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

ACC 10000/146/639 091.471 PRICE FIXING COMMITTEE

(1 of 2 folders) MAR. - DEC. 1944

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

COMMITTEE

1944

Declassified E.O. 12356 Section 3.3/NND No. 785031

10000 / 146 / 639

THIS FOLDER
CONTAINS PAPERS
FROM MARCH 44
TO DEC 44
CATALOGUE:-

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

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

To: Col SMITH

Subject: Sculphen Barnes. Average Wage

(1) I have already given what info I can to the subject to Capt RADCLIFFE. Training Div., and amount of new "card vita"

(2) In this office we have the wage scale of sculphen miners but not numbers of workers in each grade. Therefore it is impossible for me to confirm the estimated average wage

(3) I suggest that of the old average wage was £100 a day the figure quoted in MD/5 — 9 of 9 Dec was of £140 a day seem reasonable.

5424

23 Dec 44

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471 cons 4698

HEADQUARTERS ALLIED COMMISSION
APO 394
INDUSTRY SUB-COMMISSION
MINING DIVISION

Tel: 559 AFR/cc.

Ref: Mines-926.11 18 December 1944.

SUBJECT: Wages for Sicilian Sulphur Miners.

TO : Labour Sub-Commission, HQ. A.C.

1. A copy of a letter MD/S - 9 of 9 December from the Chief, Regional Mining Division, Sicilia Region, is attached together with a copy of signal RTC 114 of 14 December.

2. In order to augment the evidence which may be put before the Price Committee it will be appreciated if you can throw light on the average new wages cost to which reference is made in the latter part of para. 4 of the letter.

W. S. VAUGHAN,
Director,
Industry Sub-Comm.

Incl - (2) as per para. 1.

c/c - Economic Section (1)
Float (1)
Files, Mining Div (2)

5423

1818

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COPY

ALLIED COMMISSION
SICILIA REGION HEADQUARTERS
APO 394

File: MD/S - 9

9 December 1944.

SUBJECT: Price of Sulphur

TO : HQ. Allied Commission
Attn. Mining Division

1. Reference is made to your message of 7 Dec. Ref. 7782 requesting full information available which would influence prices to be reset by price committee.

2. It has been found that many of the principal items of materials were underestimated either as to quantity required or as to price in our estimate accepted by the Price Committee in June. For example:

Mine Timbers est price 1200, actual price 2500 lire per ton
Wire Rope est 34,000 ft required, actually will buy 60,000
Electric supplies est 2 1/4 million lire, will buy prob. 5 million.

However, some of the items may have been over estimated. Also it is difficult to separate the normal replacements of expendible materials from the replacements due to war and lack of use damage. Hence we suggest that no adjustment in price be considered on the basis of materials costs.

3. If there is to be an increase in electric rates, the sulphur price should be readjusted to the extent of the percentage increase applied to an average old cost of 35 lire per ton of sulphur for electric power (power at about 0,45 lire per KWH). Thus if electric power rates are raised to 1.0 lire per KWH the price of all grades sulphur should be increased by (1.0-0.45)/0.45 x 35 lire or about 43 lire per ton.

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4. The increase in wages due to the caro-vita allowances however, constitutes the principal change in production costs since June. We believe that our estimate of last June of 25 man-days per ton of crude sulphur as reasonable. The Labor S/C officer on last Junes Price Committee estimated that the average wage cost to sulphur producers under the negotiated agreement that went into effect in 1 July would be 100 lire per day per worker. Accepting 25 man-days per ton and 100 lire per man-day wage cost, we would suggest that a reasonable increase in sulphur price per ton due to the increase in wages would be

(A-100) x 25, where A is the average new wage cost per man per day to the producer.

If the present wage cost per man per day is 140 lire (including all subsidiary benefits, etc), then the increase in sulphur price would by this formuld be 1,000 per ton.

5. We recommend that any increase in price of sulphur be applied equally to all grades so as to maintain the present differential between grades.

For The Regional Commissioner

/s/ J.H.Pollard
J. H. POLLARD,
Lt. U.S.N.R.
Chief Mining Div.

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COPY

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COPY

CITE RTC-114
DEC 141705A

ALCOM SICILIA REGION (CARR) FOR POLLARD
HEADQUARTERS ALCOM FOR ANTOLINI

RESTRICTED.

1. Increase of 600 lire per ton for Sicilian sulphur is probably less than increase in cost of production due to Cerovita Indennita actually being paid workers.

2. Sulphur workers given increase in wages on 15 August but retroactive to 1 July under negotiated agreement.

3. Present price sulphur was set to that new wage.

4. Labor Sub-Commission has all details.

5. No other change in price or wages until (?) Carovita.

DIST

ACTION: Econ 3
INFO: Chief Commissioner
Labor 2
File 2
Float

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IN. ECONOMIC SECTION

(Date)

Fr.		To
X	ECONOMIC SECTION	
	AGRICULTURE SUB-COMMISSION	
	COMMERCE " "	
	FINANCE " "	
	FOOD " "	
	INDUSTRY " "	
✓	LABOR Capt. Lotubergen	
	P.W. & U. " "	
	SHIPPING " "	
	TRANSPORTATION "	
	PRIORITY & MOVEMENTS DIV.	
	REQUISITION DIVISION	
	SUPPLY & RESOURCES DIV.	
	CHIEF COMMISSIONER	
	CHIEF OF STAFF	
	DEPUTY CHIEF OF STAFF	
	CIVIL AFFAIRS SECTION	
	ESTABLISHMENT SECTION	
For	Appropriate Action	
	Remarks/Recommendation	
	Investigation & Report	
	Information	
	Noting & Return	
	Noting & Retention	
	Signature	
	Dispatch	
	File Copy	
	Circulation & Return	

Remarks: Meeting on Saturday at 10.00 Room 42 6th Floor Ec. Section -

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File .471

OCTUBRE "A"

OF THE MAXIMUMS DEVELOPED ACCORDING O THE KILOMETRIC DISTANCES

WITH THE RADIATION OF MILES

1940 Rates

Distance in Miles		Goods				Cattle			
From	To	Prices for ton in lire (Class)				Prices for head in lire			
		I	II	III	IV/	I	II	III	IV
130	140	196.35	135.65	178.15	106.80	100.80	87.60	17.20	13.40
190	194	259.35	267.15	189.85	110.10	139.60	73.20	79.85	21.80
260	270	361.35	272.-	202.50	153.45	188.40	100.80	50.40	28.80
325	335	371.35	285.30	213.-	158.75	190.-	110.60	57.60	31.65

1944 To Dev

130	140	4.815.75	3.439.75	2.938.75	1.301.-
190	194	5.078.25	3.853.75	2.838.75	1.742.50
260	270	5.460.15	4.095.-	3.037.50	1.992.75
325	335	5.877.75	4.292.50	3.195.-	2.091.25

NOTE: 50% of freight falls in Class IV

~~Y~~

The discussion between Mr. Baris and Mr. McConnell of Tm.S/C and Mr. Scannapieco, timber merchants and schooner owner, held here on 30 Nov 44 was to find out the costs of running schooners in order to get a basis on which to reckon a reasonable freight rate per ton.

The figures used were as follows:

For a schooner of 400 tons dw. cost reckoned at ... Lire 10,000,000
This is an actual figure, but market offers are much higher.

Crew:	1 Master salary per month	Lire 10,000.-
	1 Engineer	" 10,000.-
	1 asst. engineer	" 6,000.-
	8 crew at Lire 5,000.-	" 40,000.-
	workmen's insurance, old age, etc.	" 5,000.-
	Food fixed at 150 per day per man	" 40,000.-
	Ordinary upkeep expenses average per month reckoned at 3% about, say	" 25,000.-
		Lire 180,000.-
Marine insurance, excluding war risks		" 60,000.-
Depreciation, reckoned in this case reckoning 15 year old ship to last 15 more years min.		" 60,000.-
Cost of ship per month, excluding fuel		Lire 150,000.-

Eng. 800 HP. Cost of fuel Lire 14 per kg.

A schooner of 100 tons: cost reckoned at ~~Lire 5,000,000~~

Crew:	1 Master, salary per month	Lire 10,000.-
	1 Engineer	" 10,000.-
	4 men at Lire 5000	" 20,000.-
	1 boy at Lire 70 per day	" 2,100.-
	Workmen's insurance, old age, etc.	" 5,000.-
	Food fixed at Lire 150 per day per man	" 25,500.-
	Ordinary upkeep expenses average per month say	" 11,700.-
		Lire 84,000.-
Marine insurance, excluding war risk		" 30,000.-
Depreciation		" 30,000.-
Cost of ship per month excluding fuel		~~Lire~~ 144,000.-

Reckon from say Palermo to C'vecchia 20 voyages in 12 months

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1 Engineer	Lire	10,000.-
1 asst. engineer	"	6,000.-
8 crew at Lire 5,000.-	"	40,000.-
Workmen's insurance, old age, etc.	"	8,000.-
Food fixed at 150 per day per man	"	40,000.-
Ordinary upkeep expenses average per month reckoned at 3% about, say	"	25,000.-
	Lire	129,000.-
Marine insurance, excluding war risks	"	30,000.-
Depreciation, reckoned in this case reckoning 25 year old ship to last 15 more years min.	"	80,000.-
Cost of ship per month, excluding fuel	Lire	259,000.-

Eng. 800 HP. Cost of fuel Lire 14 per kg.

A schooner of 100 tons: cost reckoned at ~~Lire 5,000,000~~

Crew: 1 Master, salary per month	Lire	10,000.-
1 Engineer	"	10,000.-
4 men at Lire 5000	"	20,000.-
1 boy at Lire 70 per day	"	2,100.-
Workmen's insurance, old age, etc.	"	5,000.-
Food fixed at Lire 150 per day per man	"	25,600.-
Ordinary upkeep expenses average per month say	"	11,700.-
	Lire	84,000.-
Marine insurance, excluding war risk	"	30,000.-
Depreciation	"	30,000.-
Cost of ship per month excluding fuel	~~Lire~~	144,000.-

Reckon from say Palermo to Civecchia 60 voyages in 12 months for a schooner of 400 tons dw. reckoning further a carriage of paying freight at 600 tons a month, working out at Lire 450 per ton, net of fuel expenses, to be calculated on average consumption.

For a schooner of say 100 tons dw.- on same reckon 18 voyages and a carriage of 120 tons a month, working out at Lire 1[illegible] ton, net of fuel, to be calculated on average consumption.
In this way we would get at the working costs of schooners. However, details as to rates of freight per ton to be charged to shippers, and details of rates per ton to be paid to owners by Co-Ca-Fa, have been treated only in a general way, and will have to be gone into further.

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COPY

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TRANSLATION

December 10, 1944

The New CoGeMa Tarif

(1) The tarif includes the following minimums and maximums:

	1-108 miles	max. 1002 miles
Class I	Lire 3,969.-	Lire 6,885.-
" II	" 3,172	" 5,559.-
" III	" 2,416	" 4,504.-
" IV	" 1,512	" 3,388.-

(2) It results that the maximum freight that the loader will pay, transporting goods of the I class and to the maximum distance of 1000 miles is of 6,885 Lire per ton.

That means 6,885 Lire a kilo, and it is inferior of 100 - 150% of the freight paid until now in certain cases, and not considering the known "sottosuolo" over-freight.

(3) The proportion among the single categories is about the following:

The IV class is inferior to the I class of about 45%
" " II " " " " 18%
" " III " " " " 30%

The III class is inferior" " I " " " " 41%
" " II " " " " 23%

The II class is inferior " " I " " " " 25%

(4) On 1312 voices of the "nomenclature" and classification of the goods of the "Tirrenia" 290 of them are of the IV class, on 93 voices which today could be considered for eventual transports 33 voices are of the IV class. The first case represents about the 22% on the total voices, and the second about 33%.

Considering tha the cereals, flours, sulphur, potatoes, cement, coal, chestnuts, salt, oily seeds, fertilisers are included on the IV class, it can be said that the 50% at least of the transports will pay the lower tarif which is between 3,388 and 1512 Lire for 1000 kilos according to the covered distance.

(5) The following calculations demonstrate the expenses that the CoGeMa has to support and what the loader has to pay.

a) Naples-Palermo or viceversa (direct) 167 miles
near the coast Palermo-Messina 117
Messina-Vibo Val. 30
Vibo Val-Scalea 85
Scalea-Salerno 86
Salerno-Napoli 41. . . . . 359 miles

Moto-vessel loading 200 tons cargo 160 tons

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(2) It results that the maximum freight that the loader will pay, transporting goods of the I class and to the maximum distance of 1000 miles is of 6,885 Lire per ton.

That means 6,885 Lire a kilo, and it is inferior of 100 - 150% of the freight paid until now in certain cases, and not considering the known "sottomano" over-freight.

(3) The proportion among the single categories is about the following:

The IV class is inferior to the I class of about 45%
" " II " " " " 48%
" " III " " " " 30%

The III class is inferior " " I " " " " 41%
" " II " " " " 23%

The II class is inferior " " I " " " " 25%

(4) On 1312 voices of the "nomenclature" and classification of the goods of the "Tirrenia" 290 of them are of the IV class, on 93 voices which today could be considered for eventual transports 33 voices are of the IV class. The first case represents about the 22% on the total voices, and the second about 33%.

Considering that the cereals, flours, sulphur, potatoes, cement, coal, chestnuts, salt, oily seeds, fertilizers are included on the IV class, it can be said that the 50% at least of the transports will pay the lower tarif which is between 3,388 and 1512 Lire for 1000 kilos according to the covered distance.

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a) Naples-Palermo or viceversa (direct) 167 miles
near the coast Palermo-Messina 117
Messina-Vibo Val. 30
Vibo Val-Scalea 85
Scalea-Salerno 86
Salerno-Napoli 41. . . . . 359 miles

Moto-vessel loading 200 tons cargo 160 tons

At the speed of 7 miles from the dawn to the sunset 12 hours = 84 miles every 24 hrs
359:84 = 4.4 days or 4½ days

Debark 2 days
Trip 4½ days
Debark 2 days
Return empty 4½ days total 13 days = or ½ month

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The CoCeNa pays to the privateer of a motovessel of 200 tons loading L. 9000 a day
9000 x 15 = L. 135,000,- paid for the above trip

The tarif for 359 miles is that for 390-359 e.p. L. 2236.50 for 1000 kilos of the Class IV and L. 3,377.25 for 1000 kilos of the III Class.

	Class IV	Class III
A- Paid for 160 tons	L. 135,000	L. 135,000
Collected	" 540,360	" 357,840
	= A) + 300%	= A) + 165%

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b) Naples-Leghorn or viceversa (direct- 262 miles
near the cost Naples-Gaeta 90
Gaeta-Fiumicino 85
Fiumicino-Civitavec. 28
Civ-Vec.-S.Stefano 45
S.Stefano-Piombino 45
Piombino-Leghorn 43 total. . . . . 296 miles

Moto vessel of the loading of 100 tons cargo 65 tons

At the speed of 7 miles from the dawn to the sunset 12 hours = 84 miles every 24 hrs
296:84 = 3.5 or 3½ days

Embark 2 days
Trip 3½ "
Debark 2 "
Ret.empty 3½ " total 10½ days = or 13 days

The tarif for 296 miles is that for 292-302 miles, e.p. L. 2,002 per ton of the Class IV and is of L. 3,116.25 a ton of the III Class

	III Class	IV Class
A) Paid for 65 tons	L. 91,000	L. 91,000
B) Collected	" 202,556	" 130,162
	= A) + 127	= A) + 43

c) Naples-Anzio or viceversa (direct) 104 miles

Moto vessel of 200 tons loading Cargo 150 tons

At the speed of 7 miles from the dawn to the sunset 12 hours = 84 miles every 24 hrs.

104:84 = 13 days = 1½ day

Embark 2 days
trip 2 "
Debark 2 "
Ret. Empty 2 " total 8 days = or 10 days

The Collets pays to the privateer of a m/v of 200 tons L. 9000 a day, for 10 days: Therefore it pays for the above voyage
L. 90,000

The tarif for 104 miles is for the Class IV of L. 1512.- per ton for the III Class of L. 2416.50 per ton

	Class III	Class IV
A) Paid for 150 tons	L. 90,000	L. 90,000
B) Collected	" 372,475	" 226,800
	= A) + 31%	= A) + 252%

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Embark 2 days
Trip 3½ "
Debark 2 "
Ret. empty 2½ " total 10½ days = or 13 days

The tarif for 296 miles is that for 292-302 miles, c.p. L. 2,002 per ton of the Class IV and is of L. 3,116.25 a ton of the III Class

	III Class	IV Class
A) Paid for 65 tons	L. 91,000	L. 91,000
B) Collected	" 202,556	" 130,162
	= A) + 127	= A) + 43

c) Naples-Ancio or viceversa (direct) 104 miles

Moto vessel of 200 tons loading Cargo 150 tons

At the speed of 7 miles from the dawn to the sunset 12 hours = 84 miles every 24 hrs.

104:84 = 13 days = 1½ day

Embark 2 days
trip 2 "
Debark 2 "
Ret. Empty 2 " total 8 days = or 10 days

The Codella pays to the privateer of a s/v of 200 tons L. 9000 a day, for 10 days: therefore it pays for the above voyage

L. 90,000

The tarif for 104 miles is for the Class IV of L. 1512.- per ton for the III Class of L. 2416.50 per ton

	Class III	Class IV
A) Paid for 150 tons	L. 90,000	L. 90,000
B) Collected	" 372,475	" 226,800
	= A) + 314	= A) + 252

d) Palermo-Bari or viceversa (direct) 435 miles near the cost

Palermo Messina	117
Messina C. tenzaro M.	100
Catanzaro M. Crotone	35
Crotone-Taranto	99
Taranto Gallipoli	49
Gallipoli Brindisi	97
Brindisi Bari	62 total . . . . . 559 miles

M/V of 500 tons with a load of 360 tons

At the speed of 7 miles per hour from the dawn to the sunset = 84 m. every 24 hrs.
559:84 = 6.6 days = 7 days

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Embark	4 days	
Trip	7 "	
Debark	4 "	
Ret. Empty	7 "	total. . . . . 22 days = 1 month

The CoDelMa pays to the privateer of a m/v of 500 tons L. 13,500 a day; therefore for a month of 30 days. . . . . L. 405,000

The tarif for Class IV is that of 552-561 miles L. 2,614.50 and for the III class L. 3,728.25 for 1000 kilos.

	Class IV	Class III
A) Paid for 360 tons	L. 405,000	L. 405,000
B) Collected	" 342,170	" 941,220
	= A) + 23%	= A) + 132%

(6) Supposing a mixed cargo; ½ of IV and ½ of III Class or ⅓ III Class and 2/3 IV Class.

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TRANSLATION

	Classes
Oranges, lemons (baskets, big wood cases, trunks)	3
Alcohol	2
Cryptogam's antidotes in powder	4
Asphalt	4
Oat	4
Saccola (Conserved fish)	4
Beverages n.n. casks, barrels or bottles	3
Beer, barrels	4
Beer, bottles	3
Biscuits and similar	2
Sea biscuits, sacks, cases	4
Empties/bombs	3
Coffee, also surrogate	3
Calcium cynamide	3
Hemp	3
Candles, paraffine, wax	3
Capers in "salamoia" (salt)	4
Mineral coal, coke etc	4
Charcoal	3
Fresh meat, etc	3
Common paper	4
Chestnuts	3
Electric wires	4
Cement	3
Common clays goods	4
Different carambles	4
Onions	3
Cognac - barrels	2
bottles	4
Every kind of fertilizers	3
Fruit, legumes and green pantes	2
Jams with sugar and/or honey	4
Every kind of feeding sweet jams	3
Dry beans	4
Fresh beans	1
Wheat flour, etc	4
Matches	3
Dry figs in /	3
baskets	3
Fennel	3
Cheeses	3
Fresh fruit	3
Dry fruit	4
Common, sawed wood	2
Liquorice	3
Liquors	2
Almonds	3
Jams	3
Naphtha	3
Hazelnuts	3
Walnuts	3
Olive oil in barrels and other	3

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	Classes
Olive oil in vessels	2
Fresh and dry olives	3
Conserved greenn	3
Bones	3
Oil cakes	5
Paraffine	5
Wheat paste	3
Potatoes	4
Dry potatoes	3
Fresh hides	3
Dry hides	3
Salted fish	4
Petrol in iron barrels, cases	3
Pneumatic tires	2
Pumice stone in powder	4
Pozzolana	4
Plums	3
Rice	4
Rhum in barrels	3
" " bottles	2
Empty sacks	4
Salt	4
Olive husk (sansa)	4
Oily seeds	4
Cork	3
Tobacco	3
Tartrate	4
Webs	3
Tunny in oil	3
Eggs and baskets	2
Dry grapes	3
Vetch	4
Wine, common barrels	4
" other "	4
" bottles, cases etc	4
Raw sulphur	2
Refined sulphur, flower.	4
Sugar	3

Tonnage Loading	Daily wage for a ton of loading	total daily wage	Percentage increas
10	250	2500	56%
20	155	3100	93%
30	125	3750	113%
40	110	4400	114%
50	100	5000	102%
60	92	5520	63%
70	85	5950	75%
80	79	6320	86%
90	74	6600	95%
100	70	7000	47%
125	60	7500	57%
150	54	8100	70%
175	49	8575	44%
200	45	9000	51%
225	42	9450	40%
250	39	9750	44%
275	37	10175	36%
300	36	10800	45%
325	35	11375	40%
350	34	11900	46%
375	33	12375	44%
	32	12800	48%
	31	13175	48%

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50	100	5000	102%
60	92	5520	63%
70	85	5950	75%
80	79	6320	86%
90	74	6600	95%
100	70	7000	47%
125	60	7500	57%
150	54	8100	70%
175	49	8575	44%
200	45	9000	51%
225	42	9450	40%
250	39	9750	44%
275	37	10175	36%
300	36	10800	45%
325	35	11375	40%
350	34	11900	46%
375	33	12375	44%
400	32	12800	48%
425	31	13175	48%
450	30	13500	57%

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

LABOR SUB-COMMISSION
A.C.C.
Routing Slip

	Initials	Date
Colonel SMITH		
Major BABCOCK		
Major SCICLUNA		
Major ALBRIGHT		
Capt. DORF		
Capt. TOPLISS		
Capt. SOLENBERGER		
Mr. CROSETTO		
Mr. SACHS		
Mr. DI FEDE		
Mr. CERRITO		
Chief Clerk		

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

746 671

INTER OFFICE MEMO JT/md

Tel: 761 29 November 1944

Ref: 74-7/7/FOOD

SUBJECT: Olive Oil Harvest

FROM : Food Sub-Commission

TO : Economic Section

1. The newspaper "AVANTI" of 28 November contained the following announcement:

"Price fixing for the collection of olives. The Camera Confederale (Trade Union) in Rome and the Agriculture Association have fixed wages for the collection of olives in the area of San Vito Romano.

It was agreed that every worker should get 3.33 liters of oil for each quintal of olives."

2. The agreement contained therein is completely illegal. Family retentions were fixed by the Law of Sept. 7th at a maximum of 10 Kg. for each member of the family for people working in olive farms. Salaries should not be paid in oil. From the above agreement it is possible that in a week of 6 days a girl who picks olives can get ten liters of oil and sell them on the black market in Rome. for 5,000 liras.

3. These arrangements are made 40 Km from Rome and are published by the most widely read newspaper in the City. It is considered that the strongest representations should be made to the Italian Government protesting against such arrangements and requesting that they be cancelled immediately.

For the Chief Commissioner:

J. TIMES
Major. RASC
Acting Director. Food Sub-Commission

Copy to: Agriculture Sub-Commission
Labour Sub-Commission

5409

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

Maj. Wayne Albright

HEE/bth

(Advertising Allied Committee) (Tokyo)

APO 234
ECONOMIC SECTION

471

20 November 1944

Ref:-

SUBJECT: Tomato Paste

MEMORANDUM FOR: Members of the Price Group

The attached copy of figures have been presented to the Price office for consideration at their next meeting. One set of figures I have been presented by the producers and the other by the Ministry of Agriculture.

They have not solved their differences since the prices are at present variance. Under the circumstances it would seem desirable to have representation both from the Ministry and the producers to tell their story concerning the production of Tomato Paste.

Henry H. Hewitt
Staff Officer
Economic Section

Encl.

No 5408

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

ANNEXE (B)

TRANSLATION

PRICES FOR TOBACCO PASTE PER KILO

	Three times concentrated remainder are less than 5%	Twice concentrated 30-32%	Simple 18-20%	Simple 21-26%
Price to producers	L. 162,50	L. 140	L. 90	L. 113
2% income tax	" 3,25	" 2,80	" 1,80	" 2,26
	L. 165,80	L. 142,80	" 91,80	" 115,26
1% import and charges	" 15 mm	" 15 mm	" 15 mm	" 15 mm
	L. 180,80	L. 157,80	L. 106,80	L. 130,26
Margin of the retailer 12% inclusively less for carried goods sold open	L. 21,70	L. 18,94	L. 12,82	L. 15,64
	L. 202,50	L. 176,74	L. 119,62	L. 145,90
1,50% Gen. tax for the encouragements and 3% surcharge (tax due exclusive for the single accelerated goods in cash) and	3,10	" 7,10	L. 1,72	" 2,18
	L. 211,60	L. 183,84	L. 121,34	L. 148,08
Price to the consumer rounded off to	L. 211 mm	" 183,5 mm	L. 121 mm	L. 148 mm

Rome 5 December 1944

1858

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

TRANSLATION

ANALYSIS OF THE COST OF THE POUND OF CONCENTRATED TOMATOES PASTE (DRY SUBSTANCE 32 WITHOUT SALT) IN BARRELS TO INDUCE FOR 1 QUINTAL RAW.

	Demand of the Industrialists	Calculation of the General Food Administration Agr. Minister.
FRESH TOMATOES 6.4 quintals at l. 300 according to this office, 7 quintals at l. 1200 according to the industrialists	l. 8.400	5.120
RAILWAY TRANSPORT to the establishments l. 200 a quintal	" 1,400	1.280
PACKAGE - Purchase and repairing of the wooden packages in the proportion of l. 50 for a quintal of tomatoes paste according to the industrialists l. 40 according to this office.	" 350	256
FUEL - (Coal, wood, sawmill) 1 quintal at l. 800 according to the demand of the industrialists which we accept.	" 800	800
MOTOR FORCE - According to the demand of the industrialists which we accept.	" 26	26
LABOR - The industrialists made an account at l. 300 but this office believes this figure is excessive since in 1943 this figure was l. 6,50 per quintal of tomatoes that means 1/6 less of the actual demand. (1)	" 300	200
SALT - The industrialist state to have spent l. 20 for a kilo included the transport from S. Margherita di Savoia the General of Naples indicated l. 10 a kilo and this figure seems to be the right one (quantity kg. 5)	" 100	50
	l. 11.376	7.732
	5%	386
		8.118
General charges and charges for manufacturing (the industrialists demand 15%) this office divides the 15% in 5% for amortization and maintenance, 10% for general charges and taxes	1.706 10%	812
	13.082	8.930
The margin for the industrialist (the industrialists demand 15% which is very high but is believed acceptable in view of the reduced measure in which the Camera worked)	15% 1.962	15% 1.340
	l. 15.044	10.270

(1) At the last meeting held at this Ministry, the industrialist augmented the figure for Labor from 300 lire to 500 lire in relation with a recent letter of the "Camera Confederale del Lavoro" (Labor Confederation) of Naples relative to the equalising of the wages with the request of augmenting applicable as of April 1, 1944.

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For the above prices the industrialists ask to add the interests and the surcharge since because of the blockade the delivery will be overdue.

For the three times concentrated paste the industrialists calculated L. 4 3,000 added to the prices for the double concentrated paste and thus fix L. 18.[illegible] a quintal. Side office turned and calculated the price of the three times concentrated paste to be L. 11,627

For the paste in cans the industrialists asked the same price as for the paste in barrels and the writer agrees to the demand, considering that the paste in cans is sold here for the goods and in view of the fact that the minor quantity of paste is compensated by the greater cost of the cans.

Rome 26 October 1944

Declassified E.O. 12356 Section 3.3/NND No. 786021

LABOR SUB-COMMISSION
A.C.C.
Routing Slip

	Initials	Date
Colonel BAIN		
Colonel SMITH		
Major BABCOCK ← Bob		
Major ALBRIGHT		
Major SCICLUNA		
Capt. DORF		
Capt. TOPLISS		
Capt. GIAMARCO		
Capt. SOLENBERGER		
Mr. CROSETTO		
Mr. SACHS ← Sol		
Mr. DI FEDE		
Mr. CERRITO		
Chief Clerk		

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

RESTRICTED

471

Italy

858

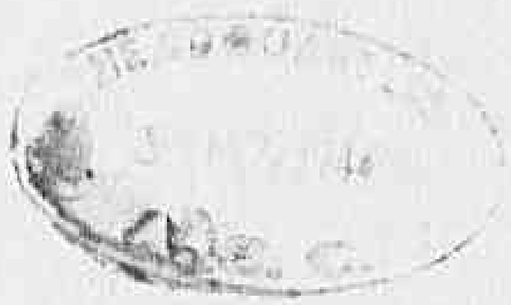
FROM ALLIED COMMISSION FOR CHIEF OF STAFF FOR ATTENTION AGRICULTURE, INDUSTRY, FOOD AND LABOR SUBCOMMISSIONS 101/02

TO SUPPLY REGION ACC FOR NATIONAL/ COMMISSIONER

AR/518 ROUTINE

NOV 021710A

RESTRICTED. Subject is olive oil. Firstly [illegible] products of national interest and [illegible] already being produced. Part will be lost for oil production if Italian government does not fix price for [illegible] within few days. Secondly in view small proportion of price of oil represented by picking and pressing costs do not now consider it necessary to fix these officially especially as they should vary in different districts and.



Dept

Patrick Agric. for info: Food

Econ. Div.

Food Sec.

Industry Sec.

File

RESTRICTED 5403

NOV 022203A

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

LABOR SUB-COMMISSION
A.C.C.
Routing Slip

	Initials	Date
Colonel BAIN		
Colonel SMITH		
Major BABCOCK		
Major ALBRIGHT		
Major SCICLUNA		
Capt. DORF		
Capt. TOPLISS		
Capt. GIANNARCO		
Capt. SOLENBERGER		
Mr. CROSETTO		
Mr. SACHS		
Mr. DI FEDE		
Mr. CERRITO		
Chief Clerk		

E 482

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

HQ [illegible]

2/11/44
(Date)

Fr. Kenneth Bekken To

X	ECONOMIC SECTION	
	AGRICULTURE SUB-COMMISSION	
	COMMERCE	
	FINANCE	
	FOOD	
	INDUSTRY	
	LABOR	X
	P.W. & U.	
	REQUISITION DIVISION	
	TRANSPORTATION SUB-COM.	
	SHIPPING SUB-COMMISSION	
	Brig. Parker	
	CHIEF COMMISSIONER	
	CHIEF OF STAFF	
	DEPUTY CHIEF OF STAFF	
	CIVIL AFFAIRS SECTION	
	ESTABLISHMENT SECTION	
For appropriate action		
	Remarks/Recommendation	
	Investigation & Report	
	Information	
	Noting and Return	
	Noting and Retention	
	Signature	
	Dispatch	
	File copy	
	Noting & circulation	

Remarks: 1 1 1441

The Director's memo is attached memo is to be discussed at the Price Stand meeting this afternoon.
K.H.B.

1844

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

Labor Div
Maj. Bakken
.471

HEADQUARTERS ALLIED COMMISSION
APO 394
Agriculture Sub-Commission

AGR/ 502.6
TEL: 478208

1 November 1944

SUBJECT: Price of Salted Fish and Tuna in oil

To : Economic Section (Att.Mr. Henry H. Bakken)

1. This is an addendum to our letter 30 October 1944 (AGR/ 502.6)

2. The following prices have been approved by the SEPRAL on salted fish and anchovies:

PRODUCT	Price Rome wholesale	Retail
Salted Anchovies	175 to 180	220-225
Mackerel in oil	400 " 450	550-560
Filet mackerel in oil	400 " 450	550-560
Tuna in oil	600 " 650	700-750
Salted sarde	100 " 120	130-150
Salted mackerel	100 " 120	130-150
Filet of anchovies in oil	440 " 450	550-600

3. The above prices are not fixed prices for Rome. Rather, according to Major Mason of Lazio Region, Economics and Supplies, the prices are fixed for each shipment received in Rome on the basis of the cost at the place of production plus transportation charges and plus a legitimate profit.

4. The prices cited in paragraph 2 above are entirely

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1945

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

put offline and should not be permitted. The average white collar employee who earns at the maximum two to three thousand lire a month, cannot afford to pay 700 to 750 lire a kilo for tuna.

5. To reduce and control prices at consuming centers they must first be regulated at the place of production. Shipments should be permitted only if sold at the establi= shed price. Salted fish, in other words, because the quanti= ty available in both Sicily and Sardinia, should not be a luxury item. It could be made available at a price people can afford to pay.

B.C.F. MULIERI
Lt.Comdr. USCGR
Chief Fisheries Divis

DISTRIBUTION:

1. Economic Section
2. Files

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

(Date-Routing)

Nov 7 44

(Date)

Mr. Bakken

To

	Vice-President	
	Mr. Arnold	
	Col. Demaree	
	Col. Sumner	
	Maj. Sullivan	
	It. Atkins	
	It.Col. Martino (Reg.Div.)	
	Mr. Bakken	
	Mr. Cleveland	
	Mr. Lehman	
	Mr. Villa	
	Sig. Caravaglia	
	Chief Clerk	
For	M/ Babcock	Labor S/C
	Appropriate Action	
	Circulate & Initial	
	Remarks/Recommendation	
	Information	✓
	See Me	
	Noting & Return	
	Signature	
	File	
	Suspend to:	
	Clerical Staff	

Remarks:

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1847

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

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(CONT)
Tel. 427

HEADQUARTERS
ALLIED COMMISSION
ECONOMIC SECTION

MHR/lml

APO 394

23/44

1 November 1944

SUBJECT: Proposed Olive Oil Price Increase for Sicily.

TO : Chief Staff Officer.

1. The attached letter for Mr. Antolini's signature reflects the opinion of the price group on the Italian Government's proposal to increase the price of olive oil in Sicily from 6,000 to 7,500 lire per quintal. I shall attempt to summarize some of the principal arguments against creating a fault in a price structure formulated for the 1944-45 crop.

2. We were advised by the Regional Office in Sicily that the 6,000 lire per quintal was considered a fair price to the producers -- see cable of September 24; also letter EC-434 of September 25, 1944. The Agriculture Sub-Commission likewise indicated that 6,000 lire for olive oil in Sicily is an adequate and just price to producers. (Refer to ACC 238-60 of October 12, 1944).

3. The production and distribution figures for Sicily are as follows:

Estimated quantity that will be amassed	4,500 tons
Estimated quantity available for the black market (including producers' requirements)	6,500 tons
Estimated total production for 1944	11,000 tons
Normal peace time annual consumption at an estimate of 500 grams per month	21,939 tons
Estimated 1944 production	11,000 tons
Estimated potential demand over and above 1944 Island supply	10,939 tons

Total number of consumers -- 3,599,091 (excluding producers who hold back the quantity of oil to cover their own requirements).

75,000 producers -- includes 27,000 larger producers.

The actual account of oil required now with a ration of 200 grams per month is 9,070 tons p.a.

From these data it can be observed that Sicily is scarcely self-sufficient even on the meager ration of 200 grams per month per capita. The amount that will be amassed of the total production is only enough to supply half the ration requirements. Even during the Fascist Regime, 1942-1943, the Sicilians only amassed 5,500 tons of olive oil when no serious price differential issue was involved.

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4. On the basis of the facts presented in paragraph 3, it appears clear that Sicily will have to begin importing olive oil from the mainland early in the year 1945.

J 8 4 8

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

SUBJECT: Proposed Olive Oil Price Increase for Sicily.

TO : Chief Staff Officer

5. These imports are ~~x~~ certain to have a deflationary influence on domestic black market prices if the Italian Government will stand firm on its original recommendations for the rest of the country.

6. There was no olive oil crushing of the 1943-44 crop in Sicily. The free price (sometimes referred to as the black market price) rose to 120 lire per liter at retail which is about equivalent to 11,500 lire per ~~x~~ quintal to the producers. The probability of crushing any appreciable quantity of oil above the estimated 4,500 tons for this year by offering an increase of 1,500 lire per quintal is not very promising. In the present demand and supply situation in Sicily, it will apparently take a much higher price than 7,500 lire to attract the oil into the channel for distribution through legitimate channels from those producers who have engaged in the free sales of their products during the past twelve months. These producers will welcome any official increase in the price of olive oil to justify a still higher black market price. We were fully aware of the limitations of the national price applied to Sicily when we established it on September 22nd. (See letter attached to Brigadier K. Carr signed by Col. Demmore).

7. If the price of olive oil is increased in Sicily, this action will be tantamount to increasing the price of all olive oil purchased from the mainland, thus the cost of living will be increased for the 3 1/2 million consumers for the sake of placating the olive oil producers who comprise only a little more than 2% of the total population.

8. Col. Hartman, in his letter to Col. Demmore referred to above, sounded the warning of a general descrimination of the national olive oil price, if a concession is made to the Sicilians. To wit: "(2) If we start raising prices in one region, we would have cries of inequality from others, besides the fact that we will help to increase the inflationary spiral".

9. This concession to Sicilians on the basis of expediency, if made, will give credence and support to the Separatist movement and to special political-economic considerations along a broad front.

10. A break in the national price structure adds many complications to the pricing of olive oil derivatives for which solutions are not yet evolved, and the time is very short for gathering facts and ~~x~~ making correct decisions.

11. If the price is increased in Sicily and the Government stands firm against increases elsewhere, it will result in a considerable flow of olive oil from the mainland to Sicily, both through legal and illegal channels, thus giving the Sicilians more than their fair share of this year's crop. There may be great shortages of food, fats in particular in Northern Italy this winter, which will impose hardships on the Northern Italians and create severe problems to be solved by the Italian Government and the Allied Army of Occupation.

5396

Declassified E.O. 12356 Section 3.3/NND No. 786021

SUBJECT: Proposed Olive Oil Price Increases for Sicily.

TO : Chief Staff Officer.

12. A decision to increase the price of oil in Sicily may jeopardize the whole national program for amassing the 1944 olive oil crop. It is certain to create considerable confusion if at some later date it becomes necessary to increase the price on the mainland. Since production, is already under way, some oil has been amassed, and the increased price of necessity will have to be made retroactive if it is to be an equitable price.

Henry H. Bakken
Staff Officer
Economic Section

Attachments - 2
Copy Letter to Brigadier Carr
from Col. Dunsmore re Oil
Letter for Mr. Antolini's signature

Files

CC: H. Cleveland, Spec. Asst. to V.P.

1850

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

(CITE)

Tel. 497

HEADQUARTERS
ALLIED COMMISSION
ECONOMIC SECTION

RMB/lml

APO 394

EC/44

21 October 1944

SUBJECT: Olive Oil Amassing for Sicily.

TO : M. Carr, Brigadier
Regional Commissioner
Hq. Region X - Sicily.

1. Reference is made to your File EC/434, 25 September 1944.

2. When the national prices for the 1944 olive oil crop were fixed, officials of the Italian Government and this Office were cognizant of the fact that these fixed national prices might not be uniformly acceptable and meet with equal success for amassing the crop in all regions of the country.

3. A differential price policy applied to this crop would almost certainly lead to cries of discrimination from certain officials and producers. Moreover, exact production costs are not generally available for each region upon which differential prices could be justly based.

4. Under these circumstances, it was deemed the better policy to strike an average national price for each grade rather than attempting regional pricing.

5. We appreciate the high marginal utility values attributed to material goods in preference to lire in some areas, such as, Sicily, as you have pointed out in the last paragraph under 3 in your recent letter. It is not feasible to carry out a corollary distribution of physical goods as an inducement to the amassing of the 1944 olive oil crop, since we cannot import these needed supplies withing the time limits of the olive oil harvesting.

6. We agree with you that if some official familiar with production costs could visit Sicily and assure the people there that prices fixed are equitable it might have some salutary effect on the amassing program. Personnel for this type of service is so limited it is difficult to follow your recommendation.

L. D. Denmore
Colonel, F. A.
Chief Staff Officer
Economic Section

Copy to Agriculture S/C

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

(CONT)

Vol. 197

HEADQUARTERS
ALLIED COMMISSION
ECONOMIC SECTION
APO 394

MHH/lal

2 November 1944

25/41

SUBJECT: Proposed Olive Oil Prices Increase for Sicily.

TO : Ministry of Agriculture, Forestry and Fisheries.

1. Reference is made to Minister Gullo's letter to Mr. Antolini, Prot. No. 10093 dated 28 October 1944, with Prime Minister Bonomi's letter N-10037/2103 dated 20 October 1944 to Minister Gullo attached.

2. After much deliberation and a careful scanning of the facts relative to olive oil production in Sicily, it is concluded that no decisive economic justification exists for increasing the price to be paid Sicilian producers from 6,000 to 7,500 lire per quintal. If the Italian Government, however, deems it expedient otherwise to change the price it shall be their full responsibility and the Allied Commission will not impede such decision.

For the Acting Chief Commissioner:

A. G. Antolini
Acting Deputy Chief of Staff
Economic Section

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

LABOR SUB-COMMISSION
A.C.C.
Routing Slip

	Initials	Date
Colonel BAIN		
Colonel SMITH		
Major BABCOCK ←		
Major ALBRIGHT		
Major SCICLUNA		
Capt. DORF		
Capt. TOPLISS		
Capt. GIAMMARCO		
Capt. SOLENBERGER		
Mr. CROSETTO		
Mr. SACHS ← tcs.		
Mr. DI FEDE		
Mr. CERRITO		
Chief Clerk		

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

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F.I. 497

HEADQUARTERS
ALLIED COMMISSION
ECONOMIC SECTION

HEM/ant

APO 394

1 November 1944

EC/41

SUBJECT: Price Group Meeting

TO : Agriculture S/C
Commerce & Industry S/C
Finance S/C
Food S/C
Labor S/C
Transportation S/C

Attention: Maj. Babcock

1. A meeting is being called on Thursday, November 2, 1944 at 2:30 p.m. in Room 36, Sixth Floor, to discuss recommendations for pricing milk, silk, fish and coal, as well as to continue our discussion of the margin to be authorized the Consorzi Agrari for the assembling and distribution of olive oil.

Babcock

Henry H. Babcock
Staff Officer
Economic Section

Attachments - 3
Notes on milk, fish and oil.

cc: Files

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

INTER OFFICE MEMO

Cat/ml

Tel: 206

AS/45-1/FOOD

11 October 1944

SUBJECT: Proposed Increase in Price of Milk in Rome

FROM : Food Sub-Commission

TO : Labor Sub-Com., Agriculture Sub-Com., Industry Sub-Com., Commerce Sub-Com., Transportation Sub-Com., Finance Sub-Com., Economic Section (Mr. Bakken)

1. This is in reference to a proposal to increase the price of milk in Rome outlined in our memorandum of 12 Oct. 44.

2. In accordance with the desire of the Price Committee, Economic Section, the Ministry of Agriculture was requested to explain and justify its proposal for increasing the total price of milk from 13.60 lire to 15.00 lire per liter and the consumer's price from 7.00 lire to 15.00 lire per liter. The Ministry was also informed of the proposal submitted by the Milk Central to increase the total price from 13.60 lire to 20.00 lire and the consumer's price from 7.00 lire to 20.00 lire.

3. The Ministry of Agriculture states that a price of 20.00 lire per liter is unjustified but again recommends a price of 15.00 lire. The Milk Central does not admit that a price of 20.00 lire is too high but is willing to accept a price of 15.00 lire. The Economics & Supply Division, Lazio-Umbria Region also recommends a price of 15.00 lire per liter on the basis of a study made by its expert Dott. Arturo Maniscalco.

4. The various proposals are compared below:

	(1) MILK CENTRAL	Dott. MANISCALCO Lazio Region	MINISTRY
To the producer	13.50 lire	10.00 lire	10.00 lire
To the Consorzio Lazio	2.00 "	1.90 "	1.90 "
To the Milk Central	3.50	2.00 "	2.00 "
To the retailer	1.20 "	1.10 "	1.10 "
	20.00 "	15.00 "	15.00 "

(1) Now willing to accept a total price of 15.00 lire.

5. In view of the relatively small increase in total price from 13.60 lire to 15.00 lire per liter proposed by the Ministry and supported by a thorough study made by the Lazio Region, the Food Sub-Commission recommends

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

that the price of 15.00 lire per liter be approved and made effective on 1 Nov. 44 or as soon there after as conditions permit. There is no doubt that cost of production has risen to some extent. At present the producer receives 8.70 lire per liter. Dott. Manicalco's study shows that 10.00 lire per liter is a fair estimate of current cost of production which includes producer's profit of about 10%. The proposal involves a reduction in payments to the Consorzio from 2.00 lire to 1.70 lire per liter, an increase to the Milk Central from 1.90 lire to 2.00 lire per liter and an increase for the retailer from 1.00 lire to 1.10 lire per liter.

6. The expenses of the Consorzio are alleged to have been reduced recently primarily through reduction of unnecessary personnel. The expenses of the Milk Central have increased somewhat because of increased wage rates and the per unit cost during the winter has increased, because of a decrease in volume. The slight increase to the retailer is justified on the grounds of rising costs of doing business as well as decreased volume of milk sales during the winter.

7. The second question presented is whether or not the entire retail price should be paid by the consumer. It is stated that the subsidy is to be discontinued on 1 Nov. 44. Because at present milk is supplied primarily to hospitals and nursing mothers, it does not appear to be an important item in the budget of the average family. All parties concerned recommend that the full price be paid by the consumer. If the subsidy is to be withdrawn in any event, there seems to be little that A.C. can do in this connection. Therefore, the Food Sub-Com. recommends approving the proposal that the full retail price of 15.00 lire per liter be paid by the consumer.

W.J. LYON 447
Colonel
Director, Food Sub-Commission

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

Tel. 497

HEADQUARTERS
ALLIED COMMISSION
ECONOMIC SECTION

AMG 394

HH/ent

HH/ll

1 November 1944

SUBJECT:

TO : Members of Price Group
Agriculture S/C
Commerce & Industry S/C
Finance S/C
Food S/C
Labor S/C ✓
Transportation S/C

1. Since our meeting on October 30, 1944, some data has been submitted by Major Ebmarth which purports that the distribution costs for Nazionali for the City of Naples are as follows:

Collection in the various production centers, transport to nearest rail station, trucks, etc	L 50.
Unloading & loading expenses at rail station	L 25.
Interest on invested capital (granted by the Ministry Cpl. 5) per quintal & month	L 13.
Overhead expenses	L 40.
Distributing expenses (filling of drums, loading, etc.)	L 65.
Unforeseen expenses & risks	L 50.
Total	L 243.

Oil produced in Apulia was handled for 240 lire per quintal.

2. These data also shed additional light on the functions of the Italian Government operating through the Consorzi Agrari in the collection or marketing of olive oil in the two areas of Apulia and Calabria.

In Apulia, the actual expense is reported to be 118 lire per quintal.
In Calabria, 80 lire per quintal.

Interest is included in the above figures at 4-1/2% for four months on oil costing 2,500 lire. With the increase in the price of oil, this interest charge would, of course, be higher. Since these figures are so much lower than the suggested 400 lire per quintal as suggested in our last meeting,

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

Members of Price Group

I am deferring final action pending further discussion of the handling margin for olive oil before making a recommendation to the Acting Chief Commissioner.

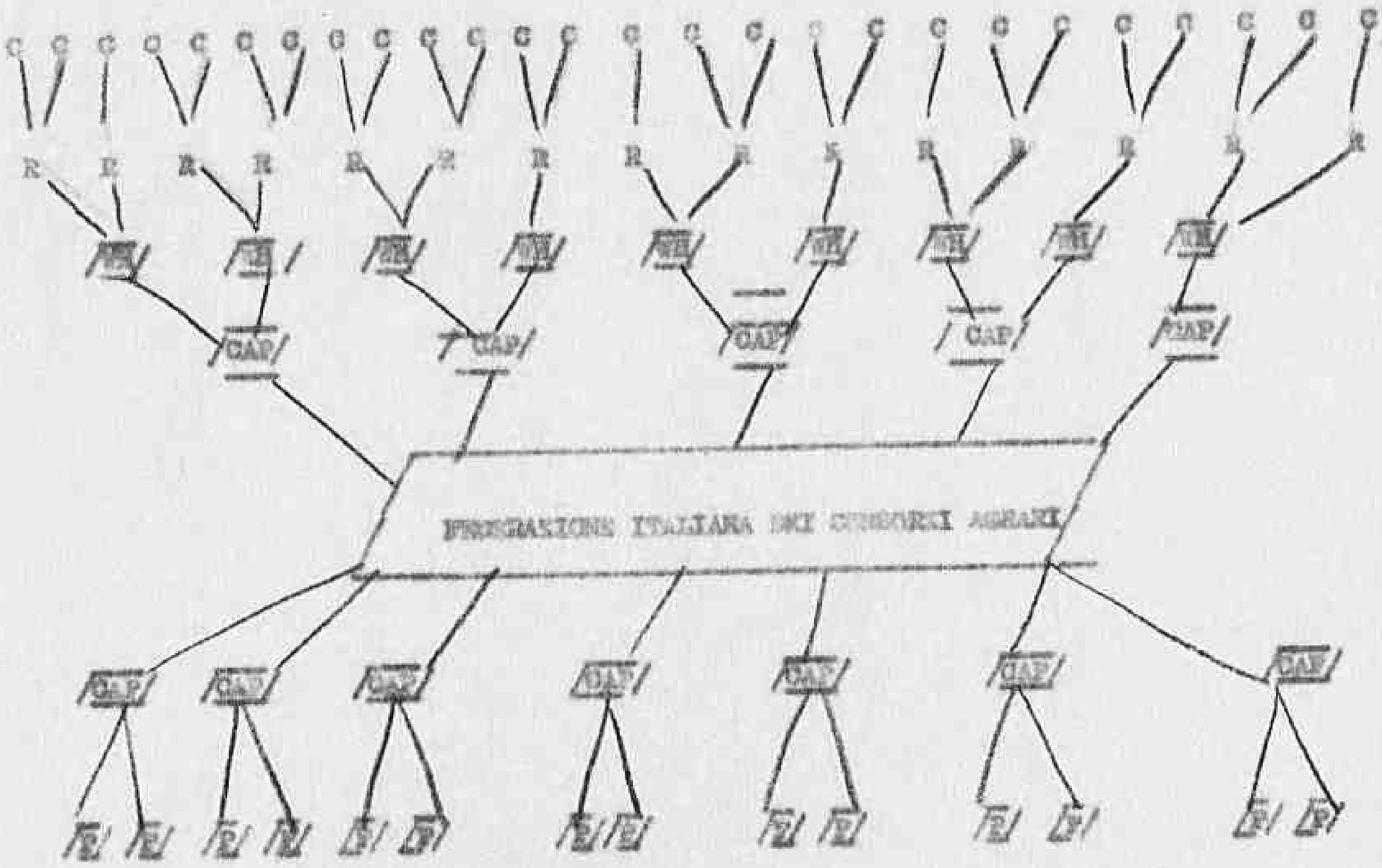
Babbin

Henry H. Balden
Staff Officer
Economic Section

Attachment
(Chart)

cc: Files

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



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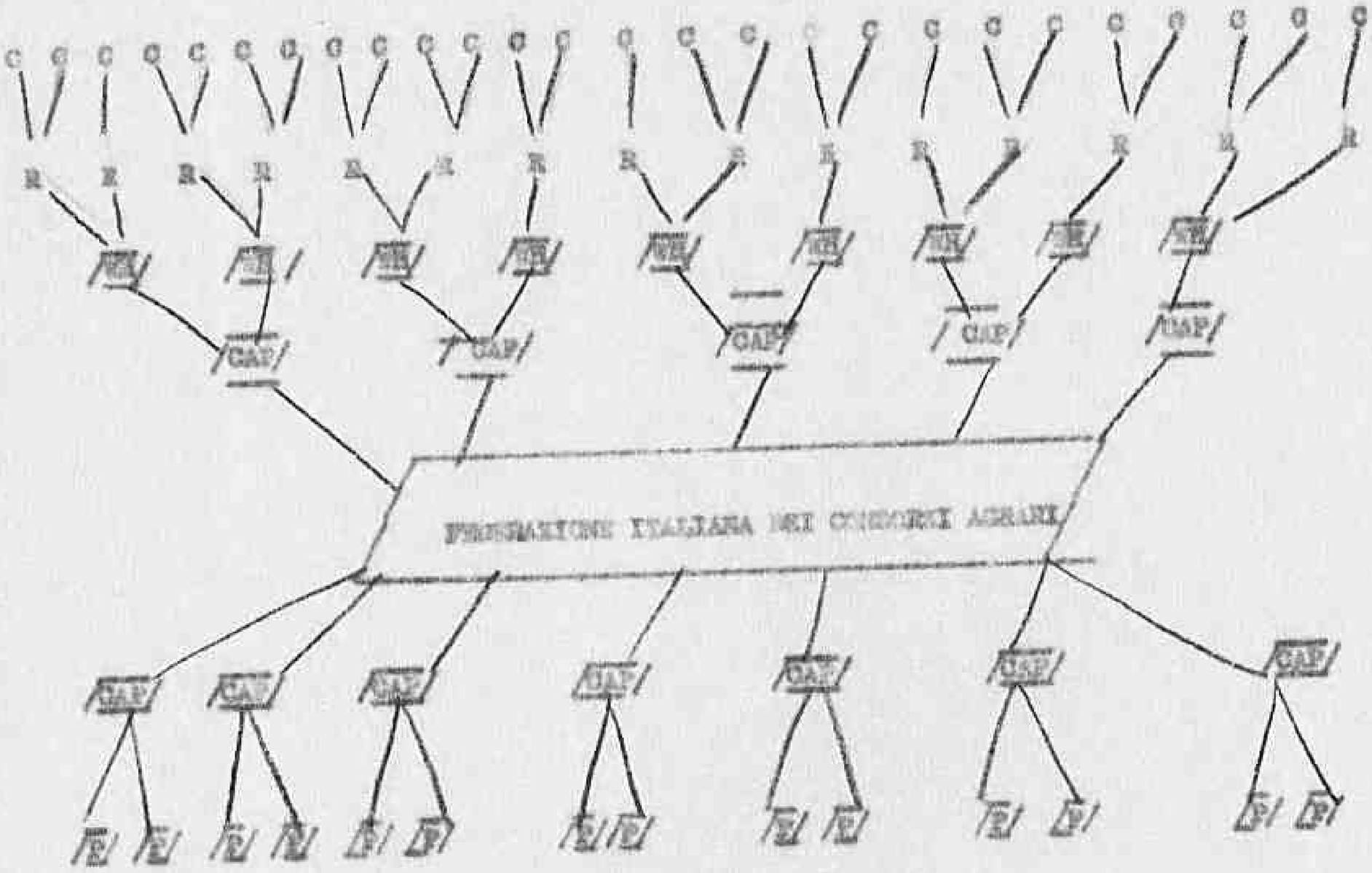
Key:

C - Consumer
R - Retailer
Wh - Wholesaler
CAP - Consorzio Agrario Provinciale
F - Producer

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



5386

Key:

C - Consumer
R - Retailer
Wh - Wholesaler
CAP - Consorzio Agrario Provinciale
F - Producer

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

COPY

HEADQUARTERS ALLIED COMMISSION
APO 394
Agriculture Sub-Commission

30 October 1944

AGR/ 502.6
TEL: 478208

SUBJECT: Price of Salted Fish and Tuna in oil

To : Economic Section (Att.Mr.Henry H.Bakken)

1. Reference:

a) Draft of a dispatch to Sicilia Region, dated 6 Sept. 44; copy attached;
b) Our letter to the Economic Section 26 August 44 (AGR/502.5) copy attached.

2. In order to eliminate unscrupolous speculation and to provide food to the needy at an adeguate price, this Sub-Commission proposed a set of prices on salted fish and tuna that wholesalers, importers, jobbers,etcshould pay at the place of production. These prices were communicated to the Economic Section in reference (b)

3. In order to put the price in effect this Sub-Commission drafted a dispatch, see reference (a), to be sent to Sicilia Region. This dispatch was never sent because neither the Economic Section nor the Food Sub-Commission approved it. As a result the price was never controlled at the site of production. The retail price of salted fish and tuna in oil in Rome and in other consumers centers continued to rise. The wholesale price at the place of production rose correspondingly. The newly formed Consorzio CAPAI paid the following prices just recently in Sicily:

Tuna in oil	450 to 460	per kilo
Mackerel in oil	330 to 340	" "
Bruzzomaglia in oil	250	" "

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

These prices notwithstanding reference (a) and (b) and notwithstanding conversation on the subject with the heads of CAPAI and SEPRAL and Lazio Region authorities.

4. The producers in general in Sicily now may not be willing to sell at the prices suggested in reference (a) and (b), yet the Fisheries Division canno justify higher prices. As a matter of fact the first lots of tuna in oil, for instances which was brought to Rome was bought for 190 and 200 lire kilo in Sicily.

5. Dealers, who agreed to ship at the prices indicated in reference (b), will send here 50 tons of salted anchovies at 75 lire kilo as soon as transportation is made available. That to prove that the merchandise can be sold at the prices suggested.

6. This Sub-Commission once again recommends the prices contained in reference (a) and (b) and requests that a retail price be set by Regional authorities on the basis of the prices at the place of production.

E.C.V. MULLINNI
Lt.Comdr.USCGR
Chief Fisheries Division

DISTRIBUTION:

1. Economic Section
2. Files

1862

Declassified E.O. 12356 Section 3.3/NND No. 786021

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission

BCFM/ec

26 August 1944

AGR/ 502.5
TEL: 478208

SUBJECT: Export of Fresh and Salted Fish from Sicilian Waters to Rome.

To : Economic Section ACC (Att. Gen. O'Dwyer)

1. In company with a representative of the Ministry of Agriculture, Lt.Comdr. Mulieri, Chief of our Fisheries Division, made the following arrangements to transport fersh and salted fish to Rome from Sicily and from the Island of Lampedusa.

FRESH FISH

A. Several leading producers in the Palermo area have agreed in writing (please see attached copy of the agreement) to furnish Rome with an average of eight tons of fresh fish weekly at the following prices, which are FOB Anzio:

First grade	100 lire	per kilo
2nd "	65 "	" "
3rd "	50 "	" "

B. Selected three fishing schooners to transport the product as they are especially fitted for the work. They are:

Cuore di Gesù
San Giuseppe
Nuova Maria

C. The operations office at the U.S. Naval Operating Base, Palermo, will cooperate in giving the schooners the most direct routing to Anzio. The suggested route was Palermo - Lipari Island, Vibo Valentia - Naples Anzio.

D. The High Commissioner in Sicily was contacted and

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

be approved the plan both for fresh and salted fish. He will bring pressure to bear to furnish all the necessary ice.

E. The actual fish transport service for Rome can be started within the next 10 days to two weeks.

WHAT IS NEEDED

1. Sufficient quantities of fuel (nafta) for the fishing boats which will work exclusively for Rome. Eighty tons a month will have to be available at Palermo in addition to the regular allowance.

2. The above mentioned vessels which will transport the fish to Anzio are fishing vessels but Cogoni has been giving them transport permits. This practice must cease immediately. The owners of the boats have been contacted and they are willing to put their craft to fishing. These vessels must not be requisitioned for the time being. However, to insure a continuous service and to increase the tonnage to Rome the Italian Navy will be requested to derequisition 3 other larger fishing vessels which were taken over several years ago.

3. The ice plant at Palermo must be furnished additional quantities of ammonia to insure a continuous supply of ice.

SALTED FISH

1. A tour of the western half of the Island of Sicily revealed that there are available for Rome at least 2000 quintals of salted fish; anchovies, sarde, mackerels, and sauri.

2. Palermo interests contacted will furnish the product at the following prices, FOB, vessel, at the port of embarkation in Sicily:

Anchovies (tubs or cans)				70-75	lire kg.
Mackerels	"	"	"	70-75	" "
Sarde	"	"	"	50-55	" "
Sauri	"	"	"	25-30	" "

1864

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

SEPRAL Rome, has paid in the past as much as 135 lire kilo, Naples. The retail price later reached as much as 290 lire kilo, an exaggerated mark up.
With the prices quoted above, salted anchovies should retail in Rome at no more than 120;lire kg. which would be a noticeable drop from 290 lire kg.

3. If a further reduction in price is desired it is suggested that Annona, Rome, be allowed to make direct purchase and then distribute the salted fish by the rationing system.

4. The Italian authorities with whom the arrangements were made are waiting orders to start the export of salted fish. The fresh fish program cannot go in effect before 10 days to 2 weeks.

5. Immediate action and approval is requested.

W.A. HARTMAN
Lt.Col.
Director

DISTRIBUTION:
1. Economic Section
2. Ministry of Agriculture (Att.S.E. Bergemi)
3. Regional Commissioner Region IV (Att. Major Cate)
4. Food Sub-Commission
5. Files

ACC REGION ONE

HQ ACC

Restricted

2851

Routine

6 Sept.44

Agriculture Sub-Comm.

SHIPMENTS OF SALTED FISH FROM SICILY TO THE MAINLAND BY SCHOONER OR OTHERWISE WILL NOT BE AUTHORIZED EXCEPT UNDER FOLLOWING CONDITIONS PD PAREN TO REGION ONE FROM HQ ACC SIGNED STONE PAREN THAT SALTED ANCHOVIES IN BARRELS OR TIN CANS BE SOLD AT SEVENTY TO SEVENTY FIVE LIRE KILO PD SALTED SARDE FIFTY TO FIFTY FIVE LIRE KILO PD SALTED SAURI TWENTY FIVE TO THIRTY LIRE KILO PD ALL PRICES FOB PORT OF EMBARKATION SICILY PD PRICE OF TUNA PACKED IN OIL TWO HUNDRED FORTY LIRE PER KILO PD DISSEMINATE THIS INFORMATION TO CORUNA SICILY AND TO ITALIAN PORT AUTHORITIES PD ADISE THIS HQ WHENEVER SHIPMENTS ARE AUTHORIZED BY FURNISHING NAME OR SCHOONER PORT OF DESTINATION QUANTITIES LOADED PD

Declassified E.O. 12356 Section 3.3/NND No. 786021

SHIPMENTS OF SALTED FISH FROM SICILY TO THE MAINLAND BY SCHOONER OR OTHERWISE WILL NOT BE AUTHORIZED EXCEPT UNDER FOLLOWING CONDITIONS PD PAREN TO REGION ONE FROM HQ ACC SIGNED STONE PAREN THAT SALTED ANCHOVIES IN BARRELS OR TIN CANS BE SOLD AT SEVENTY TO SEVENTY FIVE LIRE KILO PD SALTED SARDE FIFTY TO FIFTY FIVE LIRE KILO PD SALTED MAURI TWENTY FIVE TO THIRTY LIRE KILO PD ALL PRICES FOB PORT OF EMBARKATION SICILY PD PRICE OF TUNA PACKED IN OIL TWO HUNDRED FORTY LIRE PER KILO PD DISSEMINATE THIS INFORMATION TO COMENA SICILY AND TO ITALIAN PORT AUTHORITIES PD ADVISE THIS HQ WHENEVER SHIPMENTS ARE AUTHORIZED BY FURNISHING NAME OR SCHOONER PORT OF DESTINATION QUANTITIES LOADED PD

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

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CONFIDENTIAL

Labour 3b 8619

FOR INFORMATION ONLY

ACC MAIN COMMERCE FOR EVANS

NM/21

MOTTON ACC SILK CONTROL REGGIO

SCM/29

IMPORTANT .471

Oct 200648

CONFIDENTIAL. Owing to rumours of impending Govt decree increasing industrial wage cannot fix firm silk reeling price with filatures. Will you contact ACC LAG one Subcommission and provide us immediately full information on subject.

FIST

Act-Commerce (2)
Inf- Mec
Econ Sec
Labour
File (2)
Fleet

HEADQUARTERS
SECRETARIAT
A.C.C.

CONFIDENTIAL

No 5379

October 210915

1868

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

JGB

H.Q. A.C.C. ECONOMIC SECTION

19/8/44
(Date)

From		To
X	ECONOMIC SECTION	
	AGRICULTURE	
	COMMERCE	
	FINANCE	
	FOOD	
	INDUSTRY	
	LABOUR	X
	PUBLIC WORKS & UTILITIES	
	REQUISITION DIVISION	
	TRANSPORTATION	
	Attn: Major Babcock	
	SECRETARY GENERAL	
	EXECUTIVE COMMISSIONER	
	BRANCH	
	ADMINISTRATIVE SECTION	

For: Signature
Remarks/Recommendation
Information
Approval/Disapproval
Appropriate Action
Investigation & Report
Noting and Return
Noting and Retention
Dispatch

Remarks:
For consideration at Price Sharp meeting at 5.30 pm today.

J.H.B.

File

1869

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

fin. 471
T:61/com

HEADQUARTERS
ALLIED CONTROL COMMISSION
AGRICULTURE SUB-COMMISSION
APO 394

13 October 1944

Tel: 479709
AGR/235.23

SUBJECT: Price of Nitrogenous Fertilizers

TO : Economic Section. Attention: Mr. Baldwin

1. Five types of nitrogenous fertilizers are available for distribution in Italy, to supply each province with about 50% of its normal fall requirements. The time has come when a price must be established in order to have the material freely moved from point-of-consumption warehouses to farmers. It is therefore requested that the following basis for establishing a price be considered, and a decision reached at the earliest possible time.

2. 50% of the fertilizer is imported ammonium nitrate. The remainder is located at Terni, with small quantities at Crotone and at certain of the factories which are being liberated from time to time. The stocks in general represent material produced in the latter part of 1943. which could not move to market because of destruction to rail facilities. It is therefore recommended that a price be determined by this Headquarters and submitted for concurrence by the Ministry of Agriculture.

3. Early in August the Soc. Terni submitted cost data requesting approval of considerable increases due to the fact that during the producing period they were forced to use trucks in lieu of rail, charcoal in lieu of coal, a power supply often interrupted, irregular daily production, and rising labor costs. It is felt that their cost figures are reasonable, carefully considered, and that the requested price is the minimum acceptable to them. However, in view of the fact that the Ministry of Agriculture normally establishes prices for fertilizers, it is considered advisable to grant a surcharge to cover exceptional expenses, rather than granting an increase in the base price. This will result in a cost as outlined below, at the factory:

	Ammonium Sulphate	Calcium Nitrate	Ammonium Nitrate	Calcium Cyanamide
Base Price in Lire (1943)	148.40	163.46	153.46	154.05
Surcharge	144.60	126.04	124.04	85.95
	293.00	289.50	277.50	240.00

4. The Federation of Consorzi Agrari, the channel through which these fertilizers normally move to the consumer, has prepared data upon which to base the price to the farmer at point-of-consumption railhead. This includes the expenses of the Consorzi Agrari Provinciale, but does not include the expenses of distribution from railhead to consumer. The cost of transportation in the province is highly variable and extremely high in

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

many provinces. Therefore, it is considered inadvisable to include this transportation charge in the selling price. Rather, it is preferable to permit the farmers to furnish their own transportation if possible, otherwise to have the transportation costs added to the selling price.

5. The Federation of Consorzi Agrari requests approval of distribution charges as follows:

a. Sales tax ranging from 8 to 10.35 lire, based on the factory cost of the fertilizers.

b. An average transportation cost of 39.25 lire per quintal, based on prevailing rail tariffs, except for 3 provinces not served by rail, where transportation to the provinces will have to be made by lorry.

c. 3% shrinkage or loss in transit, which figure is based on experience in moving materials of this type, and is considered reasonable.

d. A 1% charge for insurance of the goods in transit and in storage awaiting purchase. This expense seems justified in the light of rather extensive theft and misdirected shipments.

e. Expenses of financing, and interest, computed at 6% for 45 days (1.25%), which is justified by the fact that payment to Soc. Terni is made at time of shipment, well in advance of sale to farmers.

f. Compensation for distribution, by the Federation and Consorzi Agrari Provinciale, computed at the rate of 10% of the base cost plus charges outlined in (a) to (e) above. This is considered justified by the increased cost of labor of loading and unloading, and the general increase in operating overhead.

6. The price of the several types of fertilizers, delivered at all provincial rail stations, would therefore be as follows:

Ammonium Sulphate	404.60
Calcium Nitrate	398.85
Ammonium Nitrate (15%)	383.85
Calcium Cyanimide	357.30

7. The landed cost of imported ammonium nitrate, 33/35%, is 960 lire per quintal, and while last spring it was considered impracticable to add the costs of distribution to this high base price, it is now considered advisable to change the price to permit payment of landed cost price, adding the same freight and handling charges as are indicated above, which would result in a sale price to the Federation of Consorzi Agrari of 960 lire, and a sale price to the grower of 1,165 lire, at point-of-consumption railhead.

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Declassified E.O. 12356 Section 3.3/NND No. 786021

using the same bases of computation except omitting the sales tax which is not applicable to imported supplies.

3. These prices represent sharp increases in the cost of nitrogenous fertilizers, and should be viewed with due regard to the probable influence on the price of wheat next year. Prices of fruits and vegetables are now so high that this price of fertilizers could have no possible influence on them. As has been stated, approximately 50% of the fall requirements will be supplied from these stocks, and planned imports will supply an equivalent amount of ammonium nitrate for the spring campaign. It has been suggested that the effect on the price of wheat is therefore cut in two, and no farmer should be in a position to spend over half the full amount per hectare for fertilizer.

4. It is requested that these prices be approved, and that they be made applicable to all existing stocks of fertilizer of the same type, wherever located, with new prices to cover fertilizers manufactured when the industry commences normal production.

[signature]
Major Gov.
Dairy Agriculture Supply Section

Distribution:
Members of Price Committee
Agriculture Files

1872

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

7th Floor - Room 8

HQ A.C.C. ECONOMIC SECTION

18 October 1944
(Date)

From		To
X	ECONOMIC SECTION	
	AGRICULTURE	
	COMMERCE	
	FINANCE	
	FOOD	
	INDUSTRY	X
	LABOUR	
	PUBLIC WORKS & UTILITIES	
	REQUISITION DIVISION	
	TRANSPORTATION	

Attention: Major J. O. Babcock

	SECRETARY GENERAL
	EXECUTIVE COMMISSIONER
	BRANCH
	ADMINISTRATIVE SECTION

For:	
	Signature
	Remarks/Recommendation
	Information
	Approval/Disapproval
	Appropriate Action
	Investigation & Report
	Noting and Return
	Noting and Retention
	Dispatch

Remarks: There will be a meeting of the Price Group, Thursday Oct. 19 at 2:30 p.m. in Room 36 - 6th Floor. The prices of rough and polished rice, silkworm cocoons and salt are to be considered.

Henry H. Bakken

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

file 071

RG/sr

HEADQUARTERS
ALLIED CONTROL COMMISSION
AGRICULTURE SUB-COMMISSION
APO 394

AGR/234.76 14 October 1944

SUBJECT: Price of cocoons.

TO : Economic Section, Price Committee.

1. The price proposed by the Italian Ministry of Agriculture for the 1944 - 1945 silk worm cocoons is included in this letter. The price has been reviewed by the Agriculture Sub-Commission and is recommended for approval. The proposed increase is in accord with the price rise of wheat taking both 1938 price and 1942-1943 as basis for comparison.

2. The price proposed for silk is not high enough to encourage any increase of production. The production of silk has decreased in Southern Italy according to Italian officials because other crops have proved more profitable. It was also pointed out that many of the mulberry trees have been cut down which was a source of food for the silk worms. Farmers in general have lost interest in silk production. Any considered increase in silk production would require at least two years to produce mulberry seedling for forage for the silk worms. In view of the competition of other fibers it seems unwise to encourage expansion of the silk worm industry in southern Italy by a greatly inflated price.

3. Prices paid in former years for yellow cocoons and proposal 1944-45 price:

1938 - 1000 £ per qtl. for yellow cocoons
1942-43 - 2500 " " " "
1944-45 - 7000 " " " "

Yellow cocoons are the most prevelent type produced.
Prices paid in former years for white cocoons and proposal 1944-45 price:

1942-43 - 2750 £. per qtl. for white cocoons
1944-45 - 9100 " " " "

White cocoons produce a higher quality silk.

./.

Declassified E.O. 12356 Section 3.3/NND No. 786021

Price of Coconuts.- Cont'd.

4. Silk production has been practically abondoned in Campania in recent years the main producing area has been in Calabria in Southern Italy.

5. The proposed price is for silk produced in occupied Italy.

W.A. HARTMAN
Lt. Colonel
Director

Distribution:

Labor Sub-Commission
Finance Sub-Commission
Food Sub-Commission
Agriculture Sub-Commission
Economic Section- Price Committee Chairman
File

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

COPY

Ministero dell'Agricoltura e delle Foreste
Direzione Generale della Tutela
Economica dei Prodotti Agricoli
- R O M A -

Roma, 27 Settembre 1944

Prot. N°6586 - Posiz. 23/B
oggetto - Ammasso bozzoli campagna 1944/45
All'Istituto Bacologica per la Calabria - COSENZA

e per conoscenza.
ALLIED CONTROL COMMISSION AGRICULTURE -SUB COMMISSION - ROMA

AL MINISTERO INDUSTRIA COMMERCIO E LAVORO - ROMA

ALLA FEDERAZIONE ITALIANA DEI CONSORZI AGRARI - ROMA

La Federazione Italiana dei Consorzi Agrari, ha chiesto a questo Ministero di fissare il prezzo di vendità dall'Industria dei bozzoli a fresco, prodotti nelle provincie di Cosenza, Catanzaro, R. Calabria e Messina, nella campagna 1944-45 e delle eventuali rimanenze delle prededenti campagne, al prezzo base già stabilito dai decreti prefettizi delle suddette provincie e cioè:

- bozzoli reali gialli, categoria 1^ £. 70 al Kg.
  " " " " 2^ " 65 " "
  " " bianchi " 1^ " 90 " "
  " " bianchi " 2^ " 85 " "
- scarti gialli (doppi e scarti generici) £. 40 al kg.
  " bianchi(" " ") " 50 " "

Tenuto conto degli elementi trasmessi da codesto Istituto, circa la situazione degli ammassi bozzoli nelle provincie in parola, si autorizzano codesto Ente a procedere alla vendita dei bozzoli di cui trattasi, ai prezzi base sopra specificati; detti prezzi dovrano essere maggiorati delle effective spese sostenute dai Consorzi e dalla loro Federazione, per il controllo effettuato nella campagna 1944, nonchè dell'ammontare degli interessi bancari, delle spese di acquisto dei fogli bancari, ecc. e di un'aliquota di compenso per detto Enti ammassatori di £. 0,40 per ogni chilogrammo di bozzoli a fresco, in modo da chiudere in pareggio la relative gestioni di ammasso, dopo effettuata la liquidazione finale ai conferenti, come praticato negli anni passati.

N. 5371

IL MINISTRO
F/to Fausto Gullo

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

TRANSLATION - C O P Y

MINISTRY OF AGRICULTURE AND FORESTRY
Direzione Generale della Tutela
Economica dei Prodotti Agricoli
- R O M A-

Rome, 27 September 1944

Prot. N°6586 - Posiz. 23/B
SUBJECT - Cocoons ammassing 1944/45 Campaingn

TO : Istituto Bacologico per la Calabria - COSENZA

and for Information: ACC. AGRICULTURE SUB-COMMISSION-ROME
AL MINISTERO DELLA INDUSTRIA COMMERCIO E LAVORO ROME
ALL'UFFICIO NAZIONALE STATISTICO ECONOMICO DELL'AGRICOLTURA - ROME
ALLA FEDERAZIONE ITALIANA DEI CONSORZI AGRARI ROME

The Italian Federation of the Consorzi Agrarin asked to this Ministry to fix the selling price for the Industry of fresh cocoons produced in the provinces of Cosenza, Catanzaro, R. Calabria and Messina, in the 1944-45 campaign and of the eventual remaining stocks of proceeding campaigns, at the basic price, already established by the prefectoral decrees of the above mentioned provinces, that is:

- real yellow cocoons, category 1^ £. 70 per kg.
  " " " 2^ " 65 " "
- " white " " 1^ " 90 " "
  " " " 2^ " 85 " "
- yellow rejected(double &rejected gemric) £. 40 per kg.
  white " (" " ") " 50 " "

Taking into consideration the informations submitted by this Insitute, about the situation of ammassing cocoons in the mentioned provinces, your firm is authorized to proceed to the selling of cocoons in question, at the basic prices above mentioned; said prices must be increased by the effective expences subsatained by the Consorzi & by their Federation for controls effected in the 1944 campaign, as well as for banking interests, purchases expenses of (fogli bancari) and for a reward price for the ammassing firms of £. 0,40 for every Kg. of fresh cocoons, in a manner to square up the management of the relative ammassing administrations, after effecting the final liquidation to the conferrings as practised in previous years.

IL MINISTRO
signed: Fausto Gullo

5370

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

Labor - 1471
7th Floor Room 8

HQ A.C.C. ECONOMIC SECTION

13 October 1944
(Date)

From Chairman, Price Group	To
ECONOMIC SECTION	
AGRICULTURE	
COMMERCE	
FINANCE	
FOOD	
INDUSTRY	
LABOUR	X
PUBLIC WORKS & UTILITIES	
REQUISITION DIVISION	
TRANSPORTATION	
Major Babcock	X
SECRETARY GENERAL	
EXECUTIVE COMMISSIONER	
BRANCH	
ADMINISTRATIVE SECTION	
For: Signature	
Remarks/Recommendation	
Information	
Approval/Disapproval	
Appropriate Action	
Investigation & Report	
Noting and Return	
Noting and Retention	
Dispatch	

Remarks: There will be a meeting of the Price Group today at 2:30 pm, in Room 36-6th Floor, to discuss the following subjects:

Price of Rough Rice
Price of Peeled Tomatoes
Price of Milk (Rome)
Price of Salt
Inter-Ministerial Committee on overall price policy.

Henry H. Bakken

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

NWH/CC

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

AGR/232.16 — 12 October 1944

SUBJECT: Prices proposed by the Ministry of Agriculture for the 1944 rough rice crop.

TO: Price Committee, Economic Section.

1) Attached letter from the Ministry of Agriculture setting up proposed prices for the 1944 rough rice crop.

2) Compared with average price relationships between rough rice and soft wheat during the 4-year period 1936-1939, the proposed prices are high even in relation to the present fixed price of 900 Lire per quintal for soft wheat.

3) On the basis of normal rough rice-wheat relationship and the present fixed price of wheat, prices for the 1944 rough rice crop should be as follows, per quintal:

Unpolished rice	ordinary	L.570	(instead of the price proposed	L.660
"	super-ordinary	" 610	by the Ministry of Agriculture)	" 735
"	semi-fine	" 670		" 890
"	fine	")850		" 915
"	super-fine	") "		" 935

W.A.Hartman
Director
Agriculture Sub-Commission

copies to:
Food Sub-Commission
Finance "
Industry "
Commerce "
Transportation "
Labour "

Inclosure:
Letter of Minister of Agriculture

5368

1879

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

COPY

MINISTRY OF AGRICULTURE AND FORESTS

PROT. 8338

SUBJECT: Price for unpolished rice crop.

In letter 3061/14/B/3 of 21 July 1944, proposals have been submitted to the Hon. Sub-Commission of prices to be adopted for 1944 unpolished rice crop, which analogous to other products referred to in M.D. 28/6/44, should be - if rounded up- the following:

Unpolished rice	ordinary	Price	1938	£.	92	Price	1944	£.	660
"	" super ordin.	"	"	"	102	"	"	"	735
"	" semi-fine	"	"	"	124	"	"	"	890
"	" fine	"	"	"	127	"	"	"	915
"	" super-fine	"	"	"	130	"	"	"	935

Being under the necessity of ifixing said prices for the delivery of already available quantities we are awaiting a reply.

THE MINISTER.

Declassified E.O. 12356 Section 3.3/NND No. 786021

HEADQUARTERS
ALLIED CONTROL COMMISSION
AGRICULTURE SUB-COMMISSION
APO 394

AGR/ RSH/EP

12 October 1944

SUBJECT: Prices of peeled tomatoes destined to Allied Forces.

TO : Price Committee, Economic Section.

1. The attached letter of the Minister of Agriculture dated October 7, regarding proposed increase in the price of Sicilian peeled tomatoes, destined for the Allied Forces is submitted to you for consideration.

2. This Sub-Commission feels that the so-called costs of production indicated in this letter are unduly inflated.

R.A. HARTMAN
Lt. Colonel
Director.

Distribution:
Food Sub-Commission
Finance Sub-Commission
Industry Sub-Commission
Commerce Sub-Commerce
Transportation Sub-Commission
Labour Sub-Commission

Inclosure:
Letter of the Minister of Agriculture

5366

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

XX CRESEN

COPY

MINISTRY OF AGRICULTURE AND FORESTS

PROT. 7257

SUBJECT: Tomato prices destined for peeled production for Allied Forces.

The Prefecture of Palermo is notifying the Commission of the vote expressed by the Chmaber of Commerce for an encrease of the price for tomatoes destined for peeled production for Allied Forces, the price having been fixed in times past at £. 300 for each quintal.

The said Chamber of Commerce draws attention to the fact that this price is absolutely inadequate, as according to investigation made by the Chambern the cost of tomato production, supplied on the land, fluctuates about £. 4800 per quintal, as seen in the following list:

DATA REGARDING COST OF PRODUCTION OF TOMATOES ON THE SPOT.

Tumolo 1 (local measure) (m^2 1390) = Average production 5 tons.

Ploughing	£. 500
manuring	" 3000
chemical fertilizers	" 3000
transport of fertilizers	" 500
preparation of the soil	" 500
planting	" 200
mangling and putting the sticks	" 4000
cost of stocks (sfido)	" 2800
water	" 4320
sulphur	" 2000
crop	" 750
working of the soil	" 500
duty	" 2000
	24070 : 5 = 4,80

Moreover, the transport cost, which are not included in our list can be estimated about an average of £. 200 per quintal.

In submitting this question for consideration by the Hon. Sub-Commission we are awaiting to be informed of your point of view thereon.

5367

THE MINISTER

1832

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

Tel: 206

12 October 1944

400/45-1/2(OD)

SUBJECT: City of Rome Milk Prices

TO : Labor Sub-Commission, Agriculture Sub-Commission, Industry Sub-Commission, Commerce Sub-Commission, Transportation Sub-Commission, Finance Sub-Commission

1. The Ministero dell'Agricoltura e delle Foreste by memorandum of 28 September 1944 recommends increasing the price of milk in Rome from 11.40 lire to 13.90 lire per liter for the months of September, October and November. It further recommends that the total price be paid by the consumer. The recommendation of the ministry is based upon a request made by the Centrale del latte. However, a memorandum from the latter organization requests that the price be increased to 20.00 lire per liter, the entire amount to be paid by the Government.

2. Prior to August the price to consumers in Rome was 5.00 lire. With the approval of Region IV, the price was raised to 13.60 lire but in order to keep the price to the consumer stable, the difference of 8.60 lire was paid by the State. Beginning 15 August the price to consumers was increased to 7.00 lire thus reducing the contribution of the Government from 8.60 lire to 6.60 Lire. Attached is a table showing the distribution of the proposed prices in comparison with former and current prices.

3. The arguments of the Milk Central in favor of a price of 13.90 lire to the producer are:

a. The price of 8.70 lire paid at present to producers does not cover their costs. Therefore, some milk cattle are being slaughtered thus reducing the sources of supply. Other producers sell their product in the black market at 40.00 to 50.00 Lire to avoid sale at loss through the Milk Central.

b. The public is forced to buy in the black market at 40.00 or 50.00 lire about 20,000 liters per day which should be distributed through the Milk Central.

c. Cost of production is estimated to be at least 13.50 lire per liter during the winter season.

4. The proposed increase for the Milk Central is alleged to be necessary because:

a. Increases in salaries paid to the assemble staff necessary to weighing, filtering, cooling, pasteurizing, canning, bottling, analyzing, and distributing milk have materially increased costs.

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b. Increases in costs of materials and supplies used including fuel

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and cleaning materials have added to operating expenses.

c. Decrease in income due to relatively small quantity of milk being brought to Rome is not offset by decreases in operating costs.

5. The Ministry of Agriculture adds no arguments for increasing the price but merely endorses the position taken by the Milk Control. No reasons are given as to why the two proposals differ by 5.00 lire per liter.

6. The Milk Control recommends placing the entire cost on the consumer for the following reasons:

a. Even with an increase the price will be lower than black market prices and an increased supply will reduce the number who must now pay enormous prices.

b. The burden on the State is 100,000,000 lire per year for the City of Rome alone.

7. The Ministry of Agriculture contends that the burden added to each consumer would be small while the burden on the State budget would be quite large.

8. On the basis of the two presentations made in favor of increased prices, it is not clear as to whether the proposed increases are proportionate to the increased cost of production and cost of operating the Milk Control. Few facts were submitted in support of the conclusions reached. There is no explanation offered as to why the Ministry recommends a price of 15.00 lire per liter while the Milk Control proposes a price of 25.00 lire.

9. If, as the Milk Control alleges, the cost of production is at least 13.50 lire per liter, it is difficult to see how milk production will be increased by approving a price of 10.00 lire which is below cost or even of 13.50 lire which is no more than cost. It would seem that a black market price of 20.00 or 30.00 lire per liter would continue to attract those producers who now distribute through illegal channels. A reduction in the rate of loss would hardly suffice as a counter attraction.

10. The question relating to the contribution of the State toward the total price appears to be primarily one of financial policy for consideration by the Finance Sub-Commission. The Ministry of Agriculture does not indicate the views of the Ministry of Finance.

11. As the largest item in the total price is the amount paid to producers, the proposals should be considered by the Agriculture Sub-Commission.

12. The Food Sub-Commission recommends the following actions:

a. Request the Ministry of Agriculture to explain the discrepancy in the two proposals, i.e., one for an increase to 15.00 lire per liter and another for an increase to 20.00 lire.

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b. Request the Ministry of Agriculture to furnish more data concerning the cost of production.

c. Request the Ministry of Finance to express its views with respect to the contribution of the State.

d. Inform the Ministry of Agriculture and the Ministry of Finance that proposals for increases in prices to the consumer of 11% or 18% are not likely to receive favorable consideration by Allied Control Commission unless fully justified.

/s/ Hugo Mg

W. J. HUGO
Colonel
Director, Food Sub-Commission

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

COST RECIVE TABLE OF MILK TRADE IN ROME

	Prior to 1 Aug.	1 Aug. to 15 Aug.	Current	Fixed by Min. of Agric. and Forests	Proposed by Milk Central
To the producer	Lire 3.68	Lire 8.70	Lire 8.70	Lire 10.00	Lire 13.50
To the Consorzio Laziale	0.60	2.00	2.00	1.90	2.96
To the Milk Central	0.42	1.30	1.30	2.00	3.30
To the retailer	0.30	1.00	1.00	1.10	1.20
TOTAL LIRE	5.00	13.00	13.00	15.00	20.96
Paid by consumer	5.00	5.00	7.00	15.00	20.96
Paid by Government	-	8.00	6.00	-	

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[illegible] [illegible] OF MILK PRICES IN ROME

	Prior to 1 Aug.	1 Aug. to 15 Aug.	Current	Proposed by Min. of Agric. and Forests	Proposed by Milk Central
To the producer	Lire 3.68	Lire 8.70	Lire 8.70	Lire 10.00	Lire 13.50
To the Consorzio Latticio	0.60	2.00	2.00	1.90	2.00
To the Milk Central	0.42	1.30	1.30	2.00	3.30
To the retailer	330	1.00	1.00	1.10	1.20
TOTAL PRICE	5.00	13.60	13.60	15.00	20.00
Paid by consumer	5.00	5.00	7.00	15.00	20.00
Paid by Government	-	8.60	6.60	-	

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HEADQUARTERS
ALLIED CONTROL COMMISSION
FINANCE SUB-COMMISSION
REVENUE SUB-SECTION
APO 394

11032/F. 6 October 1944

SUBJECT: Salt Prices

TO : Joint Director,
Finance Sub-Commission.

1. In the attached undated letter, the Comparto Director of the State Monopolies requests approval of increased prices for salt as follows:

Description of Salt	Retail Prices in Lire per Kilogram: Prior to 15 Jan 44 (a)	From 15 Jan 44 (b)	Now proposed by Monopoly (c)	Counter proposed by Revenue S.S. (d)
Sale Comune	1.50	5.00	16.00	13.00
Sale Scelto	3.00	6.00	17.00	14.00
Sale Raffinato	3.50	8.00	20.00	16.00
Sale Raffinato	6.00	10.00	25.00	18.00
Sale Mixed	7.00	15.00	30.00	20.00

Note:- The last three varieties are not now in production and small stocks only of raffinato and raffinato are held. Mixed is non-existent.

2. The figures submitted in support of the request are based on a per capita annual consumption of four kilos as against six in peace-time, by an estimated population of twenty-two and half millions in territory now liberated. The present actual consumption is restricted by lack of transport from works to consumers to barely half that quantity. For the fiscal year 1944/45 the expenses are estimated, by the Monopoly, at 595 1/2 million lire, which, assuming a sale of 98.000 metric tons, would average 5.84 lire a kilo.

Without considerable research, it is not practicable to verify these estimates precisely, but, from such figures as have been seen by us, the degree of exaggeration appears unusually modest and is probably less than 20%. In view, however, of the deteriorating availability of transport, it is unlikely that more than 70.000 tons will be distributed in 1944/45, and the cost per kilo on this figure would be nearer 7 lire. The estimates of freight costs are based on actual costs recently incurred, but rail charges at half a lire a ton are purely hypothetical as no such charges have yet been made, though presumably they will eventually be raised against the Italian Government.

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3. The gross receipts at current retail prices average 5.24 lire a kilo, on an estimated percentage sale of each variety of salt as follows:-

Description of Salt	Percentage Sale		Current retail price in lire a kilo		
Sale Comune	90	X	5	=	450
Sale Bollito	5	X	6	=	30
Sale Destinato Sabbiatura	3	X	8	=	24
Sale Raffinato	2	X	10	=	20
Sale Misto	Nil	X	15	=	-
				524	Average 5.24 lire a kilo.

4. Thus, at present, salt costs 5.24 lire a kilo and sells at 5.24 lire, a loss of over 10%, whereas, in peace-time, at least 75% of the gross receipts accrued to the State as tax and profit and provided a fairly appreciable revenue.

5. Certain communes have themselves collected salt from Monopoly works at costs ranging up to 20 lire a kilo, and have sold it at 25 lire. The public accepted this price without complaint. The black market price is about 300 lire a kilo.

6. The proposed prices appear excessive but, in prevailing conditions, there is justification for substantial increases which would cover costs and give the State a small revenue. It is suggested, therefore, that approval be given to the increased prices recommended by us in column (d) of the table in para. 1 above.

These increases would add less than 10 lire monthly to the cost of living of a family of four, and would divert to the state a portion of the money now spent in the black market.

A. J. BAKER, Major, R.A.,
Chief Revenue Officer.

COPY

AMMINISTRAZIONE DEI MONOPOLI DI STATO

Prot.N°_____ Roma addì_____19____

OGGETTO SUL SALE PER IL SIGNOR MINISTRO PRICE

Spese attualmente sostenute dall'Amministrazione dei Monopoli per la produzione e la vendita del Sale: (Esercizio Fin.1944-45)

A.	Manutenzione ordinaria e straordinaria delle Saline	L. 20.000.000
B.	Trasporti e indennità trasporti sali ai rivenditori (Vedi foglio allegato)	350.000.000
C.	Spese per la distribuzione e vendita	10.000.000
D.	Spesa per il personale impiegatizio di ruolo e non di ruolo	21.000.000.
E.	Paga operai	100.000.000
F.	Pensione operai	5.000.000
G.	Assistenza medica e refezione calda	5.000.000
H.	Guardia di Finanza	8.000.000
I.	Spese generali varie	6.000.000
	TOTALE	525.000.000

E pertanto una spesa media per il Sale di circa L.6 al Kg. tenuto presente che si provede, come dal foglio allegato, un consumo complessivo per tutto l'esercizio finanziario per le terre attualmente liberate di circa 90.000.000 di chili.

Se si tien conto che il sale viene venduto attualmente a L.5,00 al Kg., e che la spesa media del sale negli esercizi passati veniva a risultare di circa il 25% del prezzo di vendita ne risulta l'opportunità di aumentare l'attuale prezzo portandolo almeno a L.15;

IL SOTTOSEGRETARIO

Si chiede l'autorizzazione di elevare i prezzi dei sali come appresso:-

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Spese attualmente sostenute dall'Amministrazione dei Monopoli per la produzione e la vendita del Sale: (Esercizio Fin.1944-45)

A.	Manutenzione ordinaria e straordinaria delle Saline	L. 20.000.000
B.	Trasporti e indennità trasporti sali ai rivenditori (Vedi foglio allegato)	350.500.000
C.	Spese per la distribuzione e vendita	10.000.000
D.	Spese per il personale impiegati di ruolo e non di ruolo	21.000.000.
E.	Paga operai	100.000.000
F.	Pensione operai	5.000.000
G.	Assistenza medica e refezione calda	5.000.000
H.	Guardia di Finanza	8.000.000
I.	Spese generali varie	6.000.000
	TOTALE	525.500.000

E pertanto una spesa media per il Sale di circa L.6 al Kg. tenuto presente che si provede, come dal foglio allegato, un consumo complessivo per tutto l'esercizio finanziario per le terre attualmente liberate di circa 80.000.000 di chili.

Se si tiene ekx conto che il sale viene venduto attualmente a L.5,00 al Kg., e che la spesa media del sale negli esercizi passati veniva a risultare di circa il 25% del prezzo di vendita ne risulta l'opportunità di aumentare l'attuale prezzo portandolo almeno a L.15,

IL PRESIDENTE

5358

Si chiede l'autorizzazione di elevare i prezzi dei sali come appresso:-

Sale	comune	a Kg.	L.13
"	scelto	a Kg.	17
"	macinato	a Kg.	20
"	raffinato	a Kg.	25
"	nivco	a Kg.	28

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QUANTITIVO DI SALE CHE SI PREVEDE DI INTRODURRE DALLA SICILIA E SARDEGNA- ESCLUSA LA CALABRIA-NELL'ESERCIZIO 1944-45 : Tonn.45.000

Sale marittimo : Tonn. 45.000 x L.500.....L. 22.500.000

Trasporto ai Depositi fatto con ferrovia Tonn.45.000 x L.500..... 22.500.000

Trasporto dalle Stazioni al Deposito fatto con altri mezzi a L.800 la Tonn..... 36.000.000

Trasporto dal Deposito a Magazzino o Ufficio di Vendita con autocarri a L.2.000 la Tonn..... 90.000.000

Totale..... L. 171.000.000

Per un quantitivo di sale proveniente dalla Sicilia, da Lungo e da Margherita di Savoia da distribuire alla Calabria di Tonn.15.000 e portato a mezzo ferrovia Tonn.15.000 x 500..... L. 7.500.000

Trasporto dalle Stazioni ai Depositi a L. 800 la Tonn..... 12.000.000

Trasporto dai Depositi ai Magazzini o Uffici di Vendita : Tonn.15.000 x 2.000..... 30.000.000

Quantitivo che si prevede di introdurre da Margherita di Savoia per l'Italia liberata, esclusa la Calabria, a mezzo ferrovia : Tonn.30.000 x 500..... 15.000.000

Spese di introduzione dalla Ferrovia al Deposito a L.800..... 24.000.000

Trasporto dal Deposito ai Magazzini e Uffici di Vendita:Tonn.30.000 x 2.000..... 60.000.000

319.500.000

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Indennità ai Magazzinieri per l'intero quantitivo di Tonn.90.000..... 31.000.000

Totale Generale..... L. 350.500.000

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Ufficio di Vendita con automezzi a
L.2.000 la Tonn..... 90.000.000

Totale..... L. 171.000.000

Per un quantitivo di olio proveniente
dalla Sicilia, da Lungy e da Margherita
di Savoia da distribuire alla Calabria
di Tonn.15.000 e portato a mezzo ferro-
via: Tonn.15.000 x 500..... L. 7.500.000

Trasporto dalle Stazioni ai Depositi
a L. 800 la Tonn..... 12.000.000

Trasporto dai Depositi ai Magazzini e
Uffici di Vendita : Tonn.15.000 x 2.000..... 30.000.000

Quantitivo che si provvede di introdurre
da Margherita di Savoia per l'Italia
liberata, esclusa la Calabria, a mezzo
ferrovia : Tonn.30.000 x 500..... 15.000.000

Spese di introduzione dalla Ferrovia al
Deposito a L.800..... 24.000.000

Trasporto dal Deposito ai Magazzini e
Uffici di Vendita:Tonn.30.000 x 2.000..... 60.000.000

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310.500.000

Indennità ai Magazzinieri per l'intero
quantitivo di Tonn.30.000..... 31.000.000

Total Generale..... L. 350.500.000

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

Note for the Major W.E. Price concerning Salt.

Expense now paid by the Monopolies administration for the production and sale of salt. (Financial Year 1944/45).

(a) Normal and outstanding maintainance of salt mines	L.	20.000.000.—
(b) Transport charges and indemnity to retailers for salt transport (see annexe)	"	350.500.000.—
(c) Distribution and sale expenses	"	10.000.000.—
(d) Salaries (employees)	"	21.000.000.—
(e) Workers salaries	"	100.000.000.—
(f) Workers pensions	"	5.000.000.—
(g) Medical assistance and warm soup	"	5.000.000.—
(h) Guardia di Finanza	"	8.000.000.—
(i) Sundry general expenses	"	6.000.000.—
	L.	525.500.000.—

As it is expected a general consumption, in all freed Italy, of 90.000.000 Kilos of salt (see annexe) for the whole financial year, the average expense is of 6.- lire a Kilo.
Taking in mind that the salt is now sold at 5 lire a Kilo and that in the past financial years the average expenses on salt were of about 25% the sale price, it appears advisable to increase the salt sale price, and fixing it at 10 lire.

The Reggente
Tarantola

Quantities of salt expected to introduce from Sicily and Sardinia (excluding Calabria) during the financial year 44/45: Tons 45.000.-

Freight	Lire 500 x 45.000 Tons	L. 22.500.000.—
Railways for transport to deposits	Lire 500 x 45.000 Tons	L. 22.500.000.—
Cartage from Railways Stations to Deposits	Lire 800 x 45.000 Tons	L. 36.000.000.—
Cartage from Deposits to Warehouses and Uffici Vendita by Trucks	L.2000 x 45.000 tons	L. 90.000.000.—
		L.171.000.000.—

For 15.000 tons of salt from Sicily, Lampre and Margherita di Savoia and to be delivered in Calabria.

Railways	Lire 500 x 15.000 tons	5356 7.500.000.—
Cartage Stations/Deposits	Lire 800 x 15.000 tons	L. 12.000.000.—

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(h) Guardia di Finanza " 8.000.000.—
(i) Sundry general expenses " 6.000.000.—
L. 525.500.000.—

As it is expected a general consumption, in all freed Italy, of 90.000.000 Kilos of salt (see annexe) for the whole financial year, the average expense is of 6.- lire a Kilo.
Taking in mind that the salt is now sold at 5 lire a Kilo and that in the past financial years the average expenses on salt were of about 25% the sale price, it appears advisable to increase the salt sale price, and fixing it at 10 lire.

The Reggente
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Freight	Lire 500 x 45.000 Tons	L. 22.500.000.—
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Cartage from Railways Stations to Deposits	Lire 800 x 45.000 Tons	L. 36.000.000.—
Cartage from Deposits to Warehouses and Uffici Vendita by Trucks	L.2000 x 45.000 tons	L. 90.000.000.—
		L.171.000.000.—

For 15.000 tons of salt from Sicily, Lampre and Margherita di Savoia and to be delivered in Calabria.

Railways Lire 500 x 15.000 tons	L. 7.500.000.—
Cartage Stations/Deposits Lire 800 x 15.000 tons	L. 12.000.000.—
Cartage Deposits/Warehouses and Uffici Vendita Lire 2.000 x 15.000	L. 30.000.000.—

Salt expected to transport from Margherita di Savoia to freed Italy (Calabria excluded)

Railways Lire 500 x 30.000 tons	L. 15.000.000.—
Cartage Station/Deposits Lire 800 x 30.000 tons	L. 24.000.000.—
Cartage Deposit/Warehouses and Uffici Vendita Lire 2.000 x 30.000	L. 60.000.000.—
	319.500.000.—
Indemnity to the Warehousemen for the whole 90.000 tons	31.000.000
	L.350.500.000.—

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

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

LABOR SUB-COMMISSION
A.C.C.
Routing Slip

	Initials	Date
Colonel SMITH	JS	
Major BABCOCK		
Major SCICLUNA		
Capt. DORF		
Capt. TOPLISS		
Capt. SOLENBERGER		
Mr. CROSETTO		
Mr. SACHS		
Mr. DI FEDE		
Mr. CERRITO		
Chief Clerk		

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

HEADQUARTERS
ALLIED CONTROL COMMISSION
COMMERCE SUBCOMMISSION
APO 394

Ref. ACC/5032/3/Commerce

WEE/jfl

10 October 1944

SUBJECT: Price Regulation

TO : ~~Economic~~ Section

1. Reference Ministry of Industry, Commerce and Labour Letter of 16th September 1944, No. 1320, forwarded to this Subcommission for comment on Sept. 27th and returned herewith.

2. The Interministerial Committee for the regulation of prices, established by the Italian Government at the request of ACC has reached the conclusion that no national program for the regulation of prices can be effective as long as the following circumstances exist:

I. a) Depreciation of the Lira, mainly due to the circulation of A.M. lire and the spending power of Allied troops.

This is not a matter that comes within the province of the Commerce Subcommission.

b) Transport difficulties, both of passengers and goods, insufficient post and telegraph communication.

This is also a matter that does not concern this Subcommission.

c) Insufficient coordination of prices and of purchases by central and local Allied authorities.

This may be overcome if the Interministerial suggestion submitted in para. II a) is adopted.

II. The Interministerial Committee makes the following suggestions:

a) purchase by Allies

- For Italian administered territories institution of mixed commissions (Italian and Allied) to fix prices of certain products.

- For AMG territories, that the Allied Forces take the prices fixed in liberated territories as their basis, adjusting them to meet local conditions with the local Italian authorities. That

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

an Italian functionary be attached to Allied Military Forces to maintain liaison.

Commerce Subcommission is in agreement with these proposals but does not see the need of an Italian liaison officer.

b) The general policy on prices recommended by the Interministerial Committee is the following:

1) Limit the control and the price fixing of food to those of widest consumption for which both the control of collection and distribution are possible (grain and derivatives, maize, oil, fats, milk and derivatives).

2) Clothing: limit control to distribution of the most important, both as regards stocks and new production.

3) Industrial goods: fix prices and establish an efficient distribution.

4) Fix prices of raw materials essential to industries (fuel, metals, building materials, wool, fertilizers, etc.).

5) Control prices and tariffs of public services (gas, light, water).

6). Preferential transport and prices for supplies to cooperatives, industrial masses and shops, etc.

7) Make the local authorities (Chamber of Commerce, Industrial and Commercial Provincial Offices, Prefectures, Communes) responsible for the discipline and control of prices and distribution in the various spheres and within the limits laid down by the Government.

8) Issue instructions to the Prefectures so as to eliminate interprovincial obstacles.

9) Strict observance of regulations concerning sales (licenses, invoicing, regulation of consumption, issue new instructions if necessary).

The Commerce Subcommission is in agreement with all the suggestions made in para. 1 to 9 with the exception of para. 6) which lends itself too much to abuse.

III. The Interministerial Committee in submitting the above proposals makes them subject to the following action by ACC:

a) Coordination of prices to be established by the Allied Military Forces, Italian Government and local authorities defining the sphere of each;

Declassified E.O. 12356 Section 3.3/NND No. 786021

b) Organization of collection and distribution on the basis of quotas to be the responsibility of the Italian authorities whether national products or imported thus avoiding duplication or overlapping with ACC;

c) Limit purchases by the Local Resources Board to the minimum possible, especially avoiding uncontrolled direct purchases;

d) Establish a new basis for sea transport and increase the number of sailing ships available for Italian civilian transport;

e) In agreement with the Italian Government regulate prices of goods imported and exported in relation to local and international markets;

f) Assign a good number of Allied motor transport to certain agreed corporations;

g) Ensure a larger availability of railway trucks to the Ministry of Communications and a supply of tyres and spares for civilian motor transport;

h) Ensure abolishment of fuel and oil necessary for the complete utilization of water transport.

The Commerce Subcommission is in agreement also with the above suggestions.

Copies of this letter are being sent to all the Subcommissions of the Economic Section and it is suggested that a meeting be called in order that all may express their views and a decision be arrived at.

In view of the suppression of the Prime Section of the Commerce Subcommission recommended by the Hanpower Committee it is assumed that any further action in the matter and necessary coordination with the Italian Government will be taken by whatever Section will handle prices in future.

W. P. RYAN
Colonel
Director
Commerce Subcommission

copy to:
Industry S/C
Food S/C
F. W. & U. S/C
Agriculture S/C
Labour S/C
Finance S/C
Transportation S/C
File No. 5351

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

LABOR SUB-COMMISSION
A.C.C.
Routing Slip

From	To
Colonel BAIN	
Colonel SMITH	
Major BABCOCK	
Major ALBRIGHT	
Major SCICLUNA	
Capt. DORF	
Capt. TOPLISS	
Capt. GIAMMARCO	
Capt. SOLENBERGER	
Mr. CROSETTO	
Mr. SACHS	
Mr. DI FEDE	
Mr. CERRITO	
Chief Clerk	

REMARKS:

Declassified E.O. 12356 Section 3.3/NND No. 786021

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HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

Tel. 497

HHB/lml

23/41

2 October 1944

SUBJECT : Price Group Meeting.

TO : ~~xxxxxxxxxxxxxxxx~~
Finance S/C
Food S/C
Ind. & Com. S/C
Labor S/C
Legal S/C

Attention: Col. Bain

1. The Public Works and Utilities Sub-Commission has asked the Price Group to meet on Wednesday, 4 October at 15.00 hours in the Main Conference Hall, 3rd Floor, to discuss problems and policies in adjusting public utility rates.

2. The attached memoranda describe past procedures and policies of this Sub-Commission in determining rates.

Babben

Henry H. Babben
Staff Officer
Economic Section

Attachment - 1

Notes on Adjustment of Utility Rates.

4 Oct 44 — Capt. Taylor attending.

Decision of Price Group ~~Man~~ Legal Section to be guided by Col Bernonville on 5 Oct 44 with views of Public Utilities Section attached. Col Bernonville not then cont for comments, if any, from Legal S/C & from any other S/C interested.

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Declassified E.O. 12356 Section 3.3/NND No. 786021

ENCLOSURE (A)

NOTES ON ADJUSTMENT OF UTILITY RATES

26 Sep. 44

1. Brief History.

The overall problem of the fixing of Italian Public Utility service rates was discussed at considerable length at a meeting held by the Economic Section late in December 1943. At that meeting the Public Works and Utilities Sub-Commission was authorised to examine the rate structures of Undertakings desiring authority to augment their charges. On 28 Mar.44, the Director addressed a letter to the Vice-Presidents of the Economic Section, recommending that necessary adjustments should be effected by the application of approved temporary surcharges, and that the basic rates, statutorily fixed, should remain unchanged until such time as the economic situation might become sufficiently stable to permit of the establishment of new rates that could be expected to remain in force for a considerable time. These recommendations (including other proposals) were approved at a conference held by the "Price Fixing Committee" of the Economic Section on 3 Apr.44, and the Sub-Commission was authorised to settle rate adjustments accordingly. Since that time, and under that authorisation, the Sub-Commission has dealt with and settled many such cases.

2. Principles observed in deciding surcharges.

The following principles have been generally observed in calculating temporary surcharges:-

(a) The Undertaking to be assured of sufficient income to enable it to maintain its public service.

(b) The income of the Undertaking to be sufficient only to meet actual operating costs, including payment of interest on loans (e.g. debentures), no allowance being made for depreciation, amortization, the payment of dividends or of interest on bonds, or other expenses not essential to the immediate operation of the service.

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(c) The Undertaking's financial structure and its Balance Sheets for previous years should be taken into consideration in determining what should be its immediately essential income under (a) and (b) above.

3. Italian Decree.

A Decree was prepared in draft by the Ministry of Public Works but before it is finally approved by A.C.C., some Articles that it contains should be considered by all interested branches the most important point being the extent, if any, to which allowance should be made (in the fixing of the temporary surcharges) for the payment of interest and dividends, for depreciation, amortization and similar matters.

4. Other Points for Consideration.

(a) The respective responsibilities, after issue of the proposed Decree, of the Italian Ministry of Public Works and the Allied Control Commission, in

(i) Italian Government Territory;

(ii) A.M.G. Territory.

e.g. should the A.C.C. exercise control over the adjustment of Utility rates, by the Ministry, in Italian Government territory? In this connection, a degree of uniformity is very essential.

(b) The legality, or otherwise, of imposing retrospective surcharges.

5. Recent Procedure.

In most cases during recent months, this Sub-Commission has, in the first place, required the Italian Ministry of Public Works to review applications for surcharges and to submit recommendations for our consideration. In all such cases, the Ministry's recommendations have been carefully reviewed, and in most cases they have been approved without amendment. Some of these, and also some of the earlier adjustments which were not referred to the Ministry, have involved the application of retrospective surcharges.

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If the Italian Govt. is not consulted and if they make no recommendation, it is then all too easy for the Public to be told that the Allies have ordered it and that it is their sole responsibility. The policy is to follow and endorse, where possible, the Italian Governments decisions.

7. Up to the present date, the P.A.C. & U. Sub-Commission has handled rate increase applications as follows:

Received	Deferred	Authorised	Under Review
42	2	22	18

8. General.

It is recognised that this question of allowing increased charges to large Public Companies such as gas, water and electricity, is one of absolutely major importance. These companies are in all cases, within their respective territories the holders of great monopolies. Any increase in the price of these things is likely to have considerable repercussion, not only in a domestic sense, but also on many industries, since these things are prime essentials. In countries such as England and, the U.S.A., any revision in the charges levied by such monopoly Companies is subjected to an exhaustive examination, which in some cases may extend over weeks or months. Further (at any rate in England) Parliament laid it down as a general principle many years ago that as a Company increased in prosperity, and so paid increased dividends or increased its reserve funds, the price of the commodity to the consumer must be proportionately reduced. This kind of thing is obviously not possible at the present time in Italy and any action taken must be little more than a "stop-gap" applicable for a short period of weeks or months, and subject to review again at the end of that time. For this reason it is considered that no attempt should be made to alter or modify the basic rate structure. By this is meant differential rates for electricity for different purposes, differential rates to consumers of gas and water

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as apposed to small users, and so on. More revenue to any given Company being achieved by a mere, short term, temporary, overall surcharge.

9. There has been, and still is, a great volume of protest (Rome newspapers) about a suggested 180% increase in electricity costs.

G. E. Rhodes

G.E. RHODES
Lieut Colonel, R.E.
Acting Director.

26. 9. 44.

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

COPY ENCLOSURE (b)

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
APO 394

LAJ/mo

28 March 1944

ACC/054/PWU

Subject: Utility Rates.

To : V.P. Econ. Sec.

After prolonged study of all phases entering into or affecting utility rates this Sub-Commission has reached certain conclusions which are submitted herewith for consideration and approval so that we may now proceed along approved lines.

1. a. If rate increases are allowed today they are bound to be based upon estimated expenses and income, both of which are very apt to be quite different already in a few months, necessitating frequent revisions of rates so as not to have deficits or unduly high revenues.

b. Such a procedure would require a considerable staff, both at this headquarters and by the Ministry of Public Works, whose officials would be called upon to do much of the work in the Italian Zone. Neither we, nor the Italians, have a sufficient staff for such purposes, nor are we likely to obtain it in the future.

c. As utility rates should only be changed after serious study, any rate changes established now could only be considered as a temporary expediency subject to change, and, therefore, would add to confusion rather than avoid it.

d. Inequalities are bound to be introduced in trying to solve the problem of basic rates in Italy which never were reviewed here with the same scientific care as is done in the U.S. and U.K.

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e. One of our most important worries on this subject at the moment is in connection with electricity rates in Italian territory in view of the forthcoming plan for rationing electricity. If electricity is rationed, small companies in the South, who purchase their current, will have their revenues cut to a fraction of what they were and are bound to show high deficits.

f. Basic utility rates should be changed only upon extended and careful analysis, based upon some degree of economic stability.

2. In view of the present unstable condition, and in view of the above facts, we recommend that no change be made at this time in the existing utility rate structure. However, in view of the need of giving some assistance to these companies to meet monthly deficits, we ask approval of the following simple procedure:

a. Bills for utility services are rendered either every month, or every 2 or 3 months, therefore a simple analysis, requiring a very limited personnel, is possible every 2 months for certain groups, and every 3 months for those who bill quarterly.

b. These companies should render to us a sworn statement, or one certified by a public accountant, giving all revenues and all expenses, including overhead, pro rata share of taxes and interest on operational bank loans for the 2 or 3 months period as the case may be.

c. We to analyse these and then authorize the company to send out with the next bill to all users of services a surcharge statement, covering the deficit of the previous period, based upon a flat percentage of surcharge authorized by us on all classes of services, to be adjusted as required every 2 or 3 months, and added as a surcharge to the total charge for the period in question.

d. No allowance will be made for depreciation, interest on bonds or dividends. As to depreciation, since much plant has been destroyed any allowance would be based upon guesswork and in our opinion all depreciation and amortization and even interest

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on the bonds can wait until after the war when an overall settlement will have to be made.

e. The company would continue to render this essential service as it would be assured that all fair operating charges will be met.

f. No change would be made in the existing rate structure, unless, after may 6 months or more of adjustment, it is found that some reasonable economic equilibrium does exist and that a change in basic rates is then desirable and is apt to last for some time.

g. In this manner a complete periodic picture will be obtained including parent company and subsidiary relations, or the relations of distributors, who purchase wholesale, with the seller, and will permit of an adjustment of any unfair practices in this field.

h. Should any company show a drastic cut in revenues due to rationing or other war causes, then, a report can be made recommending a fair surcharge to be made against the consumer, and the balance to be covered by a Government subsidy.

i. Should any property appear out of balance with others of the same category a field survey of the property can then be made to determine the reason and corrective measures taken.

j. In order to show by some typical examples of how this may be effected we present the following cases, using factual data where obtainable and estimates where indicated:

a. Electric Properties:

1. Società Generale Pugliese di Elettricità.
2. Società delle Calabrie
3. Società Lucana per Imprese Idroelettriche.

(Subsidiaries of the Società Meridionale Elettricità, the large company serving most of southern Italy).

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b. Gas Properties:

1. Compagnia Napoletana d'Illuminazione e Scaldamento col Gas.

c. Water Properties:

1. Societh Acquedotto di Napoli.

4. The day before Mr. Gray left he discussed this matter with me and expressed general approval of the method of procedure proposed herein, but he suggested that it be brought to the attention of the "Economic Committee".

5. Will you, therefore, please arrange for a conference with this Committee so that this matter may now be settled at an early date.

L.A. JENNY
Lt. Col. C.E.
Director.

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COPY

ENCLOSURE (c)

HEADQUARTERS
ALLIED CONTROL COMMISSION
Economic Section
APO 394

HJW/cs

ES/41

15 April 1944

SUBJECT: Meeting of Price Group on Utility Rates, 3 April 1944.

1. The meeting was held in Col. Adam's office. The following were present:

Representing	Public Works	Lt.Col. Jenny
"	and Utilities Sub-Commission	Lt.Col. Lapper
"	Industry and Commerce "	Capt. Murphey
"	Finance "	Lieut. Hicks
"	Food "	Capt. Parker

2. The meeting was held to consider the attached proposal, prepared by the Public Works and Utilities Subcommission. Briefly, the proposal was:

(a) to postpone revision of the basic rates for electric power on the Mainland a nd for water and gas in the City of Naples until adequate records of operating costs are available, and

(b) in the meantime, add a surcharge to bills rendered at the end of each billing period, the surcharge being sufficient to cover operating expenses (excluding interest on long-term indebtedness and depreciation).

The main reason given for this interim arrangement was that if rates were determined now, they would have to be based on estimates of future costs, which under present conditions would inevitably be unreliable. As regards depreciation it was pointed out that with the properties in their present condition it would be extremely difficult to determine a proper allowance. Moreover, since utility properties can be amortized over a very long period of years, the accumulation of a reserve for depreciation can be suspended for a period of months without serious consequences. As to interest and dividends, it was proposed that a final settlement be postponed until after the war, since the greater part of the stockholders and bondholders are located in German-controlled territory or in Switzerland.

3. It was proposed by Lieut. Hicks that the Naples City taxes on gas and on electricity for cooking be increased. Lieut. Hicks believed that an increase in these taxes would help to retard inflation and could be justified on the ability - to - pay principle. Col. Adams directed the Finance and Public Works and Utilities Subcommissions to work together on this proposal so that an appropriate decree could be drafted. It was felt that the Legal Subcommission

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would have to determine whether the tax increase could be embodied in the decree which would implement the proposal regarding surcharges. It was felt that it would be desirable to avoid having consumers notified on two separate occasions that they would have to pay more for their electricity, water and gas.

4. Col. Adams pointed out two disadvantages in the surcharge proposal which he felt would make it undesirable except as a purely temporary, emergency measure namely:

(a) Consumers would not know in advance how much they would have to pay for their normal consumption of electricity, water or gas.

(b) Since the companies would always earn enough to cover operating costs, and never more, they would have no motive for economy of operation.

As regards the first point, it was agreed that the rate of surcharge should be announced for each billing period at the earliest possible date.

5. Col. Adams also expressed concern over the non - payment of interest on bonds. He directed that in drafting the decree no mention should be made of interest on bonds, or dividends, in order not to prejudice in any way the rights of bondholders or stockholders, in any future settlement.

6. Subject to the proviso mentioned in paragra ph 5, Col. Adams approved the proposal, on the recommendation of the Price Group.

H.J. Wadleigh
Secretary
Price Group.

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Tel. 489081 COPY Enclosure (d) LAJ/mc

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
APO 394

ACC/064/PWU 19 Sept. 1944

Subject : Utility Rates.

TO : Economic Section,
Attention: Col. DENSMORE.

1. In reply to the question put to me by you this morning as to the authority given to the Public Works and Utility Sub-Commission to settle utility rates, I wish to refer you to the following:

2. At a prolonged meeting held by the Economic Section late in December and early January 1944 the overall price fixing problem and its effect upon the economic structure of Italy were discussed at considerable length. The minutes of that meeting, page 3, Para 19-b, state as follows:

" Italian public utility service rates have been kept to artificially low levels. In some cases these rates can be raised sufficiently to eliminate the need for government subsidy without affecting appreciably the cost of living. With this in view, the Public Works Sub-Commission has been authorised to examine the rate structures of those public utility institutions seeking rate increases with a view to recommending such increases as are consistent with our overall efforts to retard inflationary price rises. "

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3. I wish to point out that it was the considered opinion of this conference group that such increases, as I proposed to make in the cost of utility services, would not appreciably effect the cost of living.

4. As this Sub-Commission was thus directed to handle utility rates it began its studies in considerable detail obtaining accurate information as to the status of various companies, the need for rate increases and what these increases should be.

5. On 28 March 1944 I addressed a letter to the Vice-President Economic Section on this subject. In that communication I pointed out that I did not consider it proper during the present uncertain economic status of Italy to change basic utility rates, but in view of the necessity of making some kind of increased allowance to the Utility companies, I recommended that a " surcharge " be allowed on bills rendered, using previously established basic utility rates.

6. On 3 April 1944 a Conference was held by the "Price Fixing Committee" of the Economic Section, at which this entire problem was discussed. Mr. Wadley was secretary of this Committee. The method of procedure proposed by the Public Works and Utilities Sub-Commission was approved. It was agreed that the problem of utility rate increases, under the method recommended, would not adversely affect the economic structure of Italy because these were tail end expenditures and not basic expenditures and, in fact, would only represent a very small percentage of a person's income.

7. The Public Works and Utilities Sub-Commission was authorised to settle utility rates in accordance with these approved principles. It was stated, however, that, should any exceptional case come before this Sub-Commission, where abnormal increases would have to be made, that the Public Works and Utility Sub-Commission should present such case for review to the Finance and Labor Sub-Commissions, so that a determination might be made whether or not a national subsidy should be granted the Utility company for a portion of the money necessary and the balance charged in the form of a surcharge to the public.

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8. This Sub-Commission has since that date settled numerous utility rates all over Italy and its authority to do so has never been questioned. We have had only one case where a 500 % surcharge was recommended in connection with the gas rate in Naples and this was submitted for review and it was agreed that, even at that rate, the economic structure would not be effected and that the people would, in fact, pay even less for this gas than they would for charcoal which they would have to use as a substitute fuel. In fact the Finance Sub-Commission representative wanted to increase also the present tax.

9. In every Monthly Report of this Sub-Commission we have referred to our activities in this field and, in some instances, we have given in tabulated form the number of applications received, the number of companies for either electricity, water or gas where we had authorised a surcharge to be made, and the number of companies still under consideration. At no time has anyone questioned our authority to do this.

10. As to the 180 % increase for electricity use in Rome, it must be clearly understood that the amount of current available to the people of Rome is so small, and they only receive current every fourth day, that the people of Rome would be willing to pay even more if they could have a normal supply of electricity. It must be made clear also that this small expenditure has no effect on the economic structure.

11. Just because some news-papers, who are always trying to find fault, have commented upon this and some people without proper knowledge of the basic facts appeared to be critical, does not seem to me to be justification for a change in policy.

12. It should be brought out also that all utility rates are now first reviewed by the Ministry of Public Works. This Ministry makes its recommendations to us on what the increases should be and, after carefully reviewing each case, we make the recommendation as to what the surcharge should be I wish to state that in most instances we have agreed with the recommendations of the Ministry.

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The Public Works and Utilities Sub-Commission has carried out all of its tasks in a careful and faithful manner, including the question of Utility rates. These have been handled in accordance with previously approved procedure.

13. If further written authority is needed to this Sub-Commission to continue to handle these rates as described above, we shall welcome such written authority, as it would strengthen our position.

L.A. JENNY,
Lt-Colonel, C.E.,
Director.

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

COPY

Enclosure (E)

Translation

PROPOSED DECREE AUTHORISING THE INCREASE IN RATES FOR WATER, GAS AND ELECTRICITY

UMBERTO DI SAVOIA PRINCE OF PIEDMONT
LIEUTENANT GENERAL OF THE KINGDOM

In virtue of the authority conferred on us,

Having seen the R.D. of March 11, 1943 N°100, by which are delayed, up to six months after the cessation of the present hostilities, the orders of R.D. of March 20, 1941, N° 142, regarding the price block for goods, civil building service, industrial plants, leases; and succeeding variations;

Having seen art. 18 of the law of January 19, 1939, n°129;

Considers that it is a condition due to the war;

Having seen the deliberation of the Council of Ministers; upon the proposal of the President of the Council, Prime Minister, Secretary of State and of the Minister of Public Works, in agreement with the Ministers of the Interior, of Justice, of Finance, of Agriculture, of Industry, of Commerce, of Transports;

WE HAVE DECREED AND DECREE :

Article I.

In derogation of the order of the only article of R.D. 11/3/1943 N° 100, and article 1 para A) of the R.D. 12/3/1941- N° 142, when the concerned companies are in financial difficulties, it is permitted to increase the rates in force on July 30, 1940 for the supply of water, gas, electric energy.

Article 2.

The revision of the list of rates will be made, upon the request of the company concerned, by the Prefect in whose district the company has their headquarters, if this company carries on their work only in one Province, and by the Minister of Public Works in every other case. 5333

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The Prefect shall decide, having heard the officials of "Genio Civile".

Claims are admitted against the deliberations of the Prefect and the Minister of Public Works, within ten days from the receipt of the communication, to the Central Commission mentioned in the art. 8 of the R.D. April 3, 1944, N° 95.

For the examination of the requests in question the composition of the above mentioned Commission shall be modified, putting back in place of the agent of the Electric companies for production and supply, either an agent of the Companies for the water supply, in case that the revision of water rates is in debate, or an agent of the gas companies supply, in case that the revision of gas rates is in debate.

Beside, as member of the Commission, in place of the agent of the companies for the supply of electricity, an agent of the water, gas, electricity companies will be called; and according to the present Decree a technical officer of the Ministry of Public Works, expert in gas, water and electricity supply, shall be appointed as President of the above mentioned Commission, in modification to the R.D. 3/4/1944, N°95.

The requests for revision, drawn up on stamped paper and signed by a legally responsible agent, must include beside the full directions about the Companies (name, characteristics, financial standing, names of the responsible managers, the whole yearly supply and its origin) also an abridgment of the balance-sheet for the year 1943, the estimate sheet for the year, which the request, drawn up according to the previous rates in force, is referred to, and the requested percentage increase for such rates.

The Companies shall give any other information thought necessary and requested by the officials mentioned in the first paragraph.

Article 3.

In determining what increase of the rates is to be allowed only the actual increase of the expenses inherent to the production and operation of the services shall be considered, exclusive of any increase of interests, dividends, perquisites, depreciation of capitals and plants, renewals, etc.

N. 5334

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(art.3 cont'd)

Further all the savings of operation that may be attained and the amount of the profits, as shown in the balance-sheet of the companies shall be taken into account.

Article 4.

The application of the increase of rate-lists shall be temporary and shall be limited to billing periods. However, the period of application of the increase shall last, at least, 4 months and may be lengthened, on expiration, by the same proceeding.

As regards the invoicing, the latest tarifs shall be applied and the permitted increase shall be added apart.

In those cases where this will not be possible because of the form of invoice used by the company, the invoice shall bring to notice that it includes the temporary increase, stating the percentage agreed upon by the competent authorities.

Article 5.

The owners of buildings with water supply are not at liberty to pass on to the tenants the increase of the water rates that shall be authorized according to the present Decree.

Article 6.

The present Decree shall go into effect upon the day of its publication in the "Official Gazette of the Kingdom", special series.

We order all who are concerned to observe the present Decree and have it observed as a law of the State.

Dated at Salerno .....

pd 5333

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LABOR SUB-COMMISSION
A.C.C.
Routing Slip

From	To
~~Colonel BAIN~~	
Colonel SMITH	
Major BABCOCK	
~~Major ALBRIGHT~~	
~~Major SCICLUNA~~	
~~Capt. DORF~~	
~~Capt. TOPLISS~~	
~~Capt. C^A^MARCO~~	
~~Capt. SOLENBERGER~~	
~~Mr. CROSETTO~~	
Mr. SACHS	
~~Mr. DI FEDE~~	
~~Mr. CERRITO~~	
Chief Clerk	

REMARKS:

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HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

Tel. 497

HHB/lml

27 September 1944

ES/41

SUBJECT : Margin to cover distribution costs at the retail level of candles.

TO : Maj. Herbert C. Mason
Food Administration
E & S, Region IV.

1. The Price Group of the Allied Control Commission has approved your request for an adjustment of the retail selling price of candles for the Rome area from 4 lire to 4.50 lire each.

L. D. Densmore
Colonel Sig. C.
Chief Staff Officer
Economic Section

Food S/C_____
Agriculture S/C_____
Commerce S/C_____
Finance S/C_____
Labor S/C_____

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HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

Tel. 497

HHR/lml

27 September 1944

ES/41

SUBJECT : Price of Fatty Acids for Soap Production and Price of Soap on Blocked Stocks.

TO : Ministry of Industry, Commerce and Labor.

1. Reference is made to ACC/5072/&/Commerce, dated 23 September 1944.

2. The following prices are approved for raw material stocks and the finished products on blocked supplies to be used for the remainder of the year. These prices shall be effective through December 1944:

Applicable to Blocked Stocks of Raw Materials

Fatty acid	Per Kilo	£20
Sulphur Oil (average fatty acid content 95%)	" "	£19
Oleine (average fatty acid content 97%)	" "	£19.40
Pasta di raffinazione (average fatty acid content 55%) (caustic soda average content 5%)	" "	£11.50

Applicable to Finished Product

The price for Industry S/C standard soap shall be 25 lire per kilo at the factory.

3. Regional Officials shall be authorized to adjust these prices and differences in transportation costs at the official rates wherever movement of supplies are necessary.

Food S/C_____

Agriculture S/C_____

Commerce S/C_____

Finance S/C_____

Labor S/C Receipt acknowledged [illegible]

L. B. Denamore
Colonel, Sig. C.
Chief Staff Officer
Economic Section

5330

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

Tel. 497

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

HHB/lml

E3/41

28 September 1944

SUBJECT : Proposed Decree Concerning the Prices and Premium to be Paid for Pressed Grapes Consigned to Distilling Plants from the 1943-44 Season.

TO : Ministry of Agriculture

1. On 20 September 1944 the Price Group reviewed the proposed decree and unaninously disapproved the request "to pay a premium of 35 lire per quintal to grape producers for pressed grapes delivered during the 1943-44 season".

2. The Allied Control Commission limits its approval to the contractual payment of 35 lire per quintal for the pressed grapes delivered to the distillers in the 1943-44 season.

3. It is further suggested that the government take steps to capture apparent profits from the distillers through taxation or by other means, to augument its sources of revenue, rather than redivert this ostensible source of excess profits to the grape growers.

For the Acting Chief Commissioner:

A. G. Antolini
Acting Head
Economic Section

FOOD S/C_____

AGRICULTURE S/C_____

COMMERCE S/C_____

FINANCE S/C_____

LABOR S/C_____

No. 5329

1922

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

LABOR SUB-COMMISSION
A.C.C.
Routing Slip

From		To
	Colonel BAIN	
	Colonel SMITH	
	Major BABCOCK	
	Major ALBRIGHT	
	Major SCICLUNA	
	Capt. DORT	
	Capt. TOTHISS	
	Capt. GIAMMARCO	
	Capt. SOLENBERGER	
	Mr. CROSETTO	
	Mr. SACHS	
	Mr. DE WINDT	
	Mr. CERRITO GDC 20/9/44	
	Chief Clerk	

REMARKS:

Fol - Para Communities

No. 5328

fol: Palestine

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NWH/ge

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HEADQUARTERS
ALLIED CONTROL COMMISSION
AGRICULTURE SUB-COMMISSION
APO 394

AGR/232.49

19 Sept 1944

SUBJECT : Proposed Decree concerning the price and premium to be paid for pressed grapes consigned to distilling plants from the 1943-44 season.

TO : Economic Section, ACC
Attn: Price Committee

1. Enclosed draft of a decree by the Ministry of Agriculture proposing the payment of a premium of £35 per quintal to grape producers to be paid by distillers having received pressed grapes during the 1943-44 season.

2. The Agriculture Sub-Commission has no objection to this proposed decree, subject to the approval of other interested Sub-Commissions.

W.A. HARTMAN
Lt. Colonel
Director

Encl. (1)

DISTRIBUTION:
Legal S/Commission
Industry S/Commission
Food S/Commission
Transport S/Commission
Labor S/Commission
Finance S/Commission

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Declassified E.O. 12356 Section 3.3/NND No. 786021

1.

SCHEME OF LEGISLATIVE DECREE OF THE LT. GENERAL CONCERNING THE PRICE AND THE PAYMENT FOR PRESSED GRAPES CONSIGNED TO DISTILLATION FACTORIES DURING THE WINE SEASON 1943/44 AND THE RENT OF THE PREMIUM OF ACCELERATED RESTOWAL.

UMBERTO DI SAVOIA

PRINCIPE DI PIEMONTE

LT GENERAL OF THE GOVERNMENT

BY VIRTUE of the Authority delegated to Us:

Having seen the law of 10 June 1937 n.1266 concerning Vine culture and Wine production;

Having seen the Royal Law Decree of August 13, 1940, n.1419 giving modifications of the law of June 10, 1937, n.1266, converted, with some modifications, into the law of March 13; 1941, n.383;

Having seen the Royal Law Decree of 31 January 1944, n.37 concerning the raising of the blockade of alcohol and the institution of a fiscal right, in which are established for the distillation season 1934/44 the average prices, as well as for the pressed grapes - at the rate of Lire 20 per quintal free in the wine cellar - as for the transport of said grapes, on the basis of Lire 15 per quintal transported from the wine-factories of the producers to the distillation factories;

Having seen the Royal Law Decree of October 30, 1943, n.2B on the suspension of the dispositions concerning the emanation, promulgation, registration and publication of Royal decrees and other measures;

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Having seen the Royal Law Decree of May 29, 1944, n.141 on the institution in the Government's Office of a special control section of the "Corte dei Conti".
Having seen the deliberation of the Counsil of the Ministers;
On the proposal of the Minister Secretary of the State for Agriculture and Forestry, in conformity with the Ministers Secretaries of the State for Finance and Industry, Commerce and Labour;

We have SANCTIONED AND PROMULGATED AS FOLLOWS:

Art.1

To producers who have consigned the pressed grapes from the production of 1943 to the distillation factories within 15 December 1943 will be given a premium for the quick delivery of £35 for every quintal of pressed grapes independently from the quality.
Such a premium will be given entirely only in the case that the producers concerned have been paid according to Art.7 of the R. Law Decree of January 31, 1944, n.37.
In the case that they have been paid more than what was established, they will obtain only the difference between the above said premium and the surplus of the prices fixed by the aforesaid Royal Law Decree.

Art.2

The amount of the premiums comes to the charge of the distillators who buy the pressed grapes and they must pay these duties to the "Ente Nazionale per la Distillazione delle materie vinose" together with the duty paid for the purchase of the aforesaid pressed grapes following the dispositions contained

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in the article n.4 (below.

Art.3

The compensation for the transport of the pressed grapes from the producer's cellar to the distillation factories, as provided for in the Royal Law Decree of January 31, 1944 n.37 will be charged as follows:

a) £.2,85 per quintal per Km. for the first Km.

b) £.1,35 per quintal per Km. for the following Km. up to a mixiwum of 15 km.

Art.4

In application of the art.3 of the Law of March 13, 1941, n.383 the distillators have to pay to the "Ente Nazionale per la Distillazione delle Materie Vinose" above the purchase duty for the pressed grapes, above the premium established in Art.2 of the present drecree, even a contribution of 10% on the price of the pressed grapes free cellar for the expenses of the management of the same Body.

Art.5

The present decree becomes valid the day of its publication in the Gazzetta Ufficiale del Regno - Serie Speciale.

We hereby order to all concerned to observe the present decree and to observe it as a law of the State.

1927

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

R E P O R T

By the Royal Law Decree of January 31, 1944 n.37 the blocking of the alcohols extracted from the pressed grapes during the harvest of 1943 has been lifted, while at the other side the same law decree fixes the price of the pressed grapes to £20 per quintal, i.e. complexively £16 lower than the price fixed for the season 1942.

Thus the conditionn have become very favourable for distillators all to the damage of the wine makers.

With a view to meet the needs of these wine makers who else would not get an adequate reward for their work and sacrifices during a whole year, it is suggested, as results from the allegated scheme, to give a premium of £35 for every quintal of pressed grapes that has been delivered to the distillation factories during the harvest of 1943 in addition to the price of £20 fixed according to the above decree.

The amount of the above said premiums to be paid at the basis of £35 per quintal gets round to about £.17.000.000 only for the four Apulian provinces (Bari, Brindisi, Lecce, Taranto) while no forecast can be made for the other provinces as we do not know the dates concerning the pressed grapes consigned to the distillation factories.

To differ from that which has been established in the aforesaid Royal Law Decree of 31 January 1944 concerning the average unitary price (£.15 per qtl.) to be paid to consignees by the distillation factories through the "Ente Nazionale Distillazione Materie Vinose" - it is suggested, as results from the

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

attached scheme, to give a more impartial rent taking into consideration the factor of "distances", thus:

a) £.2,85 per qtl. per Km. for the first Km.

b) £.1,35 " " " " for the successive Km. up to a maximum of 15 Km.

Consequently, for the transport of one quintal of pressed grapes transported to a distance of 10 Km. £15 woul result - for the transport of a distance of 15 Km. there would result a maximum remuneration of £21,75. For distances above 15 Km. the remuneration would always remain £.21,75.

- - - - - - - - -

Considering that from one quintal of pressed grapes about 3 liters of alcohol can be obtained, it can be calculated that the 20 lire, price of the pressed grapes, and the 15 lire for their transport (total £35 per quintal) on an average result in £.11,65 every liter of alcohol, according to the dispositions now valid.

The internal duty of manufacture and the corresponding bound duty increased from £.1.850 to £.4.000 for every hectoliter free of water at the temperature of 15.36 degrees of the centisimal termometer give for every liter 40 Lire, which with the additional of £.11,65 (cost of the grapes at the distillation factory) result in £.56,65 per liter.

The increase of other £.11,65 per liter of alcohol that results from the suggested change of the price of the pressed grapes (i.e. the premium of £.35 for every quintal of pressed grapes) would not cause a great charge to the distillators who sell alcohol with good taste for abour 200 lire per liter and the denatured alcohol, free from the above duty, for £.35 per liter

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

with a noticeable increase in comparison to the prices of last year.

We here give some dates as to the yield per quintal of pressed grapes in alcohol, rasin-stones and tartaric material, considering the alcohol extracted as completely denatured:
Alcohol yield from 3 to 31% (compare the text written 31%).
Calculating to 3% to £35 for every liter free from water, with a reduction of £.5 per liter for fiscal duties, we arrive to £.30 per liter which multiplied with 3 results in £.90,00
The yield of raisin stones from 10 to 13% calculating 10% at £.120 per quintal we obtain £.12.00
The yield of tartaric material from 3 to 31% (compare the test 31%)
Calculating 3% to £.22 per degree of acidity and per quintal (basis degree 65 total acidity) we obtain £.42,90 - total cost of the yield £.44,90.
To reduce:
price for the pressed grapes established by Royal Law decree of January 31, 1944 to £.20 per qtl. plus £.15 for the transport £35,--
Labor cost and other expenses (administration, repairs, duties, salaries, etc.) £.109,90 30,--
Net profit for every quintal of pressed grapes £.79,90

From these figures we see that the distillators have a rather good gain fro every quintal of pressed grapes worked, for which a further increase is given in the form of a premium of £.35 per quintal of pressed grapes, which would reduce the said gain to £.44,90 per quintal can be easily supported by the distillators, especially by the fact that in the calculations given above the production of good alcohol of good taste that gives much greater profits is not considered.

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HEADQUARTERS
ALLIED CONTROL COMMISSION
LABOR SUB-COMMISSION
APO 394

DCS/maa

091.4621

15 Sept. 1944

SUBJECT: Olive Oil

TO : Price Fixing Committee

On September 14, 1944, the price of olive oil was established at 6000 L per quintal.

DAVID C. SACHS
Labor Sub-Commission

5320

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

Mr. Sachs
For price file — 471

Tel. 497

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

HHH/mt

ES/44

8 September 1944

SUBJECT : HEMP PRICE - (North Italy) Bologna Area.

The recommendation of the Price Group made Sept. 4.1944 for establishing a base price for hemp in the Bologna area subject to modification later if conditions warranted an adjustment is withheld temporarily at the request of the Italian Minister of Agriculture until economic conditions and prevailing price levels in the northern area can be more precisely ascertained.

Lt. H. BAKKAN,
Staff Officer,
Economic Section

TO : Capt. Broadbury (Industry & Commerce S/C)
Labor S/C
Agriculture S/C
Finance S/C
Food S/C
Commerce S/C
Transportation S/C

5319

Declassified E.O. 12356 Section 3.3/NND No. 786021

LABOR SUB-COMMISSION
A.C.C.
Routing SLIP

For:	
Colonel BAIN	
Colonel SMITH	
~~Major TABOUIS~~	
Major ALBRIGHT	
Capt. DORF	
Capt. SCICLUNA	
Capt. ADAMS	
Capt. TOPLISS	
Capt. WILLIAMS	
Lt. GIAMMARCO	
Lt. SOLENBERGER	
Chief Clerk	

REMARKS :

F 5318

Declassified E.O. 12356 Section 3.3/NND No. 786021

File 462

TRANSLATION.

LIBERA ASSOCIAZIONE ESERCENTI
F R A N T O I
BITONTO.

TO : A.C.C. Food Sub-Commission, HQ., Rome,
Regional Control Commission, Food Section, Bari,
Ministry for Agriculture and Forests, Rome,
Ministry for Industry and Labour, Rome,
H.E. the Prefect of the Province of Bari.

The "Libera Associazione Esercenti Frantoi" (free association of owners of oil presses), established at Bitonto on the 10th of August, require:

(1) that the rules for the oil-ammasso and re price be established within the month of September, in order to be in a position to settle with the farmers the sales price for olives and the rate for olive pressing;

(2) that, as long as the ammasso for oil is going to last, such rules should also be applied for "fiscoli" (bags for oil pressing) by blocking all the stocks (goods should be blocked wherever they are available), which item should be allocated to the olive - press - owners in proportion with the oil produced and delivered to the ammasso;

(3) that the workers employed with the olive presses be considered as pertaining to the same alimentary category as the harvesters and trashers (mietitura e trebbiatura).

signed SCHIRALDI GIUSEPPE
PRESIDENT

Labour Sub. Comm.

You appear entitled to have has a copy

KS.

5317

3/8

Chief Food

Declassified E.O. 12356 Section 3.3/NND No. 786021

Mr. Sachs

471

Tel. 177

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

HJW/mt

33/41

29 August 1944

SUBJECT : Price of Hemp

TO : Industry Sub - Commission

1. Reference your recommendation on the price of hemp.

2. On recommendation of the Price Group, the prices fixed for hemp last January remain unchanged, but in the Naples area a surcharge of 30 per cent may be added to the price paid to the producers for hemp of the 1944 crop to compensate for the unusual conditions making for high costs of production in 1944.

3. You are requested to take such action as may be necessary to implement this decision.

A.G. Antolini
Executive Director
Economic Section

Copies to : Agriculture S/C
Labor S/C
Food S/C
Commerce S/C

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

Vol. 177

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394.

HEX/mt

HEX/44

29 August 1944

SUBJECT : The price for the 1944 Crop of Hemp in Southern Italy

TO : Executive Director Economic Section.

1. The price of the 1944 crop of Hemp was up for discussion in the weekly meeting of the Price Group held 25/8/44 at which the Labor, Commerce, Agricult re, Food and Industry Sub-Commissions were represented.

2. Two independent calculations of estimated production costs were presented for the 1944 crop in the Naples area by the Industry Sub-Commission. On the basis of these figures the Industry Sub-Commission recommended a price of 4,000 Lira per quintal as a mean average price for the 1944 crop based on a fi al grade known as "Ugly Mezzacalore Canapa." This recommended price exceeds the 1943 price fixed last January for the 1943 crop by 1,250 Lire, or more than 50 percent.

3. Other members of the Group, particularly those representing Labor and Agriculture were critical concerning certain items of costs. Specifically the estimated costs of green manuring, rent and labor were open to question and sharp difference of opinion. The representative of the Agriculture Subcommission said he had no reason to believe, on the basis of evidence presented, that the price fixed last January would not be sufficient.

4. There appears to be no real basis for adding profits of 10 percent to total cost in calculating farm cost of production.

5. It was contended, however, by the spokesman for the Industry Subcommission that the 1944 crop of Italian hemp is critical. Figures were cited to illustrate armed forces needs.

6. It was the contention of this same spokesman that it would be impractical to requisition the crop from growers owing to administrative difficulties.

7. Whereas, it was asserted that the most economical method of assuring the 1944 crop into the Armies was to pay a high price even though such a price may seem extortionary.

8. It was pointed out by Agriculture that only ¼ of the total supply of hemp was grown in the Naples area and that such a course would be

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

distinctly inflationary if applied to the 1944 crop grown in the Emilia area.

9. On the basis of this objection, the recommended 4,600 Lire price was rejected by unanimous consent.

10. It was proposed that the growers in the Campania area may be induced to deliver their 1944 crop of hemp on the basis of the 1943 price if they were to receive a surcharge for extraordinary costs arising from the exigencies of war and occupation during the 1944 crop season. This procedure received unanimous approval.

11. After some deliberation on the amount of the surcharge two figures were proposed:
(a) a twenty five per cent increase in price of approximately 750 lire and,
(b) a flat 1,000 lire per quintal increase over the 1943 price.
Two sub-commissions, Labor and Agriculture favored (a) and, the two other , Food and Industry preferred proposal (b).
It was understood that this surcharge would be covered by the price at which the "Consorzio" would re-sell the hemp.

12. In the light of these facts and opinions within the Economic Section, it is recommended that the price of the 1944 hemp crop be fixed on a national basis at the same level as prevailed for the 1943 crop, with the exception that the "Consorzio" in the Naples region be authorised to pay a 30 p rcent subsidy, over the 1943 base price applicable to the variable base price for all grades. Technically the 1943 grown hemp held for speculative profit by the growers is not eligible to receive this surcharge, but I am informed that it is difficult to distinguish one crop from another so we better let the tail go with the hide.

Henry H. Bakken
Staff Officer
Economic Section.

Declassified E.O. 12356 Section 3.3/NND No. 786021

LABOR SUB-COMMISSION
A.C.C.
Routing Slip

From	
	Colonel [illegible]
	Colonel SMITH
	Major BABCOCK
	Major ALBRIGHT
	Capt. DORF
	Capt. SCICLUNA
	Capt. ADAMS
	Capt. TOPLISS
	Capt. WILLIAMS
	Lt. GIAMMARCO
	Lt. SOLENBERGER
	Chief Clerk

REMARKS :

Declassified E.O. 12356 Section 3.3/NND No. 786021

SECRET

U.N. A.C.C. ECONOMIC SECT.

1-9-48
(Date)

	From	To
	ECONOMIC SECTION	
	AGRICULTURE	
	COMMERCE	
	FINANCE	
	FOOD	
	INDUSTRY	✓
	LABOUR	
	PUBLIC WORKS & UTILITIES	
	POPULATION SECTION	
	TRANSPORT & C	
	SECRETARY GENERAL	
	EXECUTIVE COMMISSIONER	
	BRANCH	
	ADMINISTRATIVE SECTION	
	For Signature	
	Remarks/Recommendation	
	Information	
	Approval/Dissemination	
	Appropriate Action	
	Investigation & Report	
	Noting and Return	
	Noting and Retention	
	Dispatch	

Remarks:

5312

1939

Declassified E.O. 12356 Section 3.3/NND No. 786021

(SECRET

Extract from SIB/CSMMC Report No. C 286 dated 25 Aug 44.

TRIESTE and FIUME

"13. ECONOMIC.

When, after the Armistice, the people of TRIESTE feared there might be a lack of food, they bought large quantities of provisions in FRIULI and VENETO, which were then sold on the black market. Owing to the large stocks available it was possible to buy food at the following prices:

Polenta (Maize flour)	30	lire a Kg.
Flour	12	" " "
Lard	100	" " "
Beans	18	" " "
Olive oil	200	" " Litre.

The prices, however, showed a tendency to rise when the German authorities decided to stamp out the black market. They started by increasing the bread ration to 350 grs. for the unemployed, 500 grs for the light workers and 600 grs for the heavy workers. Dr. REHLER, the High Commissioner, tried in every way to improve the position of the working classes who could not afford to buy their food on the black market. He increased the number of workers' messes and issued an order that no one was to be dismissed from his job without his authority. At the same time the labour organisations were engaging personnel and buying up provisions such as fish in oil, brandy, soap, chocolate, at black market prices.

The stocks became low and prices started rising. An order was issued by the Commissioner in Mar '44 prohibiting any unauthorised person to deal in these commodities under penalty of arrest and heavy fines. This put a stop to the rise in prices and conditions became normal again. The only commodity which was scarce was olive oil, which in Mar '44 cost 300 lire a litre. Up to Mar '44 the hotels, restaurants and inns were able to supply anything required and at reasonable prices."

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

LABOR SUB-COMMISSION
A.C.C.
Routing Slip

From	To
	Colonel BAIN
	Colonel SMITH
X	Major BABCOCK X
	~~Major ALBRIGHT~~
	Capt. DORF
	Capt. SCICLUNA
	Capt. ADAMS
	Capt. TOPLISS
	Capt. WILLIAMS
	Lt. GIAMMARCO
	Lt. SOLOMBERGER
	Chief Clerk

REMARKS :

X Please check and sign

5310

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

File 462

GHS/mem

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

ES/A1

19 August 1944

SUBJECT: Price of Wheat in the North

TO : Agriculture Sub-Commission
Food Sub-Commission
Finance Sub-Commission
Labor Sub-Commission

1. A short conference will be held at 1200 hrs., Saturday, 19 Aug 44 in the office of the Executive Director to make the Economic Section recommendation as to the price to be paid for wheat in Italy north of the Pisa-Rimini Line.

2. Please arrange to be represented so that a decision may be made at the meeting.

3. For your information one northern Regional Commissioner has already signified his willingness to support a 700 (hard), 650 (soft) price.

G. M. SHARP, Lt. Colonel, R.A.
A.C. 1 (C.A.), Economic Section

Copy to: Executive Director

Declassified E.O. 12356 Section 3.3/NND No. 786021

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

JMM/gp

Tel 473707
314/AGR

18 August 1944

SUBJECT : Price of Nitrogen Fertilizers, Terni.

TO : Price Committee, HQ. ACC.

1. Attached is copy of cost information, justification therefore, and suggested new prices of fertilizers now awaiting distribution at the factories of Soc. TERNI.

2. This has been prepared, in consultation with this Sub-Commission, by the Soc. TERNI. For obvious technical reasons, it is difficult to investigate the costs in great detail. Suffice it to say that difficult conditions prevailed during the time of manufacture, with resultant increases in costs. The representatives of the Soc. TERNI have been extremely cooperative, and have apparently made every effort to present a clear and honest picture.

3. The base prices, wich were in effect during the 1943 season (II), were based upon 1934 prices, with successive carefully planned changes. While these were developed under "normal" conditions, it is believed that they, as base prices should not be discarded by accepting the cost figures of Soc. TERNI. When production is resumed, costs and selling prices should be changed therefrom as the Italian Governement may approve.

4. It is therefore recommended that base price remain as established in 1943, subject to change by the Italian Government, with an approved surcharge to be permitted for goods now at Terni, and such quantities as may be located elsewhere, the surcharge to cover the reported extra expenses, as follows :

Base Price	Ammonium Sulphate	Calcium N Nitrate	Ammonium Nitrate	Calcium Cyanimide
in sacks - - - - -	148.40	153.46	153.46	154.05
Surcharge - - - - -	144.60	126.04	124.04	85.95
TOTAL :	293.00	289.50	277.50	240.00

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Price of Nitrogen Fertilizers, Terni Contd.

5. The totals as given, while adequate to cover the demands od the Soc. TERNI and to insure aggressive action to renew production as fast as possible, are not too high in regard to agricultural products, and approval is requested of base price and surcharge as stated.

W.A. HARTMAN
Lt. Colonel
Direcotr

DISTRIBUTION :

Copy for each memeber of price Committee
File.

Inclos. :

Copy of cost information.

TERNI - SOCIETÀ PER L'INDUSTRIA E L'ELETTRICITÀ

DETAILS ABOUT THE PRICES FIXED BY "TERNI" INDUSTRY AND ELECTRICITY CO. FOR THE FERTILIZERS LAYING IN THE NERA MONTORO AND PAPIGNO PLANTS

I) - Manufacture cost of the fertilizers produced in the a/m Plants in the last months of 1943 and first months of 1944 (Reference is made to 100 Kg. of product).

ELEMENTS WICH COMPOUND THE COST		Ammonium Sulphate at 20/21	Calcium Nytrate at 15,5	Ammonium Nytrate at 15/16	Calcium cyanamide at 15/16
- Hydrogen	Lit.	80,73	68,77	65,81	-
- Electrodes	"	-	-	-	23,25
- Limestone	"	-	0,91	0,87	-
- Pyrites	"	13,69,	-	-	-
- Lime	"	-	-	-	15,08
- Coke	"	-	-	-	24,75
- Electric power	"	19,72	22,67	21,43	18,—
- Maintenance and repairing	"	6,65	9,73	9,31	9,01
- Labour	"	24,27	22,95	21,96	22,30
- Differing kinds of materials	"	22,63	30,82	29,50	15,72
- Cost of the Factories	"	42,96	38,92	37,34	42,80
- Passive cost, generical cost and taxations		13,15	8,94	7,92	10,15
- Redemption fund for the Plants	"	19,72	13,42	11,88	18,01
- Total cost	"	243,52	217,13	206,02	199,07
- Our profit 8 %	"	19,48	17,37	16,48	15,93
- Price fixed for unsacked goods	"	263,—	234,50	222,50	215,—

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

I) - Manufacture cost of the fertilizers produced in the a/m Plants in the last months of 1943 and first months of 1944 (Reference is made to 100 Kg. of product).

ELEMENTS WICH COMPOUND THE COST		Ammonium Sulphate at 20/21	Calcium Nytrate at 15,5	Ammonium Nytrate at 15/16	Calcium cyanamide at 15/16
- Hydrogen	Lit.	80,73	68,77	65,81	-
- Electrodes	"	-	-	-	23,25
- Limestone	"	-	0,91	0,87	-
- Pyrites	"	13,69,	-	-	-
- Lime	"	-	-	-	15,08
- Coke	"	-	-	-	24,75
- Electric power	"	19,72	22,67	21,43	18,—
- Maintenance and repairing	"	6,65	9,73	9,31	9,01
- Labour	"	24,27	22,95	21,96	22,30
- Differing kinds of materials	"	22,63	30,82	29,50	15,72
- Cost of the Factories	"	42,96	38,92	37,34	42,80
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- Total cost	"	243,52	217,13	206,02	199,07
- Our profit 8 %	"	19,48	17,37	16,48	15,93
- Price fixed for unsacked goods	"	263,—	234,50	222,50	215,—
- Sacks	"	30,—	55,—	55,—	25,—
- Price fixed for sacked goods	"	293,—	289,50	277,50	240,—

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

Average price for the laying goods (Reference is made to 100 Kg. of product at 15,5 % of Nytrogen) considering the prices fixed by "Terni":

- calcium cyanamide	214.500 x 240,—	=	51.480.000
- calcium nytrate	64.000 x 289,50	=	18.528.000
- ammonium nytrate	400 x 277,50	=	111.000
- ammonium sulphate	22.500 x 293,--	=	6.592.500
- share of product which is needed to bring the sulphate to 15/16	7.260	-	-
	308.660		76.711.500

average price $\frac{76.711.500}{308.660}$ = Lit. 248,53 per 100 Kg. of goods at 15,5 % of Nytrogen.

II) -Prices prescribed to the producers for the sale of 100 Kg. of goods

	Ammonium sulphate at 20/21	Calcium Nytrate at 15,5	Ammonium Nytrate at 15/16	Calcium Cyanamide at 15/16
- Starting price of the products	132,95	122,90	112,90	142,25
- Share price for the unification	5,45	7,50	7,50	3,70
- Sacks	10,—	33,06	33,06	8,10
- Price of sacked products	148,40	163,46	153,46	154,05

Average price of the goods (reference is made to 100 Kg. of goods at 15,5 % of nytrogen, considering the prescribed prices):

- Calcium cyanamide	214.500 x 154,05	=	33.043.725
- Calcium nytrate	64.000 x 163,46	=	10.461.440
- Ammonium Nytrate	400 x 153,46	=	[illegible]

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

fixed by "Terni":

- calcium cyanamide	214.500 x 240,—	=	51.480.000
- calcium nytrate	64.000 x 289,50	=	18.528.000
- ammonium nytrate	400 x 277,50	=	111.000
- ammonium sulphate	22.500 x 293,—	=	6.592.500
- share of product which is needed to bring the sulphate to 15/16	7.260	-	-
	308.660		76.711.500

average price $\frac{76.711.500}{308.660}$ = Lit. 248,53 per 100 Kg. of goods at 15,5 % of Nytrogen.

II) -Prices prescribed to the producers for the sale of 100 Kg. of goods

	Ammonium sulphate at 20/21	Calcium Nytrate at 15,5	Ammonium Nytrate at 15/16	Calcium Cyanamide at 15/16
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- Sacks	10,—	33,06	33,06	8,10
- Price of sacked products	148,40	163,46	153,46	154,05

Average price of the goods (reference is made to 100 Kg. of goods at 15,5 % of nytrogen, considering the prescribed prices):

- Calcium cyanamide	214.500 x 154,05	=	33.043.725
- Calcium nytrate	64.000 x 163,46	=	10.461,440
- Ammonium Nytrate	400 x 153,46	=	61.384
- Ammonium sulphate	22.500 x 148,40	=	3.339.000
- Share of product which is needed to bring ammonium sulphate to 15/16	7.260	5305	-
Totals	308.660		46.905.549

::/::

Declassified E.O. 12356 Section 3.3/NND No. 786021

Average price $\frac{46.905.549}{308.660}$ = Lit. 151,97 per 100 Kg. of goods at 15,5 % of nytrogen

III) - Determination of the rise in prices between the prices fixed by "Terni" and the prescribed prices; its allotment among the causes of rising :

- average price formerly prescribed Lit. 151,97 per 100 Kg.
- priced asked by "Terni" " 248,53 " " "

average rise $\frac{(248,53 - 151,97) \times 100}{151,97}$ = 63,5 %

Amount of rise in price of each product (100 Kg.) and of each cause of rising

	Ammonium sulphate 20/21	Calcium nytrate 15,5	Ammonium nytrate 15/16	Calcium cyana-mid 15/16	Average rise (reference to 100 Kg.of goods at 15/16	Percen-tual al-lotment of ri-sing
	A	B	C	D	E	F
- For using lignite instead of foreign mineral coal Lit.	56,—	46,—	45,—	-	13,68	9,— %
- For transportations by trucks instead of railway "	12,99	12,27	11,—	9,—	9,76	6,42%
- For discontinuity in production caused by antiaircraft alarms	12,33	11,78	17,50	18,34	16,11	10,60%
- For operating large units,nnt suitable to the productions	11,76	9,40	6,80	20,61	17,13	11,27%
- For having increased						

5304

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

the prescribed prices; its allotment among the causes of rising :

- average price formerly prescribed Lit. 151,97 per 100 Kg.
- priced asked by "Terni" " 248,53 " " "

average rise $\frac{(248,53 - 151,97) \times 100}{151,97} = 63,5\ \%$

Amount of rise in price of each product (100 Kg.) and of each cause of rising

	Ammonium sulphate 20/21	Calcium nytrate 15,5	Ammonium nytrate 15/16	Calcium cyana-mid 15/16	Average rise (reference to 100 Kg. of goods at 15/16	Percentual allotment of rising
	A	B	C	D	E	F
- For using lignite instead of foreign mineral coal Lit.	56,—	46,—	45,—	-	13,68	9,— %
- For transportations by trucks instead of railway "	12,99	12,27	11,—	9,—	9,76	6,42%
- For discontinuity in production caused by antiaircraft alarms	12,33	11,78	17,50	18,34	16,11	10,60%
- For operating large units, not suitable to the productions	11,76	9,40	6,80	20,61	17,13	11,27%
- For having increased salaries and wages	11,60	9,26	9,—	11,—	10,42	6,86%
- For rise in price of raw materials etc.	19,92	15,39	12,80	10,10	11,68	7,69%
- For rise in price of sacks	20,—	21,94	21,94	16,90	17,78	11,70%
	144,60	126,04	124,04	85,95	96,56	63,54%

5304

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N.B. = The elements under E) have been considered analogonsly to the average prices mentioned in para.I and para.II) -

The elements under F) have been considered as follows :

96,56 : 13,68 = 63,5 : x ecc.

Declassified E.O. 12356 Section 3.3/NND No. 786021

Declassified E.O. 12356 Section 3.3/NND No. 786021

LABOR SUB-COMMISSION
A.C.C.
Routing Slip

From		To
	Colonel BAIN	
	Colonel SMITH	
X	Major BABCOCK	X
	~~Major ALBRIGHT~~	
	Capt. DORF	
	Capt. SCICLUNA	
	Capt. ADAMS	
	Capt. TOPLISS	
	Capt. WILLIAMS	
	Lt. GIAMMARCO	
	Lt. SOLENBERGER	
	Chief Clerk	

REMARKS

1932

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

File 6.2

Vol.: 397.

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 534

ILW/ge

EC/AG

16 August 1944

SUBJECT : Price of Potatoes

TO : Vice President, Economic Section ACC/
Executive Director

1. There is attached hereto a recommendation from the Agriculture Subcommission that the price of potatoes for food be fixed at 6 lire per kilo in Aquila Province. In view of the short time available in which to prepare the recommendation it has been impossible, I am informed, to present any evidence with which to justify the recommendation. Major Watts of the Agriculture Subcommission told me that his recommendation was based on the opinions of officers on the field.

2. My instructions, if I understand them correctly, are to examine the price recommendations submitted by subcommissions and others in the light of evidence presented, and to form a judgment as an economist as a basis for my own recommendation to you. Since this is impossible in the present instance, I recommend that you place the responsibility for fixing a price on the Agriculture Subcommission.

3. I also have been instructed to hold meetings of representatives of the interested subcommissions to discuss price recommendations. In this case the shortage of time made it impossible to hold a full meeting of the Price Group. Instead Lt. Bergamo of the Agriculture Subcommission and I contacted the Food and Labor Subcommissions. Two attempts by Lt. Bergamo to contact Lt. Hicks of the Finance Subcommission were unsuccessful.

The Food Subcommission representative said he had no information on the basis of which he could either agree or disagree with the recommendation.

4. Major Babcock of the Labor Subcommission believes the price should not exceed 3 lire, in absence of cost data justifying a higher figure, and has asked me to communicate his view to you. He bases it on the following grounds:

a. The official price last year was Lire 1.50.
b. Maj. Babcock is prepared to grant that wages in general have increased 100 percent over 1943. He is therefore prepared to approve price increases without cost statements up to 100 percent, but no further.

c. A price of 6 lire to the farmer would mean a retail price of 9 or 10 lire, which is too much for the consumer to pay.

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5. I am not prepared to go along with Major Babcock for the following reasons:

a. I have no evidence that any substantial quantity of potatoes was actually delivered at Lire 1.50 last year. The price may have been like the price of Lire 350 per quintal which the fascists fixed for wheat this year, a price at which no farmer would deliver his crop except at the point of a bayonet, and we do not have enough men with bayonets to use for this purpose.

b. The 100 percent limit is entirely theoretical.

c. In this instance I think the food problem must take precedence over the monetary problem. We must set a price which will, in fact, bring in the potatoes.

6. In view of the above, I recommend that the Agriculture Subcommission and not the Price Group, should take the responsibility for setting a price.

7. I understand that a retail price of 18 lire per kilo has been fixed for Rome. This is obviously exhorbitant and absurd. The price should be not more than 5 or 6 lire above the price paid to farmers. If possible it should be a price which those people in Rome who are really hungry can pay. The regions have been instructed not to fix prices without authorization from this headquarters. They are fixing prices without even informing us.

8. In order that the potatoes may reach those who really need them in Rome, they should be distributed only on ration cards. This is now done, and it is recommended that it should continue to be done.

H J W

H. J. WADLEIGH
Staff Officer
Economic Section.

Copies to: Agriculture S/C
Labor S/C
Finance S/C
Food S/C

1954

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

RG/wat

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

Tel 262

15 August 1944

232.31/AGR

SUBJECT: Priceof Potatoes for Food in Aquila Province.
Price of potatoes for Seed in Aquila Province.

TO : Economic Section, AFT: Price Committee.

1. Aquila Province has a surplus of potatoes which are to be collected and used for seed and for food. All the potatoes will be collected by the Consorzio Agrario.

2. For potatoes used for food the Agriculture Sub-Commission recommends 6 lire per kg., delivered at the Consorzio Agrario. All the food potatoes are to be handled in bulk unless the purchaser supplies the sacks. Potatoes which are graded out of the seed potatoes are to be sold at food potatoes prices.

3. The seed potatoes collected in Aquila will be sold in southern Italy, Sicily and Sardania. The price recommended for seed potatoes which are to be approved in the field is 7.2 lire per kg., or a 20% increase over food potatoes. The price is for potatoes delivered at the Consorzio Agrario. In case of seed potatoes the local Consorzio Agrario will supply sacks, make selection, do the grading, handling and warehouse storage. The allowance for this service is to be 1 lire per kg., for the Consorzio Agrario.

W. A. HARTMAN
Lt. Colonel
Director

See attachment

5299

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

Major Watts of the Agriculture Sub-Commission visited Aquila Province 27/28 th July to study the potato crop conditions. He contacted a number of potato producers and talked with the regional agriculture officers and local Italian officials about the crop and price. The crop was not quite ready for harvest at the time of his visit and no prices were quoted of sales of this years crop. This area is expecting a good potato harvest. The prices recommended in the letter was approved by the local Italian officials of Aquila and the regional agriculture officer.

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

Price Committee
File,

4621

T.A.: 497

HJW/gk

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 494.

Es/41

16 August 1944

SUBJECT : Meeting on Leather and Hemp.

TO : Executive Director, Economic Section.

1. There is attached hereto a memorandum of the meeting in your office on August 14 on above subjects.

2. Since it was not possible to have more than two members of the Price Group present I have made a full record of the discussion for distribution to the Price Group.

H. J. WAINRIGHT
Staff Officer
Economic Section.

Copies to: Industry,
Commerce,
Labor,
Finance,
Agriculture.

5297

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

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

H.JW/gk

14 August 1944

Minutes of Meeting on Leather and Hemp.

1. The meeting was held in Mr. Antolini's office at 1745, 14 August, 1944. In addition to Mr. Antolini the following were present:

Col. Todd
Maj. Kilner
Capt. Murphy
Mr. Wadleigh

2. Leather: Col. Todd stated that production of leather was being held up because no official prices had been set. Mr. Wadleigh replied that a schedule of official prices had been set last March, and was still in effect. The Price Group had recently considered a proposal to increase these prices and had recommended rejection of the proposal. Col. Todd replied that the present official price was arbitrary. He knew it to be arbitrary, he said, because he had fixed it himself. Col. Todd and Maj.Kilner then read some letters received from tanners stating that they could not produce leather for sale at present official prices. Col. Todd added that it was useless to expect tanners to produce leather if they had to sell it at a loss. Mr. Wadleigh replied by restating the reasons why the Price Group had considered the statement of cost, recently submitted in Support of the proposal to increase prices, to be inflated. He also referred to the permission which had been given the tanners to sell 20 percent of the hides received from the consorzio on the black market. These hides were under our control, and as a bribe to the tanners, we had deliberatly relinquished control over 20 percent of them. Now the tanners were demanding an additional bribe in the form of high prices.

Col. Todd then said he agreed with Mr. Wadleigh and that this was a case of sheer blackmail. But, he said, we had no means of exercising coercion or control and must therefore yield. The armed forces, he said, were now buying leather at more than 3 times the official price. Mr. Antolini agreed that enforcement would be impossible.

Capt. Murphy and Mr. Wadleigh said that if the necessary raw materials were imported it would be possible to control tanning through allocation of these materials which are now obtainable only from limited stocks at exhorbitant prices. Col. Todd replied that requisitions were now being prepared, but it would take several monthes for the materials to arrive. In the meantime there was no means by which control could be exercised.

Mr. Wadleigh said that if in the meantime it was necessary to pay whatever the producers asked, it would be superfluous to ask the Price Group

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

to fix a price. Col. Todd and Maj. Kilner then asked Capt. Murphy to fix a price. Any price would do, as said Maj. Kilner, so long as some definite price was established. Capt. Murphy replied that he had already made his recommendation. Major Kilner said that in his own personal and unofficial opinion the price recommended was too low. Capt. Murphy replied that he did not wish to be officially responsible for any price higher than the one he had recommended.

It was suggested that Capt. Murphy should negotiate with the producers. The suggestion was modified to provide for a kind of negotiating committee, of which Col. Evans would be chairman, and Capt. Murphy a member.

3. Hemp. Col. Todd stated that for months he had tried to get a price fixed on hemp, but that as yet the Price Group had not fixed a price. Mr. Wadleigh replied that the only communication ever received by the Price Group on raw hemp was a recommendation, undated, received about July 27. This had been considered by the Group at a meeting on July 31. The Group had found that the data presented required critical analysis before any recommendation could be made by the Group and had requested the Agriculture Subcommission to make the necessary analysis. The Agriculture Subcommission had requested the Italian Ministry of Agriculture to have one of its experts study the problem. Mr. Wadleigh also showed a copy of the letter of which a copy is attached hereto.

It was agreed to await the results of further investigation on hemp.

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

COPY.

471

Region IX
ALLIED CONTROL COMMISSION
DIRECTORY & CONFERENCE
APO 394

REF. : R IX/EA/4 15 August 1944

SUBJECT: PRICES FOR RAW HEMP

TO : LT. COL. Alfred C Bowman, Regional Commissioner
Region IX ACC

---

1. Reference is made to paragraph 3 of my letter of 10 August 1944, which might be taken to infer that the Price Group, Economic Section ACC, were responsible for the delay in setting the new prices for Hemp.

2. At a meeting with Mr. Baldeigh of the Price Section this morning it became obvious that the reason for delay was due to the fact that the Price Group have not as yet received sufficient data from which a fair price for this crop of hemp can be established.

3. The data required is an overall picture of the production costs, and the only available source of this information is in the Naples area where we can contact actual producers and from which source a cost analysis may be obtained.

4. It has been suggested that I go to Naples for the purpose of obtaining this information, bringing with me a member of the staff of the Ministry of Agriculture who is versed in the hemp problem. It will require from three days to a week to secure a fair picture of the situation.

5. As it is most important that prices be fixed before we enter the area, subject to your approval, I propose to go to Naples the latter part of this week for this purpose, and feel that on my return we will have sufficient data pertaining to production costs on which a fair price may be set.

H. B. Bradbury
Captain,

Copy to :
Price Group, Economic Section.

5294

1960

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

LABOR SUB-COMMISSION
A.C.C.
Routing Slip

From		To
	Colonel BAIN	✓
	Colonel SMITH	
	Major BABCOCK	
	Major ALBRICHT	
	Capt. DORF	
	Capt. SCICLUNA	
	Capt. ADAMS	
	Capt. TOPLISS	
	Capt. WILLIAMS	
	Lt. GIAMARCO	
	Lt. SOLENBERGER	
✓	Chief Clerk	

REMARKS :

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

Labo J. E. 8810

4621

HEADQUARTERS
REGION 3, ALLIED CONTROL COMMISSION
APO 394, U.S. ARMY

ES 758/1 PB 45B 4 August 1944

SUBJECT : Release Salvaged Shoes

TO : Deputy Director of Labour
A.C.C.

1. Ref. your letter LAB/230, 31 July 1944.

2. D.D.L. Nº 2 District (Col. Gordon - Smith) was advised in our letter Ref. ES 758/1.PB.11B dated 30 June 44 (copy attached), that the arrangement made with the Finance Officer Region 3 was acceptable.

3. Enclosed also is a copy of letter Ref.ES 758/1/ PB.44B dated 4 August 44 sent to D.D.L. Nº 2 District.

G.A. SNODGRASS
Lt. Colonel
Regional Economics &
Supply Officer.

WGB/ma

2 Encl.

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

HEADQUARTERS
REGION 3, ALLIED CONTROL COMMISSION
APO 394, U.S. ARMY

ES 758/1.PB.11B 30 June 1944

SUBJECT : Release of 1000 prs
of repaired shoes

TO : Deputy Director Of Labour Nº
2 District
(Att. Col. Gordon-Smith)

1. Ref. is made to our letter ES 1 W (104.7.19) of 15 June 44 regarding the release of 1000 pairs shoes at Lit. 100 per pair.

2. According to instructions of Regional Finance Officer, we shall arrange that the above mentioned shoes will be delivered against a receipt to be signed by a responsible Officer of your Office.

3. Payment for the shoes so delivered is to be made in one sum after distribution has been made and payment therefore collected.

4. The shoes are ready and therefore will you please arrange for their collection.

W.G. BIRT
Major, R.A.
Economics & Supply Sect.,
Industrial Branch.

JA/dV

Copy to: Regional Finance Officer
ACC Region III
(Ref. F/647/104.5/5)

5291

Declassified E.O. 12356 Section 3.3/NND No. 786021

HEADQUARTERS
REGION 3, ALLIED CONTROL COMMISSION
APO 394, U.S. ARMY

4 AUGUST 1944

ES: 758/1 PB 44 B.

SUBJECT: Release of 1000 pairs of repaired shoes.

TO : Deputy Director of Labour
N. 2 District
(Attn: Col. Gordon - Smith).

1. Ref. telephone conversations which have taken place with Lt.Col. Battensby, Regional Finance Officer Reg. 3 and our letter addressed to you Ref. 758/1 PB 11 B dated 30 June 1944 of which a copy is enclosed.

2. It is not understood why there should be any confusion regarding the terms of supply, which are clearly indicated in our letter of the above date.

G.A. SNODGRASS,
Lt.Col. R.A.
Regional Economics &
Supply Officer.

Copy to:
Deputy Director of Labour, ACC.
Finance Officer, Region III.

Declassified E.O. 12356 Section 3.3/NND No. 786021

LABOR SUB-COMMISSION
A.C.C.
Routing Slip

From		To
	Colonel BAIN	11818 ✓
	Colonel SMITH	
X	Major BAECOCK	X
	Major ALBRICHT	
	Capt. DORF	
	Capt. SCICLUNA	
	Capt. ADAMS	
	Capt. TOPLISS	
	Capt. WILLIAMS	
	Lt. GIAMMARCO	
	Lt. SOLENBERGER	
✓	Chief Clerk	

REMARKS :

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

471

ILT/6

Tel: 497

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

2 August 1946

ES/44

Subject: Hemp Prices

To : Agriculture S/C
Industry S/C

1. Reference Industry's price recommendation on hemp, file number ECS/191/A, undated.

2. On recommendation of the Price Group, it is requested that Agriculture Subcommission make a critical Analysis of the cost statements attached to industry's recommendation, and make its own recommendation on the basis of its analysis. It is requested that industry supply such additional data regarding hemp prices as may be required by Agriculture.

3. Agriculture is requested, further, to recommend action by which the landowner can be prevented profiting unduly by the high price of hemp, in accordance with the general policy of freezing land rents in pre-war levels. The decree dealing with rents in kind in wheat and barley, published on July 26, 1946, may be used as a guide.

4. It is requested that Industry prepare a recommendation regarding charges for manufacturing of hemp, based on manufacturing costs. It is the view of certain members of the Price Group that manufacturers are earning unduly high profits. Reduction of such profits, if they are excessively high, would be in accordance with our anti-inflation policy.

G. ATCHLEY
Executive Director
Economic Section.

Copies to:
Finance S/C
Labor S/C

5288

1. Col Smyth
2. Maj Babcock

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

TEL: 357

EJW/ml

B 3814

8.05

ES/41

26 July 44

SUBJECT: Prices and Allocations of Leather.

TO : Commerce Sub-Commission

1. Reference your ACC/5072/4/IC dated 13 July 1944.

2. You recommend that prices of leather, now being purchased by the Armed Forces, and by ACC for shoe repairing, be increased. The Price Group has examined your cost figures, and is reluctant to recommend the increase of an official price when such increase is based almost entirely on black market costs. In particular, it was felt by the Group that the cost for tanning extract shown in your adjusted cost figures appeared excessive, since it is 12½ times the cost of the same item as shown for September 1943.

3. In view of these considerations it is suggested by the Price Group that leather should be requisitioned from tanneries at the prices fixed provisionally in March of this year, if tanners do not sell freely at that price. Since the location of tanneries is known, and since it is possible to smell a tannery in operation some distance away, it is believed that there should be no insuperable difficulty in finding out who is producing leather.

4. Accordingly, you are requested to take such steps as may be necessary for requisitioning leather, at the prices fixed provisionally in March.

5. In view of the fact that local supplies of sole leather and belting leather are far below even the barest minimum civilian requirements, what steps have been taken to prevent local purchases by Armed Forces, where these are not a matter of operational military necessity?

A. G. ANTOLINI
Executive Director
Economic Section

Copy to:

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

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5. In view of the fact that local supplies of sole leather and belting leather are far below even the barest minimum civilian requirements, what steps have been taken to prevent local purchases by Armed Forces, where these are not a matter of operational military necessity?

A. G. ANTOLINI
Executive Director
Economic Section

Copy to:
Labor Sub-Commission
Finance Sub-Commission
Agriculture Sub-Commission
Food Sub-Commission
Industry Sub-Commission

5287

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

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

726 .4621

Tel. 497

HJK/lab

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

ES/41

24 Jul 44.

SUBJECT: Meetings of Price Group.

TO : Finance Sub-Comaission
Food " "
Agriculture Sub-Comaission
Labor " "
Commerce " "

1. Meetings of the Price Group will take place in Mr. Wadleigh's office Mondays at 1430 and will last not later than 1630 hrs.

2. In order that the Price Group may operate effectively, it is necessary that there be full attendance at meetings, for the entire time of each meeting.

3. It is requested that, when a member of the Group is unable to attend a meeting from 1430 to 1630, the Director of his sub-commission appoint an alternate to attend the meeting in his place.

A. G. ANTOLINI,
Executive Director,
Economic Section.

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

4621

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

RG/cc

TEL: 262

22 July 1944

SUBJECT: Price of Bran

To : Economic Section, ATT: Price Committee.

1. Bran represents approximately one third of the available livestock grain ration in Italy. Bran may be used alone or in mixture, to feed all classes of livestock and poultry. The o= ther important components of the livestock and poultry rations are corn, oats, horse beans and by-products of industrial plants; such as linseed, cotton seed cake, peanut cake other minor pro= ducts. Farmers who mill their wheat al local mills take the re= sulting bran home to feed their animals. In large cities when people are supplied bread and flour the bran accumulates. Bran is high in mineral, reasonable high in protein, bulky, but low in carbohydrates.

2. The Italian milling process does not separate shorts and middling from the bran and flour as in United States. The shorts either goes into the flour or bran in the Italian mi= lling process. When barley and wheat are milled together the barley hulls are also with the bran.

3. Italian bran carries a high moisture content so it is difficult to store for a long period of time. Immediate sale to prevent spoilage is a necessity when the product is high in moisture.

4. Since bran is so important as a livestock feed, a high price would causesinflation os milk, eggs, meat, animal labor. The army is also interested in the purchase of bran.

5. Last year the price at the mill was 101 lire on the

5285

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

mainland. In Sicily the price paid by producers varied from 200 to 400 lire per qtl. Bran is now a product of the black market and is subject to speculation, because it is a scarce product.

5. The Agriculture Sub-Commission recommends for 1944 a base price for bran in bulk at the mill, of 160 lire per qtl. including the labor of sacking but sacks to be furnished by buyer. This price would apply to all occupied Italy. We recommend farmers purchases as much as possible F.o.B the mill to eliminate use of transportation for movement of bran. It is also recommended that bran be sold through Consorzio direct to farmer producers and not to speculators.

W.A. BARTMAN
Lt.Col
Director

1971

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

ADV. HEADQUARTERS
ALLIED CONTROL COMMISSION
COMMERCE SUB-COMMISSION
APO 394

FCM/ejc

Ref. ACC/5072/9/IC

14 July 1944

SUBJECT: Price of Matches

TO : Economic Section, Price Committee

1. The following prices are proposed for matches (former prices, in effect under the old system of distribution now broken down, are given for comparison):

Type	No. of Matches in box	Former Price (Lire per box)	Proposed Price (Lire per box)
Cerini	100	2	4
Svedesi	50	1	2
" U.S.	50	1	2
Solforati	100	1	2
Minerva	48	1.30	2
" (Naples)	40	1.15	2
"	28	0.80	1
" U.S.	20	0.60	1

NOTE: U.S. and Minerva (Naples) matches were not sold previously. Prices listed for these are adapted to the general price structure for Italian matches.

2. The new prices are needed in conjunction with the resumption of rationed distribution of matches in liberated Italy. The matter is urgent and quick action is necessary. Distribution will be made largely from stocks made up of nearly 6 million booklets of U.S. matches recently arrived, 1.5 million Minerva type (Naples) booklets, and more than 20 million boxes of various types found in the Rome area. Present plans call for distribution under the direction of CIF, the regular match distributing agency of the Italian Government. The ration will be either 25 matches per month per person or 100 matches per month per family. The Rome ration in force on our arrival consisted of 50 matches per month per person plus 128 matches per month per smoker. This was ordered reduced to 25 matches per person per month plus 50 matches per smoker to bring it more into line with what was expected for the nation at large.

3. In determining the proposed prices, meetings were held with the Director of CIF and the Director of the Manufacturer's Tax Division of the Ministry of Finance.

4. They both favor these prices as current black market prices range from 3 to 10 times those proposed. They desire to eliminate contraband from the price structure as they are already eliminated in fact. The increase in revenue will go to the Italian Government which, through the Manufacturer's

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

Tax Division of the Ministry of Finance, retains the difference between selling prices and costs.

5. The prices of the U.S. matches, on this basis, will yield returns far above landed costs to the profit of the Italian Government's account.

6. The need for quick action is again emphasized.

FRED C. MURPHY, Capt.
Price Section
Commerce Sub-Commission.

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

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

Cross Reference Sheet

File: 091.471

Subject: Price of Bread

Date: 14 July '44

To: His Excellency Vance Boreman

From: H. F. Grady - v. President Exec. Act.

Documents Filed: LSC/1204 = 1945

5281

1944

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

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

Cross Reference Sheet

File: 091.4.71

Subject: Recommendations of Price of Bread

Date: 13 July 1944

To: Acting Chief Commissioner

From: H. F. Grady V Pres. Econ. Sect.

Documents Filed: LSC/1204 - 1945

1975

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

Copy

ADV. HEADQUARTERS
ALLIED CONTROL COMMISSION
INDUSTRY & COMMERCE SUB-COMMISSION
APO 394

FCM/edg

13 July 1944

Ref: ACC/5072/4/IC

SUBJECT : Leather Prices

TO: Economic Section - Price Committee

1. The following prices are proposed for leather: (earlier price are shown for comparison)

Comparative Leather Prices 1943-1944

Lire

	Sept. 1943	Provisional March 1944	Proposed Prices July 1944 A	Proposed Prices July 1944 B
Sole Leather, per Kg.	30,00	90,00	95	127
Upper Leather, Mineral, per sq.ft.	11,70	35.10	51	62
Upper Leather, vegetable per sq.ft.	10,40	31.20	36	47
Upper Leather, mineral per sq.ft. (Goat of Sheep)	12,00	36.00	24	37

A - prices for leather made from old hides blocked at Sept. 1943 prices.

B - prices for leather made from hides currently purchased at 3 times Sept. 1943 prices.

2. The proposed prices are based on analysis of cost conditions facing the industry today. Tanners claim they are unable to continue delivering leather at provisional prices established last March, and the Tanners Section of the Unione Industriali in Naples have presented cost data supporting prices much higher than those proposed above. As a check on the Unione an Italian leather expert was employed by this Sub-Commission to determine current 1944 tanning costs based on conditions in the

1976

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Naples production area. These costs also supported prices considerably above those now proposed. Prices bases on Unione Industriale figures and on 1944 tanning costs determined by our expert are as follows :

		Unione Industriale	1944 Tanning Costs
Sole Leather per Kg.		L. 175	155
Upper Leather, mineral, per	sq.ft.	" 157	111
" " vegetable "	"	" " 88	66
" " mineral "	"	" " 70	59
(Goat or Sheep)			

3. The prices now proposed are predicated upon forcing a roll-back in the extremely high prices of many cost elements through the gradual establishment of controls over the industry. The industry is made up of many small firms which have been operating on essential chemicals and materials left in stocks at t the time of the invasion and not now produced in liberated Italy. Largely uncontrolled, these firms have bid up the prices for essential supplies in their attempts to continue in business. Prices reach the extremely high levels now current as the supplies gradually disappear.

4. It is now necessary to provide the industry with these supplies under controlled conditions. A beginning is being made with tanning extracts, the entire output of which it is intended to issue to selected tanners. This will limit, to some extent the competition for other supplies and enable us to force the tanners to purchase same at the prices within limits determined by us.

5. But these limits cannot be forced backwards too far at present. There are still thousands of tanners operating at various stages of efficiency and selling in an uncontrolled market at prices ranging from L.200 per kg. for sole leather in Salerno to L. 375 in Sicily. Prices are even fixed officially at these levels in some places by both local officials and the Italian Government. Real control will necessitate steps to establish uniform prices over wide areas, the prohibition of

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non-essential tanning, the procurement and controlled issue of many essential materials to selected producers at fair prices, and the forcing of tanners to account for materials consumed with leather produced and delivered under ACC Control. Only along these lines can production be attained at reasonable prices.

6. For the present the proposed prices largely apply to purchases of leather by the Allied Forces, and by the ACC for its shoe repair program. These prices reflect the fact that we are in partial competition with the black market, but they are lower than black market prices because we have the beginnings of some control. As this control is extended, and others added, leather may be available for ordinary civilians who now must purchase whatever leather they get in the black market.

7. It has been suggested that prices set for leather must be high enough to assure success for the leather purchase programs. But to assure this by price alone, the prices established would have to equal black market prices. The more we have to rely on prices in this manner, the more does it indicate the lack of control over other essential segments of the industry, and the necessity of drifting along with the tide of inflation. Control of tanning extract, however, ought to be used to force prices t well below black market levels and as further measures of control are taken, prices should be further rolled black. This thought underlies the present price proposals. It is worth trying in any event, for the Armed Services can, have, and undoubtedly will purchase, leather at any price they wish to pay if they so choose.

8. Attached is a statement of current costs for sole leather, compared with those of Sept.1943. In addition the adjustments made in current costs are shown. It is on these adjuet_ ed costs that the proposed prices are based. An account of these adjustments, item by item, is given in the "Notes on Tanning Costs 1944", also attached. Similar detailed adjustments were made for the three other types of leather and are available for inspection in our files.

FRED C. MURPHY, Capt.
Chief, Price Section
Industry & Commerce S/C

2 Incls:
As per par.8 above.

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PRODUCTION COSTS

Material: SOLE LEATHER - SEPTEMBER 1943

Length of Period	Days	6
Quantity produced	Kos	2000
Price per unit	Lit.	30

Cost of Labor	Number of Workers	Wage per day Lires	Number of days	Wage for period Lires	
Men	26	526	6	3160	
Total labor cost					3160

Cost of Material	Quantity used Kos	Cost per unit Lires	Cost for period Lires		
1. Raw materials:					
Ozen	3650	8.76	31974		
2. Lime	200	1.	200		
3. Sodium Sulphide	100	3,	300		
4. Hydrochloric acid	30	0.50	15		
5. Sodium bisulphite	60	1.	60		
6. Bating	30	3.50	105		
7. Tanning extracts	1600	4.80	7680		
8. Oil	50	10.	500		
Total material costs					40634
Cost of Fuel etc.					
1. Electric energy				600	
2. Oil				200	
3. Coal				400	
4. Water				200	
Total costs of Fuel etc.					1400
Other expenses					
1. Maintenance				800	
2. Transportation				600	
3. General expenses				7400	
Total others expenses					8800

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Men	26	526	6	3160

Total labor cost 3160

Cost of Material	Quantity used Kos	Cost per unit Liras	Cost for period Liras	
1. Raw materials:				
Oxen	3658	8.76	31974	
2. Lime	200	1.	200	
3. Sodium Sulphide	100	3.	300	
4. Hydrochloric acid	30	0.50	15	
5. Sodium bisulphite	60	1.	60	
6. Bating	30	3.50	105	
7. Tanning extracts	1600	4.80	7680	
8. Oil	50	10.	500	
Total material costs				40834
Cost of Fual etc.				
1. Electric energy			600	
2. Oil			200	
3. Coal			400	
4. Water			200	
Total costs of Fual etc.				1400
Other expenses				
1. Maintenance			800	
2. Transportation			600	
3. General expenses			7400	
Total others expenses				8800
Profit 10 %				5418
Total all direct costs				59607

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Material: SOLE LEATHER MOX - JUNE 1944

Length of period	Days	6
Quantity produced	Kos	2000
Price per unit	Lit.	155

DIRECT COST

Cost of Labor	Number of Workers	Wage per day Liras	Number of days	Wage for period Liras
Men	26	4097	6	24583
Total labor cost				24583

Cost of material	Quantity used Kos	Cost per Unit Liras	Cost for period Liras	
1. Raw material/ oxen	3650	28.43	95240	
2. Lime	200	6.	1200	
3. Sodium Sulphid	100	300.	30000	
4. Hydrochloric acid	30	5.	150	
5. Sodium bisulphide	60	50.	3000	
6. Bating	30	20.	600	
7. Tanning extracts	1600	60.	96000	
8. Oil	50	50.	2500	
Total material costs				228690
Cost of Fuel etc.				
1. Electric energy			1200	
2. Oil			1000	
3. Coal			2000	
4. Water			1000	
Total costs of Fuel etc.				5200
Others expenses				
1. Maintenance			4000	
2. Transportation			3000	
3. General expenses			15000	

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Cost of labor	Number of Workers	Wage per day Liras	Number of days	Wage for period Liras	
Men	26	4097	6	24583	
Total labor cost					24583

Cost of material	Quantity used Kgs	Cost per Unit Liras	Cost for period Liras	
1. Raw material/ oxen	3650	28.43	95248	
2. Lime	200	6.	1200	
3. Sodium Sulphid	100	300.	30000	
4. Hydrochloric acid	30	5.	150	
5. Sodium bisulphide	60	50.	3000	
6. Bating	30	20.	600	
7. Tanning extracts	1600	60.	96000	
8. Oil	50	50.	2500	
Total material costs				228690

Cost of Fuel etc.		
1. Electric energy		1200
2. Oil		1000
3. Coal		2000
4. Water		1000
Total costs of Fuel etc.		5200

Others expenses		
1. Maintenance		4000
2. Transportation		3000
3. General expenses		15000
Total other expenses		22000
Profit 10 %		28047
Total all direct costs		308520

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ADJUSTED PRODUCTION COSTS

Material : SOLE LEATHER MAY -JUNE 1944.

Length of Period	Days	6
Quantity produced	Kos	2000
Price per unit	Lit.	127

DIRECT COST

Cost of labor	Number of Workers	Wage per day Lires	Number of days	Wage for period Lires	
Men	26	1840	6	11040	
Total Labor cost					11040
Cost of material	**Quantity used Kos**	**Cost per unit Lires**	**Cost for period Lires**		
1. Raw materials: cowm	3650	26.28	95922		
2. Lime	200	3.	600		
3. Sodium Sulphide	100	150.	15000		
4. Hydrochloric acid	30	250	75		
5. Sodium bisulphite	60	25.	1500		
6, Bating	30	10.	300		
7. Tanning extracts	1600	60.	96000		
8. Oil	50	25.	1250		
Total material costs.					210657
Cost of Fual etc.					
1. Electric energy				1080	
2. Oil				400	
3. Coal				800	
4. Water				600	
Total costs of Fual etc.					2880
Others expenses					
1. Maintenance				2800	
2. Transportation				1530	
3. General expenses				14800	
Total others expenses					19130

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Cost of labor	Number of Workers	Wage per day Liras	Number of days	Wage for period Liras	
Men	26	1840	6	11040	
Total Labor cost					11040

Cost of material	Quantity used Kgs	Cost per unit Liras	Cost for period Liras	
1. Raw materials: cocon	3650	26.28	95922	
2. Lime	200	3.	600	
3. Sodium Sulphide	100	150.	15000	
4. Hydrochloric acid	30	250	75	
5. Sodium bisulphite	60	25.	1500	
6, Bating	30	10.	300	
7. Tanning extracts	1600	60.	96000	
8. Oil	50	25.	1250	
Total material costs.				210657

Cost of Fuel etc. -		
1. Electric energy	1000	
2. Oil	400	
3. Coal	800	
4. Water	600	
Total costs of Fuel etc.		2800

Others expenses		
1. Maintenance	2800	
2. Transportation	1530	
3. General expenses	14800	
Total others expenses		19130
Profit 10 %		10836
Total all direct costs		254543

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INDUSTRY & COMMERCE SUB-COMMISSION

Ref. ACC 5072/8/IC

FCM/edg

12 July 1944

NOTES ON TANNING COSTS 1944

1. Adjustments in 1944 tanning costs, with the reasons therefor, follow. In most cases further reductions have been made from current costs which have been driven to fantastic heights by the frenzied scramble of many small producers for labor, materials, and supplies. These reductions can be effected only by the establishment of effective controls over the industry which, from analysis of its cost figures, is close to collapse from lack of essential chemicals. The tanners section of the Unione Industriale of Naples, for example, state that tanners are paying as much as L.600 per Kilo for Sodium S Sulphide, compared with a 1943 price of L.3 per Kilo, L.150 per Kilo for Sodium Bisulphite compared with L.1 in 1943, and L.100 per Kilo for tanning extracts compared with L.5 previously.

2. Prices such as these indicate that acute scarcities now exist for the materials in question. They also point to a method of establishing control over the industry by acquiring a supply of these essential materials and issuing them to selected tanners under controlled conditionis relative to production and prices. A beginning is being made with tanning extract, the entire output of which will be allocated to selected tanners. With the field of competition thus limited it will be possible to force some roll-back in prices of other materials, and to continue this process as more raw materials are acquired and distributed under controlled conditions.

3. The following adjustments represent a first step in this direction:

LABOR: Tanners claim they are paying 600 to 700 percent above 1943 rates. Median increase for employees of two firms supplying data to Labor Sub Commission is, however, 210 percent. We have allowed 250 percent to allow for increased use of labor necessary because of lack of sodium sulphide. This brings average wage to about L. 70 per day.

RAW MATERIALS:

Hides. assumed increase of 400 percent over 1943. Price determined can be adjusted for any changes in this.

Lime, Sodium Sulphide, Hydrochloric Acid, Sodium Bisulphite, Batting, and Tanning Oil. arbitrarily cut 50 percent below current free market prices. This percentage will vary, of course, between items, but producers will be forced to make this overall

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roll-back to start: Prices can be further cut when these chemicals are available at lower prices.

Tanning Extracts: no cut until costs at factory in Calabria c can be again reviewed: Earlier prices have been around L. 100 per kilo. As a result of this, an officer of this Subcommission visited factory, blocked existing stock, and arranged for all production to be channelled through ACC. After examining books, a price of L. 45 per kilo was fixed. Transport costs are L. 15 per kilo, thus making the total of L. 60 per Kg. here used.

Fuel, Electric Power, Oil, Water: Adjusted to legal increases and surcharges on utilities prevailing in Naples area: Coal and oil 100 percent, water 200 per cent, and electric energy 80 per cent.

Maintenance: Tanners claim 400 per cent increase. Increase of 250 per cent allowed: Labor costs for maintenance have risen just as have those for production. In addition many maintenance materials are now exteemely scarce black market items:

Transportation: No cut, but apparent discrepancies in statements for various leathers have been eliminated by applying median rate of L. 43 per kilo.

General Expenses & Profits: Tanners claimed up to 200 percent increase for General Expenses, 10% on costs for profit) this meant nearly 500% increase in profits. Arbitrarily cut to double those of last year. It must be noted that profits in an industry made up of many small firms constitute in part a management wage: We cannot, however, allow the use of a percentage of costs as the method for determining profits.

Copy to:
File ACC 5072/12/IC

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B. Lem

HEADQUARTERS
ALLIED CONTROL COMMISSION
LABOR SUB-COMMISSION
APO 394

LAB 091.4621

MS/mv

7 July 1944

SUBJECT: Fixing Price of Bread

TO : Director, Labor Sub-Commission.

1. Reference above subject.

1. At the meeting held in Mr. Cready'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 37.5 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 organised 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 adjustment of wages between one region and another as well as between one industry and another - has been evolved and can be simultaneously

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put into operation. Such a plan would have to take more notice of the fondamental principle of co-relating "cost of living" to "wages", than has 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 position to hold the line in wages if the increase in the price of bread were to accentuate any further the present unrest amongsts the working classes.

s/ E SCICLUNA,
t/ E SCICLUNA,
Captain,
Labor Relations Officer,
Labor Sub-Commission.

1984

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

Relief Committee File.

4621

HW/ml

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

ES/41 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 80 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.

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H. J. WADLEIGH
Economic Section

SEEN	
Col. Bain	
Col Smith	
Majo. Babcock	JCB.
Capt	
Capt Schluna	

AGR/32010

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agricu ture Sub-Commission
APO 394

WAH/wht

4 July 1944

SUBJECT: 1944 Price for Farm Crops Listed and ACC Price Control Policies and Procedures.

TO : RC's, Supply and Agricultural Officers, PC's and Other Allied Officers.

1. Quoted below is the Minist.rial Decree fixing the price of wheat, barley and other crops as officially established by the Italian Government in cooperation with ACC.

"MINISTERIAL DECREE FIXING THE PRICE OF WHEAT AND BARLEY DESTINED TO THE "PEOPLE'S GRANARIES", AS WELL AS THE PRICES OF OTHER MINOR CEREALS AND DRY SEEDS OF LEGUMES SUBJECT TO BLOCKING.

THE MINISTER OF AGRICULTURE AND FORESTS

BY VIRTUE OF R.D.L. No.397 of May 10, 1943 regulating the harvest of the 1943 cereal crop and dry horse beans
BY VIRTUE OF Ministerial Decree dated May 2, 1944 regulating the harvest of the 1944 wheat and barley crop

IN CONSIDERATION OF the necessity of fixing new prices for cereals and legumes subject to regulation, based on present costs of production.

HEREBY DECREES:

ART I

Base prices for cereals and legumes subject to regulation, applicable throughout the Italian liberated territory, shall be as follows, for the 1944 crop:

Soft Wheat - Standard: 75 kilos per hectoliter;
Allowance: 1% actual impurities 900 lire per quintale.

Durum Wheat - Standard: 78 kilos per hectoliter;
Allowance: 1% actual impurities and 25% (equalized) of whitened kernels 1,000 lire per quintal.

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Common Barley with Hull - Standard: 56 kilos per hectoliter;
Allowance: 2% extraneous matter 700 lire per quintal.

Nude Barley - Standard: 70 Kilos per hectoliter;

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HEREBY DECREES:

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Allowance: 1% actual impurities 900 lire per quintale.

Durum Wheat - Standard: 78 kilos per hectoliter;
Allowance: 1% actual impurities and 25% (equalized) of whitened kernels 1,000 lire per quintal.

Common Barley with Hull - Standard: 56 kilos per hectoliter;
Allowance: 2% extraneous matter 700 lire per quintal.

Nude Barley - Standard: 70 Kilos per hectoliter;
Allowance: 1% extraneous matter 950 lire per quintal.

Oats - Standard: 42 kilos per hectoliter, 650 lire per quintal
Rye - Standard: 68 kilos per hectoliter, 900 lire per quintal
Corn - Standard: 16% moisture, 650 lire per quintal
Horse Beans - Standard: "mezza fava" (common or "di messa" (average) (horse bean) 675 lire per quintal.
Beans - (Base price for common variety): 1.250 lire per quintal
Chick Peas - (Base price): 1.000 lire per quintal
Peas (including field peas) - (Base Price): 1.050 lire per quintal
Lentils - (Base price): 1.300 lire per quintal

The above prices apply to sound, dry products in good marketable condition, delivered to the warehouse door of the nearest collecting station, unbagged, such prices not to be subject to any deduction for expenses pertaining to the organization and management of the "People's Granaries".

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ART 2

Prices specified in the preceding article shall be paid to sellers upon delivery of the product, and the above base prices shall be increased or decreased in accordance with appropriate tables to be issued by the Ministry of Agriculture and Forests.

ART 3

This Decree shall be published in the Official Gazzette of the Kingdom-Special Series - and shall become effective as of the date of its publication."

Salerno, 30 June 1944

(signed) GULLO

Minister

2. Other crops for which base prices have been announced with dates such prices became official are listed below:

a.	Potatoes	750 lire per qtl.	28 Feb. 1944
	Contract price established at time seed potatoes were distributed.		
b.	Tomatoes for Paste	250 lire per qtl.	17 Mar. 1944
c.	Tomatoes for Peeling	300 lire per qtl.	30 Jun. 1944
d.	Wool - 100% increase of 1943 schedule for various grades 6 June 1944.		

3. Attached as Appendix I is a list (enclosed for reference purposes) of farm crops, for which 1944 prices have not been established to date. It is hereby requested that your recommendations be prepared and submitted in accordance with policies and procedures outlined in Appendices III and IV. Your recommendations with supporting data should be submitted to Agriculture Sub-Commission at the earliest possible date.

4. Attached as Appendix II is a partial list of medical and industrial crops grown on farms which may or may not involve establishment of ceiling prices. This list is inclosed merely for reference purposes.

5. Attached as Appendix III is memo ES/21 dated 26 June 1944, subject; "Procedures for Decisions" addressed to all Sub-Commissions in Economic Section by the Vice President, Economic Section.

6. Attached as Appendix IV is ES/41 dated 27 June 1944, subject; "Price Controls" addressed to all Regional Commissioners under the signature of Executive Commissioner.

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Special Series - and shall become effective as of the date of its Publication."

Salerno, 30 June 1944

(signed) GULLO

Minister

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a.	Potatoes	750 lire per qtl.	28 Feb. 1944
	Contract price established at time seed potatoes were distributed.		
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6. Attached as Appendix IV is ES/41 dated 27 June 1944, subject; "Price Controls" addressed to all Regional Commissioners under the signature of Executive Commissioner.

7. Types of data outlined as essential in Appendix III para 5 to cover all crops and commodities must be adapted to the particular crop or crops in question for each Province. Information and supporting data should represent those conditions under which the major portion of a crop is grown in a particular Province. Suggested types of information which should be available for each Province follows:

Para. 5 - (a) - Labor: Number of man days and wages per day for each kind of operation; value of labor paid in kind; total labor cost per hectare and portion thereof which represents out of pocket expenditures for 1944 crop; for 1943 crop and for 1938 crop; statement of unusual labor conditions or situations if any.

Para. 5 - (b) (C) (d) Number of draft animal days and cost per day for each kind of operation and total of each per hectare; total cost per hectare and average portion thereof which represents out of pocket expenditures for 1944 1943 and 1938 crops; statement covering unusual draft animal situations.

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Same information for tractor operations.
Same information for various farm machines used for one or more crops.
Quantity in qtl. of seed planted per ha., with cost of same 1944, 1943 and 1938 crops; source of seed 1944, 1943 and 1938.

Same information for fertilizers, insecticides, fungicides, and other normal production and harvest input requirements as for seed.

Miscellaneous out of pocket operating expenses for 1944, 1943 and 1938 crops such as transportation, storage, cash rent, or rent in kind, etc.

Total out of pocket expenses for 1944 crops as compared with 1943 and 1938 crops. Black market prices by months 1943 and 1944 and legal prices for years since 1937 should be tabulated.

Production data for each Province for 1944, 1943, and 1938; total ha.; yield per ha.; total production in qtls; exports and imports; explanatory notes. Earliest and latest planting and harvesting dates. Summary statement of normal and present marketing and or processing channels.

8. It is hereby requested that proper field officers be instructed to work with and through Italian officials in the preparation of necessary data, Province by Province. If in your opinion 1944 on the farm prices should not be established for particular crops which may or may not be included on list Appendix I reasons, thereof, will be helpful to this Sub-Commission and in turn to ACC Price Committee in making decisions.

W. A. HARTMAN
Lt. Colonel
Director

Dist:
Economic Section: Executive Officer
Food Sub-Commission
Finance Sub-Commission
Industry & Commerce
Labor Sub-Commission ✓
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APPENDIX I

List of Farm Crops on Which 1944 Farm Prices Have Not Been Established to Date of This Memo

Crop

Rice
Lupines
Carob Beans
Vetch
Soy Beans
Sunflower Seeds

Industrial Crops

Flax Seed
Flax for Cloth
Cotton Seed
Hemp
Tobacco
Castor Bean
Sugar Beets
Olives for Oil
Grapes for Wine
Cocoons

Nut Crops

Almonds
Peanuts
English Walnuts
Hazel Nuts
Chestnuts
Pistacchio
Pinon Nuts

Industrial Products

Wine
Olive Oil

Other Fruits

Pears

Vegetable Crops

Garlics
Radishes
Endives
Lettuce
Flowered Broccoli
Lettuce (Roman Type)
Onions
Asperagus
String Beans
Squashes Large
Squashes Small
Squash Flowers Closed
Squash Flowers Open
Cabbages
Tomatoes
Cucumbers
Small Green Peppers
Red Carrots
Horse Beans Fresh
Fresh Peas
Cordon
Fennel
Cabbage
Cauliflower
Melons
Watermelons
Peppers
Spinach
Beets
Pumpkins
Grapes for Food
Olives for Food

Fruits

Oranges
Tangerines
Lemons
Limes
Peppermints

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Vetch
Soy Beans
Sunflower Seeds

Industrial Crops

Flax Seed
Flax for Cloth
Cotton Seed
Hemp
Tobacco
Castor Bean
Sugar Beets
Olives for Oil
Grapes for Wine
Cocoons

Nut Crops

Almonds
Peanuts
English Walnuts
Hazel Nuts
Chestnuts
Pistachio
Pinon Nuts

Industrial Products

Wine
Olive Oil

Other Fruits

Pears
Peaches
Plums
Cherries
Figs
Grapes
Apricots
Mulberries
Persimmons
Loquot

Endives
Lettuce
Flowered Broccoli
Lettuce (Roman Type)
Onions
Asparegus
String Beans
Squashes Large
Squashes Small
Squash Flowers Closed
Squash Flowers Open
Cabbages
Tomatoes
Cucumbers
Small Green Peppers
Red Carrots
Horse Beans Fresh
Fresh Peas
Cordon
Fennel
Cabbage
Cauliflower
Melons
Watermelons
Peppers
Spinach
Beets
Pumpkins
Grapes for Food
Olives for Food

Fruits

Oranges
Tangerines
Lemons
Limes
Bergamonts

5267

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

APPENDIX II

Partial List of Medicinal and Industrial Crops
For Which 1944 Prices Have Not Been Established
As of Date of This Memo

Tamarindo, frutti
Zafferano, stimmi
Valeriana, radici
Strofanto, semi
Sena, foglio
Segale cornuta, talli
Seamonea
Ricino, semi
Rabarbaro, rizomi
Quassio, legno
Timo, pianto fiorito
Rosmarino, rametti
Poligala, radici
Pattchouli
Noci di galla
Mugo o Pino Pumilio, rametti
Menta piperita, orba
Manna di frassino
Maggiorana, erba
Liquirizia, radici
Lino, semi
Lavanda Stecade, sommita' fiorito
Lavanda vera, sommita' fiorito
Lauro nobile, foglie e bacche
Iris o giaggiolo, rizomi
Ipecacuena, radici
Idrasto, rizomi o radici
Gialappa, resina
Genziana, radici
Gelsomino, fiori
Fragola, corteccia
Finocchio, semi
Felce maschia, rizomi
Fava tonka
Estragono, orba
Dittamo cretico, foglio
Crisantemo piretro, fiori
China, corteccia
Cassia, frutti
Cascara sagrada, corteccia
Cardamomo, frutti
Cannella, corteccia
Cammomilla volgare, fiori
Cacao, bucce e semi
Benzoino, resina
Peperoncino
Papavero sonniforo, capi
Noce, foglio o mallo
Mandorlo dolci e amaro
Noci di kola
Malva, foglio e fiori
Henne'
Giusquiamo
Garofano, chiodi
Eucalipto, foglio
Cuscuta, pianta
Coca, foglio
Digitalo purpurea, foglio
Caffe', semi torrefatti
Basilico, orba
Assenzio gentile
Anice verde, semi

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Sena, foglie
Segale cornuta, talli
Soamonea
Ricino, semi
Rabarbaro, rizomi
Quassio, legno
Timo, pianta fiorita
Rosmarino, rametti
Poligala, radici
Pattchouli
Noci di galla
Mugo o Pino Pumilio, rametti
Menta piperita, erba
Manna di frassino
Maggiorana, erba
Liquirizia, radici
Lino, semi
Lavanda Stecade, sommita' fiorita
Lavanda vera, sommita' fiorita
Lauro nobile, foglie e bacche
Iris o giaggiolo, rizomi
Ipecacuana, radici
Idraste, rizomi e radici
Gialappa, resina
Genziana, radici
Gelsomino, fiori
Fragola, corteccia
Finocchio, semi
Felce maschia, rizomi
Fava tonka
Estragone, erba
Dittamo cretico, foglie
Crisantemo piretro, fiori
China, corteccia
Cassia, frutti
Cascara sagrada, corteccia
Cardamomo, frutti
Cannella, corteccia
Camomilla volgare, fiori
Cacao, bucce o semi
Benzoino, resina
Belladonna, foglie o rizomi
Assenzio volgare, foglie o
  sommita' fiorite
Arancio amaro o dolce, scorza
Aloe, succo concentrato
Agar agar
Tiglio, fiori
Sughero, scorza
Senape, semi
Saponaria off., radici
Salvia sclarea, sommita' fiorite
Salvia off., foglie e sommita'
  fiorite
Pino, gomme o scorze
Noci di kola
Malva, foglie e fiori
Henne'
Giusquiamo
Garofano, chiodi
Eucalipto, foglie
Cuscuta, pianta
Coca, foglie
Digitale purpurea, foglie
Caffe', semi torrefatti
Basilico, erba
Assenzio gentile
Anice verde, semi

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

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APPENDIX III

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

ES/41

26 June 1944

SUBJECT: Procedure for Decisions on Price Controls

TO: All Sub-Commissions in Economic Section

1. The Head of the Economic Section makes all decisions with respect to:-
   (a) The determination or revision of official prices.
   (b) The establishment of new system of control over prices and marketing of commodities.

2. The Price Group is a coordinating body whose function is to review recommendations for decision with respect to the matters mentioned above, and to advise the Head of the Economic Section.

3. Industry & Commerce will make recommendations on price controls relating to manufactured articles (except foodstuffs) and minerals.

Food Sub-Commission will recommend on control of prices of foodstuffs, (except prices paid to primary producers).

Agriculture Sub-Commission will make recommendations on control of prices received by primary producers for products of agriculture, forestry and fishing.

Transportation Sub-Commission will recommend on transportation rates.

Public Work & Utilities Sub-Commission on Utility rates.

The above are not intended to be hard and fast rules. Army Sub-Commission may make recommendations on price control problems arising in connection with its regular work. Other interested Sub-Commissions will be able to express their views when the recommendations come before the Price Group for review. All recommendations prepared by Sub-Commissions shall be sent direct to the Economic Section.

4. It is desired that, so far as possible, recommendations be prepared by offices outside this Headquarters, including both Italian authorities and Regional ACC or AMG offices. Such recommendations should be transmitted by the interested Sub-Commission with whatever comments or additional information may be needed to the Economic Section. Sub-Commissions shall make it clear to those Italian authorities or Regional Officers with whom they deal, what information is required to support price recommendations.

5. The following data should, wherever possible, accompany price recommendations:

   (a) Number of man-days of work required to produce one unit of the commodity or service to be priced, and rates of wages paid for such labor. This information is necessary not only for analysing costs of production, but also for coordinating price control with wage control.
   (b) The amounts of materials, fuel, power, etc., required to produce

Declassified E.O. 12356 Section 3.3/NND No. 786021

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marketing of commodities.

2. The Price Group is a coordinating body whose function is to review recommendations for decision with respect to the matters mentioned above, and to advise the Head of the Economic Section.

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Food Sub-Commission will recommend on control of prices of foodstuffs, (except prices paid to primary producers).
Agriculture Sub-Commission will make recommendations on control of prices received by primary producers for products of agriculture, forestry and fishing.
Transportation Sub-Commission will recommend on transportation rates.
Public Work & Utilities Sub-Commission on Utility rates.
The above are not intended to be hard and fast rules. Army Sub-Commission may make recommendations on price control problems arising in connection with its regular work. Other interested Sub-Commissions will be able to express their views when the recommendations come before the Price Group for review. All recommendations prepared by Sub-Commissions shall be sent direct to the Economic Section.

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5. The following data should, wherever possible, accompany price recommendations:

(a) Number of man-days of work required to produce one unit of the commodity or service to be priced, and rates of wages paid for such labor. This information is necessary not only for analysing costs of production, but also for coordinating price control with wage control.

(b) The amounts of materials, fuel, power, etc., required to produce one unit of the product, and the prices paid for materials, etc. This information, again, is useful not only for cost analysis, but also in suggesting possible methods of reducing cost of production through control of prices of raw materials, etc.

(c) Previous prices (pre-invasion and pre-war) for the article to be priced, and, where possible, comparative cost data for same pre-invasion period. In particular, it is important, in order to check violation of wage ceilings, to have comparative wage data showing rates paid now, in 1943 prior to invasion, and pre-war.

(d) Where the commodity or service is to be produced by a single business firm, a statement showing the financial position of the firm.

An excellent schedule of required data for price recommendations on industrial products has been prepared by the Industry & Commerce Sub-Commission. It is suggested that this be mimeographed and issued to all industrial firms preparing cost statements for price determination.

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6. As a general rule, price recommendations should contain a full statement of the way in which it is proposed to enforce the official price recommended. It is not the policy to fix prices unless we have reason to believe that we can enforce the price fixing effectively. As a general rule, we cannot enforce price controls unless we can have control of supplies, marketing, and distribution to consumers. The duties of the Price Group are not confined to reviewing a recommended price alone; it is their function also to review the entire scheme and method of control.

7. Whenever a price control project, or price has been reviewed by the Price Group and approved by the Head of the Economic Section, the appropriate Sub-Commission (as a general rule, this will be the Sub-Commission which has prepared the recommendation) will take all necessary action to follow up the decision. In the case of all major decisions, this will include the drafting of a letter for my signature to the Italian Government.

HENRY F. GRADY
Vice-President,
Economic Section.

Declassified E.O. 12356 Section 3.3/NND No. 786021

Declassified E.O. 12356 Section 3.3/NND No. 786021

APPENDIX IV

COPY

HEADQUARTERS
ALLIED CONTROL COMMISSION
APO 394

ES/41

27 Jun 1944

SUBJECT: Price Controls.

TO : Regional Commissioners
Regions I, II, III, IV, V, VI, VII, VIII, IX & Rome Region.

1. It is desired to centralize all major decisions on price controls in ACC within this headquarters, while delegating local price control problems to be solved by the regional offices within the framework of broader decisions made here.

2. Accordingly, no decision relating to the fixing of prices or establishment or modification of price controls shall be made without prior authorization from the Economic Section of this headquarters.

3. As a general rule of policy, price control decisions relating to products which are susceptible to interregional trade will be made by the Economic Section and the Italian Government. As regards products which cannot be traded interregionally (which consist, for the most part, of highly perishable products), controls will, in general, be operated locally or regionally, in accordance with the terms of general directives established jointly by ACC and the Italian Government.

4. It is also the policy of this headquarters (a) to extend control over prices and distribution of necessities in order to reduce the cost of living, but (b) to abolish, at least for the present, such controls as exist merely on paper and are not now capable of being enforced.

5. You are requested to submit to this headquarters, for consideration by the Economic Section, a statement showing what price controls in your region are now in effect on a local basis, how effectively each of these is being enforced, and which ones should, in your opinion, be maintained. In regard to those controls which you believe should be maintained, your statement should include information as to the prices which are now in effect, the basis on which they have been fixed, and as to the methods by which they are being or can be enforced.

-s- M. M. LUSH
BRIGADIER
Executive Commissioner

Copy to:
Agriculture S. C.
Finance S. C.
Food S. C.
Industry and Commerce S. C.
Labor S. C.
Public Works & Utilities S. C.
Shipping S. C.
Transportation S. C.

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Declassified E.O. 12356 Section 3.3/NND No. 786021

SEEN	
Col. Bain	
Col Smith	
Majo Pehcock	905
Capt DeRF	
Capt Selcluna	

ES/41

0.4621 Labor

HEADQUARTERS
ALLIED CONTROL COMMISSION
APO 394

HJW/sem

1 July 44

SUBJECT: Taxation on Imported Supplies.

TO : Regional Commissioners and Supply Officers
Regions I, II, III, IV, V, VI, VII, VIII, IX & Rome Region.
SCAO's and Supply Officers 5th and 8th Armies.

1. Reference our ES/41, 22 Jun 44, on prices and transportation charges on imported supplies.

2. The following is added in clarification of paragraph 4:

All Italian agencies and persons handling imported goods will be liable to all the normal Italian duties including the 3% tax on turnover, income tax, etc. The only duties being suspended are the import duties and customs license duties.

for L. H. Brodie
Brigadier
Executive Commissioner

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Folder 4621

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

ES/41

22 June 1944.

SUBJECT: Prices and transportation charges on imported supplies.

TO: All Regional Commissioners and Supply Officers SCAO's and Supply Officers 5th & 8th Armies.

1. Attached is a list of prices to be charged Italian distributing agencies for imported supplies. These prices are c.i.f. point of sale by ACC or AMG to Italian agency. They may not be varied without previous authorization from this headquarters.

2. ACC and AMG make the necessary arrangements for transportation up to the point of initial sale. Where privately owned means of transportation are used for this purpose, payment of transportation costs is made by ACC or AMG. Such payments will eventually be charged to Italian Government, but regional officers and AMG officers are not responsible for collecting payment from Italian Government.

3. Where ACC or AMG make use of means of transport owned by the Italian Government, including State Railways, schooners or other ships of the Comitato Italiano Gestione Navi (C O G E N A), and Government-owned motor pools, no payment for transportation is to be made.

4. It is anticipated that no customs duties will be paid on foodstuffs and other supplies imported for general distribution to consumers. Further instructions on this point will be forthcoming from Finance Subcommission.

5. After the goods have been sold to an Italian distributing agency, arrangements for the transportation, distribution and pricing of the goods shall be left so far as practicable to the Italians, except as noted below.

6. In no case shall the retail price of any article imported for distribution to consumers exceed the price of sale by ACC or AMG to the Italian distributing agency by more than 25 percent. It is hoped, of course, that in areas where relatively little expense has to be incurred by the Italians for transportation the price paid by consumers will be substantially less than 25% above the price at which the goods are sold by AMG or ACC.

7. If costs of transportation and distribution after sale by ACC or AMG cannot be covered by the 25 percent margin, as will be the case in certain of the remoter areas, the difference must be made under a subsidy from the

Declassified E.O. 12356 Section 3.3/NND No. 786021

Officers 5th & 8th Armies.

1. Attached is a list of prices to be charged Italian distributing agencies for imported supplies. These prices are c.i.f. point of sale by ACC or AMG to Italian agency. They may not be varied without previous authorisation from this headquarters.

2. ACC and AMG make the necessary arrangements for transportation up to the point of initial sale. Where privately owned means of transportation are used for this purpose, payment of transportation costs is made by ACC or AMG. Such payments will eventually be charged to Italian Government, but regional officers and AMG officers are not responsible for collecting payment from Italian Government.

3. Where ACC or AMG make use of means of transport owned by the Italian Government, including State Railways, schooners or other ships of the Comitato Italiano Gestione Navi (C O G E N A), and Government-owned motor pools, no payment for transportation is to be made.

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7. If costs of transportation and distribution after sale by ACC or AMG cannot be covered by the 25 percent margin, as will be the case in certain of the remoter areas, the difference must be made up by a subsidy from the Italian Government, which, presumably, will be obtained through the provincial authorities.

8. Where the retail price, even though within the 25 percent margin, is found to impose an excessive burden on the limited purchasing power of consumers, the price may be lowered, very substantially if necessary, by means of a subsidy from the Italian Government.

9. An instruction is now being prepared regarding prices to be paid by millers for grain and by bakers for flour.

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Brigadier
Executive Commissioner

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

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

PRICE SCHEDULE - A.C.C.

Serial	Commodity	Price in lire per Kg.	NOTES
1	Biscuit	4.20	(a) Canned mi
2	Sugar	13.00	& vegetable fi
3	Olive Oil	27.00	Meat & Vegetab
4	Mixed Stews (a)	55.00	& Veg. Mash; C
4	Canned Meats (b)	95.00	Corned Beef It
5	Dehydrated Soup	24.00	(b) Corned B
6	Dried Peas/Beans	24.00	Meats; Vienne
7	Salt	4.30 (c)	Luncheon Meat
8a	Soap - Laundry	19.00	(c) Not appl
8b	Soap - Toilet	33.00	salt imported
9	Cheese	28.00	by the Monopol
10	Milk, Evaporated	28.00	
10d	Milk Powder Skimmed	49.00	
10e	Milk Powder Whole	103.00	(d) Matches
11	Dehydrated Vegetables	64.00	vered direct
12	Matches	(d)	warehouses fr
			Italy's agent

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

PRICE SCHEDULE - A.C.C.

Commodity	Price in lire per Kg.	NOTES
Biscuit	4.20	(a) Canned mixtures of meat & vegetable ingredients, i.e. Meat & Vegetable Stew; Meat & Veg. Hash; Chile con Carne; Corned Beef Hash.
Sugar	13.00	
Olive Oil	27.00	
Mixed Stews (a)	53.00	
Canned Meats (b)	95.00	
Dehydrated Soup	24.00	(b) Corned Beef; Canned Meats; Vienna Sausage; Luncheon Meat; Canned Beef.
Dried Peas/Beans	24.00	
Salt	4.30 (c)	(c) Not applicable where salt imported and handled by the Monopoly itself.
Soap - Laundry	19.00	
Soap - Toilet	33.00	
Cheese	28.00	
Milk, Evaporated	20.00	
Milk Powder Skimmed	49.00	
Milk Powder Whole	105.00	
Dehydrated Vegetables	64.00	
Matches	(d)	(d) Matches will be delivered direct to Monopoly warehouses from Bank of Italy's agents.

SEEN	
Col Bain	
Col Smith	
Major Clarke	9/6/44
Capt	
Capt Schuna	

(462)

HEADQUARTERS
ALLIED CONTROL COMMISSION
APO 394

ES/41

27 June 1944

SUBJECT: Price Controls

TO: : Regional Commissioners
Regions I, II, III, IV, V, VI, VII, VIII, IX & Rome Region.

1. It is desired to centralize all major decisions on price controls in ACC within this headquarters, while delegating local price control problems to be solved by the regional offices within the framework of broader decisions made here.

2. Accordingly, no decision relating to the fixing of prices or establishment or modification of price controls shall be made without prior authorization from the Economic Section of this headquarters.

3. As a general rule of policy, price control decisions relating to products which are susceptible to interregional trade will be made by the Economic Section and the Italian Government. As regards products which cannot be traded interregionally (which consist, for the most part, of highly perishable products), controls will, in general, be operated locally or regionally, in accordance with the terms of general directives established jointly by ACC and the Italian Government.

4. It is also the policy of this headquarters (a) to extend control over prices and distribution of necessities in order to reduce the cost of living, but (b) to abolish, at least for the present, such controls as exist merely on paper and are not now capable of being enforced.

5. You are requested to submit to this headquarters, for consideration by the Economic Section, a statement showing what price controls in your region are now in effect on a local basis, how effectively each of these is being enforced, and which ones should, in your opinion, be maintained. In regard to those controls which you believe should be maintained, your statement should include information as to the prices which are now in effect, the basis on which they have been fixed, and as to the methods by which they are being or can be enforced.

Brigadier
Executive Commissioner

Copy to: R.C. & M.G. Section

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

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Brigadier
Executive Commissioner

AG 5261

Copy to: R.C. & M.G. Section
Agriculture Sub-Commission
Finance Sub-Commission
Food Sub-Commission
Industry and Commerce Sub-Commission
Labor Sub-Commission
Public Works & Utilities Sub-Commission
Shipping Sub-Commission
Transportation Sub-Commission

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

2009

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

Price Comm. files 962/46/5-7

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

HW/ml

ES/41

26 June 1944

SUBJECT: Control of Sulphur Price.

TO : Industry & Commerce Sub-Commission.

1. One price of L.4500 per ton for sulphur ("giallo superiore" grade) alongside ships at Catania, Licata, or Porto Empedode, has been recommended by the Price Group, and is approved.

2. You are requested to determine corresponding prices for other grades and destinations, as may be required.

3. You are requested to make such arrangements as may be necessary for the enforcement of this structure of prices for the entire Sicilian output, including the drafting of a letter for my signature to the Italian Government. This letter should indicate not only the prices to be charged, but also the machinery by which they are to be enforced and the supply of sulphur is to be kept under control.

4. In notifying the Regional Commissioner for Region I of this action, you are requested to make it clear that he is held responsible for the prevention of sales of sulphur at unauthorized prices or to unauthorized users.

HENRY F. GRADY
Vice President,
Economic Section.

Copy to: Labor Sub-Commission
Finance Sub-Commission

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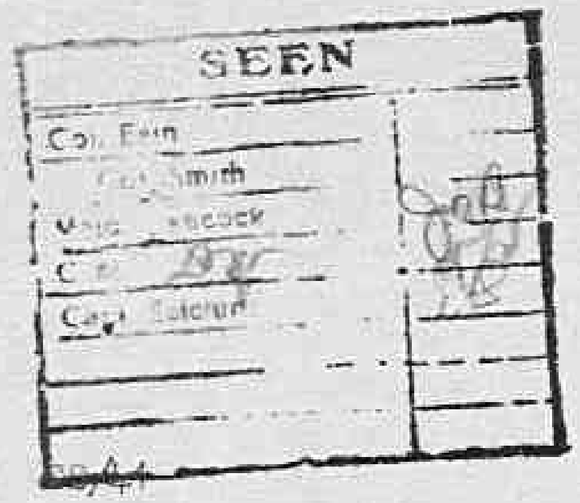

Labor

4621

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

26 June 1944

SUBJECT: Procedure for Decisions on Price Controls

TO: All Sub-Commissions in Economic Section

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   (a) The determination or revision of official prices.
   (b) The establishment of new system of control over prices and marketing of commodities.

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Food Sub-Commission will recommend on control of prices of foodstuffs, (except prices paid to primary producers).
Agriculture Sub-Commission will make recommendations on control of prices received by primary producers for products of agriculture, forestry and fishing.
Transportation Sub-Commission will recommend on transportation rates.
Public Work & Utilities Sub-Commission on Utility rates.
The above are not intended to be hard and fast rules. Army Sub-Commission may make recommendations on price control problems arising in connection with its regular work. Other interested Sub-Commissions will be able to express their views when the recommendations come before the Price Group for review. All recommendations prepared by Sub-Commissions shall be sent direct to the Economic Section.

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5. The following data should, wherever possible, accompany price recommendations:

   (a) Number of man-days of work required to produce one unit of the commodity or service to be priced, and rates of wages paid for such labor. This information is necessary not only for analyzing costs of production, but also for coordinating price control with wage control.
   (b) The amounts of materials, fuel, power, etc., required to produce one unit of the product, and the prices paid for materials, etc. one unit of the product, and the prices paid for materials, etc. ... useful not only for cost analysis, but

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

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   (a) The determination or revision of official prices.
   (b) The establishment of new system of control over prices and marketing of commodities.

2. The Price Group is a coordinating body whose function is to review recommendations for decision with respect to the matters mentioned above, and to advise the Head of the Economic Section.

3. Industry & Commerce will make recommendations on price controls relating to manufactured articles (except foodstuffs) and minerals.
Food Sub-Commission will recommend on control of prices of foodstuffs, (except prices paid to primary producers).
Agriculture Sub-Commission will make recommendations on control of prices received by primary producers for products of agriculture, forestry and fishing.
Transportation Sub-Commission will recommend on transportation rates.
Public Work & Utilities Sub-Commission on Utility rates.
The above are not intended to be hard and fast rules. Any Sub-Commission may make recommendations on price control problems arising in connection with its regular work. Other interested Sub-Commissions will be able to express their views when the recommendations come before the Price Group for review. All recommendations prepared by Sub-Commissions shall be sent direct to the Economic Section.

4. It is desired that, so far as possible, recommendations be prepared by offices outside this Headquarters, including both Italian authorities and Regional ACC or AFL offices. Such recommendations should be transmitted by the interested Sub-Commission with whatever comments or additional information may be needed to the Economic Section. Sub-Commissions shall make it clear to those Italian authorities or Regional Officers with whom they deal, what information is required to support price recommendations.

5. The following data should, wherever possible, accompany price recommendations:
   (a) Number of man-days of work required to produce one unit of the commodity or service to be priced, and rates of wages paid for such labor. This information is necessary not only for analyzing costs of production, but also for coordinating price control with wage control.
   (b) The amounts of materials, fuel, power, etc., required to produce one unit of the product, and the prices paid for materials, etc. This information, again, is useful not only for cost analysis, but also in suggesting possible methods of reducing cost of production through control of prices of raw materials, etc.
   (c) Previous prices (pre-invasion and pre-war) for the article to be priced, and, where possible, comparative cost data for same pre-invasion period. In particular, it is important, in order to check violation of wage ceilings, to have comparative wage data showing rates paid now, in 1943 prior to invasion, and pre-war.
   (d) Where the commodity or service is to be produced by a single business firm, a statement showing the financial position of the firm.

An excellent schedule of required data for price recommendations on industrial products has been prepared by the Industry & Commerce Sub-Commission. It is suggested that this be mimeographed and issued to all industrial firms preparing cost statements for price determination.

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6. As a general rule, price recommendations should contain a full statement of the way in which it is proposed to enforce the official price recommended. It is not the policy to fix prices unless we have reason to believe that we can enforce the price fixing effectively. As a general rule, we cannot enforce price controls unless we can have control of supplies, marketing, and distribution to consumers. The duties of the Price Group are not confined to reviewing a recommended price alone; it is their function also to review the entire scheme and method of control.

7. Whenever a price control project, or price has been reviewed by the Price Group and approved by the Head of the Economic Section, the appropriate Sub-Commission (as a general rule, this will be the Sub-Commission which has prepared the recommendation) will take all necessary action to follow up the decision. In the case of all major decisions, this will include the drafting of a letter for my signature to the Italian Government.

HENRY F. GRADY
Vice-President,
Economic Section.

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The attached will be considered in a meeting of the Price Committee, 24 June 1944, 10,30 hours.

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2014

HEADQUARTERS
ALLIED CONTROL COMMISSION
MINING DIVISION
APO 534

2 June 1944

SUBJECT: Price of costs of materials for producing sulphur

TO : Committee Considering Price.

1. Estimates of cost of materials required for one years production of sulphur in Sicily are as follows

A. Materials from U. S. & U. K.
(Unit costs estimated as f.o.b. N. Y.)

ITEM:	TOTAL QUANTITY Req.-Years Operation:	TOTAL COST (LIRE)	COST PER TON PRODUCED
Transformer Oil	300 gal.	9,000	
Wire Lubricants	2000 lb.	50,000	
Grease	1500 lb.	9,000	
Lubrication Oil	150 bbl.	282,000	
Gear Oil	100 bbl.	160,000	
Belt Grease	500 lb.	5,000	
Diesel Fuel	4000 bbl.	1,680,000	
TOTAL PETROLEUM PRODUCTS:		2,195,000	22
5/8" dia. Steel Cable	6000 ft.	120,000	
3/4" dia. " "	16000 ft.	448,000	
1" dia. " "	3000 ft.	150,000	
1 1/8 dia. " "	2700 ft.	178,000	
1/2" x 3" flat steel cable	6000 ft.	450,000	
3/8" x 4 1/2" " "	600 ft.	80,000	
TOTAL CABLE.	34,900 ft.	1,426,000	14
25' Fire Hose 1 1/2"	450	800,000	
25' " " 2"	300	750,000	
3/4" Suction Hose.	5000 ft.	230,000	
1 1/4" Suction Hose.	5000 ft.	460,000	
TOTAL HOSE.	10,700	2,260,000	23

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2015

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ITEM:	TOTAL QUANTITY REQ.- YEARS OPERATIONS:		TOTAL COST (LIFE)	COST PER 2,M - FOOTAGE
LAMPS (carbide)	2,000		720,000	
Lamp burners	20,000		100,000	
Files various	5,000		250,000	
Mat'ocks, picks, and shovels.	4,000		600,000	
Nails & bolts	[illegible]		800,000	
Pipe (up to 4")	150,000	ft.	4800,000	
Pipe fittings			200,000	
Anti friction metal.	2,000	lb.	100,000	
Tin	1,000	lb.	50,000	
Misc. hardware			100,000	
TOTAL HARDWARE			7,720,000	77
16 rail	80,000	ft.	800,000	
Rail spreaders	2,000		40,000	
Mine cars	200		1,000,000	
TOTAL RAIL MATERIALS.			1,920,000	19
Leather belting, (up to 24")	4,000	ft.	1,600,000	16
Carbide	1,200,000	lb.	7,200,000	77
Dynamite	400,000	lb.	10,000,000	100
Caps	1,500,000		1,500,000	15
Dynamite fuse	4,600,000		4,600,000	46
Brass (rounds etc.)	3,000	lb.	120,000	
Steel flats	16,000	lb.	64,000	
Steel rounds	50,000	lb.	200,000	
Mild steel bars	26,000	lb.	78,000	
Steel sheets, (48"x 96", various thicknes)	2,400		1,440,000	
Steel angles	25,000	lb.	100,000	
Steel channels	22,000	lb.	88,000	
Tool steel (3/4" to 1 1/4")	2,000	lb.	12,000	
Drill steel	8,000	ft.	900,000	
Corrugated steel	2,000	sh.	270,000	
Welding rod	1,400	lb.	675,000	
TOTAL METAL MATERIALS			3,947,000	40

2016

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ITEM	TOTAL QUANTITY REQ'D FOR OPERATION	TOTAL COST (LAID)	COST PER TON - POUND
Friction and insulatin tape	3,000 rolls	35,000	
Insulating varnish	1,000 gls.	40,000	
Magnet wire (2A to 5)	10,000 lb.	800,000	
Misc. cable (2/0 to 6)	25,000 ft.	1,200,000	
Sheet brass 1/64x24"	300 sh.	21,000	
Casabrlo tape	600 ro.	12,000	
Cotton tape 1/2" x 36"	800 ro.	6,400	
Misc 1 1/2" x 2"	600 ea.	7,800	
Emery cloth	5,000 sh.	30,000	
Misc electric supplies		100,000	
		2,252,200	23
Total imported supplies (to 6 N.Y.) Cost delivered to mines estimated at 150% of N.Y. costs			457
			685

B. Materials supplied locally.

Mine timbers	5,000 cu.mtr.	6,000,000	
Lumber	100,000 bm.	500,000	
Total lumber		6,500,000	65
Electric power	7,000,000 kwh.	3,500,000	35
Coal*	2,500 tons.	5,375,000	54
Cement, gypsum and portland	500 tons.	1,250,000	12
Total listed local materials			166

* 70% imported, 30% Canadian, priced fob mines

C. Additional expenses

Royalties @ 7 1/2% of 4000 mt		300
Administrative overhead		100
Insurance on buildings at 1/2 of 1%		20
Tax on sulphur		10
Total additional expenses		430
Total normal costs except labor		1251

2. The above enumeration purposely neglects interest on investment, amortization, depreciation or maintenance, as these items will no doubt prevent the producer from resuming production.

3. However, with equipment in bad shape and with the prospect of a shutdown each time there is some small difficulty with electric power, the operator must figure in a margin to cover:

2017

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(b) Shut down expenses when power fails. (c) Shut down expenses when equipment fails. (3) Lowered productivity of workers due to low rations.

(4) Absenteeism due to upset internal conditions.

(5) Repairs and substitutions of more expensive methods on account of equipment which cannot be repaired or replaced.

(6) Replacement of damaged equipment. Hence we figure an additional 10% of labor and other costs to cover these items.

4. Cost of production at the mines would then be:

Labor cost, 25 man days at 100 lire	2,500
Materials and other costs (say)	1,250
10% for paragraph 3 special expenses	375
Cost at mine	4,125

5. As our price should be based on sulphur delivered along ship at ports, the following costs must be included:

(7) (8) (9) (10) (11) (12) Handling from rail cars to warehouse, weighing in and out of warehouse, operation of warehouse, insurance on sulphur stored, interest on warehouse receipts, handling from warehouse to shipside

(1) Sales overhead

Total above items	400
Rail freight (avg.)	100
Transportation from mine to railway, loading rail cars, weighing	125
Total sales and shipping	625

6. Recap of above costs:

Labor cost	2,500
Materials and other costs	1,250
Total normal production costs	3,750
10% for items, paragraph 3	375
Net production cost	4,125
Shipping and sales costs	625
Cost deliv. at shipside	4,750
If we allow % for fixed costs and profit	250
Total price alongside ship will be	5,000

7. As compared with this figure, a price of 1,500 lire fob rail cars at ports had been agreed to by the Italian Govt. just before the occupation. This would correspond to our figure above, less handling at the ports, or 5,000 less 400 = 4,600 lire.

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JOHN H. [illegible]
Lt. U.S.N.R.,
Chief, Regional,
Mining Division, Region I.

2018

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HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

OK gpf.

4621

AGR/35035.62 RG/ll
23 June 1944

SUBJECT: Recommended Price for Raw Tomatoes to be Utilized for Canned Peeled Tomatoes.

TO : Economic Section, ATT: Price Committee.

1. It is suggested that the price of this years crop of tomatoes to be canned as peeled tomatoes be fixed as soon as possible. The Food Sub-Commission has a program under way to pack 5000 tons of peeled tomatoes for military and civilian needs.

2. The Agriculture Sub-Commission and the Italian Ministry of Agriculture made studies and price recommendations for raw tomatoes for paste (ref letter AGR/3210, 11 March). The price approved was 250 lire per qtl. on raw tomatoes for paste on the 1944 crop.

3. Processors were contacted in regards to price recommendation for raw tomatoes to be canned as peeled tomatoes. In making their suggestions they referred to the price of 250 lire per qtl. on raw tomatoes for tomato paste. They also considered prices paid in past years.

4. Tomatoes used for peeled canned tomatoes must be of high quality. They must be of uniform size, shape, and free from spoilage. These tomatoes must be carefully sorted and all inferior tomatoes discarded and used for paste or other by-products. This requires more labor and higher quality tomatoes than for paste manufacturing.

5. Food Sub-Commission states its reasons for recommending price, in substance, as follows:

> "Canners state that in the past it has been customary to fix a price for the peeled variety 10 to 25 lire above the price paid for ordinary tomatoes. They believe a price of 300 lire for the peeled variety would be in line with the price of 250 lire for tomatoes for paste, the latter being the price fixed by ACC last March."

This has been checked by Agriculture Sub-Commission, and found substantially correct.

6. The Agriculture Sub-Commission recommends a price of 300 lire per qtl. for raw tomatoes to be used for peeled canned tomatoes in 1944.

J. G. WATTS for N. A. HUNTER
Major U.S.C. Lt. Col.
Director

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23 Jun
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2019

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

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

Civil Censorship
Date 4621

WAB/ll
22 June 1944

AGR/A0050

SUBJECT: 1944 Fuel Wood and Charcoal Prices.

TO : Economic Section, ATT: Col. Adams.

1. Fuel wood and charcoal are the two main fuels in Italy. Bituminous and anthracite coal are scarce commodities for fuel purposes. The city of Naples alone normally uses for bakeries, industries, and homes 50,000 qtls. of fuel each month. All must be imported.

2. Although fuel wood and charcoal are produced in all wooded areas, production is accomplished under diverse conditions even within Communes. A few of the many factors which influence costs are: weather, altitude, slope and nature of ground and mountain side, size of trees and density of forests, distance from point of production to depository on road side, labor and animal supply, necessity for moving wood from mountain top to road side by cable, availability of food stuffs for labor, daily wage, etc.

3. In addition to the above and similar factors and conditions production costs are today highly influenced by black market prices, not only for fuel wood and charcoal but also for those things which producers thereof must purchase for processing the charcoal. For example, one dealer on the Vomero(Naples) sells charcoal at 2000 lire per qtl; the refugee camp at Averza has been paying 250 lire for a qtl. of fire wood. Furthermore, since cutting wood and burning charcoal requires strenuous labor normal rations are not adequate for workers. Consequently contractors are forced to offer high enough wages to laborers to satisfy the laborers' hunger with food purchased on the black market.

4. Present production of fuel wood and charcoal is far below normal. It, therefore, becomes important not only to squeeze out black market influences but also to establish prices high enough to induce contractors and laborers into this strenuous activity.

5. As a general rule Provinces with high production costs are also importing Provinces. Although some fuel wood and charcoal are produced in Naples Province most of the supply for Naples must be imported from Potenza, Bari, Brindisi, and Lecce ~~Lecce~~ Taranto ~~is~~ dependent largely upon Calabria for ~~their~~ needs. In this manner high costs for local supplies are in part offset by shipments from areas where lower costs prevail. A six month production plan and a preliminary distribution program was developed by the Forestry Division of this Sub-Commission in cooperation with the Italian Royal Forest Corps. The voluminous detailed data obtained Province by Province are not included in this report. Suffice to point out that a distribution plan has been agreed upon by the Italian Royal Forest Corps, Industry and Commerce, Transportation, and Agriculture Sub-Commission.

6. As the basis for arriving at substantially equitable price appraisal for the production of fuel wood and charcoal detailed information was obtained for each Province through:

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a. Royal Forest Corps.
b. CAO's.
c. Civilian contractors.
d. Producers.
e. Consortio
f. Naples Fuel Wood and Charcoal Cooperative.
g. Naples Labor Union.

Analysis of information obtained from each of the above sources were in the opinion of this Sub-Commission too high. Because of errors and mis-information in appraisals received from sources indicated above the various Heads of the Royal Forest Corps were called into several conferences through the Minister of Agriculture.

7. The results of analysis and deliberations referred to above as approved by the Head of the Royal Forest Corps and this Sub-Commission are tabulated below. It is hereby recommended that ACC Price Committee approve these road side prices for fuel wood and charcoal for the 1944 season. Official prices which prevailed in 1943 are also listed in this tabulation for comparative purposes. All prices are in terms of lire per qtl. for both fire wood and charcoal. Furthermore, the prices listed are at road side dumps closest to production areas.

Provinces	Firewood		Charcoal	
	1943	1944	1943	1944
Avellino	32	110	115	500
Bari	32	95	120	420
Benevento	32	110	115	500
Brindisi	32	95	115	420
Catanzaro	30	85	110	300
Cosenza	30	85	110	300
Foggia	32	95	115	420
Lecce	32	110	115	420
Matera	32	90	115	385
Napoli	35	110	120	500
Potenza	32	90	115	385
Reggio Calabria	30	85	110	300
Salerno	32	95	115	420
Taranto	32	110	115	500
Sicily	41	110	150	400
Sardinia	30	95	110	385

8. The following information is presented to illustrate a few of the many items involved in production and costs.

a. LABOR

(1) A man can cut 4 to 5 qtls of firewood or 6 to 7 qtls of wood for charcoal daily.
(2) His average wage for either is:

Potenza and Matera ---------- 70-90 lire
Cosenza, Catanzaro, Reggio ---------- 50-70 "
Other Provinces, Sardinia, and Sicily ---------- 80-100 "

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(3) Charcoal burning is usually let by contract to one man who generally uses his entire family. He will burn one scientifically prepared pile of wood, containing from 50-125 qtls, for eight days and nights and produce one qtl. of charcoal for each five of wood used.

(4) Muleteers are engaged to bring the product to the road side. This involves properly loading and unloading the mules, leading them along the mountain paths, and caring for them night and day. It is assumed that one-third of the cost of this transportation is the daily wage of the muleteer.

b. INSURANCE.

(1) Social insurance on the laborers engaged in cutting and burning, required by Philipino law, is paid the employer. It has been determined that this insurance is 40% and falls into the following breakdown;

(a) Family Allotment----------20%
(b) Contribution to gove't for workers called to arms ------1%
(c) Accident ----------1%
(d) Sickness ----------1%
(e) Old age and unemployment ----------6%

Total----40%

(2) Transportation insurance runs 40% of 1/3 of the cost of transportation.

9. Recommended prices for each of the Provinces listed above are the prices for the product available at road side dumps. Prices of product delivered at retailer and consumer can not be established on a Provincial basis since the distances of all varies with each Commune and its relative position in regard to the wood lots. It is hereby recommended that a table of maximum prices for all be established in units of five miles. Furthermore, since this is a distribution problem it is also hereby recommended that the Industry and Commerce Sub-Commission be made responsible for preparation of that table.

In this connection, it is recommended that consideration be given to the following in connection with the preparation of Communal prices. Road side costs (not to exceed maximum price recommended above), plus handling costs, plus profit and handling charges of wholesaler and retailer are important. Under the present law the Consorcio Agrario is the distribution agency. It is our understanding that action has already been started to legalize the handling of these products by other agencies as well as the Consorcio Agrario. When such action is realized by decree or amendment to the present law each Commune would designate the parties to be made responsible for handling fuel wood and charcoal.

10. The Head of the Forestry Division of this Sub-Commission has developed a complete file of detailed statistics and information on which the above recommended prices are based. These file materials, copy of which are not available, can be interpreted to the Price Committee by the Head of the Forestry Division if, as, and when necessary desired.

11. Four carbon copies of this memo are attached for distribution to members of whatever committee is established to consider recommendations contained herein.

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E. A. HARTMAN
Lt.Colonel
Director

2022

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FUELWOOD APPRAISAL FOR FIREWOOD

For

Provinces - Salerno Bari Brindisi & Foggia & Sardinia	
Cutting	20
Insurance 40%	8
Transportation	40
Insurance 40% of 1/3 Transport	5
Stumpage	10
	83
Supervision, Int. & Profit 15%	12
	95
RECOMMENDED BY RFC	95

For

Provinces - Cosenza Catanzaro Reggio	
Cutting	13
Insurance 40%	5
Transport	44
Ins 40% of 1/3 of Transport	6
Stumpage	9
	77
Int. Supervison & Profit	11
	88
RECOMMENDED BY RFC	85

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2023

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Fol

HEADQUARTERS
ALLIED CONTROL COMMISSION
LABOR SUB-COMMISSION
APO 394

JOB/mr

20 June 1944

LAB 091.4621

SUBJECT: Wages and Prices

TO: Mr. Vadleigh

1. The representative of the Labor Sub-Commission is becoming alarmed over the loose manner in which prices are being set by the Price Committee and feels that a few frank statements are in order.

2. Off the record and informal reports reveal that the Italian laboring people, knowing that prices for basic commodities are not controlled in many instances and that many are officially set at fantastically high levels in other instances, are becoming restless and dogmatic in their demands for wage increases. They even suggest that we are Fascist fools or at the very least, friends of the Fascists who wish to keep the old gangster crowd in power.

3. The Labor Sub-Commission will be 'on the spot' if it continues to "hold the line" on wages while prices continue their upward climb because of our own A.C.C. bowing and scraping to organized Italian hijacking. Does this Sub-Commission need to give you examples? Look at the following:

a. The march upward in the price of olive oil accompanied by the acknowledged possibility of hijacking on the part of the buyer, the weak attitude of A.C.C. officials and the failure to control the price at the source is a case in point. Olive oil is the basic 'fat' element for the Italian worker. The price to the worker is above all reason. It is a commodity of which there is usually a surplus for export. Why shouldn't the laboring man get angry with us?

b. The recommendations for the purchase of threshing machines is another case in point. The very suggestion that we should pay 200% above list price in order to provide much needed machinery just because a polite gangster won't play ball unless we do pay such a price is typical of our whole approach to the price problem.

c. When this Sub-Commission notes that a common laborer has to work one full day to buy one kilo of meat and vegetable stew, it must express a strong attitude of sympathy with the laboring people in their demand for increased wages. You know that all the other commodities, except flour, bread and pasta products, have about the same price relationship to the daily wage for the ordinary worker.

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6. The battle over the setting of the price of wheat and all other agricultural cereals represents the same soft giving way so typical of us in our present situation.

4. Despite all the floundering on the price front the Labor Sub-Commission not only will "hold the line" until directed to do otherwise, but is now engaged in a strong effort to force the reduction of certain "illegal wages" that have come to its attention. This attitude will not give "industrial peace". It will give the A.C.C. a big headache but not one that is of the Labor Sub-Commission's making. That headache will come from the "price binge" we have launched. Further, the representative of the Labor Sub-Commission on the Price Committee will continue his policy of vigorously opposing price rises when such suggestions are based on fear and deference to organized gangsterism. We must have facts about costs and some evidence of intelligent workable price controls produced in our price committee meetings. We must be tough minded about prices in the same way we are about wages. We must set prices "before the fact" not "after the fact".

5. Let us view this price problem in a different light. Wages today are much below the 'cost of living' if one means by the 'cost of living' the cost of all those items which go to making up a full well-rounded wartime living for the average Italian working man's family. Estimates of the spread between wages and "cost of living" vary but it is clear that wages would have to be increased from 100% to 300% to close the gap when one considers black market prices and high official prices for commodities that go to make up the 'cost of living'. The Labor Sub-Commission has no intention of making such a recommendation, but it clearly has as much justification for so doing as others have for the price increases being recommended.

6. Lastly, this memorandum is a plea for equity between prices and wages. Rather than increase wages, this Sub-Commission believes prices should be brought down. We should not over-look certain psychological factors in this effort.. When a large portion of the population is limited as to its income, while others grew wealthy by virtue of their land and commodity holdings there can be only one result - trouble for the A.C.C., and for Italy. The working classes of Italy are rightfully stirred up about the situation with which they are confronted. If we would take a firm stand on the price front we would have the backing of the workers without question. They seek only equity.

JAMES O. BABCOCK,
Major, Spec. Res.,
Labor Sub-Commission
Repr. on Price Committee.

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PRICE SCHEDULE - A.C.C.

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1 Serial	2 Commodity	3 Unit	4 PRICE TO BE PAID BY Public	5 Retailer	6 Wholesaler	7 Initial purchaser
1	Biscuit	Kg.	5.00	4.45	4.30	4.20
2	Sugar	Kg.	15.00	14.00	13.50	13.00
3	Olive Oil	Kg. or Ltr.	30.00 Ltr.	29.00 Kg.	28.00	27.00
4	Mixed Stews (a)	per Kilo	65.00	56.00	54.50	53.00
4a	" "	12 oz can	22.00	19.00	18.50	
4b	" "	28 oz can	52.00	44.00	43.00	
4c	" "	30 oz can	55.00	47.00	45.50	
4d	" "	5½ lb can	165.00	143.00	139.00	
4e	" "	6¾ lb can	190.00	163.00	159.00	
4f	" "	6¾ lb can	195.00	168.00	164.00	
	Canned Meats (b)	per Kilo	120.00	101.00	98.00	95.00
4n	" "	1¾ lb can	85.00	71.00	69.00	
4p	" "	5½ lb can	300.00	253.00	246.00	
5	Dehydrated Soup	Kg.	30.00	26.00	25.00	24.00
6	Dried Peas/Beans	Kg.	30.00	26.00	25.00	24.00
7	Salt	Kg.	5.00	4.60	4.45(c)	4.30(c)
8a	Soap - Laundry	Kg.	24.00	21.00	20.00	19.00
8b	Soap - Toilet	Kg.	40.00	35.00	34.00	33.00
9	Cheese	Kg.	35.00	30.00	29.00	28.00
10a	Milk, Evaporated	14½ oz can	15.00	14.00	13.50	13.00
10b	Milk, Evaporated	16 oz can	16.50	15.50	15.00	14.50
10c	Milk, Evaporated	8 lb can	120.00	105.00	102.50	100.00
10d	Milk Powder Skimmed	Kg.	60.00	52.00	50.50	49.00
10e	Milk Powder Whole	Kg.	130.00	110.00	106.00	103.00
11	Dehydrated Vegetables	Kg.	80.00	68.00	66.00	64.00
12	Matches	Box	2.00	1.80	1.70	(d)

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PRICE SCHEDULE - A.C.C.

3 Unit	4 PRICE TO BE PAID BY Public	5 Retailer	6 Wholesaler	7 Initial purchaser	NOTES
Kg.	5.00	4.45	4.30	4.20	(a) Canned mixtures of meat & vegetable ingredients, i.e. Meat & Vegetable Stew; Meat & Veg. Hash; Chile con Carne; Corned Beef Hash.
Kg.	15.00	14.00	13.50	13.00	
Kg. or Ltr.	30.00 Ltr.	29.00 Kg.	28.00	27.00	
per Kilo	65.00	56.00	54.50	53.00	
12 oz can	22.00	19.00	18.50		
28 oz can	52.00	44.00	43.00		
30 oz can	55.00	47.00	45.50		
5½ lb can	165.00	143.00	139.00		
6½ lb can	190.00	163.00	159.00		
6¾ lb can	195.00	168.00	164.00		
per Kilo	120.00	101.00	98.00	95.00	(b) Corned Beef; Canned Meats; Vienna Sausage; Luncheon Meat; Canned Beef.
1½ lb can	85.00	71.00	69.00		
5½ lb can	300.00	253.00	246.00		
Kg.	30.00	26.00	25.00	24.00	
Kg.	30.00	26.00	25.00	24.00	(c) Not applicable where salt imported and handled by the Monopoly itself.
Kg.	5.00	4.60	4.45(c)	4.30(c)	
Kg.	24.00	21.00	20.00	19.00	
Kg.	40.00	35.00	34.00	33.00	
Kg.	35.00	30.00	29.00	28.00	
14½ oz can	15.00	14.00	13.50	13.00	
16 oz can	16.50	15.50	15.00	14.50	
8 lb can	120.00	105.00	102.50	100.00	
Kg.	60.00	52.00	50.50	49.00	
Kg.	130.00	110.00	106.00	103.00	
Kg.	80.00	68.00	66.00	64.00	(d) Matches will be delivered direct to Monopoly warehouses from Bank of Italy's Agents.
Box	2.00	1.80	1.70	(d)	

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The attached will be considered in a meeting of the Price Committee, Monday, 19 June, 14½ hours.

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COPY DRAFT

Sales and Prices of Imported Supplies, and Treatment of Transportation Costs.

1. Attached, hereto, for your information, is a price schedule for certain commodities, and a general directive on the subject of prices, transportation costs, etc.

2. It is felt that an understanding by all Supply Officers of the following principles will help towards a better understanding of the procedure to be adopted.

(a) It is the policy of ACC/AMG to develop the Italian participation in general conduct of their own food distribution; naturally the degree of Italian control will be greater in rear Regions than in forward Regions. For this reason, sales should be made as near the point of import as possible, and subsequent distribution of the supplies should be handled, paid for and accounted for as far as possible by Italian agencies, subject to such control and supervision as the Regional Supply Officer may think fit.

(b) If possible, sales should be made on a Regional level, to a regional organization, as has been done in Region I; in this case, the subsequent distribution of the supplies must remain very largely in the hands of the Regional organization, and resale to Provinces, Communes, etc., will be a matter for such organizations to handle for their own account. It is appreciated that this policy may not be possible at the moment in other Regions, but in all Regions sales should be made in as large quantities as possible, and as near to the port of import as possible. Where practicable, it is suggested that the

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(a) It is the policy of ACC/AMG to develop the Italian participation in general conduct of their own food distribution; naturally the degree of Italian control will be greater in rear Regions than in forward Regions. For this reason, sales should be made as near the point of import as possible, and subsequent distribution of the supplies should be handled, paid for and accounted for as far as possible by Italian agencies, subject to such control and supervision as the Regional Supply Officer may think fit.

(b) If possible, sales should be made on a Regional level, to a regional organization, as has been done in Region I; in this case, the subsequent distribution of the supplies must remain very largely in the hands of the Regional organization, and resale to Provinces, Communes, etc., will be a matter for such organizations to handle for their own account. It is appreciated that this policy may not be possible at the moment in other Regions, but in all Regions sales should be made in as large quantities as possible, and as near to the port of import as possible. Where practicable, it is suggested that the entire contents of warehouses, and all subsequent bulk receipts, be sold outright to the Consorzi or Alimentazione, and that the policy of maintaining ACC/AMG warehouses from which sales are made piecemeal should be reduced to the minimum. Where the entire contents of warehouses are sold outright, it will be for the Regional Supply Officer to decide the extent of the control to be maintained by him subsequent to the sale; where the maximum of control is required, he can maintain the same control over the subsequent movement of the stocks, and call for the same accounting, as at present, except that such account-

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ing would be carried out by the Consorzio or Alimentazione to whom the bulk sale has been made. Transfers from a Consorzio or Alimentazione of goods sold to them, to another Consorzio or Alimentazione in the same Region, should as far as possible be treated as a transaction between the two Consorzi or Alimentazioni, and the receiving agency should pay the issuing agency direct.

(c) The price to the Italian Agency making the initial purchase from ACC/AMG should be uniform throughout Italy (subject to para.4 below). These prices are shown in column 7 of the attached schedule. Transport and handling costs will be a charge to ACC/AMG up to the point of the initial sale; such costs will be taken into account in the eventual settlement with the Italian Government.

(d) Retail prices should be standardised throughout Italy. The prices for consumer, retailer and wholesaler, shown in column 4,5 and 6 of the attached schedule are given as a guide. Those in column 4 may be varied to a minor degree at the discretion of the Regional Supply Officer, but no major alteration should be made without the approval of this Headquarters. Those in Columns 5 and 6 are intended as guides only.

(e) As both the price to the initial purchaser and the price to the public are to be standardised throughout the country, the question obviously arises as to the treatment of transportation costs from the point of initial sale to the point of distribution by the distributing Consorzio or Alimentazione where these are not the original purchaser; e.g., goods sold to the Regional organisation of a Consorzio at a seaport and transferred or resold by them to a Consorzio inland.

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from ACC/ANG should be uniform throughout Italy (subject to para. 4 below). These prices are shown in column 7 of the attached schedule. Transport and handling costs will be a charge to ACC/ANG up to the point of the initial sale; such costs will be taken into account in the eventual settlement with the Italian Government.

(d) Retail prices should be standardised throughout Italy. The prices for consumer, retailer and wholesaler, shown in column 4,5 and 6 of the attached schedule are given as a guide. Those in column 4 may be varied to a minor degree at the discretion of the Regional Supply Officer, but no major alteration should be made without the approval of this Headquarters. Those in Columns 5 and 6 are intended as guides only.

(e) As both the price to the initial purchaser and the price to the public are to be standardised throughout the country, the question obviously arises as to the treatment of transportation costs from the point of initial sale to the point of distribution by the distributing Consorzio or Alimentarione where these are not the original purchaser; e.g., goods sold to the Regional organization of a Consorzio at a seaport and transferred or resold by them to a Consorzio inland. The initial sale price is intended to allow for local distribution costs after payment by ACC/ANG of costs up to the point of initial sale (see (c) above). The transportation costs requiring consideration therefore are those between the initial purchaser and the distributing Consorzio or Alimentarione. These costs will be incurred when the goods have become the property of an Italian agency (even though they may still be under the control of ACC/ANG) and all expenses in connection therewith should, wherever possible, be settled by Italian agencies without the intervention of ACC/ANG. As the cost of such transport

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cannot be added to the retail price if it is sufficiently large to cause a material increase in this, it must inevitably be borne either directly or indirectly by the Italian Government, unless distributors, wholesalers and retailers are to sell at a loss. These transportation costs can be met in several ways:-

(i) Where transportation costs are small, the retail price may be altered at the discretion of the Regional Supply Officer (see (d) above) to cover such costs.

(ii) Transport may be provided by ACC/AMG trucks, schoomers, etc., in which case the cost will be eventually charged to the Italian Government.

(iii) Transport made be made by Italian State Railways, or Governmental Motor pools, without payment to them.

(iv) Transport may be made by Italian State Railways, or Governmental motor pools, payment to them being made by a receiving Province, who would take up the cost in their budget.

(v) Transport may be made by civilian agencies, to whom payment would be made by the receiving Province, who would take up the cost in their budget.

(vi) In ACC territory, the choice as between (iii) and (iv) should be left to the Italian authorities. In AMG territory, transport will be largely by ACC/AMG or military transport. Where however transport is by Italian Railways, or Governmental Motor Pools, method (v) should be employed.

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3. This instruction does not in any way interfere with existing

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to cover such costs.

(ii) Transport may be provided by ACC/AMG trucks, schooners, etc., in which case the cost will be eventually charged to the Italian Government.

(iii) Transport made be made by Italian State Railways, or Governmental Motor pools, without payment to them.

(iv) Transport may be made by Italian State Railways, or Governmental motor pools, payment to them being made by a receiving Province, who would take up the cost in their budget.

(v) Transport may be made by civilian agencies, to whom payment would be made by the receiving Province, who would take up the cost in their budget.

(vi) In ACC territory, the choice as between (iii) and (iv) should be left to the Italian authorities. In AMG territory, transport will be largely by ACC/AMG or military transport. Where however transport is by Italian Railways, or Governmental Motor Pools, method (v) should be employed.

3. This instruction does not in any way interfere with existing arrangements by which Italian State Railways haul goods for ACC/AMG free of charge, or with any similar arrangements existing in the case of motor transportation.

4. Where the initial purchaser is the Consorzio or Alimentazione of a Province where exceptional distribution costs are experienced, or where for any other reason it is considered that prices should be reduced, action can be taken to reduce the initial and consumers price by Regional Supply Officers for the Region or particular Provinces provided the

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case is urgent. A full report must, however, be submitted immediately in justification for the action showing the amended prices and territory affected. When urgent action is not essential, the case should be submitted to this headquarters for decision and instructions.

5. In regard to wheat, flour, bread and pasta, the whole question of the retail price of bread is now under review, and an instruction will be sent out shortly. In the meantime, no change should be made in the existing retail price of bread, and prices of flour to bakers, and wheat to millers, should be fixed at a level which will permit the retail bread price to remain unchanged.

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Col. Smith
Major Babcock

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HJ#/os

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

ES/11

8 June 1944

SUBJECT: Price of hull-less barley (orzo mondo)

TO: Agriculture Sub-Commission

1. Reference your memorandum on this subject to price committee, dated 30 May.

2. Your recommendation that the price be fixed at 950 lire per quintal has received the concurrence of the price committee and is approved.

H J W
for

D.S. ADAMS
Colonel, C.E.,
Executive Officer
Economic Section

Copies to
Industry & Commerce
Finance
Food
Labor

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Declassified E.O. 12356 Section 3.3/NND No. 786021

Price Fixing
Committee file.
4621

Corn

	Average price (lire per quintal)	Percent of soft wheat	Percent of hard wheat
1932	70	63	56
1931	56	55	44
1930	70	55	51
1929	98	75	70
1928	113	83	79
1927	86	61	53
1926	113	56	54
1925	123	67	64
1924	96	79	73
1923	96	94	85
1922	102	86	82
1921	90	78	67

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Kidney Beans

	Average price (lire per quintal)	Percent of soft wheat	Percent of hard wheat
1932	99	89	79
1931	113	111	89
1930	163	128	119
1929	276	212	197
1928	236	174	166
1927	161	115	100
1926	197	98	94
1925	194	107	101
1924	256	211	195
1923	218	213	195
1922	178	150	143
1921	178	156	133

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Horse Beans

	Average price (lire per quintal)	Percent of soft wheat	Percent of hard wheat
1932	71	63	56
1931	79	78	62
1930	87	68	63
1929	85	65	67
1928	101	74	71
1927	121	86	75
1926	133	66	63
1925	115	63	59
1924	106	87	80
1923	115	112	101
1922	106	89	85
1921	129	112	97

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SA/mht

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

7 June 1944

31340/AGR

SUBJECT: Price of Threshing Machines.

TO : Economic Section, ATC: Price Committee.

1. The Federation of Consorzi Agrari, Naples, bought four threshers from the Breda Mfg. Co. last year, but were unable to ship them to their customers because of destruction to rail facilities. They are stored in a warehouse at Sonfati. The machines are complete except for minor items such as paint, belting, and a few parts. All the items necessary can be found at destination, and the machines used during the current harvest.

2. The local warehouse of the Breda Co. has in stock 13 other machines in various stages of completion. Five are ready to put in shape for the current season, and three others are wanted in Sicily, where there is enough material to put them in shape. The Breda warehouse is occupied by Allied Forces and cannot work on the threshers.

3. The Breda Co. have offered to sell their machines to the Federation of Consorzi Agrari, but have insisted that they be paid five times the old price in order to approximate the replacement cost and permit completing the machines under present conditions. This is felt to be excessive, but it is believed that the increased replacement cost should be recognized. The Federation has agreed to complete the machines described in paragraph 1, and sell them with a 200% increase in the base price (varies with the type of machine).

4. It is requested that approval be granted, and that the same increase be approved for the machines held by the Breda Co; and the Agricultural Sub-Commission will make the necessary arrangements to have the machines sold to the Federation of Consorzi Agrari, or requisitioned on their behalf with payment on that basis - to get in use such of the machines as are in shape to use this year.

S. ANDREWS for
Major, USA.

H. A. HARTMAN
Lt. Colonel
Director

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Price Committee Doc.

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WAH/wht

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

AGR/35032

3 June 1944

SUBJECT: 1944 Prices of Horse Beans, Dry Beans, Chick Peas, Chickling Vetch, Lentils, Peas, Corn, Oats, and Rye.

TO : Economic Section, ATT: Price Committee.

1. The area, average yield and total production statistics of above mentioned crops for 1938 and 1944 are tabulated in Exhibit A. The 1944 statistics are based on estimates obtained last February as revised from more current information. Since yield and price have a very definite relationship in any crop rotation system special attention is directed to reduced average yields in 1944. This is largely due to lack of fertilizer with consequent disturbance of normal crop rotation. Normal rotation plan is; first year legumes, second year wheat, and third year either wheat, oats, barley, or corn. In the normal crop rotation any one of the following legumes may be used interchangebly; Horse beans, beans, peas, chickling vetch, lentils, chick peas. When fertilizer is available the usual practice is to apply 4 qtls., of superphosphate prior to planting legumes. Farmers normally expect a loss in the production of legumes. However, the benefits derived from nitrogen fixation plus the residual effect of superphosphate are important factors in justification for growing legumes. The low yield of these crops as compared with wheat is reflected in the price. The production methods on all these legumes are similar. For human food, dry beans, chick peas, lentils, and peas are preferred over horse beans, and chickling vetch and the price shows this preference. Legume production is similar to wheat and barley except in harvesting and threshing. Horse beans, while they may be used as human food, are primarily used for livestock.

Rye is a very minor crop used for bread making. Rye flour may be used separately or may be blended with wheat flour. When blended with wheat flour it is usually mixed on a 20% basis. When rye alone is the sole source of flour in bread the milling percentage is 60-65%. The maximum percentage milled during war time has been 80%; this makes inferior flour and bread.

Oats are largely used as livestock feed; only small quantities are used for human food. Normally, oats yields are higher than wheat thus making a lower cost of production. Oats have not been an important source of food for human consumption in Italy.

Corn is primarily a livestock feed. However, as a war necessity this grain has been used more for human consumption than formerly. Corn has two values; one for grain and the second as forage for livestock for which it is used extensively. The cost of production of corn is somewhat less because of low seed needs and lower harvesting costs than wheat. The Ministry has recommended an arbitrary 100 lire increase in the price of corn per quintal above the adjusted price on a 1938 basis (Exhibit D).

2. The 1944 prices in lire per qtl., recommended by respective Italian Provincial Agricultural Inspectors based on estimated costs of production compared with wheat, are tabulated on Exhibit B. Unweighed average prices in lire per qtl., considering all provinces from which reports were received are as follows;

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3 June 1944

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horse beans 1037; dry beans 1834; chick peas 1537; peas 1566; corn 899; oats 825; rye 1148; barley 914; wheat 1330. Mathematical relationships using as a basis 1,000 lire per qtl., for hard wheat instead of 1330 are as follows; Price in lire per qtl., horse beans 780; dry beans 1380; chick peas 1150; peas 1170; corn 670; oats 620; rye 870; barley 690; wheat 1000 (Exhibit B).

3. Average official prices and the percentage relationships among the various crops using the respective official price for soft wheat as the base for the years 1932 to 1941 are tabulated on Exhibit C. This Sub-Commission recommends that relationships between prices for 1938 be used as the basis determining prices for crops in 1944. Using 1938 will result in lower 1944 prices than if a more recent year was used. On the other hand, if relationships in an earlier year were used resultant calculated price would be unrealistic and difficult to defend in the light of the understanding between ACC and the Italian Ministries that prices will be adjusted to the 1944 official wheat price. The year 1938 is considered to be the most recent year within which normal or somewhat near normal relationship prevailed.

4. The 1944 prices in lire per qtl., recommended by the Ministry of Agriculture based on 1938 price relationships are tabulated on Exhibit D. Calculations based on on 1938 figures using the official price for soft wheat, namely, 900 lire, as the base result in following prices; horse beans 676; dry beans 1261; chick peas 1000; chickling vetch 770; lentils 1296; peas 1251; corn 640; oats 633; rye 907; (Exhibit D - 2nd last column). The prices recommended by the Ministry are tabulated in last column of Exhibit D.

5. This Sub-Commission hereby recommends that only one price be established for all of Italy for each of the following crops; horse beans; dry beans; chick peas; chickling vetch; lentils; peas; corn; oats; and rye.

6. The 1944 price recommended for approval and release at the earliest possible date for each of those crops are listed inthe last column of the following table (Prices recommended by the Inspectors of Agriculture and the Ministry of Agriculture are also tabulated in this table for ready reference purposes).

RECOMMENDED 1944 PRICES FOR CROPS LISTED

Crops	Inspectors of Agriculture Based on 1330 lire	Inspectors of Agriculture Based on 1000 lire	Ministry of Agriculture Based on 900 lire 1938 Relationships	Agric. Sub-Comm. Based on 900 lire 1938 Relationships
Horse Beans	1037	780	675	675
Dry Beans	1834	1380	1250	1250
Chick Peas	1537	1150	1000	1000
Chick. Vetch	----	----	750	750
Lentils	----	----	1300	1300
Peas	1566	1170	1050	1050
Corn	899	670	740	650
Oats	825	620	650	650
Rye	1148	870	900	900

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7. To expedite desired action it is hereby requested that the Price Committee provide this Sub-Commission with directions concerning the following items.

a. Will ceiling price be fixed for the following and or for other crops; olive oil; castor beans; flax seed; hemp; cotton; tobacco?

b. If the answer is yes, what policies or procedures are recommended for determining prices for industrial crops such as the last three mentioned? Should this Sub-Commission prepare recommendations in terms of price to farmers based on official prices for wheat (soft or hard) or will some other Sub-Commission recommended prices in terms of industrial or other factors?

c. What channels have been established or what procedure is recommended to bring results of deliberation of Price Committee to attention of Ministry of Agriculture and/or to RCs and other Allied officials?

Since Price Committee represents ACC and ACC it is hereby recommended that Price Committee assume full responsibility for following through with those results of its deliberations.

To avoid possible confusion it is hereby recommended that procedure decided upon be duplicated and distributed to interested Sub-Commissions and Allied officers in field.

8. This Sub-Commission's official record of action taken to date on various crops is summarized below to expedite additional action the Price Committee may wish to take.

a. New Tomatoes for Paste:

(1) 17 March 1944 - Memo to Price Committee from Agriculture recommending that "the price for tomatoes processed in 1943 fixed retroactively at 85 lire per quintal and that processors be authorized to enter into contracts with growers for purchase of this years crop at a price of 250 lire per qtl."

(2) 17 March 1944 - Memo signed by Executive officer approving above recommendations.

(3) The Minister of Agriculture was notified accordingly and he agreed.

(4) Have no record that price agreed upon was given any official distribution.

(5) Will price be changed because of present policy to adjust prices of farm crops to official wheat prices?

(6) In either event recommend appropriate action to inform new Minister and RC's of Price Committee decision.

b. Wool:

(1) 27 March 1944 - Memo to Price Committee recommending that price of wool be established in 1944 at 2½ times the schedule in use during 1943. Recommendation for assessing and retention was made in this memo. This Sub-Commission has no official record of action taken by Price Committee on this recommendation.

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Wheat

(2) 25 May 1944-Memo to Price Committee recommending the price for wool for 1944 be fixed at 200% over schedule in effect in 1943. This recommendation was made in an attempt to adjust wool price to proper relationship with new officinl price for. This memo also included the Ministry of Agriculture recommendation of 200% increase over priced in 1943. In answer to this letter Col. Adams Executive Officer Economic Section asked specific questions regarding wool and woal prices in letter of May 25.

(3) 27 May 1944- Memo from Agriculture to Price Committee on wool assessing and price answering questions in letter of May 25.

(4) 30 May 1944-Memo with additional information on wool production submitted to Price Committee. Price Committees deliberations resulted in Price Committee recommending to Executive Officer Economic Section 100% instead of 200% increase over the 1943 schedule.

c. Wheat

(1) 22 April-Memo with data on wheat price recommendations from various sources, cost of production data and a summary of available information. The Agriculture Sub-Commission recommendation was 1200 lire per qtl., for durum wheat and 800 lire per qtl., for soft wheat.

(2) 26 April-Supplementary Memo giving summary of recommendations from 17 additional provincial inspectorati submitted to Price Committee.

(3) Action with reference to final decision and determination of same was taken directly by Chief Commissioner, Executive Commissioner and possibly by Executive officer - Economic section. Copies of communication involved have not been made available to this Sub-Commission. Assume no special decree is necessary and that distribution to Allied Officers has been handled.

(4) 30 May-Memo from Economic & Supply - AMG 5th Army to RCAO's - All corps and Provincial Commissioners announcing official prices at 900-1000 as agreed upon with 5th Army.

d. Barley Hulled.

(1) 20 May-Memo on barley with price recommendation submitted to price committee. The price recommended by the Agriculture Sub-Commission was 720 lire per qtl., for hulled barley. This was the same as recommendation by Ministry of Agriculture copy of which was included in the memo.

(2) 20 May-A second Memo on price of hulled barley was submitted to Price Committee covering additional information requested.

(3) 25 May-A letter from Col. D.C.Adams informed this Sub-Commission that a price of 700 lire per qtl., had been approved and we may inform the Minister to that effect.

(4) 26 May-A letter was written to the Min[illegible]232 Agriculture informing him of recommended price.

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9. Barley Hull-less

(1) 22 May-Memo quoting recommendation of Minister that price for hull-less barley be established after price for hulled barley had been established.

(2) 30 May-Memo was submitted to the Price Committee recommending a price of 950 lire per qtl. for hull-less barley - No cation taken by Price Committee to date.

9. Although calculationswas checked and re-checked by long hand method, it is suggested that they be re-checked by machine if possible.

W. A. HAFTMAN
Lt. Colonel
Director

Dist;
Members of Price Committee
Finance Sub-Commission
Labor Sub-Commission
Industry & Commerce
Food Sub-Commission
Agriculture Sub-Commission
Economic Section

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Exhibit A

AREA, YELD, AND PRODUCTION STATISTICS,
TOTAL FOR REGION I, II, III, VI, VII,
FOGGIA, AND CAMPOBASSO, 1938 AND FORECASTED
FOR 1944

CROP	Area (ha.)		Yeld (qtl)		Production (qtl)	
	1938	1944	1938	1944	1938	1944
Horse Beans	524,402	272,300	10.2	6.0	5,368,800	1.621,424
Kidney Beans	140,108	129,479	3,0	2,9	423,030	380,052
Chick Peas	57,701	55,073	5,3	4,3	306,650	235,089
Peas (dry)	19,564	16,210	7,3	5,7	143,810	92,245
Corn (maize)	287,352	227,545	8,6	7,4	2,462,010	1,647,980
Oats	308,905	263,054	13,9	8,1	4,279,070	2,117,728
Rye	16,288	[illegible],130	10,0	6,8	162,130	102,604
Lentils (dry)	16,886	18,441	5,8	4,4	98,180	81,588
Chickling) Vetch)	4,597	2,110	4,74	6,2	21,810	13,093

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EXHIBIT "B"

... 4 PRICE (IN LIRE PER QUINTAL) R.COMMENDATIONS BY RESPECTIVE ITALIAN PROVINCIAL INSPECTOR BASED ON ESTIMATED COST OF PRODUCTION COMPARED WITH WHEAT

(Data taken from schedules completed Feb. and March 1944) by respective Inspectors of Agriculture)

	Horse Beans	Dry Beans	Chick Peas	Peas	Corn	Oats	Rye	Barley	Wheat
Agrigento	1500	2500	2500	2300	-	1300	-	1500	2000
Caltanisetta	1600	2000	2000	2000	-	1600	-	1600	2000
Catania	1470	1700	1800	-	900	900	1000	950	1400
Enna	1000	2000	1800	1800	-	800	1300	800	1500
Messina	-	-	-	-	-	-	-	-	-
Palermo	1000	1500	1000	1300	-	800	-	900	1500
Ragusa	1300	3000	3000	2500	-	750	-	1200	2300
Siracusa	780	1560	1200	-	-	406	-	610	1217
Trapani	1700	2500	2600	-	-	1500	-	1600	2000
REGION I									
Catanzaro	800	1800	1350	1600	900	600	950	850	1000
Cosenza	1775	2511	1984	2131	1073	770	938	1004	1365
Reggio	1800	3000	2500	2200	2000	1800	2000	2000	2500
CALABRIA									
Matera	550	1500	1100	1000	550	500	-	550	1000
Montain	800	1400	1200	-	700	800	800	800	1375
Potenza Hill	500	900	800	-	600	500	-	500	800
LUCANIA									
Bari	980	1100	870	920	-	500	-	600	900
Brindisi	700	1000	800	700	-	550	-	600	800
Foggia (1)	-	-	-	-	-	-	-	-	-
Lecce	-	-	-	-	-	-	-	-	1000
Taranto	950	1500	1000	1000	850	700	-	700	1000
PUGILE									
REGION II (2)									
Avellino	900	1600	1400	1800	850	800	900	900	1000
Benevento	1270	2000	1200	1500	1650	919	-	860	1455
Napoli	600	2000	-	1000	1000	1000	1300	1000	1500
Salerno	-	-	-	-	-	-	-	-	-
REGION III									
Campobasso	480	1120	800	-	460	500	-	440	620
REGION V (3)									

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Matera	550	1300	1200	1300	900	1000	1000	1000	1000	1000	1375
Montain	800	1400	1200	-	700	800	800	800	1375		
Potenza Hill	500	900	800	-	600	500	-	500	800		
LUCANIA											
Bari	980	1100	870	920	-	500	-	600	900		
Brindisi	700	1000	800	700	-	550	-	600	800		
Foggia (1)	-	-	-	-	-	-	-	-	-		
Lecce	-	-	-	-	-	-	-	-	1000		
Taranto	950	1500	1000	1000	850	700	-	700	1000		
PUGILE											
REGION II (2)											
Avellino	900	1600	1400	1800	850	800	900	900	1000		
Benevento	1270	2000	1200	1500	1650	919	-	860	1455		
Napoli	600	2000	-	1000	1000	1000	1300	1000	1500		
Salerno	-	-	-	-	-	-	-	-	-		
REGION III											
Campobasso	480	1120	800	-	460	500	-	440	620		
REGION V (3)											
Cagliari	850	2500	2000	1800	600	600	-	600	950		
Nuoro	-	-	-	-	-	-	-	-	-		
Sassari	550	1500	900	1100	450	380	-	450	760		
REGION VI											
Average of all Provinces	1037	1834	1537	1566	899	825	1148	914	1330		
% relationship using 1330 L. per Qts durum wheat	78%	138%	115%	117%	67%	62%	87%	69%	100%		
Price Based on 1000 Lire per qtls 1944 durum wheat	780	1380	1150	1170	670	620	870	690	1000		

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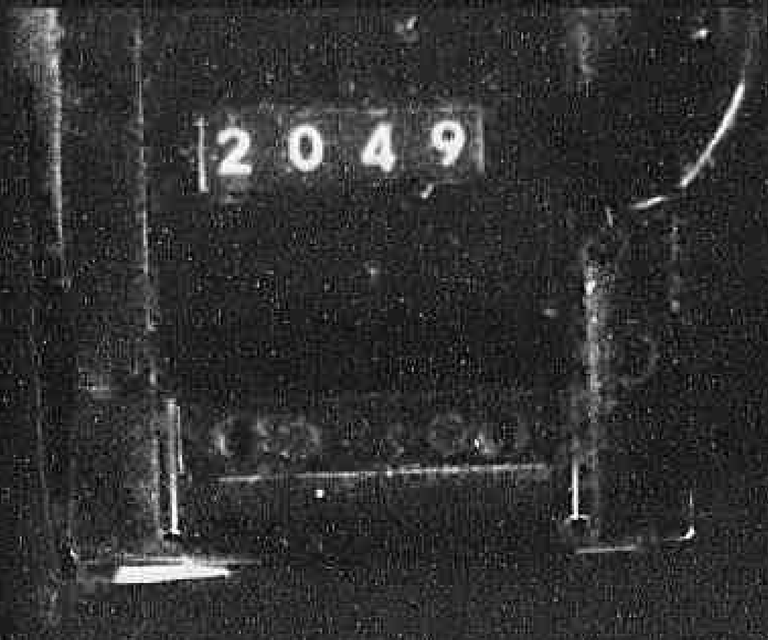
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Unclassified E.O. 12356 Section 3.3/NND No. 786021

ACC 10000/146/639 091.471 PRICE FIXING COMMITTEE

(2 of 2 folders) MAR.-DEC. 1944

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

XING COMMITTEE

DEC. 1944

2½

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

Exhibit C

AVERAGE PRICE IN LIRE PER QUINTAL OF CROPS, AND PERCENT OF SOFT WHEAT USING CORRESPONDING OFFICIAL PRICE OF SOFT WHEAT AS THE BASE

(Reference Supplemento Ordinario alla Gazzetta Ufficiale No98 del 28 Aprile)

	HORSE BEANS		DRY BEANS		CORN		OATS		RYE		BARLEY VESTITO	
Years	Average price lire per qtl.	PERCENT OF SOFT WHEAT	AVERAGE PRICE LIRE PER QTL.	PERCENT OF SOFT WHEAT	AVERAGE PRICE LIRE PER QTL.	PERCENT OF SOFT WHEAT	AVERAGE PRICE LIRE PER QTL.	PERCENT OF SOFT WHEAT	AVERAGE PRICE LIRE PER QTL.	PERCENT OF SOFT WHEAT	AVERAGE PRICE LIRE PER QTL.	PERCENT OF SOFT WHEAT
1932-33	45	59	70	82	50	59	45	53	55	64	45	53
1933-34	70	73	80	84	60	63	60	69	70	73	60	69
1934-35	85	77	170	154	75	68	70	69	85	77	75	68
1935-36	80	71	175	156	80	71	85	75	95	84	85	75
1936-37	80	66	165	136	85	70	90	74	105	86	95	78
1937-38	95	70	215	159	90	66	90	66	120	88	100	74
1938-39	135	c	300	222	98	72	110	81	125	92	115	85
1939-40	160	103	365	235	120	77	135	87	140	90	125	80
1940-41	180	102	425	242	135	77	151	86	166	94	161	92

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

AVERAGE PRICE IN LIRE PER QUINTAL OF CROPS, AND PERCENT OF SOFT WHEAT USING CORRESPONDING OFFICIAL PRICE OF SOFT WHEAT AS THE BASE

(Reference Supplemento Ordinario alla Gazzetta Ufficiale No98 del 28 Aprile)

SOFT WHEAT		DRY BEANS		CORN		OATS		RYE		BARLEY POTATO	
Average price lire per qtl.	PERCENT OF SOFT WHEAT	AVERAGE PRICE LIRE PER QTL.	PERCENT OF SOFT WHEAT	AVERAGE PRICE LIRE PER QTL.	PERCENT OF SOFT WHEAT	AVERAGE PRICE LIRE PER QTL.	PERCENT OF SOFT WHEAT	AVERAGE PRICE LIRE PER QTL.	PERCENT OF SOFT WHEAT	AVERAGE PRICE LIRE PER QTL.	PERCENT OF SOFT WHEAT
45	59	70	82	50	59	45	53	55	64	45	53
70	73	80	84	60	63	60	63	70	73	60	63
85	77	170	154	75	68	70	63	85	77	75	68
80	71	175	156	80	71	85	75	95	84	85	75
80	66	165	136	85	70	90	74	105	86	95	78
95	70	215	159	90	66	90	66	120	88	100	74
135	0	300	222	98	72	110	81	125	92	115	85
160	109	365	235	120	77	135	87	140	90	125	80
180	102	425	242	135	77	151	86	166	94	161	92

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Exhibit D

1944 PRICE .. LIRES PER QUINTAL RECOMMENDED BY MINISTRY OF AGRICULTURE FOR CROPS LISTED BASED ON 1938 PRICE RELATIONSHIPS.
(Submitted to Agriculture Sub-Commission By under secretary of Agriculture, 5 May 1944)

CROPS	PRICES IN 1938	FIXED PRICE, BUT NOT AMASSED 1943	PRICE PROPOSED BY ISHETTORATI FOR 1944 MINIMUM	MAXIMUM	OBTAINED PRICE MULTIPLYING THE PRICE OF 1938 BY THE INCREASE'S COEFFICIENT OF THE PRICE OF THE SOFT WHEAT (WHICH WAS L 125 PER Q. IN 1938 AND L. 900 IN 1944) - COEFFICIENT = 7.2
FAVE (HORSE BEANS)	94	180	480	1800	676
FAGIUOLI(DRY BEANS)	178	480	1000	3000	1281
CECI (CHICK PEAS)	140	380	800	3000	1008
CICERCHIA(CHICKLING VETCH)	107	350	---	---	770
LENTICCHIA(LENTILS)	180	470	1000	2000	1296
PISELLI (PEAS)	146	450	700	2500	1051
GRANOTURCO (CORN)	89	160	450	2000	640
AVENA (OATS)	88	160	380	1800	633
SEGALE (RYE)	126	200	800	2000	907

1226 5231

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

1944 PRICE .. LIRES PER QUINTAL RECOMMENDED BY MINISTRY OF AGRICULTURE
FOR CROPS LISTED BASED ON 1938 PRICE RELATIONSHIPS.
(Submitted to Agriculture Sub-Commission By under secretary of Agriculture
on 3 May 1944)

FIXED PRICE, BUT NOT AMASSED 1943	PRICE PROPOSED BY ISHETTORATI FOR 1944 MINIMUM	MAXIMUM	OBTAINED PRICE MULTIPLYING THE PRICE OF 1938 BY THE INCREASE'S COEFFICIENT OF THE PRICE OF THE SOFT WHEAT (WHICH WAS L 125 PER Q. IN 1938 AND L. 900 IN 1944) - COEFFICIENT = 7.2	PRICE PROPOSED 1944	- NOTE -
180	480	1800	676	675	
480	1000	3000	1281	1250	
380	800	3000	1008	1000	
350	---	---	770	750	
470	1000	2000	1296	1300	
450	700	2500	1051	1050	
160	450	2000	640	740	(B)--We suggest that an increase of 100 L per qtl. be made on the corn price. This is recommended becouse of the cost of production. This seems necessary to make a proper relationship between oats & other crops.
160	380	1800	633	650	
200	800	2000	907	900	

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

Major Bakewell
Price Committee file
4621

HEADQUARTERS
ALLIED CONTROL COMMISSION

Suspense _____ Date 8 June 44

FROM	TO	FROM	TO
Secretary General		Establishment Branch	
Deputy Secetary General		Director	
Administrative Section		Executive Officers	
Interior		G-1 (A)	
Public Safety		G-1 (B)	
Public Health (Main Hq)		G-4 (A)	
Public Health (Rear Hq)		G-4 (B)	
Property Control		Adjutant (Main)	
Legal		Adjutant (Rear)	
Education		Hq Comdt (Main)	
Monuments & Fine Arts		Hq Comdt (Rear)	
Economic Section		2675 Regt	
Agriculture		"	
Industry & Commerce		Political Section	
Requisition Division		Navy (Taranto)	
Labor		Navy (Rear Hq)	
Food		Army (Leece)	
Public Works		Army (Rear Hq)	
Mining Division		Air (Bari)	
Transportation		Air (Main Hq)	
Shipping		Communications	
Finance		War Material Disposal	
RC & FD Section		Public Relations Branch	
Civil Affairs Branch		Chief Liaison Officer	
Information Division		Caserta, Hq AAI	
Pool of Interpreters		U.S.C.C. Irish Detachment	
Displaced Persons		U.S. Hq Co., 2675 Regt	
Italian Refugees Branch			
Security Branch			

FOR:

Signature
Remarks/Recommendation ✓
Information
Approval/Disposal
Appropriate Action
Investigation & Report
Dispatch

REMARKS: _____

WN 5226

Declassified E.O. 12356 Section 3.3/NND No. 786021

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

WAH/11
June 1944

AGR/31150.1

SUBJECT: Change in Selling Price - Binder Twine.

TO : RC's for Regional and Provincial Supply and Agricultural Officers.

1. Ref is made to ltr Hq. ACC Agriculture Sub-Commission, AGR/31150.1 dated 15/4/44.

2. Change price in para. 2 from 71.60 lire per kilo to 74.50 lire per kilo. This increase in price is necessary to equalize differentials between freight and trucking haulage charges. The price is then uniform on the mainland at Provincial Consorzio warehouses. The original price was based on the assumption that all movements would be by rail.

W. A. Hartman
W. A. HARTMAN
Lt. Colonel
Director

DISTRIBUTION:

14 - Region I
11 - Region II
9 - Region III
6 - Region IV
8 - Region V
8 - Region VI
8 - Region VII
3 - AMG 5th Army
3 - AMG 8th Army
2 - PWB
2 - Pub. Rel. Branch
1 - Economic Section
1 - Food Sub-Commission
1 - Labor Sub-Commission
1 - Industry & Commerce
1 - Minister of Agriculture
5 - ACC Agriculture Liaison Office, Salerno.
1 - Fed. Consorzi Agrari, AFT: Capt. Merritt.
20 - File

5225

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Declassified E.O. 12356 Section 3.3/NND No. 786021

COPY

HEADQUARTERS
ALLIED CONTROL COMMISSION
Food Sub-Commission
APO 394

31 May 1944

ACC/70-2/FOOD

SUBJECT: Prices of Olive Oil

TO : Industry & Commerce Sub-Commission

1. During the months of March, April, and May 1944 the olive oil issued to the population of Naples province, on the basis of 200 grams per person per month, has been charged for at the following prices:

			Price to Wholesaler per quintal	Price to Retailer per Kilo	Price to Consumer per litre
Grade I (Olio Vergine Sopraffino)	Acidity Up to 1°	Lire 2900 (29 per Kilo)	30		30
Grade II (Olio d' Oliva FINO)	from 1° up to 2.7°	Lire 2800 (28 per Kilo)	29		29
Grade III (Olio Olivo)	from 2.8° up to 5°	Lire 2700 (27 per Kilo)	28		28

2. The oil in question came from stocks collected by the Consorzi Agrari in Apulia Region. The above prices were fixed in February 1944 by the Food Sub-Commission on basis of a decree issued on 28th December 1943 by General Romeo Marcello Cumbra, in which the following prices were laid down as payable by the purchasing firms (known as "assegnatari") to the Consorzio Agrario in each province:

	Grade I (Acidity up to 1°)	Grade II (Acidity up to 2.7°)	Grade III (Acidity up to 5°)
Price payable to Consorzio per 100 Kili	2618	2543	2458
Fee for "decantazione" to allow for deposit of impurities during storage in "Ammasso"	8	8	8
TOTAL PRICE PAID BY FIRMS	2626	2551	2466

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PRICES OLIVE OIL: Cont'd.

		2626	2551	2466
General Expenses: See attached copy letter dated 12/1/44 from Messrs "Gaslini"		243	243	243
Profit for Wholesaler		100	100	100
Total Cost per Quintal	Lire	2969	2894	2809

3. All the stocks of oil obtained from Apulia being now practically exhausted, allocations for June will be made chiefly from stocks of oil recently acquired in Calabria but at higher prices. The latter were fixed by a decree signed by the Prefect, Mr. LUCIFERO and the Civil Affairs Officer, and published in the Catanzaro paper "La Nuova Calabria" on 2 February 1944. In this it is laid down that the prices to the producer will be the following:

	Grade I (1° Acidity) per quintal	Grade II (up to 2.7° acidity) per Qtl.	Grade III (up to 5.8° Acidity) per Quintal
	3200	3100	3050
Lire			
To these prices the Consorzio add their charges	150	150	150
Prices to firms handling the oil & financing purchase	3350	3250	3200

4. Of the oil already collected by the Consorzio in Calabria, the Food Sub-Commission has obtained the release of 15.000 quintals of Edible Oil from Reggion Province, for Naples pool.

5. In view of the above prices having already been in force since February, it was agreed between Colonel LEGG and the Ministry of Agriculture in Salerno that a lower price could not be enforced at the present juncture.

6. The expenses to be incurred by the firms who have been assigned the handling of this oil from the source to Naples, and the financing of it are roughly estimated to be the same as those which had to be met in Apulia, viz Lire 243 per quintal.

7. On this basis it is proposed that the prices of the various grades of oil from Calabria be worked out as follows:

		Grade I "Vergine Sopraffino" (per quintal)	Grade II "Olio d'Oliva Fino"	Grade III Olio Olivo
		3350	3250	3200
Price Paid	Lire			

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PRICES OLIVE OIL: Con'd.

		3350	3250	3200
Expenses (say)		240	240	240
Wholesalers Profit		100	100	100
Per Qtli	Lire	3690	3590	3540

Therefore it is proposed to apply the following prices:

	To Wholesaler	To Retailer	To Consumer
Grade I	Lire 3600 per qtl.	37 per Kilo	37 per litre
Grade II	" 3500 "	36 "	36 "
Grade III	" 3450 "	35.50 "	35.50 "

The retailer's profit consists of the difference between the Kilogram and the litre, about 10%.

It is suggested that the Pricing Committee provisionally approve the application of these prices in view of the fact that distribution is to begin at once, and that a sub-committee be formed to investigate the details of the charges as set out in attached copy of letter from Messrs. Gaslini.

In the opinion of the writer some of these changes are excessive but only a careful investigation (which might take considerable time) would reveal the truth.

Draft of the above proposals has been submitted to the Minister of Agriculture in Salerno, who has given his approval.

Signed:
W.J. LEGG, Colonel
Chief, Food Sub-Commission

WD 5222

2061

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

COPY

Naples, 12 January 1944

ALLIED MILITARY GOVERNMENT

OFFICE ECONOMICS & CIVIL SUPPLY

NAPLES

According to this request of this Command we beg to give analysis of the expenses relating the transport of edible oil from the center of production to Naples and the expenses of distribution of oil to the wholesalers of this province:

TRANSPORT EXPENSES

1) - L. 50 - average expense a quintal for transport with animal traction cars by truck from the center of production to the nearest railway station. - This expense is cancelled in the case the oil be withdraw directly from the factories of production because the railway track connected with the station;

2) - L. 5 - unloading from truck or animal traction cars and loading on vagon to the nearest railway station and surveying;

3) - L. 20 - at qls. oil for transport from railway station of production (Puglie/Calabria) to the station of Naples S. Giovanni, together with the transport of the empty barrels from station of Naples to stations of production (on the basis of old railway tarifs);

4) - L. 13 - Interest on capital (ordinance n. 5 Commissariato Gen. a-Alimentazione of the 10/11/943);

5) - L. 40 - general expenses (salaries to employees, technical staff taxes, electric light, leases, mortgage quote for fitting barrels, tanks, etc.)

DISTRIBUTION EXPENSES

6) - L. 65 - expenses of distribution (work for filling the barrels and loading on cars) general expenses, unfrozing of oil, and profit for distribution.

7) - L. 50 - risk insurance for the transport of oil by railway for common and war risks.

243 - Total amount of the expenses from the center of production to the consignment to the provincial distributor.

"CASLINI" Società Anonima
(rag. F. Manti, Manager)

5221

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

Price Committee file

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

RG/wht
4621

AGR/31110

30 May 1944

SUBJECT: Recommended Price for Orzo Mondo (Hull-less Barley).

TO : Economic Section, ATT: Price Committee.

1. Attached as Appendix A is a translation copy of communication from the Ministry of Agriculture dated 24 May 1944 concerning the above mentioned subject. This Sub-Commission does not agree with the recommended price of 1500 lire per qtl., for hull-less barley. The major uses for hull-less barley are malt, coffee substitute and for soup.

2. Attached as Appendix B is Consorzio form on which is printed a differential of 211 lire per qtl., was provided for in 1943 between Orzo Mondo and Orzo Vestito. This differential in so far as we have been able to learn represents a production incentive for what might be called luxury uses. Hull-less barley does not contain any additional feed value. The yield of hull-less barley is however, normally 1 to 2 qtls., less per Ha. which would make the costs of production greater for Orzo Mondo than for Orzo Vestito.

3. Information as to production and yield data of barley may be secured from our letter to Economic Section, ATT: Price Committee dated 25 May.

4. This Sub-Commission hereby recommends a price of 950 lire per qtl., for hull-less barley.

5. The Price Committee is hereby requested to complete its deliberation and announce official price for hull-less barley at earliest possible date.

Approved:
By verbal agreement.
G.P.A.

W. A. HARTMAN
Lt. Colonel
Director

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2053

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

TRANSLATION

Salerno 24 May 1944

SUBJECT: Prices for barley produced in 1943/44 campaign.

Referring to the request of your Sub-Comission and to specify exactly what has been previously communicated with letter N° 1820 of May 16, 1944 for the present campaign we propose for barley the following prices (base 56 kg; leeway for impurities 2%):

I°) For common barley (unhusked) ; £.720 per qtl, at a percentage of 80% of the new price base for soft wheat. And this, considering that for last year crop the price base for unhusked barley was in £.125 + the subsidies of £.50, and considering also what has already been stated with above letter n° 1820.

2°) For nude barley; £. 1500 per qtl, that is, equal to a little more than double the price of unhusked barley, keeping so - between this and that - the same relation which existed in last campaign. In fact in last year crop the price for nude barley was in £. 366 (including the subsidies of £. 36), that is, equal to 2,2 the price of unhusked barley.

The price for nude barley is considerably higher than that of unhusked barley, and also higher than that of wheat, in regard to its industrial destination, especially for the manufacturing of beer, because since the glumes adhere very closely to the grain, are required special threshing attention to avoid the impairing of the sprout integrity with the consequent diminution of germinative power of seeds and consequently the riduction of its commercial value.

Besides, the higher price is justified also by the special cultural treatments which the nude barley requires.

5219

The Minister
Gullo

Declassified E.O. 12356 Section 3.3/NND No. 786021

The attached will be considered in a meeting of the Price Committee, 3 June 1944, 9,30 hours.

4621

Attachments:
Prices of biologicals
Medical Supplies
Prices below landed cost in army areas

Cost of inoculations argument.

5218

HEADQUARTERS
ALLIED CONTROL COMMISSION
INDUSTRY & COMMERCE SUB-COMMISSION
APO 394

FCH/al

26 May 1944.

SUBJECT: Prices of Biologicals

TO : Economic Section, Price Committee

A.C.C. public health Sub-Commission recommends prices for 48 types of serums and vaccines manufactured by Instituto Sierotерapico Nazionale, Naples. Increases range from 50 to 200 percent over last official prices published by the Italian Government in 1935. The following justification is offered by the Sub-Commission:

"All these sera and vaccine have a price control laid down to them on each finished product by the Public Health of the Italian Government. While practically all raw materials needed in this laboratory have to be bought at "black market" prices plus the increase salaries to hold laborers, electric light, gas, packing material, vials, and maintenance expenses which have increased from 100% to 1000% (See Incl. 1). It has been expressed that there is no profit for the firm to continue operation."

"The biological products, that this laboratory turns out, are very essential for the protection of the civilian health. It is impossible for this office to try and ship from the States all products of this nature because of their short duration of potency and the high cost for us to produce. This company has submitted a new price list which if approved would increase production and still be priced to the chemists at a far cheaper price than we could afford to ship it over here. This office feels that the increase of prices requested by the Instituto Serotirapico Nazionale are far too high. They requested increase from 100 to 400%. We feel that a 200% increase might be justifiable in the production of sera but in the production of vaccine to 50% increase is sufficient If the raw materials are supplied at a lower cost than what they are now paying at "black market" price these percentages could be cut considerably".

These prices of the P.H. Sub-Comm. should be approved on condition that the Public Health Sub-Commission act to reduce prices to the consumer whenever they are able to supply enough raw materials at prices low enough to cut costs.

~~The list is as follows:~~ ~~(On file with I. & C. Sub-Comm.)~~

The list is attached hereto.

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

terapico Nazionale, Naples. [illegible]
over last official prices published by the Italian Government in 1935. The following justification is offered by the Sub-Commission:

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These prices of the P.H. Sub-Comm. should be approved on condition that the Public Health Sub-Commission act to reduce prices to the consumer whenever they are able to supply enough raw materials at prices low enough to cut costs.

~~The list is as follows:~~ ~~(on file with I. & C. Sub-Comm.)~~
The list is attached hereto. 5217

F.C. MURPHY
Captain
Industry & Commerce
Sub-Commission.

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

Declassified E.O. 12356 Section 3.3/NND No. 786021

PRICE LIST

May 18, 1944

Prices to the pharmacists recommended by Public Health

a) serum

ITEM	1935 Prices	Prices recommended by P.H.
Anticarbuncular	6.35	19.05
Antidiphtheria 5.000 U.	14.12	42.36
" 10.000 U.	21.56	64.68
" 20.000 U.	41.63	124.89
Antidysenteric	6.35	19.05
Anti-gasgangrene	23.79	71.37
Antimelytensis	7.54	22.62
Antimeningococcus	7.54	22.62
Antiperitonic	19.34	58.02
Antiplague	9.55	28.65
Antipneumococcic	6.35	19.05
Antistaphylococcus	6.35	19.05
Antistreptococcic	6.35	19.05
Antitetanic 5.000	11.86	35.58
" 10.000	23.72	71.16
" 20.000	47.44	142.32
Hemoblastin serum	11.15	33.45
Antitetanic 1.500	3.94	11.82
Antidiphtheric	7.06	21.18

b) Vaccine

Anatoxin	2.34	7.02
T.A. B.Te	5.20	15.60
Antityphoid T.A.B.	4.09	12.27
Bilivaccine T.A.B.	2.23	4.69
Bilivaccine dysenteric	7.43	22.29
Antipiogen	22.31	33.47
" strong	22.31	33.47
Bronchiapneu mococcus mild	22.31	33.47
" " strong	22.31	33.47
Gonococcus mild	22.31	33.47
" strong	22.31	33.47
" mixed	22.31	33.47
Melytensis	22.31	33.47
Meningococcus	22.31	33.47
Pneumococcus	22.31	33.47
Pertussis	22.31	33.47
" mixed	22.31	33.47
Staphilococcus	22.31	33.47
Streptococcus	22.31	33.47
Typhoid intraven.	22.31	33.47
" hypodermic	22.31	33.47

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ITEM	1935 Price	Price recommended by P.H.
c) specialities		
Antibechina	6.69	20.07
Enteros imolo	7.43	22.29
Fermenti lactic vit. cc.3	22.31	33.47
" " " cc.10	33.46	50.19
Hemoblastina syroup	16.09	48.27
Hepatodin Dallari cc. 5	17.84	35.68
Ormocaleina	11.89	23.78
Gelatin hemostatic cc.10	2.23	4.69

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

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Health Sub-Commission
Supply Section
APO 394

MEG/egh
26 April 1944

Refer : PH/09/MS

Memorandum

TO : Price Section, Industry & Commerce Sub-Commission

1. A recent revier of prices on Allied medical supplies by the Italian Public Health Division revealed some items on which a price reduction should be made and some items on which increased prices should be changed in order to make some items more accessible and on others to bring our price more nearly in line with previous official Italian prices.

2. It is recommended that the CAD unit cost price to Italian Governmental agencies be changed on the following items:

		Present CAD Price	Proposed CAD Price
11450	Cocaine Hydrochloride, USP	326 Lire	200 Lire
11490	Codeine Sulfate, USP, 1/2 Gr Tab	696 "	550 "
11600	Cresol, Emporated Solution	688 "	688 "
11720	Emetine Hydrochloride, USP, 1/3 Gr Hypo Tab	86 "	66 "
12955	Morphine Sulfate, USP, 1/4 Gr Hypo Tab	60 "	40 "
12565	Liver Extract, Purified, USP, 50 Units	58 "	45 "
12854	Mercury Bichloride, Large Poisen Tab, USP	130 "	100 "
14010	Santonin, USP, 1/2 Gr Tab	101 "	85 "
14460	Sodium Sulfate, USP	22 "	22 "
14700	Talc, Purified, USP	18 "	15 "
1K60100	Plasmochin, 0.01 Gr Tab	650 "	325 "
16015	Cholera Vaccine, 20 cc	97 "	27 "
16020	Diptheria Antitoxin, USP, 20,000 Units	174 "	133 "
16041	Diptheria Toxoid, USP, Plain, 10 cc.	78 "	23 "
16110	Tetanus Antitoxin, USP, 1500 Units	16 "	16 "
16120	Tetanus Antitoxin, USP, 20,000 Units	157 "	120 "
17300	Vaccine, Triple Typhoid, Prophilactic	113 "	116 "
10100	Acid, Acetysalicylic, USP, 5 Gr Tab	43 "	130 "
10835	Ascorbic Acid, USP, 25 MGM Tab (Vitamin C)	20 "	38.6"
11665	Digitalis, Tab or Cap, I USP, XII Unit	8 "	26.5"
11760	Epinephrine Soluble Salt, 1/200 Gr Hypo Tab	10 "	20 "
13396	Phenobarbitol, USP, 1/2 Gr Tab	6 "	19 "
14550	Strophanthin, USP, 1/100 Gr Hypo Tab	10 "	16 "

3. None of these price changes represent a reduction in any item below USA Medical Department Catalog or Cost price.

M.E. GRIFFIN
Colonel, MC
Director, Supply Section

5214

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Declassified E.O. 12356 Section 3.3/NND No. 786021

HEADQUARTERS
ALLIED CONTROL COMMISSION FCM/al
INDUSTRY & COMMERCE SUB-COMMISSION
APO 394

24 May 1944.

SUBJECT: Prices below landed costs in Army areas

TO : Economic Section, Price Committee.

1. A meeting of 5th and 8th army economics and supply officers, the regional supply officer of region 4, and the writer was held on 19 May 1944 for the purpose of coordinating price policy in forward areas as the armies advance.

2. Opinion was expressed by the supply officers that prices based on landed costs were too high relative to the incomes of people in forward areas under their control. They recommended the following prices for commodities distributed by them:

	Consumer	Recommended Prices to Retailer	Wholesaler or SCAM	Est. Landed Cost
		Lire		
Dehydrated Soup (kilo)	30	26	24	47
" vegetables	30	26	24	64 (ave)
Cheese (kilo)	35	30	28	78
Biscuit (kilo)	5	4.45	4.20	46

3. Reasons given for the recommendations were as follows:

a. Dehydration makes for high dollar processing costs and is incurred mainly to save shipping space. We feel that it should not be used as a basis of cost to the Italian consumer in Army Areas.

b. Landed dollar costs of many imported food items make them luxuries to the average Italian consumer in Army Areas. These food items are distributed as necessities and prices should meet the purse of the purchasing public.

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g. Cheese is a dietary staple of the poorer Italian people. Landed costs make its use prohibitive.

d. Biscuit are largely used as a substitute for an insufficient bread ration or distributed as an emergency item to refugees or bombed-out victims. AFHQ in the Army Areas cannot charge 16 times the price of bread.

4. This writer concurs in the above recommendation. From the testimony of these supply officers, there are apparently areas up front where people still believe in some approximation to the 5 cent lire. This is quite probable inasmuch as inflationary influences are strongest in certain rear areas e.g. Naples, and spill over with varying, but usually diminishing, effects elsewhere.

Moreover, it is probable that economic conditions relative to supply, price, inflation, etc., will exhibit similar high degrees of variance in territory taken from the enemy. For this reason arrangements have been made for close liaison with supply officers as the armies advance in order that prices may be quickly adapted to any changes in the supply and distribution programs made necessary by new situations. Under these conditions, reductions in price below landed costs, with consequent subsidy on the part of the Italian Government, appear to be warranted and consistent with Combined Chiefs of Staff policy that "sales at a loss may be made if prices based on landed cost are so high as materially to disturb price structures or to interfere with the availability of certain basic commodities to consumers."

F.C. MURPHY
Captain
Industry & Commerce
Sub-Commission.

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Declassified E.O. 12356 Section 3.3/NND No. 786021

Labour Sub/com.

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

SECRET
Col. Dunn
Lt. Col.
MAJ.
Capt. DARF
Capt. Sol. Inf.
LT. CIAMMARCO

HIK/jr
22 May 1944

AGR/35000

SUBJECT: Ministry of Agriculture Directive.

TO : All RC's, for PC's, Agricultural Officers and Others;
SCAO Eighth Army AMG,
SCAO Fifth Army AMG.

1. Reference Ministry of Agriculture "Directive for the Organization of Agriculture and of the Amassing" dated 28 April 1944.

2. The following sentence should be added to the English translation of Appendix A, page 15, under the membership of the Provincial Committees for Agriculture, between sub-paragraphs d) and e):

"A farmer representing owners of leased property."

3. It is desired that this correction be brought to the attention of all officers and officials concerned.

5211

W. A. Hartman
W. A. HARTMAN
Lt. Colonel

Declassified E.O. 12356 Section 3.3/NND No. 786021

The attached will be considered at a meeting of the Price Committee 13 May 1944, 1400 hours.

to files
J.O.B

5210

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

for fr Oldeight

HEADQUARTERS
ALLIED CONTROL COMMISSION
INDUSTRY & COMMERCE SUB-COMMISSION
APO 394

ICM/4-1

9 May 1944

Ref. ACC/5072/12/IC

SUBJECT: Prices of Textiles

TO : Economic Section, Price Committee

1. Attached find memoranda re textile prices for use of Price Committee.

W. P. EVANS
Colonel,
Director, Industry &
Commerce Sub-Commission

1 Incl.
Memoranda on Prices of Textiles
dated 9 May 1944.

5209

10 May
3

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

HEADQUARTERS
ALLIED CONTROL COMMISSION
INDUSTRY & COMMERCE SUB-COMMISSION
APO 394

FCM/al

9 May 1944.

SUBJECT: Prices of Textiles

TO : Economic Section, Price Committee.

Approval of the following prices for textiles purchased by the allied forces, is hereby recommended.

Camouflage cloth	L.	85	per	meter
Printed cretonne	"	54	"	"
Madapolam	"	47	"	"
Agropoli and Madonna	"	46	"	"

These constructions have been purchased from S.A. Cotoniere Meridionali, partly from previous stocks and partly from current manufacture. Continued production is necessary for the forces and for civilian use and the mills of the company are being reactivated under the direction of our experts.

The prices recommended are higher than pre-invasion prices — represent a compromise between current and former costs. Prior to the invasion, camouflage cloth, the main type presently at issue, was sold, to the Italian government at approximately Lire 40 per meter. The industry however voluntarily paid a percentage of the prices received from the public sale of other constructions into a common pool to make up for losses suffered on government contracts. The company's cost statement for the manufacture of camouflage cloth under present conditions resulted in a price per meter of L. 117. But these costs represent activity under the abnormal conditions of the past three months during which probably 50 days were devoted to actual output and the balance to repairs, cleaning, rebuilding, etc. Based on a more normal operation under improved conditions we estimate that costs would approach the suggested price. Company figures and our adjustments are as follows for one meter of camoflage cloth.

	Company	ACC adjustment
	Lire	
Cotton kg. 1,250	93.70	87.50
Spinning	88.69	59.26
	182.39	146.76

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	Company	ACC adjustment
	Lire	
Cloth (0,275 kg. x above)	30.16	40.50
Weaving	16.00	10.66
Bleaching	40.00	26.68
Profit & expenses	10.62	7.78
	116.78	85.62

The prices recommended for the other constructions have been treated in the same manner, camouflage cloth being used as the basic construction.

The recommended prices represent a contribution of the Allied Forces toward the reactivation of an industry needed both by the forces and by the civilian economy. Provision of working capital in line with present costs and needs has also been a consideration. It should be pointed out, however, that future prices to civilians may well be higher because of higher replacement costs and because of the broader consumer interest in the reactivation of the industry.

F.C. MURPHY
Capt.
Industry & Commerce
Sub-Commission.

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

RFC/jmk

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

11 May 1944

AGR/35048

SUBJECT: Prices of Rope and Binder Twine

TO : Price Committee, Economic Section, ACC.

1. The attached schedule is the proposed prices for binder twine, and rope to be sold through the Federazione di Consorzio Agrario in 1944.

2. All rope is made in the Naples area, and 25% of the binder twine.

3. In setting up the factors entering into the price of binder twine and rope the first item was listed by the hemp control committee which was set on the basis of hemp costs and plant production costs. An attached schedule shows the cost of raw hemp in recent years, and also the F.O.B. factory costs at Pratamaggiori. Also the operation cost charges for recent years. The other items of cost was supplied by the Consorzi as distribution costs from that point. It is recommended that the prices indicated on the schedule be approved as the cost to the Consorzi Agrari Provinciali at F.O.B. destination. The Consorzi Provinciali to add distribution cost from that point. This is the usual practice of handling these products. The cost in Sicily and Sardinia will be increased by adding transportation.

4. The cost items on the attached schedule was reviewed by Captain Merritt who is in charge of Agriculture supplies for the Agriculture Sub-Commission. He finds the items to be in line with charges made in former years.

5. The items are already distributed and are urgently needed By farmers.

W. A. HAFFMAN
Major
Director

54 5206

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COST ITEMS IN PRODUCTION OF TWINE & ROPE

I Raw Hemp Prices Per Qtl.

1938-39	= 820	Lire per qtl.
1939-40	= 943	" " "
1940-41	= 1,189	" " "
1941-42	= 1,271	" " "
1942-43	= 1,271	" " "
1943-44	= 3,440	" " "

II Price of Twine Per Kg. F.O.B. Factory different types twine.

	Carded Carbato	Combed Dettimato
1942	15.10 Lire per Kg.	17.15 Lire per Kg.
1943	17.50 " " "	19.50 " " "
1944		71.60 " " "

III Prices of Twine and Rope F.O.B. Factory

	Twine	Small Rope 2mm	3-4mm	5-6mm	Large Rope (over 8mm) 1st Quality	2nd Quality	3rd Quality
1938-39		12	11	10	9	8	7
1940-41		16	15	14	13	12	11
1941-42	17.15	21	19	18	16	15	14
1942-43	19.50	23	21	19	18	17	16
1944	67.75	82.50	77.00	71.50	66.00	62.70	60.50

IV Operating Expense of Plant For Kg.

	Binder Twine	Small Rope	Big Rope
1938-39		5	4
1940-41		9	7
1941-42		11	8
1942-43	11	13	10
1943-44	21.60	25/30	20

There are only three firms making binding twine now. There used to be a large number of twine factories in northern Italy that supplied the twine needs of this area. For that reason no figures of operating costs can be secured as there was no control.

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DETERMINATION OF PRICE, BINDER TWINE, AND HOPS PER KILOGRAM

	Binder Twine	Small Hops 2 mm	3 a 4 mm	5 - 8 mm	Large 1st Quality
1. FOB factory at Frattamaggiori	67.75	82.50	77.00	71.50	66.00
2. Loading Trucks, etc. at factory	.15	.15	.15	.15	.15
3. Loading Railway Cars	.15	.15	.15	.15	.15
4. Average Freight Cost	.15	.15	.15	.15	.15
5. Accounting. Office Expenses of Federation. 3%	2.03	2.50	2.20	2.15	2.00
6. Tax. 2 %	1.36	1.65	1.55	1.45	1.35
FOB Destination Per Kilogram	71.60	87.10	81.20	75.55	69.80

N.B. No cost is entered for truck transportation from factory to loading station, because military trucks operated hauling. The charge for loading and unloading these trucks is entered as items 2 and 3.

Prices for these products in recent years was 19.6 lire per kilo.

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

28 APRIL 1944

TWINE, AND ROPE PER KILOGRAM

	Binder Twine	Small Rope 2mm	Small Rope 3 - 4 mm	Small Rope 5 - 8 mm	Large Rope (over 8 mm). 1st Quality	Large Rope (over 8 mm). 2nd Quality	Large Rope (over 8 mm). 3.4.5th Quality
ori	67.75	82.50	77.00	71.50	66.00	62.70	60.50
ctory	.15	.15	.15	.15	.15	.15	.15
	.15	.15	.15	.15	.15	.15	.15
	.15	.15	.15	.15	.15	.15	.15
e of	2.03	2.50	2.20	2.15	2.00	1.90	1.89
	1.96	1.65	1.55	1.45	1.35	1.25	1.22
m	71.60	87.10	81.20	75.55	69.80	66.30	64.00

ruck transportation from factory to loading station. because military trucks operating at the factory do the
loading and unloading these trucks is entered as items 2 and 3.

recent years was 19.6 lire per kilo.

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

HEADQUARTERS
ALLIED CONTROL COMMISSION
INDUSTRY & COMMERCE SUB-COMMISSION
APO 394

FCM/al

Ref: ACC/5072/3/IC 11 May 1944.

SUBJECT: Prices of Hemp Sandals

TO : Economic Section, Price Committee.

1. The following prices at Naples dock for Hemp sandals manufactured at Capri are hereby recommended:

Type	Size	Price (Lire)
con lacci	No. 27-30	135
" "	24-26	125
" "	20-23	108
" "	16-19	96
Sandali Novità	27-30	112
" "	24-26	100
" "	20-23	90
" "	16-19	75

Hemp is being allocated to factory by Hemp Control Office and hemp costs constitute main element of total costs. Detailed breakdown of costs for No. 27-30 con lacci sandal is as follows.

Item	Lire
Hemp for Upper (18 cm.)	11.35
" " lining(28 cm.)	11.70
" " sole e border (530 gr)	35.90
Thread (heavy)	4.75
" (light)	10.00
Glue & Paper	3.20
Lace holes & buckle	5.25
Miscellaneous Materials	4.65
Labor	13.00
Genl. Expense	20.00
Profit	15.10
	135.00

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Cost figures for other sizes are in proportion to the above and have been made available to us.

At present the volume of output is low, only 50-75 pairs per day can be made due to power shortage. Maximum capacity is 150 pairs per day. We consider general expenses and profit to be reasonable under these conditions but it will be possible to review these items if larger volume is attained.

The recommended price(L. 135)compares with L. 120 last year but the shoe this year is of much higher quality due to the quality of the hemp (particularly sole hemp) being furnished by us. Retail prices based on the recommended prices at dock should range from L. 110 to L. 170 to the consumer. This compares with a price of L. 120 for "Capri type" shoe of poorer quality recommended by Naples price list ~~#~~ 4 with no sizes specified.

F.G. MURPHY
Capt.
Price Section
Industry & Commerce
Sub-Commission

No. 5202

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HEADQUARTERS
ALLIED CONTROL COMMISSION
APO 394

11 April 1944
Date

Suspense_____

FROM		TO
	Chief Commissioner	
	Dep. Chief Commissioner	
	Secy. Gen. to Chief Commissioner	
	Administrative Section	
	Economic Section	
	RC & MG Section	
	Civil Affairs Branch	
	PW & Displaced Pers Sub Com	
	Italian Refugees Branch	
	Security Branch	
	Information Branch	
	Establishment Branch	
	Ex Offrs	
	G-1 (A)	
	G-1 (B)	
	G-4	
	Hq Comdt (Main Hq)	
	Hq Comdt (Rear Hq)	
	Adjutant (Main Hq)	
	Adjutant (Rear Hq)	
	Archives & Library	
	Pool of Interpreters	
	Political Section	
	Independent Sub-Commissions	
	Navy	
	Land Forces	
	Air Forces	
	Telecommunications & Posts	
	War Material Disposal	
	Public Relations Officer	
	Liaison Section Hq A.C.M.F.	
	~~Agriculture~~ S-C	
	LABOR S-C	

FOR:

Signature
Remarks/Recommendation 5201
Information
Approval/Disapproval
Appropriate Action
Investigation & Report
Dispatch

REMARKS:_____

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

09.4621

J.D.B.

ACR/SA/wht

HEADQUARTERS
ALLIED CONTROL COMMISSION
Agriculture Sub-Commission
APO 394

10 April 1944

B2010/ACR

SUBJECT: Prices of Petroleum Products.

TO : Economic Section (ACT: Price Group)

1. In addition to a revision of prices on Nafta which we have already requested, it is pointed out that a revision should also be made on the prices of gasoline (benzina) lubricating oil and on kerosene. Not only the prices of gasoline (benzina) lubricating oil and on kerosene are too high but they also vary in King's Italy and in occupied areas.

The Price of Nafta

(A) At Naples the price to the consumer is 12.86 lire per kg. This price is arrived by subtracting 3.80 lire (part of the tax on Nafta called "fabrication tax") from 16.66 lire, the consumer's price including all the taxes.

(B) At Bari the consumer's price is 12.52 reached by subtracting all taxes on nafta.

(C) At Manfredonia (Region V) Nafta is sold at 3 lire per kg. There however, the product is not distributed through CIP (Comiteto Italiano Petroli) but by Military Government authorities. In other words no taxes or expenses of handling are included.

(D) In Sicily the price of nafta is 16.66 lires per kg. There the tax and cost of handling is includd and paid by the fishermen.

2. It is noted, by exeaining the prices in the various areas, that there is too much discrepancy between the price at Manfredonia and at Naples. Since at the latter place the tax is not applied, the discrepancy cannot be accounted for unless it represents service charges.

3. Prices on Lubricating Oil.

(A) Until April 7,1944 the price in Naples had been 55 lire per kg. The next day the price dropped to 35 lire per kg. It is noted that the tax on this product is 4.36 lire.

(B) At Manfredonia the price of oil is 45 lire per kg. Here again we cannot account for the discrepancy unless it is attributable to handling charges.

(C) It is pointed out that a Semi-Diesel motor of [illegible] consumes 1.2 kgs., of oil per hour. In a fourteen hour day it would consume 16.8 kgs at a cost of 560 lire, a very costly item of operation.

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Rec'd 11 Apr 44

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4. It is interesting to note that recently the Minister of Agriculture in making his monthly survey of needs on Nafta was told by the fishermen of Molfetta (Province of Bari) that they did not need Nafta. Since the answer was by telegram the reason was not explained. The capitanerie di Porto (Captain of the Port office) however, said in the wire that it would follow up the telegram by letter explaining the reason. This letter has not as yet reached here. The reason for the refusal, however, can be easily guessed. Since Molfetta is within easy reach of Manfredonia it is believed that the fishermen receive their Nafta and other oil products there.

5. Since we were asked by the Price Group to suggest a set of prices for the products in question, we propose the following:

Benzine (gasoline).....	9 lire per kg.
Nafte.....	8 lire per kg.
Lubricating oil.....15 to 20 lire per kg.	
(on account of the difference in viscosity)	
Kerosene.....	8 lire per kg.

We reiterate our request that a uniform price for these products be established not only in King's Italy, but also in the occupied zones.

W. A. HARRIMAN
Major
Director

Dist.
Industry & Commerce
Finance Sub-Commission
Labor Sub-Commission
Food Sub-Commission
Minister of Agriculture

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

(4621) Prices Committee 30/5

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

HJW/cs

6 April 1944

ES/41

Products on which national price controls should be established or maintained.

Description		Remarks
English	**Italian**	
Wheat	Frumento	These are the crops which it is proposed to amass this summer. Prices to be paid to producers, and corresponding wholesale and retail prices, including prices of flour, bread and pasta, to be announced by May 15.
Barley	Orzo	
Oats	Avena	
Horse beans	Fave	
Chick peas	Ceci	
Peas (dried)	Piselli secchi	
Lentils	Lenticchie	
Beans (dried)	Fagioli secchi	
Olive oil	Olio d' uliva	See schedule A
Flour	Farina	" " "
Bread	Pane	" " "
Pasta	Pasta	" " "
Imported foodstuffs		" " B
Soap	Sapone	Prices fixed by Italian Monopoly
Salt	Sale	
Matches	Fiammiferi	
Tobacco	Tabacco	
Leather	Cuoio	Prices have been fixed provisionally. If an effective method of control can be established, a definitive set of prices should be fixed.
Coal		See schedule C
Petroleum Products		" " "

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Meat	The present situation is chaotic. Legal prices are being completely disregarded. A plan has been submitted to the Minister of Agriculture by the Allied Control Commission.
Milk, fresh	Present situation chaotic. Local controls should be established wherever feasible, with advice of ACC.
Fish	Local controls are being established, with advice from ACC.
Hemp	Prices have been established by Hemp Control Office.
Building materials (cement, bricks, tiles, glass)	When sufficient production is available for private civilian use, the available amount should be allocated on a priority basis at fixed prices.
Nails, horseshoes and other iron products.	It remains to be determined whether it is possible to establish an effective control over supply and distribution, so that prices can be fixed.
Fresh fruits and vegetables	Local controls, notably in Naples, are not effectively enforced, at least at the retail level. It remains to be determined whether effective enforcement is practicable or whether controls should be discontinued.

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Declassified E.O. 12356 Section 3.3/NND No. 786021

All other products	Price control should be immediately discontinued. Wherever it is found, however, that enforcement of price controls is both practicable and necessary, new ceiling prices can be put into effect whenever control plan is ready to go into operation.

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

HJ*/adv

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

3 April 44.

E3/41

Executive Commissioner.
CA Branch.

1. Refer to paragraph 2(b) of attached memorandum from AAI, which deals with purchases by officers and men of the allied forces. This requires that commanders of the armed forces shall, "in towns and centres where it has been found that prices are exhorbitant..." among other things, "establish basic prices for luxury and souvenir goods."

2. Determination of fair prices for such goods is exceedingly difficult, in view of the enormous variation in qualities and varieties. To illustrate: A cigarette box may be made of anything from match-box wood to inlaid silver and ivory.

Price-fixing is practicable only where the goods in question are to some extent standardized.

3. It is not desirable that regional and provincial supply officers, who are already overworked, should be made to devote excessive time to such problems, to the detriment of their work on other pressing problems.

4. Would you please consider advising AAI accordingly.

D. S. ADAMS,
Colonel, C.E.,
Executive Officer,
Economic Section.

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

76 gdb 4621

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

2 April 44.

SUBJECT: Meeting of Price Group on 28 March 44.

TO : Col. Adams.

FROM : H. J. Wadleigh.

1. The meeting was held in my office. The following persons attended:

Representing Industry and Commerce	-	Maj. Mearey
	-	Major Lewis
	-	Capt. Murphey
	-	Lieut. Hicks
" Finance	-	Mr. Stanley
" Agriculture	-	Lieut. Muliari
" Region III	-	Lieut. Arnoldy

2. Cement. Discussion of the price of cement was resumed on the basis of a third memorandum presented by Major Lewis. It was learned from Major Mearey that not only was a price of 62 lire per quintal (coal being supplied without charge to the producer) being paid for cement produced at Taranto, but purchases were also being made at Modugno and "probably" at Barletta. The prices so far as known, were as follows:

Taranto	1st quality	620	lire per ton
	2nd "	526	" " "
Modugno	1st "	741	" " "
	2nd "	620	" " "
	3rd "	360	" " "

In view of these facts, which had not previously been made known to the group, it was felt that the entire approach to the problem of determining prices for cement would need to be changed. It was now clearly no longer possible to think, as had been done at the outset in terms of "a price for cement". Different prices were needed for different plants and different qualities. Since Major Mearey had said that the prices now prevailing at Taranto and Modugno were too low rather than too high, and the producers were having difficulty meeting their expenses, it was agreed that the group should be prepared to give consideration to any application that might be presented to it for an increase in these prices, but would not take the initiative in making a change. In the meantime, the group would

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give its attention to the pressing problem of setting prices for those plants which had already started or were about to start production for which no price had yet been set. Major Lewis was accordingly requested to prepare recommendations for such plants.

3. Fish. Lieut. Mulieri presented to the Committee a plan for controlling the price of fish in Naples which he said was ready to go into effect at the beginning of April, and asked approval for a schedule of prices to be used. The prices ranged from 40 lire per kilo for the poorest types of fish to 180 lire for lobster. The plan was to have the entire catch auctioned every day to 120 licensed retailers, who could be excluded from the auction if they failed to observe the ceiling prices. Fish peddling on the street would be prohibited. If this did not work, another plan would be tried. Seven fish markets would be set up in various parts of the city, and the entire catch would be sold under close supervision at one of these markets, each market operating one day a week. Doubt was expressed as to whether the group should pass on this matter, since it appeared to be purely local. Lieut. Mulieri said that it was contemplated that some fish would soon be shipped to Naples from Sicily. It was believed that the method of price enforcement contemplated in this case was of interest to the price group at least as information. There was no objection to the proposed prices.

4. Fuel for Fishing Boats. Lieut. Mulieri desired to have the price group fix a price for gas oil (nafta) for fishing boats. In a few places, he said, nafta was being supplied free of charge, but in most, the price, including tax, was too high to make it possible for the boats to sell their catch at moderate prices. He believed that control over sales of nafta to fishing boats might be used as one of the means of controlling the sale of fish. This, it was observed, made the subject of local sales of fish a matter of more than purely local interest. The group believed that removal of the tax on nafta used for fishing or if necessary even a subsidy, might be justified provided that this actually resulted in sale of fish at lower prices. This, however, presupposed effective methods of control over the price of fish. Lieut. Mulieri undertook to make a specific recommendation regarding the price of nafta for fishing.

5. Price Policy Memorandum. There was a preliminary discussion of a memorandum entitled "Price Policy", dated 25 March. There was no disagreement expressed with the memorandum, but Lieut. Hicks thought it left some important questions unanswered. He was invited to supply the answers.

6. Petroleum Products. Major Lewis informed the committee that certain reductions had been made in the prices of certain petroleum products on the basis of revised study of landed costs and handling charges. The products were, diesel oil, fuel oil and lubricating oil. The reductions were substantial.

7. Dehydrated Soap. Capt. Murphey reported that the Food Subcommission desired to sell dehydrated soap at a price below landed cost, since considerable difficulty was being experienced in selling it at 50 lire per kilo, the price corresponding to landed cost. Capt. Murphey proposed 30 lire. The group agreed to this proposal.

8. Sheep. The group was asked to give consideration to the question of prices to be paid for sheep purchased in Region II for the Indian troops at the front, who must have mutton. Buyers for these troops had met with competition from the

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black market and from officers buying sheep for other army units. The official ceiling price was 17 lire per kilo live weight, but in order to obtain the sheep without requisitioning, then it had become necessary to pay up to 70 lire per kilo. The group agreed that the sheep should be requisitioned at a price of 30 lire.

9. Tobacco. The group was informed that the Minister of Finance, without waiting for an answer to his proposal for an increase of 70 percent in prices of tobacco to be paid by the Tobacco Monopoly to growers, had taken action by a decree dated March 9. According to this decree, prices to be paid to growers by the Monopoly for tobacco of the 1943 crop were 70 per cent above those paid for the 1942 crop. This did not apply to prices paid by contractors, through whom about 80 per cent of the crop was purchased by the Monopoly, nor to prices paid to the contractors by the Monopoly. The group agreed that the Minister should be informed of the desire of the Allied Control Commission to have actions of this kind taken only after agreement had been reached between the Commission and the Italian Government.

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(4621)

HJW/adv

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

28 March 1944.

SUBJECT: Meeting of Price Group on 24 March 1944.

TO : Col. Adams.

1. The following persons attended the meeting, which was held in my office:

Representing Industry and Commerce		--	Maj. Lewis
			Capt. Murphey
"	Finance	--	Lieut. Hicks
"	Food		Capt. Parker
"	Agriculture	--	Mr. Stanley
"	Region III	--	Lieut. Arnoldy

2. Consideration was given to a proposal by Major Lewis that the price of matches to be purchased locally by the British Army should be fixed at 64 centesimi per box. It was agreed that the price should not be higher than 56 centesimi, the price which the manufacturer is now receiving on matches sold to the local population. Even this price, it was believed, was too high, but in view of the fact that the British Army was in a hurry to get a decision, this price was approved, for a contract of 250,000. boxes which the British Army wished to place.

3. It was suggested that if the British Army intended to make further purchases of matches, the price should be reexamined. Lieut. Arnoldy, whose preliminary investigations formed the basis of the only information available to the group, believed further investigation should be made, but was not in a position to undertake it. Major Lewis said he also was not in a position to undertake any further investigation. Hence the suggestion was dropped.

4. Consideration was given to a draft reply to a letter from Sig. Corbino, Minister of Industry and Commerce, asking for approval of certain prices on soap, to be distributed on ration cards. The prices proposed were not widely different from a set of prices fixed in Region III and approved shortly before the Price Group was set up. It was agreed to approve the prices proposed by the Minister and inform him of the prices established in Region III, provisionally. Soap prices would need to be reexamined soon anyway, in the light of the landed cost of caustic soda which has now begun to arrive.

5. Personnel requirements for cost investigations were discussed. Lieut.

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Cont'd fr pg 1, Subject Meeting of Price Group on 24 March 1944, dtd 28 Mar 44.

Arnoldy said he had a staff of 8 Italian accountants. He now had only 3. It was suggested to Mr. Lewis that he should build up a small staff along these lines. Fear was expressed that this might merely duplicate the work of Region III. Lieut. Arnoldy said that Region III would favor the hiring of such a staff by ACC. Since ACC has responsibilities in regard to price fixing, it was agreed that I should communicate to you and to Col. Evans the view of the Price Group that some Italian accountants should be hired by the Price Section of Industry and Commerce.

H. J. RADLEIGH,
Secretary,
Price Group.

DISTRIBUTION:

Industry & Commerce
Finance
Agriculture
Food
Labor
Public Works and Utilities
ES Files

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31 Mar 44.

There will be a meeting of the Price Group in Col. Adams office to discuss the attached at 1400 hrs., Monday, 3 April 1944.

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HEADQUARTERS
ALLIED CONTROL COMMISSION
APO 394

31 Mar 47
Date

Suspense

FROM		TO
	Chief Commissioner	
	Dep. Chief Commissioner	
	Secy. Gen. to Chief Commissioner	
	Administrative Section	
	Economic Section	
	RC & MG Section	
	Civil Affairs Branch	
	PW & Displaced Pers Sub Com	
	Italian Refugees Branch	
	Security Branch	
	Information Branch	
	Establishment Branch	
	Ex Offrs	
	G-1 (A)	
	G-1 (B)	
	G-4	
	Hq Comdt (Main Hq)	
	Hq Comdt (Rear Hq)	
	Adjutant (Main Hq)	
	Adjutant (Rear Hq)	
	Archives & Library	
	Pool of Interpreters	
	Political Section	
	Independent Sub-Commissions	
	Navy	
	Land Forces	
	Air Forces	
	Telecommunications & Posts	
	War Material Disposal	
	Public Relations Officer	
	Liaison Section Hq A.C.M.F.	
	[illegible]	

FOR:
Signature
Remarks/Recommendation
Information
Approval/Disapproval
Appropriate Action
Investigation & Report
Dispatch

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REMARKS: For Maj Berberich

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HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
APO 394

File Committee
L.A./mc

28 March 1944

ACC/064/PWU

Subject: Utility Rates.

To : V.P. Econ. Sec.

After prolonged study of all phases entering into or effecting utility rates this Sub-Commission has reached certain conclusions which are submitted herewith for consideration and approval so that we may now proceed along approved lines.

1. a. If rate increases are allowed today they are bound to be based upon estimated expenses and income, both of which are very apt to be quite different already in a few months, necessitating frequent revisions of rates so as not to have deficits or unduly high revenues.

b. Such a procedure would require a considerable staff, both at this headquarters and by the Ministry of Public Works, whose officials would be called upon to do much of the work in the Italian zone. Neither we, nor the Italians, have a sufficient staff for such purposes, nor are we likely to obtain it in the future.

c. As utility rates should only be changed after serious study, any rate changes established now could only be considered as a temporary expediency subject to change, and, therefore, would add to confusion rather than avoid it.

d. Inequalities are bound to be introduced in trying to solve the problem of basic rates in Italy which never were reviewed here with the same scientificcare as is done in the U.S. and U.K.

e. One of our most important worries on this subject at the moment is in connection with electricity rates in Italian territory in view of the forthcoming plan for rationing electricity. If electricity is rationed small companies in the South, who purchase their current, will have their revenues cut to a fraction of what they were and are bound to show high deficits.

f. Basic utility rates should be changed only upon extended and careful analysis, based upon some degree of economic stability.

2. In view of the present unstable condition, and in view of the above facts, we recommend that no change be made at this time in the existing utility rate structure. However, in view of the need of giving some assistance to these companies to meet monthly deficits, we ask approval on the following simple procedure:

No. 5187

a. Bills for utility services are rendered either every month, or

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every 2, or 3 months, therefore a simple analysis, requiring a very limited personnel, is possible every 2 months for certain groups, and every 3 months for those who bill quarterly.

b. These companies should render to us a sworn statement, or one certified by a public accountant, giving all revenues and all expenses, including overhead, pro rata share of taxes and interest on operational bank loans for the 2 or 3 months period, as the case may be.

c. We to analyze these and then authorize the company to send out with the next bill to all users of services a surcharge statement, covering the deficit of the previous period, based upon a flat percentage of surcharge authorized by us on all classes of services, to be adjusted as required every 2 or 3 months, and added as a surcharge to the total charge for the period in question.

d. No allowance will be made for depreciation, interest or bonds or dividends. As to depreciation, since such plant has been destroyed any allowance would be based upon guesswork and in our opinion all depreciation and amortization and even interest on the bonds can wait until after the war when an overall settlement will have to be made.

e. The company would continue to render this essential service as it would be assured that all fair operating charges will be met.

f. No change would be made in the existing rate structure, unless, after say 6 months or more of adjustment, it is found that some reasonable economic equilibrium does exist and that a change in basic rates is then desirable and is apt to last for some time.

g. In this manner a complete periodic picture will be obtained including parent company and subsidiary relations, or the relations of distributors, who purchase wholesale, with the seller, and will permit of an adjustment of any unfair practices in this field.

h. Should any company show a drastic cut in revenues due to rationing or other war causes, then, a report can be made recommending a fair surcharge to be made against the consumer, and the balance to be covered by a Government subsidy.

i. Should any property appear out of balance with others of the same category a field survey of the property can then be made to determine the reason and corrective measures taken.

3. In order to show by some typical examples of how this may be effectuated we present the following cases, using factual data where obtainable and estimates where indicated:

a. Electric Properties:
   1. Societa Generale Pugliese de Elettrica
   2. Societa delle Calabrie
   3. Societa Lucana per Imprese Idroelettriche

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(Subsidiaries of the Societa Meridionale di Elettricita, the large company serving most of southern Italy)

b. Gas Properties:

1. Compagnia Napoletana d'Illuminazione e Scaldamento col Gas.

c. Water Properties:

1. Societa Acquedotto di Napoli

4. The day before Mr. Grady left he discussed this matter with me and expressed general approval of the method of procedure proposed herein, but he suggested that it be brought to the attention of the "Economic Committee".

5. Will you, therefore, please arrange for a conference with this Committee so that this matter may now be settled at an early date.

L. A. JENNY.
Lt. Col., C.E.,
Director.

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Maj. Babcock
Labor 3.E 462
CKL/al
file

HEADQUARTERS
ALLIED CONTROL COMMISSION
INDUSTRY & COMMERCE SUB-COMMISSION
APO 394

Ref: ACC/3073/3/10 27 March 1944

TO : The Price Committee

SUBJECT: Price of Cement

1. See memos of 18 and 22 March 44.

2. The Allied Forces are interested in the costs of cement at the plant not including costs of coal and bags since it is proposed to make contracts ex coal and bags. Sardinian coal is to be furnished to the cement plants. Adjustments must be made for changes in the costs of bags which probably will be greatly increased.

3. It is believed that the cost estimates shown for the Bodugno plant are most representative as well as being median costs. It is therefore recommended that these be used for the determination of base prices.

4. On this basis the price at the plant for best quality cement ex coal and bags should be 55 lire per quintal, the price to civilians for bulk cement should be 86 lire per quintal and of cement in bags (with bags at the current price) 90 lire per quintal. These base prices may be increased for individual plants upon proof submitted by the plant and accepted that a higher price is required to maintain production.

5. Approved prices should be communicated to the Italian Government for publication.

6. It is planned to have seven Italian cement plants in operation within the next six months with a total monthly production of 24,500 tons.

C K Lewis

C.K. LEWIS
Major, 5184
Industry & Commerce
Sub-Commission

2101

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March 1944

ESTIMATED COSTS OF PRODUCING CEMENT

LIRE PER QUINTAL

Costs	Taranto	Ilva	Koduero	Salerno
Total (ex coal & bags)	(1)	(2) 45.00	(3) 48.65	(4) 53.90
Profit at 12%	7.44	5.40	5.84	6.47
Total	69.44	50.40	54.49	60.37
Coal	(5) 31.50	31.50	31.50	31.50
Total - bulk	100.94	81.90	85.99	91.87
bags - ½ at av.pr. 190	(6) 3.80	3.80	3.80	3.80
	104.74	85.70	89.79	95.67

Note: Since the estimates in the memo of 18 March '44, estimates of costs of Sardinian coal delivered to plants were increased.

(1) Detailed cost data not available

(2) Total shown in Region III cost study exluding costs of coal and bags, and profit. See Exhibit 1. for detailed cost data.

(3) See Exhibit 2. for detailed cost data.

(4) See Exhibit 3. for detailed cost data. The figures used for the Salerno plant represent deflation by an Industrial Committee of the Italian Government of the original estimates of the costs made by the plant.

(5) The cost of coal is estimated as follows: Major Maskrey survey indicated that an average of 22 tons of German, British or American coal would be required per 100 tons of cement and that for Sardinian coal which it is now planned to use, the amount should be increased by multiplying by 8/5 to make up for its poorer quality. The Mining Sub-Section of Industry and Commerce estimates that the cost of Sardinian coal in the next six months will average 750 lire per metric ton c.i.f. Italian ports and average costs at cement plants 900 lire 35% of 900 = 315 lire per ton or 31.5 lire per quintal.

(6) The charge for bags represents current average costs, Major Maskrey states that the cost of bags is likely to be greatly increased.

EXHIBIT 1. - COST DATA FOR ILVA PLANT

March 1944

PRODUCTION OF CEMENT

Preliminary steps required to produce ingredients for making cement

1. **To produce 1 T. Dry Cinder**

a) 1 Ton slag	L.	140.00
b) Coal for roasting & drying slag and labour	"	108.61
Cost of 1 T. Dry Cinder	L.	248.61

2. **To produce 1 T. Powder:**

a) 40% Dry Cinder at L. 248.61	L.	99.45
60% Calcareous stone at L. 150.00 p. Ton.	"	90.00
Grinding	"	90.86
		280.31

3. **To produces 1 T. Dry Crushed Coal**

a) 1033 Kg. of Coal at L. 1200	L.	1240.00
b) Cost of Drying and Crushing Coal	"	169.20
Cost 1 T. Dry Crushed Coal	L.	1409.20

Ingredients used to make cement

Dry Cinder 35% at L. 248,61 per T.	L.	87.01
Clinker 60% at L. 840.00 " " "		504.00
Chalk 5% at L. 360.00 " " "		18.00
Total	L.	609.01
Cost of mixing (labour)"		131.57
	L.	740.58
Miscellaneous expenses - sacks - storage in silos etc.	"	81.71
		822.29
Profit to Ilva at 15%	"	123.34
	L.	945.63

Source: Cost study by Price Section, Region III.

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to produce ingredients for making cement

1. To produce 1 T. Dry Cinder

a) 1 Ton slag	L.	140.00
b) Coal for roasting & drying slag and labour	"	108.61
Cost of 1 T. Dry Cinder	L.	248.61

2. To produce 1 T. Powder:

a) 40% Dry Cinder at L. 248.61	L.	99.45
60% Calcareous stone at L. 150.00 p. Ton.	"	90.00
Grinding	"	90.86
		280.31

3. To produce 1 T. Dry Crushed Coal

a) 1033 Kg. of Coal at L. 1200	L.	1240.00
b) Cost of Drying and Crushing Coal	"	169.20
Cost 1 T. Dry Crushed Coal	L.	1409.20

4. To produce 1 T. Clinker

a) 135% Powder at L. 280.31	L.	378.41
b) 200 Kgs Dry Crushed Coal at L.1409.20		281.84
c) Labour etc.	"	179.75
		840.00
5. Cost of chalk p.T.	L.	360.00

Dry Cinder 35% at L. 248,61 per T.	L.	87.01
Clinker 60% at L. 840.00 " "	"	504.00
Chalk 5% at L. 360.00 " "	"	18.00
Total	L.	609.01
Cost of mixing (labour)	"	131.57
	L.	740.58
Miscellaneous expenses - sacks - storage in silos etc.	"	81.71
		822.29
Profit to Ilva at 15%	"	123.34
	L.	945.63

Source: Cost study by Price Section, Region III.

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EXHIBIT 2. - COST DATA FOR MODUGNO PLANT

	January '44 Old Cost	New Cost
Mano d'opera	6.96	11.83
Combustibili	9.40	10.40
Forza motrice (power)	3.05	3.05
Trasporto argilla	1.45	8.04
Gesso	0.75	0.75
Materiali d'uso	3.50	11.50
Esplosivi ed accessori	0.45	0.45
Varie: manutenzioni	5.53	10.03
straordinarie	1.00	3.00
	32.09	59.05
Sacchi medi diversi tipi	3.80	3.80
2Ø4 fogli (2 fogli 3.20 e 4 fogli 4.40)		7.54
Utile 12%		70.39

EXHIBIT 3. - COST DATA FOR - SALERNO - PLANT

March 1944

ANALISI DEL COSTO DI UN QUINTALE DI CEMENTO (in fabbrica, non insaccato) (1)

Componenti	Elementi di Calcolo	Costo presumibile	Costo indicato
Energ.Elettrica	KWo. 5 per q.le a L.0.50 a kWo(2)	2.50	15.34
Carbone	Kg. 22 " " di Portland a L.600	13.20	22.40
Mano d'opera	Appaiono elevate; specie la percentuale dei contributi vari. Si stima	12.00	16.76
Esplosivo	come indicato	1.75	1.75
Teleferica	Eccessiva la quota mensile di ammortamento - Si stima	1.30	2.85
Manutenzione	12,5% del valore degli impianti indicati in L. 60.000.000 e per 600.000 qli di prodotto (3)	12,50	33.27
Lubrificanti e Carburanti	come indicato	0.85	0.85
Gesso	" "	10.00	10.00
Spese generali	Attendibili le spese generali dello Stabilimento in L. 2.69; eccessive le spese generali per la sede centrale. In complesso si stima	8.00	12.69
Ammortamento impianti	5% del valore degli impianti indicato in L. 60.000.000 e per 600.000 qli. di prodotto (4)	5.00	10.00
		67.10	125.85
Imprevisti	10% del costo	6.70	=
Utile	10% del costo	6.70	
	Costo totale L.	80.50	140.85

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Energ.Elettrica	KWo. 5 per q.le a L.0.50 a kWo(2)	2.50	15.34
Carbone	Kg. 22 " " di Portland a L.600	13.20	22.40
Mano d'opera	Appaiono elevate;specie la percentuale dei contributi vari. Si stima	12.00	16.70
Esplosivo	come indicato	1.75	1.75
Teleferica	Eccessiva la quota mensile di ammortamento - Si stima	1.30	2.85
Manutenzione	12,5% del valore degli impianti indicati in L. 60.000.000 e per 600.000 qli di prodotto (3)	12,50	33.27
Lubrificanti e Carburanti	come indicato	0.85	0.85
Gesso	" "	10.00	10.00
Spese generali	Attendibili le spese generali dello Stabilimento in L. 2.69; eccessive le spese generali per la sede centrale. In complesso si stima	8.00	12.69
Ammortamento impianti	5% del valore degli impianti indicato in L. 60.000.000 e per 600.000 qli. di prodotto (4)	5.00	10.00
		67.10	125.85
Imprevisti	10% del costo	6.70	=
Utile	10% del costo	6.70	
	Costo totale L.	80.50	140.85

(1) Il costo del cemento pozzolanico dovrebbe essere minore di quello qui previsto per il tipo Portland.

(2) Il prezzo del KWo. è quello risultante dai nuovi prezzi di vendita della energia elettrica richiesti dalla Società Elettrica della Campania ma finora non ancora applicati nella zona di Salerno.

(3) Sono state comprese in tale voce le categorie: manutenzione speciale, rivestimento forni, funi per montacarico, corazze acciaio al manganese ecc. per molini e macinazione carbone corazze al manganese ecc.... per frantoi in cava, filtri di lana, nastri gomma, materiali vari per manutenzione.
Il valore indicato per gli impianti in L. 60.000.000 è già adeguato agli attuali costi di ricostruzione.

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(4) L'ammortamento finanziario degli impianti è stato calcolato nell'ipotesi di 15 anni di durata dell'impianto e riferito allo attuale costo di ricostruzione di L. 60.000.000.

In merito alle note che seguono il costo si osserva quanto appresso:

- Il carico su automezzi si prevede in L. 0.60 al quintale e non L. 1.00 al quintale.

- Il costo sacchi-carta è superiore al previsto in L. 10.00 cadauno, perchè la quotazione del mercato libero è di L. 20.00 cadauno.

- L'insaccamento con sacchi-juta nuovi ed a valvola si prevede oggi in L. 1.50 al quintale e non in L. 3.00.

- L'insaccamento in sacchi-juta usati si prevede in L. 5.00 al quintale e non in L. 10.00.

- Il costo del carico di vagoni ferroviari sembra eccessivo.

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- L'insaccamento con sacchi-juta nuovi si prevede oggi in L. 1.50 al quintale e non in L. 3.00.

- L'insaccamento in sacchi-juta usati si prevede in L. 5.00 al quintale e non in L. 10.00.

- Il costo del carico di vagoni ferroviari sembra eccessivo.

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Price Committee file.

4671

Col. Smith:

Q. Have an appointment (Conference) in Col. Adams office 1430 hrs. 18 Oct. 44 re: Price Policy together with heads of all interested Sub-Commissions. Tommy should furnish you:

~~(a) Price Policy Memo - [in the Price Committee file]~~ ✓

✓ (b) Circular to Reg. Commissions

Sent (c) List of Prices.

✓ (d) Commentary by Col. Evans.

Items b, c, d. were delivered to me 5178 today by Mr. Wadleigh. I haven't seen them.

I am enjoined to attend to but [illegible] on going to Info. re: subject Prices & wages with Capt. Adams U.S.

Col Smith

HJW/cs

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

ES/41

25 March 1944

PRICE POLICY
(preliminary - for consideration by the Price Group)

I BASIC OBJECTIVES

1. Prevention of Inflation

Price control, provided that it is effective, can check inflation in two ways:

(1) It can prevent unnecessary increases in the cost of living by keeping prices down to the lowest level consistent with the maintenance of production and of distribution controls;

(2) By keeping down to the lowest practicable level the prices paid by the armed forces for goods purchased in Italy, we can prevent an unnecessary expansion of incomes among the local population, which would have the effect of further raising prices.

2. Price Control an Aspect of Distribution Control

In general, it is not possible to keep the price of any commodity below the level which it would reach in a free market, unless effective control is maintained over distribution. On the other hand, if the price is fixed too low, the incentive to engage in black market operations will become so strong as to break down the machinery of price control. If the producer cannot obtain enough in the legal market to be able to stay in business and earn a living, no threats of punishment will keep him out of the black market.

Hence, one of the objectives of price fixing must be to determine a price which will give price-and-distribution-control the greatest possible effectiveness in keeping down the cost of living. If the price fixed is too low, the commodity will be driven into the black market, and the result will be to raise the cost of living rather than to keep it from rising. If the price is too high, the price-and-distribution control will be less effective than it might be in keeping down the cost of living. The objective, then, is to find that level of price which will be most effective in keeping down the cost of living.

Obviously, price-control and distribution-control are merely two aspects of one system of control. Neither can be planned without giving careful and detailed consideration to the other. (necessity vs. luxury items)

3. Securing Necessary Production.

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Declassified E.O. 12356 Section 3.3/NND No. 780021

1. Prevention of Inflation

Price control, provided that it is effective, can check inflation in two ways:

(1) It can prevent unnecessary increases in the cost of living by keeping prices down to the lowest level consistent with the maintenance of production and of distribution controls;

(2) By keeping down to the lowest practicable level the prices paid by the armed forces for goods purchased in Italy, we can prevent an unnecessary expansion of incomes among the local population, which would have the effect of further raising prices.

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3. Securing Necessary Production.

In the case both of civilian supplies and of supplies purchased by the armed forces, prices must be fixed at a level which will elicit the desired production, but not any higher than will accomplish this purpose. In general, this will be accomplished if the producer has some chance of making a ~~good~~ profit by good management. ~~Prices should not be fixed at a level which will assure a substantial or "normal" profit.~~ reasonable

4. Taxation and the Cost of Living.

Under the fascist system, the network of internal distribution was honeycombed with taxes levied at various stages as the commodity passed from primary producer to ultimate consumer. Many of these taxes remain in effect. In so far as they apply to necessities and semi-luxuries, they tend to raise the cost of

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

determine proper consumption

living. ~~It is suggested that the Finance Sub-Commission take action to eliminate such of these taxes as remain in effect.~~

~~ENFORCEMENT OF PRICE-FIXING~~

1. Price and Distribution Controls

As already pointed out, price- fixing, in the case of civilian supplies, cannot be effective where there is no effective control over distribution. A price control which cannot be enforced is positively harmful. Since it drives the trade into the black market, it adds to the normal costs of distribution the very heavy expenses and financial risks which are inherent in illegal trading. It thus raises the cost of living. It thereby contributes substantially to the undernourishment of the city populations. It also has two other disadvantages which, although they are not directly related to the cost of living, we cannot afford to overlook. It increases the disrespect of the local population for the allied authorities, who make or sanction laws without enforcing them, and it facilitates the enrichment of the criminal elements in the population.

Hence whenever any question regarding price-determination on civilian supplies comes up for consideration by ACC, the first question to be considered is whether the opportunity and the facilities exist for controlling its distribution. If they do not exist, no price should be fixed, and all existing price restrictions and other hindrances to trade should be removed. If proper means of control are available, an appropriate price should be fixed, and an appropriate method of control devised.

2. Review of Existing Price Restrictions

The price group should proceed as soon as possible to review all legally fixed prices which are now supposedly in effect to determine, in each case, whether continued maintenance of a fixed price is desirable. Regional offices of ACC and AMG, and the Italian Government, should be asked to cooperate. In cases where no justification exists, on the basis of opportunity to enforce, for the maintenance of existing price restrictions, these restrictions should be abolished immediately, and other restrictions to trade removed, so far as practicable. If it appears probable that controls can be introduced at a later date, price restrictions should be removed until such time as the controls can be put into operation.

3. What Price-and-Distribution Controls are Workable?

In the case of consumers' goods, two methods of control appear to be workable, namely:

(a) Rationing;

(b) Where there is a local surplus of a perishable product, the surplus being bought mainly by the armed forces, the price at which the armed forces buy will ~~roughly determine~~ effect the price at which the commodity is sold for local consumption (as in the case of certain fruits and vegetables);

(c) Distribution exclusively through one agency or through a limited number of dealers who can be closely supervised, (as in the case of imported supplies).

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

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(c) Distribution exclusively through one agency or through a limited number of dealers who can be closely supervised, (as in the case of imported supplies).

It is not intended to imply that other methods do not exist. It is hoped that some may be devised.

In the case of producers' goods, such as building materials, allocation of the available supply among a limited number of users will prevent competitive bidding from raising price above the legal limit. It will thus operate in the same way as rationing of consumers' goods.

4. Influencing Free Prices

There are various measures that can be taken to facilitate trading at reasonable prices in those cases where no legal price ceiling exists. One of these has

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already been mentioned, namely the removal of undesirable taxes. Others include the following:

(a) Encouragement of consumers' cooperatives;

(b) Removal of interprovincial barriers to trade;

(c) Provision of means of transportation where possible.

III. METHODS OF PRICE DETERMINATION

In general, the price which will make it possible to obtain necessary production, and to prevent that production from going through black market channels, is one that will enable the producer to remain in business and to make a living. In other words, price must cover the necessary expenses of production and provide a reasonable income to the producers themselves. Hence, price determination must proceed largely on the basis of an examination of expenses of production, which should be carefully checked, at least on commodities or purchases of major importance.

As a general procedure, it will be useful to secure data from producers as to prewar costs, to be compared with estimates of present costs. Prewar costs will have to bear some reasonable relation to prewar prices, which are ascertainable. The producer can then be asked to explain any increases in particular items, where such increases look suspiciously large.

In regard to labor and raw materials, the following should be ascertained:

(a) Amount of labor required to produce a given output, if possible in man-days or man-hours;

(b) Rates of wages paid for various kinds of labor;

(c) Types of raw materials used and the quantity of each required to produce a given quantity of output;

(d) Unit costs of raw materials.

Such data will help in forming a judgment as to whether the figures submitted are reasonable.

Wherever possible, steps should be taken to cut down excessive prices for raw materials, either by control measures or otherwise. In certain cases, where an industry is the sole, or principal, purchaser of a particular raw material, the price of that material may be reduced by merely not permitting the industry to pay more than a reasonable amount for that material.

Wage rates should also be carefully checked, and, where excessive, reduced. In some cases it may be desirable to compensate workers for a cut in excessive wages by granting them a heavy workers' food ration.

Such general expenses as interest on capital should be cut down to a minimum,

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Wage rates should also be carefully checked, and, where excessive, reduced. In some cases it may be desirable to compensate workers for a cut in excessive wages by granting them a heavy workers' food ration.

Such general expenses as interest on capital should be cut down to a minimum, and all payments to monopolistic trade associations and similar organizations should be disallowed.

Where an industry has a fairly small number of plants, with costs of production differing widely from one plant to another, it will be desirable to fix a price on the basis of the cost of the lowest-cost plant. Adjustments, can then be made for plants with higher costs ~~on the basis of proof that operation would otherwise be impossible.~~

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

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Price Comm. Fin. Observations
Maj. J. O. Babcock,

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

HJB/adv

ES/41

25 March 1944.

PRICE POLICY
(preliminary - for consideration by the Price Group)

I BASIC OBJECTIVES

1. Prevention of Inflation

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Hence, one of the objectives of price fixing must be to determine a price which will give price-and-distribution-control the greatest possible effectiveness in keeping down the cost of living. If the price fixed is too low, the commodity will be driven into the black market, and the result will be to raise the cost of living rather than to keep it from rising. If the price is too high, the price-and-distribution control will be less effective than it might be in keeping down the cost of living. The objective, then, is to find that level of price which will be most effective in keeping down the cost of living.

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In the case both of civilian supplies and of supplies purchased by the armed forces, prices must be fixed at a level which will elicit the desired production, but not any higher than will accomplish this purpose. In general, this will be accomplished if the producer has some chance of making a small profit by good management. Prices should not be fixed at a level which will assure a substantial or "normal" profit.

4. Taxation and The Cost of Living

Under the fascist system, the network of internal distribution was honeycombed with taxes levied at various stages as the commodity passed from primary producer to ultimate consumer. Many of these taxes remain in effect. In so far as they apply to necessities and semi-luxuries, they tend to raise the cost of

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living. It is suggested that the Finance Sub-commission take action to eliminate each of these taxes as remain in effect.

II ENFORCEMENT OF PRICE-FIXING

1. Price and Distribution Controls

As already pointed out, price-fixing, in the case of civilian supplies, cannot be effective where there is no effective control over distribution. A price control which cannot be enforced is positively harmful. Since it drives the trade into the black market, it adds to the normal costs of distribution, the very heavy expenses and financial risks which are inherent in illegal trading. It thus raises the cost of living. It thereby contributes substantially to the undernourishment of the city populations. It also has two other disadvantages which, although they are not directly related to the cost of living, we cannot afford to overlook. It increases the disrespect of the local population for the allied authorities, who make or sanction laws without enforcing them, and it facilitates the enrichment of the criminal elements in the population.

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(c) Distribution exclusively through one agency or through a limited number

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It is not intended to imply that other methods do not exist. It is hoped that some may be devised.

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Declassified E.O. 12356 Section 3.3/NND No. 786021

already been mentioned, namely the removal of undesirable taxes. Others include the following:

(a) Encouragement of consumers' cooperatives;

(b) Removal of interprovincial barriers to trade;

(c) Provision of means of transportation where possible.

III METHODS OF PRICE DETERMINATION

In general, the price which will make it possible to obtain necessary production, and to prevent that production from going through black market channels, is one that will enable the producer to remain in business and to make a living. In other words, price must cover the necessary expenses of production and provide a reasonable income to the producers themselves. Hence, price determination must proceed largely on the basis of an examination of expenses of production, which should be carefully checked, at least on commodities or purchases of major importance.

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(d) Unit costs of raw materials.

Such data will help in forming a judgment as to whether the figures submitted are reasonable.

Wherever possible, steps should be taken to cut down excessive prices for raw materials, either by control measures or otherwise. In certain cases, where an industry is the sole, or principal, purchaser of a particular raw material, the price of that material may be reduced by merely not permitting the industry to pay more than a reasonable amount for that material.

Wage rates should also be carefully checked, and, where excessive, reduced. In some cases it may be desirable to compensate workers for a cut in excessive wages by granting them a heavy workers' food ration.

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Part II

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(b) Rates of wages paid for various kinds of labor; (best if already at black market rates?)

(c) types of raw materials used and the quantity of each required to produce a given quantity of output;

(d) Unit costs of raw materials.

Such data will help in forming a judgment as to whether the figures submitted are reasonable.

Wherever possible, steps should be taken to cut down excessive prices for raw materials, either by control measures or otherwise. In certain cases, where an industry is the sole, or principal, purchaser of a particular raw material, the price of that material may be reduced by merely not permitting the industry to pay more than a reasonable amount for that material.

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HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

HJW/cs

E3/41

17 April 1944

SUBJECT: Meeting on Price Policy.

TO: Industry & Commerce
Finance
Agriculture
Food
Labor

There will be a meeting in Col. Adam's office at 2.30 Tuesday April 18, to discuss the attached.

H. J. Wadleigh

H. J. WADLEIGH
Secretary
Price Group

What about subject matter of meeting? Price material? Reference to Labor Control?

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HEADQUARTERS
ALLIED CONTROL COMMISSION
INDUSTRY & COMMERCE SUB-COMMISSION
APO 394

WPE/ejo

10 April 1944

Comments on "PRICE POLICY" 25 Mar. 1944

I BASIC OBJECTIVES

1. Prevention of Inflation. - Agreed.

2. Price Control an Aspect of Distribution Control. - Agreed.

3. Securing Necessary Production.

It is recommended that a "reasonable" rather than a "small" profit should be allowed in order to encourage production. Consideration should be given as to continuity of availability of materials in determining a "reasonable" profit.

4. Taxation and The Cost of Living.

If this method of indirect taxation is abolished other means will have to be found to increase revenue.

II ENFORCEMENT OF PRICE-FIXING

1. Price and Distribution Controls. - Agreed.

2. Review of Existing Price Restrictions. - Agreed.

3. What Price and Distribution Controls are Workable?

(a) Rationing. Will only be effective as Price Control, if continuous supply is ensured on a reasonably sufficient basis.

(b) Provided the purchases of the armed forces are not in excess of the surplus the price should not be affected.

(c) The small retailer should not be thrown entirely out of business. Close supervision should enable control of prices, especially if imported.

4. Influencing Free Prices. - Agreed

III METHODS OF PRICE DETERMINATION

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Agreed in general. Not in agreement with granting food ration to compensate for cut in wages. Once this is allowed all workers will

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demand same treatment which can only be granted if food is in abundance.

Why not allow capital a reasonable interest. Is this also to apply to foreign capital invested on this country? If not, why not?

Once different production costs are allowed for the same community the result will be to set a premium on inefficiency. Fix it in the right proportion and all manufacturers will adapt themselves to it if they wish to remain in business.

W. P. EVANS
Colonel
Director, Industry & Commerce
Sub-Commission

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HJW/cs

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

10 April 1944

ES/41

SUBJECT: Price controls.

TO: All Regional Commissioners and Supply Officers.
S C A O 5th Army AMG
S C A O 8th Army AMG

1. This headquarters is undertaking a review of the entire structure of price controls in liberated Italy, with a view to the establishment of a well-coordinated system for the entire area, and also with a view to bringing price controls into line with the present situation.

2. The present position regarding price controls is chaotic. A large proportion of the existing legal price limits are disregarded by everyone. The civilian population is coming more and more to take it for granted that laws regarding prices exist only to be broken. This situation tends to bring all laws, and the authorities who make or sanction the laws, into disrepute.

3. This headquarters believes that price controls should be retained only in connection with those commodities for which:

(a) price control is urgently necessary for reasons of economic policy, and

(b) enforcement of price control is practicable.

All price controls which do not satisfy these conditions should be abolished, and all restrictions on trade in commodities not subject to price control should be abolished. Included among these restrictions is the requirement that permits be obtained to make shipments across provincial boundaries. It is desirable, however, that when goods of any kind are displayed for sale, their prices should be clearly and conspicuously ported.

4. It is view of this headquarters that price controls can be enforced only if accompanied by effective control over supplies and channels of distribution. Hence this headquarters desires to proceed immediately with a review of the existing price controls, to determine which ones should be retained, and to have established and enforced a uniform and workable system of price controls for all of Italy free of the enemy.

5. A tentative list of products on which price controls might be maintained is attached hereto, together with certain schedules of price ceilings now legally in effect. It is proposed to review this list on the basis of your recommendations and those of the Italian Government, and then to draw up a definitive list which can be used as a basis for new legislation.

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6. You are requested to report your recommendations on the subject of this memorandum at the earliest possible date. It will be necessary, in order to make the best use of your experience and knowledge of local conditions, to have your views regarding each of the items included in the attached list, with information on present controls and the extent to which they are or can be enforced.

7. Information available in this headquarters as to existing legal prices is not complete. It would be helpful if, in future monthly reports, you would give full details of any local action regarding price controls, and indicate with what degree of success both local and national price controls are being enforced.

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HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
AIC 394

LLW/os

ES/41

8 April 1944

Tentative list of Products on which Price control might be established or maintained.

	Description		Remarks
1.	Field crops (price to producers) Wheat Barley Oats Corn Horse beans Peas, dried Lentils Beans, dried Rice	Frumento Orzo Avena Granturco Fave Piselli secchi Lenticchie Fagioli secchi Riso	This is a tentative list of crops which it is desirable to amass this summer, if feasible. It will be necessary to decide before May 15 which ones of these should be amassed, and to fix prices to be paid to producers for those that are to be amassed. Corresponding wholesale and retail prices, including prices of flour and bread, will need to be fixed soon after.
2.	Olive Oil		For the present we are concerned only with prices for the present crop. Much of this crop appears to be in black market hoards, and the control situation is very unsatisfactory. For prices now prevailing on the mainland, see schedule A.
3.	Nuts		In view of their food value, nuts, (especially almonds) should be amassed, if amassing is feasible. Feasibility, however, very doubtful. If they are not to be amassed, all restrictions on prices and trade should be removed.
4.	Wheat (price paid by miller) flour, bread, pasta.		For present prices, see schedule A.
5.	Imported foodstuffs and other imported consumers' goods.		See schedule A.

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6. Soap	There are now three different sets of prices: (1) for imported soap, (2) for soap produced and distributed in Region III, and (3) provisional prices for soap produced and distributed in the area administered by the Italian Government. The third set may need to be re-examined in the light of the price recently fixed on imported caustic soda. See schedule B.
7. Monopoly Articles Salt Matches Tobacco	Prices are fixed by Italian monopolies, with advice of ACC.
8. Imported fuels	See schedule C.
9. Meat	The present situation is chaotic. Legal prices are being completely disregarded. A plan has been submitted to the Minister of Agriculture by the ACC.
10. Milk, fresh	Present situation chaotic. Local controls should be established wherever feasible, with advice of ACC.
11. Fish	Local controls are being established, with advice of ACC. It remains to be seen whether these can be effectively enforced. Effectiveness of enforcement would seem to depend largely on whether fishermen can be made to deliver all their catch to a central point.
12. Hemp	Prices have been established by hemp control office.
13. Leather	Prices have been fixed provisionally. If an effective method of control can be established, a definitive set of prices should be fixed.
14. Building materials (cement, lumber, bricks, tiles, glass)	Since the items mentioned are produced in a relatively small number of plants, control of prices and distribution should be possible, except for presently existing hidden stocks, which will no doubt continue to be sold at black market prices. When sufficient production

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	is available for private civilian use, the available amount should be allocated on a priority basis at fixed prices. It is not certain whether similar controls would be feasible for building stone.
15. Charcoal	Present situation chaotic. Although considerable charcoal is normally moved from one province to another, prices have been fixed separately in the various provinces without coordination. Production is being hindered, partly by price ceilings which are too low in some provinces, and partly by failure to obtain permits for interprovincial shipments. Nevertheless there is considerable black market activity. Since nearly all the population uses charcoal for cooking, the price of this article is an important element in the cost of living, and should be controlled, if feasible. The necessary facilities for control are not, however, immediately available. Until they are available, it might be best to remove all restrictions.
16. Nails, horseshoes and other iron products.	It remains to be determined whether it is possible to establish an effective control over supply and distribution, so that prices can be fixed.
17. Sulphur, fertilizers and other heavy Chemicals.	Price of sulphur has been fixed at lire per quintal. Prices on new production of fertilizers remain to be fixed. Prices and distribution of these articles should be rigidly controlled.
18. Medicinal articles.	Now under consideration by price committee of ACC.
All other products	Price ceilings and interprovincial trade restrictions should be immediately abolished. Wherever it is found, however, that enforcement of price controls is both practicable and necessary, new ceiling prices can go into effect whenever control plan is ready for operation.

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HWm/cs

HEADQUARTERS
ALLIED CONTROL COMMISSION
Economic Section
APO 394

12 April 1944

EC/41

SUBJECT: Meeting of Price Group April 10.

TO: Col. Adams

1. The group met in my office. The following were present:

Representing	Public Health Subcommission	"	Col. Griffin
"	Industry and Commerce	"	Capt. Murphy
"	Agriculture	"	Lieut. Germane
"	Finance	"	Lieut. Hicks
"	Food	"	Capt. Parker

2. Drug prices. Col. Griffin came to discuss this problem. Present official prices represent a 25 percent increase over pre-invasion prices, which had been fixed by a decree issued in 1939. Imported drugs, however, are selling at prices based on landed cost, which in a few cases are less than Italian prices, in most cases more, and range, on a selected list, up to more than 41 times the Italian price. Col. Griffin proposed that Italian prices be fixed at 50 percent above 1939 prices, for the following reasons:

a) most of the domestic drugs are selling in the black market; a higher official price would permit druggists to sell at the legal price without making a loss;

b) there are a few manufacturers capable of producing drugs, particularly biologicals, in liberated Italy, who are now prevented from doing so by the fact that official prices are below cost of production.

3. The discussion was based largely on a memorandum by Lt. Col. Pobue, Public Health Subcommission, which Col. Griffin had made available to the Group in advance of the meeting, and which is attached hereto. The memorandum made, among others, the two following points, with which the Group was in agreement:

a) the real cost to a druggist of goods which he sells from stock is the cost ofreplenishing his stock; the original cost of the identical goods is irrelevant.

b) The existence of two sets of prices for the same kinds of goods at the same time causes confusion and is undesirable.

Accordingly, Col. Griffin was asked whether he would care to consider fixing present retail prices for domestic drugs at the level fixed for the imported drugs.

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He replied that for some items this would involve too great an increase. Hence, the following was suggested:

a) where the price of the imported drug is less than the present Italian price, the cost of the imported drug will be made equal to the Italian price and the latter will remain unchanged;

b) where the price of the imported drug is more than the Italian price but more more than twice the Italian price, the Italian price will be made equal to the price of the imported drug;

c) where the price of the imported drug is more than twice the Italian price, both prices would be fixed at twice the Italian price.

Thus, in all cases, the two prices would be made equal, and in no case would the Italian price be raised more than 100 percent. Col. Griffin favored this suggestion.

4. It was suggested, however, by Col. Griffin, that before any action was taken, it would be well to obtain the views of the Italian Government. The Group agreed, and it was suggested to Col. Griffin that he might care to contact the appropriate Italian officials and then make a final proposal for action to the Group. It was believed that the Italian Government might be in a position to suggest prices on certain items which would encourage domestic production, without giving an excessive profit to the producer. It was agreed that this would be the most satisfactory basis for determining prices, but that AGO does not have the personnel to engage in such investigation on drugs.

5. Seed Corn. The attached memorandum from the Agriculture Subcommission was considered, and it was agreed to recommend your approval.

H.J. Wadleigh
Secretary,
Price Group

4341 X 4342

COPY NO. 37

ALLIED FORCE
LOCAL RESOURCES (SICILIAN) BOARD
c/o HQ., I. B. S.
APO 512, U. S. ARMY

Labor ✓

Ref. Si/1B/48.

6 April 1944.

SUBJECT: A.A.I., Administrative Instruction, No. 8.

1. Attached hereto is A.A.I. Administrative Instruction No. 8 for your information.

For the Joint Vice-Chairmen:

for
RUSSEL M. STEARNS,
Lt. Col., F.D., Asst. G-4,
Vice-Chairman (US)

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15. MALTA Command
16. MALTA Government
17. Commanding Officer, I.B.S.
18. B.P.A., I.B.S.
19. I.B.S., (Major W. Alsin)
20. I.B.S., (Lt. Col. Reuter)
21. U.S. Navy (Capt. Doughty)
22. Commandant, U.S.N.O.B., Palermo
23. Lt. Harris, Ship Repair, U.S.N.O.B., Palermo
24. Lt. Clark, U.S.N.O.B., Palermo
25. Lt. Dudley, U.S.N.O.B., Palermo
26. Supply Officer, U.S.N.O.B., Palermo
27. E.F.I., (NAAFI)
28. Q(M), Palermo

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

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For the Joint Vice-Chairmen:

for
RUSSEL M. STEARNS,
Lt. Col., F.D., Asst. G-4,
Vice-Chairman (US)

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26. Supply Officer, U.S.N.O.B., Palermo
27. E.F.I., (NAAFI)
28. Q(M), Palermo
29. Region I Hq., (Major Chayton)
30. ACC Region I Hq., (Lt. Col. Bolick)
31. Econ. & Sups. Div., ACC Region I Hq., Palermo
32. Region I Hq., Palermo, ACC
33. Lt. Moffitt, ACC, Region I Hq., Palermo
34. Rep Ministry of Food, ACC, Catania
35. ACC Legal, Palermo
36. ACC Labour, Palermo
37. ACC Labour Sub-Commission, Naples
38. ACC Labour, Naples
39. D.A.D.L., No. 55 Area
40. D.A.D.L. (Civil) Catania
41. File AFLR(Si)B
42-50. Spare

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

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

Mar 44

AAI ADMINISTRATIVE INSTRUCTION NO. 8

LOCAL RESOURCES IN ITALY - MAINLAND AND ISLANDS

1. Further to AOHF Administrative Instruction No.1 and with special reference to para 9, the following procedure will be adopted, as far as local conditions permit, by:-

AFLR (ITALIAN) BOARD
AFLR (SICILIAN) BOARD
AFLR (SARDINIAN) BOARD

in order to co-ordinate the procurement and allocation of Local Resources within the territory under command HQ AAI.

2. This co-ordination will be performed by the Local Resources Section of this HQ - this Staff Section is responsible to the CAO, through the D/CAO or DQMG, for carrying out the policies laid down by this HQ or by AFHQ. It may correspond with and receive instructions from Allied Force Local Resources Section, AFHQ, direct on matters of a technical nature as laid down in AFHQ Administrative Memorandum No. 77 of 11 Nov 43.

Generally, this Section will supervise the activities of the three Boards in their respective territories and will co-ordinate their relations with one another and with HQ ACC.

3. DEFINITIONS

The following definitions, as applied to commodities/materials required by the Procurement Services and Agencies of the Allied and Co-belligerent Forces, will be adopted in all communications regarding Local Resources:-

(a) FROZEN. Stocks of a commodity/material in short supply, located in civilian hands, required by the Allied or Co-belligerent Forces, will be FROZEN by ACC/AMG if so requested by the appropriate Committee of the Local Resources Board concerned, i.e., direct procurement by civilians will be prohibited.

(b) CONTROLLED items are those the allocation of which as between all consumers, military and civilian, must be made by the appropriate Local Resources Board, or by a duly authorised Committee of that Board.

(c) RESTRICTED items are those which can only be procured by the Allied and Co-belligerent Forces after the essential needs of the civilian population have been met. Available balances, within its territory, will be declared and allocated by the Board, or by a duly authorised Committee of the Board.

sufficient supply to suit both military

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(c) RESTRICTED items are those which can only be procured by the Allied and Co-belligerent Forces after the essential needs of the civilian population have been met. Available balances, within its territory, will be declared and allocated by the Board, or by a duly authorised Committee of the Board.

(d) UNCONTROLLED items are those in sufficient supply to meet both military and civilian needs, and, consequently, not scheduled as either CONTROLLED or RESTRICTED.

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5. Schedules of CONTROLLED and RESTRICTED items will be issued through Command Channels on the recommendation of the Board concerned and will be circulated, in triplicate, by each Board to the two other Boards. Separate lists of CONTROLLED and RESTRICTED items will be maintained in respect of each Committee established. Each schedule will bear a serial number, and every item in a schedule will also bear a running serial number. They will be frequently reviewed by the Committee concerned and every effort will be made to keep the lists as small as possible.

An item declared RESTRICTED or CONTROLLED in one territory need not necessarily be either controlled or restricted in another.

2/..... PROCEDURE: .....

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

5. PROCEDURE

The following procedure in connection with allocations will be adopted:

(i) Applications for controlled and restricted items in regular demand will be submitted by interested Services and Agencies monthly on a day to be fixed, but not less than 72 hours before the date of meeting of the Local Resources Board or of the Committee concerned, as the case may be. Bulk demands for civil requirements will be submitted by HQ ACC.

At the same time the organisation responsible for the submission of figures of availabilities will lodge particulars.

Applications for items not in regular demand, or emergency requirements, may be submitted at any time.

(ii) Applications will be submitted in duplicate on a proforma similar to that at Appendix "A". The stock on hand will be listed together with the estimated days of supply. To aid in assessing priorities, applications will indicate whether requirements are:-

(a) Urgent operational
(b) Normal maintenance
(c) Stockpiling requirements

(iii) After allocation by the Board/Committee, the Board will issue release orders in duplicate, signed by a Vice-Chairman, endorsed where necessary, by ACC/AMG or other appropriate agency, to the Demanding Service or Agency, copy to ACC or other controlling agency. Any balance not drawn within the specified period will be forfeited.

(iv) When Services or Procurement Agencies are unable otherwise to obtain stocks of items required by them which are manufactured by, or held under the control of, a particular Service or Agency, the Board or Committee concerned may direct that such stocks will be held either in whole or part pending allocation. This allocation will be evidenced by the issue of an official Release Note signed by a Vice-Chairman of the Board. This authority does not extend to the case of items imported from outside the command by Services on military tonnage.

6. In general, when assessing the relative priorities of demands for CONTROLLED or RESTRICTED items, the following table should be used as a guide:-

CATEGORY	PRIORITY	
	Restricted	Controlled
Requirements of the Armed Forces within, or based upon, the territory for which the Board is responsible.	2	1
Essential civilian requirements within the territory for which the Board is		

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

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	Restricted	Controlled
Requirements of the Armed Forces within, or based upon, the territory for which the Board is responsible.	2	1
Essential civilian requirements within the territory for which the Board is responsible.	1	2
Those of the Armed Forces, other than 1, under command AAI.	4	3
Essential civilian requirements in other Italian territory.	3	4
Those of the Armed Forces, other than 1 and 3, under command AFHQ	5	5
Exportation, other than 3, 4 and 5.	6	6

All proposals for exportation of RESTRICTED or CONTROLLED items accepted by any one of the three Boards will first be referred to the Local Resources Section, this HQ, who, on approval, will issue the appropriate release instruction to HQ ACC.

3/..... 7. SURPLUS STOCKS .....

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

7. SURPLUS STOCKS

Stocks surplus to requirements under priorities 1 and 2 (para 6 above) of items appearing in lists of CONTROLLED and RESTRICTED items issued through the intermediary of another Board, will be notified to the interested Board on pro-forma as Appendix "B", with two copies to Local Resources Section, this HQ.

Interested Boards will notify their demands, in duplicate, for such items direct to Local Resources Section, this HQ, stating the purposes for which the items are required. Local Resources Section will collate such demands and make allocations between Boards as necessary.

Surplus stocks of items not appearing on any CONTROLLED or RESTRICTED lists, but which might possibly be of interest to other Boards, should also be promptly notified to Local Resources Section, this HQ, in duplicate.

8. AFHQ has agreed that the Local Resources of SICILY shall be made available to the islands of MALTA and GOZO. For the purpose of assessing priorities MALTA and/or GOZO shall be deemed to be a part of SICILY. Demands should be submitted direct to the Sicilian Board by the Lieut-Governor, Malta.

9. Questions within the scope of the T/E of AFLRS, AFHQ, regarding officer and enlisted other rank personnel, arms and equipment, vehicles and the like - other than those of local administration - will be referred to the Local Resources Section, this Headquarters.

10. AFHQ Adv Adm Echelon letter 59/1Q of 21 Nov 43, and Administrative Instruction No. 26, of 7 Feb 44, are cancelled.

11. INTERCOMMUNICATION

All communications intended for the Allied Force Local Resources (ITALIAN) Board, or its Committee, will be addressed to Local Resources Section, this HQ.

S/ G.L. HAUBIER,
Brig Gen'l.
for
Major General
Chief Administrative Officer

AF/AEM

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No.1 District	10	Allied Control Commission	10
No.2 District	16	PSTO Med	1

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S/ G.L. HAMBLER,
Brig Gen'l.
for
Major General
Chief Administrative Officer

TAF/AEM

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Rear Eighth Army	5	214 Group RAF	10
No.1 District	10	Allied Control Commission	10
No.2 District	16	PSTO Med	1
No.3 District	6	DGMRS	1
CG, Peninsular Base Section	3	Movements	12
Allied Commander, Sardinia	5	Transportation	10
AFHQ	25	Local Resources Section	20 +
GHQ MEF	2	List "A" Flambo	1 each
C-in-C Med	1	Admirrep AAI	10
FOWIT	1	DC EFI	2
FOTALI	1	File	2
NCIC Combined HQ Naples	1	War Diary	2
MAAF	2	Spares	10

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+ For distribution to other Boards and interested parties.

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

APPENDIX "A" TO AAI ADMINISTRATIVE INSTRUCTION NO. 8 DATED 20 MAR 44.

SUPPLIES AND STORES DEMAND ON AFLR (ITALIAN) BOARD

Demanding Service or Agency:

Commodity Demanded:

Quantity required:
(In metric tons, or other suitable unit)

Place delivery required: Town:

Province:

Compartment:

Date delivery required: Stock on hand:

Any special request: Equivalent to: days supply

Certified that these supplies and stores are required for urgent operational/normal maintenance/ stockpiling purposes

..... Rank

..... Appointment

Date:

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For use of Local Resources Section only

Demand No. Prefix:

Serial:

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

Quantity required:
(In metric tons, or
other suitable unit)

Place delivery required: Town:

Province:

Compartment:

Date delivery required: Stock on hand:

Any special request: Equivalent to: days supply

Certified that these supplies and stores are
required for urgent operational/normal maintenance/
stockpiling purposes

..... Rank

..... Appointment

Date:

5158

For use of Local Resources Section only

Demand No. Prefix:

Serial:

Passed to MMG/ACC..... Release Order No.....

Allocated by Committee..... Date.....

Approved by Board..... All notified.....

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

APPENDIX "B" TO A.A.I ADMINISTRATIVE
INSTRUCTION NO. 8 DATED 20 MAR 44.

ALLIED FORCE LOCAL RESOURCES ( ) BOARD

NOTIFICATION OF SURPLUS STOCKS

REF:- No:-

DATE:- (Notifications to be numbered serially with prefixes as follows:- Sicily - Si
Sardinia - Sa
Italy - It.)

To:- AFLR ( ) BOARD

The following stocks have been declared surplus to requirements by the Allied Force Local Resources ( ) Board:-

Nature of Goods:-
(Exact description, giving specifications as to type etc.)

Amount available

When available

Price

Method of payment.....

Present location

Channel through which goods may be obtained:

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

follows:- Sicily - Si
Sardinia - Sa
Italy - It)

To:- AFLR ( ) BOARD

The following stocks have been declared surplus to requirements by the Allied Force Local Resources ( ) Board:-

Nature of Goods:-
(Exact description, giving specifications as to type etc.)

Amount available

When available

Price

Method of payment

Present location

Channel through which goods may be obtained:

Demands for goods listed herein will be forwarded, in duplicate, to Local Resources Section, AAI (Adm Echelon).

Vice Chairman
Allied Force Local Resources ( ) Board

Copy to AFLRS
Local Resources (Italian) Board (2)

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

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

LABOR & SERVICE
SUB-COMMISSION

ROUTING SLIP

Date 23 Mar 44

FROM TO

Col. W. P. Tyson
Col. J.S. Reid
Lt. Col. Geo. Mayer
Lt. Col. F.H. Reiber
Lt. Col. W.P. Kennick
Maj. Leo. Bellamy
Maj. Geo. Harrison
Maj. A.S. Torrens
Maj. R.A. Wilson
Maj. C.A.I. Sterkens
Maj. C.K. Jones
Capt. E.E.R. Kilner
Capt. J.S. Myers
Capt. W.S. Ingram
Capt. A.S. Austin
Capt. L. Hess
Capt. L. St. Amour
Capt. C. Holmes
Capt. F.S. Austin
Capt. F.S. Chiaro
Chief Clerk

REMARKS: Major Balcerzak
Labor Sub Comm

PRIORITY:
IMMEDIATE Action
Routine

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

Price Committee 4/621

HEADQUARTERS
ALLIED CONTROL COMMISSION
INDUSTRY & COMMERCE SUB-COMMISSION
APO 394

CKL/al

22 March 1944

Ref: ACC/5072/9/IC

TO : The Price Committee

SUBJECT: Price of Cement

1. Consideration has been given to the views expressed in the Price Committee Meeting of 21/3/44, especially those on giving subsidies where necessary to maintain production in certain plants if a uniform price for cement is established.

2. It is recognised that ideally a price should be determined for each of the cement plants which would be just sufficient to bring out maximum production. Cement is a bulky commodity requiring bulky raw materials and costs are likely to vary considerably between plants because some are more favorably located than others. In Peninsular Italy there are 12 cement Plants, of which 6 have been taken over for military operation - 3 by British and 3 by American engineers.

3. Variation of price of cement by plants either by means of varying prices or varying subsidies would require individual cost surveys. Neither cost accountants nor time are available for such studies. They would be difficult and unsatisfactory in any event because of lack or destruction of books and war damage to plants cutting down normal production.

4. In view of these considerations and in view of the urgency for prompt fixing of prices to give a basis for settlement of army contracts and to speed up production, it is recommended that the cost estimates for the Modugno plant be taken as representative and as a basis for fixing a base price. Therefore it is recommended that a base price at the plant for best quality cement in bulk be fixed a 70.50 lire per quintal and in bags at 74.30 lire per quintel. These base prices may be increased for

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Declassified E.O. 12356 Section 3.3/NND No. 786021

individual plants upon proof submitted by the plant that a higher price is required to maintain production.

5. Approved prices should be communicated to the Italian Government for publication.

C.K. LEWIS
Major, Industry & Commerce
Sub-Commission.

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

Prices Fixing File.

HEADQUARTERS
ALLIED CONTROL COMMISSION
INDUSTRY & COMMERCE SUB-COMMISSION
APO 394

CHL/al

Ref: ACC/5072/IC

18 March 1944

TO : The Price Committee

SUBJECT: Price of Cement

1. It is urgent that Italian cement production be restored as rapidly as possible to supply both the large military and civilian requirements. Several plants are already in operation and it is necessary to settle upon a price for cement so as to permit settlements with these companies by our armed forces.

2. Major W.J.Haskrey, Industry and Commerce Sub-Commission has made a survey of the industry and a report on plants. (January 1944) He has gathered cost data for 3 plants - Taranto, Modugno, and Salerno. The Price Section, Region III has made a cost study for the Ilva plant. These data are summarized in the attached table.

3. The data are totaled, not including the cost of coal which is brought in either from England or the United States or Sardinia. (It is anticipated that most of the coal used in the future will be from Sardinia.) Profit is calculated at 12%, on the total exclusive of coal. Cost of bags is estimated at 3.80 lire per quintal of cement. The estimates vary from 62.00 lire per quintal to 103.80 lire per quintal for cement in bulk and from 65.80 lire per quintal to 107.60 lire per quintal for cement in bags.

4. These data are unchecked estimates obtained from the operators. Personnel and time are not available for checking these estimates. Average prices for cement as reported in the "Prezzi in Italia nell'Anno 1941 " for first quality cement in bags were as follows: per quintal in 1938, 13.37; 1939,13.37; 1940, 16.85; 1941, 17.76.
Before Allied occupation prices were reported to have rocketed to 200 lire and after occupation in the "Free Market" to 400 lire.

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5. Major Haskrey believes on the basis of his survey and general knowledge of the industry that the cost estimates for the Modugno plant furnish the best indication as to what price should be fixed in order to develop needed production and to deal fairly with the producers. Therefore it is recommended that the price at the plant for best quality cement in bulk be fixed at 70.50 lire per quintal and in bags at 74.30 lire per quintal. These prices if approved should be communicated to the Italian Government for approval.

C K Lewis

C.K. LEWIS
Major, Industry & Commerce
Sub-Commission.

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

CKly/al

March 1944

ESTIMATED COSTS OF PRODUCING CEMENT

Lire per quintal

Cost Items	Taranto	Ilva	Modugno	Salerno
Raw material				
Raw material			12.25	10.00
Explosives.....			0.45	1.75
Transportation of raw material			8.04	2.85
Total.....			20.74	14.60
Power			3.05	15.34
Labor			11.83	16.70
Miscellaneous & General expenses				
Interest on capital etc...			10.03	20.00
Other miscellaneous.....			3.00	11.75
Total.....			13.03	31.75
Total		62.43	48.65	78.39
Profit at 12%.....		7.49	5.84	9.41
Total.....		69.92	54.49	87.80
Coal.....		16.00	16.00	16.00
Total - bulk.....	62.00	85.92	70.49	103.80
bags.....	3.80	3.80	3.80	3.80
bagged.....	65.80	89.72	74.29	107.60

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

CONFIDENTIAL

ROUTING SLIP

File No. _____ Date _____

Page(s) _____

TO Sergeant FROM _____

FOR:

X Necessary Action
_____ Investigation and Report
_____ Type and Return
_____ To Note and Pass On
_____ Recommendation & Remark
_____ Information & Guidance
_____ Approval
_____ To Note and Return
_____ Dispatch
_____ Action Taken
_____ Signature
_____ File

REMARKS: This is a new def. order committee & you are to set up a file at once with the General Title: "Price Fixing Committee"

These documents should be returned to the 5151 Note the membership of this Committee & Board carefully as you will be responsible for the subject matter.

PRIORITY:

X IMMEDIATE Action
Routine

J O Babcock,
Major

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

D/f Col. Adams Jr
D/Mail Bakewell
& return
EB/HJW/adv

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
Office of the Vice-President
APO 394

EB/hl

17 March 1944.

SUBJECT: Price for Raw Tomatoes to be Used for Making Tomato Paste.

TO : Col. D. B. Adams, Executive Officer, Economic Section, ACC.

FROM : H. J. Wedleigh.

1. Attached is a recommendation by the Agriculture Sub-commission that the price for tomatoes processed in 1943 be fixed retroactively at 35 lire per quintal and that processors be authorized to enter into contracts with growers for purchase of this year's crop at a price of 250 lire per quintal.

2. Meetings were held in my office yesterday and to-day to discuss this recommendation. The Food, Agriculture, Finance and Industry and Commerce Sub-commissions were represented. It was agreed that the prices should be fixed as recommended by Agriculture Subcommission.

3. During the discussion, a question was raised as to the necessity for fixing any price on this year's crop, rather than letting processors and growers determine a price among themselves. Several of those present believed that fixing a price on the raw tomatoes would serve no useful purpose unless the price for tomato paste paid by consumers and the distribution of the paste to consumers were subject to effective control. Capt. Diebel, representing Food Subcommission, said that such controls were contemplated. Hence it was agreed that a price should be set.

4. Major Hartman said it was his opinion, based on a brief investigation by members of his subcommission, that 250 lire was the lowest price which would induce growers to plant the tomatoes required by the processing program contemplated by Food Subcommission. Capt. Diebel said that tomato paste is a psychologically essential item in the Italian diet, that the production contemplated was much less than normal and should be ensurred. On this basis the figure proposed was accepted.

Copy to:-

Food Sub-commission
Agriculture Sub-Commission
Industry and Commerce Sub-commission
Finance Sub-Commission
Labor Sub-commission
ES files
Price group file

1150

Rec'd 20 Mar 44 HJW

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

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

ES/AV/adv

ES/AV

17 March 1944.

SUBJECT: Price for Raw Tomatoes To Be Used for Making Tomato Paste.

TO : Industry and Commerce Sub-commission.
Agriculture Sub-Commission.
Finance Sub-Commission.
Food Sub-Commission.
Labor Sub-Commission ✓

1. Agriculture Sub-Commission has recommended price of 85 lire per quintal (retroactive) on 1943 crop and contract price of 250 lire per quintal on 1944 crop.

2. Recommendation is approved.

D. S. ADAMS,
Colonel, C.E.,
Executive Officer,
Economic Section.

DISTRIBUTION:
1 - Ea Sub-Commission concerned.

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

Major Babcock
In relation

3673

EB/HJW/edv

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
Office of the Vice-President
APO 394

EB/41

17 March 1944.

SUBJECT: Procedure for Recommendations Regarding Price Fixing.

TO : Industry and Commerce Subcommission
Agriculture Subcommission
Finance Subcommission
Food Subcommission
Labor Subcommission
Transportation Subcommission
Electric Power Subcommission

Reference my memorandum of 8 March on price fixing.

1. Recommendations for the fixing of prices, wages, transportation charges, etc., prepared for consideration by the price group, should have the following distribution:

1 copy for each interested subcommission
1 copy for Economic Section files
1 copy for Mr. Wadleigh
1 copy for any person outside ACC (such as, for instance, a representative of Region III) who is to meet with members of the price group to discuss the recommendation.

2. Officers preparing such recommendations who are in doubt regarding distribution may consult Mr. Wadleigh, in order to assure that all attending meetings of the group shall have opportunity to study the recommendation before meeting to discuss it.

3. Whenever a recommendation has been approved, a memorandum to that effect bearing my signature will be sent to those interested.

Copy to:-

1 ea to subcommissions concerned.

D. H. ADAMS,
Colonel, C.E.,
Executive Officer,
Economic Section.

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Rec'd 20 Mar 44
MW

Declassified E.O. 12356 Section 3.3/NND No. 786021

QQXX

May Butcher QYZX

HEADQUARTERS
ALLIED CONTROL COMMISSION
ECONOMIC SECTION
APO 394

ES/Al

ES/Gen/sem

8 March, 1944

Price Fixing Committee

SUBJECT: PRICE FIXING

1. The Economic Section is now responsible for fixing the price of imports and Italian produced commodities that are essential civilian supplies. It will advise the AlliedForce Local Resources Board of prices to be paid by the Allied Force for locally produced supplies so as to prevent competitive buying. Consideration will also be given to public utility and transportation rates, rents and wages.

2. Price decisions are issued direct to Regions under ACC control whilst the Italian Government is askedto publish appropriate legislation giving effect to price decisions in those areas (at present Regions I, II and VI and Salerno Province in Region III) where ACC now acts as adviser to the Italian Government. There will be prior consultation and joint agreement with the Italian Government before such requests are made.

3. Such price decisions will be made not merely with reference to actual cost. Their effect on the prices of other commodities and services and on the general cost of living will also be considered bearing in mind the ACC policy to resist inflationary tendencies.

4. If, in order to avoid inflation, the prices fixed do not cover costs of production, it follows that domestic production will tend to cease unless the producer receives a subsidy which makes production worth while or else is able to obtain black market prices for his products. Though subsidies may be debited against the Italian Government, it is unreasonable to reject uniformly all proposed price increases and expect the subsidies to be met by a Government which, at the present time, has a considerable budget deficit which shows no signs of being reduced.

5. Though it is necessary to consider applications for price and rate increases, and answer enquiries as to prices to be charged to producers, wholesalers, retailers and consumers, Allied Control Commission must not permit all initiative to come from outside. There will be a continual price review so that ACC may decide in advance of enquiries the rates and prices that shall operate.

6. All Sub-Commissions of the Economic Section are concerned to a greater or less degree with price decisions. The knowledge of their specialist officers is required to investigate the justification of proposed increases or reductions in the prices of agricultural products, food, imported commodities, transporte-

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Declassified E.O. 12356 Section 3.3/NND No. 786021

tion and public utility rates, and labor, and to consider the effect of the decisions taken on the cost of living and the finances of the Italian Government. Each Sub-Commission will nominate a member of a Price Group charged with the responsibility of contacting other members as and when required so that price decisions may be made quickly. Actual Group meetings will be called by the Vice President or Executive Officer of the Economic Section. Mr. Radleigh of the Economic Section will be Secretary of the Price Group.

7. Price decisions fall into different categories. The Algiers Price Conference held in January, 1944, decided that landed cost will be the basis for the price of imported commodities. By the addition of appropriate charges for handling and distribution, prices charged to wholesaler, retailer, and consumer may thus be determined. The determination of these prices will be made by the Price Section of the Industry and Commerce Sub-Commission. For economic reasons, such as the poverty of consumers, it may be necessary to fix a price that does not cover costs. Such cases will be referred to Mr. Radleigh, Secretary of the Price Group. He will consult appropriate members of the Group and will then make a price recommendation to the Vice President or Executive Officer of the Economic Section who will decide the price to be charged. The decision will be communicated to those concerned by the Price Section, Industry and Commerce Sub-Commission. Both Mr. Radleigh and the Price Section will maintain records giving justification for the price determined. Such records are necessary not only to ensure a consistent and uniform policy and to give a guide to future action, but so that a full justification for any policy and practice may be available when required.

8. Decisions on the prices of agricultural products are most important and complicated. On the one hand it is necessary to insure that the prices paid are not too high to make a large increase in the cost of living. On the other hand, in order to maximise Italian agricultural production and reduce shipping space required for food imports, it is necessary to offer the producers a price that will encourage them to produce. The time lag of production in agriculture is greater than in most other industries and it is essential, therefore, that a satisfactory firm producers' price for agricultural products be fixed many months ahead. It is, therefore, the duty of the Agriculture Sub-Commission to examine costs of production and, in collaboration with the Italian Government, recommend prices well in advance of the time when the actual decision must be taken. The probable effect on the cost of living and real wages, or the cost to the Italian Government of any necessary food subsidy may then be ascertained and an agreed price recommendation made by the appropriate members of the Price Group. A full justification record of the decision made by the Economic Section will be maintained by Mr. Radleigh. The decision will be communicated to the Italian Government by the Economic Section and to others concerned by the Price Section of Industry and Commerce Sub-Commission. Once the decision is taken all inquiries on such prices will be answered by the Price Section. Industry and Commerce Sub-Commission will act in a similar advisory capacity when the price determination of other industrial products is being considered. Otherwise the procedure and responsibilities will be the same as in the case of agricultural products.

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9. Decisions on Transportation and Public Utility rates, Rents, and Wages, will be handled by the Economic Section in consultation with the Price

Declassified E.O. 12356 Section 3.3/NND No. 786021

Group members of the Sub-Commissions concerned. These Sub-Commissions will investigate existing rates and proposals to amend them. They will contact the corresponding Ministry of the Italian Government and will make recommendations to the Economic Section which will communicate decisions to the Italian Government and others concerned. Mr. Wadleigh will again maintain a full justification record of the decisions made.

10. Full and accurate records of current statutory and black market prices of essential commodities and produce must be available in the Economic Section. These records will be maintained by the Price Section of Industry and Commerce Sub-Commission. All other Sub-Commissions who obtain such information for their own purposes will insure that it is made available to the Price Section. Price Section records will be made available to Mr. Wadleigh so that he may observe the general trend of prices, investigate anomalies, and recommend action required to insure that ACC price determination and policy may be upheld at all times.

/s/ D. S. Adams
D. S. ADAMS.
Colonel, C.E.,
Executive Officer
Economic Section

Distribution:-
Agriculture
Finance (2)
Food
Internal Transportation
Industry and Commerce (2)
Labor
Public Works and Utilities
Mr. Wadleigh
File

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

There will be a meeting of Price Comittee

Monday, August 28, 14,30 hours.

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

Maj Baldock

HEADQUARTERS
ALLIED CONTROL COMMISSION
INDUSTRY SUB-COMMISSION
HEMP OFFICE
APO 394

J S/ HFP

25th August 1944.

Tel. 487176.
Ref. HCO/ 160-/F.

Subject : Price recommendation on Hemp.

To : Executive Director Economic Section.

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1. With reference to your E.S. 41 dated 2nd August 1944.

2. It is not known whether the Agricultural Sub-Commission has forwarded the critical study and recommendations asked for in Par. 2. Capt. Bradbury of this Sub-Commission proceeded to Naples in company with representatives of the Ministry of Agriculture and has submitted the attached analysis six farms.-

3. It will be observed that this detailed analysis corresponds very closely to the original recommendation made by this Sub-Commission in its HCO/10/A referred to in your S 41.

4. In view of the urgent need of the fixing of this price it is requested that a decision may now be made.-

J.S.E. Todd.
Colonel.
Director Industry.
Sub-Commission.

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

REMARKS ON COST OF HEMP PRODUCTION FOR 1944/1945

N.1 FARMS Six farms in the most important hemp growing districts of Naples province have been chosen. The data have been furnished by six authentic agriculturalists, and have been worked out by representatives of the Ministero della Agricoltura, of the Ispettorato Agrario, and of the Ammasso Regionale Canapa of Naples.-

N.2 AVERAGE PRODUCTION

The average production per hectare has been worked out on the last five years, bearing in mind the development of this year's crop. To the average production of long line hemp (Qls.11,5) must be added by products (tow and hemp straw) to the extent of 12% reckoned in equivalent long fibre.-

N.3 GREEN MANURE

In the denomination of "green manure" have been included the costs of the seed and the sowing of the green manure plants.-

N.4 FERTILIZER

An average fertilisation has been reckoned on the basis of 4 Qls. of Mineral Perphosphate (16/18) and Qls.2,5 of Sulphate of Ammonia (20/21%) at the average prices of 1944.-

N.5 SEED The quantity reckoned has been of Kg.70 of selected seed per hectare at the average ammasso price of Lire 7000.= per Ql., plus a small expense for packing.-

N.6,7,8 PLOUGHING AND HARROWING

Includes all labour for preparation of the land (overturning of green manure, ploughing, harrowing and hand labour), sowing, spreading of fertiliser and agriculturak work (weeding, etc.)

The cost of man labour per hour has been reckoned at Lire 15.= and that of a pair of horses, or oxen at Lire 70.=

N.9,10 HARVESTING

Includes work for the extirpation,cutting of roots and sheaving.-

N.11 LAND RENT

Has been estimated on the basis of the value of rents in kind and in cash, in force in each area, less the value of secondary cultivations (intercalary) during the year, which represent about 1/3 the amount of the rent.-

N.12 COST OF RETTING

It has not been possible to determine the number of working hours required , because the retting ponds are conducted under

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

contract and the prices, in accordance with an old custom, are by piece work. Besides the cost of retting, the figures given include retting pond rent which is paid in kind (fusaratice) on the basis of 1/30 of the product in retted stalk.

N.13/14 - HACKLING

The hours necessary for this work have been estimated at 30, approximately, per quintal. In relation to the major cost of this heavy work, the working hour has been estimated on the basis of £ 20.-

N.15 - TRANSPORTATION

This heading includes all transportation, such as that of seed and fertilizers, as well as the transportation of hemp to the retting pond, from the retting pond to the farm and from there to the ammasso warehouses.

N.16- TAXES AND GENERAL EXPENSES

These includes administrative expenses, taxes, interest, and percentages to cover insurance, upkeep, and wear and tear.

N. 17 - TOTAL

This comprises the total amount of expenses under n° 1,2,5,8,10,11,12,13 14,15,16 and represents the average cost of cultivation per hectare, i.d. Lire 54.668.-

N.18 - COST PER QUINTAL

Is arrived at by dividing the total expenses by the production of hemp per hectare as referred in column N.2.

N.19 - PROFIT

has been reckoned on the basis of 10% of production expenses, so as to cover future higher costs, if any, and, at the same time, to allow a reasonable profit to growers.

N.20 - AMMASSO PRICE-

The average price of hemp is, in this way, around Lire4600, which (when compared to the last price realized in Naples as per 1943 list of the Italian Government) represents an increase, almost like that of grain, of 350%.

Compared to prices established by A.C.C. in January 1944 on hemp of the 1943 crop ammassed, the increase is 50%.

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Concluding, the price arrived at, after going to the costs of production of the six hemp farms which have been considered, should be taken to represent the minimum profit to be assured to hemp growers, in order to ensure a satisfactory result to the ammasso and, at the same time, to prevent, efficaciously, the tendency to reduce the cultivation of hemp.-

p. IL MINISTERO DELL'AGRICULTURA
(Prof. Verginelli Cataldo)

p. L'ISPETTORATO AGRARIO PROVINCIALE
(Dott. Fiorito Giuseppe)

p. L'AMMASSO REGIONALE CANAPA
(Dott. Ettore Ardenti-Morini)

Declassified E.O. 12356 Section 3.3/NND No. 786021

(1 FARMS / AZIENDE	(2 AVERAGE PER HECTARE / MEDIA PER Ha.	(3 GREEN MANURE / SOVESCIO £.	(4 FERTILIZERS / CONCIMI £.	(5 SEEDS / SEMENTE £.	PLOUGHING / ARATURA (6 MAN HOURS / ORE LAVORAT.	A / O
nº1) - MARCIANISE	13,5	2.500	1.500	5.000	300	
nº2) - CASORIA	12,=	2.000	1.500	5.000	250	
nº3) - ATELLA	13,=	3.500	1.500	5.000	250	
nº4) - CAIVANO	13,=	2.500	1.500	5.000	250	
nº5) - GRICIGNANO	13,=	1.750	1.500	5.000	200	

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(5 SEEDS / SEMENTE £.	PLOUGHING AND HARROWING / ARATURA ED ERPICATURA			HARVESTING / RACCOLTO		(11 LAND RENT / AFFITTO TERRENO £.	RETTI / MACERAZIO
	(6 MAN HOURS / ORE LAVORAT.	(7 ANIMAL HOURS / ORE BESTIAME	(8 LABOUR COSTS / COSTO MANOD. £.	(9 MAN HOURS / ORE LAVORAT.	(10 LABOUR COSTS / COSTO MANODOP. £.		LABOUR CO
.000	300	30	6.600	250	3.750	15.000	5.500
.000	250	20	5.150	270	4.050	15.000	6.500
000	250	25	5.500	280	4.200	15.000	5.500
000	250	30	5.850	280	4.200	18.000	6.500
000	200	30	5.100	260	3.900	16.000	6.000
	[illegible]	[illegible]	[illegible]	[illegible]	4.200	17.000	

Declassified E.O. 12356 Section 3.3/NND No. 786021

N G O	(11 LAND RENT AFFITTO TERRENO £.	RETTING MACERAZIONE (12) LABOUR COSTS £.	HACKLING MACIULLAZIONE (13 MAN HOURS	(14 LABOUR COSTS £.	(15 TRANSPORTATION TRASPORTI	(16 TAXES AND GENERAL EXPENSES SPESE GENERALI £.	TOTA TOTALE 17=3+4+5+ +11+12+1 +16
50	15.000	5.500	450	9.000	3.880	1.600	54.330
50	15.000	6.500	350	7.000	4.640	1.500	52.340
00	15.000	5.500	400	8.000	4.460	1.700	54.360
00	18.000	6.500	400	8.000	4.660	1.500	57.710
00	16.000	6.000	400	8.000	4.460	1.600	53.310
00	17.000						55.96

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(16 TAXES AND GENERAL EXPENSES SPESE GENERALI £.	(17 TOTAL TOTALE 17=3+4+5+8+10+11+12+14+15+16	(18 COST PER QUINTAL COSTO PER QUINTALE £.	(19 PROFIT UTILE 10% £.	(20 AMMASSING PRICE PREZZO AMMASSO 1944/45 £.	OBSERVATIONS OSSERVAZIONI
1.600	54.330	4.024	402,40	4.426,40	
1.500	52.340	4.361	436,10	4.797,10	
1.700	54.360	4.181	418,10	4.599,10	
1.500	57.710	4.439	433,90	4.882,90	
1.600	53.310	4.100	410,—	4.510,—	
1.500	55.960	4.304	430,40	4.734,40	

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n°3) - A T E L L A	13,=	3.500	1.500	5.000	250
n°4) - C A I V A N O	13,=	2.500	1.500	5.000	250
n°5) - GRICIGNANO	13,=	1.750	1.500	5.000	200
n°6) - A V E R S A	13,=	2.250	1.500	5.000	300
T O T A L I	77,5	14.500	9.000	30.000	1.550

Declassified E.O. 12356 Section 3.3/NND No. 786021

5.000	250	25	5.500	280	4.200	15.000
5.000	250	30	5.850	280	4.200	18.000
5.000	200	30	5.100	260	3.900	16.000
5.000	300	25	6.250	280	4.200	17.000
30.000	1.550	160	34.450	1.620	24.300	96.000

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

		6.500	350	7.000	4.640	1.500	5
4.200	15.000	5.500	400	8.000	4.460	1.700	5
4.200	18.000	6.500	400	8.000	4.660	1.500	5
3.900	16.000	6.000	400	8.000	4.460	1.600	1
4.200	17.000	6.000	400	8.000	4.260	1.500	
24.300	96.000	36.000	2.400	48.000	26.360	9.400	Ave Med

Declassified E.O. 12356 Section 3.3/NND No. 786021

4.640	1.500	52.340	4.361	436,10	4.797,10
4.460	1.700	54.360	4.181	418,10	4.599,10
4.660	1.500	57.710	4.439	433,90	4.882,90
4.460	1.600	53.310	4.100	410,--	4.510,--
4.260	1.500	55.960	4.304	430,40	4.734,40
26.360	9.400	Average p.Ha 54.668 Media per Ha.	Average p.Qle. 4.233 Media per qle.	Average 423,30 Profitto Med.	Average 4.656,30 Prezzo Medio

p. IL MINISTERO DELL'AGRICOLTURA (Prof. Verginelli Ce

p. L'ISPETTORATO AGRARIO PROVINCIALE (Dott. Fiorito Gius

p. l'AMMASSO REGIONALE CANAPA (Dott. Ettore Ardent

Declassified E.O. 12356 Section 3.3/NND No. 786021

.500	52.340	4.361	436,10	4.797,10	
.700	54.360	4.181	418,10	4.599,10	
.500	57.710	4.439	433,90	4.882,90	
.600	53.310	4.100	410,--	4.510,--	
.500	55.960	4.304	430,40	4.734,40	
.400	Average p.Ha 54.668 Media per Ha.	Average p.Qle. 4.233 Media per qle.	Average 423,30 Profitto Med.	Average 4.656,30 Prezzo Medio	

p. IL MINISTERO DELL'AGRICOLTURA (Prof. Verginelli Cataldo)

p. L'ISPETTORATO AGRARIO PROVINCIALE (Dott. Fiorito Giuseppe)

p. l'AMMASSO REGIONALE CANAPA (Dott. Ettore Ardenti Morini)

Declassified E.O. 12356 Section 3.3/NND No. 786021

HEADQUARTERS
ALLIED CONTROL COMMISSION
COMMERCE SUB-COMMISSION
APO 394

FCM/re

Ref. ACC/3072/Com

21 August 1944

SUBJECT: Price of Soap

TO : Economic Section (Attn. Price Committee)

1. Attached copies of production costs are for use of Price Committee.
This soap is now being produced for distribution to Italian Consumers in September. We have made an complete an analysis as possible of these figures with our limited facilities.
As a result we recommend the following adjustment and a price of L. 2.400 per quintal of Soap at the factory.

Adjusted Costs (thousands of Lire)

	1943	1944	(+)
Direct Costs	57	230	
Upkeep, Repairs,			
General Expenses etc.	24	50	
Profit	7	15	
Total	88	295	
Quintals Soap Produced	124	124	
Cost per Quintal	710	2400	

(+) Higher than company's estimate as we have information indicating a higher price for sulphur oil than that used in company's cost statement.

2. We recommend that the above price be fixed subject to change with variation in price of both this key raw material,- sulphur oil,- , and transport.

Attached statement is that of the company, without adjustment. This will allow committee members to make further adjustments in the light of their own particular view of the business, economic, and social situation prevailing at present.

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FRED C. BURTHY,
Captain
Price Section
Commerce Subcommission

HEADQUARTERS
ALLIED CONTROL COMMISSION
INDUSTRY & COMMERCE SUBCOMMISSION
APO 394

COST PRICE 1943 AND 1944

Factory: S.A. Mira Lanza - Product: washing soap at 60% fat acids. Unit: Q.li

Year	1943	1944
Period	one day	one day
Quantity produced	Qli 124	Qli 124
Price cost per unit	L. 710	L. 2850

FIRST PART - DIRECT COST PRICE

Cost of labour: Classes

	Number of workman		Wage per hour		Number of hours		Wage for the period		Total	
	1943	1944	1943	1944	1943	1944	1943	1944	1943	1944
Men										
3rd Class (handworkers)	12	15	3,40	6,92	96	120	326,40	830,40		
Women										
2nd Class(normal)	2	-	2,20		20		44,=			
	22	30	1,90	,97	176	240	334,40	1192,80		
Total cost of labour.....									704,80	2023,80

Cost price of raw materials

Raw materials	Quantity used		Cost price per unit		Cost for the period			
	1943	1944	1943	1944	1943	1944	1943	1944
1. Fat acids	Qli 74,40	-	650,43	-	48392,=	-	48392,=	-
2. Sulphured oil	" -		81,76	-	2000,=	-	163.520,=	-	163,520	

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

Cost price of raw materials

Raw materials	Quantity used 1943	Quantity used 1944	Cost price per unit 1943	Cost price per unit 1944	Cost for the period 1943	Cost for the period 1944	1943	1944
1. Fat acids	Qli 74,40	-	650,43	-	48392,=	-	48392,=	-
2. Sulphured oil	" -	81,76	-	2000,=	-	163.520,=	-	163,520
3. Dry caustic soda	" 11,16	-	153,04	1000,=	1707,85	11.160,=	1707,85	11.160
4. Sodium cloryde	" 7,44	-	69,20	200,=	514,85	1.488,=	514,85	1.488
5. Packages	" "	"	-	-	2918,85	14.880,=	2918,85	14.880
Total cost raw materials.....							53533,75	191.048

Cost price of the fuel, etc.

	1943	1944		
1. Electric power	199,65	238,10		
2. Exhausted olive husks	1742,20	2063,35		
3. Water (see general expenses)	-	-		
Total cost.....L.	1942,85	2301,45	1941,85	2301,45

Different expenses

1. Transports.....L.	1240.==	6200,==	1240.==	6200.==
Total different expenses....."	1240.==	6200,==		
Total direct costs.....L.			57420240-20572,65	

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II. and [illegible] - [illegible] FOR UPKEEP, REPAIRS, ETC.

	1943	1944
1. Upkeep of the plants	744,==	3720,==
2. Amortization of the plants(on the sale price)	3143,40	17670,==
3. Charges on labour " " " "	560,48	2023,20
4. General expenses " " " "	10049,05	64910,30
5. Taxes " " " "	3081,40	12369,==
6. Interest 6% Per 4 months " " " "	1760,80	7068,==
7. Sale expenses " " " "	4402,==	17670,==
Total.....L.	24041,13	125430,50

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Total costs.....L.

Different expenses

1. Transports.....L.	1240.==	6200,==	1240,==	6200,==
Total different expense....."	1240.==	6200,==		
Total direct costs.....L.			57420240-20572,65	

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II.nd PART - [illegible] FOR UPKEEP, REPAIRS, ETC.

	1943	1944
1. Upkeep of the plants	744,==	3720,==
2% Amortization of the plants(on the sale price)	3143,40	17670,==
3. Charges on labour " " " "	560,48	2023,20
4. General expenses " " " "	10949,05	64910,30
5. Taxes " " " "	3081,40	12369,==
6. Interest 6% Per 4 months " " " "	1760,80	7068,==
7. Sale expenses " " " "	4402,==	17670,==
Total.....L.	24041,13	125430,50

24041,13 125430,50

III.rd PART - TOTAL GLOBAL COST PRICE:

	1943	1944
I.st Part	57.420,40	201.572,65
II.nd Part	24.041,13	125.430,50
Profit 8%(on the total prices cost)	6.516,92	26.160,25
Total global cost.....L.	87.978,45	353.163,40
Total cost of 1 quintal in the factory..L.	709,50	L. 2.848,==
In round figures.....L.	710,==	L. 2.850,==

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A.C.C. H.Q. INDUSTRY SUB COMMISSION
A.P.O. 394

HCO/101/A

6 Copies to Economic Section

For attention Mr. Wadleigh

Subject: New Price of Raw Hemp

It has now become necessary to consider the new price to be paid for the 1944 crop of hemp as the harvesting season in the Napâes area is just beginning and new hemp should start coming in about the beginning of September.

In considering the problem the following factors must be taken into consideration.

(a) Old price of hemp

This was based on the cost of production when labour costs of tilling and cleaning the land were those prior to allied landings, but transportation and scutching costs were on the prices prevailing after the occupation of the country.

(b) Present cost of agricultural labour

Owing to the large number of army installations set up in the hemp growing area and the fact that these installations provided midday meals a very large number of labourers were attracted to this work instead of their normal occupation on the land. This led to a shortage of agricultural labour and a consequent sharp rise in the cost of this labour. The comparatively low ration of bread and flour and the high cost of these articles on the black market materially helped to force up the price of the labour. In addition units temporarily occupying hemp land sometimes compelled the grower to work his land more than once. In one known case land was dug over three times.

(c) Cost of seed

Practically no seed arrived from overseas in time for the planting in March with the result that the only seed available was all in private hands with a consequent increase in price. The Hemp Control Office offered to purchase any seed available at 10.000 L. per Quintal and had no offers.

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(d) Yield per Hectare

It is believed that the yield per hectare planted will be about 66% of the normal for the reasons that .1. Fertilisers were in short supply especially in the early stages when they are of great importance; growers therefore had to go on to the open market and pay fancy price. .2.Normally imported seed is used: the yield from local seed is not as good. .3.Units frequently carried out exercises over

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(d.cont.)

sown land with consequent damage to crops.

Personal inspection of crops show that the average height is about 6 feet whereas a good crop should stand 8 or 9 feet high.

(e) Transportation

Hemp before delivery has to be transported frequently considerable distances 8 or 10 Km. and owing to the high cost of forage and the shortage of transportation prices have risen very considerably. For example the Hemp control cost of transporting from warehouse to factories increased to 8 L.per Quintal when in normal times 2 L. was charged.

(f) Retting and Scutching

There is a considerable increase in both these costs. Retting is a seasonable occupation, the cost of cleaning and putting ponds in order has increased and the labour, some of which is in the nature if an "art" like cooking, is demanding and getting an increased wage proportionate to the increased cost of living. The price paid as to quality and colour of hemp depends to a considerable extent on the skill of the retters.

Scutching is paid on piece work rates and while it is, in the South, an all the year round work, it can only be carried on in dry weather. Rain makes scutching out of the question. It is the heaviest work in the industry and would compare with the heaviest work in heavy industry. In normal times a scutcher in addition to his pay received a litre of wine and 500 gr. corn meal. The increased cost of providing these can be imagined.

Estimates of the cost of production of one Quintal of hemp have been obtained from 6 producers and these vary from 3600 to 6000 Lire per Quintal depending to a great extent on the estimated yield per Hectare. In the lower figures the producer owns his own land and pays no rent, but this is a rare occurence most growers are tenants.

On these figures a price of 4500 Lire per average quality is recommended. The price for exported hemp just previous to Italy's entry into the war was £ 120 sterling per ton and the recommended price is equivalent to £ 112-10 sterling per ton. At that figure it is believed 80% of the crop will be brought in without too much difficulty.

J.S.E TODD,
Colonel,
Acting Director,
Industry Sub-Commission

RIASSUNTO SCHEMATICO della produzione e del costo da produzione della canapa in rapporto ad un Ettaro di terreno investito a detta coltura- annata agraria 1943-44

P R O D U Z I O N E

I°) - Media di produzione che si può ricavare da un Ettaro di terreno- fiocci 10, pari a q.li 12.83 -

2°) - Canapuli che si possono ricavare da detta produzione q.li 65 -

3°) - Capsuli grezzi non decanapulati che possono ricavarsi a q.li 3 -

SPESE DI PRODUZIONE

Aratura per seminare il pascone-costo p.Ettaro	£.	750.==
Acquisto di pascone	"	3.000.==
Semina pascone	"	900.==
Sarchiatura del pascone	"	1.500.==
Preparazione del terreno per la semina	"	900.==
S e m i n e	"	600.==
Semente tumuli 2 a £. 3.000	"	6.000.==
Concimazione (nitrato ammonico Kg.96 e perfosfati q.li 4.96 a prezzo di concessione .	"	1.500.==
Raggiatura ogni m.15 a £. 100	"	1.500.==
Raccoglitura e scavatura)		
Sfrondatura (.	"	3.000.==
Voltatura)		
Attaccatura (		
Taglistura radici e cime	"	360.==
Trasporto al macero	"	600.==
Pagamento al lagnatore.	"	540.==
Cacciatura delle canapa dall'acqua. . . . .5,00)		
Sostatura . . . . . .2,50(		
Stramlatura . . . . . .25,==)	"	1.494,==
Spanditura. . . . . .5,== (		
Unione delle cime. . . . . .2,==)		
Attaccatura. . . . . 2,== (		
Trasporto al deposito.	"	600.==
Pagamento al funaiuoli (oltre Kg.80 di tiglio circa.	"	360.==
Pagamento del fitto di un deposito per la bacchetta macerata.	"	200.==
Assicurazione delle bacchette macerate in casa del produttore. . . .	"	200.==
Maciullatura. . . . .)		
Spatolatura . . . . .).	"	3.600.==
Affasciatura. . . . . (		
Trasporto del tiglio all'ammasso	"	150.==

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2°) - Ceppaii che si possono ricavare da detta produzione q.li 65 -

3°) - Ceppaii gravi non decompolati che possono ricavarsi : q.li 3 -

SPESE DI PRODUZIONE

Aratura per seminare il pascolo-costo p.Ettaro	£.	750.===
Acquisto di pascolo	"	3.000.===
Semina pascolo	"	900.===
Sorveglio del pascolo	"	1.900.===
Preparazione del terreno:per la semina	"	900.===
S e m i n e	"	600.===
Concimazione (nitrato ammonico Kg.96 e perfosfati q.li 4.98 a prezzo di concimazione .	"	1.500.===
Zappatura ogni m.15 a £. 100	"	1.900.===
Raccoglitura e scuotatura) Sfrondatura (.	"	3.000.===
Voltatura) Attaccatura (		
Taglistura radici e cima	"	300.===
Trasporto al macero	"	600.===
Pagamento al legnatore.	"	540.===
Cacciatura della canapa dall'acqua. . . . .3,00)		
Scortatura . . . .2,50(		
Stramigliatura . . . . . .25,===)	"	1.494,===
Spandimare. . . . . .5,=== (		
Essiccazione delle cime. . . . . .2,===)		
Attaccatura. . . . . 2,=== (		
Trasporto al deposito.	"	600.===
Pagamento al funzionario (oltre Kg.40 di tiglio circa.	"	360.===
Pagamento del fitto di un deposito per la bacchetta macerata.	"	200.===
Assicurazione delle bacchette macerate in caso del produttore. . . .	"	200.===
Macigliatura. . . . .) Spatolatura . . . . .).	"	3.600.===
Affasciatura. . . . . (		
Trasporto del tiglio all'ammasso	"	150.===
a Riportare. . . .	£.	27.754.===

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Riporto	£.	27.754,00
Tasse varie come R.M.	"	540.--
Tasse di custodia.	"	168.--
Trattenuto dal Consorzio di £. 4 a q.le.	"	50.--
" dell' 1 % sul prezzo.	"	?
Totale	£.	28.512.--

Alla detta cifra va aumentata la spesa del fitto di un Ettaro di terreno che va sulla media di fasci 7 1/2 di canapa in tiglio pari a q.li 5.34 -

DA DEDURRE

- Poichè della produzione media di q.li 12.83 si devono detrarre q.li 5.34 - per spese di fitto e Kg. 40 di tiglio che si trattiene il fusaro al produttore non restano netti che soltanto q.li 7.09, facendo il confronto al costo di produzione ne risulta che ogni quintale risultante al produttore costa £. 4.075 circa - ma poichè dal costo di produzione deve detrarsi il ricavato che il produttore ottiene dalla vendita dei canapuli che sono circa £. 2.600 - più la vendita dei sopiami che ammonta a circa Lire 1.000- La detrazione finale sarà che il raccolto ad Ettaro di canapa al produttore costerà £. 28.512- meno £. 3.600 diviso i q.li 7.09 che porta a £. 3.575 circa l'effettivo costo di produzione.

- Ai propositi per fissare il nuovo prezzo e deve farsi presente dall'alea, come una grandinata, un'annata di siccità, vento ecc. che possono incorrere a danno della produzione e al produttore, per cui se le autorità preposte alla tutela di questa canapa, unico prodotto di esportazione Italiano, non verranno incontro ai produttori, vedremo questa produzione scemare se non del tutto sparire dalle nostre zone, perdendo questa canapa che è la migliore, come qualità mondiale.

notizie fornite dall' Amministrazione VISCONTI -

Marcianise 8-7-1944 -

per s.c.

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

Alla detta cifra va aumentata la spesa del fitto di un Ettaro di terreno che va sulla media di fusci 7 1/2 di canapa in tiglio pari a q.li 5.34 -

SI DICE

- Poichè dalla produzione media di q.li 12.83 si devono detrarre q.li 5.34 - per spese di fitto e Kg. 40 di tiglio che si trattiene il fittuario al produttore non restano netti che soltanto q.li 7.09, facendo il confronto al costo di produzione ne risulta che ogni quintale residuale al produttore costa £. 4.075 circa - ma poichè dal costo di produzione deve detrarsi il ricavato che il produttore ottiene dalla vendita dei canapuli che sono circa £. 2.600 - più la vendita dei capisni che ammonta a circa fire 1.000- la detrazione finale sarà che il raccolto di Ettaro di canapa al produttore costerà £. 38.512- meno £. 3.600 divise i q.li 7.09 che porta a £. 3.575 circa l'effettivo costo di produzione.

- Ai propositi per fissare il nuovo prezzo e dove farsi presente dall'alea, come una grandinata, un'annata di siccità, vento ecc. che possono incorrere a danno della produzione e al produttore, per cui se le autorità preposte alla tutela di questa canapa, unico prodotto di esportazione italiano, non verranno incontro ai produttori, vedremo questa produzione scomparire se non del tutto sparire dalle nostre zone, perdendo questa canapa che è la migliore, come qualità mondiale.

notizie fornite dall' Amministrazione VISOCCHI -
Marcianise 8-7-1964 -
per c.d.

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Declassified E.O. 12356 Section 3.3/NND No. 786021

CONTO COLTURALE PER UN MOGGIO DI CANAPA-ANNATA 1943-44

TERRENO COMUNE DI GASORIA	1943	1944
Preparazione del terreno p/ semina sovescio-operai n.3	135.—	210.—
Sovescio peste Kg. 20	100.—	200.—
" orzo Kg. 10	30.—	30.—
Spargitura e sterrare sovescio-operai n.2	100.—	140.—
Aratura terreno e lavori sistemazione	700.—	1.500.—
Preparazione terreno per semina	100.—	300.—
Semina canapa con zappa operai n.2	100.—	400.—
Seme canapa misure 15 circa Kg. 22	250.—	2.300.—
Zappolatura donne 9	132.—	360.—
Scerbatura donne 8	176.—	480.—
Concimazione solfato ammonico e perfosfato	400.—	512.—
Sarchiare operai n° 4	240.—	1.000.—
Pulire foglione e voltare donne 5	125.—	400.—
Legare e accocchiare opere 2	150.—	500.—
Taglio radici legature 12	120.—	240.—
Carico sul carretto e scarico al fiumare operai 1	60.—	250.—
Trasporto con carretto al fiume e ritorno	600.—	1.500.—
Immagazzinamento operai n° 1	60.—	250.—
Ostaglio al proprietario fasci 2 1/2	5.000.—	10.000.—
Totale . . . . . £.	8.378.—	19.972.—

SPESE AL MACERO

Legature per legature 10	100.—	250.—
Ingannatore	60.—	120.—
Scostatore	60.—	120.—
Carretto	200.—	500.—
Sorveglianza	70.—	140.—

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" orzo Kg. 10	30.—	30.—
Spargitura e atterrare ovvesce-operai n.2	100.—	140.—
Aratura terreno e lavori sistemazione	700.—	1.500.—
Preparazione terreno per semina	100.—	300.—
Semina ovunque con zappa operai n.2	100.—	400.—
Sono ovunque misure 15 circa Kg. 22	250.—	2.500.—
Zappellatura donne 5	132.—	160.—
Sarchiatura donne 8	176.—	480.—
Concimazione solfato ammonico e perfosfato	400.—	512.—
Sarvare operai nº 4	240.—	1.000.—
Pulire foglione e voltare donne 5	125.—	400.—
Legare e accecchiare ovvo 2	150.—	300.—
Taglio radici legature 12	120.—	240.—
Carico sul carretto e scarico al fienile operai 1	60.—	250.—
Trasporto con carretto al fienile e ritorno	500.—	1.500.—
Immagazzinamento operai nº 1	60.—	250.—
Estaglio al proprietario fasci 2 1/2	5.000.—	10.000.—
Totale . . . . . £.	8.378.—	19.972.—

SPESE AL MACERO

Legatore per legature 10	100.—	200.—
Ingannatore	60.—	120.—
Scaricatore	60.—	120.—
Carretto	200.—	500.—
Spanditore	70.—	140.—
Sciegliere e piegare ½ operai 2	140.—	500.—
Caricare s/ carretto e scarico al deposito	70.—	250.—
Al macero p/ legature 10 (oltre la bramm)	50.—	200.—
Totale (a rip.)	10.328.—	22.052.—

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c/.

Riporto L.	10.328.—	22.052.—
Macinallazione al fascio compreso vitto- 2 operai e 1/2 L. 440 X 5 =	2.200.—	3.625.—
Mano d'opera per spandere e togliere canapuli	100.—	200.—
T o t a l e L.	12.628.—	25.877.—
Ricavo canapuli q.li 10 a L. 150 e 400 "	1.500.—	4.000.—
restano netto L.	11.128.—	21.877.—
Ricavo stoppa su legature 10 Kg. 50 "	150.—	200.—
Differenza L.	10.978.—	21.677.—

PER LA PRODUZIONE 1943

L. 10.978 - fasci 5 = al fascio 2.195,60

PER LA PRODUZIONE 1944

L. 21.677.— fasci 5 = al fascio 4.335,40

- Nel suddetto conteggio sono registrati i prezzi effettivi e rispetti per l'annata 1943, mentre per la produzione del 1944, esclusa le spese riflettenti la macerazione e la macinallazione nonchè l'asteglio che sono in previsione, le altre sono effettive.

- Le spese sono calcolate tenendo conto della coltura anzidetta a tipo familiare e non si è tenuto conto delle spese per magazzini di deposito e lavorazione, assicurazione incendi, e grandine e interessi sul capitale.- Il maggio locale è di Mq. 3387

F.to Raimondo Pavone

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

T o t a l e	L.	12.628.—	25.877.—
Ricavo canapuli q.li 10 a L. 150 e 400	"	1.500.—	4.000.—
restano netto	L.	11.128.—	21.877.—
Ricavo stoppa su legature 10 Kg. 50	"	150.—	200.—
Differenza	L.	10.978.—	21.677.—

PER LA PRODUZIONE 1943

L. 10.978 - fasci 5 = al fascio 2.195,60

PER LA PRODUZIONE 1944

L. 21.677.— fasci 5 = al fascio 4.335,40

- Nel suddetto conteggio sono registrati i prezzi effettivi e rispetti per l'annata 1943, mentre per la produzione del 1944, esclusse le spese riflettenti la macerazione e la maciullazione nonchè l'estaglio che sono in previsione, le altre sono effettive.

- Le spese sono calcolate tenendo conto della coltura esclusivamente a tipo familiare e non si è tenuto conto delle spese per magazzini di deposito e lavorazione, assicurazione incendi, e grandine e interessi sul capitale.- Il raggio locale è di Mq. 3387

F.to Raimondo Pavone

Caserta 10 luglio 1944

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p.c.c.

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

Calcolo Spese Coltivazione e Preparazione Canapa

Annata di conferimento 1944/45

1)	Preparazione semina	L. 500.—	
	Seminare	" 450.—	L. 3.450.—
	Seme Kg. 25 a L. 100,00	" 2.500.—	
2)	Noleggio fusti 3 a L. 2.850,00		" 8.550.—
3)	Sovescio e zappa d'oyera	" 550.—	
	Irrigazione	" 1.000.—	" 1.950.—
	Sarchiare e pulizia	" 400.—	
4)	Concimazione		" 800.—
	Estirpare Canapa	" 1.400.—	
	Segliare	" 450.—	" 1.850.—
5)	Trasporto		" 500.—
6)	Macerare		" 1.044.—
7)	In denaro L. 360.— / Vino e viveri 120.00	a fascio	" 2.680/—
8)	Nolo Magazzino		" 350.—
			21.284.00

****

La produzione media di canapa in un maggio è di gli. 4,28 per cui gli. ec. si ha la spesa di L. 4.979,00

Se tra il periodo dell'estirpazione alla macerazione venisse a piovere, le spese potrebbe aumentare del 5 al 10%.

Da tener presente che il conteggio è stato fatto su di un maggio grande (mq. 4.276) e che quest'anno sarà difficile ricavare per detta estensione gli. 4.28 di canapa.

Napoli 19.7.1944 -

F.to

Principe Max Lanzellotti

2)	Noleggio fanci } a L. 2.850.00			"
3)	Sovescio e mano d'opera	" 550.—		
	Frangimaano	" 1.000.—		" 1.950.—
	Sarchiare e pulizia	" 400.—		
4)	Concimazione			" 300.—
	Rotirgare Concaga	" 1.400.—		
	Zagliare "	" 450.—		" 1.850.—
5)	Trasporto			" 500.—
6)	Macerare			" 1.044.—
7)	In denaro L. 250.— Vino e viveri 120.00 } a fascio			" 2.850/—
8)	Nolo Magazzino			" 250.—
				21.204.00

La produzione media di canapa in un maggio è di gli. 4,25: perciò per ogni gle. si ha la spesa di L. 4.979.00

Se tra il periodo dell'estirpazione alla macerazione vengono a pio vere, le spese possono aumentare dal 5 al 10%.

Da tener presente che il conteggio è stato fatto su di un maggio grande (mq. 4.270) e che quest'anno sarà difficile ricavare per detta estensione gli. 4.25 di canapa.

Napoli 19.7.1944 -

F.to

Principe Max Lanzellotti

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

CONTO COLTURALE PER UN MOGGIO DI TERRENO A CANAPA

ANNATA 1943/1944

TENIMENTO DI CAIVANO

(Moggio = mq. 4267)

Prato a mano rotoli 35 a L. 7,50	L.	262,50
Seme erba ed erucoli		30,—
Semina, assetatura, scerpeto		200,—
Frumentatura		500,—
Sfrantura con aratro e preparazione terreno		500,—
Seme canapa Kg. 25		2.500,—
Allineamento		320,—
Zappeliatura		600,—
Scoglitura		400,—
Estirpazione canapa		1.000,—
Taglitura		200,—
Trasporto da e per il macero, carico e scarico		1.200,—
Accentatura al lagnatore (regalie)		30,—
Lagnatore		220,—
Ingannatore e scortatore		300,—
Trasporto spauro		200,—
Spanditura, scioglitura, novitura		350,—
Piegatura e carico		90,—
Scarico, paga bonca		410,—
Pesatura		300,—
Imprevisti		500,—
Concimi e solfato ammonico		600,—
Pane d'opera per spargimento		180,—
Affitto proprietario terreno (ai vecchi prezzi)		6.000,—
Anticipazione 2 operai e mezzo		1.200,—
T O T A L E	L.	20.095,50

Oltre onere imposte, magazzinaggio, assicurazione, interessi capitale.-

R I E P I L O G O

Per la produzione a moggio - fasci 6 il costo di ogni fascio è di L. 3.349,25 da aggiungersi per imposte, magazzinaggio, assi-

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(Reggio - mq. 4337)

Prato a mano rotoli 35 a L. 7,50	L.	262,50
Semi orzo ed erucoli		11,—
Semina, coertatura, sovescio weeding		200,—
Frandimatura		560,—
Sfienatura con erpice e preparazione terreno		500,—
Seme canapa Kg. 25		2.500,—
Allineamento		320,—
Zappolatura		600,—
Scoglitura		400,—
Estirpazione canapa		1.600,—
Taglatura		200,—
Trasporto da e per il macero, carico e scarico		1.200,—
Accostatura al legnatore (regolio)		30,—
Legnatore		220,—
Ingannatore e scostatore		300,—
Trasporto spanare		200,—
Spanditura, scioglitura, nevitura		350,—
Piegatura e carico		90,—
Scarico, paga banca		410,—
Fasciatura		300,—
Imprevisti		500,—
Concimi e solfato ammonico		600,—
Mano d'opera per spargimento		180,—
Affitto proprietario terreno (sui vecchi prezzi)		6.000,—
Macinazione 2 operai e mezzo		3.200,—
T O T A L E	L.	26.095,50

Oltre onere imposte, magazzinaggio, assicurazione, interessi capitale.-

R I E P I L O G O

Per la produzione a maggio - fasci 6 il costo di ogni fascio è di L. 3.349,25 da aggiungersi per imposte, magazzinaggio, assicurazione ecc. L. 150.— TOTALE sono L. 3.499,25 .-

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= Notizie fornite da Rocco Ranuci da Cardito il 4/5/1944.-

Declassified E.O. 12356 Section 3.3/NND No. 786021

COSTO COLTURALE PER UN MOGGIO DI TERRENO A CANAPA
COMUNE DI CRISPIANO
DI AVERSA

(mq. 4.267)
ANNATA 1943/1944

Aratro compreso vino	L.	650,—
Zappatura e preparazione		900,—
Seme		2.500,—
Concimazione		800,—
Semina		400,—
Sarchiatura		300,—
Stirpatura e attorcatura		1.500,—
Taglitura		220,—
Carico e trasporto vasca		1.400,—
Macerazione compreso branca		1.500,—
Gualdatura		2.900,—
Fitto a persone di L. 2.000 al fascio per fasci 3 a moggio(prezzo vecchio)		6.000,—
Tasse		80,—
Imprevisti ecc.		300,—
Magazinaggio, assicurazione		200,—
T O T A L E	L.	19.650,—

Produzione media per moggio fasci 6 previsti per quest'anno molto minore. Costo a fascio L. 3.270.—

= Notizie fornite da Artemio Romano da Crispiano il 10/5/1944 =

p.c.c.

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

Aratura compresa vino	L.	650,—
Zappatura e prezzolatura		900,—
Seme		2.500,—
Concimazione		800,—
Semina		400,—
Sarchiatura		300,—
Stirpatura e attecchatura		1.500,—
Tagliatura		220,—
Carico e trasporto vasca		1.400,—
Macerazione compreso branca		1.500,—
Vaccinazione		2.900,—
Fitto a prezzo di L. 2.000 al fascio per fasci 3 a maggia(prezzo vecchio)		6.000,—
Tasse		80,—
Imprevisti ecc.		300,—
Magazzinaggio, assicurazione		250,—
T O T A L E	L.	19.650,—

Produzione media per maggia fasci 6 previsti per quest'anno molto minore. Costo a fascio L. 3.270.—

= Notizie fornite da Artenio Donzuno da Grieigneno il 10/6/1944 =

P.C.G.

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

CONTO COLTURALE CANAPA ANNO 1943/1944 PER UN MOGGIO DI TERRENO IN CAIVANO (Mq. 4287)

Aratura	L.	500,—
Operai per zolle n. 6 a L. 50		300,—
Fave per concime q.li 1		1.000,—
Operai per semina N. 2 a L. 150		300,—
Aratura finette		1.000,—
Operai n. 2 a L. 200		400,—
Semina canapa (aratro)		500,—
Operai per zolle n. 10 a L. 60		600,—
Semina canapa Operai 2 a L. 225		450,—
Zappatura ragazzi 5 a L. 70		350,—
Scegliture " " " "		350,—
Estirpazione canapa operai 4 a L. 250		1.000,—
Pulire ed attaccare donne N. 5 all. 150		750,—
Un carretto per trasporto canapa		1.000,—
Macerazione		500,—
Gramatura e scotatura		300,—
Spanditura,scioglitura,attaccatura		300,—
Carretto trasporto spanditoio		500,—
Maciullazione L. 250 al giorno (Giorni 18)		5.400,—
Kg. 25 di seme di canapa		2.000,—
Concime		650,—
Macerazione		450,—
T O T A L E	L.	18.400,—

Produzione per moggio fasci 6, pari a q.li 4,27 - Spettante al proprietario fasci n. 3 pari a L. (vecchio prezzo) 6.000,—

Tasse,assicurazioni, magazzinaggio, non calcolati

T O T A L E	L.	24.400,—

Da detrarre stoppa e canapuli

Declassified E.O. 12356 Section 3.3/NND No. 786021

Operai per zolle n. 6 a L. 50	300,—
Fave per ettaro q.li 1	1.000,—
Operai per semina N. 2 a L. 150	300,—
Aratura favette	1.000,—
Operai n. 2 a L. 200	400,—
Semina canapa (arure)	500,—
Operai per zolle n. 10 a L. 60	600,—
Semina canapa operai 2 a L. 225	450,—
Zappatura ruganni 5 a L. 70	350,—
Scoglitura " " " "	350,—
Estirpazione canapa operai 4 a L. 250	1.000,—
Pulire ed attaccare donne N. 5 a L. 150	750,—
Un carretto per trasporto mastro	1.000,—
Macerazione	500,—
Gramatura e scotatura	380,—
Spanditura,scioglitura,attaccatura	300,—
Carretto trasporto spanditoio	500,—
Maciullazione L. 250 al giorno (Giorni 18)	5.400,—
Kg. 25 di seme di canapa	2.000,—
Concime	650,—
Macerazione	450,—
T O T A L E	L. 18.400,—

Produzione per maggia fasci 6, pari a q.li 4,87 - Spettante al proprietario fasci n. 3 pari a L. (vecchio prezzo) 6.000,—

Tasse,assicurazioni, magazzinaggio, non calcolati

T O T A L E L. 24.400,—

Da detrarre stoppa e canapuli

F.to Lardin Dario

3127

Caivano 10 luglio 1944

p.c.c.

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

Remarks by Dr. Morini Manager Ammasco Regionale Campa

Naples -

COST OF PRODUCTION

N° 1. VISOCCHI.

£3,600

Bases cost on a production of 12,83 qls. per hectare which is probably over-estimated. Out of this is deducted 5,34 qls. for rent and 0,40 ql. for retting, resulting in a net production per hectare of 7,05 qls. The total cost per hectare is estimated at £28,512 from which are deducted the proceeds of the sale of canapuli and capinai which are estimated to bring in £2,600 and £1,000 respectively (these figures are considered excessive). On the above basis the cost of production per quintal is estimated to be about £3,575. A certain percentage should be added to cover the risk of hail, drought wind etc.
By over-estimating yield and over-valuing canapuli and capinai the cost of production results inferior to actual current costs.

N° 2. PAVONE.

£6,000

Allows £10,000 per moggio for rental. Expenses for warehousing, fire and hail insurance, interest on capital etc, have not been considered. All costs are over-estimated with the result that the estimated cost of production per quintal of £6,000 is well above actual current costs.

N° 3. LANCELLOTTI

£4,879.

Allows £8560 per moggio for rental. Calculating on an average yield of 4,28 qls. per moggio (4278 sq. m.) the cost of production per quintal is estimated to be £4970 subject to an increase of from 5 to 10% in case it should rain in the period [illegible] the estimating

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

£3,600

which is probably over-estimated. Out of this is deducted 5,34 qls. for rent and 0,40 ql. for retting, resulting in a net production per hectare of 7,09 qls. The total cost per hectare is estimated at £28,512 from which are deducted the proceeds of the sale of canapuli and capisai which are estimated to bring in £2,000 and £1,000 respectively (these figures are considered excessive). On the above basis the cost of production per quintal is estimated to be about £3,575. A certain percentage should be added to cover the risk of hail, drought wind etc.
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N° 3. LANCELLOTTI
£4,879.

Allows £8560 per moggio for rental. Calculating on an average yield of 4,28 qls. per moggio (4278 sq. m.) the cost of production per quintal is estimated to be £4970 subject to an increase of from 5 to 10% in case it should rain in the period between the extirpating of the plant and the retting. No account has been taken of the proceeds from the sale of canapuli and tow which would bring in about £800/1000 per moggio. Allowing for this the result would be a cost equivalent to that proposed by N.C.C.

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

N° 4. RUCCI. Allows £[illegible],000 per moggio for rental. Estimates cost of production per quintal at £4,900 but does not take into account proceeds from sale of canapuli and tow. Costs are slightly higher than normal, but as they refer to the area of Caivano where the quality of hemp produced is better than the average, the cost of production per quintal is considered to correspond to actual current costs.

£4,900

N° 5. BONANNO. Allows £6,000 per moggio for rental and estimates cost of production per quintal at £4578. on the basis of an average production of 6 fasci per moggio (this year's production is expected to be much less). No allowance is made for sale of canapuli and tow. The production of 6 fasci per moggio is somewhat inferior to actual average yield with the result that cost is about 10% higher than it should be.

£4578

N° 6. LANNA. Allows £6,000 per moggio for rental and estimates cost of production at £5692 per quintal. No allowance is made for sale of canapuli and tow which would reduce cost of production to about £4,000 per quintal. No provision has been made for taxes, insurance and warehousing expenses. The costs taken as a basis for the estimate are slightly higher than normal.

£5692

N.B. In every case the allowance for rental paid in kind is based on the old prices for hemp.

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

produced is better than the average, the cost of production per quintal is considered to correspond to actual current costs.

Nº 5. BONANNO. £4578

Allows £6,000 per moggio for rental and estimates cost of production per quintal at £4578. on the basis of an average production of 6 fasci per moggio (this year's production is expected to be much less). No allowance is made for sale of canapuli and tow. The production of 6 fasci per moggio is somewhat inferior to actual average yield with the result that cost is about 10% higher than it should be.

Nº 6. LANNA. £569-

Allows £6,000 per moggio for rental and estimates cost of production at £5692 per quintal. No allowance is made for sale of canapuli and tow which would reduce cost of production to about £4,000 per quintal. No provision has been made for taxes, insurance and warehousing expenses. The costs taken as a basis for the estimate are slightly higher than normal.

N.B. In every case the allowance for rental paid in kind is based on the old prices for hemp.

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N. 1

Schematic summary of the production and cost of production of hemp per each Hectare of land - Agricultural year 1943 - 1944

PRODUCTION

1) - Average yield that may be obtained from one Hectare of land - 18 bundles, equal to quintals 12,83.

2) - "Canapuli" that my be obtain from such a yield 65 quintals.

3) - Raw "Capizzi", non manipulated, obtainable 3 quintals.

Production expenses:

Ploughing for sowing "pascone" cost per Hectare	L.	750.--
Purchase of "pascone"	"	3.000.--
Sowing of "pascone"	"	900.--
Hoeing of "pascone"	"	1.500.--
Preparation of the ground for sowing	"	900.--
Sowing of the seed	"	600.--
Seed - 2 tomoli at L. 3.000 per tomolo	"	6.000.--
Manuring (amm. nitrate 96 Kgs and perphosphates quintals 4.95 (concession) (price)	"	1.500.--
Tilling - 15 laborers at L. 100 each	"	1.500.--
Gathering and digging, Taking off the leaves, Voltatura, Binding	"	3.000.--
Cutting of tops and roots	"	360.--
Transportation to retting	"	600.--
Payment to the lagnatore	"	540.--
Putting hemp in water L. 5.00, Scostatura (shifting) " 2.50, stranliatura " 25.00, spreading " 5.00, drying of tops " 2.00, binding " 2.00	"	1.494.--
Transportation to warehouse	"	600.--
Payment to the "fusarario" (besides about 40 Kgs of fiber)	"	360.--
Payment rental for storing retted rods	"	200.--
Insurance of retted rods while in the house of the grower	"	200.--
Scutching, Spatolatura, Binding	"	3.600.--
Transportation of fiber to the pool (ammasso)	"	150.--
Sundry taxes	"	540.--
Custody fee	"	168.--
Deduction by the "consorzio" of L. 4 per quintal	"	50.--
Deduction of 1% on the price	"	?
	L.	28.512.--

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To that figure must be added the rent to be paid on one hectare of land on an average of 7½ bundles of hemp in fiber equal to 5.34 quintals.

IT FOLLOWS THAT

Considering that from the average production of 12.83 quintals must be detracted 5.34 quintals for rental and 40 kg. of fiber, kept by the rodman, there remain to the producer only 7.09 quintals net; so that each remaining quintal costs to the grower about L. 4.075; but, considering that from the cost of production must be detracted the proceeds obtained by the producer from the sale of the "canapuli" amounting to about L. 2.600,- plus the sale of "capizzi", amounting to about L. 1.000,- the final result will be that the grop of hemp will cost to the producer L. 28.512,-, less L. 3.600,- divided 7.09 quintals, thus resulting an effective cost of production of Lire 3.575,-.

In fixing the new price acount should be taken of such possible tisks as hail, drought, wind etc. which may endanger the crop and damage the grower, and the Authorities looking after the protection of the hemp industry should try to meet the requirements of the growers; otherwise this production which is the only Italian exporting produce, would greatly diminish or cease altogether, with the loss of this particular kind of hemp which is the best on the world market.

Informations supplied by the
Visocchi Administration

Declassified E.O. 12356 Section 3.3/NND No. 786021

No. 2

Expenses for growing one "maggio" of hemp
Agricultural years 1943 - 1944

Land in the commune of "Casoria"

	1943	1944
Preparation of the ground for sowing - hoeing - 3 laborers	135,--	210,--
"Sovescio" meadow grass 20 Kgs.	100,--	200,--
"Sovescio" barley 10 Kgs.	30,--	30,--
Sowing and hoeing - 2 laborers	100,--	140,--
Plowsghing of ground and other works	700,--	1.500,--
Preparation of ground for sowing	100,--	300,--
Hemp seed 15 measures about 22 Kgs.	250,--	2.500,--
Light hoeing 5 women	132,--	360,--
Scerbatura 8 women	176,--	480,--
Manuring amm. sulphate and perphosphate	400,--	512,--
Digging - 4 laborers	240,--	1.000,--
Cleaning of leaves and "voltare" 5 women	125,--	400,--
Binding and coupling - 2 laborers	150,--	500,--
Cutting of roots and binding 12	120,--	240,--
Loading on cart and discharging at the "fusaro" 1 laborer	60,--	250,--
Transportation on cart to the "fusaro" and return	600,--	1.500,--
Storing - 1 workman	60,--	250,--
To the owner 2½ bundles	5.000,--	10.000,--
Total . . . L.	8.578,--	19.972,--

Retting expenses

"legnataro" for 10 bindings	100,--	250,--
"Ingannatore"	60,--	120,--
"Scostatore"	60,--	120,--
Cart	200,--	500,--
Spreader	70,--	140,--
Unlocsing and bending - 2 workmen	140,--	500,--
Loading on cart and discharge at worehouse	70,--	250,--
To the retting for 10 bindings (beside the "brance"	50,--	200,--
Scutching "al fascio" (including food) 2½ workmen L. 440x5	2.200,--	3.625,--
Labor for spreading and out "canapuli"	100,--	200,--
Total . . . L.	12.628,--	25.877,--

Proceeds from the sale of "canapuli" 10 quintals at L. 150,-- and 400	1.500,--	4.000,--
Net residue Lire	11.128,--	21.877,--

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

Note residuo Lire	11.128,--	21.877,--
Proceeds from sale of tow on 10 bindings 50 Kgs.	150,--	200,--
Residuo Lire	10.978,--	21.677,--

1943 production

Lire 10.978,-- 5 bundles - L. 2.195,60 per bundle

1944 production

Lire 21.677,-- 5 bundles - L. 4.335,40 per bundle

In the above accounts, the effective or reported prices are given for the year 1943, whereas for the production of the year 1944, with the exception of the expenses for retting, scutching and "estaglio" which are estimated expenses, all the others are effective expenses.

Expenses are calculated on the basis of culture on the family type, omitting all expenses for warehousing and working shop, fire and hail insurance, and interest on capital. One local "moggio" is equal to 3387 square metres.

(signed) Raimondo Ravone

Casoria July 10, 1944

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Declassified E.O. 12356 Section 3.3/NND No. 786021

No 3

Expenses for growing and preparing hemp
Concessione for the years 1944/45

1 -	Preparation of sowing	L. 500	
	Sowing	" 450	
	Seed - 25 Kgs at L. 100	" 2.500	L. 3.450,--
2 -	"Estaglio" on 3 bundles at	L. 2.850	" 8.560,--
3 -	Hoeing and labor	L. 550	
	Prussianare	" 1.000	
	Light hoeing and cleaning	" 400	" 1.950,--
4 -	Manuring		" 800,--
	Extirpation of hemp	L. 1.400	
	Cutting of hemp	450	" 1.850,--
5 -	Carriage		" 500,--
6 -	Retting		" 1.044,--
7 -	In cash L. 360 / Wine and food 120 per bundle		" 2.880,--
8 -	Rental for store		" 250,--
		Totale	L. 21.284,--

The average yield of hemp in one "moggio" is 4.28 quintals; for each quintal, therefore there is an expense of L. 4.879,--.

In the event that during the period of extirpation and retting it should rain, expenses might increase from 5 to 10 %.

It must be noted that the above account refers to a large "moggio" (4.278 square metres) and that for this year it will be difficult to obtain quintals 4.28 of hemp for that area.

Naples, July 19, 1944

(signed) 5120

Principe Max Lancellotti

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

No 4

Expenses for growing hemp on one "moggio" of land

Agricultural years 1943/1944

Caivano Area

(moggio = 4287 square metres)

Meadow grass - 35 rotoli at L. 7,50	L.	262,50
Barley and aruscoli seed	"	33,--
Sowing, "scerbatura" and "sovesio"	"	200,--
Prussiangture	"	500,--
Ploughing and preparation of ground	"	500,--
Hemp seed - 25 kgs.	"	2,500,--
Alinement	"	320,--
Light hoeing	"	600,--
Selection	"	400,--
Extirpation of hemp	"	1,000,--
Cutting	"	200,--
Carriage to and from retting, loading and discharging	"	1,200,--
Accostatura al lagnataro (drink-money)	"	30,--
Lagnataro	"	220,--
Ingannatore e scostatore	"	300,--
"Spesaro" transportation	"	200,--
Spreading, unloosening, shifting	"	350,--
Bending and loading	"	90,--
Discharge, pay to bank	"	410,--
"Fusaratica"	"	300,--
Unforeseen expenses	"	500,--
Manures and ammoniac sulphate	"	600,--
Labor for spreading	"	180,--
Rent to the landowner (old prices)	"	6,000,--
Scutching - 2½ workmen	"	3,200,--
Total	L.	20,095,50

To the above amount must be added the respective taxes, storage and insurance expenses and interests on capital.

Summing up

For the production of hemp per "moggio" - 6 bundles, the cost of each bundle is Lire 3,349,25, adding for taxes, storage, insurance etc. Lire 150,- Total Lire 3,499,25.

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Informations supplied by Rocco Raucci of Cardito on May 4, 1944

Declassified E.O. 12356 Section 3.3/NND No. 786021

N. 5

Expenses for growing hemp on one "moggio" of land

GRICIGNANO DI AVERSA AREA

(One "moggio" = 4.287 square metres)

Agricultural year 1943-1944

"Sovescio" including wine	£.	650,-
Hoeing and "prussianatura"	"	900,-
Seed	"	2.500,-
Manuring	"	800,-
Sowing	"	400,-
Light hoeing	"	300,-
Extirpation and binding	"	1.500,-
Cutting	"	220,-
Loading and carriage to bacin	"	1.400,-
Retting including "branco"	"	1.500,-
Scutching	"	2.900,-
Rental - £. 2.000 per bundle for 3 bundles per "moggio" (old price)	"	6.000,-
Taxes	"	80,-
Unforeseen expenses, etc.	"	300,-
Storage, insurance	"	200,-
Total		£.19.650,-

Average production per "moggio" 6 bundles, estimated for this year much lower. Cost per bundle £. 3.270,-

Information supplied by
Artemio Bonanno
of Cricignano.
June 10, 1944.

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

No 6

Expenses for growing hemp on one "moggio" of land

Caivano Area

(moggio = 4287 square metres)

Ploughing	L.	500,--
Clod labor 6 men at L. 50	"	300,--
Beans for "scveccio" 1 quintal	"	1.000,--
Sowing 2 men at L. 150	"	300,--
Ploughing small beans	"	1.000,--
Laborers n. 2 at L. 200,-	"	400,--
Sowing of hemp (ploughing)	"	500,--
Clod labor 10 men at L. 60	"	600,--
Hemp sowing - 2 men at L. 225	"	450,--
Hoeing 5 boys at L. 70	"	350,--
Cleaning 5 boys at L. 70	"	350,--
Extirpation of hemp - 4 men at L. 250	"	1.000,--
Cleaning and binding 5 women at L. 150 each	"	750,--
Cart for carrying hemp to retting	"	1.000,--
Retting	"	500,--
"Gammatura" and "scostatura"	"	300,--
Spreading, unloogening, binding	"	300,--
Cart for transportation to spreading	"	500,--
Scutching L. 250 per day (18 days)	"	5.400,--
Hemp seed 25 Kgs.	"	2.000,--
Manure	"	650,--
Retting	"	450,--
Total	L.	18.400,--

Production per "moggio" 6 bundles equal to 4.27 quintals - "Estaglio" to landowner 3 bundles value (old price) L. 6.000,--

Taxes, insurance, storage to be calculated apart

Total L. 24.400,--

Tow and "canapuli" to be deducted.

(signed) Lanna Bartolomeo

Caivano, July 10, 1944

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(1 FARMS AZIENDE	(2 AVERAGE PER HECTARE MEDIA PER Ha.	(3 GREEN MANURE SOVESCIO £.	(4 FERTILIZERS CONCIMI £.	(5 SEEDS SEMENTE £.	(6 PLOUGH ARATU MAN HOURS ORE LAVORA
nº1) - MARCIANISE	13,5	2.500	1.500	5.000	300
nº2) - CASORIA	12,=	2.000	1.500	5.000	250
nº3) - ATELLA	13,=	3.500	1.500	5.000	250
nº4) - CAIVANO	13,=	2.500	1.500	5.000	250
nº5) - GRICIGNANO	13,=	1.750	1.500	5.000	200
nº6) - AVERSA	13,=	2.250	1.500	5.000	300

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PLOUGHING AND HARROWING ARATURA ED ERPICATURA			HARVESTING RACCOLTO		(11 LAND RENT AFFITTO TERRENO £.	RETTING MACERAZIONE	
(6 MAN HOURS ORE LAVORA.	(7 ANIMAL HOURS ORE BESTIAME	(8 LABOUR COSTS COSTO MANOD. £.	(9 MAN HOURS ORE LAVORAT.	(10 LABOUR COSTS COSTO MANODOR £.		(12 LABOUR COSTS £.	
300	30	6.600	250	3.750	15.000	5.500	
250	20	5.150	270	4.050	15.000	6.500	
250	25	5.500	280	4.200	15.000	5.500	
250	30	5.850	280	4.200	18.000	6.500	
200	30	5.100	260	3.900	16.000	6.000	
300	25	6.250	280	4.200	17.000	6.000	

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RETTING MACERAZIONE	HACKLING MACIULLAZIONE		(15 TRANSPORTATION TRASPORTI	(16 TAXES AND GENERAL EXPENSES SPESE GENERALI £.	(17 TOTAL TOTALE 17=3+4+5+8+10+11+12+14+15+16	(18 COST PER QUINTAL COSTO PER QUINTALE £.
(12 LABOUR COSTS £.	(13 MAN HOURS	(14 LABOUR COSTS £.				
5.500	450	9.000	3.880	1.600	54.330	4.024
6.500	350	7.000	4.640	1.500	52.340	4.361
5.500	400	8.000	4.460	1.700	54.360	4.181
6.500	400	8.000	4.660	1.500	57.710	4.439
6.000	400	8.000	4.460	1.600	53.310	4.100
6.000	400	8.000	4.260	1.500	55.960	4.304

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(16 S AND GE- L EXPEN= SES E GENERALI £.	(17 TOTAL TOTALE 17=3+4+5+8+10 +11+12+14+15 +16	(18 COST PER QUIN= TAL COSTO PER QUIN- TALE £.	(19 PROFIT UTILE 10% £.	(20 AMMASSING PRI= CE PREZZO AMMASSO 1944/45 £.	OBSERVATIONS OSSERVAZIONI
.600	54.330	4.024	402,40	4.426,40	
.500	52.340	4.361	436,10	4.797,10	
1.700	54.360	4.181	418,10	4.599,10	
1.500	57.710	4.439	443,90	4.882,90	
1.600	53.310	4.100	410,==	4.510,==	
1.500	55.960	4.304	430,40	4.734,40	

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nº3) - A T E L L A	13,=	3.500	1.500	5.000	250
nº4) - C A I V A N O	13,=	2.500	1.500	5.000	250
nº5) - GRICIGNANO	13,=	1.750	1.500	5.000	200
nº6) - A V E R S A	13,=	2.250	1.500	5.000	300
T O T A L I	77,5	14.500	9.000	30.000	1.550

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5.000	250	25	5.500	280	4.200	15.000	
5.000	250	30	5.850	280	4.200	18.000	
5.000	200	30	5.100	260	3.900	16.000	
5.000	300	25	6.250	280	4.200	17.000	
30.000	1.550	160	34.450	1.620	24.300	96.000	36

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4.200	15.000	5.500	400	8.000	4.460	1.700	54
4.200	18.000	6.500	400	8.000	4.660	1.500	57
3.900	16.000	6.000	400	8.000	4.460	1.600	53
4.200	17.000	6.000	400	8.000	4.260	1.500	5
24.300	96.000	36.000	2.400	48.000	26.360	9.400	Av 5 Mo

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4.460	1.700	54.360	4.181	418,10	4.599,10	
4.660	1.500	57.710	4.439	443,90	4.882,90	
4.460	1.600	53.310	4.100	410,==	4.510,==	
4.260	1.500	55.960	4.304	430,40	4.734,40	
		Average p.Ha.	Average p.Qle.	Average	Average	
26.360	9.400	54.668 Media p. Ha.	4.233 Media per qle.	423,30 Profitto Med.	4.656,30 Prezzo Medio	

p. II MINISTERO DELL'AGRICOLTURA (Prof.Verginelli Catalo)

p. L'ISPETTORATO AGRARIO PROVINCIALE (Dott.Fiorito Giuseppe)

p. l'AMMASSO REGIONALE CANAPA (Dott.Ettore Ardenti-Morini)

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700	54.360	4.181	418,10	4.599,10	
500	57.710	4.439	443,90	4.882,90	
600	53.310	4.100	410,==	4.510,==	
.500	55.960	4.304	430,40	4.734,40	
.400	Average p.Ha. 54.668 Media p. Ha.	Average p.Qle. 4.233 Media per qle.	Average 423,30 Profitto Med.	Average 4.656,30 Prezzo Medio	

p. Il MINISTERO DELL'AGRICOLTURA (Prof.Verginelli $C_a$taldo)

p. L'ISPETTORATO AGRARIO PROVINCIALE (Dott.Fiorito Giuseppe)

p. l'AMMASSO REGIONALE CANAPA (Dott.Ettore Ardenti-Morini)

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