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CENTRAL ECONOMIC COMMITTEE, 408.104
DEC. 1943

4/11/72

CENTRAL ECONOMIC COMMITTEE

Minutes of First Meeting Held at 1100 Hours on 27 December 1943
Conference Room, AFHQ Advanced Administrative Echelon

Agenda

1. Organization and composition of the Committee.
2. Consideration of procedure and staff.
3. Relations with Allied Force Local Resources (Italian) Board
4. Consideration of prices of imported petroleum products.
5. Consideration of rate and tariff matters of the Italian State Railways.
6. Report on the general supply situation.
7. Other matters.

Officers In Attendance

1. Major General Sir Brian H. Robertson, DCAO
2. Brig. Gen. A. L. Hamblen, D/DCAG
3. Col. C. A. Spofford, Headquarters AMG.
4. Lt. Col. I. Henderson, Food Controller.
5. Lt. Col. C. R. Merrill, AMG 15th Army Group.
6. Lt. Col. D. Logan-Gray, AFHQ Adv Admin Echelon
7. Lt. Col. Bernard Bernstein, ACC/AMG Finance Sub-Commission.
8. Major J. A. Todd, MGS Advance.

1. Organization and Composition of the Committee.

The following organization of the Committee was agreed upon.

- a. Chairman: Major General Sir Brian H. Robertson, DCAO
- b. Deputy Chairman: Brigadier General A. L. Hamblen, D/DCAG
- c. Chief Executive: Lt Col. A. I. Henderson, Food Controller.
- d. Col. C. A. Spofford stated that he would serve temporarily as the AMG/ACC representative pending appointment of a permanent representative.
- e. With reference to a representative of AMG 15th Army Group, the Chairman stated that he proposed replying to a letter he had received from Brigadier Lush on this subject, suggesting that the representative from AMG 15th Army Group be Lt. Col. Gerry.
- f. It was decided that it would be desirable to have a transportation representative on the Committee and Brigadier R. W. D. Fellowes, Chairman of Flambo Transportation Committee, was designated, with Col. S. A. Fitch, Chairman of the Internal Transportation Sub Commission as alternate.
- g. Lt. Col. C. R. Merrill: Chief, Economics and Supply Division, AMG 15th Army Group.
- h. Col. Spofford suggested that a representative of the Finance Sub-Commission be on the Committee, but it was decided that any technical financial advice should be obtained on specific proposals before being considered by the Committee.

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1. The Chairman stated that he would take up the revision of administrative Memorandum No. 92 to accomplish necessary changes to effectuate these decisions and that he believed they would be acceptable.

2. Consideration of procedures and Staff.

The Committee will initially be composed of the following sections:

- a. Supply;
- b. Distribution;
- c. Transportation (including shipping) and warehousing;
- d. Industry;
- e. Financial Section, to deal with prices, wages and black market problems;
- f. Statistics.

The following points regarding procedure were agreed upon:

- a. The Chairman stated that an instruction would go out from his headquarters stating the functions and methods of procedure of the Committee.
- b. Directives of the Committee may properly be signed by the Chief Executive on behalf of the committee.
- c. It was noted that the Committee was authorized to communicate directly with all agencies and that it was decided that such direct communication would be used in those cases where communication through channels was not satisfactory. In all cases of direct communication, the appropriate headquarters will be kept fully informed.
- d. The Committee will meet fortnightly. The second meeting will be held in approximately ten days on a date to be fixed by the Chairman.
- e. The Chairman directed that a paragraph be inserted in the administrative instructions stating that requirements for vehicles, office equipment and personnel be met by MG 15th Army Group and headquarters, AGC. Expendable office supplies, facilities and accommodations will be provided for the Committee by the Commandant, AGC, Adv. Adm. Sch. MGS (Adv) will register with the Commandant for the above.
- f. The Chairman stated that the Committee should, if possible, be given its own Table of Organization.

3. Relations with Allied Force Local Resources (Italian) Board.

The Chairman stated that liaison between the Central Economic Committee and the Allied Force Local Resources (Italian) Board is assured by the fact that, while the activities and purpose of the two bodies are distinct, they both have the same Chairman and Deputy Chairman and the Chief Executive also attends the meetings of the Board in his capacity as representative of MGS (Adv).

4. Consideration of Prices of Imported Petroleum Products.

It was decided that, pending determination of a basic price policy, prices would remain those given in the Flamba message transmitted.

graphed on 20 December 1943 to ACC-Apulia, AMO 15th Army Group, AMO-Rear and repeated to AFHQ and Pet Sec-Flambo. Those prices are: Petrol - 11 Lire per litre; Kerosene, 10 Lire per litre; Gasoil - 9.25 Lire per litre, effective 1 January 1944.

5. Consideration of wage and tariff matters of the Italian State Railways.

The Deputy Chairman referred to correspondence received from the Italian Under-Secretary of State for Railways and Highways recommending an increase in wages of Italian railway workers and also an increase of 100% in passenger tariffs. It was determined that wage rates for railway workers should be made uniform throughout occupied portions of the Italian mainland. It was further determined that indemnities relating to bombing and the war situation should be eliminated in those areas where conditions no longer warrant their payment, and that this policy should be considered in establishing uniform wage rates. The Chief Executive was directed to make the necessary investigations and prepare the directives required to implement this policy.

Consideration of the proposed increase of passenger tariffs was postponed until the next meeting in view of the lack of adequate information produced in support of the proposal.

6. Report on the General Supply Situation

The 133 (Adv) representative presented a report on the general supply situation as of 27 December 1943. No action was found necessary. A similar report is to be presented at each Meeting of the Committee.

7. Other Matters

The Deputy Chairman cited a request made by a representative of Region L.I. to PBS for flour for issue on the emergency basis and expressed the opinion that requests of this kind should be transmitted through the Committee. It was decided that in the future all emergency requests for military stocks should be submitted to the Committee.

8. The meeting adjourned at 1400 hours.

Naples. 30 December 1943.

L. S. Plummer
L. S. PLUMMER
Captain, A. U. S.
Secretary,
General Economic Committee

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7 -- ACB/AMB Finance Sub-Commission (Attn: Lt. Col.
Bernard Bernstein)
8 -- ACB/AMB Internal Transportation Sub-Commission
Attn: Col. S. A. Fitch
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