

Declassified E.O. 12356 Section 3.3/NND No. 785015

ACC

10000/100/972

25 pp.

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10000/100/972

WAR MATERIAL FACTORIES,
FILE NO. 305
DEC. 1943, JAN. 1944

25pp

312-305 30500
BUCK SELP
for
STAFF OF D.C.C.A.C.
and
D/CS (O. & S. I.)
Date: 13 JAN

P.A. 14C

FROM: TO:
Colonel Spofford
✓ Major Driffield-White
Major Van Dusen ✓
S/Sgt. Logan
T/4 Day
Captain Talbot

FOR:
Signature - - - - -
Decision on recommendation - - - - -
To draft Cable - - - - -
To draft letter - - - - -
Case work - - - - -
Type - - - - -
Attach relevant papers - - - - -
File - - - - -

REMARKS:
*What do you know
about this? (if
Anything!)*
*Lt Col. Robertson has
fixed the matter up with
14 Sub-Area and the
incident is closed for
Jan 14 the moment*
(VD)

AFHQ ADVANCED ADMINISTRATIVE ECHELON
Military Government Section, Advance
APO 400

HEADQUARTERS

13 JAN 1944

AMG.

12 January 1944

SUBJECT: Local Industry - Interference with.

Ref. ECA/112/25

TO: Chief, Headquarters AMG.

1. In the absence of more definite information as to the authority seeking to requisition the buildings of the Manifatture Cottoniere Meridionale, the attached correspondence is returned.

2. It is requested that any request of this nature submitted in the future be accompanied by specific details and that an effort be made to find a solution before calling upon this office for assistance. In this case, direct contact with 94 Sub-Area would have been appropriate after the authority reported to be requisitioning had been properly identified.

A. I. Henderson

A. I. HENDERSON,
Lt. Col., A. U. S.,
Chief, MCS Advance.

Copy to Q Branch, Flambo

Incls. - 2

- 1 - Ltr. Hq. AMG 3 Jan 1944, Subject as Above.
- 2 - Ltr. Hq. AMG Reg. 2, 17 Dec 43, ECA/112/25
Subject as Above.

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
APO 394

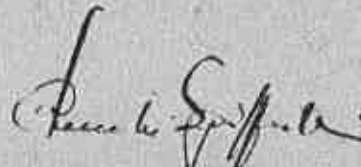
JBT/wmi

3 January 1944

SUBJECT: Local Industry - Interference with.

TO : AFHQ (Adv Ech. MGS)

1. Attention is invited to the attached letter from Region II, which is self explanatory.
2. Interference with these plants will have serious results. It is requested that the matter be taken up with the proper authorities to prevent any interference with this production of important material.
3. Will you advise as to action taken, so that this HQ. may notify Region II.


CHARLES M. SPOFFORD
Colonel, GSC
D.C.C.A.O., AMG, HQ.

HEADQUARTERS
UNITED MILITARY GOVERNMENT
REGION 2.

Ref : EOL/42/25.

17 Dec 43.

Subject : Local Industry - Interference with.

To : C.C.A.O., H.Q., A.M., Naples.

1. This Headquarters has been notified that the buildings of the MANIFATTURE COTONIERE MERIDIONALI in Salerno Province have been visited by Billeting Officers of the British and/or American armies with a view to the use of some or all of them as troop billets, though none had yet been taken over.

2. It is urgently requested that they be NOT (ret) NOT put to such use.

3. The factory consists of four plants, as under,

(1)	REAR, SALERNO	-	REAR
(2)	NOGARA, SALERNO	-	SPINNING
(3)	ALICCI	-	WEAVING
(4)	FRATELLI, SALERNO	-	DYEING & PRINTING

and operates as one unit, consequently the occupation of any one plant by troops would throw the whole industry out of operation.

4. The factory employs 3,000 hands, and is at present working on large contracts for A.P.M.O., among them an order for several million yards of camouflage cloth.

5. The output is 30,000 yards of cloth per day, the weaving sheds being the largest in Europe.

6. In addition to filling military requirements, it is essential that the factory be worked to its fullest capacity in supplying civilian needs, which are very extensive, and thus save shipping space.

7. Again it is emphasized that the occupation of any one plant would throw the whole factory out of work, and this must be avoided.

P 61 36
EOL/25

2. It is urgently requested that they be NOT (not) NOT put to such use.

3. The factory consists of four plants, as under:

(i) FRAYE, SALERNO	-	SPINNING
(ii) MOCCA, SALERNO	-	WEAVING
(iii) ANCI	-	DYEING & PRINTING
(iv) FRAYE, SALERNO	-	

and operates as one unit, consequently the occupation of any one plant by troops would throw the whole industry out of operation.

4. The factory employs 3,000 hands, and is at present working on large contracts for A.R.H.C., among them an order for several million yards of camouflage cloth.

5. The output is 80,000 yards of cloth per day, the weaving sheds being the largest in Europe.

6. In addition to filling military requirements, it is essential that the factory be worked to its fullest capacity in supplying civilian needs, which are very extensive, and thus save shipping space.

7. Again it is emphasized that the occupation of any single plant would throw the whole factory out of work, and this would be little short of a catastrophe in the present circumstances.

8. My representations be made to the Military authorities to give the necessary order, please.

DMR/CAF.

David
D.A.A. Ruck. *for*

Lt. Col.
Regional Supply Officer,
R.C.A.C.

10/7/6

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
APO 512

Ref/AMG/305.

WDM/AMG/ard
12 January 1944

SUBJECT: Administration of Essential Factories

TO : Headquarters, Allied Control Commission, Brindisi

1. Further to this office cable JOR 211, of 30 December 1943 and reference A.F.H.Q. Adv. Adm. Echelon letter 62/2/Q of 22 Dec. 1943, attached are comments of Industry & Commerce and Labour Sub-commissions.

2. The comments do not offer assistance in respect of para. 5 of the above quoted letters. They do, however, bring to notice certain points that will require consideration in connection with the problem.

3. Can we be of assistance in any other way?

CHARLES W. SPOFFORD
Colonel, G.S.C.
D.C.C.A.O., AMG, HQ.

Col Spofford

Administration of Essential Facilities

1. In circulating the original letters for information to sub-commissions chiefly concerned I asked for "any comments."
2. It was hoped that the comments would include, if not be principally directed to, advice on the actual "steps being taken by the Italian Govt to fulfil their obligations under the Agreement" (see para 6 basic letter).
3. This has not happened: instead, the comments relate only to points to be borne in mind should ACE assume responsibility for supervision whereas that is not a point at issue.
4. Is it necessary to pursue the matter with sub-commissions or shall we wait until asked by Potemkin?

sent comments
to Potemkin

WJG of HBY

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
ECONOMIC DIRECTORATE
APO 512

ED/JET/wmi

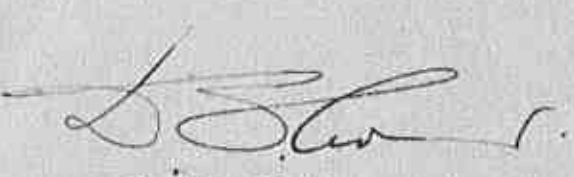
ED/8

6 January 1944

SUBJECT: Administration of Essential Factories

TO : DCAO

1. Ref. para. 2 of your letter on the above subject, dated 29 Dec. 43 of ACC Adv. Command Post.
2. Herewith for your information and onward transmission comments by the Industry and Commerce Sub-Commission and also the Labour Sub-Commission.


D. S. ADAMS
Colonel, C. E.
Chief Staff Officer

2 Incls:

1. Letter from Ind. and Commerce dated 3 January 1944
2. Letter from Labour Sub-Commission dated 5 January 1944

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
LABOR SUB-COMMISSION
APO 394

5 January 1944

SUBJECT: Administration of Essential Factories.

TO : Col. Adams, Chief Staff Officer, Economic Directorate

1. With reference to letter of 22 December 1943 from A.F.H.Q. Advance Administrative Echelon, 62/2/Q, the Labor Sub-Commission concurs in the general opinion that factories that are now being operated by the Military shall be turned over to competent Italian civilian management under AMG/ACC supervision. Under no circumstances, however, should AMG/ACC assume responsibility for the proper administration and operation of such factories, nor should the Allied Governments subsidize such operations by materials or money unless, clearly, the resultant production is extremely essential to Allied Military Operations.

2. From the labor angle, AMG/ACC should exercise strict supervision over wage scales, working conditions, hours of work, social insurance, employee-employer relationships, and other related subjects involving proper housing, food supply, transportation, migration and the like. The manner in which these important considerations are handled in production essential to Military Operation will have its reflex in the kind of operation which will be set up by Italian civilian management in other production considered essential to restore the normal economy.

JRS/ebw

S/ JUNIUS R. SMITH,
JUNIUS R. SMITH,
Lt. Col., Q.M.C.,
D/Director, Labor Sub-Commission.

C
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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
INDUSTRY & COMMERCE SUB-COMMISSION
APO 394

JSST/JET

3 January, 1944

AMG/ACC/10

SUBJECT: Administration of essential industries

TO : Col. Adams, Chief Staff Officer
Economic Directorate

1. Careful consideration has been given to AFHQ Adv. Adm. Ech.
62/2/4 of 22 Dec. 43.

2. It is fully appreciated that it is desirable, at as early a date as possible, to relieve the military of their responsibilities for the administration of local factories whose production is essential to the military services, and it is fully realized that it is an AMG/ACC responsibility to arrange for factories at present being run by the military services to be continued under Italian civilian management with AMG/ACC supervision as soon as the military services concerned notify us of their desire to be relieved of that responsibility.

3. There are, however, certain very important considerations to be borne in mind should AMG/ACC agree to assume responsibility.

4. The most important of these factors is the fact that when the factory is being run by any military service, that service is able, in order to insure the volume of production desired, to make available the necessary amount of transport and labor and fuel from our own military resources. It is therefore essential, before AMG/ACC can be prepared to assume responsibility, to insure that the scarcity of civilian transport and/or labor will not prejudice the volume of production under Italian civilian management, and further to insure that arrangements have been made for an undiminished, continuous flow of the necessary raw materials or fuel as these have been drawn in the past from military resources.

5. A further factor of considerable importance is the factor of cost of the factory in question. Under conditions of military occupation and administration, the products of the factory are presumably produced on grounds of operational necessity, and in practice are often produced regardless of any economic considerations and without any adequate system of commercial bookkeeping being employed to determine the real cost of the finished product. On the other hand, when the factory is running under Italian civilian management the question of cost becomes of paramount importance and the profit motive once again begins to become operative.

-2-

It therefore appears undesirable for AMG/ACC to assume responsibility for factories which may be handed over to Italian civilian control unless the products of those factories can be produced under reasonably satisfactory conditions, bearing in mind the economic factor involved mentioned above.

s/ John S. E. Todd

for W. P. EVANS
Colonel
Acting Director, Industry
and Commerce Sub-Commission

JGR 211

305.

FARGO

30 December 1943

CONFIDENTIAL

590-BRITFIELD-WHITE

PRIORITY

FATIMA

Subject is administration of essential factories reference letter
Flambe 62/2/4 22 December handed to Major Bauer. Copies circulated to
Economic Directorate, Industry and Commerce, Labor Subcommission,
comments invited. Any reports received will be forwarded.

J. F. NICKEL,
Lt. Col., AGO
Adjutant General

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
APO 394

29 December 1943

SUBJECT: Administration of Essential Factories

TO : Brigadier Gueterbock

1. Considered that action on A.F.H.Q. Advance Administrative Echelon 62/2/Q of 22 December 43 should be taken by BRINDISI.

2. Copies are being circulated to:

- (a) Economic Directorate
- (b) Industry & Commerce Sub-Commission
- (c) Labour Sub-Commission

for information and comments.

3. Reports received under paragraph 2 above will be forwarded to A.C.C., Brindisi.

CHARLES M. SPOTFORD
Col. G.S.C.
D.C.C., A.O., A.M.G., HQ.

SUBJECT:- Administration of Essential Factories.

AFHQ Adv Adm Echelon
CMF

To:- Allied Control Commission

HEADQUARTERS

27 DEC 1943

62/2/9.

22 Dec 43

1. As you are aware, under the terms of the Armistice with the Italian Government, that Government is pledged to make available to the Allied Forces, such local resources and services as are required.
2. These instructions were contained in AFHQ signal 8860 dated 10 Nov 43.
3. As however, there was no efficient and central Italian Government established at that time, it was not possible to adopt the above procedure for obtaining the various materials which were available in the country, and which were urgently required for the furtherance of the campaign.
4. In consequence, requisitioning procedure had to be adopted, and in a number of cases factories have been requisitioned in order that they should be able to continue in production. Where factories have been requisitioned, their operation has been controlled by the interested service at this HQ, and it has been necessary for the service concerned to undertake full administrative responsibility.
5. This operation of factories by the military has worked very satisfactorily. It adds however, a burden to the Armies which is not normally anticipated and which is certainly not envisaged in the terms of the Armistice. Further expansion of the Armies and extension of the area under Allied control will make it more difficult, and it is considered essential that the necessary machinery should be set up by the Italian Government as soon as possible, in order that responsibility for administration of essential factories be removed from the military.
6. It would be appreciated if you consider this question, and advise this HQ as to what steps are being taken by the Italian Government to fulfill their obligations under the Armistice.

JAF/AEM

Deputy Chief Administrative Officer

Major General

574

4127

6/2/44

Actions required by following
12/30/43
Wax Factories Lab-c
Industry & Commerce Lab-c
Central Economic Council
sent to
Economic Directorate
Industry & Commerce
Labor

We should get a list of the
factories concerned.

Action Brindisi
Info - comments here.

Major Dafford-White.

Major Witte would like you to let him know whether any orders have come through regarding my movements.

AW Cunningham,
Major.

28 Dec 43.

0 3 2 2