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LSC/1304

GENERAL ORDER - No 41

Apr. - Nov. 1945

ORDER - No 41

NOV. 1945

ADVANTAGE ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

Reading File
LSC/116

KJB/rmw

Ext. : 304

15 November 1945

REF : LSC/116

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

TO : Acting Vice President
Economic Section

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

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

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

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

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

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

W. H. BRAINE

W. H. BRAINE
Director
Labor Sub-Commission

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HEADQUARTERS ALLIED COMMISSION
APC 394
Labor Sub-Commission

LHD/rav

TEL : Ext. 304

24 April 1945

REF : LSC/1204

SUBJECT: Draft - General Order No. 41

TO : Brig. D. L. Anderson
Deputy Vice President
Economic Section

1. So far as wages, salaries and advances are concerned, the draft order expressed policy which has been agreed upon. There are, however, verbal amendments which should be made to make it clear that the intention of the order is to fix a ceiling for wages and is intended to be restrictive upon employers who may, without authority, seek to pay wages above the ceiling. It is not intended to prevent any employer from paying less than the approved rate, and it is not intended to give to any worker a legal claim upon his employer to receive the prescribed rate. Possibly at some later date legislation may be made in Italy for the latter purposes, but if an elaborate machinery to insure compliance and to provide exceptions for substandard workers will have to be provided. As I understand it, that is not the intention at the moment.

2. I therefore suggest the following amendments:--

Article 3 --

Delete "and until further order of AMG"

Substitute "and until changes in rates of wages are approved by AMG".

Article 4 --

Delete "and shall not be binding upon the employers or employees concerned and shall have no legal effect"

Substitute "and shall not come into force".

3. The intention is that the approval of increased wage changes by AMG shall be permissive up to the maxima indicated and shall not, as a matter of AMG law, become binding upon employers or workers and be given legal effect. These observations are not intended to exclude the possibility of enforcement of minimum rates of wages at a later date. It is merely intended to point out that the machinery for fixing of minimum rates and enforcement thereof

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does not exist during AMG Government and is quite distinct from the machinery for imposing ceilings on wages.

F. H. BRAINE
Director
Labor Sub-Commission

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RE QUARTERS ALLIED COMMISSION
APO 334
LABOR SUB-COMMISSION

THB/rnw

TEL : Ext. 204

12 April 1945

REF : LSC/1303

SUBJECT: General Order No. 41

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

1. Reference your memorandum AC/4074/25/C, of
12 April on the above subject.

2. Following comments are offered on draft of General
Order No. 41:

- (a) Articles 2, 3, 5, 6 and 7 deal with salaries
and wages.

Article 4 deals with prices and commodities.

It is not clear why Article 4 is interposed
in the middle of the other articles, since it
deals with a different subject. It is
suggested that Article 4 be placed after
present Article 7.

- (b) Is it clear that "negotiate for" is quite
distinct from "demand"? If it is not clear
it becomes an offence under Article 2 to
"demand" or request or ask for a wage increase
during the progress of negotiations. It may
be necessary to delete "demand" in Article 2
and to add a phrase, such as: "or to demand
any sum in excess of the said rates save
during the course of negotiations for wage
variations."

- (c) Article 6 - I do not much like "both individually
and". We insist upon granting the right of
freedom of Association for negotiations in
respect of wages and conditions but association
implies collective bargaining rather than individ-
ual bargaining. In fact, we do not much care for
individual bargaining on an ad hoc or personal
basis. The point could be meant by deleting "both
individually and collectively."

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- (d) If the order requires, as it should do, that negotiated wage increases should be submitted for consideration to AMG, it seems advisable that the order should submit the channels through which such submission should be made unless a footnote is to be added for information. Whichever method is adopted, it seems desirable to indicate that agreements for wage changes should be submitted to AMG via the nearest Ufficio del Lavoro.

W. H. BRAINE
Director
Labor Sub-Commission

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HEADQUARTERS ALLIED COMMISSION
APO 334
LEGAL SUB-COMMISSION

LSC/1303

AG/4074/25/L.

WEB/sp.
18 April 1945.

SUBJECT : General Order No. 41

TO : Economic Section
CA Sec.
Finance Sub-Commission
Labour Sub-Commission

1. Herewith is submitted for your immediate consideration preliminary draft of General Order 41.

2. Your attention is specifically drawn to the following points:-

Art. 1

B (11) Does Economic Section not consider that some definition is required of "essential items"? If so, please suggest appropriate definition or state classes of commodities to be included.

C (1)(11) This departure from the signal is for consideration.

Cover is not dealt with. A separate order is being prepared to cover prices and amassings.

Art. 5

Is it desirable to give publicity to this Article at all? If the Article is not published openly can Finance Sub-Commission approve accounts which will presumably be prepared in AMG territory and under AMG authority.

~~If the article is to be included, will any persons go north for employment in industry? i.e. need we mention Article 3?~~

Credit : Will Finance Sub-Commission consider the details of the credit provisions.

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Art. 7

Will CA Sec consider the provisions for payment of CCRR? Is it intended to place Finance Guards etc. on Southern rates, because, if so, they must be added.

3. It would be appreciated if your general comments on the draft, in addition to the points specifically mentioned above, could be forwarded to this Sub-Commission as soon as possible..

W. E. Beereens
W. E. BEERENS, Colonel,
Deputy Chief Legal Advisor.

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ALLIED MILITARY GOVERNMENT

OF OCCUPIED TERRITORY

GENERAL ORDER NO. 41.

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

ARTICLE 1

This Order applies to all territory subject to Allied Military
Government and situated north of the northern boundaries of the Provinces of
Ravenna, Piacenza, Pistoia and Lucca. Such territory is hereinafter referred
to as the northern territory and all other territory of Italy whether subject
to Allied Military Government or to the administration of the Italian
Government is hereinafter referred to as the southern territory.

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

ARTICLE 2.

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

ARTICLE 1

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

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

ARTICLE 2.

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

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

ARTICLE 3.

In each province of the northern territory the rates of wages for labour of employees other than those mentioned in Article 2 of this Order shall from the effective date of this Order and until further order of Allied Military Government be the rates which were in fact in force in such province on 3rd

April 1945/no person shall demand receive offer or pay any sum for labour in excess of such rates.

ARTICLE 4

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

(a) The maximum price for any item of foodstuffs sold or offered for sale shall be price at which the same was in fact publicly sold in such province on 3rd April 1945.

(b) The maximum price for any commodity, other than food, which has not been imported into the northern territory either from the northern territory or elsewhere

(1) In respect of those items for which on 3 April 1945 a maximum price had in fact been established, shall be such maximum price.

(1i) In respect of all essential items not included in clause I (1) of this Article shall be fixed by reference to the items which are so included in such manner that the said respective prices shall stand in the same proportion one to another as they stood on 1 May 1958.

(c) ~~(1111)~~

The maximum price for any commodity other than food, which has been imported into the northern territory either from the southern territory or elsewhere shall be either

(1) the price prevailing for such commodity in such province on

- (a) The maximum price for any item of foodstuffs sold or offered for sale shall be price at which the same was in fact publicly sold in such province on 3rd April 1945.
- (b) The maximum price for any commodity, other than food, which has not been imported into the northern territory either from the northern territory or elsewhere
- (1) In respect of those items for which on 3 April 1945 a maximum price had in fact been established, shall be such maximum price.
- (11) In respect of all essential items not included in clause B (i) of this Article shall be fixed by reference to the items which are so included in such manner that the said respective prices shall stand in the same proportion one to another as they stood on 1 May 1938.

(c) ~~(111)~~

- The maximum price for any commodity other than food, which has been imported into the northern territory either from the southern territory or elsewhere shall be either
- (1) the price prevailing for such commodity in such province on 3 April 1945; or
- (11) the cost to the importer thereof on entry into the northern territory together with the costs necessarily incurred in the subsequent distribution thereof whichever is the higher.
- (a) In respect of medical supplies, transportation services and such other commodities as may be hereafter specified in such further order, the maximum prices shall be as laid down from time to time by further order of the Allied Military Government.

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

ARTICLE 5

Notwithstanding the provisions of Article 2 of this Order any person who on or shortly before the 3rd April 1945 was situated in the northern territory and who at the effective date of this Order and with the approval of the Allied Military Government becomes an employee as mentioned in the said Article in any province in the northern territory shall receive in addition to the payments specified in the said Article a credit of the difference between that payment and the total sum which he would have received in salary and allowances if he was employed on similar employment in the northern territory.

Such credits will accrue from month to month in the northern territory and will be payable at any time in the northern territory for the benefit and in accordance with the instructions of the persons in this Article mentioned provided and it is hereby enacted that no part of such credits so paid as aforesaid may be imported directly or indirectly into any part of the northern territory without express authority for such import from the Allied Military Government.

ARTICLE 6

Notwithstanding the provisions of Article 3 of this Order it shall be lawful for the employees therein specified to negotiate both individually and collectively with their employers for the purpose of modifying the wage rates laid down by this Order provided always that any agreement made as a result of such negotiations shall be submitted for consideration to the Allied Military Government and shall not be binding upon the employers or employees concerned and shall have no legal effect unless and until approved in writing by the Allied Military Government. It is forbidden to demand receive offer or pay any sum in respect of

Article in any province in the northern territory shall receive in addition the payments specified in the said Article a credit of the difference between that payment and the total sum which he would have received in salary and allowances if he was employed on similar employment in the southern territory.

Such credits will accrue from month to month in the southern territory and will be payable at any time in the southern territory for the benefit and in accordance with the instructions of the persons in this Article mentioned provided and it is hereby enacted that no part of such credits so paid as aforesaid may be imported directly or indirectly into any part of the northern territory without express authority for such import from the Allied Military Government.

ARTICLE 6

Notwithstanding the provisions of Article 5 of this Order it shall be lawful for the employees therein specified to negotiate both individually and collectively with their employers for the purpose of modifying the wages rates laid down by this Order provided always that any agreement made as a result of such negotiations shall be submitted for consideration to the Allied Military Government and shall not be binding upon the employers or employees concerned and shall have no legal effect unless and until approved in writing by the Allied Military Government. It is forbidden to demand receive offer or pay any sum in respect of any such agreement unless and until the same has been approved as aforesaid.

ARTICLE 7

Articles 2, 3, 5 and 6 of this Order shall not apply to:-

- (a) persons employed in the northern territory by the Armed Forces of the Allies; or
- (b) Members of the COM in the northern territory who shall receive pay and allowances in accordance with the scales officially in force in

the southern territory for the payment of all members of the OTHER

ARTICLE 8

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

ARTICLE 9

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

ARTICLE 10

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

FOR THE SUPREME ALLIED COMMANDER AND MILITARY GOVERNOR :

ELIOT WHEELER STONE,
Rear Admiral,
United States Naval Reserve
Chief Civil Affairs Officer.

Dated :

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