effected equally in A.M.G. territory.

A. H. Hooton

Colonel,
Joint Director,
FINANCE SUB-COMMISSION.

Copy to: Chief of Staff,
Food Sub-Commission,
Labour Sub-Commission. ✓

AFCS/ht.

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LABOR SUB-COMMISSION
A.C.
Routing Slip

	Initials	Date
Mr. BRAINE		
Colonel SMITH		
Lt.Col.BABCOCK		
Major SCICLUNA		
Capt. DORF		
Capt. TOPLISS		
Capt.SOLENBERGER		
Mr. SACHS		
Mr. DI FEDE		
Mr. CERRITO		
Dr. LA LOGGIA		
Chief Clerk		

1944
papers

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

HJW/iab

ES/41

14 Jul 44.

SUBJECT: Price of Bread.

TO : His Excellency
IVANOE BONOMI,
President of the Council of Ministers.

1. Reference is made to my communication to you on this subject dated 7 July 44, and to various discussions between this office and the Ministers of the Treasury, Labor and Agriculture.

2. After further consideration of the matter, this Commission is of the opinion that the maximum price of bread should be 5 lire per kilo in all areas administered by the Italian Government and in all AMG areas. It is definitely opposed to any increase above 5 lire per kilo at the present time. This price should apply also in areas where the 300 gram ration has not yet become effective.

HENRY F. GRADY,
Vice-President,
Economic Section.

cc: Food Sub-Commission
Finance Sub-Commission
Labour Sub-Commission ✓
Agriculture Sub-Commission

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Labor

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

HJW/son

13 July 1944

ES/41

SUBJECT: Recommendation on Price of Bread

TO : Acting Chief Commissioner

1. The following action is recommended by the Economic Section.

a. In areas where the 300 gram bread ration is effective, there shall be a maximum bread price of 7 lire per kilo, and that this price shall be extended to other areas whenever the 300 gram ration becomes effective in each area.

b. In areas where the bread ration is less than 300 grams, the bread price shall not exceed lire 3.60 per kilo until the 300 gram ration comes into effect.

2. In view of this proposed increase, wage adjustments will need to be made for certain categories of workers, particularly government employees. In most, if not all, of these categories, some adjustments are necessary in any case, but it will be necessary to take the price of bread, as well as other elements in the cost of living, into account in determining the extent of the adjustments.

3. This recommendation has the support of the Sub-Commissions concerned, namely, Food, Finance, Labor, and Agriculture.

4. The Italian Government has urged us to set the price of bread at a level which would be sufficient to cover its cost, thus eliminating the bread subsidy. This would necessitate a price of about 12 or 13 lire per kilo. The Italian Government is greatly concerned over the burden on the national budget of the bread subsidy, which it rightly regards as a major contributing factor in the present serious danger of inflation. With a price of 7 lire per kilo the subsidy, for the area South of the Garigliano line alone would amount to 5,880,000,000 lire. With a price of 5 lire it would amount to 8 billion lire. For the whole of Italy, these subsidies would be about 3 times as large. The wage adjustment necessary to offset an increased bread price would, according to the Italian Government, have a much less serious inflationary effect.

5. We are not prepared at this time to raise the price of bread to the level requested by the Italian Government. We do, however, feel that the bread subsidy should be abolished by stages, each stage being timed to coincide with a substantial improvement in the food ration. The increase to 7 lire, coinciding with the 300 gram ration would be the first of these stages.

- 2 -

6. The need for an immediate decision on this matter is urgent. Regional Supply Officers have been pressing us for a decision for some weeks, and would have received one some time ago, had it not been for our differences of viewpoint and repeated discussions with Italian Officials. The Italian Cabinet is meeting on Saturday, July 15, and will discuss the bread price at that meeting. It is most urgent that a definitive decision of AGO be made available to them before noon on July 14.

HENRY F. GRADY
Vice President
Economic Section

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HEADQUARTERS
ALLIED CONTROL COMMISSION
LABOR SUB-COMMISSION
APO 394

ES/mv

LAB 091.4621

7 July 1944

SUBJECT: Fixing Price of Bread

TO: Director, Labor Sub-Commission.

1. Reference above subject.

1. At the meeting held in Mr. Grady's office at 1000 hours today, the Price of Bread was fixed at 7.00 lire per Kg for all territories in which the Ration Scale shall be increased as from 15 July.

2. It was recorded that Labor Sub-Commission dissented from this decision. The Labor Sub-Commission was not prepared to see the price of bread go beyond 5 lire per Kg for the following reasons:

a. The increase in cost of this staple food had a serious incidence on the average workman's wage. For a standard family of two adults and three children it meant a weekly increase from 37.8 lire to 73.5 lire. Expressed in terms of work, this increase in price would mean that the average workman now will have to devote two days earnings to his weekly bread budget instead of $2/3$ of a day.

b. When the price of wheat was fixed, an assurance was given that the price of bread would not be fixed above the 5 lire ceiling per Kg.

c. The decision to bring the price of bread up to as high a level as 7 lire per Kg would provide a signal for concerted agitation on the part of urban workmen. The Labor Sub-Commission has so far succeeded in stemming the ever surging tide of agitation for higher wages because, so far, the action of organized labor has been sporadic and not simultaneous. The psychological effect on the working classes, at a time when they already consider their wages inadequate and their rations below starvation diet, is likely to have a serious effect on industrial peace.

d. No organic labor legislation exists to cope with labor unrest - a matter that would immeasurably increase our difficulties in coping with the situation that is likely to arise in the labor field.

e. If it is considered necessary, for financial reasons, to fix a more economic price of bread, this should not be done until

- (i) Labor Legislation has been promulgated and is in operation.
- (ii) A plan for the alignment of wages between one region and another as well as between one industry and another - has been evolved and can be simultaneously

LAB 091.4621 dated July 1944 (Cont'd)

put into operation. Such a plan would have to take more notice of the fundamental principle of co-relating "cost of living" to "wages", than had so far been possible under the present conditions of inadequate rations.

3. It was further submitted for consideration that the Labor Sub-Commission would no longer be in a position to hold the line in wages if the increase in the price of bread were to accentuate any further the present unrest amongst the working classes.

E. Sotoluna
E. SOTOLUNA,
Captain,
Labor Relations Officer,
Labor Sub-Commission.

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

HW/ml

ES/Al

4 July 1944

SUBJECT: Italian Ministers' Proposal for Reducing Bread Subsidy.

TO : Mr. Grady

1. The proposals presented by the Ministers of the Treasury, Labor, and Agriculture, and the Undersecretary of Agriculture at this morning's meeting are outlined below.

2. The two main premisses on which the Ministers based their proposals were the following:

- a. The price of bread proposed by ACC, namely 5 lire per kilo, would, with the existing price of wheat, impose an unsupportable burden on the Treasury. In the area South of the Appennines this would amount to an annual expenditure of roughly 12 billion lire, as compared with a total Government expenditure, (not including the new bread subsidy) of perhaps 50 billions. By contrast, the cost of bread, it was claimed, represents only a very small part of the worker's family budget.
- b. If the price is not now raised to an economic level, which would be around 12 - 13 lire per kilo, it will probably not be possible to make this change later. This is primarily due to the fact that the increase in the ration makes it possible to increase the price of bread without increasing the cost of living. It is also to the fluid nature of present monetary and political conditions. Later, prices will be more stable and the opposition of the Socialistic parties to an increase in the price of bread will have become crystallized.

3. Based on these premisses, the following alternative proposals were put forward:

- a. An increase in the price of bread to 8 lire. This would not eliminate the subsidy, but would considerably reduce it.
- b. Raise the price of bread to the economic level, namely 12 to 13 lire per kilo, and pay a "bread indemnity" to Government employees of banks, public utilities, and those private enterprises in which wages are subject to control. Such an indemnity might amount to 50 lire per month for each worker and for each member of his family.

H. J. WADLEIGH
Economic Section

1. Bares + S.M.
 - 70% - no regard to S.M.
 2. Depleted all resources used up
 3. ∴ no more to spend
 4. Differences in classes - no concern
all are our affair - notably, C?
 5. Wheat price - agreed no inc. in wages
 6. Bares mentioned another, complete
70-80 now 250-260 - ??
 7. New line - Bread starts as small
part only
Admits wage increase
necessary
- { No increase in wage - believe driving
by subsidies

Altered High Notes -Metalurgical - Acoustic
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Glass Works

? Best Acoustic

	Rev	As
3.60	37.8	
5.	52.5	114.7
8	84.	46
10	105	17
12	126	88
13	137	99
15	158	120

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Alvarez Family 95

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Draft letter to Italian Prime Minister

1. Consideration has been given by the Allied Control Commission to the proposal made by your Ministers of the Treasury, Agriculture and Labor that the maximum price of bread be fixed higher than the level of 5 lire per kilo, proposed in my letter to you of June , 1944. Your Ministers have proposed that, if possible, the price of bread be raised to a level which will cover its cost, estimated to be about 12 or 13 lire per kilo, or, alternatively, if that is not possible, that the maximum be raised to 8 lire per kilo.

2. It is the firm conviction of this Commission that a food subsidy should be maintained until the time when it will be possible to distribute to the population at controlled prices and on ration cards a total amount of food equivalent to 2,000 calories per person per day, as well as the basic necessities of life other than food and clothing. With every increase in the rations, however, it is desirable to make some increase in the price of bread which will bring it nearer to its proper economic level. Thus, it was our view, at the time when it was decided to increase the bread ration to 300 grams, that this increase would justify an increase in the bread price from lire 3.60 to lire 5.00 per kilo. Further increases in the bread price could be made when meat is added to the ration, when the olive oil ration is increased, when shoes and clothing are made available on a ration basis, and so forth, until an economic price is reached.

3. In view of the Italian Government's concern with the financial burden of the bread subsidy, however, we are prepared to agree to a maximum bread price of 8 lire per kilo in those areas in which the ration of 300 grams has become effective, provided that the present maximum of 3.60 is maintained in other areas until the 300 gram ration becomes effective there also

2. It is the firm conviction of this Commission that a food subsidy should be maintained until the time when it will be possible to distribute to the population at controlled prices and on ration cards a total amount of food equivalent to 2,000 calories per person per day, as well as the basic necessities of life other than food and clothing. With every increase in the rations, however, it is desirable to make some increase in the price of bread which will bring it nearer to its proper economic level. Thus, it was our view, at the time when it was decided to increase the bread ration to 300 grams, that this increase would justify an increase in the bread price from lire 3.60 to lire 5.00 per kilo. Further increases in the bread price could be made when meat is added to the ration, when the olive oil ration is increased, when shoes and clothing are made available on a ration basis, and so forth, until an economic price is reached.

3. In view of the Italian Government's concern with the financial burden of the bread subsidy, however, we are prepared to agree to a maximum bread price of 8 lire per kilo in those areas in which the ration of 300 grams has become effective, provided that the present maximum of 3.60 is maintained in other areas until the 300 gram ration becomes effective there also

This conclusion has been reached bearing in mind following considerations:-

a. As stated in my letter to you referred to in the first paragraph of the present letter, it is proposed by this Commission that the prefect of each Province will establish a price for flour which will permit bread to be sold at the maximum price in that Commune of the Province which has the highest cost of bread-making. It is further proposed that in each Commune the Mayor will fix the price of bread at or below the maximum. Since costs of bread-making vary considerably from one place to another, this arrangement should result in a bread price substantially below the maximum in many areas.

b. As regards the areas recently liberated, in which the 300 gram ration has not yet become effective, it is our information that the inhabitants have been accustomed to paying lire 2.40 per kilo and regard even the present price of 3.60 as high.

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