legally binding and applicable to all workers in the category, but no such law has been passed as yet. Contracts are typically of long or indefinite duration.

Cost-of-living bonuses are regulated by an agreement among all the confederations which provides an adjustment every 2 months. The amount of the adjustment differs according to formula among provinces.

Collective bargaining and disputes legislation

Organizations of employers and workers do not seem to be granted any legal position at all, though a "complete trade union law" was said to be under consideration in 1957. Likewise, no legal framework exists which gives the collective agreement legal status or makes it binding in any way.

Government wage policy

Government mediation in disputes over national agreements is recognized. Mediation also occurs occasionally at the local level. The Government has made indirect attempts to secure better adherence to contracts, especially by small firms. One such attempt has been the insertion of special clauses into public contracts stipulating that contracting firms must observe the minimum wages and conditions established by collective bargaining. Another is that Government employment offices are instructed to refer jobseekers only to firms which observe contractual conditions. There is no minimum wage legislation.

The Government has proclaimed itself to be interested in wage restraint but does not seem to have done anything to further this goal. Actually, the problem has not been too serious because the persistence of unemployment since the war has kept serious wage pressures from developing.

Recently the Government took away from the General Confederation of Italian Industry the right to bargain for the public sector. Government wage policy since that time has generally been to grant its employees benefits comparable to those given in the private sector.

Price control

Considerable price control was employed immediately after the war. As in other countries, it was later eased considerably, but a substantial degree of control seems to remain even now.

Import and exchange controls

Immediately after the war, imports were controlled very tightly. In October 1947 a new anti-inflationary program was inaugurated: credit expansion was severely limited while import licenses were freely granted for many essential goods to importers able to supply the necessary foreign exchange from their own hitherto undeclared reserves. This policy proved to be remarkably successful in curbing inflation.

Imports and payments have been steadily liberalized ever since the war. By late 1950, the 70-percent level of import liberalization had been reached. At present the lira is freely convertible into a wide range of currencies. Trade and payments with the dollar area have been much more slowly liberalized, and in 1956 only 40 percent of dollar imports had been freed from the quota system.

For a short while after the war, certain key exports were channeled through State trading organizations so as to maximize their effectiveness in earning foreign exchange.

Monopoly regulation

Monopoly and cartelization have a long history of approval and even favor in Italy; prior to the Fascist regime they were often favored to better Italy's international competitive position and under the Fascists they were encouraged as an instrument of Government control. At present they are considered desirable in some circumstances and monopoly is not regulated per se. Voluntary cartels are legal, though the Government can, under certain conditions, either abolish them or make them compulsory; they are not supposed to be permitted where their pricing policies injure consumers. New legislation has been considered for removing the provision for compulsory cartels and moving the responsibility for administering public control out of the hands of the Government and into those of the courts.

Price supports and subsidies

Budget expenditures for price supports and subsidies are considerable. Inefficient Government-owned firms which keep independent books are often compensated for their losses. The Government hopes that structural changes