

ACC 226/PWU

10000/150/605

ECONOMIC
(OCT. 1941);
JAN. - JUN

10000/150/605

ECONOMIC SECTION, PRICE COM' TEE
(OCT. 1941);
JAN. - JUNE 1945

226/PWU

ECONOMIC SECN. - PRICE COMMITT.

0 2 2 9

226

10000 / 150 / 605

THIS FOLDER

CONTAINS PAPERS

FROM

JAN

45

TO

JUNE

45

CAJ0000450

MINISTERO DELLE CORPORAZIONI

SERVIZI DELL'INDUSTRIA
DIV. I SEZ. 2

68/116-98
201

Pinto Mario

di Torino

centro prodotto nazionale

Primo Mario

di Torino

certificato prodotto nazionale

197

RECEIVED
P.W. & U. S/C A.C.
27 JUN 1945 226

IMMEDIATE ACTION

Tel: 497

HEADQUARTERS ALLIED COMMISSION

APO 394

Economic Section

OAC/et

EP/18.00

7 June 1945

SUBJECT: Price Meeting

TO : All Price Committee Members (Distribution)

1. A price committee meeting will be held at 9:30 a.m., Saturday, June 9, in Room 54 first floor.

2. The following are items for discussion:

Price of silk

wheat

olive oil

oil seed

wool

Application of landed cost prices in north

Oratio A. Cerrito
Oratio A. Cerrito
Price Branch

Distribution:

Trans. S/C - Capt. Wyatt
Labor S/C - Mr. Proctor
Food S/C - Capt. Oakley
PW & U S/C - Maj. Laughlin ✓
Finance S/C - Lt. Moore
Commerce S/C - Lt. Haase
Industry S/C - Mr. Dorkovich
Agriculture S/C - Miss Passerini

7017

COPY

Tel. 460.

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION
SUPPLY DIVISION

CWW/bd

2/6/46

Ref. 10.00/ES

SUBJECT : Allbaugh Report on Trip to the North

TO : Price Office, Economic Section

1. Mr. Allbaugh's report on the North contains the following:

"During the day, Dr. Santacrose a representative of an organization C.I.A.T. of Rome, asked for permission to furnish the local Consorzio Agrario with ground sulphur at 150 lire per kilogram. He stated they would be able to provide their own transport and that the material was in the hands of certain dealers in Rome who has secured it from Avellino. Similar material had been furnished to the Consorzio Agrario in Florence at 55 lire. They might be able to secure as much as 2-3,000 qtls. As much information as possible was secured relative to this. A follow-up will be made in Rome as the price is entirely out of line with the supply of sulphur and permission was not granted to the Consorzio Agrario at Genoa to purchase".

It is requested that you collaborate with Agriculture Sub Commission to see that the follow-up is made.

2. The views and/or action of Food Sub Commission and the Price Office are requested on the following:

"Olive oil amassing received considerable discussion as it was estimated there are 20-30,000 quintals available on the trees for amassing in Liguria Region. However, the Northern Italy price had been set at 8,000 lire and a recent Committee of Liberation Decree had been printed and ready to post at 16,500 lire. This had been stopped by the Regional Agricultural Officer, but the farmers, the Provincial Inspectors and Capt. Taft advocated a price of 12,000 lire as the minimum and 15,000 as desirable. In view of the reaction such a change in price might have in Southern Italy, and the probability that amassing would be no greater, Major Crawford and I indicated that the price of olive oil amassed in Liguria Region would remain at the 3 April price of 8,000 lire, unless Food Sub Commission and Price Committee at Headquarters should consider some change".

(s)
CHARLES W. WALTON
Colonel
Deputy Chief

7016

cc: Agriculture Sub Commission
Food Sub Commission

P.W. & U. S/C A.C.
29 May 1945 226

Tel. 497

URGENT

10

CAC/mt

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

ES/1800

29 May 1945

SUBJECT : Price Meeting

TO : All price committee members
" Deputy Director of Agriculture Sub Commission

1. A price committee meeting will be held at 4.-- p.m. in Room 54 first floor, on Wednesday 30 May 1945. Only wheat prices in the north will be discussed.

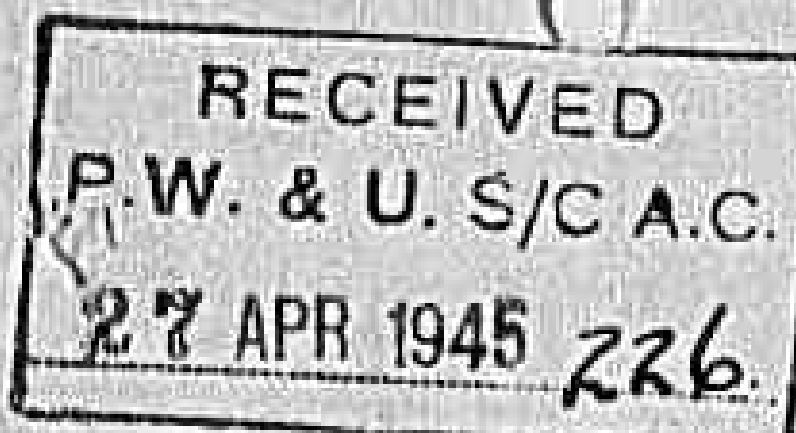
2. Those members who feel that their particular sub commission has no interest in the price of wheat in the north need not attend.

[Signature]
H. E. STAUFFER
Staff Officer
Economic Section

Distribution:

Capt. Wyatt - Transportation Sub Commission
Mr. Proctor - Labor Sub Commission
Capt. Oakley - Food Sub Commission
Maj. Laughlin - Public Work & Utilities Sub Commission ✓
Lt. L. C. Moore - Finance Sub Commission
Price Office - Economic Section

7015



HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

9
OAC/ST

26 April 1945

SUBJECT : Price Group Meeting

TO : Members of the Price Group

1. A meeting has been called for 10 a.m. on Saturday 23 April 1945 to consider several price proposals.
2. The following items will be discussed and the translations pertaining to them have either been previously sent you or attached herewith:
 1. Carbon dioxide
 2. Soap
 3. Steel scrap
 4. Passenger baggage rates for north
 5. Sulphur oil
 6. Bentonite.

K. E. Stalder
KIM E. STALDER
Staff Officer
Economic Section

Encl.

- Ref. 235 - Price of steel scrap
- " 392 - Price of thread and cotton cloth
- " 273 - Price of glue

Translation and Digest of letter dated 22 March 1945 received from the "Carlini" firm of Naples
Translation and Digest of letter of 4 Feb. 1945 received from the Deastra Company of Rome

Distribution:

Capt. Wyatt
Mr. Proctor
Capt. Oakley
Miss. Passerini
Maj. Rossan ✓
Lt. L. C. Moore
Capt. Murphy

7014

TRANSLATION

Rome 16 April 1945

INTERMINISTERIAL PRICE COMMITTEE

TO : Ministry of Industry Commerce and
Labor - General Directorate for
National Trade.

Ref. 392

Attn: Allied Commission - Economic Section
Residence of the Council of
Ministers - Gab. Ministero Industria
Dir. Gen. Miniere - Ross

SUBJECT: Price of thread and cotton cloth

1. In the meeting of the 10 April our Committee decided to fix the following prices for thread and cotton cloth made by the "Soc. Manifattura Cotoniere Meridionale" with cotton imported from U.S.A.

- cotton thread America title 24/26	L. 203,59 per kilo
- " " " " 32	" 266,41 " "
- " " " " 40	" 369,35 " "
- Linen for sheets: "ordito" title 24 (33 threads)	
Trama (short thread) title 26 (insertion	
31-184 grams on a s.m. included dressing,	
80 on large)	" 68,68 " "
- "Madapolam" "ordito" title 33 (23 threads)	
"trama" (short thread) title 34 (insertion	
29 grams 137 per c.m. Included dressing	
80 on large)	" 66,14 " "

We ask your Ministry to present the proposal for the fixation of prices for thread.

3. In relation with the agreements made with the Allied Commission, we ask this Ministry to issue the relative order of authorization in the prescribed forms, informing this Committee.

FOR THE PRESIDENT
THE DELEGATED MINISTER
(8)

701312

TRANSMISSION

INTERMINISTERIAL PRICE COMMITTEE

TO The Allied Commission
Economic Section
Rome

Ref. 273

SUBJECT : price of glue.

1. Reference letter 18.04.52 dated March 10, 4, 1945.

2. Our Committee took notice of the observations made by your commission regarding the proposed base price of glue of L. 165 a kilo.

Our Committee recognizes that the above price could be reviewed when the normal production will be reactivated.

Considering the necessity to permit a production the Committee believes that for the time being the price proposed above has to be maintained.

3. According to the agreements taken, the price above mentioned does not concern the deliveries of glue effectuated to the Allied Armed Forces.

FOR THE PRESIDENT
THE DELEGATED MINISTER
(a)

7012

COPYInter-Ministerial Price Committee

7 March 1945

Ministry of Industry, Commerce and
LaborTo: A.C. Industry
Sub Commission
Economic Section
R O M E

Prot 235

Subject: Steel Scraps.

1. Reference your letter AC/8665/IND dated 13 February 1945.
2. The Inter-Ministerial Price Committee has examined the proposals of your mentioned letter regarding the scraps price.
3. In the meetings it has been decided to fix the price of scraps at works instead of f.o.b., considered the actual difficulties of transportation and the impossibility to fix rates.
4. The following prices are available in Liberated Italy for goods at works:
 - a. Heavy scrap of good quality more than 8 mm. thick, ready for furnace. L. 325 per ql.
 - b. Heavy scrap more than 4 mm. thick ready for furnace L. 210 per ql.
 - c. High scrap, new and used ready for furnace L. 285 per ql.
 - d. Turning new and clean L. 285 per ql.

The extra prices for quality and sizes foreseen in your enclosure have been approved.

For the President.

Il Ministro Delegato

7011

TRANSLATION AND DIGEST OF LETTER DATED
22 March 1945 RECEIVED FROM THE GASLINI
FIRM OF NAPLES *****

1. The Gaslini firm advises us that the price of 20 lire per kilogram for sulphur oil as fixed by the Commerce Sub-Commission in letter No. 5052/3 dated 19 October 1944 is less than previously determined by the Allies of 22.7 lire.
 2. For this reason the Gaslini firm requests that the price be re-examined, pointing out that it will stand a great loss because the "sausa" was purchased on the basis of a price previously fixed.
 3. The firm also adds that heavy expenses have been incurred in order to reactivate the plant.
-

7010

TRANSLATION AND DIGEST OF LETTER OF 4 FEB. 1945
RECEIVED FROM THE DEMETRA COMPANY OF ROME

1. The above mentioned company asks that 1,500 quintals of bentonite at its Cancellio Plant be released and that a price of 800 lire per quintal be fixed.
2. In its letter the Demetra Company states:
 - a) that the price of 800 lire per quintal corresponds to that fixed by the Economic Office of Naples, b) that the price paid by Demetra in 1944 for bentonite was 155.55 lire per quintal, and c) that the difference between the purchase price and the price requested is brought about by thefts and expenses incurred in the recovery of the bentonite.

Tel. 320

HJR/ao

M E M O R A N D U M

Reference : 220/PWU

6 March 45

Subject : Report of Committee on Utility RatesTo : ECONOMIC SECTION
Price Group (Attn Dr. Bakken)

From : Public Works and Utilities Sub-Commission

- 1) - The Committee on Utility Rates appointed by the Price Group and composed of : Major Rosson - Chairman, Major Daugherty and Captain Wyatt, met on 24 and 27th February 1945.
- 2) - Inclosed are :
 - (a) - Information required from companies desiring rate adjustments, and procedure.
 - (b) - Form of Profit and Loss Statement.
 - (c) - Form of Affidavit.
- 3) - Will you please advise the Interministerial Price Committee that their recommendations for rate adjustments should include the above basic data?
- 4) - This Sub-Commission has already furnished the necessary forms to applicant companies in AMG territory.

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

cc : File 226

7008

3 enclosures

Tel. 320

HJR/ao

M E M O R A N D U M

Reference : 064/PWU

20 Feb. 45

Subject : Electric rates

- 1) - Forze Idrauliche dell'Appennino Centrale
- 2) - Società Elettrica Maremmana - Florence

To

: ECONOMIC SECTION (Attn Dr. Henry H. Bakken)

From

: P.W. & U. Sub-Commission, AC

- 1) - The above companies have applied for permission to increase charges for electric service. Both of these Utilities are subsidiaries of the Selt-Valdarno Electric Company of Florence.
- 2) - Copies of the operating statements for the November-December period are attached. These statements have been certified to as correct by the "Amministratore Delegato".
- 3) - It is recommended that :
 - (a) - The Companies be authorized to add a temporary surcharge of 400% to all bills for electric service.
 - (b) - The temporary surcharge be effective for the period 1 February - 30 June 1945.

Col. Jimmy -

The recommendation was considered at a meeting of the Price Group on 23 Feb. By a 4-3 vote it was rejected pending additional information. A committee was appointed

To : ECONOMIC SECTION (Attn Dr. Henry H. Bakken)
 From : P.W. & U. Sub-Commission, AC

- 1) - The above companies have applied for permission to increase charges for electric service. Both of these Utilities are subsidiaries of the Selt-Valdarno Electric Company of Florence.
- 2) - Copies of the operating statements for the November-December period are attached. These statements have been certified to as correct by the "Amministrazione Delegato".
- 3) - It is recommended that :
 - (a) - The Companies be authorized to add a temporary surcharge of 400% to all bills for electric service.
 - (b) - The temporary surcharge be effective for the period 1 February - 30 June 1945.

Col. Jenny -

This recommendation was considered at a meeting of the Price Group on 23 Feb. By a 4-3 vote it was rejected pending additional information. A committee was appointed (I am chairman) to adopt methods of procedure required data, etc. for consideration of utility rates. So we return to where we were in Feb. 1945.

L.A. JENNY
 Colonel, C.E.
 Director P.W. & U. S/C, AC

7087

H. J. R.

enclosures

PORTS EMBALEQUE
DEPARTAMENTO GENERAL

November-December 1944

OPERATING REVENUES

Sales of current	Ls	445,000,ms
Miscellaneous	"	100,000,ms
Total Ls		545,000,ms

OPERATING EXPENSES

Labour	Ls	1,280,000,ms
Maintenance	"	340,000,ms
Power purchase	"	295,000,ms
Taxes	"	100,000,ms
Miscellaneous	"	250,000,ms
Total Ls		2,565,000,ms

Bank interest (according to estimate for 1944)	Ls	"
Depreciation (on balance for 1943)	"	435,000,ms

PORTS EMBALEQUE
DEPARTAMENTO GENERAL

The Manager

7006

SOCIETAT' NUTRITIONA MARIUANA
FINCEN

November-December 1944

OPERATING REVENUE

Sales of current	L.	350,000,mm
Miscellaneous	"	100,000,mm
	L.	450,000,mm

OPERATING EXPENSE

Salaries	L.	1,285,000,mm
Maintenance	"	300,000,mm
Power purchase (1)	"	70,000,mm
Taxes	"	70,000,mm
Miscellaneous	"	300,000,mm
	L.	2,000,000,mm

Bond interest (according to estimate for 1944)	L.	125,000,mm
Depreciation (on balance for 1943)	"	300,000,mm

(1) Considering the 200 % surcharge granted to Salt-Valdarno during the last months.

7005

FORZA IDRAULICHE
DELL'ARSENIO CENTRALE

"Out-of-pocket" operating expenses 2,595,000
 Revenue 515,000
 LOSS 2,080,000

% of surcharge (applied to sales of current only) necessary to eliminate deficit

$$= 2,080,000 / 415,000 = 501\%$$

If 400% surcharge applied increase in revenue
 = (4) (415,000) - 1,660,000
 LOSS REDUCED TO 420,000

Out-of-pocket operating expenses	2,535,000
Revenue	515,000
LOSS	2,020,000

% of surcharge (applied to sales of current only) necessary to eliminate deficit

$$= 2,020,000 / 415,000 = 501\%$$

If 400% surcharge applied increase in revenue	
= (4) (415,000) -	1,660,000
LOSS REDUCED TO	420,000

700%

SOCIETA' ELETRICA MARZANA
FLORENCE

"Out-of-pocket" operating expenses 2,800,000
Revenue 450,000

2,350,000

% of surcharge (applied to sales of current only)
necessary to eliminate deficit)

$$= 2,350,000 / 350,000 = 671\%$$

If 400% surcharge applied increase in

revenue = $\frac{4}{5}$ (350,000) 1,400,000

LOSS REDUCED TO 950,000

7003

C O P YNEEDS OF STEEL SCRAP FOR ALL STEEL WORKS IN
LIBERATED ITALY

The needs for steel scrap in 1945 will be the following, according to the plan fixed with D.W.:

January.....	Tons	10.400
February.....	"	10.400
March.....	"	16.200
April.....	"	18.400
May.....	"	19.200
June.....	"	22.400

Total for six months.....	Tons	97.000
---------------------------	------	--------

P.B.S. and D.W. controls up to now (and probably till the end of the war) all Italian steel works, and takes over all products. It is also P.B.S. and D.W. that supplies steel scrap at the price of L. 2,50 per Kg. at the Works. The cutting or breaking of scrap at the Works costs about L. 1,00 per Kg. So that the total cost of scrap ready for furnace amounts to about L. 3,50.

Up to now P.B.S. were taking the scrap from the American Salvage depot.

About 1 month ago an officer of the American Salvage Sales Office - Salvage and Reclamation Div. Hq 61 st. Q.M. Base Depot Apo 702 - offered Ilva to buy the whole stocks of scrap in Italy according to the following approximate estimate in tons.

Pisabino.....	Tons	5.000
Civitavecchia.....	"	340
Leghorn.....	"	?
Bagnoli.....	"	5.000
Anzio.....	"	3.825
Rome.....	"	12

Totals.....	Tons	14.177
-------------	------	--------

Il va had already seen some of these depots, and was therefore aware that most of the scrap (tanks, guns, ecc.)

could not be handled unless previously cut by means of carbyde and oxygen of which Ilva has no supply, and was also aware that there was no possibility of having cranes to load and unload the scrap nor lorries to transport the scrap to the nearest port or station, nor proper means of keeping a watch on the depots.

For this reason Ilva could not accept to buy these 14,000 Tons of scrap, and thought that all the American depots should be handed over to the British depots that are in some cases close by. The American officer pointed out that they had to get rid of all the scrap depots in order to be free to move to other places or countries.

Ilva informed D.W. of this matter, and pointed out the danger of transporting scrap to U.S.A. (because it contains mines, shells and ammonitions) and the danger of selling the scrap to some private merchants who would have artificially increased the price of scrap. We are told by A.C. and from other sources that uncut scrap has been sold to some merchants at the price of 2,50 per Kg. which means that with transportation and cutting, the price will become much higher than the one that we propose.

There has also been a meeting at the Associazione Industriali Metallurgici in Roma between representatives of the steel industry and scrap.

There was an agreement about the prices that are shown in the table here enclosed. Of course transportation prices are fixed by supposing that one could obtain from the Allies sufficient quantities of petrol oil and tyres.

I.XII.1944

	Old Prices		New Proposed Prices			
	Year 1941	Year 1945	Year 1945	Year 1945	Year 1945	Year 1945
	per 100KG free in stock at the merchant	per 100KG on the spot	% in comparative value	per 100KG on the spot	Cost of transport to store and to station	Total cost at station departure
1" - Heavy scrap of good quality more than 8 mm. thick ready for furnace	32,15	27,15	100%	135	172	307
2" - Heavy scrap more than 4 mm, thick ready for furnace	29,40	24,40	91%	120	172	292
3" - Light scrap, new, ready for furnace	22,40	17,40	70%	25	250	275
4" - Light scrap, used ready for furnace	14,65	9,65	46%	15	250	265
5" - Turning new and clean	17,65	12,65	55%	15	250	265
a) - For heavy scrap to be cut with scissors	-2,50					-70,00
b) - To be cut with oxygen	-6,00					-100,00
c) - For light scrap packed and compressed by hydraulic of mechanical means	+2,00					+ 10,00
d) - For heavy scrap in pieces that can be handled with a shovel	+1,80					+ 9,00
Ex t r a c o s t a (+ -)						

Notes: The scrap ready for furnace to be in sizes of not more than 150x50x50 cm. and maximum weight of 500 kg.

Ilva has proposed for light and rusty scrap or turning a very old price, because transportation costs are now so high that even with the proposed price, the final cost of light or rusty scrap or turning is still proportionally too high with respect to the final cost of heavy scrap. This is shown by the column of percentages of values. Therefore till transportation costs will not become cheaper and easier, it will not be suitable to move light and rusty scrap or turning.

- | | | |
|---|-------|---------|
| e) - For heavy scrap to be cut with scissors | -2,50 | -70,00 |
| b) - To be cut with oxygen | -6,00 | -100,00 |
| c) - For light scrap packed and compressed by hydraulic or mechanical means | +2,00 | + 10,00 |
| d) - For heavy scrap in pieces that can be handled with a shovel | +1,80 | + 9,00 |

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2.XII.1944

ALLIED FORCE LOCAL RESOURCES SECTION
A.F.L.R.S.

LRS/302/59

Postal Address:
AFPRS, Rome Area Allied
Command, C.M.F.

SUBJECT: Macaroni.

TO : HQ AC economic section

Telephone: ROME 66062

5 February 1945

Reference this Section letter LRS/302/44 dated 25
Jan 45 and telephone conversation Capt. WHELDON - MR. BAAREN.

1. It is requested that in addition to the information
called for in the above quoted letter a fair and reasonable
price may also be notified to this section for the conversion
of flour into macaroni prior to the general increase in wages
sanctioned in November 1944 with effective dates.

/s/
C.P. WHELDON, Capt.
for Chiefs of Section,
A.F.L.R.S.

GFW/rgf

Copy to:- DST, AFHQ.
(Reference telephone conversation
Major SUTTON - Capt. WHELDON)

C O P Y

6999

ALLIED FORCE LOCAL RESOURCE SECTION
A.F.H.Q.

LRS/302/44

SUBJECT: Macaroni

TO : HQ AC Economic Section

Postal Address:
AFHRS, Rome Area Allied Command
C.M.F.

Telephone: ROME 68068

25 January 1945

1. D.S.T., AFHQ has received the attached costings for the conversion of flour into macaroni. The price of 130 lire per quintal applies to plant in Western Italy and the prices of 220 and 240.50 to plants in Eastern Italy.

2. In all three instances the prices have been agreed with local AC officers, but D.S.T. requests that this matter be referred to you with a view to establishing a single price for the whole of Southern Italy.

/s/
G.F. WHELDON, Capt.
for Chiefs of section,
A.F.L.R.S.

GFW/rgf

6998

6998

SUBJECT: Estimated Costs - Macaroni

1. Insurance	0.50	Lire
2. General Upkeep	20.00	"
3. Wages	75.00	"
4. Fuel and Electric Power	17.64	"
5. General Expenses	5.00	"
Profit 10%	118.20	Lire
	11.80	
Total	120.00	Lire

The above estimated cost is referred to as unit of Macaroni.

Estimated cost for the transformation of 100 kg. Flour into Macaroni.

1. Labour, wages and Insurance	75.00	Lire
2. Fuel, water, etc.	35.00	"
3. Power and Light	9.55	"
4. Working maintenance	28.00	"
5. Amortisement	8.65	"
6. Interest on Capital	3.25	"
7. Fire Insurance	1.50	"
8. Packing, labels, tins, seals, and loading	15.00	"
9. Administrative expenses and profits	26.95	"
Total	220.00	Lire

Labour, wages and Insurance 75.00 Lire

Total 100.00 Lire

The above estimated cost is referred to one quintal of Macaroni.

Estimated cost for the transformation of 100 kg flour into Macaroni.

1. Labour, wages and Insurance	75.00 Lire
2. Fuel, water, etc.	30.00 "
3. Power and Light	9.25 "
4. Working maintenance	35.00 "
5. Amortissement	8.85 "
6. Interest on Capital	5.35 "
7. Fire Insurance	1.50 "
8. packing, labels, twine, seals, and loading	15.00 "
9. Administrative expenses and profits	38.95 "

Total

240.00 Lire

1. Labour, wages and insurance	90.00 Lire
2. Fuel, water, etc.	35.00 "
3. Power and light	3.85 "
4. Working maintenance	65.00 "
5. Amortissement	8.85 "
6. Interest on Capital	5.35 "
7. Fire Insurance	1.50 "
8. packing, labels, twine, seals, & loading	15.00 "
9. Administrative expenses and profit ..	42.45 "

Total

240.50 Lire

0293

INTER OFFICE MEMO

Tel. 489081 - 2301

FROM : Food Sub-Commission
 TO : Price Committee.
 SUBJECT : Price of olive oil.
 REF. : 72 - 7164 FOOD
 DATE : 10 February 1945.

1. The following points have been brought to the notice of this Sub-Commission and it is suggested that an emergency meeting of your Committee be called to discuss them and take decisions :

(a) Olive oil for the provinces of Ancona, Macerata, Ascoli Piceno, and Pesaro-Urbino has to be transported by sea to Ancona; it has to be covered by insurance (700 lire per quintal) which is not covered by the allowance of Lire 325.-- granted to the Consorzio Agrario or Fedecconsorzi for transport and certain other expenses. (freight 320.-- lire).

(b) The Consorzio Agrario of Ancona intends to increase the price of olive oil to consumer by the following amounts :

	lire	320.--	per quintal
1. Freight	"	700.--	" "
2. Insurance	"	60.--	" "
3. Interest on insurance premiums adv.	"	225	" "
4. Transport of empty drums	"	70.--	" "
5. Insurance on empty drums	"		" "

(c) By adding the above expenses, plus transport by truck to destination, the price to consumer would be increased by large amount.

(d) It is the opinion of this Sub-Commission that the above expenses be not added to the price to consumer, which would make the price for the provinces depending from Ancona very much in excess of the prices ruling in the other nearby provinces.

(e) It is suggested, therefore, that the price to consumer in the a/m provinces be increased by transport charges equal to transport rates (Peri-Jesi); any excess in the expenses will be met either by the Fedecconsorzi out of the reserve fund formed by Lire 17.-- per quintal ('to round up') (see letter 7 December of Ministry of Agriculture) or, if insufficient, by the Treasury.

6996
 J. J. 1900
 Colonel
 Director, Food Sub-Commission.

RECEIVED
P.W. & U.S./C.A.C.
15 FEB 1945 226

HEADQUARTERS ALLIED COMMISSION
APO 394
Economic Section

RHB/hs

10 February 1945

/8.00/ES

SUBJECT: Price Group Meeting.

TO : Members of price group.

1. A meeting is being called for Monday, February 13, 1945, at 2:30 P.M., Room 40, 6th Floor, to consider a number of price recommendations.

2. We are requested to settle, if possible, the cost of making macaroni; the proposed change in the price of olive oil to consumers in five provinces, owing to increased cost of transportation; the price of glue, and of rice, and the price of scrap steel.

3. Of particular interest to the Agriculture and Food Sub-Commissions is the telephone request from AFHQ to fix the price of live sheep to be purchased for the Indian Army in Calabria. They are also requesting a price for chillies about to be purchased from producers in Abruzzi.

Bakken
HENRY H. BAKKEN
Staff Officer
Economic Section

Incl:

- 1 copy LRS/302/53 dtd 5 Feb 45, LRS/302/44 dtd 25 Jan 45 and encl.
- 1 copy 74-7/61/FOOD dtd 10 Feb 45
- 1 copy "Needs of steel scrap" and attachment.
- 1 copy ltr from Min. of Agri re rice.
- 1 copy Int. Price Com. ltr No. 3, dtd 5 Feb. 45

DISTRIBUTION

Maj. H.M. Daugherty
Maj. C.R. Hodgetts & Capt. Wyatt
Capt. J.E. Colenberger & Capt. J. Topliss
Capt. C. Oakley
Lt. R.F. Germann & Miss L. Passerini
Maj. H.J. Rossen
Capt. F.C. Murphy

COPY

TRANSLATION

MINISTRY OF AGRICULTURE AND FORESTS

TO: Allied Commission, Economic Section
Rome
Copy To Agriculture Sub Commission Rome.

SUBJECT : Cost of Production of rice and unhusked rice

With reference to the contents of our letter No. 2149 of the 15th inst. we enclose a copy of the cost of production statement for unhusked rice, which was sent to this Ministry by some rice-growing firms in the Calabrian provinces and by the Provincial Agricultural Inspectorate at Cosenza.

In transmitting the above mentioned information Sepral of Catanzaro points out the following:

- 1) That there would be a serious discrepancy between the price fixed for unhusked rice and the cost of production, wherefore Sepral expects that in the absence of a readjustment in the price a large part of the unhusked rice production will not be lawfully delivered.
- 2) That since farmers would have to operate at a loss they might discontinue this type of crop production.
- 3) That therefore it becomes necessary to grant a premium of at least 280 lire per quintal, on the average; accordingly this Ministry will welcome an expression of your opinion in the matter.

THE MINISTER
(signed) Fausto Gullo

699/

TRANSLATION

COPY

MINISTRY OF AGRICULTURE & FORESTS
Provincial Agricultural Inspectorate
C o s e n z a

Itemized cost of production statement for rice - 1944 season

1) <u>Preparatory work</u>		
a) mechanical plowing for soil breaking - 1 day @ 1.500 lire		
	2.200 lire	
b) " " for seeding 1 " " 1.500 "		3.750
2) <u>Seeds and corresponding work</u>		
a) seeds; 2 quintals @ 500 lire	1.000 "	
b) seeding - 1 man @ 130 lire	130 "	
c) harrowing - $\frac{1}{2}$ day @ 1.500 lire	500 "	1.630
3) <u>Soil arrangement</u> , 50 days @ 130 lire		6.500
4) <u>Irrigation water; pumping</u> , 150 days @ 1.300; 66 per hectare.		2.280
5) <u>Distribution of water and supervision</u> 100 days @ 150 lire; 10 (hectares per water distributor)		2.700
6) <u>Weeding</u> ; 2 turns 100 women-days @ 50 lire		5.000
7) <u>Harvesting</u> : by hand; 12 days @ 170 lire	2.040	
tying of bundles and shocking 14 days @ 130 Lire	1.820	3.860
8) <u>Transportation to stocking place and stocking</u> ; 2 men 260 lire 1 carriage for 1 day @ 400 lire		660
9) <u>Threshing</u>		
a) 30 lire per quintal of threshed unhusked rice x 35	1.050	
b) threshing machine assistants 3 men @ 150 lire	450	
c oxen $\frac{1}{2}$ day @ 400 lire	200	
c) Transportation to drying yard, oxen $\frac{1}{2}$ day @ 400 lire	200	1.900
10) <u>Dessication</u> 3 man-days @ 130 lire		390
11) <u>Transportation to warehouse</u> 1 man-day @ 130 lire	130	
1 carriage $\frac{1}{2}$ day @ 400 lire	200	330
12) <u>Transportation to shelling machine</u> carriage	800	
4 man-days @ 130 lire	520	1.320
13) <u>Shelling</u> @ 40 lire per quintal of unhusked rice		1.400
14) <u>Medical expenses</u> , quinine, etc.		690
15) <u>Sundry expenses</u> , wear and tear of sacks, etc.		200
16) <u>Taxes, levies and contributions</u>		600
17) <u>Management and administration fee on sums expended in advance</u> (32.750 lire) 5%		1.636

- 2 -

18) Insurance: 3% on the value of the product (42.192 lire)	125
19) Interest on working capital for 6 months @ 10% (32.720)	1.636
20) Operating profit	2.000
21) Return on real estate investment at the rate of 4 quintals of wheat at 900 lire	3.600

Total expenses 42.317

Value of unhusked rice - 42.317 : 35 = 1.209 lire per quintal
 Value of rice - 42.317 : 21 = 2.015 lire per quintal

6992

C O P Y

Itemized cost of production statement and corresponding yield for each "tomolo" (fraction of an acre) planted in rice.-

Rent		500	Lire
Deep plowing (2pair of oxen @ 500 lire)		1.000	"
Triple narrowing (1 pair of oxen @ 500 lire)		500	"
Digging of marginal trainage ditches, 3 men @ 130 lire		390	"
Building of irrigatio ridges, 10 men @ 130 lire		1.300	"
Levelling of ground, 10 men		1.300	"
Seed, 55 kilos approximately @ 1,000 lire		550..	"
Supervision of rice field, bird pest and fire fighter		1.550	"
Weeders, 20 women @ 70 lire		1.400	"
Harvesters, 10 men @ 130 lire		1.300	"
Women for tying bundles, 6 @ 70 lire		420	"
Leading and unloading of bundles and threshing machine			
	personnel 2 men	260	"
	and 2 women	140	"
Transportation of bundles to barnyard and of rice to warehouse (1 pair of oxen)		500	"
Threshing of 5 quintals of rice @ 100 lire		500	"
Warehouse fee (handling etc)		150	"
Polishing, 5 quintals @ 150 lire		750	"

Total expense for
each "tomolo" 12.460 Lire

Note:

Under present conditions, from 5 quintals of unhusked rice - if kernels are well developed and sound - it will be possible to obtain a maximum of 3 quintals of processed rice which - at 42 lire - would yield 12.600 lire.

C O P Y

TRANSLATION

INTERMINISTERIAL PRICE COMMITTEE

No. 3

5 February 1945

SUBJECT: Price of Glue

TO : Allied Commission, Economic Section - Rome

1. Reference is made to your letter PS/1804 dated 2 Dec 1944.
2. This Committee has examined in the meeting of the 24 January 45 the analyses of cost presented by the Montecatini firm for the determination of the price of glue. The analyses are sent in this letter to your Commission.
3. The Interministerial Price Committee according to the modest production effectuated by this Society in comparison to the capacity of the plants decided to establish the price of L. 165 per kilo for the glue, for the sales to the Allied Forces, as well as for the sales to the civilians, eliminating by this procedure the price of L. 250 per kilo which the Montecatini firm intended to charge for the sales to the civilians.
4. In the orders which previously regulated the price of glue, contained in the circular P. 145 of the 21 October 1941, of which copy is hereby enclosed, besides the price of the regular glue, the prices of other special glues were established.
5. We ask your Commission to let us know as soon as possible its decisions on the matter.

For the President
The Delegated Minister
/s/

6990

COPY

TRANSLATIONPRICE OF FATRAW MATERIALS AND PRODUCTIONS

Fat bones (incl. transport)	Q. 12.-- at L.	1,526.14	L. 18,313.77
Trielina (in factory)	Q. 0.080 " "	3,000.--	240.--
Sulphuric Acid at 50 Be'	Q. 0.070 " "	400.--	28.--
			<u>L. 18,581.77</u>
Manufacturing charges			1,795.50
Total			<u><u>L. 20,377.27</u></u>

PRODUCTIONS

Fat of bones	Q. 1.-- at L.	2,810.01	L. 2,810.01
Bones without fat	" 7.962 " "	2,080.53	16,567.26
			<u><u>L. 20,377.27</u></u>

PRICE OF SALE BONES FAT

Price of factory of 1 kilo of fat	38.10
Amortization plants, interests, Gen. Seat.	
Charges, Sale charges, Firm profit	<u>23.85</u>
Price of sale of 1 kilo of fat	<u><u>L. 61.95</u></u>

Rome 21 November 1944

6989*

C O P YTRANSLATIONGLUE MANUFACTURESUBSIDIARY RAW MATERIALS

Bones without fat	Qtls. 4,15	at L. 2,060.53	L. 8,624.19
Sulphur in rolls	" 0,02	" " 800.--	" 12.--
			L. 8,646.19
Manufacturing charges			" 1,340.20

PRODUCTION

Dried bones glue	Qtls. 1,--	at L. 9,316.49	L. 9,316.49
"Ruffetton" of bones	" 0,60	" " 850.--	" 150.--
Bones phosphate t.c.	" 3,716	" " "	" 520.--
equal to dry	" 2,60	" " 800.--	" 150.--
			L. 9,986.49

PRICE OF SALE OF THE DRIED BONES GLUE

Factory cost of 1 kilo. of dried bones glue	L. 93,19
Amortization plants, interests, General	
Charges of Seat, sale charges, firm profit.	" 57,31
Price of sale of 1 kilo of glue of dried bones	L 150.47

Rome 21 November 1944

copied 2-10-45 hs

6988

MEMORANDUMMINISTRY OF CORRELATIONS
GENERAL DIRECTION OF COMMERCE -
CENTRAL PRICE SERVICE

P. 145

Rome 21 October 1944

Price of the animal bones and price of the bones glue.

TO THE PREFECTS AND DELEGATES OF THE
PROVINCIAL COUNCILS OF THE CORPORATION
OF THE REGION

As a modification of the orders contained in the circular B. 703 dated 23 March 1943, the prices of the bones and of the bones glue are established as follows:

FAT BONES

Chicken, cleaned	L. 120 per quintal
Slaughtering, beef and pork	" 120 per quintal
Slaughtering, horse	" 100 per quintal
Shredded waste	" 105 per quintal
Calf, fresh, butchering	" 60 per quintal

The above mentioned prices are referred to goods F.O.B. using factory, and can be also applied to the goods delivered beginning the 1 October.

BOVINE SUBSTANCES

Beef, horse pork with maximum tolerance of 1% of fat and 5% of moisture, L. 105 per quintal, F.O.B. leaving wagon and autocar establishment for fat. The above mentioned price can be applied to the deliveries effectuated from the 15 October onwards.

GLUE

Beginning the 25 October the prices of the glue for the sales from the producer cannot superate the following limits for goods leaving wagons or autocar of the producer establishment, in sacks of 50 kilos linen for goods.

- | | |
|---|--------|
| 1) Glue normal squares cut, not clarified - Viscosity 60
gelatinous power 60 | L. 615 |
| 2) Glue normal squares clarified - extra type - Viscosity 60
gelatinous power 60 | L. 630 |
| 3) Glue normal squares. cut - Viscosity 60, gelatinous
power 65/75 | L. 640 |
| 4) Special square glue - poured on glass - Viscosity 60
Gelatinous power 65/75 | L. 675 |
| 5) "unetta" Glue same type as the other - Viscosity 60
Gelatinous power 60 | L. 630 |
| 6) "Colla lastine trasparenti (tagliate) Viscosity 60
Gelatinous power 65/75 | L. 645 |

6987

- 2 -

- | | |
|---|--------|
| 7. "Colla speciale opache in lastre (tagliate)"
Viscosity 60 - Gelatinous power 65/75 | L. 665 |
| 8. "Colla in lastre tagliate di alto spessore"
Viscosity 75/75 - gelatinous power 80/125 | L. 715 |
| 9. "Colla in lastre trasparente versate su vetro"
Viscosity 70/75 - Gelatinous power 130/150 | L. 735 |
| 10. "Colla in lastre opache versate su vetro"
Viscosity 70/75 - Gelatinous power 130/150 | L. 735 |
| 11. "Colla speciali per chiarificare vini in quadretti e
dischetti" | L. 765 |
| 12. "Colla d'ossa in scaglie" Viscosity 60 - Gelatinous
power 60 | L. 695 |
| 13. "Colla d'ossa macinata finezza" Viscosity 60
Gelatinous power 60 | L. 655 |
| 14. "Colla d'ossa macinata standard normale" Viscosity 60
Gelatinous power 60 | L. 645 |
| 15. "Colla in pasta per quadretti titolo 38/40 e colla
lastre bianca" | L. 765 |
| 16. "Colla in bastoni speciali - Viscosity 65/70 - Gelatinous
power 80/120 | L. 695 |
| 17. "Colla in bastoni normale - Viscosity 60 - Gelatinous
power 60 | L. 655 |

For the cranks of different types of glue the prices as above listed will be reduced at L. 5 a quintal.

The above mentioned prices are referred to the sale from the producer to the wholesaler.

On the above mentioned prices an increase of 30 lire per quintal is permitted for the sale of the product to the retailer and of L. 35 per quintal for the direct sales from the producer to the consumer.

For the Minister
(s)

6986

RECEIVED
P.W. & U. S/C.A.C.
10 FEB 1945 226
101

Tel: 497

HEADQUARTERS ALLIED COMMISSION
APO 394
Economic Section

HMB/hs

9 February 1945.

18.13/ES

SUBJECT: Cost of Bread.

TO : Members of price Group.

1. Reference LSC/1002 dated 4 February 1945.

2. The attached copy of the above reference, outlining Minister Soleri's plan for reducing the subsidy on bread, should be of paramount interest to all members of the Price Group. The time is not very far away when we may be requested to review recommendations for the price of wheat and other grains grown in 1945.

B
HENRY H. BAKKEN
Staff Officer
Economic Section

Encl:
1 copy LSC/1002 dated 4 Feb 45.

DISTRIBUTION:

Maj. M.M. Daugherty
Capt. Wyatt
Capt. W.E. Solenberger and
Capt. J. Topliss
Capt. L. Oakley
Lt. R.F. Germann and
Miss L. Passerini
Maj. H.J. Rossan (Public Works & Utilities)
Capt. F.C. Murphy

Det Col. Rapper
Maj. Rossan
12/2

6985

COPY

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

COPY

WKB/raw/cf

4 February 1945

TEL : Ext. 204

REF : LSC/1002

SUBJECT : Cost of Bread -- Substitution of economic price
for politically subsidized price.

TO : Colonel L. D. Denzore
Economic Section

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

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

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

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

698/

- 2 -

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

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

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

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

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

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

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

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

6. It is proposed that the charge should take effect from 1 March 1946. In the interim measures controlling the cost of milling, and other fiscal measures, would be imposed.

- 3 -

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

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

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

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

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

6982

- 4 -

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

10. Effect on North of Italy, when Liberated.

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

W. H. BRAINE
Director
Labor Sub-Commission

6981

95% Smudge
1st Dec.
30 June 1945

Utilities S/C:

Lt. Pollard may ask you the following questions:

1. Have electric power rates in Sicily been increased since 1 July 1944, and how much?

2. Is it probable that they will be increased soon? 6983

Tel: 497

HEADQUARTERS ALLIED COMMISSION

HNB/ns

APO 394

Economic Section

RECEIVED

P.W. & U.S./C.A.C.

29 JAN 1945 226

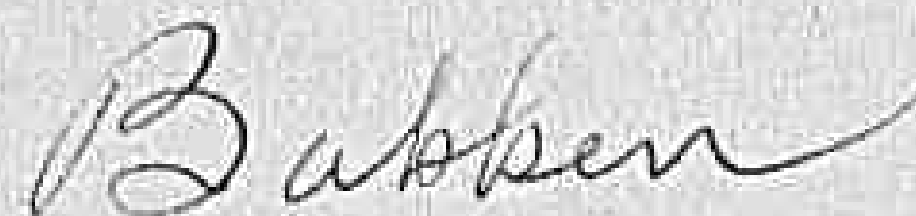
18.00/ES

26 January 1945

SUBJECT: Price Group Meeting.

TO : Members of Price Group.

1. A meeting is being called for 10:00 A.M., Monday, January 29, 1945, Room 40, 6th Floor.
2. The Interministerial Price Committee has submitted a recommendation to increase motor vehicle rates approximately 100 per cent. Copies of the proposed rates and a translation of the regulations are attached.
3. Lt. Pollard, from the Sicily Region, will be present to answer questions on the proposed increase for Sicilian sulphur which may be presented to us within the next week or two. Since Lt. Pollard is in town, I thought it advisable to have him appear before the committee and explain the Sicilian sulphur situation.
4. If members of the Price Group will present their recommendations on price policy, there may be time for discussion of some of the main points presented.



HENRY H. BARKER
Staff Officer
Economic Section

Distribution:

Maj. M.M. Daugherty
Maj. C.E. Hodgetts and
Capt. Wyatt
Capt. W.E. Solenberger and
Capt. J. Topliss
Capt. Oakley
Lt. R.F. Germann and
Miss L. Passerini
Maj. H.J. Rossan
Capt. F.C. Murphy

File: Economic Section
Price Committee
6979

C O P Y

MINISTERO DELLE COMUNICAZIONI

TO: Col. L.D. DENSMORE
Acting Vice President
Economic Section - A.C. -
R O M E

Oggetto : Tariffe E.N.A.C.

SUBJECT : E.N.A.C. Rates

Facendo seguito alla mia lettera del 17 u.s., informo che i nuovi prezzi per il trasporto di cose con automezzi proposti dall'ENAC furono esaminati ed approvati dal Comitato Interministeriale dei Prezzi in data 20 u.s.

Following to my letter of 17th inst., I inform you that the new rates for transporting of goods with motorvehicles proposed by E.N.A.C., were examined and approved by the Interministerial Price Committee the 20th.

IL MINISTRO
(s)

THE MINISTRY
(s)

6978

COPY

TRANSLATIONREGULATIONS FOR THE APPLICATION OF THE TARIFF RATESI - GENERAL REGULATIONS

For the application of the tariff rates issued in the present decree, it is to be understood that:

- a) an "autotreno" (autotrain) is a load carrying vehicle, composed of a truck with trailer;
- b) an "autocarro" (truck) is a load carrying vehicle, composed only of the truck;
- c) a "motocarro" (motor-tricycle) is a three wheeled load carrying vehicle having a load carrying capacity between 350 and 1000 kilos, or the same type of vehicle of a larger load carrying capacity, still exceptionally in circulation;
- d) a "motofurgone" (motor-tricycle) is a three-wheeled load carrying vehicle, having a load carrying capacity of 350 kilos, or less;
- e) by "automezzo" (motor vehicle) any of the above vehicles is meant indifferently;
- f) the "load carrying capacity" is that indicated in the circulation permit, and the calculation of the amount to be paid for the transport effected must be based on it (except in the cases shown below);
- g) the "halt" is the time passing from the moment the vehicle arrives at the place of loading or unloading to the moment it leaves it;
- h) the "hiring place" is the place where is located the dispatch office of ENAC which controls the trucker.

II - HOW THE TARIFF RATES ARE COMPOSED

The tariff rates are composed of two parts:

- a) a fixed hiring rate that is paid independently from the distance to be covered by the vehicle, and that includes the compensation for the trip from the garage to the dispatch office and return;
- b) the tariff rate to be paid according to the kilometers covered.

Therefore, with the exceptions shown in the following items, to each transport effected the following tariff rates are applied:

- a) the fixed hiring rate;
- b) the tariff rate per kilometers covered, to be calculated both on the loaded out trip and on the empty return trip and viceversa.

6977

- 2 -

These tariff rates are the highest applicable and the Prefects, after having consulted the Compartmental Directors of ENAC, have the power of reducing them of 10% in those provinces in which the lower cost of living justifies such a reduction.

For collective transports, especially of foodstuffs, the Provincial and Compartmental Directors of ENAC will take care to take special contract agreements with the bodies concerned in order to lower the present tariff rates, arranging bids among the truckers for the contract of these transports.

The above tariff rates do not include:

- a) the contribution per ql/km. of transportation effected to be paid to ENAC, the amount of which is to be approved by the Minister of Communications as per Art. 8, item C of the Legislative Lieutenantcy Decree, 17 August 1944, n. 188;
- b) any insurance premium on risks for the goods transported;
- c) the income tax.

Therefore, the contribution rates, the insurance premium and the income tax are to be added to the above tariff rates.

III - LOADING, STOWAGE AND UNLOADING

The loading, stowage and unloading of the goods must be carried out at the risk and expense of the consignor and consignee.

IV - LOAD TO BE CHARGED FOR

With the exceptions shown in the following items, the tariff rates should be applied to all the load carrying capacity of the vehicle.

V - DISTANCE TO BE CHARGED FOR

With the exceptions shown in the following items, the tariff rates should be applied on the following distance: dispatch office - unloading place and return trip.

The distance to be charged for is that actually covered by the vehicle, taking into account the necessary deviation and the circuit road-ways.

The distances are calculated on the motor map of the Italian Touring Club (T.C.I.) at 2000.000.

VI - DIFFERENT TRANSPORTS EFFECTED WITH THE SAME VEHICLE

If different transports, to be loaded and unloaded at the same place, are effected with the same vehicle, the tariff rates are 6978 for one transport and calculated on all the load carrying capacity of the vehicle; the amount to be paid will then be divided among the several consignors according to the weight transported for each individual.

- 3 -

When, on the contrary, the loading and unloading are not to be effected at the same place, but the transportation is however to be effected with the same vehicle and on the same itinerary (the end of which will be fixed by the Earliest transport to be effected), each different transport will be charged with the fixed hiring rate which should be paid to a vehicle having a load carrying capacity corresponding to the weight of the transport to be effected, while the tariff rate per kilometer will be calculated on all the load carrying capacity of the vehicle and then divided among the various consignors according to the Q1/km. of transport effected for each of them.

If the different hiring rates calculated according to the above system, would give as a result an amount inferior to the hiring rate to be paid on the basis of the load carrying capacity of the vehicle, the latter will be applied and the amount will then be divided among the consignors according to the Q1/km of transport effected for each of them.

VII - TRANSPORTATION EFFECTED DURING USE OF EMPTY RETURN TRIPS

The vehicle which, after having effected a transportation, has to make an empty return trip, can be used for another transportation on the same itinerary.

This new transport will be charged with the tariff rate which would be applied to a vehicle having a load carrying capacity corresponding to the real weight of the goods to be transported and for the distance to be actually covered.

The consignor of the first transport, will pay, in this case, for the empty trip, the tariff rate per kilometer less the amount paid for the new transport. While, on the contrary, no diminution will be calculated on the first transport as a consequence of the hiring rate paid for the second transport.

VIII - RELAY TRANSPORTS

If the vehicle, after having effected the first transport, instead of returning to the loading place, has to effect other transports along an itinerary different from the return trip, the tariff rate to be applied to each transportation effected must be calculated as follows:

- a) the hiring rate will be calculated on the basis of the load carrying capacity of the vehicle.
- b) also the tariff rate per kilometers will be calculated on the distance covered by the loaded vehicle, on the basis of its load carrying capacity.
- c) each consignor will be charged for a part of the amount paid for the empty trip or trips (calculated on the basis of the load carrying capacity of the vehicle) according to the kms of transportation effected for each of them.

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IX - VARIOUS TRANSPORTS EFFECTED IN THE SAME DAY

If a vehicle effects more than one transport on the same day the hiring tariff rate will be paid only once (calculated on the load carrying capacity of the vehicle) and it will be divided among the consignor according to the ql/km of transport effected for each of them.

X - INCREASE OF THE TARIFF RATES

When, by order of the consignor to be clearly stated in writing, the transportation has to be effected during the night (i.e. from two hours after sunset to the sunrise) and after 8 hours since the vehicle is at his disposal, the tariff rates will be increase respectively of 7% and 4,50%. This increase will not be applied in case of prosecution of the trip or empty return trip.

For vehicles having a fixed body and destined to the continuous and exclusive transportation of definite goods, as shown in the circulating permit of the vehicle, the tariff rates are applied with an increase of 10%.

For parcels of an extraordinary weight, exceeding half the load carrying capacity of the vehicle, the tariff rate will also be increased of the 10%.

For tankers and tank-autotrains that increase will be of 20%.

XI - TIME REQUIRED FOR LOADING AND UNLOADING

In the present tariff rates is included the time required for loading and unloading, which must not exceed 80 qls per hour for the autotrains, and 40 qls per hour for the other vehicles.

Any losing of time due to the loading and unloading or to any other reason imputable to the consignor or to the consignee, is charged as follows for each or fraction of hour:

- 300 lire for the autotrains having a load carrying capacity of more than 120 qls.
- 250 " for the autotrains having a load carrying capacity up to 120 qls.
- 200 " for trucks having a load carrying capacity of more than 30 qls.
- 200 " for trucks having a load carrying capacity up to 30 qls.
- 150 / for motor-tricycles.

XII - OVERNIGHT TRIPS

If a vehicle is used also during the night i.e. from two hours after the sunset to the sunrise, the sum of 400 lire will be paid to the trucker, besides the tariff rates, for each night.

TRANSLATION

ENCLOSURE A

CALCULATION OF THE COSTS OF TRANSPORT

(November 1944)

3½ Ton Truck (35 quintals) assumed average daily distance
km. 100 - yearly average distance 36,000 km.

petrol (0,33 litres per km. @ 13.50 per litre)	4.50
lubricating oil (20 grams per kilometer @ 40 lire)	0.80
tyres (6 tyres @ lire 30,000 each - Lire 180,000 lasting 12,000 km)	15.00
driver, 2 (for each one : standing wage lire 18; salary lire 75; compensation dear living lire 35; travelling indemnity lire 100; kilometer indemnity lire 0.60 i.e. lire 60 a day - lire 288 plus 45% on the salary, travelling indemnity and kilometer indemnity for a social and fiscal contribution lire 78.75 - lire 366.75	3.66
maintenance (cleaning, greasing, oiling of brakes and differential grinding of the valves, etc., lire 4,000 monthly Lire 48,000 yearly)	1.33
repairs (including tyres) labour and material, lire 20,000 monthly lire 240,000 yearly	6.66
circulation tax lire 4,265	0.11
depreciation (lire 500,000 without tyres in 5 years - lire 271,500 based on depreciation table)	7.50
insurance (limit of civil responsibility 750,000 lire for accident with a limit of lire 250,000 per persons and lire 30,000 for damage to chattels and animals	20,000
fire insurance: insurance value Lire 350,000 (costs 10% plus 30%)	4,550
loss of transported goods : insurance value Lire 120,000 (costs 4% plus 30%)	624
Extra premium on fire insurance and transported goods	2,000

Total insurance

27,174 0.75

40.31

General expenses 30% (auxiliary personnel, employees, garaging
rent, guard, movement assistance, taxes administration etc

12.09

52.40

59.24

Profit 10%

per kilometer

per quintal kilometer

57.65

64.89

C O P Y

TRANSLATION

ENCLOSURE A.

CALCULATION OF THE COST OF TRANSPORT

(November 1944)

7 Ton Truck (70 quintals) - assumed average daily distance
 Km. 100-yearly average distance km. 36,000

naphta ($\frac{1}{2}$ litre per kilometer @ lire 11.50)	5.75
lubricating oil (20 grams per kilometer @ lire 40)	0.80
tyres (6 tyres @ lire 60,000 each - lire 360,000 lasting 12,000 kilometers)	30.00
drivers, 2 for each one; standing wage lire 48; salary 1.75; compensation dear living lire 35; travelling indemnity lire 100; kilometer indemnity lire 0.60, i.e. lire 60 a day - lire 288 plus 45% on the salary, travelling indemnity and kilometer indemnity for social and fiscal contributions lire 78.75 - lire 366.75 -- for 2 drivers Lire 733.50)	7.33
maintenance (cleaning, greasing, oiling of brakes and differential grinding of the valves, etc., lire 4,000 monthly - Lire 48,000 yearly)	1.33
repairs (including tyres) labour, and material lire 20,000 monthly Lire 240,000 yearly	6.66
circulation tax lire 9,700	0.27
depreciation (3,000,000 without tyres in 3 years - lire 543,000 per year base on the depreciation table)	18.00
insurance (limit of civil responsibility lire 750,000 for accident with a limit of lire 250,000 per person and lire 30,000 for damage to chattels and animals 20,000 fire insurance; insurance value 500,000 (it costs 10% plus 30%) 6,500 loss of transported goods; insurance value 200,000 (it costs 4% plus 30%) 1,040 extra premium on fire insurance and transported goods 3,000 30,540	0.84 70.98
total insurance	
General expenses 3% (auxiliary personnel, employees, garaging, rent, guard, movement, assistance, taxes, administration etc)	21.29 92.27
profit 10%	9.22
per kilometer	101.49
per quintal kilometer	1.45

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detail cost item	heavy truck and trailer				heavy truck				medium truck			
	load carrying capacity qls 140 value 4.000.000 lire annual distance covered kms. 43.000				load carrying capacity 10 qls value 3.000.000 lire annual distance covered kms. 43.000				load carrying capacity 10 qls value 1.500.000 lire annual distance covered kms. 36.000			
	cost per specification veh. x km		cost per ql. x km.		cost per specification veh. x km.		cost per ql. x km.		cost per specification veh. x km.		cost per ql. x km.	
1 fuel gasoline 13.50 l.	11.50	1.	liter 0.6 km	6.90	11.50	1.	liter 0.46 km	5.30	11.50	1.	liter 0.6 km	6.90
2 lubricant oil 40.00 l.	26	km	gm. 26 km	1.05	20	km	gm. 20 km	9.00	13	km	gm. 13 km	1.05
3 tyres present market prices	14x60000	13000	64.60		6x60000	13000	27.70		6x30000	13000	64.60	
4 drivers												
daily standing												
wages 18.00 l.												
salary 75.00 l.												
travelling expenses 160.00 l.												
compensation dear living 35.00 l.												
	288.00	1.										
social contributions 78.75 l.												
total	366.75	1.	2/km. 120	6.10	1+1/km. 120		5.20		1+1/km. 120			
5 ordinary maintenance cleaning, lubrication, supervision electric plant, weldings, tyre repairs, etc. salary for workshops personnel, etc.				5.00			3.40					
6 great repairs				6.67			5.00					
total consumption expenses				90.32	0.645		47.40	0.877				
7 depreciation roll. eq.				6.67			5.00					
8 administr. expen. (%)	10%-90.32			9.03		10%-47.40	44.74		10%-29.			
9 interest on invested capital 6%	6%x4,500,000 43,000			6.30		6%x3,500,000 43,000	4.88		6%x1,800 36,000			
10 interest on circ. capital 6%	6%x970,000 43,000			1.35		6%x510,000 43,000	0.71		6%x270,0 36,000			
11 industrial profit	12%x547,000 43,000			15.10		12%x4,100,000 43,000	11.20		12%x2,07 36,000			
				38.45	0.275		26.53	0.379				
(2) Direction, taxes, insurances.				128.77	0.920		73.93	1.056				

Main of the cost of transport of goods							
truck		medium truck		light truck			
load carrying capacity 70 qls		load carrying capacity 30 qls		load carrying capacity 10 qls			
value 1.500.000 lire		value 1.500.000 lire		value 400.000 lire			
annual distance covered		annual distance covered		annual distance covered			
kms. 36.000		kms. 36.000		kms. 30.000			
cost per	cost per	cost per	cost per	cost per	cost per	cost per	cost per
specification	veh. x km.	specification	veh. x km.	specification	veh. x km.	specification	veh. x km.
46 km	5.30	liter 0.33 km	4.50	liter 0.2 km	2.70		
	0.60	gm. 13	0.52	gm. 5	0.20		
	27.70	$\frac{6 \times 30000}{13000}$	13.85	$\frac{4 \times 30000}{15000}$	8.00		
120	5.20	1+1/km. 120	5.20	1	2.50		
	$\frac{3.40}{5.00}$		$\frac{2.15}{3.75}$		$\frac{1.80}{1.00}$		
	47.40	0.877	29.97	0.999	16.20	1.60	
	5.00		3.75		1.00		
40	44.74	10%-29.97	3.00	10%-16.20	1.62		
0,000	4.88	$\frac{6 \times 1,800,000}{36,000}$	$\frac{2.50}{3.00}$	$\frac{6 \times 480,000}{30,000}$	0.96		
000	0.71	$\frac{6 \times 270,000}{36,000}$	0.45	$\frac{6 \times 120,000}{30,000}$	0.24	6970	
00,000	11.20	$\frac{12 \times 2,070,000}{36,000}$	6.92	$\frac{12 \times 600,000}{30,000}$	2.40		
00	26.53	0.379	17.12	0.570	6.22	0.622	
	73.93	1.056	47.09	1.569	22.42	2.242	

TARIFF FOR MOTOR TRANSPORT

(Loading and Stowage of Goods Carried out by the Consignor
Unloading Carried out by the Consignee - Free from any

No.	Load Carrying Capacity of the Vehicles	Fixed Hiring Rate	Tariff Rate per Ql/Km Indivisible Lire	No.	Load Carrying Capacity of the Vehicles	Fixed Hiring Rate	Tariff Rate per Ql/Km Indivisible Lire	No.
1	5 Q.11	210	2.150	26	30 Q.11	830	1.309	51
2	6 "	234	2.107	27	31 "	854	1.287	52
3	7 "	258	2.064	28	32 "	878	1.265	53
4	8 "	282	2.021	29	33 "	902	1.244	54
5	9 ..	306	1.979	30	34 ..	926	1.225	55
6	10 "	330	1.937	31	35 "	950	1.207	56
7	11 "	356	1.900	32	36 "	974	1.189	57
8	12 "	382	1.862	33	37 "	998	1.172	58
9	13 "	408	1.824	34	38 "	1022	1.156	59
10	14 ..	434	1.787	35	39 ..	1046	1.141	60
11	15 "	460	1.750	36	40 "	1070	1.126	61
12	16 "	486	1.714	37	41 "	1094	1.112	62
13	17 "	512	1.679	38	42 "	1118	1.099	63
14	18 "	538	1.645	39	43 "	1142	1.086	64
15	19 ..	564	1.612	40	44 ..	1166	1.074	65
16	20 "	590	1.580	41	45 "	1190	1.062	66
17	21 "	614	1.550	42	46 "	1214	1.051	67
18	22 "	638	1.520	43	47 "	1238	1.040	68
19	23 "	662	1.491	44	48 "	1262	1.030	69
20	24 ..	686	1.462	45	49 ..	1286	1.021	70
21	25 "	710	1.434	46	50 "	1310	1.012	71
22	26 "	734	1.407	47	da 51 a 52 "	1333	1.004	72
23	27 "	758	1.381	48	" 53 " 54 "	1379	0.988	73
24	28 "	782	1.356	49	" 55 " 56 "	1425	0.974	74
25	29 "	806	1.332	50	" 57 " 58 "	1471	0.960	75

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TARIFF FOR MOTOR TRANSPORT

owage of goods Carried out by the Consignor and
 ed out by the Consignee - Free from any Charge)

Capacity Vehicles	Fixed Hiring Rate	Tariff Rate per Ql/Km Indivisible Lire	No.	Load Carrying Capacity of the Vehicles	Fixed Hiring Rate	Tariff Rate per Ql/Km Indivisible Lire
	830	1.309	51	da 59 a 60 0.11	1517	0.948
	854	1.287	52	" 61 " 62 "	1561	0.937
	878	1.265	53	" 63 " 64 "	1603	0.927
	902	1.244	54	" 65 " 66 "	1645	0.917
...	926	1.225	55	" 67 " 68 "	1687	0.909
	950	1.207	56	" 69 " 70 "	1729	0.901
	974	1.189	57	" 71 " 73 "	1769	0.893
	998	1.172	58	" 74 " 76 "	1826	0.883
	1022	1.156	59	" 77 " 79 "	1883	0.874
...	1046	1.141	60	" 80 " 82 "	1940	0.865
	1070	1.126	61	" 83 " 85 "	1991	0.856
	1094	1.112	62	" 86 " 88 "	2042	0.848
	1118	1.099	63	" 89 " 91 "	2093	0.842
	1142	1.086	64	" 92 " 94 "	2144	0.836
...	1166	1.074	65	" 95 " 97 "	2195	0.832
	1190	1.062	66	" 98 " 99 "	2246	0.829
	1214	1.051	67	" 100 " 109 "	2280	0.827
	1238	1.040	68	" 110 " 119 "	2430	0.820
	1262	1.030	69	" 120 " 129 "	2570	0.815
...	1286	1.021	70	" 130 " 139 "	2700	0.812
	1310	1.012	71	" 140 " 149 "	2800	0.809
	1333	1.004	72	" 150 " 159 "	2900	0.806
	1379	0.988	73	" 160 " 169 "	2990	0.804
	1425	0.974	74	" 170 " 179 "	3070	0.802
	1471	0.960	75	" 180 ed oltre	3150	0.800

696*

Tel: 497

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

HRB/bih

Ref: ES/

14 January 1948

SUBJECT: Price Group Meeting

TO : Members of Price Group

1. A meeting is being called for 2:30 p.m. Tuesday, January 16, Room 42, 6th floor.

2. Supply Officer in the Lazio-Umbria Region has requested that the price group review the cheese price analysis submitted in Exhibit I and the proposed revised price for baby biscuits with the view of approving said request.

3. Two or three other items of general policy are to be referred to the group for consideration at a subsequent meeting.

B
HENRY H. HARKEN
Staff Officer,
Economic Section

Distribution:

Lt. Geraann
Miss Passerini
Capt. Solenberger
Maj. Hodgetts
Maj. Dougherty

OK. well

Col. Jimmy PW & U S/C

Let Col. Hopper

I have been asked to assign an officer of this S/C as a member of this Price Committee. Since Maj. Rossen is handling Utility Rates he is the logical man and I have told Mr. Harken that he would represent us. PLS. ask 6967 to attend the meeting, called for tomorrow as indicated above.
H.H. 15/1

TRANSLATION

(COPY) b1h

ANALYSIS PRICE "PROORINO" CHEESE DANILINIA
s/s "Rinacci"

Purchasing price	L.	59.00
Income tax 4%	"	2.36
Charges for loading, unloading, transport, assistance & control for delivery cheese f. "costazione" production zones	"	1.45
Railway transport from production zones to Cagliari (Ave. cost) and wagon escort	"	0.54
Charges for loading, transport, assistance & control from Cagliari to dock	"	0.55
Charges for loading on board, stowage, maritime and clearance, assistance & control, consigner & other usages	"	1.35
Charges for stow rigging for destination of the load	"	0.20
Freight Cagliari Civitavecchia	"	2.53
	L.	66.48
Insurance against sea & war risks 2.56%	L.	1.68
Charges for unloading, loading, transport & loading again, from free on board to wagon Civitavecchia, maritime & clearance assistance & control, sender and other usages	"	1.35
Railway transport Civitavecchia Rome and wagon escort	"	0.32
Operations of unloading, assistance, transport to the stores, weight, control and others	"	0.95
Toll	"	1.00
	L.	71.68
CAPAT gain 2%	"	2.15
	L.	73.83
Tax risk cash	"	1.00
	L.	74.83
Shrinkage, discard goods, trip dispersion 5.50%	"	4.11
	L.	78.94
Wholesaler margin 6%	"	4.73
	L.	83.67
Rounded price to the retailer	"	83.90
Transport to the retailer	"	0.40
Price from wholesaler to retailer	L.	83.90
Shrinkage "affido" 3%	"	2.51
	L.	86.41
Retailer margin 10%	"	8.64
	L.	95.05
Rounded price to the consumer	L.	95.00

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NOTE FOR FOOD ADMINISTRATION

Economics & Supply Div. Food Administration Lazio Umbria

R R R R

SUBJECT: Price for Biscuits

Before July 1944 the price for biscuits was calculated as follows.

To the retailer	13.50	lire per Kg.
to the consumer	18.--	" " "

Now the prices should be modified as follows, owing to the increased cost of raw materials and manufacturing expenses:

To the retailer	17.50	lire per Kg.
to the consumer	20.--	" " "

Said prices have been calculated taking into consideration the following items and prices:

Flour 50%	L.	336	per quintale	
Yeast 500 grs	"	12.50	" "	of flour
Malt extract 5 Kg.	"	180.--	" "	"
Salt 1 Kg.	"	5.--	" "	"
	L.	534.50		

Manufacturing cost	"	1074.50
	L.	1608.--

which is the cost for producing 1 quintal of biscuits.

90% outturn i.e.

1608 divided by 90
Price to the retailer
14% retailer's profit
Price for the consumer

L.	1788.--	per quint 1
"	1750.--	"
"	245.--	"
"	1995.--	per quintal
"	20.--	per Kg.

6965

(COPY) bin

MANUFACTURING COST FOR BISCUITS

EXAMINED BY DR. BARRAGANO

Raw Materials

Flour 60%
 Yeast 10% 500
 Malt extract 10% 5
 Salt 10% 1

L. 325.- per quintal
 " 12.50 for 1 ql. of flour
 " 150.- " "
 " 5.- " "
 L. 533.50
 =====

533.50

364
 79
 1176

General and manufacturing expenses calculated on the old basis of L. 561.- considering the 50% of it i.e. L. 280.50 as general and manufacturing and taking into consideration the increase of wages, motor power and lighting.

Labour (see attached list)
 Motor power and lighting

Overturn 30% L. 17.85

Price for the retail " 17.80
 Tax, consumer's price " 20.-

L. 996
 " 78.50
 L. 1074.50
 =====

1074.50
 1074.50
 =====

(COPY)

LABOUR'S COST.

from the 15th of June 561 : P = 280.50
 Insurance of " "

40% on wages
 20% insurance
 5%
 } - 30%

Total increases

A total of 122 lire which added to 280.50 make 402.50 lire all together

from the 15th of August increase of 55% due to an indemnity for a higher cost of living which comes to 35 lire daily

Enclosure N.1

General and manufacturing expenses calculated on the old basis of L. 581.- considering the 50% of it i.e. L. 280.50 as general and manufacturing and taking into consideration the increase of wages, motor power and lighting.

Labour (see attached list)
Motor power and lighting

Output 90% L. 17.86
Price for the total " 17.80
Let, consumer's price" 20.-

(copy)

LABOUR'S COST.

from the 13th of June 581 : P = 280.50
increase of "

Total increase

a total of 182 lire which added to 280.50 make 462.50 lire all together

from the 16th of August increase of 55% due to an indemnity for a higher cost of living which comes to 25 lire daily

50% on 462.50 lire gives 231.25 lire and so we have

230
84- 250%
364-
280
644

3.54
52
182
200

462 lire
234 "
280 "
976 lire in total

6964

581.50
564
79
1176

L. 396
78.50
L. 1074.50

Enclosure n.1

40% on wages
25% insurance
35%
3-30%

1074.50
1008.50

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1000