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LSC/120

LABOUR BRANCH AT OFFICE OF ECONOMIC CO

LABOUR BRANCH AT OFFICE OF ECONOMIC COMMISSIONER NORTH ITALY

1 ~~Mr Sachs~~ ~~has~~
~~to see~~

→ 2 ~~Mr. Raine~~

File

HEADQUARTERS
LOMBARDY REGION LIAISON GROUP
ALLIED COMMISSION
APO 394

LSC/120/704
LVRW/FF

Ref. AMG/ECNI/1.00/33
Tel. 632.141.Ext.00

18 January 1946

= REPORT OF ECONOMIC COMMISSION FOR NORTH ITALY =
= DECEMBER 1945 =

1. Formation of the Economic Commission. -

After long discussions extending during the month of November, there was issued on 28 November Executive Order N.84 from Headquarters, Allied Commission, which abolished the Office of the Representative of the Chief Commissioner in Northern Italy and created the Office of the Economic Commissioner Northern Italy, effective 1 December. The offices of the Economic Commission formed a part of A.M.G. Lombardia Region.

The Economic Commissioner Northern Italy was responsible for all AC/AMG economic activities in Liguria, Lombardia, Piemonte and Venezia Regions, and reported directly to and received directions from Vice-President, Economic Section, Rome.

The following divisions were part of the Economic Commission: Food and Agriculture, Industry, Public Works and Utilities, Finance, Labor, Transportation, and C.E.M. The officers of the various divisions were reassigned in certain cases in order to consolidate operations and make for increased efficiency.

It was planned to prepare a directive for each division indicating precisely its various duties and functions, such a directive to be approved and issued by the Vice-President Economic Section. A few of these directives were issued, but there were others that had not been prepared at the time of the closing of the Economic Commission.

With the closing of A.M.G. on 31 December and the passage of the four northern regions to Italian Government control, the Economic Commission Northern Italy brought its activities to an end.

2. Rationing of Electric Power.

The gravest problem which confronted the Economic Commission was the critical shortage of electric power. After long discussions held between the various officers of the Public Utilities and Industry Divisions with representatives of the Italian Government, North Italy Industrial Council, the interested industrial committees and the electric companies, an ordinance limiting the use of electric power was drawn up. This ordinance was submitted to the regional commissioners for consideration at their meeting of 11 December in Milan and was approved with minor alterations. ^{issued} It was finally in the form of regional ordinances and in addition to suspending power for other than essential purposes also cut all industrial and civilian consumers to 70% of their November consumption.

In addition to the a/m regulations, with the co-operation of the Coal Division, coal was obtained and several of the North Italy thermal stations were placed in operation which aided to a certain extent in relieving the deficit of power from hydro-electric sources. A supplementary ordinance was issued on 29 December, regulating the rates to be charged for electric power in order to cover the increased costs of thermal energy.

Despite the measures, however, that have been taken, the supply of electric power is still critically short and without rain the situation will become more grave in the next two or three months.

3. Food and Agriculture Division.

a) General Food situation.

The general food situation remains virtually unchanged. This Division has received numerous reports of shortages in provinces but upon investigation it has been found that the usual amount of exaggeration and unfounded stories in the press have been the cause for these reports. The situation remains and will remain tight until a feeling of responsibility towards maintenance of the ration and towards making what they have go the furthest possible way in feeding the people is created in the minds of the civilian population.

b) Grain.

Due to forces beyond our control the programme of arrivals of grain ships has fallen even further behind the schedule laid down. The slowness of the final phases of the national programme of wheat flour is due to various factors i.e. ³⁵⁸⁰ grain car shortage and difficulties made by exporting provinces.

With the addition of provinces in Venezia Region to the importing programme it can be seen that unless the shipping situation improves and a much tighter rein held on the Sepral there will be no improvement in the position of Northern Italy.

c) Sugar.

The ration of sugar has been increased as per orders received from Rome. This increase came as a great surprise to this Division as it is well known that sugar is in short supply the world over. Local supplies will last only until the end of February and Northern Italy will then be one hundred per cent dependent on imported sugar until the end of the month of September.

d) Fats.

There has been no allocation of imported fats for the month of December, however it is expected to make an allocation in January. Small towns and villages are not too hard pressed, but the large cities i.e. Milan, Turin, Genoa are feeling the shortage acutely.

e) Rice.

The entire rice crop is being used to substitute the pasta or "generi di minestra" ration. There is a large amount of illegal traffic in this product and only a small part of the total illegal shipments are being stopped. If the amassing programme continues to be as unsuccessful as it has in the past there will be sufficient rice to give only one kilogramme per person until the new harvest is brought in.

f) Cheese.

The cheese programme has progressed but only with the strongest possible opposition from all the producers, as they hope to retain their 1942-43-44 production for free export. The Commissariato Interregionale Alimentazione has done an excellent job in collecting over sixty per cent of total stocks for shipment to Central and Southern Italy.

4. Labour Division

a) General

There were no important changes in the general industrial situation in North Italy during the month. There were further indications of labour unrest over wage rates and high living costs

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and a number of disputes involving a stoppage of work were reported. In most cases, however, these affected comparatively few workpeople and in all cases the stoppage was short-lived. There was considerable agitation amongst State employees for payment in lieu of the annual holidays to which they were entitled but did not enjoy in 1945 owing to pressure of work and payment of salary for the thirtieth month as a gratification. In the Bergamo province of Lombardy the State employees sent a telegram to the Ministry of the Interior in Rome threatening to take strike action in 7 days if, in the meantime, their demands were not met. They decided later, however, to await the result of the negotiations that were taking place between the C.G.I.L. and the Italian Government on these issues.

The number of registered unemployed in each of the four regions increased during the month. In Venezia region the total unemployed - as shown on the registers of the Collocamento Offices - exceeded 170,000 at the end of December, an increase of over 10,000 as compared with the total unemployed register on 30th November.

b) Wage Agreement for Northern Italy.

The negotiations which commenced in Turin in October between representatives of Employers' and Workers' Organizations and the Italian Government and were later continued in Rome and Milan, resulted in a general wage agreement for Northern Italy. The agreement provides for new minimum basic wage rates for specialized, qualified, semi-skilled and unskilled workers according to industrial group and geographical location and also for the contingency indemnity to be adjusted periodically in accordance with variations in the cost of living.

The agreement, which should dispose of most current wage issues concerning industrial workers, has been welcomed by the trade unions concerned and the Camere del Lavoro while prominent industrialists have expressed the view that although the new minimum basic rates were somewhat higher than they had been prepared for the agreement as a whole was rather better than they had anticipated.

c) Agricultural Industry - Wage negotiations.

Negotiations between Associazione Produttori Agricoli and Federterra dei Lavoratori della terra have been in progress during the month, with a view to new agreements governing wage rates and other conditions of employment of agricultural workers - for the agricultural year commencing 1st November 45. In the Milan province these negotiations presented considerable difficulty and a claim by the workers representatives for the payment of a contingency 3578

indemnity rates as were paid to industrial workers led to a temporary breakdown. The joint discussions were however resumed following the intervention of the Prefect and eventually an agreement was reached on all points in dispute. In most other provinces agreements have also been reached.

d) Social insurance.

The delay in regularizing the position in Northern Italy as regards social insurance contributions and benefits has been a source of unrest amongst the workers who are pressing for the restoration of the unified contribution system and certain other provisions of the decree of the "Duce" n.376. This question was recently considered by the Lombardia Regional Joint Advisory Committee who after consulting representatives of Previdenza Sociale and other insurance institutes prepared a report on the whole position. The Committee's report has been forwarded to Labour Sub-Commission (Allied Commission HQ.) for appropriate action.

5. Finance Division.

a) Salaries and bonuses.

Further increases of salaries, salaries for Government Officials in lieu of holidays, Xmas bonus for statal and parastatal employees as well as emergency indemnity for postal employees, payment of overtime at Rio Vittorio Postali and gratifica 1944-were all matters which this Office dealt with with the various agencies concerned.

b) Saccharine.

The transportation from Turin to a trustworthy warehouse in Milan of 26 qts. of saccharine, was authorised in December. The Ufficio Tecnico II FF supervised the distribution of same in accordance with the regulations set out by this HQ. and on payment of the sugar tax.

Similar provisions were under consideration for "dulcinea" another chemical product for sweetening purposes - but could not be carried out in time. Further consideration to this matter would be useful. In Piemonte Region provisions were issued in time for control of the production.

c) State and Communal financing.

The Administrative accounting office ceased granting funds on behalf of AMG as of 31 December 1945. In order to secure

the good functioning of this service in the transition period, the Regia Tesoreria Provinciale has been authorized to accept the credit orders issued by that Office until 20 January 1946. Beginning from 1 January 1946, the State and Communal Agencies requiring funds will have to apply directly to the respective central administrations. Only in cases of exceptional urgency, the funds can be authorized in Milan by the administrative accounting office in accordance with the provisions of Decree 21 August 1945 N.524.

6. Transportation Division.

a) Rail

Rails have been worked during the period under review under the ISR and the working of same has been most exemplary. Increased tonnages have been moved especially from the ports of Genoa and Savona. The handing over to the ISR and subsequent working of Rails by ISR happened with great smoothness.

b) Road.

The control of trucking has been in the hands of Italian organizations and the working of same has been most satisfactory.

c) Busses.

The authorization of bus services is now a matter for the appropriate Italian organization. A standard rate for travel by bus was established on the 3rd of December and this standard rate is applied throughout the whole of Northern Italy.

d) Water.

Movement of goods by Inland Waterways is increasing and general progress is being made; and expected extension of tonnages moved will prove a great relief to the over worked railways. N.B. It is a matter of deep concern that no progress whatsoever has been made for the clearing of a passage through the mine field to the mouth of the Po, which if effected would open up the Po river. If such a passage were cleared very considerable tonnages could be moved along the Po.

e) Air.

Progress is being made and it is expected that before long a small movement of goods will be effected by this means.

7. Industry and Commerce Division.

A. Chemicals Industry :

a) Nitrogenous fertilizers;

All the production has been obtained from electrolytic hydrogen.

b) Superphosphates.

No phosphate rock having arrived so far, only bone superphosphate has been produced.

c) Sulphuric Acid.

Satisfactory situation of the pyrites stockpile and supply.

d) Copper sulphate.

The production from the 3000 tons of imported blister copper has been started in four plants.

e) Calcium carbide.

No production has been possible so far, because, despite the repeated warnings from this office, the coke has been allocated only at the end of November when the electric power was no longer available.

f) Caustic soda.

The production of the electrolytic caustic soda is extremely low, owing to the very reduced flow of the rock salt supply.

g) Hydrochloric acid.

The plants working by the double substitution process have been operating at about 50% of their capacity. A small production has been carried out directly from chlorine and hydrogen.

h) Carbon bisulphide.

Only one thermic plant has been operating with a monthly production of about 250 tons.

i) Synthetic methanol.

The production is carried out in one plant at the rate of about 600 tons per month.

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j) Pharmaceuticals.

The production of all pharmaceutical derivatives of phenol has been very low due to the shortage of this raw material. The production of chlorosulphonic acid for sulphadiazine, which has been started towards the 15th of November, is still going on in two plants.

k) Dyes.

There has been a little increase in the production of dyes, due to small deliveries of benzol from the cokeries.

B. Mines and Quarries.

a) The envisaged reorganization of the Comitato Minerale e Cave, as reported in the Inter Office Memo of 4 Dec. 45 has not been effected during December owing to lack of instructions from Ministry of Industry and Commerce in Rome, and so the Comitato continues to carry out its function as first.

b) Concerning the production of the mines the following observations may be made :

Domestic Coal : Some 40,000 tons were extracted in November (6,000 tons more than in Oct.) and the same figures are expected in December (exact figures are not yet available). It may be supposed that the a/m figures are inferior to the real production, as some 4-5,000 tons are sold on the black market without being registered. Lignite Mines Bagnasco (Cuneo Province) and Casibona (Savona Province) have been visited in December.

Asbestos production has diminished owing to flooding which damaged the mines in Nov. but now the production is normal.

Ore-mines Pesterona : This mine is still greatly disorganized: mineral, explosives and lastly even machinery have been continually robbed. Intervention of ANP Piemonte Region has been requested, but the result is still unknown.

Lead-ores are still not extracted because no melting possibilities exist in North Italy. Clerici and FAC plants in Milan have been surveyed in order to examine the possibility to adapt them for lead ore melting, but owing to the transportation difficulties the question is not yet clear. As there is a great demand for metallic lead and the mines can start, ore extraction at once the problem of lead melting is of great importance.

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c) Production, deliveries and stocks of main minerals
(in tons) :

	Stocks 31/10	Nov. Prod.	Act. Delivery	Stocks 30/11
Anthracite raw	6.400	10.000	--	4.600
washed	3.300	9.500	9.400	3.400
Triassic Coal	600	2.300	2.500	400
Lignite (picea)	800	15.200	14.900	1.100
(xilcoide)	4.800	12.400	12.700	4.500
Turf	5.800	10.000	13.000	2.000
Talc	14.000	2.100	600	14.600
Graphite	4.300	200	200	4.400
Asbestos	200	400	400	200
Iron ore raw	90.000	4.900	--	94.900
" enriched	139.000	--	--	139.000
Manganese	16.400	--	--	16.100
Baryte	18.000	500	400	18.100
Clay	12.000	1.500	1.900	11.500
Feldspar	2.600	--	200	2.400
Lead ore	1.300	--	--	1.300
Zinc ore	13.000	300	2.100	11.200
Nickel ore	3.200	--	--	3.200
Pyrite	32.700	6.000	4.500	34.200
Flonzine	5.000	--	400	4.600

C. Electrotechnical and Mechanical branches - Industry.a) Mechanic.

With reference to the restriction in the use of electric power, some firms applied in order to obtain a derogation to the fixed rulings.

Three applications were approved.

Many important materials as lead, zinc, copper, iron sheets, oil, cotton, etc. captured from the Germans have been allotted to Pirelli Co.

An inspection was carried out at Vulcania dynamite Factory and the firm has been recommended for an allotment of artillery shells to be unloaded.

The fishing industry in Southern Italy needs glass globes for fishing lights. On request from Roma, a search was carried out in order to find the factories now able to make these globes. Regular report has been sent to Roma.

b) Electrotechnics.

Approval was given to the partition plan for the 1350 tons of copper to be distributed to electrotechnical industries; 680 tons were given to Pirelli for cables construction.

The distribution plan for the 650 tons of copper wire bars for electric power production is still under examination. This copper will be distributed on national scale.

D. Steel and non ferrous metals.

a) The activity during the month of December has been reduced in a remarkable way and has been limited to inspections to factories and operations of control and adjustments in connection with material to be imported under 1946 plan, etc.

b) The matter of importation of magnesite and magnesite bricks as refractory materials for steel works has been dealt with further, but not practical results have been achieved up to now. Alterations have been made in the types, quantities and sizes of electric resistors materials and nickel to be imported from USA after several meetings held among the leading manufacturers of Italy upon request of this Commission.

Inspection have been carried out of Industrial works of the Bolzano Trento Region, viz. Montecatini Bolzano, Acciaierie Bolzano, Officine Elettrotecniche Trentine, Officine Gallesse Trento, in connection with coal and electric power available.

CIAI has approved a Board of advisers regarding the production of Electrodes as suggested by this Division.

Close contact has been kept with Rome in connection with the breakdown plans of materials under arrival from USA for which plans have not been worked out in time by Committees.

E. Textiles.

a) Particularly as regards cotton, wool and silk this Office has been busy in examining all questions concerning the transportation, allocation and distribution of the above material, as well as the manufacture of technical articles such as Filters, Fishing Net Yarn, Sewing Twine, Typewriter Ribbons, etc.

Efforts are being made to create a closer cooperation between this Office and the various national organizations dealing with the important question of textile fibres.

So far 25.000 kilos of cotton have arrived and distributed to about 3000 farms together with about 35.000 tons of coal allocated to the Textile Industry during the last 4 months.

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F. Ex German materials.

- a) Large quantities of captured enemy material ex Le-ghorn in the shape of civilian cloth and garments, were distribu-
ted.
- b) Clothing and material to the value of 16 million li-
re was sold to the public.
- c) Clothing was provided for the guards of Milan Prisons.
- d) Overalls to the value of 4 million lire were manufac-
tured and distributed through the Camera del Lavoro.
- e) 2500 Christmas parcels of clothing shoes and thread
were distributed to the poor.
- f) As a result of the above activities there has been
a marked decline in the prices of cloth, and the tendency conti-
nues downward.

Amf. H. ...

Col. J. W. H. ...
Chief Liaison Officer.

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Lse/120

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOUR SUB-COMMISSION

MS/cc

13 December 1945

TEL : 489081 - 204
REF : LSC/006 + 120 + 1306
SUBJECT: Dismissal of Workers.
TO : The Economic Commissioner
Northern Italy
(attention: Labour Officer)

1. Following receipt of an enquiry from the Regional Commissioner Piemonte Region on the 20 November efforts have been made to determine whether it is in order for firms to dismiss workers who are surplus to requirements following transfer of establishment to another locality.

2. The question was referred to the Italian Government and from the attached translation of a letter received from them on this subject it will be seen that they consider it would be permissible for workers to be dismissed in such circumstances provided they are paid the normal indemnities.

3. Although this ruling may be of some assistance to the Biella Firm whose position was responsible for the original enquiry, it is thought that their main problems can only be resolved locally by the contracting parties to the Agreement which has occasioned much of the difficulty.

DAVID C. SACHS
Deputy-Director
Labour Sub-Commission

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TRANSLATION KLSNER

LSC/1306

Rome, 3 December 1945

MINISTRY OF LABOUR AND SOCIAL SECURITY
General Direction of Labour-Div. II

Prot. No. 922/Pg.19

TO : the Allied Commission
Labour Sub-Commission
Rome

SUBJECT: "Cassa Integrazione"

1. With reference to letter 806 of 24 inst. this Ministry inform that the question submitted by your Sub-Commission relating to the transference of undertakings or factories has been carefully examined.

2. After the careful examination in question this Ministry is of the opinion, that the rules established by D.L.L. 21 August 1945, No. 523, and by the decree under issuance regarding the stoppage of workers' dismissals in Northern Italy and the "Cassa integrazione salariale" (Fund for wage supplementation) are referring to undertakings which continue to carry out their activity of production, also if on a reduced scale, or those which, after having suspended their activity, hope to restart it shortly, and still at the place where they were working at the time of issuance of the said legislative provisions.

3. For that reason the dismissal stoppage will not be applied to undertakings or factories, which have transferred from one locality to another. The undertakings may, therefore, dismiss the total number of their working dependants, by paying them the normal indemnities, as contemplated by the laws and the collective labour contracts.

4. It is advisable that the undertaking or factory at their new headquarters give employment to the workers of the former headquarters who will be inclined to follow that undertaking, and this with a view to reduce as much as possible the dismissals and unemployment: in this latter case there is no interruption of the labour relations, and no liquidations of dismissal indemnities are therefore involved.

In the case mentioned in the foregoing paragraph, the removing undertaking is recommended to favour in any possible way the office' personnel and manual workers who are following it to the new headquarters.

THE MINISTER
(sgd.) Barbareschi

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HEADQUARTERS ALLIED COMMISSION
AFO 394
LABOUR SUB COMMISSION

~~Reading~~ File
LSC/120

DCS/so

REF : LSC/1105

10 December 1945

SUBJECT: Appointment of Prof. Lionello LEVI

TO : Economic Commissioner Northern Italy
Attention Labour Officer

1. The Minister of Labour has requested that the above-mentioned person be appointed to the position of acting as liaison officer between the Ispettorato del Lavoro and the Regional Labour Office.

2. This proposal meets with the approval of the Labour Sub-commission.

3. Unless you have some reason for recommending otherwise this appointment should be carried into effect. A copy of the letter of appointment together with a translated letter of the Ministry is herewith attached.

4. Please advise promptly what action has been taken.

DAVID C. SACHS
Deputy Director,
Labour Sub-commission

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COPY

COPY

Prof. Lionello Levi
Via Guerzoni n. 13
BRESCIA

Incarico.

La S.V. e' incaricata, subordinatamente alla ratifica da parte della Commissione Alleata a curare il collegamento tra i vari Ispettorati del Lavoro della Lombardia e il collegamento tra questi e gli Uffici del Lavoro della regione suddetta in modo da facilitare fra i citati organi la necessaria collaborazione.

La S.V. vorra' riferire mensilmente a questo Ministero e tutte le altre volte che sara' opportuno circa lo svolgimento degli atti compiuti in dipendenza del suddetto incarico e delle loro risultanze.

IL MINISTRO

F.to Barbareschi

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Translation Baldezzi

/js

MINISTRY OF LABOUR AND SOCIAL SECURITY

MINISTER'S OFFICE

5 December 45

Enclosure n.1

TO : the Allied Commission
Labour Sub-Commission
Rome

Prot. 2564-41
Reply to letter
n. 1105 of
28.11.45

SUBJECT : Proposal of appointment to the office
of Extraordinary Commissioner for the
Labour Inspectorate of Lombardy.

1) I beg to thank you for having acceded to the proposal submitted by this Ministry, with the object of putting in charge of the Labour Inspectorate of Milan an officer belonging to the personnel of this central administration.

2) However, inasmuch as in the meantime, Ing. Andrea Calderan has been reinstated in the directorship of the Milan' labour inspectorate, we deem it convenient and useful to entrust Prof. Lionello Levi with the task of serving as liaison' officer among the various Labour Inspectorates of Lombardy, as well as of keeping the junction between the latter and the Labour Offices of the said region, so as to facilitate the co-operation between all the said agencies.

3) There is no need of any formal measures for such an object, inasmuch as it is only change of office' activity within the ambit of the various offices attached to our Administration. It is sufficient for this purpose to write a common letter of appointment, of which we are sending you a copy herewith, for the action to be taken in turn by this Sub-Commission.

4) Will you please notify us your decision, as soon as it is taken, so as we may be enabled to give notice of the same to the various interested offices.

THE MINISTER

Barbareschi

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5 December 1946

TO : Prof. LIONELLO LEVI
Via Guerzoni n.13
Brescia

APPOINTMENT

You are hereby appointed, subject to ratification of the Allied Commission, for taking care of the liaison between the various Labour Inspectorates of Lombardy as well as of the junction between the latter and the Labour Offices of the said region, with the purpose of making easier the indispensable co-operation among the same agencies.

You will be under obligation to send a monthly report to our Ministry, as well as to report any other time it may appear expedient to do so, in order to make this Ministry acquainted with the activity you have displayed in connection with your liaison office and the results obtained.

THE MINISTER
Barbareschi

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HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

DCS/rsw

TEL : Ext. 204
REF : LSC/120
SUBJECT: Memorandum re Functions of Economic Commissioner
for Northern Italy.
TO : Acting Vice President
Economic Section

3 December 1945

1. This is in reply to your ES/1.38 of 3 December
reference above subject.

2. With respect to Para 1 of your memorandum, Labor
Sub-Commission has already submitted a draft for the signa-
ture of the Acting Vice President covering this subject
matter.

3. Reference Para 2 of your memorandum, it is not
anticipated that this Sub-Commission will have operating
personnel in the North other than personnel attached to the
Office of the Economic Commissioner.

W. H. BRAINE
Director
Labor Sub-Commission

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HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

Labor 5/c
454/120

Ref: ES/138

3 December 1945

SUBJECT: Memorandum re Functions of Economic Commissioner for Northern Italy.

TO : Chief, Supply Group
Director, Food & Agriculture Sub-Commission
" , Industry & Utilities Sub-Commission
" , Transportation & Shipping Sub-Commission
" , Commerce (FT) Sub-Commission
" , Finance Sub-Commission
" , Labor Sub-Commission ✓

As requested at the Economic Section Staff meeting, Wednesday, 27 November, may I have a memorandum to the Economic Commissioner for Northern Italy by Thursday, 6 December, as follows:

1. A description of the functions which should be performed under the supervision of the Economic Commissioner for Northern Italy, as viewed from the point of view of your sub-commission's activities.
2. A description of those matters regarding which there must be direct communication from the sub-commissions in Rome to the operating personnel in the North, without channelling through the Office of the Commissioner. Such communications are to be kept at a minimum, but it is recognized that there are certain types of routine matters which might qualify for this treatment. Emergencies, of course, must always constitute an exception, provided that the information simultaneously is transmitted to the Economic Commissioner.

Harlan Cleveland
HARLAN CLEVELAND
Acting Vice President

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RESTRICTED

HEADQUARTERS ALLIED COMMISSION
APO 394

28 November 1945

EXECUTIVE ORDERS)

NUMBER

24)

Abolition of Office of the Representative of the Chief Commissioner in Northern Italy I
 Creation of Office of Economic Commissioner Northern Italy II
 Appointment of Economic Commissioner Northern Italy III

I - ABOLITION OF OFFICE OF THE REPRESENTATIVE OF THE CHIEF COMMISSIONER IN NORTHERN ITALY

The Office of the Representative of the Chief Commissioner in Northern Italy, is hereby abolished effective 1 December 1945. Present economic functions of such office will be performed by the Office of Economic Commissioner Northern Italy. All other functions now performed by the Office of the Representative of the Chief Commissioner Northern Italy will be the responsibility of the Regional Commissioner, Lombardia Region, as directed by the Chief Commissioner. Present Headquarters facilities of Office of Representative Chief Commissioner Northern Italy will be consolidated with and form a part of Headquarters Lombardia Region.

II - CREATION OF OFFICE OF ECONOMIC COMMISSIONER NORTHERN ITALY

Announcement is made of the creation effective 1 December 1945, of the Office of Economic Commissioner Northern Italy, which will be responsible for all Allied Commission/Allied Military Government economic functions (including captured enemy material) in Liguria, Piemonte, Lombardia and Venetie Regions. Economic Commissioner Northern Italy will report direct to and receive directions from Vice-President Economic Section, Headquarters Allied Commission, Rome.

(a) Headquarters of the Office of Economic Commissioner Northern Italy will be located in Milan and will be consolidated with and form part of Headquarters Lombardia Region.

(b) Channels of communication on economic matters except such routine and emergency matters are authorized by Vice-President Economic Section for Liguria, Piemonte, Lombardia and Venetie Regions will be:

(1) From Economic Commissioner Northern Italy Milan to Vice-President Economic Section Headquarters Allied Commission Rome with information copies to Regional Commissioners when considered necessary.

(2) From Vice President Economic Section Headquarters Allied Commission Rome to Economic Commissioner Northern Italy Milan with information copies to Regional Commissioners when considered necessary. (Direct correspondence between Sub-Commissions at Headquarters Allied Commission Rome and Economic specialists in the Regions, except on routine matters specifically authorized by Vice President Economic Section, is eliminated).

(3) From Regional Commissioners Liguria, Piemonte, Lombardia and

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Creation of Office of Economic Commissioner Northern Italy II
 Appointment of Economic Commissioner Northern Italy III

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(2) From Vice President Economic Section Headquarters Allied Commission Rome to Economic Commissioner Northern Italy Milan with information copies to Regional Commissioners when considered necessary. (Direct correspondence between Sub-Commissions at Headquarters Allied Commission Rome and Economic specialists in the Regions, except on routine matters specifically authorized by Vice President Economic Section, is eliminated).

(3) From Regional Commissioners Liguria, Piemonte, Lombardia and Venezia Regions to Economic Commissioner Milan, with information copies to Vice President Economic Section Headquarters Allied Commission Rome when considered necessary.

(c) Specialist personnel at present assigned to economic positions in the Liguria, Piemonte, Lombardia and Venezia Regions and those attached to the Office of the Representative of the Chief Commissioner in Northern Italy will be redistributed and assigned as directed by the Economic Commissioner Northern Italy with the concurrence of the Vice-President Economic Section Headquarters Allied Commission Rome.

RESTRICTED

R E S T R I C T E D

Par II, Executive Orders #84, Hq Allied Commission, dtd 28 Nov 45, Cont'd:

- (d) Two additional Officers (one U.S. and one British) will be assigned to the Regional Commissioner, Lombardia Region, for G-4 duties. In addition to their other duties they will represent Establishment Section Headquarters Allied Commission Rome for the allocation and maintenance of domestic transport in Liguria, Piemonte, Lombardia and Venezia Regions.

III - APPOINTMENT OF ECONOMIC COMMISSIONER NORTHERN ITALY

Announcement is made of the following appointments:
Colonel A. N. HANCOCK, 150972, Intelligence Corps (B), as Economic Commissioner Northern Italy, effective 1 December 1945, in addition to his other duties as Regional Commissioner Lombardia Region.
Mr. Leslie V. R. White, American civilian, as Executive Officer to the Economic Commissioner Northern Italy, effective 1 December 1945.

W. W. Stone
Rear Admiral, USNR
Chief Commissioner

DISTRIBUTION
"11"

Including Gp III
Less Serial 84

Commissioner Northern Italy, effective
Commissioner Northern Italy, effective
to his other duties as Regional Commissioner Lombard Region.
Mr. Leslie V. R. White, American civilian, as Executive Officer to
the Economic Commissioner Northern Italy, effective 1 December 1945.

W. W. Stone
WILLIAM W. STONE
Rear Admiral, USNR
Chief Commissioner

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254/120

HEADQUARTERS ALLIED COMMISSION
ECONOMIC SECTION
APO 394

LBB/rm

Tel. : 257

20 November 1945

Ref. :

SUBJECT: Amalgamation of Liguria, Piemonte and Lombardia Regions
into a single Region at Milan

TO : Supply Group, Economic Section
Food & Agriculture Sub-Commission
Industry & Utilities Sub-Commission
Transportation Sub-Commission
Finance Sub-Commission
Commerce (Foreign Trade) Sub-Commission
Labor Sub-Commission

1. It has been proposed and will doubtless be approved, to be effective 1 December 1945, that Liguria, Piemonte and Lombardia Regions be amalgamated into a single region with Headquarters at Milan.
2. The Allied Commission Headquarters at Milan will be consolidated with the new Northwest Region Headquarters at Milan.
3. Unless the Supply Group or Sub-Commissions can put up reasons to the contrary, all personnel operating as representatives of Sub-Commissions from Allied Commission Headquarters Rome, will become a part of the Regional setup.
4. It is proposed to suggest to the Regional Commissioner of the new Northwest Region that an Economic Section or Division similar to Economic Section Headquarters Allied Commission be set up in the Regional Staff at the Milan Headquarters.
5. It is contemplated that most all of the economic technical officers now in the three present Northwest Regions be transferred to the new Regional Staff at Milan except certain officers of Finance, Food and Agriculture and Transportation Sub-Commissions. Such Sub-Commissions will want to post officers in a few of the provinces.
6. This consolidation should make it possible to transfer some economic officers to Venezia-Giulia Region now and balance of these required there upon turn-back of the north to Italian Government.
7. Economic officers with respect to the new Northwest Region who are to be retained in the northwest on liaison functions should now be posted as far as is possible to the locations they will function after the turn-back.
8. The Executive Commissioner, with Mr. Cleveland is holding a meeting in Milan on Friday this week in order to discuss the proposed plan with Regional Commissioners.

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9. It is desired that the Supply Group and Sub-Commissions submit a memorandum setting forth their recommended disposition and assignment of economic officers now, in the three Northwest Regions, including Allied Commission Headquarters representative in Milan, showing by name the economic staff or field assignments to the new Northwest Region. Indicate also by name officers who can be transferred or ear-marked for Venezia-Giulia Region.

10. Since the meeting in Milan will be held Friday, any requested recommendations be in the hands of the Deputy Vice-President, Economic Section by 1200 hours Thursday 22 November, please?

For the Acting Vice-President.

(sgd) L. D. DENSMORE

L. D. DENSMORE
Colonel, F. A.
Deputy Vice-President

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File HQ

3560

HEADQUARTERS ALLIED COMMISSION
APO 894
LABOR SUB-COMMISSION

Mr Braine

WAB/rmv

TEL : Ext. 804

20 November 1945

REF : LSC/107

SUBJECT: Amalgamation of Liguria, Piemonte and Lombardia
Regions into a Single Region at Milan
Labor Division

TO : Deputy Vice President
Economic Section

1. Present assignment of Labor Officers:

Lombardia

Mr. R. C. Airey

Piemonte

Major E. Scicluna

Liguria

Major T. R. Fisher

2. Recommended disposition of Labor Officers:

To New Northwest Region

Mr. R. C. Airey

Major E. Scicluna

Major Fisher is understood to be proceeding to the United States for release from the Army. Until this action becomes effective he would also be available for the new Northwest Region.

3. Officers who can be earmarked for Venezia-Giulia Region are: Major E. Scicluna.

P. E. BRAINE
Director
Labor Sub-Commission

355a

HEADQUARTERS ALLIED COMMISSION
APO 794
ECONOMIC SECTION

file 116/116

WHS/NEW

TEL : Ext. 550

November 1945

REF : LSC/116/415 *120*

SUBJECT: Administration of Labor Questions -- Northern Italy.

TO : Economic Commissioner, Northern Italy
and
Regional Commissioners -- Liguria, Piemonte,
Lombardia and Venezia.

1. Executive Order No. 84 announced the creation of the Office of Economic Commissioner, Northern Italy, and indicated that the Economic Commissioner will be responsible for all economic functions in Liguria, Piemonte, Lombardia and Venezia. This memorandum deals with the administration of labor questions consequent upon the transfer of functions to the Economic Commissioner.

2. Allied Labor Officers in the Regions will be withdrawn and advice on labor questions in Northern Italy will be submitted to the Economic Commissioner and to Regional Commissioners by Allied Labor Officers attached to the staff of the Economic Commissioner and located in the latter's office in Milan. Allied Labor Officers will keep in close contact with labor developments in the Regions by correspondence and by visits as occasion arises, and as directed by the Economic Commissioner.

3. In each Region the routine administration of labor questions, other than questions relating to employees of Allied Authorities, will be conducted by the Regional Labor Offices and the Provincial Labor Offices already established throughout Northern Italy, assisted as necessary by Regional Italian Joint Advisory Committees.

4. General Order No. 41 requires wage agreements to be submitted to Regional Commissioners for approval in AMG territory. The procedure already established in LSC/116 of 4 May 1945, and later instructions, will continue to operate;

3558

- 2 -

namely, wage agreements will be submitted through the Labor Offices (Italian) to the RIJACs for consideration and recommendation.

Where the RIJAC recommends approval of a wage agreement and where the Regional Labor Director (Italian) is satisfied that the agreement is generally in line with the current wage structure in Northern Italy, the latter will prepare for the signature of the Regional Commissioner concerned a formal statement of approval. The Regional Labor Directors (Italian) will have regard to the Rome Agreement of 27 November 1945 establishing, in detail, the basic wages and indemnities for the respective categories of workers of all industries in Northern Italy.

Where the RIJAC does not recommend approval, or where, even if approval is recommended, the Regional Labor Director (Italian) is of the opinion that there is an important divergence from the approved wage structure for Northern Italy, the proposed wage agreement with an explanatory memorandum should be forwarded to the Economic Commissioner for Northern Italy for the attention of the Allied Labor Officers. Reference will be made, as necessary, to Headquarters Allied Commission for the advice of the Labor Sub-Commission on questions of doubt or difficulty.

5. Copies of wage agreements which have been approved should be forwarded to Labor Division, Economic Commissioner for Northern Italy, for information and onward transmission to Allied Commission Headquarters, Rome.

6. Copies of this memorandum are being sent directly to the Regional Labor Directors (Italian) for their own guidance and for information of Provincial Labor Directors (Italian). Allied Labor Officers under the direction of the Economic Commissioner should insure that the arrangements are duly operated.

HARLAND CLEVELAND
Acting Vice President
Economic Section

3557

Mr Braine

ADMINISTRATION OF LABOR QUESTIONS -- NORTHERN ITALY.

1 29/11 Acting Vice President
Economic Section

Lab S/C

1. The concentration of administration of labor matters in the Office of the Economic Commissioner, Northern Italy, requires the issue of clear instructions on the procedure to be followed.

2. It is thought that such instructions should issue over the signature of the Acting Vice President, Economic Section, and that copies should be made available for the Economic Commissioner, Regional Commissioners, Allied Labor Officers, Regional Labor Directors (Italian) and Provincial Labor Directors (Italian).

3. A draft memorandum on the subject is accordingly submitted for approval, for signature by Acting Vice President, and for issue to the persons indicated.

W. H. BRAINE
Director

3556

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

WHB/rav

TEL : Ext. 550

November 1945

REF : LSC/116/412

SUBJECT: Administration of Labor Questions -- Northern Italy.

TO : Economic Commissioner, Northern Italy
and
Regional Commissioners -- Liguria, Piemonte,
Lombardia and Venezia.

1. Executive Order No. 84 announced the creation of the Office of Economic Commissioner, Northern Italy, and indicated that the Economic Commissioner will be responsible for all economic functions in Liguria, Piemonte, Lombardia and Venezia. This memorandum deals with the administration of labor questions consequent upon the transfer of functions to the Economic Commissioner.

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3555

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5. Copies of wage agreements which have been approved should be forwarded to Labor Division, Economic Commissioner for Northern Italy, for information and onward transmission to Allied Commission Headquarters, Rome.

6. Copies of this memorandum are being sent directly to the Regional Labor Directors (Italian) for their own guidance and for information of Provincial Labor Directors (Italian). Allied Labor Officers under the direction of the Economic Commissioner should insure that the arrangements are duly operated.

HARLAND CLEVELAND
Acting Vice President
Economic Section

3551

HEADQUARTERS ALLIED COMMISSION

APD 394

ECONOMIC SECTION

WEB/PAW

TEL : Ext. 550

November 1945

REF : LSC/116/412

SUBJECT: Administration of Labor Questions -- Northern Italy.

TO : Economic Commissioner, Northern Italy
and
Regional Commissioners -- Liguria, Piemonte,
Lombardia and Venezia.

1. Executive Order No. 84 announced the creation of the Office of Economic Commissioner, Northern Italy, and indicated that the Economic Commissioner will be responsible for all economic functions in Liguria, Piemonte, Lombardia and Venezia. This memorandum deals with the administration of labor questions consequent upon the transfer of functions to the Economic Commissioner.

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3553

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5. Copies of wage agreements which have been approved should be forwarded to Labor Division, Economic Commissioner for Northern Italy, for information and onward transmission to Allied Commission Headquarters, Rome..

6. Copies of this memorandum are being sent directly to the Regional Labor Directors (Italian) for their own guidance and for information of Provincial Labor Directors (Italian). Allied Labor Officers under the direction of the Economic Commissioner should insure that the arrangements are duly operated.

HARLAND CLEVELAND
Acting Vice President
Economic Section

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HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

WHD/rsw

TEL : Ext. 550

November 1945

REF : LSC/116/412

SUBJECT: Administration of Labor Questions -- Northern Italy.

TO : Economic Commissioner, Northern Italy
and
Regional Commissioners -- Liguria, Piemonte, Lombardia and Venezia.

1. Executive Order No. 84 announced the creation of the Office of Economic Commissioner, Northern Italy, and indicated that the Economic Commissioner will be responsible for all economic functions in Liguria, Piemonte, Lombardia and Venezia. This memorandum deals with the administration of labor questions consequent upon the transfer of functions to the Economic Commissioner.

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3551

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Where the RIJAC recommends approval of a wage agreement and where the Regional Labor Director (Italian) is satisfied that the agreement is generally in line with the current wage structure in Northern Italy, the latter will prepare for the signature of the Regional Commissioner concerned a formal statement of approval. The Regional Labor Directors (Italian) will have regard to the Rome Agreement of 17 November 1945 establishing, in detail, the basic wages and indemnities for the respective categories of workers of all industries in Northern Italy.

Where the RIJAC does not recommend approval, or where, even if approval is recommended, the Regional Labor Director (Italian) is of the opinion that there is an important divergence from the approved wage structure for Northern Italy, the proposed wage agreement with an explanatory memorandum should be forwarded to the Economic Commissioner for Northern Italy for the attention of the Allied Labor Officers. Reference will be made, as necessary, to Headquarters Allied Commission for the advice of the Labor Sub-Commission on questions of doubt or difficulty.

5. Copies of wage agreements which have been approved should be forwarded to Labor Division, Economic Commissioner for Northern Italy, for information and onward transmission to Allied Commission Headquarters, Rome.

6. Copies of this memorandum are being sent directly to the Regional Labor Directors (Italian) for their own guidance and for information of Provincial Labor Directors (Italian). Allied Labor Officers under the direction of the Economic Commissioner should insure that the arrangements are duly operated.

HARLAND CLEVELAND
Acting Vice President
Economic Section

3550

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

DCS/rmw

TEL : Ext. 204

28 November 1945

REF : LSC/

SUBJECT: Labor -- AMG Territory

TO : Economic Commissioner Northern Italy
Attention: Labor Officers and Regional
Commissioners, Liguria, Piemonte,
Lombardia, Venezia.
Attention: Venezia-Giulia (for information)

1. Subject is change ⁱⁿ ~~of~~ handling labor matters in
As indicated by accordance with Executive Order No. 847 creating the Office
of Economic Commissioner Northern Italy, effective 1 December
1945.

2. With the creation of the Office of Economic Commissioner Northern Italy responsibility for labor (with the exception of wage control, hereafter discussed) will no longer rest with the Regional Commissioners, but will be that of the Economic Commissioner. All Labor Officers will be attached to the office of the Economic Commissioner and will report to A.C. Headquarters, Rome, through that office.

3. The Labor Divisions of the respective Regions will be closed effective 1 December 1945, or as soon thereafter as may be practical. (~~NOTE FOR WHH, REFERENCE VENEZIA -- I think it would be better to close the Division formally in the interest of uniformity but retain Newman to assist the Regional Commissioner~~). All the functions which have not yet been turned over to the Italian Labor Offices should be turned over ^{at once} ~~3579~~ ^{page.}

Questions which may hereafter arise will be referred to the

- 2 -

Labor Division of the Economic Commissioner Northern Italy.

4. Regional Commissioner are, however, to continue to exercise the function established by General Order No. 41 of approving or disapproving agreement for wage increases. ~~Hitherto~~ Such agreements ^{are} ~~have been~~ submitted through the Labor Offices (Italian) to the Regional Italian Joint Advisory Committees (RIJACs), which forwards its recommendation to the Regional Commissioner. Regional Commissioners will act upon the recommendations of the RIJAC.

5. In passing upon ~~the question of approving or dis-~~
~~approving~~ wage agreements ~~submitted to the Regional Commissioner~~
where approval has been recommended by RIJAC, the Regional Commissioner should exercise his discretion in favor of approval in those cases where the proposal is in line with recognized wage trends and patterns already established. For example, there has recently been negotiated in Rome an agreement between representatives of employers and employees establishing wage increases for uniform application throughout North Italy. Copies of this agreement will be forwarded within the next few days. Agreements submitted which serve to implement this general agreement ~~on~~ which are more or less in conformity with its terms and general spirit should be approved automatically.

On the other hand, where approval is recommended by RIJAC of an agreement which represents a sharp departure from established trends or a novel method of wage relief or a new break in the wage line which would warrant coordinated ³⁵⁴ ~~354~~ consideration for all of North Italy, the advice of the Labor

- 3 -

Division of Economic Commissioner Northern Italy should be sought. The Labor Division will be available to assist and advice the Regional Commissioners or, if necessary, refer the matter to A.C. Headquarters, Rome.

There will, however, be no absolute wage ceiling.

The Secretary of RIJAC, who is normally the Director of the Regional Labor Office, can be relied upon to act as liaison between RIJAC and the Regional Commissioner and to advise the Regional Commissioner on the question of whether or not the proposed agreement should be referred to Economic Commissioner Northern Italy.

6. This supersedes anything to the contrary which may appear in LSC/116 of 4 May 1945 and LSC/413 of 14 July 1945, with particular reference to Para 2 of the last mentioned memorandum.

7. Copy of wage agreements which have been approved should be forwarded to Labor Division, Economic Commissioner Northern Italy, for information and onward transmission to A.C. Headquarters, Rome.

8. The Directors of the Provincial and Regional Labor Offices and the RIJACS should be given full notice of the contents of this memorandum by Labor Division, Economic Commissioner Northern Italy.

3547

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

WEB/rmw

TEL : Ext. 550

November 1945

REF : LSC/116/413

SUBJECT: Administration of Labor Questions -- Northern Italy.

TO : Economic Commissioner, Northern Italy
and
Regional Commissioners -- Liguria, Piemonte,
Lombardia and Venezia.

1. Executive Order No. 84 announced the creation of the Office of Economic Commissioner, Northern Italy, and indicated that the Economic Commissioner will be responsible for all economic functions in Liguria, Piemonte, Lombardia and Venezia. This memorandum deals with the administration of labor questions consequent upon the transfer of functions to the Economic Commissioner.

2. Allied Labor Officers in the Regions will be withdrawn and advice on labor questions in Northern Italy will be submitted to the Economic Commissioner and to Regional Commissioners by Allied Labor Officers attached to the staff of the Economic Commissioner and located in the latter's office in Milan. Allied Labor Officers will keep in close contact with labor developments in the Regions by correspondence and by visits as occasion arises, and as directed by the Economic Commissioner.

3. In each Region the routine administration of labor questions, other than questions relating to employees of Allied Authorities, will be conducted by the Regional Labor Offices and the Provincial Labor Offices already established throughout Northern Italy, assisted as necessary by Regional Italian Joint Advisory Committees.

4. General Order No. 41 requires wage agreements to be submitted to Regional Commissioners for approval in AMG territory. The procedure already established in LSC/116 of 4 May 1945, and later instructions, will continue to operate;

3546

- 2 -

namely, wage agreements will be submitted through the Labor Offices (Italian) to the RIJACs for consideration and recommendation.

Where the RIJAC recommends approval of a wage agreement and where the Regional Labor Director (Italian) is satisfied that the agreement is generally in line with the current wage structure in Northern Italy, the latter will prepare for the signature of the Regional Commissioner concerned a formal statement of approval. The Regional Labor Directors (Italian) will have regard to the Rome Agreement of 27 November 1945 establishing, in detail, the basic wages and indemnities for the respective categories of workers of all industries in Northern Italy.

Where the RIJAC does not recommend approval, or where, even if approval is recommended, the Regional Labor Director (Italian) is of the opinion that there is an important divergence from the approved wage structure for Northern Italy, the proposed wage agreement with an explanatory memorandum should be forwarded to the Economic Commissioner for Northern Italy for the attention of the Allied Labor Officers. Reference will be made, as necessary, to Headquarters Allied Commission for the advice of the Labor Sub-Commission on questions of doubt or difficulty.

5. Copies of wage agreements which have been approved should be forwarded to Labor Division, Economic Commissioner for Northern Italy, for information and onward transmission to Allied Commission Headquarters, Rome.

6. Copies of this memorandum are being sent directly to the Regional Labor Directors (Italian) for their own guidance and for information of Provincial Labor Directors (Italian). Allied Labor Officers under the direction of the Economic Commissioner should insure that the arrangements are duly operated.

HARLAND CLEVELAND
Acting Vice President
Economic Section

3545

Mr Braine

HEADQUARTERS ALLIED COMMISSION
APO 394
LABOR SUB-COMMISSION

WHE/rmw

27 November 1945

MEMORANDUM FOR MR. SACHS

1. I understand that it has been agreed that the position of Economic Commissioner for Northern Italy is to be established, situated in Milan and covering the four Regions, Lombardia, Piemonte, Liguria and Venezia-Tridente. The Regional Commissioner, Lombardia will probably occupy this position in addition to his other functions, and various Economic Section out-posted Officers, including Labor Officers, will be concentrated at Milan to cover the Northern Regions.
2. This re-organization, coinciding with the new wage agreement which also covers the whole of the Northern Regions, makes it necessary to prepare a new memorandum on AMG wages policy in the North superseding the original memorandum LSC/116 of 4 May 1945. My own view is that such a memorandum should be addressed to the new Economic Commissioner, the Regional Commissioners, the Regional and Provincial Directors of Labor Offices, and the Allied Labor Officers on the staff of the new Economic Commissioner; and that it should say that any wage agreements which may be submitted in accordance with the terms of General Order No. 41 should be considered by the appropriate Regional Italian Joint Advisory Committee, and if in the opinion of the Advisory Committee and in the opinion of the Regional Labor Director, the proposed agreement conforms generally to the terms of the new Rome Wages Agreement of November 1945, now about to be published, AMG approval should be recommended. In such circumstances the Regional Labor Director should prepare formal notification of approval and should arrange for it to be signed and issued by the appropriate Regional Commissioner. A copy of the approval and of the wage agreement should be sent to the Labor Office of the Northwestern Economic Commissioner for information and transmission to Rome. If, however, it is felt that the terms of the proposed agreement submitted for approval differ radically from the general terms and spirit of the new Rome Agreement of November 1945, the proposed agreement should be referred immediately to the Labor Office of the new Economic Commissioner for advice and, if necessary, reference to Rome.

3. Will you please consider the foregoing, and if you agree, arrange to draft a memorandum accordingly, which I should like to see before issue.

3544

W. H. BRAINE, Director

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