

Declassified E.O. 12356 Section 3.3/NND No. 785017

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ECONOMIC SECTION, CONFERENCE MINUTES
OCT. 1945 - MAR. 1946

6

Lx. Com.

CSO. Folios 4-5 for info on condition in
Venezia Gullia. Negatives marked

File 15/10. Encl 15/10

Should be R.S. V.R. comment - Comment (b)

W. C. L.

See 1826/ce.

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4019 of
HEADQUARTERS ALLIED COMMISSION
AFO 394
ECONOMIC SECTION

Mar 12 1946

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11 March 1946

Ref.: 1.27/ES

MINUTES OF THE ECONOMIC SECTION

STAFF MEETING HELD 8 March 1946.

PRESIDENT:

Economic Section

Col. C.H. Walton
Major H.R. Smith
Captain T.R. Morgan
Lt. R.W. Henley

C.E.M. Branch

Lt. Col. J.A. Campbell

Industry and Utilities Branch

Col. H.M. Walker
Capt. T.G. Elliott

Transportation and Shipping Branch

Lt. Col. W.P. Scoggins

Food and Agriculture Branch

Lt. Col. R.R. Snapp

Commerce Branch

Lieut J.R. Cooper

Meeting opened at 1200 hours, Colonel Walton presided.

1. Colonel Walton discussed the policy of lending Allied Commission files to UNRRA, and stated that he was unwilling to let A.C. files go out of the Headquarters building. Col. Walton has assured Mr. Holstein, however, that UNRRA may have access to the A.C. files in order to obtain certain information needed by them. Col. Walton suggested to Mr. Holstein that certain competent personnel be left behind by UNRRA in order to go into these files for the information desired.

It was stated that maybe the policy could be relaxed in the cases of technical files, and allow complete files to be taken out.

2. As the Economic Section is now operating with a skeleton force it is thought that the Section can best serve the Chief Commissioner by keeping him informed of its activities. The Acting Vice President stated that he expected all Branches to keep him up to date on their operations.

As example he would like from:

C.E.M. Branch	Lt. Col. J.A. Campbell
Industry and Utilities Branch	Col. H.M. Walker Capt. T.G. Elliott
Transportation and Shipping Branch	Lt. Col. W.P. Scoggins
Food and Agriculture Branch	Lt. Col. S.H. Sneyd
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As example he would like from:

- (1) Food and Agriculture Branch
 - a) Arrival of food supplies
 - b) Prospective arrivals of supplies.
- (2) Transportation and Shipping Branch
 - a) Traffic
 - b) Changes of policy, procedure, etc.
 - c) Amount of rolling stock
 - d) Movement of rail lines
- (3) Industry and Utilities Branch
 - a) Coal situation
 - b) PCL situation
 - c) Deregulation initiated and action policy as concurred in by proper authorities.

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11/2/46
(MAJ H)

[Handwritten signature]

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3. Col. Walton said that as the organization is now much smaller, it should be possible for faster action to be taken in correspondence, and that if no action can be taken the originator of the correspondence should be so informed.

4. The Allied Commission's position in regard to the area now under AMG is under discussion. It is not known whether ALCEM will remain in the channel of AMG for supply matters and civil affairs, or whether it will be under AMG, 13th Corps and AFHQ. A decision is expected in the near future.

5. A message from Washington breaking down ALCEM functions to other agencies has been received, however in answer to this message, certain changes were recommended. No reply to these recommendations has been received.

6. Col. Walton stated that when Directors of Branches desires to make a trip away from this Headquarters, Major Smith, C.S.O., should be consulted as the A.V.P. would like to be informed, and in turn, determine whether or not it is convenient for them to be away.

7. Major Smith stated that several tracers have been received that are tracing certain letters sent to the Economic Section. He asked that if it is not possible to give an answer to incoming correspondence immediately, it should be acknowledged so that the originator will know that it is being dealt with.

8. Capt. Morgan requested that no EM or O. . . be declared surplus but reported to Lt. Parker, as they may be used elsewhere within the Section.

9. Col. Walton has been approached on the matter of moving the entire Economic Section to the 3rd floor. No decision has been made at present. In the event that the change is made, the Section will take all of the 3rd floor except those rooms now occupied by the Executive Commissioner and his staff section. The location on the 2nd floor would be retained but the 1st, 4th floor and 4th Annex would be released.

10. Col. Walton suggested that when the Section is brought together, all files of the entire Section be centrally located in one or two rooms.

Meeting adjourned at 1230 hours.

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W. R. Smith
WILLIAM R. SMITH
Major, AGO
Chief Staff Officer

8th October 1945.

FILE : 130/AMG/20.34.

SUBJECT : Report of Economic Divisions.
for week 29 Sep - 6 Oct.

OCT 15 1945

To : S.C.A.O.

1. There was no Economic Section Meeting on Saturday 6th Oct. owing to great pressure of work resulting from the request by AFHQ that Civil Supplies requirements for the first six months of 1946 be submitted to AFHQ by 12 Oct. 45.
2. The following report by all Divisions is forwarded in lieu of the weekly conference minutes.

COMMENTS

(a) TIMBER. AFHQ have been requested to intervene on AMG Venezia Giulia's behalf for two Udine sawmills allocated to Genio Civile UDINE to be reallocated to Venezia Giulia in view of this Region's urgent need of construction timber for Public Works Programmes. Reply is awaited.

(b) FIREWOOD. A UIOD representative is going to Zone B, driven by a Yugoslav driver from the Yugoslav Mil. Mission, to make arrangements for 600 tons of wood.

Five truckloads of firewood have arrived in Trieste from Udine.

A project to obtain anything up to 30,000 tons of firewood from the Gail valley and UDINE territory contiguous with it this side of the Austrian border is now contemplated.

(c) CHARCOAL. Nothing fresh to report on supply except that there are private firms both importing and marketing this fuel. It has not yet been decided whether or not to centralise distribution. This fuel seems to be in free supply.

(d) COAL. ARSA coal promised has been delayed by still another excuse; this time a broken road. We will do well to reckon on never getting any. AFHQ have been informed accordingly. Distribution of imported coal is back on pre-war basis under Importers and Wholesalers' Associations.

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(e) Requisitions: requests have been made for:

- i. kerosene for lighting
- ii. an increase in the gas coal allocation
- iii. announcement of date of commencement of gas production in POLA.
- iv. Increase in Oct. coal from 3,000 to at least 5,000 tons a some statement of future policy.
- v. direct coal shipments to POLA.

(f) GLASS An allotment of window glass has been made to TRIESTE Chamber of Commerce by the Comitato Industriale delle Pietre e Terre, Milano. 8000 sqr metres of window glass and 500 sqr metres of crystal glass more is promised when available, distribution has been arranged through Genio Civile and Chamber of Commerce.

(Copy passed to E. S. S.)

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(g) Cotton. Textile production in Trieste, Gorizia, reports arrival from Allied forces of raw cotton. Six types of material most suitable for textile requirements have been chosen and instructions given to get on with production.

PUBLIC WORKS. Two funerals have taken place in the past week. Many conferences have been attended. Work is proceeding according to plan.

FINANCE

(a) Detailed discussions are taking place with representatives of Public Employees to try and get the administrative difficulties involved in applying G.O. 15. Error in G.O. 15 regarding the effective date of the cessation of Fascist Government indemnities.

(b) Payment of relief has been made to 283 US citizens after agreement with D.P.S. and U.N.R.R.A.

(c) The question of subsidizing foodstuffs has been mooted. It is pointed out that under the standing instructions no permission has been granted by AFHQ for such subsidies.

(d) VENEZIA GIULIA is to bear expense of handling UNRRA cargo discharged at TRIESTE and bound for any destination.

(e) Owing to staff shortages and sickness of HQ officers the work of the Finance Div. has fallen considerably in arrears.

(f) Revenue and Expenditure returns for the past quarter show that approx. 1/9 of the latter is covered by revenue (including state loan). It is brought to the notice of all Departments that this huge deficit is the direct cause of the present inflation and a more rigid control of expenditure must be instituted forthwith.

(g) Finance had been asked by Economics Sec. if they could find out any news in respect to the position of credits held by Trieste in UK & USA. The matter has been referred to the Finance Sub - Commission Room.

(h) Finance was also asked to investigate the limitation interest charges made by the banks on loans with regard to the Housing Decree. This matter is still under investigation, report will be made in due course.

*Peculiar??
Apt. from
conference here
Key only made
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AGRICULTURE

- (a) An Officer recently paid a visit to POLA to reactivate the Agricultural Inspectorate and Consorzio Agrario.
- (b) Amasco of wheat is over 90 % of goal.
- (c) First Bonifica project has been started, others contracted for.
- (d) Complete reorganization of agriculture agencies is now drafted and in hands of Legal Div.
- (e) Forestry position at stalemate due to non-activity of V.G. Police.
- (f) Provision of wood by Austria is being reviewed on basis of our supplying labour.

(g) All arrangements for reconstruction centres is ready to pass on to Command.

LABOUR.

(a) The Reconstruction Council organized by the Labour Div. is continuing to hold weekly meetings to determine methods for the placement of unemployed persons in the Trieste Area.

The commission is proceeding on industrial lines, for example on 28 Sept. 45 a questionnaire of the Centri di Ricerche e Assistenza was called before the committee to explain present operations at the shipyard; and on 3 Oct. 45 a representative of the railway was called to explain the reconstruction programme for reviving rail transportation.

(b) The Labour Div. has placed Capt. Bailey in charge of the re-employment programme, and all suggestions, schemes and plans for reemployment are being examined and work projects are being planned from the collection of suggestions received. At present about eight agricultural schemes are being converted into projects, to be submitted to Public Works for final action.

(c) The total registrations of unemployed are increasing by about 100 a day, and at present closely approaches 19,000. Only 1236 in Trieste, 505 in Pola and 401 in Gorizia have applied for the Unemployment Payments.

(d) Re-employment is proceeding slowly for several reasons, such as shortage of transport, (latest information is that 5 trucks and 36 workers are cleaning up debris); the shortage of skilled building tradesmen (masons, carpenters, bricklayers, etc.) shortages of prime materials; and in some cases, need for financial assistance.

(e) It is recommended that FPM be used for felling timber in the forest under supervision of Army. Wood to be delivered to Venezia Giulia in Cord wood lengths, local Labour can be employed to reduce it to stove sizes.

TRANSPORTATION.

(a) Capt. Colman visited Pola on 4th Oct. 45 to deal with the formation of Consorzio Autotrasporti Pola under control of Ufficio Centrale Controllo Autotrasporti Venezia Giulia. A lot of data was obtained but no Consorzio is yet

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(b) Major Tatham has devoted a lot of time to organization of Enemy Captured Vehicles into an AVE Truck Pool. The matter is proceeding well and it is hoped will commence to function before the middle Oct. 45.

(c) Major Martin having returned from Hospital is tackling the re-organization of the Rail Movements and Bidings System. It is hoped this will be completed within the next 2/3 days when the plan will be submitted.

(d) HQ. M.T.O. has been away all week as witness at F.G.C.M. M.T. Pool has continued to function in his absence.

(e) Tptn (with two motor vehicles) has been asked by No. 300. to investigate the railway line north of Gorizia with a view to repairing it. No data is available at the moment. It is hoped that Lt. Howell, who is a Railway Officer will be able to report on this project, but at present all officers are more than fully occupied with normal work.

SUPPLY

Salt

270 tons have arrived during the week, so that the ration for the population is ensured for Oct. with a balance left over for urgent requirements for Industry and Agriculture although it will not be sufficient to fulfil all immediate requirements. Every effort has been made to increase supplies which were delayed due to shortage of rail wagons. Food-Commiss-ions have made bids for sea tptn for 500 tons monthly with effect from Oct. and also 200 tons monthly by rail so that the position should be relieved by the end of this month.

INDUSTRY

Major Bradbury will make a special report at the SCAO's conference on 8th Oct., as requested by SCAO.

PRICE CONTROL

The Branch is engaged in temporarily holding back the cases of many individual concerns who have asked for Tariff increases, until a general principle of Price Fixing has been established. In very general terms the principles of "the Working Man's budget" has been agreed to.

Kevin J. Richardson
D.S. DICKERSON
Lieut Colonel
Economics

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