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MONTHLY REPORTS (1945)
JAN. - AUG. 1945

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

CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 394

Ref: 824/EC

18 May 1945

MONTHLY REPORT

MARCH 1945

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POLITICAL SUMMARY

1. Under the terms of the new Combined Chiefs of Staff directive for ITALY, known as the "New Deal", the Headquarters of SOUTHERN, SICILIA and SARDEGNA Regions were abolished on 31 March and the new UMBRIA-MARCHE Region came into force.

2. An outstanding event of the month was the escape of General ROATTA on 4 March from the custody of the Carabinieri and his subsequent disappearance. General ROATTA was in process of being tried with Signor SUVICH, Signor JACOMONI and others for crimes against the Italian State and his case was of especial significance as he had been named by the authorities in YUGOSLAVIA as a war criminal.

3. The whole press showed great indignation over the affair both from the international point of view and on account of the evidence of hidden Fascist influence which it had brought to light. The Communist Party demanded the immediate dismissal of the Heads of the Carabinieri and the Police, and the suppression of the General Staff, suspected of having organised the escape.

4. On 6 March a demonstration moved to the Quirinal where an attempt was made to enter the Palace. During the demonstration a hand-grenade was thrown killing one Italian civilian and wounding two Allied soldiers and an Italian Police official. Shots were fired by the Carabinieri.

5. Signor BONOMI then received a deputation which demanded the Government's resignation. He replied that he could not desert his post and that as head of a coalition of parties he would shoulder responsibility for the Council of Ministers.

6. A communique was issued on 7 March by the Council of Ministers which relieved all fears of a Governmental crisis, and among other palliatives announced the dismissal of General ORLANDO, the Commanding General of the Carabinieri, and the transfer of the Intelligence Office, the former S.I.M., from the Italian General Staff to the General Staff of the Army in accordance with arrangements approved by the Allied Command.

7. This event and its demonstration of inefficiency on the part of the police authorities, has shown an unexpected degree of strength in the Government or, at any rate, an unwillingness of the parties composing it to witness its dissolution with unpredictable possibilities in regard to the formation of a new Government.

8. The Council of Ministers met on 16 March and, amongst other minor measures, approved a draft decree aimed at the fusion of Patriot units with the Regular Army. The Government have for some time been seeking to give the Patriots some form of recognition and at the same time to keep alive their military enthusiasm without inspiring the administration of the Regular Army. This decree envisages the enrolment of Patriots in the Regular Army with recognition of the ranks being held while in Patriot units. These ranks go up to and include

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9. At the Council's meeting on 21 March the High Commissioner for Food, Signor BERGAMI, presented a report in which he stated that the wheat situation was satisfactory until the next harvest. The population would receive its 200 grams of bread and 80 grams of pasta. The High Commissioner spoke again on the need of controlling prices and protecting the citizens against speculation. At this same meeting the Council also approved a decree to keep existing agrarian contracts in force until the end of the war.

10. The principal business of the Council Meeting on 28 March — and the most important development of the month — was the setting up of the long awaited Consulta or Advisory Assembly. As at present planned the Consulta will have 320 members, selected as follows: 180 chosen by the most important parties; 70 by the syndical organisations and 70 from among old anti-Fascist senators and ex-deputies. The Assembly will be divided into commissions corresponding roughly to the various Ministries and will express opinions on the general problems and legislative measures which are submitted to it by the Government. The Government is bound to seek the opinion of the Consulta on matters effecting the budget and public expenditure, taxation (except in cases of extreme urgency) and the electoral laws.

11. During the month it was announced that Signor Giuseppe SARAGAT had been appointed Italian Ambassador to FRANCE. Signor SARAGAT is one of the leaders of the Italian Socialist Party and is well-known in FRANCE where he spent 13 years as an exile from Fascism. It was announced later in the month that Italian diplomats had been nominated for various posts in SOUTH AMERICA and would soon be leaving to assume their duties.

12. The QUINTIERI-MATTIOLI Mission has given its report on returning from the UNITED STATES. The report has been favourably commented upon by the press in general, not so much for any real concessions which the two financiers have won, as for the encouraging term of American interest in ITALY.

13. On 8 March the Italian Government signed an agreement with the representative of UNRRA implementing Resolution 58 of the UNRRA Conference, held at MONTREAL last Autumn, for assistance to ITALY. The refugee camps established by the Displaced Persons Sub-Commission in Southern ITALY will be formally handed over to UNRRA on 1 April. In the matter of food supplies a joint programme has been prepared by UNRRA with the Allied Commission and with the Italian High Commissioner for Food. It should be noted that UNRRA will not function in territory administered under Allied Military Government except by permission of the Allied Commission.

14. The first Regional Commissioners' Conference since last August was held in ROME at the Allied Commission Headquarters on 8 and 9 March. The meeting was presided over by the Acting President and discussions ranged over a large number of subjects. Particular attention was given to the political, economic and other problems which will confront the Allied Commission and Allied Military Government on the liberation of Northern ITALY.

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PART I.

AMG ARMIES AND REGIONS

AMG FIFTH AND EIGHTH ARMIES.

1. The territory administered has remained unchanged and the month has been marked more by quiet progress than by any event of outstanding importance.

2. Food supplies during the month were sufficient and the issue of flour was based on the 300 gram ration. In the EIGHTH Army area flour was obtained entirely from local stocks and with the exception of 125 grams of sugar a head to the whole population, imported foodstuffs were distributed only to special classes.

3. All farmland in FORLI Province, other than mined areas, is under cultivation and the wheat acreage is almost normal.

4. The standard of health remained satisfactory. A programme of immunisation against typhoid, diphtheria and smallpox was started and was well under way by the end of March.

5. Very little electric power is available for industrial use so far, but in the meantime the repair of selected factories has been pushed forward. Four factories engaged in producing hemp products have been repaired in the EIGHTH Army area and, at one of these, production of sacks and industrial belting has begun. 11,000 hectares have been sown with hemp.

6. Repair of a sugar beet factory at CESENA is well advanced and sufficient beet has been planted to produce approximately 6,000 tons of sugar this year. Farmers in the North East are being encouraged to produce raw silk and a great deal of work has been done towards restarting silk mills. In addition to the three brickworks already in operation, four others, capable of producing 4,400,000 bricks a month, are ready to operate as soon as power is available.

7. In the meantime bridge building and other reconstruction projects have been slowed down for lack of materials. Practically the whole of the flooded area South and East of RAVENNA has been drained and only 500 hectares remain under water. 6,713 mines were lifted during the month bringing the total up to 7,217 mines.

8. The civilian population remains friendly and incidents have been few.

SICILIA REGION.

9. There was genuine regret among the official classes at the withdrawal of the Allied Commission staff from the Island and it is believed that the population as a whole shared in this regret.

10. A Liaison Officer was left at PALERMO for Western SICILY, and CATANIA for Eastern SICILY and a Mining Officer remained at PALERMO. One Property Control Officer and two Transportation Officers are also being left on the

climate.

3. All farmland in FOGLI Province, other than mined areas, is under cultivation and the wheat acreage is almost normal.

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10. A Liaison Officer was left at PALERMO for Western SICILY, and CATANIA for Eastern SICILY and a Mining Officer remained at PALERMO. One Property Control Officer and two Transportation Officers are also being left on the Island until about 1 May.

11. No change was made as regards the Islands of PANTELLERIA and LAMPEDUSA which still come under AMG; one C.A.O. remaining on each Island.

12. There were no signs of improvement in the effectiveness of the local administration which remained at a low level.

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13. Grain ships arrived regularly thus enabling a steady distribution of the full 300 gram ration of bread and pasta throughout the Island, but there were no indications of any reserve stock being built up. The increase in the price of bread and pasta consequent on the cancellation of the state subsidy caused no unfavourable repercussions. Public morale remained comparatively good due mainly to the continuance of regular issues of rationed bread and pasta and to the meeting of demands for wage increases. Much discontent arose from the increasing lack of clothing and shoes for the workers.

14. Inter-regional and export trade was hampered by lack of transport. Production of sulphur from the mines continued at an abnormally low level.

15. Agriculture was seriously hampered by shortage of fertilisers, labour and machinery; the area under seed is less than that of last year and the olive oil crop can be considered as almost a complete failure.

16. Crime remained at a high level; the number of cases of banditry in the country districts appears to have decreased slightly due to strong measures taken in certain areas resulting in many suspects being arrested.

17. The health of the population remained very good and there were no serious epidemics.

18. There was a considerable improvement in the supply of railway box-cars which were steadily being returned to the Island.

SOUTHERN REGION.

19. Increased political activity was inspired by the ROATTA escape and sporadic demonstrations against the Government took place at NAPLES and BARI on 7 March, at TARANTO and BARLETTA on 8 March, and elsewhere. Most of these were led by Left Wing personalities and Communist flags and placards were carried. The events led to no serious trouble or casualties except at ANDRIA, near BARLETTA, on 8 March, where a motor cyclist, who persistently interrupted a political meeting by racing his engine, was set upon and killed. There was a disturbance of somewhat different type at MINERVINO MURGE, near BARI, following a religious ceremony. One Carabiniere was mortally wounded. There was an instance of disorder at CALABRIA where a priest was killed and the Carabinieri were restrained by armed Communists, acting, it is alleged, under the instructions of the Sindaco. These disturbances have been very freely commented upon by the parties of the Right Centre, and have been minimized by the Communist and Socialist Press. It would appear therefore that the Liberal and Christian Democrat Parties in SOUTH ITALY are either genuinely afraid of Communist progress, or, as may be more likely, feel that the time is ripe to exploit public apprehension of Left Wing disorder. The question of TRIESTE is kept alive in the Press, notably more by the Right Centre parties than by the Left and in NAPLES there was a small

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20. The food situation is fairly normal.

21. At the PORTICI plant the production of sulphuric acid and superphosphate proceeded well and at Vetreria Ricciardi, NAPLES, production of domestic glassware and medical bottles is continuing at the rate of three tons a day. Frequent inspection of clothing repairing plants, laundries and disinfestation plants and dyeing factories were made and work is being carried out satisfactorily. The output of the two laundry plants in operation reached 42,000 pieces a week and 62,982 repaired garments were distributed during the month. The shortage of dyeing material is, however, still a most serious problem and for this reason the dyeing of salvaged uniforms and garments could not be met to the full extent.

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22. A strike of Public Utility workers in the first three days of the month was settled without serious results and no interference with Allied interests took place.

23. The crime situation was static except for a few minor instances. The unsatisfactory state of transport for the civil police has shown no improvement.

24. Smallpox remained at low endemic levels in NAPLES City and Province in the face of a continued vaccination programme. Four suspected cases of typhus occurred near BRINDISI.

25. Six additional NAPLES-ROME telephone circuits were connected and a ROME-SICILY telegraph and telephone circuit was made available.

26. Under the "New Deal for Italy" policy A.C. officers were withdrawn from Southern Region, with the exception of a small Liaison Office at BARI and officers at NAPLES Commune, which continues to function under AMG.

LAZIO-UMBRIA REGION.

27. LAZIO-UMBRIA Region, then under the title of Region IV, was formed on 1 August 1944. Eight months later, on 31 March 1945, the Region officially ceased to operate, the UMBRIA Province (TERNI and PERUGIA) being transferred to the newly formed UMBRIA-MARCHE Region on 16 March.

28. Local Government has progressed steadily and well from the first hastily selected Prefetti and Sindaci to more considered appointments based on experience of the individuals.

29. The health of the people during the last eight months has been remarkably good. There is still not enough food being distributed at reasonable prices and the poorer people suffer as a result of the Black Market, but there is no starvation.

30. Grain amassed stands at 165,430 tons or 104% of the goal; small quantities of grain are still trickling in but this can be considered as the final total for the year. The olive oil collection has reached 3,760 tons which is 64% of the goal and there is likely to be a fair increase on this figure. Importation of livestock to those Provinces which were denuded has made excellent progress. The figures to date are :

Cattle	2380
Horses, Mules	1089
Sheep	4170

31. Provision of seed potatoes caused much anxiety; transportation difficulties and lack of cooperation restricted the imports to under 1,000

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31. Provision of seed potatoes caused much anxiety; transportation difficulties and lack of cooperation restricted the imports to under 1,000 tons - about 12% of the requirements.

32. During the eight months, 905 public works reconstruction projects for 865 million lire were approved and financed in LAZIO alone. Of these, 350 have been completed. Among major achievements is a big reduction in flooded areas, reduced from approximately 33,000 acres to about 7,500 acres.

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33. Crime has decreased. The civil police have shown that there is good material out of which a first-class force could be made but clothing and equipment are still unsatisfactory and transport is insufficient.

34. In the Italian Courts the delays are still a serious problem. Since 15 August 1944 the Legal Division of this Region has sent to the Procuratore del Regno 1,763 cases in which the Allies were interested. So far 280 have been cleared through the Italian Courts. Crime reports processed since the formation of the Region totalled 75,955.

35. Soup kitchens in ROME City were arranged by radio with the Vatican before the Allied arrival in the City and approximately 250,000 meals have been served daily. Latterly the service was extended to the Provinces and a further 45,000 were distributed each day. In all welfare matters very close contact was maintained with the Vatican State.

36. Five refugee camps containing 8,000 refugees remain in ROME, mainly for those who are waiting to go North.

ABRUZZI-MARCHE REGION.

37. On 16 March the Region took over the Provinces of PERUGIA and TERNI. On 1 April it handed back to the Italian Government the Provinces of the ABRUZZI, viz: AQUILA, CHIETI, PESCARA and TERAMO. As from 16 March the Region will be known as UMBRIA-MARCHE Region and consists of the Provinces of ASCOLI-PICENO, MACERATA, ANCONA, PESARO, URBINO, PERUGIA and TERNI. Expressions of the greatest regret were made in the Provinces of the ABRUZZI on the cessation of Allied control; much apprehension about the withdrawal and little pleasure was noticed on the publication of the news.

38. Special efforts, achieving a large measure of success in the reduction in the price of foodstuffs, have recently been made in certain Provinces to stop the activities of operators in the black market.

39. The crops everywhere showed good promise. Wheat amassing for this Region has now reached 122%, and olive oil 55%, of the target figure.

40. The CAMPANARDI mine is producing approximately 600 tons of sulphur a week and an allocation was made to ASCOLI and MACERATA of refined sulphur from PELLIBIO Refinery (PESARO) for sulphur ointment to combat scabies.

41. Out of the estimated surplus of 50-60,000 tons of potatoes (Italian figures) only about 8,000 tons have been amassed since the crops first started to come in last autumn; 4,000 tons of seed potatoes have arrived from the U.K. In ANCONA 340,000 eggs are being amassed monthly and sold to the public at 10 lire each.

42. In most of the Region the standard of efficiency of the CC.RR has been maintained. Much clothing is still required and replacements are already

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42. In most of the Region the standard of efficiency of the CC.RR has been maintained. Much clothing is still required and replacements are already needed. The transport situation continues to be bad. There have been minor demonstrations in ASCOLI, AQUILA and SPOLETO but there has been little serious crime.

43. There have been a number of strikes of short duration; Italian State employees and 400 workers of the Genio Civile struck for an increase in wages. The disparity between statal and para-statal wage rates, and Army and AMG wage rates causes much discontent but increases in the wage rates of statal and para-statal employees have given some satisfaction.

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44. The health of the Region has been good and no epidemics have been reported. Hospital facilities in all Provinces are sufficient to meet the needs of the population and the number of cases of typhoid have continued to show a further decrease. Schools are functioning on an almost normal basis in all Provinces.

SARDEGNA REGION.

45. SARDEGNA Region, which had been in operation since October 1943, closed on 31 March. Efficient cooperation has been received from the High Commissioner and his staff throughout and the Allied Commission has been the recipient from many sources of expressions of goodwill and regret for its departure.

46. A notable event during the month has been the resignation of Emilio LUSSU from the Sard Action Party. He has been the recognised leader of this Party and a moving spirit in attempting to complete a fusion with the Italian Action Party. The Sard Action Party appears to be the strongest in the Island, followed by the Christian Democrat Party, as far as declared numbers are concerned. The Communist Party, though considerably smaller, is probably the best organised.

47. The severely bombed city of CAGLIARI has had its water supply, sewage, electricity (including street lighting) and trams completely restored and gas is supplied at the rate of half the pre-war service.

48. Grain amassed reached a figure of 31,000 tons which constituted 1,000 tons more than the September 1944 estimate.

49. About 29,000 tons of grain have been imported since the harvest ended and three more grain ships of 8,000 tons each will complete the programme to provide the ration until the next harvest is gathered. The distribution of food is now satisfactory and food demonstrations, which were a frequent cause of anxiety last summer, have practically ceased. Livestock in the Island, particularly sheep, is excessive and there is some indication that ground which could be utilised for crops for human consumption is being used for surplus livestock.

50. Production at the Sardinian coal mines is still below 40,000 tons a month. About 500 additional local miners have been taken on mainly as a result of the recruiting campaign. Unfortunately there is an undercurrent of unrest in the labour field and a "go slow" programme at one of the big mines (MONTE ARIS) has seriously interfered with production. It cannot be said that the increased ration, specially provided for the miners, has been reflected in an increase in the output of coal.

51. Thirty eight armed robberies were reported as compared with fifty in February. The legal situation is unsatisfactory, more than 15,000 cases are still awaiting trial and additional judges and legal clerks have not been

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Commissioner and his staff throughout and the Allied Commission has been the recipient from many sources of expressions of goodwill and regret for its departure.

46. A notable event during the month has been the resignation of Emilio LUSSU from the Sard Action Party. He has been the recognised leader of this Party and a moving spirit in attempting to complete a fusion with the Italian Action Party. The Sard Action Party appears to be the strongest in the Island, followed by the Christian Democrat Party, as far as declared members are concerned. The Communist Party, though considerably smaller, is probably the best organised.

47. The severely bombed city of CAGLIARI has had its water supply, sewage, electricity (including street lighting) and trams completely restored and gas is supplied at the rate of half the pre-war service.

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51. Thirty eight armed robberies were reported as compared with fifty in February. The legal situation is unsatisfactory, more than 16,000 cases are still awaiting trial and additional judges and legal clerks have not been forthcoming. Nine Italian military agents dropped by parachute in SARDEGNA were tried by the Italian Military Tribunal at ORISTANO, one being sentenced to thirty years' imprisonment and the remaining eight acquitted.

52. A summary of exports and imports shows that for the first quarter of 1945 SARDEGNA exported approximately 104,000 tons of commodities and imported 40,000 tons. In addition 1,200 cattle, 500 horses or donkeys and 4,100 sheep were exported. The principal commodities exported were 82,000 tons of coal, 8,200 tons of salt and 750 tons of paint pigments. Main imports were 16,300 tons of grain, 11,000 tons of coal and 6,000 tons of phosphates.

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TOSCANA REGION.

53. During the month reconstruction projects amounting to 167 million lire were initiated but the devastation in the Region is such that many projects remain untouched.

54. Olive oil amassed to the end of March amounted to 54,539 quintals. 556 tons of salt were produced at SALINA in three weeks while an average of 22 tons a day was maintained at the Solvay Plant at ROSIGNANO. The latter plant is reverting to caustic soda production and it is doubtful if it can maintain any appreciable output of common salt at the same time; for this reason it was decided not to increase the salt ration. 861 tons of seed potatoes have been distributed.

55. Public safety has slightly improved and the conduct of Allied troops is good. The large number of Italian Prisoners of War in the LIVORNO area, however, present a grave problem; they roam the streets dressed in American uniforms, only distinguished from American soldiers by a little detachable metal insignia. If this emblem is removed before a crime is committed, the blame is generally laid on American troops! The Italian police are reluctant to interfere because they are told the Prisoners of War are under Allied protection.

56. In GROSSETO the Court of Assizes pronounced death sentences on three Fascists (in absentia) for divulging to the Germans, a year ago, the whereabouts of three British other ranks, who were shot.

57. Public health continues good and the excellent work of Italian Provincial Departments, both in the furtherance of their own schemes and in cooperating with military units, has done much to prevent disease occuring. First Aid Posts have been established in Provincial capitals. There has been a small outbreak of typhoid at ANTIGNANO, traced to a polluted well.

58. Over 350,000 text books for schools have been printed and over 300,000 distributed. In the larger towns practically all schools have been supplied with new books, but the lack of transportation makes the supervision of schools almost impossible. Repair to school buildings is being hampered by shortage of materials.

59. Bank deposits still show an increase over withdrawals.

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PART II

CIVIL AFFAIRS SECTION.

Defascism.

1. The number of decrees on defascism is now 106. One of these extended up to 60 days the time limits within which epuration may be commenced, according to employment; another has allowed persons suspended to receive the high cost of living allowance and makes certain administration changes.

2. A tour of all provinces in AMG Territory has been concluded. On the whole, provincial epuration is working well.

3. The epuration of grade I - IV officials is practically complete. 136, or 9%, have been dismissed and a further 283, or 18%, retired. Many who would have come within these grades have fled to Northern ITALY.

4. As to epuration generally, in the principal Ministries about 21,000 of the 45,000 employees have been scrutinised and 4,800 have been sent for trial. Of these, 2,100 cases have been concluded resulting in 600 dismissals. In addition there have been numerous compulsory retirements and other lesser punishments.

5. Military Tribunals, to try members of the forces who collaborated with the Germans in North ITALY, have been established and a decree is under consideration for setting up a special Assize to try civilian collaborators.

Mine Clearance.

6. The total number of mines reported lifted in ITALY for the past month by Mine Clearance Companies, Civilian Squads and Contractors is 151,947. Permission to form a further company for mine clearance work has been granted. There are approximately 550 civilians engaged in Mine Clearance with a further 125 under training and 150 are also employed by contractors. Steps have been taken to form a pool of Instructors for use by the Northern Regions. There is still a shortage of equipment and transport.

Devastated Areas.

7. During March eighty tons of canvas were allocated to LAZIO-UMBRIA and ABRUZZI-MARCHE Regions for temporary repair of the less badly damaged dwellings.

8. A drive in FLORENCE for the collection of money, clothing and blankets was carried out and over 6,000,000 lire, upwards of thirty thousand articles of clothing and a very considerable number of blankets have been contributed.

LOCAL GOVERNMENT SUB-COMMISSION.

9. The Italian Government has furnished its preliminary plans based

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4. As to epuration generally, in the principal Ministries about 24,000 of the 45,000 employees have been scrutinised and 4,800 have been sent for trial. Of these, 2,100 cases have been concluded resulting in 600 dismissals. In addition there have been numerous compulsory retirements and other lesser punishments.

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LOCAL GOVERNMENT SUB-COMMISSION.

9. The Italian Government has furnished its preliminary plans, based on a pre-fascist law of 1915, for the conduct of local elections in liberated ITALY. A proposal to hold such elections in AMG Territory is being studied.

10. The Sub-Commission has taken part in the planning arrangements for North-West ITALY in regard to local government and prefectural appointments, and an officer will be attached to Army HQ to advise and assist in such work.

11. Arrangements have been made (in collaboration with the Ministry of Interior) with a view to contacting and employing certain officials with anti-fascist records, known to be in the North, after the liberation of their respective areas.

/LEGAL SUB-COMMISSION 5275..

LEGAL SUB-COMMISSION.

12. Owing to the withdrawal of officers from Southern ITALY only three Allied Military Courts were authorised during the month in Italian Government territory; at BARI arising out of the extensive purchase and sale of AC permits, at ROME for the counterfeiting of large sums of AM lire and for the forgery and sale of an AC travel permit.

13. In Military Government Territory, Allied Military Courts continued to operate. The volume and type of crime remained substantially unchanged. One serious case in TOSCANA arose out of an attack made by a gang of Italian soldiers on Italian women and their Allied soldier escorts.

14. General Courts were held in both 5th and 8th Army areas for the trial of spies. Of the cases reviewed during the month, two convictions were quashed, two death sentences were confirmed and one death sentence was commuted.

15. Requests have been received from patriot sources that steps should be taken to protect patriots from prosecution in the Italian Courts for offences committed against the property of other Italians during the period of German occupation. Arrangements have been made that complaints of this kind arising in AMG Territory are scrutinised before prosecution is authorised. The Italian Government has prepared a draft decree to deal with complaints which arise in Italian Government Territory and the Ministry of Justice is preparing a further decree of amnesty in respect of offences committed by patriots.

EDUCATION SUB-COMMISSION.

16. Up to 31 March 1,567,733 elementary school text books have been printed and distribution is only slightly behind production. A further 378,180 books are in the press and should be ready during the first part of April, completing the revised programme for elementary text book production for liberated ITALY for the year.

17. The final report on school buildings in ROME shows improvement in the situation since representations were made to the Prime Minister though 18 schools are still wholly, and 37 partly, unusable owing to the need for repairs. Schools are running almost normally but the supply of the new text books was below the demand. In TOSCANA Region new text books are in general use, 352,727 having been printed in FLORENCE and the bulk of them distributed. In ROME 438 out of 470, and in RAVENNA 37 out of 219 elementary schools are now functioning and proportionate numbers of the other types of school are open in both Provinces.

18. Continuing the policy of cultural and scientific exchange between ITALY and the Allied Nations selected books on Education in BRITAIN, UNITED STATES and CHINA and on social, political, and economic subjects are being printed and published in Italian. Catalogues and bulletins on engineering education have also been obtained from leading institutions in

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18. Continuing the policy of cultural and scientific exchange between ITALY and the Allied Nations, selected books on Education in BRITAIN, UNITED STATES and CHINA and on social, political, and economic subjects are being printed and published in Italian. Catalogues and bulletins on engineering education have also been obtained from leading institutions in BRITAIN and the UNITED STATES and given to the Committee on Reform of Engineering Education of the Italian Society of Engineers. The American Library Association has been asked to send at least a part of ITALY's share since 1939 of the scholarly publications it has been collecting to rehabilitate the libraries of EUROPE. NEW YORK University has offered a number of fellowships to advanced Italian students in art and history of art and requested information regarding a reciprocal arrangement. The Minister is in full sympathy with the plan and practical details are being worked out. Boy Scouts and Girl Guides are increasing in ITALY and are being assisted materially and encouraged by British, American and International organisations.

/PUBLIC HEALTH SUB-COMMISSION ...

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PUBLIC HEALTH SUB-COMMISSION.

19. All Allied Commission Public Health Representatives were withdrawn from Southern ITALY, SICILY and SARDINIA on 31 March with the exception of 3 officers who are to remain at NAPLES. Liaison will continue with the Italian Public Health authorities on questions of policy. Military Medical authorities in Southern ITALY who wish local action to be taken on health problems will now approach the Medico Provinciale through the Prefect.

20. No cases of Typhus were reported during the month and anti-typhus demonstrations have now been given throughout the whole of liberated ITALY; the Typhus Control unit will remain available to assist the Italian Government in the case of major epidemics. 10 cases of smallpox were reported from FROSINONE Province; the SALERNO figures fell to 9, while NAPLES City reported 149, and NAPLES Province 116 cases. From the time of the onset of smallpox in SOUTHERN Region until 28 February 3,552,400 people were vaccinated. The PRATO typhoid epidemic may now be considered finished.

21. Work on the TIBER Delta Anti-Malaria project is more than half completed and the production of liquid Chlorine for sterilisation of polluted water supplies has begun in ROME.

22. The high incidence of Venereal Disease in ROME is causing anxiety and representations have been made to the Italian Government to intensify the campaign against clandestine prostitution and to improve the diagnosis of infected women.

23. The ROME infant mortality figure for February was 111.5 as compared with 148.2 in January. The Tuberculosis figure (both pulmonary and non-pulmonary) in February was 190 deaths as compared with the January figure of 257 deaths.

24. ENDIMEA has completed the distribution of Allied medical supplies for the January-February period to the whole of Italian Government Territory. It is feared that the medical supplies for the first six months of the current year, due from the US, will not arrive until May.

Veterinary.

25. Brucella Abortus vaccine is being produced in ROME and administered locally to dairy cows. The large scale immunisation of swine against swine cholera with Crystal Violet vaccine and antiserum continues. Foot-and-Mouth Disease is widespread and every possible effort is being made to increase the production of vaccine against this disease.

Welfare.

26. The release of 182,000 blankets has been obtained and distribution of these will be made to the Italian Government and in AMG territory, hospitals having the first priority.

PUBLIC SAFETY SUB-COMMISSION

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PUBLIC SAFETY SUB-COMMISSION.

27. General ROATTA, on trial before the High Commission For Punishment of Fascist Crimes, escaped from hospital on 4 March and is still at large. The escape, which was due to negligence on the part of those responsible for guarding the prisoner, has been described in paras 2 - 7 of this report. On the dismissal of General ORLANDO the appointment of General Brunetto BRUNETTI as Commanding General CC.RR was announced.

28. On the retirement of General AMMOMINO, General Giovanni CICILIA took over command of the Royal Finance Guards.

29. Although in no way connected with the escape of ROATTA, disturbances took place in CATANZARO (CALABRIA) and GRAVINA di PUGLIE following on the

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complete withdrawal of Allied Commission officers from Southern ITALY. Other incidents of less serious consequences have occurred at other locations in liberated ITALY, but as the month closed the situation was under control.

30. Arrests were made on 8 March by Allied Security Agencies in ROME of twenty-five members of the Fascist "Onore" Group. A further twenty members have been arrested by CC.RR and an enquiry into their organisation is being carried out by Rome Area Allied Command. Their object was to form a political group on former Fascist lines, placing members in other political parties for the purpose of disruption.

31. A report has been received from AFHQ of cases of civilians desecrating and pillaging Allied and enemy war graves, particularly in the ANZIO and CARIGLIANO districts. This matter has been referred to the Italian Director of Public Security for energetic action to detect offenders with a view to stopping such deplorable offences.

32. In some locations, particularly the Island of SARDINIA and LAZIO-UMBRIA Region, decreases in major crime have been reported and the situation generally is considered satisfactory.

MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

33. At RAVENNA immediate first-aid repairs have been pushed ahead, and the major monuments are now weatherproof. A special Italian Fine Arts Commission visited this city and expressed satisfaction at the progress made. The same Commission visited RIMINI to prepare plans for the eventual restoration of the Tempio Malatestiano and reports that little further immediate action is needed. On 16 March the buried repository containing the finest antiquities and works of art from the Museum and Cathedral of ANCONA was finally recovered after six months work. The contents were found to be substantially intact or repairable.

34. The Borghese Gallery in ROME formally reopened on 25 March with a special loan-exhibition including many pictures brought for safe custody from North ITALY. The attendance during the first fortnight was 7,244 persons.

35. The famous "Tavolette di Biccherna" (decorated mediaval bookcovers) at SIENA, previously reported missing by the Italian archivist, have been found. The Archivio dello Stato at BARI, occupied by troops since 1943, has been released.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

36. During the month two mass movements took place. 899 Jewish Emigrants left for PALESTINE and a mixed party of Greeks, Maltese and Arab repatriates were returned to THESSALONIKA and CRETE/RHODES. In addition, 31 French children born of Italian parents were returned to French NORTH AFRICA.

37. Medical conditions and health in the Camps and Centres continued to be satisfactory and the advent of warmer weather has assisted in hygiene problems. A minor epidemic of Typhoid occurred at AMP Evacuation Cam-

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37. Medical conditions and health in the Camps and Centres continued to be satisfactory and the advent of warmer weather has assisted in hygiene problems. A minor epidemic of Typhoid occurred at AMG Evacuation Camp No. 27 at FLORENCE; 34 cases (including suspects) were reported. 1,790 Allied Nationals in ROME are now receiving the extra food supplement on medical grounds.

38. 1,434 Italian Refugees with homes in the South ITALY or SICILY were repatriated and a total of 2,409 refugees arrived in ROME from the Southern Army Areas.

39. At the end of March, a total of 74,681 persons were recorded by the Records Bureau of Allied Commission and the location of approximately 60,000 of these was known.

/40. It is announced.

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40. It was announced that UNRRA would take over financial assistance advances for United Nations nationals and Stateless Displaced Persons in ROME from May 1945 and will assume responsibility for payments throughout liberated ITALY from June 1945.

41. During March the Banco d'Italia was authorised to make 2,240 payments, totalling 8,142,910 lire, benefiting 1,436 persons.

Patriots Branch.

42. 2,743 Patriots, were handled during the month at the Patriot Centres at FLORENCE, PESCIA and RAVENNA. Approval is still awaited for authority to draw supplies (rations and clothing) from military sources for the large number of Patriots who will have to be handled on the liberation of the North.

43. The Ministry of Occupied ITALY has agreed to assume responsibility for all expenses connected with Patriot Centres as from 1 April and gave official approval to the payment of the following sums to Patriots and their dependents:-

a) 1,000 lire demobilisation bonus;
b) 5,000 lire to wounded patriots;
c) 10,000 lire to the dependents of patriots killed in action.

44. Small quantities of salvaged clothing have been allotted to FIFTH and EIGHTH Army Patriot Centres. During the month 127 Patriots in Italian Government Territory were issued with clothing from the Ministry of Occupied Italy store in ROME.

45. 2,954 Patriots have been enlisted into the Italian Army during the period 21 January 45 to 28 February 45, and the Ministry of War has issued instructions that when posting army volunteers to combat units priority shall be given to Patriots.

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PART III

ECONOMIC SECTION

AGRICULTURE SUB-COMMISSION.

1. Crop prospects in Army and AMG areas continued satisfactorily although there has been some lack of rainfall and fertilizer distribution has been handicapped by lack of supply. Seed potato distribution was completed but supplies were limited. The sugar beet production programme was finalized with 7,100 hectares to be planted.

2. Agricultural supplies, principally fertilizers, were received and distribution was initiated, although delays have been encountered in handling and transportation. There was adequate sulphur available except in SARDINIA and Central ITALY, where supplies from SICILY had not been received.

3. Land reclamation work in the LITTORIA-PONTINIA area proceeded satisfactorily. The movement of livestock from SARDINIA to the mainland has been curtailed owing to outbreaks of foot and mouth disease.

4. Wheat consigned to "Granai del Popolo" totals 1,125,306 tons, 16,800 tons of which were collected in March. Central ITALY target figures have been surpassed by 14% but collection practically ceased in Southern ITALY. Olive oil collection was far from satisfactory, 3,191 tons being collected during the month in mainland provinces, bringing the grand total to 40,413 tons collected in mainland provinces, or 50% of the target. It was decided that, owing to the effective support given to the olive oil collection programme by Allied personnel engaged on this work, the personnel would not be withdrawn from territory under Italian Government jurisdiction until 15 April and plans were made for continuing the work despite closing of Regional Headquarters.

5. Production of timber for military requirements, fuel wood and charcoal continued to be satisfactory, with stocks on hand increasing.

6. Additional fisheries supplies were received during the month and distribution under Fondazione Assistenza Sfornimenti Pesca (FARF) proceeded satisfactorily. Canning supplies requisitioned for the tuna season could not be delivered in time and were cancelled.

COMMERCE SUB-COMMISSION.

7. The Italian Government is now responsible for making allocations for the whole of Southern ITALY, SICILY and SARDINIA, including LAZIO and ABRUZZI Compartimenti, from bulk supplies made available to them by the Allies.

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8. Prices of matches have been doubled by a decree of the Ministry of Finance, effective as from 15 March 1945, owing to the increased cost of manufacture. Improved production figures of cut tobacco rendered possible an increase in the ration to 50 grams a week.

9. The leather situation shows a slight improvement, a moderate quantity of sole and upper leather having been declared by tanners in TOSCANA Region. The tanning extract plant at RAMI DI LUCCA went into production on 1 March. Over 4,000 tyres and a similar number of tubes have been made available by AFHQ for distribution.

10. The critical newsprint shortage of February was overcome during the first week of March with the arrival of 300 tons from ALGIERS and 100 tons

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from the BALKANS. Allied Publications Board decided that in the future the Italian Press Commission should receive 30% of all imported newsprint supplies up to a maximum of 300 tons a month.

11. 56,422 garments and 13,833 pairs of shoes were allocated to civilian workers for military establishments and patriots during the month.

12. This month's exports reached the record figure of 280 million lire and the total tonnage shipped was 9,638 metric tons. This is the first month in which shipments to France have figured. The 1944/45 citrus fruit exports from SICILY to U.K. came to an end on 24 March 45. Over a period of four months, 911,434 boxes of lemons and 80,380 boxes of bitter oranges were shipped. Good reports on landing condition have been received from the Ministry of Food, London.

13. The Istituto Commercio Estero, has undertaken contracts with the CALABRIA silk filatures for the reeling of the 27 tons of imported Persian cocoons.

FINANCE SUB-COMMISSION.

14. In February the net investment in Italian Government bonds in Liberated ITALY was 1,570 million lire. This brings the total net investment in the first eight months of the current fiscal year to 16,663 million lire.

15. The cash deficit of the Italian Government in February was approximately 6,300 million lire.

16. A number of important tax revision decrees were published by the Italian Government, which included the Fund of National Solidarity, an increase in the entertainment tax, an increase in the rates of tax on vehicles, boats etc., and changes in the Succession and Donation Taxes. Total tax collections in Liberated ITALY in February totalled 2,140 million lire, bringing the total collections for the first eight months of the current fiscal year to 10,280 million lire.

17. Effective 1 March 1945, the agreement between the Allied Financial Agency Sub-Section and Banco di Sicilia/Banco di Napoli regarding the handling of remittances was terminated. The position of AFA Sub-Section as the supplier of lire for the making of remittance payments has now been assumed by the Banca d'Italia to whom AFA Sub-Section has transferred the dollar and sterling balances already accrued. The Banca d'Italia has agreed to make dollar and sterling payments only upon orders of the Italian Ministry of the Treasury approved by the Finance Sub-Commission.

18. The net investment in Postal Bonds and Accounts in February amounted to approximately 1,000 million lire. Commercial bank deposits continue to increase, provisional figures for January indicating an increase of about 3,500 million lire.

19. Supply accounts for all Regions have been received and consolidated

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18. The net investment in Postal Bonds and Accounts in February amounted to approximately 1,000 million lire. Commercial bank deposits continue to increase, provisional figures for January indicating an increase of about 3,500 million lire.

19. Supply accounts for all Regions have been received and consolidated at HQ up to 31 December 1944. In addition, returns have been submitted by all but one Region up to 31 January 1945. The time lag is being reduced and the situation of the supply accounts is considered very satisfactory.

FOOD SUB-COMMISSION.

20. March was the first month of the universal application of the 300 gram bread ration to the whole of Liberated ITALY. The scale was generally fixed at 200 grams of bread daily and 550 grams of pasta weekly, which is the equivalent of 300 grams of bread, but in Northern TOSCANA, where pasta is not so popular, it was agreed that the present ration should be fixed at

/250 grams...

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250 grams of bread, the balance to be given in the form of pasta. Other items distributed on the ration scale were 125 grams of sugar, 2 decilitres of olive oil, 200 grams of salt monthly and in addition the special issue of 200 grams of pasta products for towns of 50,000 inhabitants and above was continued.

21. There was a further extension of communal feeding facilities and many new popular kitchens were opened under the auspices of the Ufficio Assistenza Convivenze del Vaticano. Supplies were provided jointly by the Allied Commission and the Italian High Commissioner for Food and advantage has also been taken of the provision of facilities on a fixed scale of issue for industrial masses, with consequent improvement in workers' feeding conditions.

22. The grain situation remained satisfactory with 278,000 tons of locally produced grain on hand at the end of the month but imports of grain were below schedule. The supply of grain to ROME showed an improvement and a reserve of 32 days bread supply was built up.

23. Arrivals of non-rationed foodstuffs into ROME showed an improvement in every case over the previous month. A daily average of 237 tons of fruit, 249 tons of vegetables, 32 tons of miscellaneous foodstuffs and 152,000 eggs arrived into the city through official channels while wine shipment totalled 6,500 tons.

24. In connection with the recent assumption of responsibility by the Italian Government for food supply in Italian Government territory, the new system of bidding for rail transportation of non-rationed foods came into effect during March. Instructions for the new system of bidding for sea transportation of non-rationed foods were also issued. The regular arrival of fresh vegetables into ROME augurs well for the new organisation and procedures.

25. Imports of foodstuffs amounted to 99,549 tons, of which 92,427 tons were cereals and the remainder miscellaneous foods. Among the latter, there were considerable deficiencies from planned schedules of sugar, fats and soap.

INDUSTRY SUB-COMMISSION.

26. The work of deregulationing industrial premises is progressing and during the last two months, eleven plants have been released from military control.

27. Repair of beet sugar production plants is proceeding satisfactorily and it is estimated that production will obtain 13,100 tons of sugar and 4,000 tons molasses yearly.

28. The output of four factories manufacturing flat glass was 2,050 square metres a day at the end of March.

29. The MONTECATINI fertilizer plant at PIOMBINO, CATANIA, resumed operation on 1 March and the ammonium sulphate plant of the Soc. Elettricita' Sarda at OSSIMIRI (SARDINIA) is now producing 900 tons monthly. 2,600 tons of Italian pyrites have been shipped to SARDINIA.

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30. Mainland sulphur supplies moved forward satisfactorily, 1,543 tons being shifted from the CASSINARDI stock pile and 2,100 tons from BENEVENTO. Sardinian coal production has been seriously reduced on account of a "slow down" strike which took place between 15 and 29 March.

31. The Aniene plant in ROME has been reactivated and is now producing 40 tons of chlorine a month and 30 tons of caustic soda.

32. Approximately 700 textile looms are now working in the PRATO area by the use of improvised motive power and daily production is in the neighbourhood of 20,000 metres, a figure which will be greatly increased when electric power can be supplied. Manufactures of cotton goods shows an increase over the previous month of approximately 13%.

LABOUR SUB-COMMISSION...

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LABOUR SUB-COMMISSION.

33. The rising cost of livin, and free negotiation between employers and workers, without any fixed ceiling to wage levels, has resulted in wages in private industry rising above the Armed Forces Scale and causing unrest amongst Italian employees of the Armed Forces. The principle of maintaining the Armed Forces wage scale generally in step with outside wages has now been confirmed and proposals have been made for expediting adjustments.

34. As regards Northern ITALY, it has been decided, in principle, that the appropriate wage rate prevailing in industry in respective areas of employment at the date of liberation will be paid to civilian employees of the Armed Forces. Any wage changes will be subject to AMG approval.

35. Committees representing the Italian Government, Italian industry and organised labour are being established in AMG territory to advise Regional Commissioners upon proposed wage changes and industrial unrest. They will also identify industrial establishments which should be safeguarded from requisition or should be derequisitioned and re-established to prevent unemployment.

36. Representatives of the British Admiralty have discussed with the Italian Government the proposed recruitment of 15,000 Italian workers for employment overseas. The Italian Government, with representatives of organised Italian labour, promised full support to the scheme provided financial arrangements could be satisfactorily concluded. Discussions on questions of finance are proceeding.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

37. Power supply was increased by 12,000 kilowatts as a result of the reconstruction of a generating set at CASTELNUOVO-LARDERELLO. This plant is operated by volcanic steam and therefore dispenses with imported fuels.

38. Power allocations for the month of April (made in March) will be sufficient for all military requirements in Southern and Central ITALY. Further supply in this area will be available for civilian use but may have to be transmitted to Northern ITALY after liberation.

39. Street lighting service, on a greatly curtailed scale, was resumed in NAPLES and ROME on 31 March; this service has long been requested by Public Safety officers.

40. The first objective of rehabilitation of the port of CIVITAVECCHIA has been attained, and 3,000 tons can be handled daily.

41. Approximately 220 communal committees are now functioning in accordance with the Governmental Housing Decree. 12,000 projects estimated to cost 1,100 million lire have been initiated and of this total 6,000 projects are completed.

TRANSPORTATION SUB-COMMISSION.

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TRANSPORTATION SUB-COMMISSION.

42. Transportation Officers at PALERMO (1), REGGIO (2), BARI (4), NAPLES (4), CIVITAVECCHIA (1) and ROME (1) are to be retained after the withdrawal of A.C. Officers from Southern ITALY carried out on 31 March under the "New Deal for ITALY" policy. This is to ensure that civilian transport, which in Southern ITALY is closely associated with military transport, is coordinated. In addition, officers in charge of "Truck Pools" at NAPLES, FOGGIA, CAMPOBASSO and CHIETI will be retained until the MT vehicles in the truck pools are handed over to the Italian Government.

/With effect from ...

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43. With effect from 19 March the procedure governing the movement by rail of all non-military traffic on the mainland of ITALY was made the responsibility of the ITALIAN State Railways.

44. The reconstruction of the railway track from PISA to FLORENCE has been completed, freeing a number of road vehicles for other important haulage work.

45. On 5 March the ROME-NAPLES and NAPLES-REGGIO train services were merged to provide a daily through service from ROME to REGGIO. The service runs three days a week via CASSINO and four via FORMIA with connections to and from BARI. A daily perishable freight train service from the PUGLIE and CALABRIA districts to ROME was introduced early in the month. It has brought an average of 700 tons of perishable foods a day to ROME and has run fairly well to time.

46. Of the 1,700 civilian load-carrying vehicles of 1½-ton capacity long expected from the UNITED STATES, 1,396 have been received; 416 have been assembled and will shortly be put into operation.

47. Five barges averaging 300/350 tons each are operating on the coal service between CIVITAVECCHIA/PIOMBINO and ROME. Dredging of the TIBER River, which will be undertaken shortly, will enable a larger tonnage of coal to be delivered at the terminus.

48. The handover of warehouse management to the Federazione Italiana dei Consorzie Agrari was completed during the month. In the Army area only the accounting has been handed over, but at ANCONA, LEGHORN and NAPLES the complete operation is the responsibility of the Federazione.

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PART IV

PUBLIC RELATIONS BRANCH & INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. Further steps were taken to improve cooperative relationships between the new United States Information Service (U.S.I.S.) PWB, AFHQ PRO and the press attaches of the British and American Embassies. The Press Plan for Northern Italy was the subject of many meetings and was finally forwarded to AFHQ after approval by the Allied Commission and P.W.B. The Temporary Film Board was formally established and met for the first time, with the Chief Commissioner presiding. The Director of the Public Relations Branch visited zones of the Fifth and Eighth Armies and laid plans for development of public relations in the forward areas with the field staff and AMG staff officers. Attention was given to the future problem of service to Allied correspondents left behind in ROME when AFHQ PRO establishments move forward.

2 The News Production Division doubled its output issuing 62 original releases. Direct delivery was arranged to all Allied correspondents to all Italian papers and agencies in ROME and to the Italian provincial newspaper outlet. A party of nearly 50 Allied Italian and neutral correspondents was conducted to cover the inauguration of the 'new CASSINO' ceremonies. Background articles with photographs were dispatched directly to trade periodicals in ENGLAND and the UNITED STATES not having representatives in ROME. A standard operating procedure on picture coverage of worthwhile stories was set up with PWB Pictorial Division and the Photographic Section of AFHQ PRO.

NAVY SUBCOMMISSION

3. A directive was issued by Allied Force Headquarters on 7 March 1945 under which the Navy Subcommission is responsible for all administrative and material questions affecting the Italian Navy including:-

(a) Employment of Personnel.

(b) Supplies of Food, Clothing, Transport and Naval Stores.

(c) Disposal of War Material.

(d) Requisitioning of Italian Naval property.

4. The directive further provides that all communications relating to matters of policy in connection with the Italian Navy under the Armistice Terms and the General administration of the Italian Navy, not directly affecting the operation of the Italian Fleet under the Cunningham-de Courten Agreement, will be referred directly to the Subcommission.

5. Approval was received from Allied Naval authorities to make available 440,000 Italian shell fragments

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5. Approval was received from Allied Naval authorities to make available 430 000 Italian shell forgings for scrap. By securing the release of these forgings it is anticipated that nearly 1500 tons of former Italian war material can be re-smelted into steel for constructive purposes.

LAND FORCES SUBCOMMISSION (MMLA)

6. The manpower position of the Italian Army improved rapidly during the month. On 9 March there was a deficiency of 18,000 including the Carabinieri. This deficiency has since been covered by further intakes due to call-ups and voluntary enlistment - and wastage has been reduced considerably.

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7. MMIA demobilisation plans for the older classes were agreed by AFHQ and are being carried out. Plans are also being made against the manpower problems which will arise when homes of many serving soldiers of older classes are liberated, entitling them to demobilisation.

8. Thirty five thousand ex Italian soldiers were repatriated from the Balkans between 11 November 44 and 31 March 45. Of these, 10,610 have been taken into the Army. Remnants of the Garibaldi Division have now been repatriated; the personnel are good fighting soldiers with considerable battle experience and their morale is high. Three thousand volunteers for combat are being concentrated for re-equipment and training in the Italian Army barracks at VITERBO.

9. Reports from EIGHTH Army and liaison visits to the Italian Combat Groups in Army Areas confirm that the Groups are giving a good account of themselves. Co-operation between Allied and Italian staffs continued to give good results and the training of reinforcements at the RTC RCF, CESANO made progress during the month.

10. On 8 March 45, the War Ministry issued a decree which increased the pay of OR's up to and including the rank of corporal. With effect from 16 August 45 these ranks receive double pay for service under 40 months and treble over 40 months

11. The Italian Army Welfare Training School opened in ROME on 6 March. Ten day courses for officers are being held with a view to training future unit welfare officers. The school is being run in close liaison with the British Army Welfare and AMG authority has been obtained for the issue of a limited scale of rations for Italian Army canteens on repayment.

AIR FORCES SUBCOMMISSION

12. The Italian Air Force is still being employed in active operations over YUGOSLAVIA and the Istrian Peninsula. A record number of sorties were carried out during the month.

13. Among other operations, the Bomber/Transport Wing has transported a large weight of supplies and dropped them over YUGOSLAVIA. In addition they have evacuated a large number of Partisan and YUGOSLAV wounded. The Light Bomber Wing has dropped a considerable weight of bombs with good results. There has been one accident in this Wing involving the death of the crew of one aircraft.

14. The morale of the Force remains satisfactory and a good spirit of co-operation is in evidence in the Italian Air Ministry.

COMMUNICATIONS SUBCOMMISSION

15. The areas open to internal civil communications services have not changed during the month; the chief developments have been the doubling of the number of NAPLES - ROME circuits open to civil use and the commencement of a telegraph service to FLORENCE and adjacent towns.

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15. The areas open to internal civil communications services have not changed during the month; the chief developments have been the doubling of the number of MARLES - ROME circuits open to civil use and the commencement of a telegraph service to FLORENCE and adjacent towns.

16. Signal Stores commenced to arrive for the planned restoration of communication services in North Italy and increased tariffs have been legalized for postal, telegraph and telephone services.

17. The ROME - NEW YORK radio telephone service for official calls, opened 2 March.

WAR MATERIAL DISPOSAL AND ITALIAN PRISONERS OF WAR SUBCOMMISSION

War Material Disposal

18. Approximately fifty tons of fired brass cartridge cases were collected and despatched to the Metallurgical works at LEGHORN for inspection and ultimate disposal in accordance with existing instructions.

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HEADQUARTERS ALLIED COMMISSION
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21 June 1945

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POLITICAL SUMMARY

1. The Council of Ministers met on 4 April and amongst other things approved a draft decree law re-instating the property rights of Italian subjects and foreigners against whom Fascist racial legislation had discriminated. This decree is supplementary to the decree law which was passed in January 1944. The Council further approved a draft decree regarding the administrative steps to be taken for the drawing up of electoral lists and particularly for establishing the means of registering electors in communes which are not their normal places of residence. The Council also approved increases in war pensions. Another important measure was the decision not to apply common law to patriots for acts committed during the war of liberation. This provision therefore puts patriot units recognised by the Committees of National Liberation on the same footing as military formations taking part in war.

2. The Communist Party held its annual Congress in ROME from the 6 to 10 April. Signor TOGLIATTI, the Secretary General of the Party, declared that the Communist Party would keep the truce on the institutional question but that, as soon as the North was liberated, the problem would call for a rapid solution. Once the North was freed, the truce would automatically lapse and the Constituent Assembly would make the final decision of the people on the question.

3. The Labour Democrats and the Democratic (Monarchist) Party also held Congresses at the same time. The Labour Democratic Congress approved various resolutions touching on agrarian reform and the administrative elections, while the Democratic Party Congress produced a 9-point programme emphasising the need for preserving law and order, private initiative and the rights of individuals against any form of state dictatorship. Another plank in their platform vigorously defended the "territorial integrity" of the country, including Italy's right to all colonies held at the end of the last war.

4. The liberation of the North was already imminent when the Council of Ministers met on 20 April to discuss the agreement with the Committee of National Liberation of North Italy (CLNAI) signed by the Undersecretary of the Ministry of Occupied Territory on 29 March during his clandestine visit to TURIN and MILAN. This agreement, which was concerned mainly with local administration by the CLNAI during the period between a German collapse and the establishment of Allied Military Government, was approved by the Council, which took the occasion to reiterate its agreement with, and faith in, the policy of the CLNAI and the work of armed partisan bands under its control.

5. On 21 April, BOLOGNA was liberated by the advancing Allied Armies, and on 25 April GENOA was wrested from German control by Italian patriots. This was followed by the liberation of MILAN by partisan bands on 26 April, and soon German dominance of the North was everywhere being submerged by Allied arms and the decisive action of the patriots. On 30 April General CLARK was able to say that "the military power of Germany in ITALY has practically ceased".

6. With the liberation of MILAN, the radio station there was immediately put into service to broadcast General CADORNA's orders to the partisans for a general uprising. The CLNAI proclaimed a state of emergency and subsequent broadcasts of ordinances enacted by the Committee showed that it was proceed-

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7. At the meeting of the Council of Ministers on 26 April agreement was reached on the formation of a Consultative Assembly, to be composed of three principal groups. Of these, the first will be nominated by the six major political parties represented in the CLNAI, with twenty places going to parties outside the Committee. The second group will include anti-Fascist deputies and senators of the last free Parliament, while the third group will be composed of representatives of labour unions and veterans' organisations. Reaction to the Government's decision was generally favourable.

8. Unanimity/....

8. Unanimity of feeling at Italy's exclusion from the United Nations Conference on international organisation at SAN FRANCISCO was reflected by the press, and the Council of Ministers at its meeting on 25 April voted to send a message to SAN FRANCISCO claiming the right and reaffirming the will of ITALY to participate in world reconstruction.

9. Concern for the fate of TRIESTE was intensified by the reported occupation of that city by JUGOSLAV forces. Following the Cabinet's expression of a desire for harmonious and good-neighbourly relations between ITALY and JUGOSLAVIA, the Government issued an official communique on 30 April affirming "in the most resolute and explicit manner" its view that controversial questions between the two countries should not be prejudiced by military operations then in progress in VENEZIA GIULIA but settled by direct agreement after final liberation of their respective territories.

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PART I.

AMG ARMIES AND REGIONS

AMG FIFTH ARMY.

1. The month of April falls into two clearly marked period of AMG activity. During the first of these the calm and routine administration of the small area of ITALY lying within the Army boundary was carried on, while at the same time preparations were diligently made for the commencement of military government in the large areas which it was expected the Army would occupy during the coming advance. Food was stockpiled at FLORENCE, VIAREGGIO and FORLI. An advance food depot was established at PORRETTA TERME. The Provincial and Regional teams, particularly those in the nearest provinces and regions, were prepared for early movement. On 11 and 12 April the 92nd Division took MASSA-CARRARA and the first of the new territories to be liberated was entered by AMG officers. Shortly after the middle of April the attack on BOLOGNA began and that city fell on 21 April. MODENA was entered on 23 April, MANTUA on 26 April. On 28 April the city of MILAN, which had previously been the scene of a Partisan uprising, was entered by IV Corps. By the end of the month the greater part of North ITALY had been occupied and rumour of an impending surrender was already current. Within a period of ten days, the zone of Allied Military Government under the FIFTH Army had been expanded from a little more than three provinces, FIRENZE, LUCCA and PISTOIA, to thirty provinces covering a far greater expanse of territory, population, wealth and industry than had ever been subjected to Allied Military Government in ITALY at any one time before.

2. The first great problem that confronted AMG in all the new territory was the Partisan situation. Great efforts were made by AMG to disarm the Partisans and with considerable success. Parades were held at which Partisans passed in review, fully armed and under their own leaders, before General Officers of the FIFTH Army and at the conclusion of the parades surrendered their arms. Speeches were then made and Partisan Certificates were presented to the leaders. At BOLOGNA 3,500 Partisans surrendered their arms and at MODENA more than 14,000. It was noted, however, that the number of pistols and machine guns turned in was small.

3. A new and important situation that confronted AMG during the month lay in the character and strength of the Comitati Liberazione Nazionale (CLNs) encountered in every province and almost every commune. The CLNAI representing the various CLNs had been recognised by ROME as the government of Northern ITALY during the period of German occupation and, while it was understood that they were to relinquish their powers when AMG came in, nevertheless their actions during the occupation acquired a certain validity which otherwise they would not have had.

4. Authority was given to Corps SCAOs to establish the bread ration at 125 grams of bread initially, to be raised, when grain or flour should become available, to 250 grams of bread and 40 grams of pasta either from local or imported stocks.

5. Grain crop plantings were below normal, especially rice. The current

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5. Grain crop plantings were below normal, especially rice. The current crop condition was fair with some damage in the central PO Valley due to frost. Summer vegetables and fruit crops were good, with surplus in nearly all areas. Approximately 400 tons of surplus potatoes were found in the BOLOGNA area and part of them were transported South.

6. AMG officers entering BOLOGNA found large numbers of farmers and their possessions, including livestock, living in the city under abnormal conditions. There were even cattle and swine on third floors of some houses and hundreds of cattle were found in basements. This produced a condition of sanitation easier to observe than to imagine.

7. Generally speaking, agriculture North of the Appenines was found to be in a satisfactory state.

8. Comparatively 5765.

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8. Comparatively little damage was found in BOLOGNA. A local plant supplied sufficient power to supply hospitals and for water pumping until the power lines from MODENA could be repaired. The flow of water was however small and was insufficient for sanitation purposes.

9. In general the liberated towns were found to be almost normal with public works and utilities functioning or ready to function.

10. Where necessary the people started repairing utilities on their own initiative, in remarkable contrast to the behaviour of the Southern Italians.

11. The health situation in the newly liberated area has been extremely good. Living conditions in BOLOGNA were extremely over-crowded but no ill-effects resulted during April.

AMG EIGHTH ARMY.

12. This report covers only that territory occupied during the month, being the provinces of FERRARA, ROVIGO, PADUA, VENEZIA, TREVISO, BELLUNO, UDINE and part of BOLOGNA. The territory occupied varies widely in nature, containing some of the richest agricultural land in EUROPE in the PO Valley and also barren mountainous territory.

13. In FERRARA Province there is a belt of devastated country along the line on which the Army was halted for the Winter extending Northwards and Westwards for about ten miles, which is at least as badly damaged as the CASSINO Valley. Beyond this strip, however, damage is limited to the immediate vicinity of the river crossings of the PO and ADIGE, factories which were the target for air attack, and areas surrounding railway stations.

14. There is very much less damage in this Northern area than in any part of ITALY further South and some places, as for example VENICE, appear to have emerged from the war completely unharmed.

15. It is too early yet to give any detailed survey of the political background of the area. In almost every instance the CLN has proved to be sensible and cooperative and had generally organised a working system of administration prior to the Allied occupation. The improvement in calibre of public officials North of the PO is marked and considerable initiative and vigour has been encountered.

16. Prior to the advance beyond PADUA no serious difficulties were encountered from Patriots who were everywhere cooperative. Disarming proceeded satisfactorily, if somewhat slowly, but all parades held for the purpose were successful.

17. Except in the Province of UDINE, which is subject to unusual circumstances, there is a sufficient quantity of grain and flour in the area to carry over until the next harvest. The allotted quantities of supplies other than flour have been distributed to the various Provinces, but stocks found of some commodities, particularly sugar, have made it unnecessary

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18. Except in the devastated area in FERRARA, banks and post offices have mostly been in a condition to open within a few days of occupation and in most places there has been sufficient cash without drawing on the reserve in the South.

19. At the/.....

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19. At the beginning of the period the refugee problem was confined to the housing and feeding of a number of inhabitants from the destroyed villages on the Winter Line. Thereafter the movement of refugees was small, for though there is in the area a large number of refugees from Southern and Central ITALY these have been located here for a considerable time and it has been the policy to restrain them from early movement.

20. There will be a very considerable movement of displaced persons returning from GERMANY and AUSTRIA in the near future. A great number are already making their way down through Northern ITALY.

21. CC.RR have been steadily moved into each Province as captured and no particular Public Safety problems have arisen.

22. The health of the population is good and there were no indications of contagious or infectious diseases in epidemic proportion, although there is a potential danger in the area of the ANCONA GAP.

EMILIA REGION.

23. In the course of the month the remaining territory of FORLI and RAVENNA Provinces was liberated and on 25 April the whole of FORLI and RAVENNA Provinces was handed over to regional control by EIGHTH Army.

24. All flooded areas South and East of RAVENNA, being about 45,000 acres, have now been drained but work on bridges was delayed by lack of materials, only three being completed during the month.

25. The supply of bricks for re-housing schemes is sufficient for present needs, but without further coal, work will come to a standstill when present stocks are exhausted.

26. The standard of health remains good.

27. Plans were completed for the re-starting of fishing from the seven ports of the Region and it is anticipated that about 200 tons of fish will be obtained over a period of three months.

28. The sugar-beet crop has fallen below expectations due to the drought and some areas had to be re-seeded owing to non-germination of seed.

29. The condition of the people has improved with the advance of the Army, and the resultant release of accommodation. Their attitude has become more friendly and "incidents" are rare.

30. Immediate assistance is being given to the Republic of SAN MARINO to instal electric power to provide adequate water.

TOSCANA REGION.

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TOSCANA REGION.

31. On 30 April AMG took over the administration and control of the remaining Provinces of TOSCANA Region - FLORENCE, PISTOIA, LUCCA and APUANIA - previously under the control of 92 FIELD Army.

32. The Communists continued to be the most active of the parties and have been responsible for some minor disturbances in the Region.

33. Local Government functioned well but, in the Provinces recently liberated, the work of establishing orderly administration is handicapped by poor communications due to destroyed bridges and highways.

34. There have been no unusual supply problems; the salt ration has been increased and citrus fruits have been imported. Sixty two tons of fish were sent to ROME from GROSSETO during April.

35. Small/..5765

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35. Small quantities of wheat are still being amassed and olive oil amassed to-date amounts to over 65,000 quintals. Crops are promising well but agricultural work in APUANIA Province has been greatly delayed by military operations and is still being impeded by mines; a mine lifting detachment is now at work. Insecticides and fungicides, although late for the best crop results, are now being received.

36. The morale of the civil police has increased slightly during the month and there has been no serious crime; there was a noticeable decrease in the number of cases to be tried.

37. Undulant fever has been reported in several localities. The malaria control programme is well organised and the distribution of clothing is complete except in APUANIA and the Island of CAPRAIA.

38. Glass production is suffering from lack of carbonate of soda and production will cease at the end of May unless new supplies are made available. The urgent need for tyre repair and manufacture facilities is made more critical by the lack of raw materials; shortage of coal is hampering the production of cement.

39. Protective covering for monuments have been ordered to be removed throughout the Region. Repair work to damaged monuments and fine arts in MASSA will be commenced in May.

UMBRIA-MARCHE REGION.

40. The Region has received instructions to hand over administration of its last remaining provinces to the Italian Government on 10 May, so that its final efforts are being devoted to the preparatory measures necessary to put this into effect.

41. During its existence the Region has administered no less than twelve provinces, which is believed to be the largest number that any Region has been called upon to administer.

42. Activity generally during the month dealt with routine matters and there is little in the nature of highlights to report. Wheat amassing reached a total of 124% of the target figure and 76% of the olive oil target has been collected so far. As to the coming harvest it is feared that lack of rain, as elsewhere, will reduce the yield as compared with last year.

43. Steady progress has been made with the removal of mines, which will have a beneficial effect on agricultural production generally. 4,000 were dealt with in the first three weeks of the month but it is estimated there are still 100,000 to be lifted.

44. Public health continues very good, hospitals being adequate for current needs. Italian welfare organisations functioned satisfactorily. For some time education has been seriously handicapped by the widespread use of schools for accommodation of troops. Lately a large exodus of the latter has taken

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45. Great efforts have been made to restore public utilities to active operation and over 600 projects have been completed during the life of the Region. This despite the serious shortage of raw materials and transport.

46. 8,500 cases have been brought before AMG Courts since the formation of the Region and especial attention was given to curbing black market activity with marked success.

PART II.....

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PART II

CIVIL AFFAIRS SECTION

Defascism

1. A decree establishing Special Courts of Assize to try civilian collaborators has been adopted (DLL 142 of 22 April 1945). It has been implemented for Northern Italy and is intended to prevent the functioning of illegal popular courts and other forms of summary justice in the recently liberated territories. The Bench consists of a professional judge and four "judges" chosen from panels of local persons of accepted probity. The panels are prepared by CLNs of the provincial capitals.

2. General Order No. 35, which is intended to accomplish a preliminary epuration of employees of Government offices and parastatal institutions in North Italy and which was modelled on the basic Italian epuration law, DLL 159, is in effect in most of the Northern territory.

3. New decrees which are expected to become law very soon have been discussed at length with the Government and deal with the extension of the procedural time limits for certain epuration proceedings, the substitution of judges by lawyers and law professors as presidents of commissions of first instance, the forfeiture of corruptly gained wealth during the fascist regime, and the disqualification of persons of specified fascist antecedents from holding managerial positions in important companies. In the principal Ministries about 26,000 of the 45,000 employees have been scrutinized, 9,300 have been sent for trial: of these, 2,770 cases have been concluded, resulting in 7,000 dismissals. In addition, there have been numerous compulsory retirements and other lesser punishments

Mine Clearance

4. There are now four Italian military Mine Clearing Companies operating under Allied Commission some of which will be used in Northern Italy as required. On the civilian side, a new Zone has been opened in EMILIA Region and has begun operations and a number of Italian officers earmarked for the Northern Regions have gone forward to form new Zones if they are needed.

5. Information is not available as to the extent of minefields in the North but it is thought that with the rapid advance of the Allies the enemy had little time to lay minefields except along last winter's line.

6. In EMILIA Region 674 minefields have already been located. Good work is being done, but lack of transport is a considerable handicap.

7. Many thousands of mines have been lifted during the month. The figures reported are over 133,000.

Distribution of Clothing

8. During April a small quantity of repaired clothing was received from the Commerce Subcommission and distributed to Patriots Branch and Displaced Persons and Repatriation Subcommission.

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LOCAL GOVERNMENT SUBCOMMISSION

9. The Italian Government's proposed system for the conduct of municipal elections, based on a law of 1915, has been examined and found to be antiquated and likely to lend itself to corruption. A recommendation for the amendment of the law before elections are held has been sent to the Government. The Government has also been informed that the holding of elections will not be countenanced in AMG Territory unless a more truly democratic procedure is adopted.

10. It has been decided that the policy to be followed and the attitude to be adopted by AMG to the CLNs in Northern Italy is that, while the Allied Commission supports the Italian Government, the CLNs must be treated with the courtesy due to their political position and their past labours; the advice of the CLNs will be sought and acted upon in so far as it does not conflict with the policy of AMG. It has been agreed with the Italian Government that although the appointments of Prefects and other senior officials in the North of Italy were ultimately for AMG to decide, it was proper for the Government to have an opportunity to express its

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views thereon. It was therefore arranged that the Government should submit the names of persons it suggested for appointment as Prefects and Questori in the Northern Provinces and that these would be considered by AMG, together with any nominees proposed by the CLN or from any other source.

11. The Ministry of Interior has completed the epuration investigation of all its officials but actual trial proceedings have progressed slowly. The Ministry has been requested to assure the Allied Commission that outstanding trials will be concluded within a time programme.

EDUCATION SUBCOMMISSION

12. Progress was made in UMBRIA MARCHE and TOSCANA Regions in the distribution of books, printing of note books and derequisition and repair of buildings.

13. A special meeting was held with the Vice President, Civil Affairs Section, Monuments and Fine Arts Subcommission, the Minister of Public Instructions and this Subcommission, to discuss cultural interchange. The Minister of Public Instructions has expressed his approval of the steps already taken in the field and has agreed to appoint two committees to study means of bringing about an interchange of professors and students between Italy and Allied Nations.

14. A decree has been prepared to allow special university examinations for students whose work with the Partisans had made it impossible for them to take those arranged at the end of regular courses.

15. As a temporary measure the property of the Fascist Youth Organization (GIL) has been taken over by the Provveditori agli Studi for youth activities in the North and the American Junior Red Cross is sending 20,000 packages of school and toilet supplies for distribution to needy school children through the Italian Junior Red Cross.

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LEGAL SUBCOMMISSION

16. The number of cases tried by AMG Courts has been substantially reduced owing to the withdrawal of local personnel for work in Northern ITALY. This has resulted in an increase in the already heavy load borne by the Italian Courts causing, in most courts, heavy lists of arrears. Theft and illegal possession again formed the bulk of the AMG Court cases and the cases of serious crime were few. A case, involving the death of an Allied Officer, occurred in Italian Government Territory and was therefore tried under Italian law; the accused was sentenced to thirteen years' imprisonment.

17. Of five espionage cases reviewed, two death sentences were confirmed, two prison sentences were affirmed and one conviction quashed.

18. The economic policy originally planned for the Northern territory has been slightly modified necessitating a further Order in the Official Gazette to suspend from operation the Italian laws increasing rates of salaries and allowances which are in force in the South. General Orders 40, 41 and 42 were drafted to establish the economic policy in the North and to provide rules for agriculture and transportation rates.

PUBLIC HEALTH SUBCOMMISSION

The Italian Government has established a Central Advisory Commission for Public

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PUBLIC HEALTH SUBCOMMISSION

19. The Italian Government has appointed a Central Advisory Commission for Public Health. This is a temporary body taking the place of the Superior Council for Public Health which in the past had advised the Public Health Division of the Ministry of Interior on the health of the nation. The term of office of the Central Advisory Commission is for one year after the cessation of hostilities.

20. Two hundred and seventy-four smallpox cases have been reported from NAPLES Province during April; sixty-two from AVELLINO; fourteen from SALERNO; six from BENEVENTO; and one from each of the Provinces of ROME, PALERMO, CATANZARO, and CAMPOBASSO. As 3,000,000 vaccinations have been performed in NAPLES the reason for the large number of cases which continue to be notified there is unknown. An investigation is being made by the Italian Government.

21. The anti-malarial project on the Pontine Marshes continues but is seriously hampered by lack of transport. The Tiber Delta demonstration project is nearing completion and the adult and larval capture phase of the programme is about to begin.

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So far, about 4,350 buildings have been treated.

22. The infant mortality rate for ROME was 87.4 per 1,000 in March, as compared with 111.5 in February. The number of deaths in ROME Commune from all forms of tuberculosis in March was 256, as compared with 190 in February.

23. It is considered that the veterinary services in Italian Government territory are now functioning with the same efficiency as was to be found in pre-war days. Foot and Mouth Disease, hog cholera, sheep scabies, brucellosis and laryngotracheitis have all been reported from different Provinces during the past month. Courses of instruction on bovine sterility and artificial insemination have been conducted for veterinarians in the Provinces of ROME, VITERBO and FROSINONE during the month.

24. The regular feeding programmes are continued and children' diets are being supplemented by milk and vitamins distributed by the Ente Nazionale Distribuzione Soccorsi per l'Italia (ENDSI). A widespread distribution of 137,000 blankets has been made during the month.

PUBLIC SAFETY SUBCOMMISSION

25. The "spearhead" force of 5,550 Carabinieri has moved into the Northern Provinces and a further 4,300 men are moving forward. 550 Carabinieri and 1,200 Guardia di Finanza from Southern ITALY have been assigned to work under the direct orders of the Italian Frontier Control Detachment (CIC) which is responsible for control of movement at the Northern Italian Frontier.

26. AFHQ have authorized an increase in the CC.RR ceiling to a total of 65,000 but arrangements for the supply of rations and clothing have still to be worked out for the additional 10,000.

27. There were four prison disturbances during the month, the most serious of which was at FORT BOCCEA where the entire prison was for a while in the hands of about 450 Italian Military prisoners. CC.RR and Civil Police with armoured cars and machine guns restored order.

28. Many demonstrations and impromptu parades were held in protest to the rumoured JUGOSLAV intention to annex TRIESTE.

29. Twenty out of the thirty-one members of the "Onore" Group arrested, as mentioned in last month's report, have been interned and eleven released.

MONUMENTS, FINE ARTS & ARCHIVES SUBCOMMISSION

30. Initial reports have come in concerning the condition of the recently liberated cities in the North. Damage was generally slight except at VERONA and VICENZA where many of the important monuments were damaged. VENICE was untouched as was the Abbey at PONTIDA; in BOLOGNA damage to the monuments in the centre of the city was slight with the exception of the damage to S. Francesco, the Archiginnasio and the Santa.

31. Florentine deposits removed by the Germans from POGGIO A CAIANO and MONTAGNANA to places in the Italian Tirol near BOLZANO and MERANO are now safe in allied

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[illegible] fertility and artificial insemination have been conducted for veterinarians in the Provinces of ROME, VITERBO and FROSINONE during the month.

24. The regular feeding programmes are continued and children' diets are being supplemented by milk and vitamins distributed by the Ente Nazionale Distribuzione Soccorsi per l'Italia (ENDSI). A widespread distribution of 137,000 blankets has been made during the month.

PUBLIC SAFETY SUBCOMMISSION

25. The "spearhead" force of 5,650 Carabinieri has moved into the Northern provinces and a further 4,000 men are moving forward. 550 Carabinieri and 1,200 Guardia di Finanza from Southern ITALY have been assigned to work under the direct control of the Italian Frontier Control Detachment (CIC) which is responsible for control of movement at the Northern Italian Frontier.

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PATRIOTS BRANCH

32. The most important development during April was the temporary authority for the issue of clothing and Italian Military rations to Patriots in Centres or hospitals, issued by AFHQ pending a decision on the matter by the COS.

33. As a result of the Allied advance the Patriot Centres at FLORENCE and PARMA passed from FIFTH Army to ZONE/ARMA Region control and the liberation of BOLOGNA and MILAN enabled many patriots to return to their homes in those areas. By the end of the month new centres had been opened at VERONA and BOLOGNA.

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34. The first report of disarming came from BOLOGNA, where on 25 April, approximately 4,000 patriots handed in their arms at a most successful parade attended by Commanding General 15 Army Group and a number of other senior Allied officers.

35. The Ministry of War intends to issue a special medal ribbon for patriots and also to grant combatant patriots the same family allowances as are given to members of the fighting forces.

DISPLACED PERSONS & REPATRIATION SUBCOMMISSION

36. AVERSA, BARI and CINECITTA Centres, as well as the camps on the ADRIATIC coast, were inspected during the month. Health continued to be good. Mass radiography of five hundred inhabitants of CINECITTA Centre showed that about 6% had some form of tuberculosis. The epidemic of typhoid at No. 27 AMG Evacuation Camp, FLORENCE, has abated.

37. Approximately 3,000 Italian refugees arrived in ROME during the month, the majority coming from the RIMINI area. 400 persons were returned to homes in CAMPOBASSO and 1,591 Italians with homes in SICILY, SARDINIA or the South were repatriated.

38. At the end of April, 78,479 persons were recorded with the Record Bureau of the Subcommission. The location of approximately 60,000 of these is known.

39. UNRRA has taken over the responsibility of Financial Assistance Advances for United Nations Nationals and Stateless Displaced Persons in the ROME area. As from June, UNRRA will make payments throughout Free ITALY, with the exception of thirteen recently liberated Provinces where payment will continue to be made by this Commission.

40. During the month the Banca d'Italia was authorized to make 2,195 payments totalling 6,195,250 lire; 3,734 persons were scheduled to benefit from these payments.

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PART III

ECONOMIC SECTION

AGRICULTURAL SUB-COMMISSION.

1. The third Joint Agricultural Conference was held in ROME 16-18 April. The conference was planned and organized by the Italian officials of the Ministry of Agriculture and Forests and was distinguished by the intense interest of all parties concerned and a large representation of farmer groups. It was devoted mainly to agricultural production, grazing, restoration of agricultural experimental institutes and plans for Northern ITALY.

2. General Order No. 40 for the Collection of Cereals was approved and has been distributed to all the Northern Regions.

3. Wheat consignment to the "Granai del Popolo" reached a total of 11,423,583 quintals, or 94% of the estimated goal; current consignments are small. Olive oil collected has reached 474,130 quintals.

4. A proposal was made for the setting up of a FRANKLIN DELANO ROOSEVELT Memorial Forest in ITALY to be planted both with American and Italian trees and dedicated to the memory of the late President.

5. In order to supplement the available meat supply with fish AFHQ has been asked to modify the existing fishing regulations.

COMMERCE SUB-COMMISSION.

6. Releases for the month from AFHQ(I)3 continued to be satisfactory, the principal items including 3,700 tons of cement for April, 32.5 tons of ammonia gas in liquid form, and 35 tons of paint, an increase on previous months.

7. Arrangements were made for the supply by the Italian match monopoly to the Allied Forces of 1½ million boxes of matches monthly for three months.

8. The shortage of leather belting is being relieved by the production at NAPLES of a substitute in the form of a rubber-impregnated five-ply canvas belting, scrap rubber from inner tubes being used for the impregnating process.

9. The newsprint situation was eased by the arrival of 1,612 tons from CANADA and just over 600 tons from GERMANY. Of this, however, 600 tons was used to repay previous loans.

10. Part of the thread output from Cucirini Cantoni Coats Co. of MILAN was declared by AMG Fifth Army to be surplus to Army needs and placed at the disposal of this Commission for distribution.

11. The Italian Government was informed of the new export policy laid down by the CCS in WASHINGTON and given a list of those commodities which are in world short supply or are required for the war effort (Category A) and those which are treated on a different basis from all other commodities (Category B). Category A commodities continue to be allocated in accordance with instructions issued by the UNITED NATIONS, whilst Category B commodities may be exported by the Italian [illegible] whatever terms it may choose, although it has been

been distributed to all the Northern Regions.

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12. Exports during the month totalled 3,610 tons with an estimated value of about 28 million lire. The exports were to U.S.A., MALTA and JUGOSLAVIA.

13. The decree legalising the functions of CIP (Comitato Italiano Petroli) has been issued; previously CIP had functioned simply as an organ of Petroleum Section, AFHQ.

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FINANCE SUB-COMMISSION.

14. During April the Allied Commission was notified that a further credit of 50 million dollars was made on 15 March 1945 to the account of the Italian Government with the U.S. Treasury Department. This account represented the net expenditure by U.S. troops in ITALY out of their pay. A total of 100 million dollars has now been credited to this account, covering the period through 31 December 1944. These funds are earmarked for the purchase of reconstruction materials.

15. Total tax collection in March amounted to 5 billion lire, bringing the total collected from 1 July 1944 to 31 March 1945 to 15.3 billion lire.

16. On 6 April 1945, AFHQ issued Administrative Memorandum No. 31. By this document AFHQ Admin. Memo. No. 95 of 1943 was rescinded and cash (lire) payment for certain types of supplies was authorised as a matter of expediency in order to insure a continuing supply of essentials necessary for the prosecution of the war effort. Arrangements have also been made for all unpaid bills and requisitions held by the Allied forces to be handed over to the Ministry of the Treasury for settlement under the terms of the Armistice.

17. Subscription lists for the new 5 year 5% Treasury Bonds were opened on 5 April and will remain open until 19 May. It is hoped that subscriptions will total lire 25,000 million and reports received at the main office of the Banco d'Italia, ROME, up to and including 30 April, show a total subscribed of slightly over Lit. 13,000 millions.

FOOD SUB-COMMISSION.

18. Food imports for the month totalled 160,721 tons, a higher figure than during previous months due to the making up of deficiencies which had developed during the first quarter of the year.

19. As a result of the increase in imports it has been possible to widen the distribution of milk to cover all priority classes for which a ration scale had been laid down. Reserves of cereals have been built up in all the large deficiency areas of South ITALY and the islands which have been dependent on imported supplies.

20. The local grain situation remains satisfactory with a total of 243,000 tons in warehouses at the end of the month, of which 115,000 tons were still available for allocation. Grain reserves for ROME at the end of April were 12 days of flour and 31 days of pasta. The arrivals of non-rationed foods in ROME amounted to 10,101 tons or an average of 646 tons a day, compared with 519 tons a day in March and 435 tons a day in February.

21. Salt shipments during the month were the largest up to date, amounting to 16,977 tons; supplies are now sufficient in most areas to permit a ration of 100 grams a month to be issued, in contrast to the 100 or 200 grams ration previously in force.

22. Regional officers of the Italian High Commissioner for Food have been appointed to PUGLIA, CAMPANIA, CALABRIA and PIEDMONT Regions and appear to be functioning quite satisfactorily.

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20. The local grain situation remains satisfactory with a total of 348,000 tons in warehouses at the end of the month, of which 113,000 tons were still available for allocation. Grain reserves for ROME at the end of April were 42 days of flour and 31 days of pasta. The arrivals of non-rationed foods in ROME amounted to 18,104 tons or an average of 646 tons a day, compared with 519 tons a day in March and 425 tons a day in February.

21. Salt shipments during the month were the largest up to date, amounting to 16,677 tons; supplies are now sufficient in most areas to permit a ration of 300 grams a month to be issued, in contrast to the 100 or 200 grams ration previously in force.

22. Regional Officers of the Italian High Commissioner for Food have been appointed to TORINO, LIGURIA-MARCHE, VENETIA and PIEDMONT Regions and appear to be functioning quite satisfactorily.

23. It is intended to continue supplementary rations for all heavy and other workers in Northern territories, wherever they are found to be in force.

INDUSTRY SUB-COMMISSION.

24. Preliminary reports show that damage in the North is almost negligible, one estimate giving 95% of the plants in operational order with ample supplies of power but an almost total deficiency of coal. The immediate problem to avoid grave social unrest in the near future will therefore be the provision of raw materials and coal. The cotton thread factory of Cucirini Cantoni Coats, LECCO, is now producing 1,350 Kgs. of thread a day, with a planned increase to 2,000 Kgs. a day. In the woollen industry the production of

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fluorspar and blankets now amounts to over 40,000 metres a day. The amount of lamp packed in April decreased sharply and unless supplies can be moved from Northern ITALY, the factories will have to reduce their output.

25. A serious situation has arisen as no phosphate rock has been imported since March. This is due to the refusal of French producers in NORTH AFRICA to continue shipping until their demand for a 30% increase in price is met. So far, despite urgent representations and conferences, it has not been possible to overcome the difficulty.

26. March production reported by Ente Zolfi Siciliani sulphur mine was 4,341 metric tons. The current production figure for April is 9,500 tons, an increase on the previous month. Sardinian coal production for March was 34,967 metric tons, the estimated production for April being 26,000 metric tons. The estimated reduction in output is due to strikes and the "go slow" policy adopted by the miners. During the first half of April, this reduction materially decreased the supply of coal available for distribution and the loss had to be made up from imported sources. Largely due to transportation difficulties, the estimated production of lignite on the mainland was only 48,000 tons.

LABOUR SUB-COMMISSION.

27. The policy of freezing wages in private industry north of the Provinces of RAVENNA, FORLI, FERRARA, PISTOIA, LUCCA and APUANIA at the level prevailing on 5 April 1945 has been put into effect. Where it is impossible to stabilise prices, corresponding adjustment of wages may be negotiated between employers and workers, but any agreement reached can only be operative subject to ACC approval. The Regional Italian Joint Advisory Committee will consider and make recommendations to the Regional Commissioners on such proposed wage changes.

28. Wage rates for Government employees will also be held at the level prevailing on 5 April and special provision is being made for employees transferred from the South; Allied Forces employees will be paid at the rates prevailing in each locality.

29. It has also been decided that, in general, Italian Government wage decrees will not be implemented north of the above mentioned boundary.

30. The dispute over wages and piece-work conditions involving 3,500 workers in Sardinian coalfields has been settled for the time being and normal work resumed.

31. There was agitation amongst Allied Forces employees early in the month for wage increases to compensate for the emergency indemnity granted to workers in private industry.

32. The provision of labour for the harvest in FOGGIA has caused concern and there is fear that the high wages offered to harvest workers may entice them away from the employ of the Allied Forces. The Italian Government has been asked to make plans to utilise unemployed labour from other regions.

33. The scheme for recruiting building and civil engineering workers for the MIDDLE EAST has been approved in principle by the Italian Government, who to

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LABOUR SUB-COMMISSION.

27. The policy of freezing wages in private industry north of the Provinces of RAVENNA, FORLI, PISTOIA, PRATO, LUCCA and APUANIA at the level prevailing on 3 April 1945 has been put into effect. Where it is impossible to stabilize prices, corresponding adjustment of wages may be negotiated between employers and workers, but any agreement reached can only be operative subject to AMG approval. The Regional Italian Joint Advisory Committee will consider and make recommendations to the Regional Commissioners on such proposed wage changes.

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33. The scheme for recruiting building and civil engineering workers for the FAR EAST has been approved in principle by the Italian Government, who to stimulate interest, proposes to pay a considerable bonus to all workers volunteering. Enquiries are also in hand for the recruitment of 500 skilled workers for various shipyards in PUGLIA.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

34. Information so far received on conditions in newly liberated areas is encouraging. An additional 40,000 KW of electrical generating plant is now available for use in Central ITALY. It was anticipated that some of this energy would be required in the area north of FLORENCE; however, it is now known that there is sufficient electricity already available in Northern ITALY and in fact it is expected that surplus energy will shortly be available for use in Central ITALY. It is proposed to form an Advisory Committee on Electricity

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Power (Northern ITALY) as early as possible.

34. The second of the large 35,000 KW generating units, at GALLETO TARSI came into operation on 10 April, together with an 11,000 KW unit at PIAN D[illegible] ROCCA.

35. 965 Kms. of transmission line were rehabilitated in ITALY during the month. Work has been started to restore transmission systems to recently liberated plants north of the FLORENCE area.

TRANSPORTATION SUB-COMMISSION.

36. The approximate civilian tonnage moved by rail in April was: SARDINIA, [illegible],000 tons; SICILY 152,000 tons; and the MAINLAND, 170,000 tons.

37. The supply of cement for railway reconstruction was better during April. The ORTONA-ANCONA line was completed, but an unfortunate land slip at the CAVALLARIA Tunnel near ANCONA has prevented the opening of the line; it may be some time before work on the tunnel is completed. The PISA-EMPOLI-FLORENCE line has been opened to traffic and work on the ROME-VITERBO line was completed during the month. A number of local passenger train services have been reopened.

38. Virtually all shipping bids were met and approximately 60,000 tons of stores were moved by sea. There has been a considerable waste of shipping during the month owing to a difference of opinion on the freight rates to be charged on pyrites and to a dispute between the French and Italian Governments on the price to be paid for phosphate rock from NORTH AFRICA. The Mediterranean Shipping Authorities have handed back ten ships to be operated by the Italian Government with a total estimated capacity of approximately 25,000 tons a month. Regular coastwise sailings are being established.

39. Warehouse accommodation is taxed to the utmost with Allied civilian supplies for Northern ITALY. The Italian Warehouse Association has not yet shown itself capable of full management of these warehouses and considerable Allied supervision has been necessary.

40. Of 1,700 1½-ton trucks allotted by U.S. to the Commission for civil needs, 1,544 have now been delivered.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB-COMMISSIONS

PUBLIC RELATIONS BRANCH

1. The month's activities, as with all work of the Allied Commission, was climaxed by the opening of the final campaign in ITALY. Representatives of the Branch were sent forward for work in the Northern Areas.

2. The News Production Division issued forty one releases during the month, including several technical articles to trade magazines in ENGLAND and AMERICA.

NAVY SUB-COMMISSION

3. In conjunction with, and under the control of the Allied Naval authorities, the Ministry of Marine is arranging to supply numerous Italian Navy personnel for duties connected with the operation of the various Northern Ports when they are freed from enemy control.

4. The Ministry of Marine announced on 7 April His Royal Highness, Vice Admiral Aimone di SAVOIA (The Duke of Aosta) was relieved from his posts of Inspector General of M.A.S. of Assault Craft and of the San Marco Regiment and has been placed on the list of those officers available for assignment. Contrary to a widely held belief, the Duke of Aosta has not been deprived of his rank of Vice Admiral but only relieved of his duty appointment for his statement regarding the Italian High Court of Justice.

LAND FORCES SUB-COMMISSION (LFSC)

5. During the last big push by the FIFTH and EIGHTH Armies of the five Italian Combat Groups, four of them, "CREMONA", "LEGNANO", "FRIULI" and "FOLGORE" were in the line. On 11 April, advanced units of the CREMONA and FRIULI Groups crossed the SENIO. By 24 April the LEGNANO Group had entered BOLOGNA and the remaining two Groups, after experiencing heavy fighting and capturing many prisoners, were concentrated S.E. of BOLOGNA. The CREMONA Group was again called forward on 30 April, and, advancing with units of the EIGHTH Army, crossed the River PO and took part in the operations which culminated in the crossing of the ADIGE River and the ultimate surrender of the German Forces in ITALY. The fighting qualities of all Italian Combat Troops and their active contribution to the great Allied victories during the past month have received the highest praise from Field Marshal ALEXANDER and his subordinate commanders.

6. On 24 April the Ministry of War was informed that the combat ceiling of the Italian Army was increased by 12,000 as from 19 April. This increase was to be balanced by a reduction as from the same date of the AR-AU service ceiling by 12,000.

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7. The general policy regarding the employment of Italian troops was established. No Italian troops will be employed outside the frontiers of ITALY.

8. The demobilisation of Italian soldiers of first four months of 1914 class and older classes, whose homes are South of Army boundaries, was authorised and has begun Initially this will effect about 4,000 men.

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AIR FORCES SUB-COMMISSION.

9. The efficiency of the Italian Air Force continues to increase although the administration and organisation is not yet up to Allied standards.

10. Largely for political reasons, permission was granted for the Italian Air Ministry to retain a number of obsolete type aircraft provided no work was done on them. The retention of these aircraft has had a good effect upon the morale of the I.A.F. who were reluctant to have a reduction made in aircraft strength.

11. Acting Air Vice Marshal I.E. BRODIE, O.B.E., has been appointed Director Air Forces Sub-Commission in place of Acting Air Vice Marshal W.A.B. POWELL-RUSCAMLET, reassigned.

COMMUNICATIONS SUB-COMMISSION

12. Preliminary reports from North ITALY show that the damage to civil communication services is not severe, though removal of equipment and damage to cables has been sufficient to prevent immediate resumption of some services.

13. Foreign mail service was opened with FRANCE, BELGIUM, GREECE, BULGARIA and RUMANIA. Agreement was reached on the terms of opening a cablegram and radio service with UNITED STATES and UNITED KINGDOM.

WAR MATERIAL DISPOSAL & I.W SUB COMMISSION

14. This Sub-Commission is now acting as the allocating authority for all salvage in ITALY, thus speeding up operations at the Salvage Depots and relieving congestion. Scrap vehicles inspected during the month totalled 110. Nine of these were returned to the Italian War Ministry and fourteen handed over to the Italian Ministry of Transport. The remaining 87 vehicles are being rebuilt by private enterprise, under contract, and will operate under AMAC when the work is completed. The total tonnage of salvage material claimed on behalf of Allied Commission and the Italian Government was 9,250 tons.

15. During the month 1,247 Italian Prisoners of War were repatriated of which 148 were specialists.

16. Clothing donated in the Italian Red Cross Drive, sponsored by this Sub-Commission, was handed over to the Italian authorities to be given to needy Italian Prisoners of War who have been repatriated and released.

17. Remittances by Italian Prisoners of War to their families totalled £ 44,393. Final Credit balances of repatriated Prisoners of War were forwarded to the Italian High Commissioner for PWs, representing a total of £ 32,712 - [illegible] the total of the previous months.

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draft strength.

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15. During the month 1,247 Italian Prisoners of War were repatriated of which 148 were specialists.

16. Clothing donated in the Italian Red Cross Drive, sponsored by this Sub-Commission, was handed over to the Italian authorities to be given to needy Italian Prisoners of War who have been repatriated and released.

17. Remittances by Italian Prisoners of War to their families totalled £ 44,393. Final Credit balances of repatriated Prisoners of War were forwarded to the Italian High Commissioner for PWs, representing a total of £ 32,212 - showing a marked increase over the total of the previous months.

HILARY W. STONE
Rear Admiral, USNR
Chief Commissioner

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HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

MAY 1945

Ref: 824/EC. 11 July 1945.

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HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

MAY 1945

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POLITICAL SUMMARY

1. Political developments during the past month have been dominated by the discussions between members of the Government, the Central Committee of National Liberation and the Committee of National Liberation in Northern ITALY. On 5 May a delegation of the CLNAI consisting of ten delegates, two from each party, the Labour Democratic Party being represented in the CLNAI, was brought to ROME by air from MILAN. The delegation presented to Signor BONOMI a five-point programme as follows:

   1. Epuration not only in the political but also in the administrative and economic fields;

   2. Clarification of the relations between Prefects and Regional and Provincial Committees of Liberation;

   3. Economic reconstruction to be financed particularly by those who profited from years of autarchy or by collaboration with the Fascists and the Germans;

   4. Agrarian reform;

   5. A foreign policy "free from any kind of nationalism" and aiming at democratic collaboration among nations.

2. During the week of discussions in ROME, agreement was almost reached by all the parties on Signor NENNI's suitability as the next Premier. At the last moment, however, the Christian Democratic Party withdrew its support and the discussions petered out. The delegation returned to MILAN on 14 May. The political leaders who had remained in the North were puzzled and inclined to think that the delegation had mishandled the situation and allowed all the prestige, which the CLNAI had won during the days of the popular insurrection, to wane.

3. On 17 May, Signor BONOMI, with various members of the Government and representatives of the Socialist and Action Parties, travelled to Northern ITALY in order to establish contact with Northern political groups. Signor BONOMI confined his visit to his home town of MANTUA but the other leaders visited most of the Northern cities. A week of discussions between the parties followed but serious disagreement developed over the insistence of the three left wing parties on the right of the CLNAI to dictate the composition of the Government. The Liberals and Christian Democrats took the attitude that it must be done in consultation with leaders from the South and by constitutional means, that is, through the Lieutenant of the Realm.

4. A final meeting was held on 23 May between the CLNAI, the Secretaries of the parties and the members of the ROME Government in the North and full agreement was reached on the following items:

   1. It was necessary to form a new Government.

   2. The head of the Government should be changed.

   3. All six parties should participate in the new Government.

Regional and Provincial Committees of Liberation;

3. Economic reconstruction to be financed particularly by those who profited from years of autarchy or by collaboration with the Fascists and the Germans;

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1. It was necessary to form a new Government.

2. The head of the Government should be changed.

3. All six parties should participate in the new Government.

4. Key positions in the new Government should be held by men who represented the progressive spirit shown by the people in their struggle for liberation.

Having taken this decision, the political leaders decided to break off the talks for the time being and members of the Government returned to ROME on 25 May.

5. As a result of the talks it seems that Signor DE GASPERI had agreed that Signor BONOMI would not be the next Prime Minister, in order to ensure the inclusion of the Socialist and Action Parties in the new Government. It is understood that Signor BONOMI would not resign until a new cabinet has been agreed.

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6. At the/.....

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6. At the meeting of the Council of Ministers on 12 May plans were made for the integration of the police and partisan units and for the incorporation of partisan units into the regular army. Other items of interest are the announcement made by Signor BONOMI on 15 May that 200,000 German prisoners are to be made available for work on Italian reconstruction and the Italian request to the International War Crimes Commission for permission to try, in ROME, those responsible for the Fosse Ardeatine executions.

7. Signor NENNI, speaking on the question of TRIESTE on 10 May, repeated the Socialist thesis that the Italian character of the city could be preserved by a democratic understanding between the Italian and Yugoslav peoples and a rectification of the Eastern frontier in such a way as to do justice to both parties. In short, the final solution should take into account both the "Italian character" and the "European function" of the city. The Democratic Party issued an order of the day on 4 May which was much less conciliatory in tone and affirmed the Italian character not only of TRIESTE but of all VENEZIA GIULIA and ZARA as well and called on all parties to rally to the defence of the integrity of the national territory. The announcement on 8 May that Marshal TITO had appointed a commander of the town of TRIESTE caused general uneasiness and the Council of Ministers on 9 May charged Signors BONOMI and DE GASPERI to take the matter up with the Allied authorities. On 12 May the Council of Ministers, having heard the report of Signors BONOMI and DE GASPERI, asked formally that the occupation and administration of Italian territories be carried out by the powers with which ITALY signed the Armistice. Signor DE GASPERI in an interview two days later told a United Press correspondent that if Marshal TITO persisted in holding TRIESTE by force the result would be a nationalistic and reactionary Government in ITALY with consequent danger to the future peace of EUROPE. On 15 May the RIGHT newspapers carried the news of the British and American notes to Marshal TITO asking him in substance to turn over VENEZIA GIULIA to AMG. The Democratic Party paper "Italia Nuova" hailed this development with satisfaction as evidence that the Allies were not going to consent to the solution of problems by force and the other party papers followed the same line with the exception of the Communist paper "Unita" which played down the story and affected scepticism as to the existence of the notes.

8. Italian reactions to the reports of French military activities in PIEDMONT have on the whole been very calm and Signor DE GASPERI stated on 14 May that the question was "not important".

9. The economic barrier between the North and the South was lifted on 28 May but the Italian organisation ECUC and its opposite number in the North will continue to exercise control over transport carrying commodities from the North to the South.

10. On 10 May the Supreme Allied Commander decided to return to the Italian administration the Provinces of GROSSETO, SIENA and AREZZO in TUSCANY; TERNI and PERUGIA in UMBRIA; and ASCOLI-PICENO, MACERATA, ANCONA and PESARO in the MARCHE. The port and commune of ANCONA remains however under AMG. This development brings approximately three fifths of ITALY and twenty four million

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11. Liberty of civilian movement in ITALY was restored on 28 May and Italians may now move freely throughout ITALY up to the security control line, which follows the course of the River PIAVE, and the 25-kilometre prohibited frontier zone which stretches along the whole line of the Italian frontiers with FRANCE, SWITZERLAND and AUSTRIA.

PART I/.....

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PART I.

RESUME OF CONDITIONS IN THE NORTH OF ITALY
ON OCCUPATION AND REGIONAL REPORTS.

1. Operations in May were a continuation of the Allied Armies swift break-through of the German winter line during April, culminating in the surrender of the German Armies in ITALY on 2 May and finally in the total surrender of GERMANY on 8 May.

2. Shortly after the first of May a new phase of AMG began; this was the establishment of military government in cities and communities which had not experienced the ravages of war and which saw a victorious Army sweep past hard on the heels of a flying enemy. Enormous areas had to be covered by AMG teams who, prepared to find chaotic conditions, found instead outstanding normality. Trains were running in every provincial capital in the North of ITALY, electric light and water were functioning in most large cities and shops were well stocked. The Committees of National Liberation were conducting Provincial and Communal administration with efficiency, and AMG was therefore faced with the entirely novel problem of tactfully taking over the reins from an existing organisation, in contrast to its experience further South where no such organisation was functioning at the time of liberation.

3. Partisans were well organised and took great pride in their part in bringing about the collapse of German tyranny in ITALY. They helped the Committees of National Liberation to establish a government and, in some areas, notably GENOA, they dominated the entire situation until the arrival of the Allied Armies. They had been given clear directives as to the arrival of AMG and were helpful and cooperative.

4. Many problems arose in disarming partisans. In those areas where the Army swept through and quickly demonstrated power, the partisans responded at once to the order to disarm and return to civil life; the war had passed them and there was no real need for them to fight to protect their land. In other sectors, where complete liberation was slower, there was another and more difficult problem. The partisans were loth to surrender their weapons until the surrendered German troops were disarmed and removed from such areas. There were also Fascist groups organised for resistance and until they were tracked down the partisans were disinclined to part with their arms. MILAN, TURIN, TRENTO and BOLZANO Provinces were examples of this problem. The CG IV Corps, in collaboration with the Chief of Staff of the Italian Army, therefore issued an order that partisans should be disarmed and their weapons turned in on or before 7 June. This order was, on the whole, well obeyed and by the end of May a steady stream of weapons - mostly rifles - was coming in from the partisans to the collection centres. Many arms however still remained hidden.

5. The defeat of the Fascist and Nazi powers accelerated the volcanic outbursts of accumulated hatred of years and the oppressed were tempted to become the oppressors. Old grudges were in some instances paid off by private killings. The largest number of murders occurred during the first days following the German collapse and especially in large cities such as in MILAN and TURIN. These murders for revenge and for political motives continued

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6. One of the greatest problems which developed with the rapid advance of the Armies in ITALY and the conclusion of hostilities in EUROPE was the uncontrolled movement, mainly across the AUSTRIAN-ITALIAN frontier, of refugees, displaced and stateless persons, Italian labourers who had been sent to GERMANY and Italian Prisoners of War from GERMAN Prisoner of War Camps. This movement started before the full complement of control camps and assembly centres could be set up and extra transport was provided as far as possible by back-loading Army vehicles. During the month about 80,000 Italians returned to

their homes/....

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their homes South of the line MODENA-BOLOGNA-FORLI alone, while many thousands returned to their homes in the North.

7. The food situation was not as acute as was anticipated in the provinces liberated prior to the capitulation of the Germans. Supplies were drawn from Allied Commission food depots and delivered directly to the provincial capitals, placing the responsibility for delivery on the communes or the Consorzio Agrario Provinciale.

LIGURIA REGION.

8. The Regional Committee of National Liberation is working harmoniously under AMG. Many partisans have been demobilized and have returned to their homes and the collection of arms has proceeded from fair in the larger cities to poor in the rural, mountain areas. Deaths by violence are showing a sharp reduction, none occurring in GENOA during the last three days of May. There has been an improvement in law and order.

9. The food situation remained difficult. Bad weather made it impossible for landing craft to unload at the beaches for several days during the month and this made it necessary to haul from LEGHORN to GENOA; the length of the haul severely taxed all resources to keep abreast of the need but the situation was eased by the quantities of vegetables and fruit available.

10. Additional Carabinieri in strength have arrived in the Region but in some places, particularly in LA SPEZIA and IMPERIA, the Carabinieri have not been well accepted by the Partisans; efforts to improve this situation have been made by the assignment of one Carabiniere and one Partisan to work together.

11. A deputation of CLN representatives of industry, finance and the Chamber of Commerce left for ROME to discuss labour problems of Ligurian industries. Metallurgical firms, which form the bulk of the Region's industry, find themselves, after a long period of armament production, responsible for the payment of wages to large numbers of labourers for whom they have no productive employment. Such payments are reducing these companies to bankruptcy but failure to make them will present serious social and political consequences to the workers and the communities of this area. Conversion to peacetime production is hampered by lack of coal.

12. Recent rains have improved the future crop prospects and approximately 2,500 tons of assorted fertilizer is being allocated to farmers. 800 horses are scheduled to arrive in the Region from TURIN for distribution. Fishing is proceeding regularly and distribution of fuel for the bigger boats commenced. No olive oil is being released due to disagreement over prices.

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13. Local telephone service is available in each province and long distance service is functioning to each provincial capital. Telegraph facilities are open from GENOA to LA SPEZIA, SAVONA and ALASSIO, and civilian postal service continues to function under Allied Civil Censorship. Rail lines are open to MILAN and TURIN.

PIEDMONTE/.....

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PIEDMONT REGION

14. Upon the entry of AMG to Piemonte Region on 5 May, the Regional Committee of Liberation was found to be in complete control. In TURIN, public services were functioning and ample evidence was available as to the splendid work of the partisans in preventing destruction by the retreating Germans.

15. The welcome afforded the Allies was spontaneous and sincere, and the publication of the usual proclamations defining penalties for attacks on Allied troops and restricting movement of civilians caused some bewilderment amongst the population.

16. AMG was faced with two major problems, namely, the tactful acquirement of reins of government from the CLN and the disarming of about 35,000 partisans who, fully armed, thronged the streets and public buildings. The end of May saw the first problem surmounted without major incident and the second well on the way to solution.

17. The occupation by French troops of border areas in AOSTA, CUNEO and TURIN Provinces, the issue by French authorities of various orders to the local inhabitants, and the intermingling of French currency with the official currency, all have complicated the establishment of AMG in the areas affected.

18. Estimates as to the number of Fascist executions in PIEDMONT prior to the arrival of AMG vary between 1,500 and 5,000 and the abolition of tribunals by AMG created certain misgivings as to whether the Allies intended to deal stringently with Fascists. However, illegal executions ceased immediately and the Region quickly settled down to an orderly routine.

19. Political activities have been on a surprisingly small scale, the Communist being the most active party.

20. The food situation is fair but, for a surplus producing area, few large stocks are held. Wheat planted is 25,000 hectares, approximately 8% less than 1944, and the rice planted is approximately 18% less than the 1944 figures. The total head of cattle is estimated at 40% below normal, and slaughtering therefore will have to be minimised.

21. The health of the civilian population is exceptionally good. One case of typhus, an Italian PW who arrived in AOSTA from GERMANY, has been discovered.

22. The high sense of discipline and order amongst the general population has been a feature in the rapid and peaceful transition from war to peace conditions.

23. The recovery of the Region's prosperity depends entirely on the importation of coal and raw material.

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LOMBARDIA REGION

24. All political activity in LOMBARDIA, especially in MILAN, centered in the attempt to solve the governmental crisis by the inclusion of representatives of Northern ITALY in the Italian Government. Panic and fundamental political agitation and labour unrest hinged, however, upon the rising cost of living, the demand on the part of the workers for payment of salaries despite the fact that industries were not in production, demand on the part of the workers for a real epuration of industry, insistence by all parties, especially parties of the left, that governmental epuration should take place and that those who collaborated with the Germans and with the Fascist Republicans be punished.

25. Decode to 5755

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25. Damage to works and buildings in LOMBARDIA with the exception of MILAN city, was less than anticipated. Although there has been some damage to transmission lines and substations, there has been no serious damage to generating plants; there is approximately 1,000,000 KW of generating capacity installed in the Region, of which 994,000 KW is hydro and the rest thermal. 8,000 tons of calcium carbide is estimated to be in stock in Northern ITALY and a good stock of ferro-silicon and some silicon manganese are also available.

26. About 7,000 horses and mules are being brought in to LOMBARDIA Region from Northern ITALY.

27. There were no serious civil disturbances in the Region although demonstrations took place. The number of murders committed in MILAN city showed a decline by the end of the month and the Guardia di Finanza and the Guardia Municipale were efficient. There were very few cases for trial in Allied courts. Italian courts functioned normally throughout the Region and a section of the Court of Cassation was established at MILAN to deal with appeals brought from the Special Courts of Assize. The Special Courts of Assize were sitting in all provinces.

28. Public health in the Region is good, but there is an increase in cases of tuberculosis and venereal disease. Insulin presents the only acute shortage in medical supplies at the moment. Provincial Welfare Departments were established in all provinces except SONDRIO. Municipal restaurants were functioning on the arrival of Allied and these are being continued.

29. Since 1 May 12,452 displaced persons have been registered and handled by Displaced Persons Camps in LOMBARDIA Region. Eight camps have been established with a total capacity of 22,500.

30. With exception of two road services, MILAN to ALESSANDRIA and MILAN to VERONA, all provinces are served by rail communication. All telephone services, with the exception of the MILAN-BOLOGNA line, were opened during the month.

VENETIAN REGION

31. Owing to the presence of large enemy forces trapped up against the Alps the five Western Provinces remained under control of FIFTH Army throughout the month, though, by mutual agreement, much of the routine administration was carried out by Allied Venetia Region.

32. Large numbers of patriots were found in the Region. In the plains they were largely underground groups, but in the hills, particularly in BELLUNO, UDINE and TARVISIO, there were large well-armed formations with a fair degree of discipline and military organization; they had played an important part in blocking the German escape routes and in saving from des-

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from Northern ITALY.

27. There were no serious civil disturbances in the Region although demonstrations took place. The number of murders committed in MILAN city showed a decline by the end of the month and the Guardia di Finanza and the Guardia Municipale were efficient. There were very few cases for trial in Allied courts. Italian courts functioned normally throughout the Region and a section of the Court of Cassation was established at MILAN to deal with appeals brought from the Special Courts of Assize. The Special Courts of Assize were sitting in all provinces.

28. Public health in the Region is good, but there is an increase in cases of tuberculosis and venereal disease. Insulin presents the only acute shortage in medical supplies at the moment. Provincial Welfare Departments were established in all provinces except SONDRIO. Municipal restaurants were functioning on the arrival of AMG and these are being condemned.

29. Since 1 May 12,452 displaced persons have been registered and handled by Displaced Persons Camps in LOMBARDY Region. Eight camps have been established with a total capacity of 22,500.

30. With exception of two road services, MILAN to ALESSANDRIA and MILAN to VERONA, all provinces are served by rail communication. All telephone services, with the exception of the MILAN-BERGAMO line, were opened during the month.

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33. On the whole, CLNs have been helpful and cooperative. All the ten Prefects in the Region were local nominees and it was obvious that any attempt to introduce career Prefects from the South would be resented. The men now holding office have given an impression of keenness and a desire to help in the reconstruction of their country.

3. Religious/.....

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34. Refugees proved a real problem. Contrary to expectations, the main flood of refugees came, not down the BRENNER PASS, but out of AUSTRIA through TARVISIO, then by UDINE. During the month about 100,000 refugees and displaced persons were officially evacuated by Army motor transport down the route UDINE - TREVISO - MESTRE - PADOVA. Many tens of thousands of others made the journey on foot.

35. Some towns such as VERONA and BOLZANO were badly damaged, but many others, including the Island of VENICE, were untouched. Road and railway communications were interrupted by broken bridges, but not to the extent found in Central and Southern ITALY. An urgent problem was the repair of the damaged embankments of the Rivers ADIGE and PO before the rivers rose with the melting snow. Assistance was given by ENGINR Army and the situation was in hand by the end of the month. Electric power plants were almost undamaged.

36. The possibility of inland water transport through the network of canals along the Adriatic Coast is being considered. The opening of the port of VENEZIE at the end of the month improved the transport situation in the Region.

37. Food was in fairly good supply except in the Eastern communes of UDINE where raiding parties from VENEZIA GIULIA had cleared the countryside of foodstuffs. There were no serious outbreaks of disease.

38. In the East the dispute with YUGOSLAVIA on the VENEZIA GIULIA caused a concentration of troops in Eastern UDINE and as a result, certain difficulties with the patriots. In BOLZANO the existence of a large German speaking population caused concern but this was mainly a FIFTH Army problem.

39. The Southern Provinces of VENEZIE Region normally obtained considerable quantities of methane gas, a substitute for petrol, from ROVIGO Province. It was found necessary to use the methane pipe line from ROVIGO to PADOVA for military petrol and it is hoped that it will be restored to civil use for methane gas towards the end of June.

EMILIA REGION

40. There have been no political clashes but the Communist Party is very well disciplined and is particularly strong in BOLOGNA Province, while the Socialist Party has its greatest following in REGGIO-EMILIA and PARMA. The Christian Democrat Party and the Liberal Party are still in the early stages of organisation.

41. All the provinces in EMILIA Region were able to supply a bread ration from their own flour stocks. Salt, sugar, lard and milk were supplied in the Region, and on the whole the food situation was exceptionally good, BOLOGNA city affording the only problem. Drought and damage caused by war will, however, lead to a considerably smaller harvest this year.

42. All banks are open and deposits are considered satisfactory.

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42. All banks are open and deposits are considered satisfactory.

43. Public health was good but the sanitary conditions and the water supply of BOLOGNA city were a major problem. The electricity supply, which has been good in all other provinces, has been poor in BOLOGNA where heavy damage was done. The greatest obstacle to industrial recovery is the lack of coal, POL and civilian transport.

44. The initial phases of liquidation of fascists by patriots and others has been succeeded by a wave of crimes of murder, extortion and abduction, often to further private ends. The witnesses dare not come forward and the Carabinieri, who are badly officered and poorly equipped, are afraid to press their investigations for fear of reprisals.

45. Reorganisation/....

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45. Reorganisation of the universities and schools is proceeding most satisfactorily and, with a few exceptions, Italian courts are functioning. Limited telephone and postal services are now available.

46. A gram of radium valued at 100,000,000 lire and said to constitute one-fiftieth of the world's supply, was restored to the University of BOLOGNA, after being hidden for eight months from the Germans by patriots.

47. Out of approximately 21,000 patriots, all but 500 have returned to their homes. Demobilization parades were held in BOLOGNA, MODENA, REGGIO, PARMA and PIACENZA.

48. Over 60,000 Italian refugees and other nationals passed through the displaced persons camps during the month.

TOSCANA REGION

49. Food supply throughout TOSCANA Region has improved slightly due to a small increase in the availability of meat, fish and fresh vegetables. The salt ration has been increased to 250 grams a head each month.

50. Agriculture has been impeded in APUANIA and, to a lesser extent, in Northern LUCCA Province, due to the large number of mines. Over 77,000 quintals of olive oil and 1,868,512 quintals of wheat have been amassed. Removal of some of the restrictions on fishing have resulted in increased production.

51. There have been no alarming outbreaks or disorder although several murders and thefts have been reported in FLORENCE Province. There was a prison break at Santa Teresa Prison, FLORENCE, as a result of which about sixty five inmates escaped but almost half of them have been recaptured. The reduction in the number of Carabinieri allotted to this Region (owing to the need of them in the newly liberated Regions) is causing concern, particularly among civilian officials who anticipate trouble when Allied control is discontinued.

52. There was a typhoid outbreak of small proportion on the Island of ELBA which was attributed to the contamination of fresh vegetables. Scabies in APUANIA is quite prevalent but active steps are being taken to combat the disease. Undulant fever continues to be a problem and one which has proved very difficult to solve due to the lack of active cooperation on the part of the owners of milk-producing animals. Generally the health of the Region is good but there has been a large increase in the number of cases of tuberculosis.

53. There has been an increase in unemployment mainly due to the removal of military units. Civilian telephone service is available to all provincial capitals of TOSCANA except MASSA.

ANCONA CENTRE.

54. There has been little activity by any of the political parties during

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AMG ANCONA COMMUNE.

54. There has been little activity by any of the political parties during the month and the May Day celegrations, held for the first time for over twenty years, passed without incident.

55. Communal administration worked smoothly and the cost of living is on the downgrade. The relaxations in fishing restrictions resulted in catches being more than doubled.

56. War damage to buildings and water supplies was still the most serious problem but repairs to the reservoirs are almost completed. A regular train service for civilian use is now running between ANCONA and ROME.

57. On the whole, public health in the Commune has been good, but due to overcrowding, lack of water and soap, scabies has increased in the city and it has been necessary to establish an anti-scabies centre where treatment can be given.

AMG NAPLES/.....

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CIVIL AFFAIRS SECTION

Epuration.

4. Several new Italian decrees are published in May. DLL 179, which permits the appointment of lawyers in the place of judges on Epuration Commissions, will relieve judges for normal duties and for the special Courts of Assize. DLL 195 enacts penal sanctions in the event of any repetition of fascist activity and DLL 196 confers on the High Commissioner for Sanctions against Fascism powers to appeal against sentences passed in matters dealing with fascist crimes.

5. An Italian decree dealing with the epuration of directors of private companies has not been enacted, although requested by this Commission, owing to the cessation of legislative activity of the Italian Government during the political crisis.

6. In the principal Ministries 35,537 of the 47,577 employees have been scrutinised and 7,188 have been sent for trial; 709 employees have been dismissed, 308 have been sentenced to compulsory retirement and 360 received lesser punishment. Of this total, 4,852 cases have been concluded.

Mine Clearance.

7. In territory newly liberated the mined area extends from the Adriatic coast across EMILIA and ROMAGNA Regions to the Mediterranean. The coasts are heavily mined as are the northern provinces of TOSCANA Region.

8. Mine Clearance Units are being organised in these Regions. Schools have been opened in GENOVA and BOLOGNA, and other schools are being opened when instructors and equipment are available.

9. The total number of mines lifted during the past month was 91,231. This figure was lower than the previous month due to the fact that the 962/3 Companies have been moved to EMILIA Region and are at present being organised in that area.

10. The whole scheme is hindered by lack of transport and other equipment.

LOCAL GOVERNMENT SUB-COMMISSION.

11. The printed forms and documents for the preparation of Electoral Lists have been distributed to the provinces of TOSCANA Region which remain under Military Government. The Italian Government is printing the material for the five Northern Regions, in readiness for the time when it may be decided to commence the preparation of electoral lists in Northern Italy.

12. A reply has been received to the Allied Commission's recommendation that the provisions of the Decree of 1915, on the conduct of Municipal Elections, which the Italian Government proposes to revive, be amended so as to ensure a free and independent ballot. The Italian Government states that in its opinion the system is adequate and requires no amendment. This reply is under examination.

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10. Out of thirty-seven Provinces (excluding VENEZIA GIULIA) liberated during April and May, Prefects are reported to have been formally appointed in only twelve Provinces, all of which are in EMILIA and VENEZIA Regions. In thirteen other provinces individuals are acting as Prefects with the consent of the Regional Commissioner in his capacity as PWB/AC, but formal confirmation by the ACAO has not yet been given. In all these cases the Prefects, or those acting as such, are members of the CLN and no case has been reported of the appointment of any of the senior officials nominated by the Italian Government in ROME.

11. Requests have been received for another Vice-Prefects to be supplied for the provinces of FERRARA, BOLOGNA, PIACENZA, PARMA and REGGIO. Delay is being experienced in obtaining nominations from the Italian Government.

EDUCATION SUB-COMMISSION.

12. The major work of the Education Sub-Commission during May was in the five Northern Regions. Much of the ground work had already been done by the Committee of National Liberation and as a matter both of AG policy and because of shortage of staff, Education Officers have utilized the CLN to the utmost.

13. It was found that the CLN had set up a Regional Education Office and, in many cases, provincial education committees. The provincial school committees of CLN were retained as advisory bodies for the Regional Education Officer and Provveditori agli Studi. The Regional or Provincial CLN had dismissed Fascist personnel and appointed new provveditori and, in many cases, new school heads and inspectors. While such nominations and appointments still have to be confirmed, the new appointees were able to handle the schools until more careful and legal action could be taken.

14. In AMILIA 1,347 of the 2,570 schools are available for use. Of the balance 907 are damaged or destroyed and 223 occupied by troops or refugees. In the city of BOLOGNA only 16 of the 315 school rooms are available and classes are being held in odd rooms here and there and teachers homes. Full statistical data are not yet available from other Regions.

15. The redisposition of requisitions throughout ITALY is being examined with AFHQ.

16. In AMILIA, schools generally were reopened; in the other Northern Regions many reopened only for final examinations because they had functioned almost normally during most of the year. Wherever the school year was badly interrupted, however, summer sessions are being provided.

17. The printing of the defunctioned series of elementary text books for the current year came to a close early in May, the total having reached two million.

18. In the north all universities and other higher institutions of learning and cultural organizations such as operas and orchestras are being epurated and Pro-Rectors or temporary directors have been appointed. University examinations are being held. Orchestras and operas are being made available to Allied Troops and some universities are offering courses for troops. Faculties of political science have been abolished.

19. Very few university buildings in the north have been requisitioned but many are severely damaged or destroyed.

20. Boy Scouts organizations, and to some extent Girl Guides, are getting under way in the North and are steadily increasing in the rest of Italy.

21. Publications desired by the National Library in NAPLES have been gathered by the American Library Association and have begun to arrive in Italy.

LEGAL SUB-COMMISSION.

22. There has been a substantial reduction in the number of cases heard by AMG courts. The position in NAPLES Convers (AMG) has remained almost unchanged and there is still a heavy volume of work at LIVORNO Convers (AMG); in this latter port, however, shortage of AMG personnel has necessitated the transfer of many [illegible] cases heard in NAPLES area.

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23. In North ITALY the number of AMG Court cases has been very small and have been mostly concerned with curfew offences and violations of travel permits. There has been a small number of prosecutions for possession of arms.

AMG NAPLES COMMUNE

58. The end of hostilities in ITALY and EUROPE produced no startling reactions in NAPLES, which remained quiet during the month. Pride in the part played by the Italian partisans was tempered by surprise at the shooting out of hand of MUSSOLINI, his mistress and fascist leaders, and more particularly by repugnance at the primitive display of feelings displayed when the dead bodies were treated with contempt in MILAN. A demonstration in NAPLES on V.E. Day was orderly and reference to the Allies drew spontaneous applause. The Supreme Allied Commander's announcement on the subject of TRIESTE had a stabilising effect on the Neapolitans.

59. Thefts of industrial and commercial goods still continue on a large scale and the murder of one Allied soldier has been reported.

60. Drought is seriously affecting crops over a widespread area so that grain requirements for next year will have to be increased.

61. NAPLES Commune has eighteen soup kitchens organised in the city from which approximately 11,000 rations are issued daily to the very poor. The ration consists of soup made up from soup powder supplied by the Allies, some dried vegetables and pasta, and is approximately 100 grams a head. The Cardinal Archbishop has a separate organisation for a similar purpose. 63,430 repaired garments were distributed during May.

62. The discontent over wages paid by the Allies as compared with those paid by trades in NAPLES continued. A meeting of the Labour Committee to consider figures with representatives of Italian labour resulted in an increase of 65 lire a day for skilled labour and 35 lire a day for other labour.

LIAISON OFFICER BARI.

63. There has been little of outstanding importance to report and few incidents occurred during the month. All civilians rendered homeless by the explosion, which occurred in the harbour on 9 April, have now been accommodated. The drought has caused considerable damage to the crops and the harvest is expected to be poor.

64. Food distribution has been satisfactory and it has been decided to form Price Control Commissions in all provinces in APULIA and LUCANIA; prices for unrationed foodstuffs, clothing and medicines have already fallen from 20 to 40 per cent.

65. Public health has been good and there have been no epidemics.

LIAISON OFFICER SARDINIA.

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LIAISON OFFICER SARDINIA.

66. On the whole the public followed the activities of the political parties with indifference and sought more than anything else a solution to the governmental crisis which would recognise the real interests of the country, especially in the fields of political economy and finance.

67. The exceptional dryness and the serious grasshopper menace have destroyed much of the cereal crop. It is expected that not more than a few thousand tons of grain will be harvested. Fruit and pastures have been damaged due to drought and weather conditions.

68. 38,243 tons of Sulcis coal were mined during May showing an increase over the 28,600 tons mined in April. 14,980 tons of this total were exported.

69. Public/.....

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69. Public health remained satisfactory inspite of poor living and hygiene conditions which have been aggravated by war devastation.

LIAISON OFFICERS PALERMO AND CATANIA.

70. Enthusiasm for the Separatist movement appeared to be on the wane and little attention was paid to the political crisis but the problem of TRIESTE and VENEZIA GIULIA is a constant topic and the development of the situation is followed with deep interest.

71. The arrival of a considerable number of partisans created new problems; they demanded jobs and their domineering behaviour caused many minor disturbances.

72. There is a considerable amount of lawlessness in the island mainly due to the reduced number of Carabinieri and their poor morale.

73. An acute shortage of prison accomodation is affecting the functioning of the courts. Hundreds of cases are outstanding and totally inadequate sentences are imposed on those convicted.

74. There were 38 cases of typhus at CAPIZZI in the province of MESSINA resulting in ten deaths. At RAMACCA in the province of CATANIA fourteen cases of typhus were reported with no deaths. Two persons at PALERMO have died of the disease and there have also been two cases of smallpox in the town.

75. The new harvest has been seriously affected by the lack of rain.

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24. The principal legal activity in North ITALY has been the establishment and operation of the Special Courts of Assize, for the trial of persons charged with collaborating with the enemy, and of the Special Section of the Court of Cassation in MILAN for the disposal of appeals from those courts.

25. The courts are now established and functioning in every province of the northern regions. There is difficulty in the provision of the large number of judicial personnel required to preside at these courts but this problem is being overcome. The number of persons at present in gaol awaiting trial before these courts is very large. For example, in PIEDMONT VENETIA there are estimated to be 1,200, in GENOA 1,600, in PADUA 3,000 and in MILAN 5,000. In MILAN Province, three persons out of twelve have been sentenced to death, in other Provinces in LOMBARDIA, none.

26. General Order No. 46 has been issued in the North to establish and regularise a form of apprentice in private industry.

PUBLIC HEALTH SUB-COMMISSION.

27. Public health reports from the Northern Regions are most satisfactory. There have been no epidemics, water supplies are untouched, hospital accommodation is adequate and many medical supplies have been discovered.

28. The refugee problem is one which is causing anxiety from a Public Health point of view. The return to ITALY of hundreds of thousands of refugees and displaced persons, many of them louse infested and coming from typhus stricken areas and many suffering from tuberculosis and malnutrition is a matter for concern: all interested agencies are fully alive to the potential danger of this mass movement. The Swiss Government through the International Red Cross has offered the assistance of 50 doctors and 150 soldiers from Swiss Army medical units for the purpose of establishing a sanitary cordon between LAKE GARDA and the Adriatic to prevent the spread of illness. The mass disinfestation of returning refugees necessitates the use of large quantities of DDT in excess of stocks held by AC. AFHQ, with ready appreciation of the situation, have agreed to make Army stocks available and have also indicated that the military will, if asked, render every possible assistance in solving public health problems in ITALY.

29. Infant mortality in ROME is decreasing. The April figures were 70.7 per thousand as compared with 87.4 in March and 111.5 in February. Deaths from all forms of tuberculosis in ROME were 237 in April as compared with 256 in March.

30. The Ministry has re-established the pre-war allocation of funds for the control of communicable animal diseases. The incidence of animal diseases was not high during the month, foot and mouth disease being only sporadic and a few cases only of brucellosis being reported from GROSSETO. 160,000 swine in Central and Southern ITALY and SARDINIA have been vaccinated against swine cholera.

31. Lack of proper coordination between LIBERIA and the Ministry of Interior has led to delay in the delivery of supplies to many provinces. Medical supplies to cover the first six months of the current year are arriving at PORT DI ROMA

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PUBLIC HEALTH SUB-COMMISSION.

27. Public health reports from the Northern Regions are most satisfactory. There have been no epidemics, water supplies are untouched, hospital accommodation is adequate and many medical supplies have been discovered.

28. The refugee problem is one which is causing anxiety from a Public Health point of view. The return to ITALY of hundreds of thousands of refugees and displaced persons, many of them louse infested and coming from typhus stricken areas and many suffering from tuberculosis and malnutrition is a matter for concern: all interested agencies are fully alive to the potential danger of this mass movement. The Swiss Government through the International Red Cross has offered the assistance of 80 doctors and 150 soldiers from Swiss Army medical units for the purpose of establishing a sanitary cordon between LAKE GARDA and the Adriatic to prevent the spread of illness. The mass disinfestation of returning refugees necessitates the use of large quantities of DDT in excess of stocks held by AC. AFHQ, with ready appreciation of the situation, have agreed to make Army stocks available and have also indicated that the military will, if asked, render every possible assistance in solving public health problems in ITALY.

29. Infant mortality in ROME is decreasing. The April figures were 70.7 per thousand as compared with 87.4 in March and 111.5 in February. Deaths from all forms of tuberculosis in ROME were 237 in April as compared with 256 in March.

30. The Ministry has re-established the pre-war allocation of funds for the control of communicable animal diseases. The incidence of animal diseases was not high during the month, foot and mouth disease being only sporadic and a few cases only of brucellosis being reported from GROSSETO. 460,000 swine in Central and Southern ITALY and SARDINIA have been vaccinated against swine cholera.

31. Lack of proper coordination between LIBIA and the Ministry of Interior has led to delay in the delivery of supplies to many provinces. Medical supplies to cover the first six months of the current year are arriving at NAPLES, BARI and LEGHORN.

PUBLIC SAFETY SUB-COMMISSION.

32. Immediately upon the liberation of the North and before AMG was firmly established, certain bands of partisans took the law into their own hands and instigated mass killings of known fascists; armed men masquerading as partisans satisfied personal grudges by extortion and murder; wholesale political arrests, often unsupported by sufficient evidence, kept the prisons in a bad state of overcrowding. However, towards the end of the month the authority of AMG began to be realised, demonstrations were fewer and more orderly, the numbers of murders and cases of extortion committed were substantially smaller and courts were set up; the Northern Regions began to settle down to a normal life and security began to be restored to the people.

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33. Questori and Vice Questori in the North in most cases are CLN appointees, most of them with little or no former police experience. Career Questori from the South are reported but appointments are being made as the situation temporo malfidiently.

34. Reception of Allied currency are being suppressed in the South and except in a few localities have not appeared in the North.

35. Prostitution is a continuing major problem in the South and preventive control measures are being instituted in the early stages in the North where, due to mobility of [illegible] troops, it has not yet become a problem.

36. Relations between Allied Military Police Units and Italian Police are peaceful in the North. A few clashes in the South have been reported but no major situation has arisen.

MONUMENTS, FINE ARTS & ARCHIVES SUB-COMMISSION.

37. Preliminary reports show that movable works of art in N.W. ITALY and in the PO Valley are safe and in good condition. A cache of works of art, believed to be from VENICE, is reported near [illegible]. Ninety nine per cent of the missing TUSCAN works of art have been recovered in two caches in BOLZANO Province in good condition.

38. Notable items not yet accounted for are two crates of priceless antiquities from CIVITAVICA, transported to the North in 1943 from the Museo Colonnale in ROME and no confirmation has yet been received of press reports that the Mongolian works of art missing from MONTECASSINO have been recovered. Almost the entire German Fine Arts staff and their records have been captured.

39. Damage to monuments in the North West is slight, except for the heavily bombed cities of PARMA, MILAN and TURIN. In general in the PO basin outside VENICE isolated monuments only were damaged, in particular at PARMA the Teatro Farnese and at BOLOGNA S. Maria dei Servoli. In VENICE, VERONA and VICENZA are severely damaged. Libraries have suffered heavily, notably at TURIN and GENOA.

40. Air raid protective covering is being demolished and two temporary exhibitions for troops are already open in VENICE, one of VENETIAN primitives, the other of the Fascist classical and renaissance bronzes. The new museum at VERONA opens on 12 June.

41. It is reported that, on the whole, condition of Archives in the Northern Provinces is good.

PATRIOTS BRANCH.

42. Considerable headway was made with the disposal and disarming of Patriots, particularly in the agricultural areas; in the frontier districts and the large cities the Patriots have proved somewhat unwilling to lay down their arms and go home but those that remain are for the most part still in their original formations and well disciplined. In addition the Allied

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42. Considerable headway was made with the disposal and disarming of Patriots, particularly in the agricultural areas; in the frontier districts and the large cities the Patriots have proved somewhat unwilling to lay down their arms and go home but those that remain are for the most part still in their original formations and well disciplined. In addition the Allied authorities have found it necessary to retain a number of Patriots for special police duties and "mopping up" purposes, notably in TURIN, MILAN, GENOA (where a special force of 2,100 is being employed) and MODENA (where the OSOPPO and GARIBALDINI Groups have been retained). By the end of May, 45,600 weapons had been collected in LOMBARDIA and 16,700 in EMILIA. In VENETIA, where there are still a certain number of armed Germans at large, the Patriots have been ordered to store their weapons in central armouries from which they can be drawn should they be required. It is clear, however, that although a very large number of patriots have attended ceremonial disarming parades and handed in one weapon, they still possess many which have not been declared.

43. Twenty-three Patriot Centres were in operation by the end of May.

44. The immediate enlistment of 4,000 volunteers into the Italian Army

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has been sanctioned, and the three screening (Recruiting) agencies under control of AMG have reverted to Italian Army control for use, if required, in connection with this intake.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

46. The rapidity of the advance of the Armies in ITALY and the conclusion of hostilities in EUROPE resulted in uncontrolled movement, mainly across the AUSTRIAN-ITALIAN frontier, starting before the full complement of control camps and assembly centres could be set up. The movement of these refugees has been aided by back-loading empty Army transport. About 80,000 Italians have returned to their homes South of the line MODENA-BOLOGNA-FORLI and many thousands have returned to their homes in Northern ITALY. Apart from returning Italians, some Poles and Jugoslavs, uncertain of the eventual position in their respective countries, have moved into ITALY.

46. A civilian doctor, working directly under the Camp Commandant, has been allocated to each refugee camp. On 1 June UNRRA are to take over distribution of supplementary rations to Allied Nationals. A medical survey of Northern ITALY is being carried out with a view to typhus and tuberculosis control.

47. At the end of the month a total of 79,946 persons were recorded by the Records Bureau covering 72 different nationalities. Of these the location of approximately 60,894 is known and the remaining 19,052 were known to have been in ITALY during the past year.

48. While financial assistance for these displaced persons and refugees will probably be needed in due course the whole situation is, at present, so fluid that any programme which could be effected would benefit relatively few people. Meanwhile, the Swiss Consular Office is continuing issue to AMERICANS, GREEKS, POLES, YUGOSLAVS, and a few other nationalities.

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PART III.

ECONOMIC SECTION.

AGRICULTURE SUB-COMMISSION.

1. Damage to land reclamation and forest areas in Northern Regions has been slight.

2. Crop estimates throughout ITALY are not as promising as had been hoped, due to extensive drought, shortage of fertiliser in recent years and frost in Northern areas. Grasshopper outbreaks in SARDINIA could only be partially controlled due to the lack of preventative material.

3. The 1944 Granai del Popolo collections reached 1,165,857 metric tons of wheat. A decree controlling the 1945 harvest in Italian Government territory and General Order No. 40, carrying out the terms of that decree in Military Government territory, were published.

4. Redistribution of livestock continued and captured draft animals were allocated to civil needs in Northern ITALY.

5. Relaxation of regulations have resulted in extensive fishing operations, and for the first time in many years the fishing industry reported a large catch in all areas.

COMMERCE SUB-COMMISSION.

6. It was agreed that the Ministry of Industry, Commerce and Labour would take over the complete control of distribution of tyres and tubes in Italian Government territory. The necessary Ministerial Directive has been drafted and approved by this Headquarters.

7. 1,300 tons of newsprint arrived from AMERICA, but 667 tons were used for the repayment of a loan made by AFHQ Printing and Stationery Services Directorate from Mideast stocks. 1,022 tons of newsprint were located in Northern ITALY and utilised for printing newspapers in the Northern cities.

8. Approximately 1,570 Kgs. of raw silk from 1944 crop have been successfully hidden from German requisitions.

9. Shipments during the month represented a value of over 100 million lire. With the expansion of CCCMMA (Shipping) activities and the relaxation of control by the Allies, it became necessary to hand over to the Italian Government complete control of supplies of POL for CCCMMA.

10. The Regional Welfare Officers of PIEMONTE, LOMBARDIA, LIGURIA, EMILIA, VENEZIE and TOSCANA Regions were allocated 15,000 blankets each for distribution to hospitals and war refugees.

FINANCE SUB-COMMISSION.

11. The 5% five year issue of Italian Treasury Bonds has been most successful, a total of 31 billion 15 million lire having been subscribed. The Minister of the Treasury wished to extend the loan to Northern Italy but decided not to do

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7. 1,000 tons of newsprint arrived from AMERICA, but 600 tons were used for the repayment of a loan made by AFHQ Printing and Stationery Services Directorate from Mideast stocks. 1,000 tons of newsprint were located in Northern ITALY and utilized for printing newspapers in the Northern cities.

8. Approximately 1,500 Kgs. of raw silk from 1944 crop have been successfully hidden from German requisitions.

9. Shipments during the month represented a value of over 100 million lire. With the expansion of COCONA (Shipping) activities and the relaxation of control by the Allies, it became necessary to hand over to the Italian Government complete control of supplies of POL for COCONA.

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12. Information uncovered in Northern ITALY indicates that from 10 September 1943 to 30 April 1945 the Republican Fascist Government spent 359.6 billion lire, of which 109 billion lire represents German occupation costs and reimbursement to Germany of war costs.

13. The total Italian Government indebtedness is now approximately 350 billion lire, of which 250 billion is consolidated and redeemable and 600 billion floating debt. The currency circulation of Italy is now approximately 285 billion lire exclusive of the 61.3 billion AM lire in the hands of the Italian public and banks on 31 March 1945.

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14. It is estimated that the budget deficit for all of Liberated ITALY for the fiscal year 1944-45 will be approximately 350 billion lire.

15. No AM Lire or metropolitan lire will be used to pay surrendered German troops in ITALY. German Army funds are being seized as war booty and the problem of collecting lire currency now in the possession of individual German soldiers is being investigated.

16. The Council of Ministers has passed a decree which established a new foreign exchange control agency, the Ufficio Italiano dei Cambi, and liquidated the old agency, Istecambi. The new agency will have an autonomous management headed by the Governor of the Banca d'Italia and under the control of the Ministry of the Treasury.

17. Twenty-three tons of gold discovered at FORTEZZA, near BOLZANO has been transported to ROME and placed in the vault of the Allied Financial Agency Sub-Section, pending instructions as to its disposition. The Banca d'ITALIA has stated that this gold was part of the Bank's gold reserve which was taken north by the Fascist Republican Government prior to the liberation of ROME.

18. All currency seized from the enemy or found abandoned will be turned over to the Finance Sub-Commission pending later settlement. Several billion lire have already been received. It is planned to reopen stock exchanges in MILAN, GENOA, TURIN and VENICE early in July and the opening will take place simultaneously in all these cities.

FOOD SUB-COMMISSION.

19. Allied Commission food stockpiles on Eastern and Western coasts were more than adequate to cope with the demands of the Northern provinces and transport was the controlling factor in determining the amount of food that could be issued. By the end of the month a total of over 19,000 tons of food had been issued from warehouses on the East coast, distributed over the whole of the PO Valley and over 5,000 tons from the warehouses on the West coast were distributed to the Ligurian coast.

20. Considerable stocks of grain, rice, sugar and cheese have been declared in Northern Provinces and these will be incorporated in plans for the provisioning of North ITALY.

21. Imports of foodstuffs during the month were again on a large scale. In particular, cereal imports were heavy, amounting to over 140,000 tons, which enabled reserves of grain to be built up in all the deficiency areas so that the grain supply is now amply assured until the next harvest.

22. The figures of locally produced grain are still satisfactory, there being 196,000 tons in warehouses, of which 84,000 tons are still available for allocation.

23. 17,500 tons of foodstuffs were moved by rail and over 4,000 tons

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23. 17,500 tons of foodstuffs were moved by rail and over 4,000 tons were moved coastwise during the month. These figures are in addition to the large quantities moved by Italian organisations. Salt shipments during the month were lighter but the Southern position is very satisfactory and there are considerable reserves in the ROME and NAPLES areas.

24. The yeast position has been materially improved with the liberation of the North. Plants have been found in good working order at MILAN, GENOA, PADUA and UDINE. In addition, the yeast production at BARLETTA has been increased.

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25. The midshift meal for workers employed by the armed forces has been increased by the addition of 125 grams of bread a meal. A supplementary ration for harvest workers of 150 grams of bread and 50 grams of pasta has again been adopted for this year's harvest.

INDUSTRY SUB-COMMISSION.

26. Ninety per cent of industrial capacity of the North has escaped destruction and industry in ITALY is now dependent only on imports of coal, cellulose, rubber, cotton and wool.

27. The reopening of the Soda Solvay Works at ROSIGNANO on 23 May has increased production of glass, washing wool, pharmaceutical goods and has considerably reduced the price of caustic soda.

28. There has been an improvement in the production of SARDINIAN coal and the Italian Government has been urged to encourage and foster further increases in production. The production of lignite has been handicapped by shortage of transport and labour. The lack of coal is the main problem in the North as it is of vital importance to Italian economy. All industries are dependent on this fuel in some way or another and normally ITALY had to import more than one million tons of coal a month. At the present time only about 300,000 tons of coal a month are scheduled for ITALY and even this supply is uncertain. Employment in the industries affected, which had in times of peace a payroll of nearly five and a half million, will be seriously endangered and a consequent unemployment of four to five million may easily result. Many plants which have raw material available have already been forced to close or to reduce production from lack of coal.

29. Cement requirements for the whole of ITALY can now be produced if coal is made available.

30. Arrangements have been made for the shipment of about 500 tons of M.T. spares from ALEXANDRIA and 800 - 1,000 tons from ERITREA. AMMG has been asked to release a portion of the 300,000 discarded tyres held in ALEXANDRIA.

31. 44,000,000,000 matches are available in Northern ITALY and, once movement has been arranged, rationing will not be necessary in Southern ITALY. Production capacity for matches and raw materials are adequate to meet ITALY's needs with a possible surplus for export.

LABOUR SUB-COMMISSION.

32. Allied Military Government administration of labour in EMILIA, LOMBARDIA, LIGURIA, PIEMONTE and VENEZIA was established during the month. Industrial plant and establishments were found to be in good condition but shortage of coal and supplies, the return of refugees demanding their old employment and the dislocation occasioned by the change from war to peace time production will inevitably produce grave unemployment problems. Relief schemes are being planned and temporary arrangements have been made for the continuance of the so-

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33. Wages are lower in Northern ITALY but prices are rapidly rising and demands for wage increases are bound to develop. In BOLOGNA one wage increase has already been approved.

34. In Central and Southern ITALY wage increases continue to be negotiated in various districts, no serious trade disputes have occurred and the Italian General Confederation of Labour has launched a campaign with a view to reducing the cost of living. Adjustments of the Armed Force Wage Scale to conform with prevailing rates in private industry have been made in ROME, NAPLES, BARI, PALERMO, TARNI and PALERMO.

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PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

35. Highways in Northern ITALY are in fair condition and it is not anticipated that serious difficulties will be encountered in repairs and maintenance; temporary bridges or diversions have been made on all principal routes.

36. Public utilities in Northern areas have not been seriously impaired and repair work is well in hand.

37. It is estimated that nearly 400 Communal Housing Committees are now organised and working and a total of 17,739 housing repair projects have been started and 8,573 completed. The value of work on housing to the end of May amounts to 1,859 million lire.

38. The total number of bridges completed is 1,652.

39. Ample electric power is available in the whole of the Northern area. About 10% of the generating plants were damaged but half of these will be repaired within the next three months.

TRANSPORTATION SUB-COMMISSION.

40. The transport situation in Northern ITALY is better than had been expected but will need a considerable amount of reorganisation, particularly road transport.

41. On the cessation of hostilities the movement of refugees and displaced persons became a major problem, throwing a heavy strain on rail, road and shipping transportation. By sea, the Italian cruiser "GARIBALDI" was allocated to a shuttle service between PIOMBINO and MESSINA; she completed two voyages during the last week of the month, carrying about 1,000 repatriates for SICILY each time; two Italian torpedo boats each carried 100 persons on the same run. By rail, the major movements of displaced persons were from FLORENCE and PERSI to ROME and South of ROME; during the month 66 special trains were dispatched carrying a total of 66,902 persons. Meetings have been held with SHAEF and other headquarters to regulate the flow of refugees from North of the ALPS to ITALY.

42. Following the establishment during April of regular coastwise sailings under the control of Comitato Gestione Navi (COGENA), the former bidding procedure for movement of stores by sea has been discontinued with the exception of bids which cannot be met by tonnage under the control of COGENA. All bids for movement during the month have been met, and the total coastwise tonnage lifted amounted to 56,606 tons, including schooner traffic which carried about 21,810 tons of this total.

43. Figures for the latest four-week period for which statistics are available show that 326,861 tons were moved by rail on the mainland of

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43. Figures for the latest four-week period for which statistics are available show that 206,961 tons were moved by rail on the mainland of ITALY, including traffic moving from SICILY to the Mainland.

44. Arrangements have been made to complete the transfer of about 4,500 trucks to the Italian Government. This transfer will be effected in three groups, the first being captured equipment now operated in SICILY, the second, War Department trucks operated in truck pools throughout liberated ITALY numbering about 1,100 and the third consisting of 2,000 new trucks being shipped from the UNITED STATES. The transfer of the first two groups should be completed within one month while the Italian Government will take delivery of the third group at the rate of 200 a week.

45. It is hoped that a three times weekly passenger service ROME-AREZZO, ROME-ANCONA and ROME-FLORENCE will commence on 4 June.

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PART IV

PUBLIC RELATIONS BRANCH AND DEPENDENT SUB-COMMISSIONS

PUBLIC RELATIONS BRANCH

1. The Branch in meetings with G-5 Section IV Corps and the CLNAI at MILAN, helped overcome difficulties incident to republication of the Corriere della Sera, former fascist newspaper which, it was finally agreed, would be published under the name of Corriere d'Informazioni. The paper's first issue came out on 22 May. The Temporary Film Board approved Italian sponsored film legislation with minor changes and blocked all raw film stocks in the North, setting up procedure to prevent the materials from falling into the hands of speculators.

2. Approximately twenty five regular press releases were written and distributed to regular outlets. The OWI Photographic Section also covered, as a standard operating procedure, the picture possibilities of all A.C. press releases and distributed its photographs to more than fifty outlets, giving the Commission a most effective avenue of publicity. Approximately sixty home-town releases on U.S. personnel, issuance of which is a requirement of the U.S. War Department Bureau of Public Relations, were written, the total number issued to date amounting to more than four hundred.

NAVY SUB-COMMISSION

3. In response to a request from the Italian Ministry of Marine, the Allied Naval Commander-in-Chief, Mediterranean has agreed to the return of a portion of NAPLES Harbour to Italian Government control. One discharge berth has been released without restriction and three berths have been released on Pontile Vigliena, subject to the right of Allied Naval authorities to use one berth whenever it is required for the discharge of Allied tankers.

4. The Allied Naval Commander-in-Chief has made available one Italian cruiser and several smaller Italian naval vessels for the purpose of transporting refugees and displaced persons from the Northern Italian areas to SICILY and SARDINIA.

5. On 23 May Italian Naval Control Service Officers were appointed to duty in the ports of CIVITAVECCHIA, PIOMBINO and MADDALENA. Directives to these officers were issued on their responsibility to the Italian Naval Officers in Charge for the safe routing of all Allied merchant vessels leaving these ports.

LAND FORCES SUB-COMMISSION (MAIA)

6. The moving of the Security Control Line to the R. PIAVE and the

first issue came out on 22 May. The Temporary Film Board approved Italian sponsored film legislation with minor changes and blocked all raw film stocks in the North, setting up procedure to prevent the materials from falling into the hands of speculators.

2. Approximately twenty five regular press releases were written and distributed to regular outlets. The CWI Photographic Section also covered, as a standard operating procedure, the picture possibilities of all A.C. press releases and distributed its photographs to more than fifty outlets, giving the Commission a most effective avenue of publicity. Approximately sixty home-town releases on U.S. personnel, issuance of which is a requirement of the U.S. War Department Bureau of Public Relations, were written, the total number issued to date amounting to more than four hundred.

NAVY SUB-COMMISSION

3. In response to a request from the Italian Ministry of Marine, the Allied Naval Commander-in-Chief, Mediterranean has agreed to the return of a portion of NAPLES Harbour to Italian Government control. One discharge berth has been released without restriction and three berths have been released on Pontile Vigliena, subject to the right of Allied Naval authorities to use one berth whenever it is required for the discharge of Allied tankers.

4. The Allied Naval Commander-in-Chief has made available one Italian cruiser and several smaller Italian naval vessels for the purpose of transporting refugees and displaced persons from the Northern Italian areas to SICILY and SARDINIA.

5. On 23 May Italian Naval Control Service Officers were appointed to duty in the ports of CIVITAVECCHIA, PIOMBINO and MADDALENA. Directives to these officers were issued on their responsibility to the Italian Naval Officers in Charge for the safe routing of all Allied merchant vessels leaving these ports.

LAND FORCES SUB-COMMISSION (MMIA)

6. The moving of the Security Control Line to the R. PIAVE and the Prohibited Frontier Zone has enabled 50,000 Italian soldiers of the older classes to be demobilised and returned to their homes. Leave has also been granted for those with homes in Northern Provinces.

7. Owing to the fact that large numbers of Italian troops employed mainly by the UNITED STATES are becoming surplus, further call-up has been temporarily suspended. Surplus service personnel of demobilizable age will be sent home and others re-allocated to other categories. The U.S. policy of employing PWs and cooperators as service troops has released large numbers of Italian soldiers for re-employment. Patriots may volunteer for the Italian Army and, although it is not possible to enlist these men in bands, every effort is being made to keep friends in the same units.

8. Much Italian/...

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8. Much Italian Army property has been located in Northern ITALY, some of it in the hands of the patriots.

9. Units of the Italian Army are being employed on internal security duties such as guarding the BRENNER PASS and assisting in guarding German PWs held by the British.

10. During the month a reduction was made in the reinforcement holdings for the Italian Army. The previous percentage of 25% for combat troops and 5% for Service units has now been reduced to a 5% total all round holding.

11. An initial transfer of 3,000 manpower spaces from BR-ITI category to CC.RR was authorised by AFHQ.

AIR FORCES SUB-COMMISSION

12. Up till the capitulation of the German armed forces on 8 May the Italian Air Force continued operations on a scale comparable with the previous month. A detachment of 6 SM.82s transport aircraft assisted the Desert Air Force in following up the rapid forward movement of the EIGHTH Army in its closing stages of the campaign, by transporting POL and DID rations from RAVENNA to LAVARIANO. A signal of appreciation of the efficiency with which these operations were carried out was received from the A.O.C. Desert Air Force.

13. The six squadrons previously under command of B.A.F. have now been handed back to the operational control of this Sub-Commission. A letter from A.O.C. Balkan Air Force expressing his thanks for the keenness and spirit shown by these Italian squadrons has been received.

14. Between the period of the cessation of hostilities and the announcement of peace terms, flying will be restricted and controlled for all fighters and trainers; load-carrying aircraft including light bombers and seaplanes will be used for the extension of existing courier transport services; the Air-Sea Rescue Service with seaplanes and high speed launches will be continued and probably extended.

15. Primarily for the benefit of A.C. the land plane services to MILAN, TREVISO and BOLOGNA were opened, which have helped considerably in overcoming the shortage of transport. Regular time schedules have been run.

16. The strength of the I.A.F. is still about 3,000 below the ceiling of 31,000 and every effort is being made by the Directorate of Personnel to stimulate recruiting, chiefly by means of recruiting posters which are being displayed on a liberal scale.

17. Large supplies of much needed spares have been discovered in the North. Official reports indicate that there are sufficient spares to

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AIR FORCES SUB-COMMISSION

12. Up till the capitulation of the German armed forces on 8 May the Italian Air Force continued operations on a scale comparable with the previous month. A detachment of 6 SM.82s transport aircraft assisted the Desert Air Force in following up the rapid forward movement of the XIII+XV Army in its closing stages of the campaign, by transporting POL and DID rations from RAVENNA to LAVARIANO. A signal of appreciation of the efficiency with which these operations were carried out was received from the A.O.C. Desert Air Force.

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COMMUNICATIONS/.....

COMMUNICATIONS SUB-COMMISSION

18. Re-establishment of local services for all essential needs in Northern ITALY was effected during the month.

19. Inter-urban cables and equipment were sufficiently damaged to prevent resumption of telephone and telegraph facilities between the North and South of ITALY but this service is expected to be resumed on a limited scale during June.

20. Mail service throughout the Northern Provinces and between Northern and Southern ITALY has been restored on a limited scale and cablegram and radio facilities with the UNITED STATES and UNITED KINGDOM were resumed on 4 May. Foreign mail service was opened with HOLLAND and LUXEMBOURG.

WAR MATERIAL DISPOSAL AND ITALIAN PRISONER OF WAR SUB-COMMISSION

War Material Disposal.

21. The collection of vehicles and weapons in the newly liberated Northern areas began immediately hostilities ceased.

22. Considerable stores of material have been taken over by the Armies. This material includes machine tools, clothing, silks, spirits, motor car spares, tyres and tubes which, awaiting the opportunity of removal into GERMANY, had been stored by the Germans in caves and tunnels in ITALY. Lists of this material are being made by representatives of A.C.

23. Salvaged material amounting to 11,500 tons, offered by American and British Army sources, was disposed of through the Allied Commission and Italian Ministry of Industry and Commerce. About 40-50 thousand salvaged tyres were offered by British salvage from TORRE ANNUNZIATA and steps are being taken to have these despatched to Pirelli Works, ROME, for inspection and retreading. 2-4 thousand of these tyres have been retained by the Allied Commission to be used in connection with the anti-malaria campaign.

Italian PW.

24. It has been agreed that 35,000 IPW from AMERICA will be despatched to ITALY at the rate of 10,000 a month commencing 1 July. During May 4,100 IPW were repatriated, the majority of which were sick and wounded.

25. On the cessation of hostilities large numbers of ex-Italian PW from GERMANY poured over the frontier into ITALY. Displaced persons camps were shared for the reception of the Italian ex-PW in the initial stages and small numbers of Italian officials were attached to each camp to care for them until they arrived at the camps specially prepared for military personnel. On arrival at military camps ex-IPW were documented, given clothing, money

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23. Salvaged material amounting to 11,900 tons, offered by American and British Army sources, was disposed of through the Allied Commission and Italian Ministry of Industry and Commerce. About 20-30 thousand salvaged tyres were offered by British salvage from TORRE ANNUNZIATA and steps are being taken to have these despatched to Pirelli Works, ROME, for inspection and retreading. 2-4 thousand of these tyres have been retained by the Allied Commission to be used in connection with the anti-malaria campaign.

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26. General MANNERINI, Autonomous Office of War Veterans and Repatriated Prisoners of War, showed great initiative and expended much energy and hard work in getting teams organised to handle difficult problems in FLORENCE, MILAN and BOLZANO.

Thomas W. Stone

THOMAS W. STONE
Rear Admiral, USN
Chief Commissioner

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C O N F I D E N T I A L

HEADQUARTERS ALLIED COMMISSION
APO 394

Ref: 824/EC

28 February, 1945

MONTHLY REPORT

JANUARY 1945

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C O N F I D E N T I A L

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CONFIDENTIAL

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POLITICAL SECTION

1. A great step was taken in the history of ITALY when a decision was reached by the Council of Ministers on 30 January to extend the vote to women over 21 years of age. The Government had already laid down in two recent decrees that electorial lists should be drawn up in all communes of Liberated ITALY in order that elections might take place in the late Spring. Originally the lists would only have comprised the names of male electors, but in view of the decision of 30 January it will now be possible to include the names of female voters.

2. The Italian Ministry of Foreign Affairs announced the resumption of relations between ITALY and NORWAY and that relations were also being resumed between ITALY and RUMANIA and BULGARIA. Diplomatic relations between these two latter countries and ITALY were never broken off, but were merely suspended as a result of a force majeure. The Minister of Foreign Affairs also announced the formal recognition by ITALY of the Chungking Government and declared null and void the Fascist Vienna Award of 1940, replacing it by a declaration of the "necessity of free co-operation between ITALY and the Balkan/Danubian Nations". At the same time announcement was made of the appointment of Signor Alberto TARCHIANI as Ambassador to the United States. Signor TARCHIANI is a real anti-Fascist. He was once Editor of the "Corriere della Sera" in MILAN and went into exile in 1926. He is a member of the Action Party and served in the last Bodoglio Government as Minister of Public Works.

3. Owing to ill-health, Air Minister SCIALOIA has been forced to resign his post and has been succeeded by Signor Luigi GASPAROTTO who recently returned to ITALY from SWITZERLAND. Signor GASPAROTTO does not belong to any party and although he is 72 is an extremely vigorous and forceful personality.

4. Signor ROSSI, who also lately returned from exile in SWITZERLAND, was named Secretary of the High Commission for Sanctions against Fascism. This appointment relieved the President of the Council of Ministers from his responsibilities of presiding over the four assistant commissioners which he had been doing since the resignation of Count SFORZA.

5. The Council of Ministers decided to place the Chief of Army Staff under the Ministry of War and General RONCO has been appointed to this post.

6. On 11 January the ROME press carried an Order of the Day published by the Central Committee of National Liberation urging the Government to constitute a National Army. The press, particularly the left-wing press, came out strongly in support and the Committee of National Liberation thereafter sent copies of it to the British, United States and Soviet Embassies. The agitation in the ROME press for more active Italian participation in the war was in sharp contrast to the disturbances (details of which are given under the Regional headings) which took place in SICILY and SARDINIA, during the month, in protest to the call-up.

7. At a press conference towards the end of January Signor SCOCCIMARRO, the new Minister for Occupied Italy, remarked correctly that the existence of

relations between ITALY and NORWAY and that relations were also being resumed between ITALY and RUMANIA and BULGARIA. Diplomatic relations between these two latter countries and ITALY were never broken off, but were merely suspended as a result of a force majeure. The Minister of Foreign Affairs also announced the formal recognition by ITALY of the Chungking Government and declared null and void the Fascist Vienna Award of 1940, replacing it by a declaration of the "necessity of free co-operation between ITALY and the Balkan/Danubian Nations". At the same time announcement was made of the appointment of Signor Alberto TARCHIANI as Ambassador to the United States. Signor TARCHIANI is a real Anti-Fascist. He was once Editor of the "Corriere della Sera" in MILAN and went into exile in 1926. He is a member of the Action Party and served in the last Bodoglio Government as Minister of Public Works.

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4. Signor BONOMI, who also lately returned from exile in SWITZERLAND, was named Secretary of the High Commission for Sanctions against Fascism. This appointment relieved the President of the Council of Ministers from his responsibilities of presiding over the four assistant commissioners which he had been doing since the resignation of Count SFORZA.

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7. At a press conference towards the end of January Signor SCOCCIMARRO, the new Minister for Occupied Italy, reported correctly that the enlistment of patriots in the regular Italian forces had progressed rapidly in the last few weeks.

8. On 5 January the Council of Ministers set aside three billion lire for repairs of public buildings and two billion lire to be used to provide adequate housing for civilians. The Government emphasised that the funds were to be spent on urgent repairs rather than on new construction which must wait for a more fitting time for nation-wide planning.

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PART I

AMG AREAS AND REGIONS.

AMG FIFTH ARMY.

1. January was a quiet and uneventful month. The area under control remained unchanged throughout the period and no new communes were taken under Military Government. The routine administration of the three provinces of FIRENZE, PISTOIA and LUCCA presented no new aspects though the familiar economic problems remained as acute as ever, particularly the shortage of cement and electric power and the difficulty of ensuring adequate food and fuel supplies in the larger towns.

2. XIII Corps passed to operational command of EIGHTH Army in mid-January, but continues to be administered and supplied by the British Increment of FIFTH Army. Agreement was therefore made with AMG EIGHTH Army that for AMG purposes the Corps would continue as before to be under FIFTH Army. This arrangement worked satisfactory.

3. In the forward areas a distribution of clothing by the American Red Cross did much to alleviate the distress of the most needy of the population. Over 4,000 refugees were evacuated from these areas with no unusual difficulties except those of providing for the animals and grain stocks of farmers in the battle area.

4. The recruiting drive for the Italian Army organised by the CLN gave an opportunity for several parades and demonstrations, but none of these were on a large scale or caused any trouble. Although no exact figures are available, the total number of recruits reached several thousand and the drive is thought to have been a success.

5. There was less serious crime than in December, though cases of violence occurred. Several large deposits of arms were seized, noticeably in PISTOIA. These were of mixed Allied, Italian and German origin and were unquestionably hidden for future use by ex-partisans.

6. Public health remained satisfactory with sporadic cases of diphtheria and no typhus or rabies. The typhoid epidemic at PRATO continued serious for the early part of the month but was definitely on the decline as the month ended.

7. Agriculture was surprisingly normal except for the shortage of livestock. Olive oil crushing was going very slowly but was expected to improve as a result of energetic action by Provincial Commissioners.

8. Twelve enemy agents were tried before General Courts. One was acquitted, one convicted and sentenced to life imprisonment and the remainder convicted and sentenced to death.

AMG EIGHTH Army.

9. Advantage has been taken of the lull in Operations to embark, to a greater extent, than is usually possible in Army area, on longer term projects. Schools were opened as far forward as Corps rear boundaries, and Italian courts were reformed and given power to try minor violations of AMG orders. Civilian trans- [illegible] were organised. The institution of Provincial Labour Offices, which

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10. Good progress has been made in setting up the machinery of Italian Provincial Government. Political activity is on the increase and as usual the Communist party is by far the best organised.

11. Stabilisation of the line made it necessary to evacuate a large number of civilians from the most forward areas. This was accomplished without incident. Wherever possible, livestock and such personal effects as could be moved were also evacuated; in many cases, however, circumstances prevented this but every effort has been made to safeguard the property.

12. The typhoid/.....

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12. The typhoid epidemic in the AUGUSTA-SAN MARINO area has ended and the general standard of health has been good.

13. There are ample stocks of grain, but the surplus must be regarded as a stockpile for regions as yet unliberated. Local production of olive oil has been very small and will not be of much assistance, but a certain amount of lard will be available in the country districts as hog slaughtering has now begun. Meat is very scarce but, although on the present rations the townspeople are undernourished, there is no starvation and the country people have sufficient. The major problem of fuel was partly solved by a controlled programme of tree cutting.

14. The Carabinieri and other police agencies gave loyal service, and their morale was good. Their efficiency, however, varies in proportion to the time they have been under Allied control. Clothing, blankets and equipment were still urgently required.

15. In the neighbourhood of RIMINI, patriots gave valuable assistance in evacuating civilians and their livestock from the forward areas. In this sector three hundred patriots are still being used in an operational role. In FAENZA, however, where patriots have been disbanded, they have been very reluctant to part with their arms, and the number of weapons handed in was small.

SICILIA REGION.

16. The principal problems of this month, as in the previous month, have been Public Safety and Administration.

17. Serious disorders, centred in the Southern Provinces of the Island, chiefly in the Province of RAGUSA, resulted from a continued protest against the military call-up; the police and Carabinieri were unable to maintain order and Italian troops were employed. The rioters offered resistance to the troops in several places particularly at COMISO where they were in control of the town for approximately five days. During the various conflicts one officer and three soldiers, one finance guard and one Carabiniere were killed and fifteen soldiers were wounded; five civilians were killed and eight wounded. Following the disturbances investigations were conducted and several hundred persons arrested. Some of the persons arrested have been sent to the Island of USTICA.

18. The immediate cause of the riots was resistance to the military call-up but this, as in the case of previous disorders, appears to have been the means of expressing general dissatisfaction over economical conditions and a strong resentment against the Government. Following these disturbances the situation during the latter part of the month appeared outwardly calm and reports indicate that the results of the call-up had vastly improved. Lack of communication and transportation still hampered the work of the police and Carabinieri.

19. The National Committee of the Separatist Movement held a congress in PALERMO on 16 and 17 January and shortly afterwards Separatist propaganda leaflets appeared in the form of appeals to the Allies for recognition or a return to Military Government.

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20. The food situation was improved by the arrival of two cargoes of grain totalling 12,750 tons. The bread ration of 300 grams was maintained but the distribution of the pasta ration was erratic. 100 grams of sugar per person were issued.

21. Shipments of about 2,800 tons of wine and fruit were sent to the NORE area and exports included 280,000 cases of lemons to UK, 3,195 tons of sulphur to NORTH AFRICA and 3,500 tons of sulphur to Southern FRANCE. Inter-regional trade and exports to other countries were handicapped by bad weather.

22. The road/

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22. The road transportation which until now has been adequate is deteriorating rapidly owing to the lack of tyres and spare parts for maintenance. Railway transportation is also becoming increasingly difficult owing to a shortage of box-cars. These leave the Island with shipments of goods and are not being returned.

23. A series of night classes was inaugurated by the Regional Labour Office and if these prove successful similar facilities will be offered in other Provinces. When the Sicilian schools reopened after the holidays a full year of teaching and study under the new regime was celebrated. Lack of heating and window glass, as everywhere, are the main problems.

24. The condition of health in SICILY was particularly good with the exception of widespread typhoid fever. The typhoid epidemic in ANCIRALE was found to be due to water pollution and steps have been taken to bring it under control. The outbreak of smallpox has been completely stamped out.

SOUTHERN REGION.

25. January has passed without incidents in the political or economic structure of South ITALY. Possibilities of danger were averted and the situation generally improved. When the month opened it was still not certain whether the food ration might not have to be reduced; in fact, the bread and pasta rations have been maintained throughout the month. In [illegible]ENTO it has even been possible to catch up on old standing arrears in the delivery of the pasta ration. A second distribution of olive oil has taken place throughout much of the region.

26. Results of the drive to gather oil to the oleari del popolo exceeded the first, rather reserved, expectations. By 28 January, a total of 159,977 quintals had been amassed.

27. December closed with a serious threat of labour difficulties at BARI. Fortunately, the situation was carefully handled and a delegation representing the aggrieved government employees received a sympathetic hearing by the government in ROME and returned to BARI sufficiently satisfied to enable them to call off the threatened strike.

28. A satisfactory standard of efficiency has been maintained among the Civil Police with the exception of the Guardia Municipale. Shortage of personnel, immobility due to lack of transport and poor economic conditions have been adversely affecting morale. There were 214 cases of forgery of Allied Military currency, involving 275 persons, 22 arrests and two denounced for forgery offences, but on the whole civilian crime decreased throughout the Region.

29. Public health remained good and the BENEVENTO smallpox epidemic declined in incidence. As in most other parts of the country the majority of schools in this Region had to be closed for lack of heating and window glass.

30. Shortage of both road and rail transportation seriously affected the movement of commodities essential to the economic functions of Southern ITALY. ENAC, the new road transport organisation, will start functioning from 1 February. The NAPLES/ROME passenger train service re-opened on 22 January; the arrival of the first train was made the occasion of considerable ceremony.

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25. January has passed without incidents in the political or economic structure of South ITALY. Possibilities of danger were averted and the situation generally improved. When the month opened it was still not certain whether the food ration might not have to be reduced; in fact, the bread and pasta rations have been maintained throughout the month. In TARANTO it has even been possible to catch up on old standing arrears in the delivery of the pasta ration. A second distribution of olive oil has taken place throughout much of the Region.

26. Results of the drive to gather oil to the ammasi del popolo exceeded the first, rather reserved, expectations. By 28 January, a total of 159,977 quintals had been amassed.

27. December closed with a serious threat of labour difficulties at BARI. Fortunately, the situation was carefully handled and a delegation representing the aggrieved government employees received a sympathetic hearing by the government in ROME and returned to BARI sufficiently satisfied to enable them to call off the threatened strike.

28. A satisfactory standard of efficiency has been maintained among the Civil Police with the exception of the Guardia Municipale. Shortage of personnel, immobility due to lack of transport and poor economic conditions have been adversely affecting morale. There were 214 cases of forgery of Allied Military currency, involving 275 notes, 22 arrests and two denounced for forgery offences, but on the whole civilian crime decreased throughout the Region.

29. Public health remained good and the BENEVENTO smallpox epidemic declined in incidence. As in most other parts of the country the majority of schools in this Region had to be closed for lack of heating and window glass.

30. Shortage of both road and rail transportation seriously affected the movement of commodities essential to the economic functions of Southern ITALY. ERLO, the new road transport organisation, will start functioning from 1 February. The NAPLES/ROME passenger train service re-opened on 22 January; the arrival of the first train was made the occasion of considerable ceremony.

LAZIO-UMBRIA REGION.

31. Funds for public works of all kinds have at last been obtained from the Italian Government though the financial "block" may yet prove to be costly, particularly when the malarin season comes round again.

32. TERNI and PERUGIA, the two Provinces which make up UMBRIA, are still under AMG control and because of their military importance it is considered that they should remain so for a further period.

33. Stocks of grain in ROME have been raised to cover thirty days, but the food position has not improved materially and the 300 gram ration is still a crying need.

34. The officers/.....

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34. The officers sent out towards the end of January, to assist in the amassing of olive oil, are faced with a difficult task. The extent of evasion of the law would hardly be believed by anyone who has not actually experienced it. It is too early, however, to say what degree of success will be achieved but without these officers collections would have been virtually non-existent, and it is more than likely that incidents of violence would have arisen. Total oil collected as at 23 January was only 906 tons.

35. Perhaps the most encouraging development was the increase in efficiency and morale of the Italian Police Agencies. It was most marked in the City of ROME itself, but the same tendency was reverled throughout and the results do very great credit to the hard work of the Public Safety Officers at all levels. There was strong political interest in the case which started with the shooting by police agencies of the criminal known as "Il Gobbo" and developing with the arrest of SALVATERRA, the Secretary of the Unione Proletaria. While there have been hints that sensational revelations may follow his examination, nothing has yet come out.

36. Lignite deliveries improved considerably and, although there was still insufficient fuel to cover general industrial needs, the situation has improved. One glass factory made a welcome start and every effort is being made to keep the TERNI works in operation. Soap production, which is the responsibility of the Italian Government, is being held up by delays over soda allocation. Water supply in ROME is now up to 100% but there is grave danger of chlorine shortage, although the general salt position has improved. The seed grain distribution has been satisfactorily completed, but the seed potato situation is extremely bad. Concrete results have been achieved in making good the losses in livestock from the Southern Provinces.

37. EUAC is now working in all Provinces except TERNI and PERUGIA. Considerable difficulties are being experienced as the organisation is extremely unpopular with truck owners. In general it can be said that there is enough transport in the Provinces to cover all needs but that the tyre situation threatens to be the deciding and even fatal factor. Good work has been done in salvaging vehicles. The Regional Commissioner reports that the Regional Engineer can show twenty six new bridges opened during the month.

38. But two questions are for ever in the minds of Allied officers. How do the people live? How long can they stand it? The ration is not enough, prices are at a tremendous level, many things are unobtainable and, sooner or later, become necessities. The majority must be living on capital or by dishonest means. The answers, insofar as any reaction is concerned, may well depend on future events in the North.

ABRUZZI-MARCHE REGION.

39. Grave concern is being caused in this Region by the greatly inadequate pay of statal and parastatal employees, commonly known as the black coated workers. Many of this class receive less pay than unskilled labour and are forced to sell their private possessions or spend their capital in order to make out an existence.

40. The situation with regard to olive oil was not good but an improvement

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37. ENAC is now working in all Provinces except TERNI and PERUGIA. Considerable difficulties are being experienced as the organisation is extremely unpopular with truck owners. In general it can be said that there is enough transport in the Provinces to cover all needs but that the tyre situation threatens to be the deciding and even fatal factor. Good work has been done in salvaging vehicles. The Regional Commissioner reports that the Regional Engineer can show twenty six new bridges opened during the month.

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40. The situation with regard to olive oil was not good but an improvement should be shown in the near future as the officers have now arrived for duty on olive oil amassing. The wheat collection was extremely satisfactory and the Regional total has reached 111% of the target figure. TERAMO Province estimated an exportable surplus of 11,000 tons and the Prefect received a letter of congratulation from ROME on the satisfactory amassing results achieved so far.

41. Communication and administration was considerably hampered in PESCARO Province owing to approximately 500 bridges being down in this area. Some communes could only be reached on foot, wading through mud and snow. The village of CASTEL di SANGRO was cut off on all sides by snow and ten tons of grain had to be dropped by the Italian Air Force.

42. In order to re-establish the morale and prestige of the Carabinieri a parade of all available personnel was held in ANCONA and was inspected by the Area Commander. A remarkable improvement has been noted in the general performance of the Carabinieri since this ceremony.

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43. Some success is being achieved in combatting black market activity by the imposition of heavy fines, imprisonment and the confiscation of goods. There has been an increase in the number of forged notes in circulation.

44. Lignite mines at SCARPITO and BUSAI are operating satisfactorily and the SAFFA match factory at JESI recommenced production on 15 January. During the first seven days of operation over 54 million matches were produced.

45. Approximately 66,000 mines have been cleared in the CHIETI-PESCARA area during the last month, making a total of 218,000 cleared in this area since June 1944.

46. The general health of the population in the Region is satisfactory and a diminution is shown in the number of typhoid cases. A considerable number of schools have had to close down for periods ranging from a few days to several weeks, during the recent cold spell, due to lack of fuel.

47. AMAC began the registration of vehicles in ABRUZZI-MARCHE Region during the last few days of the month.

SARDINIA REGION.

48. Between 11 and 16 January a general strike occurred in the mining centre of CARBONIA, affecting all mines. There was no serious point at issue and the strike was not openly backed by any of the political parties. Work was resumed on 17 January but it seriously affected production of Sulcis coal, the output of which has never been high. Total production in January amounted to 33,000 tons of washed coal.

49. Small demonstrations on 17 and 18 January against Army call-up at CAGLIARI, during which the crowd appeared good tempered, culminated in bombs being thrown on the night of 18 January. One police agent was killed and eighteen persons wounded. It is believed that the bombs were thrown by irresponsible members of the Sard Action Party. The police and Italian Army personnel showed good discipline and the crowd was kept under control throughout; it seems possible, however, that the extent of a Separatist Movement in SARDINIA has been under-estimated. The Army call-up starts in February and 26,000 recruits are expected by the end of March.

50. The Italian Army in SARDINIA was reduced to just over 4,000 effectives. The special army unit of 500 formed to help the Carabinieri has been put under orders to leave the island and has begun to embark. The formation of a Mobile Battalion of Carabinieri and Italian military personnel was sanctioned, and the personnel will be recruited and trained locally. Vehicles will be obtained from Italian Army sources now in the Island.

51. Crime included two murders and forty three armed robberies, a steady increase in this form of robbery. Nine U.S. mail bags were rifled on 19 January in CAGLIARI and public order is deteriorating.

52. The Granai del Popolo exceeded the revised target figure of 300,000 quintals by 7,000 quintals. Owing to the lateness of the olive crop, only 1,100 quintals of oil were brought in during the month. Controls were arranged on the mills but the responsibility for the return of the oil was left on the [illegible]

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53. Nearly 2,000 head of cattle and sheep for breeding purposes and also a few horses were exported to the mainland during the month. In addition about 4,000 tons of other commodities and 20,000 tons of Sardinian coal have been exported. Imports amounted to 19,000 tons including about 8,000 tons of both wheat and coal.

TOSCANA REGION/.....T

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TOSCANA REGION.

54. Regional Headquarters moved during the month to MONTECATINI. The American Red Cross distributed approximately half a million articles of clothing throughout the Region and all institutions in vital need have been or are being supplied. The clothing was valued at about half a million dollars.

55. The Carabinieri did exceptionally good work and one Maresciallo after being molested by a gang of bandits returned later and arrested seven of them single handed.

56. Energetic action was taken by this HQ, in conjunction with an AMG officer, to increase production at the salt works of Saline, VOLTERRA, which had been in the hands of Italian officials. Figures at the end of the month showed an increase of more than double the output of December. Approximately eighty arrests were made for cases of illicit trade in the manufacture and sale of salt in the Province of PISA.

57. Sugar has again been distributed throughout the Region. The pressing of olive oil has not been as successful as anticipated but progress is being made and it is though that the Region will be self-sustaining in this product. An Italian Naval Officer has been appointed to assist in re-starting the fishing industry.

58. Public health continues to be good. Diphtheria, nowhere in epidemic form, is at present the most prevalent disease. Prophylactic inoculation under the normal Italian scheme is being carried out. There was a 50% decrease in incidence of V.D. in GROSSETO Province.

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PART II

CIVIL AFFAIRS SECTION

Defascism.

1. To avoid a recurrence of incidents which took place in certain districts in FRANCE where the people took matters into their own hands, or created peoples' courts, planning for North ITALY has received detailed consideration. An Order authorising Regional Commissioners to set up Provincial AMG Epuration Commissions has been drawn up and posters and forms have been printed. Under this scheme the AMG Commissions will only suspend persons and it will be the responsibility of the Italian Commissions to judge whether the employee should be dismissed or not. It is intended that only those persons in positions of authority should be suspended, whose fascism is so well known or active that their ultimate dismissal is not open to doubt, or whose retention is likely to have an adverse effect on public opinion. Services should not be disorganised by large scale dismissals of subordinates.

2. Over 150 Italian Commissions have so far been appointed and 100 more are still required. Under the law each has to have a judge presiding but the withdrawal of so many judges has effected the administration of justice which has been brought to a standstill. It has been suggested that advocates of experience should be considered as qualified for these duties and it is understood that a decree to this effect will be published.

Mine Clearance.

3. A tour of inspection of an Italian Mine Clearance Company was carried out in January at CHIETI and PESCARA. The civilian Centre of Instruction was well organised and the standard of instruction appeared to be good. The squads are doing satisfactory work and the Company cleared over 4,000 mines in December. A training cadre is being organised and run by the Company. The men are well led and this is reflected in the enthusiasm for the work.

4. In all areas a total of 80,289 mines have been removed during the month.

Devastated Areas.

5. Owing to an unusually severe winter the suffering of the inhabitants of the devastated areas has in certain cases been acute. Every effort has been made to mitigate their hardships and an improvement in conditions has resulted.

6. The Italian National Committee for Relief in devastated areas, formed in ROME, has carried out a vigorous drive in the City with gratifying results. These include the collection of over 5,000 blankets, 40,000 articles of clothing, 1,500 pairs of shoes and many tons of wool, 30 tons of which werecontributed by the Italian Government. In addition five million lire was subscribed by the citizens of ROME and a grant of ten million lire, with a guarantee of a further twenty million lire, was made by the Italian Government.

7. The National Committee decided to form provincial committees to organise other similar drives which up to the present have yielded about 42,000 blankets. Of this number 24,000 have been distributed in the devastated communes in the Provinces of CHIETI, AQUILA, PESCARA, PERUGIA and LITTORIA. Shortage of transport has prevented distribution being as speedy as could have been wished.

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8. The housing problem is acute. By the use of canvas many of the less badly damaged dwellings are being patched up and made habitable. A certain amount of rebuilding has begun and 100,000 square metres of canvas have been ordered.

9. The special ration scale for devastated areas in FROSINONE Province has been extended to include other districts where under arrangements made by the Vatican authorities popular kitchens have also been opened.

LOCAL GOVERNMENT/.....

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LOCAL GOVERNMENT SUB-COMMISSION.

10. Arrangements have been made whereby a number of Prefects and Vice-Prefects will be held available for filling posts in North West ITALY. One-half of the "Pool" of officials will remain in ROME and be employed at the Ministry of Interior until their services are required; the other half will be spread over Prefectures and called to ROME to take the places of those who are eventually sent North.

11. A decree has been promulgated in connection with the re-organisation of ROME, to which the Allied Commission has already given consent.

12. The Prime Minister has been asked for information as to the plans of the Italian Government for local elections and the bodies to be elected.

PUBLIC SAFETY SUB-COMMISSION.

13. The disorders in SICILY, and later in the month, in SARDINIA, and on the mainland mainly in protest against the military call-up, have been reported in Part I, Regional Reports. Details of the Separatist Movement in SICILY can be found in the Report for that Region.

14. Investigation into the murder of a British Corporal, a Carabinieri and three civilians led to the death of "Il Gobo", the leader of the Hunchback gang, who was shot on 16 January by a Carabinieri while endeavouring to break into a villa in ROME. On 18 January, 35 of his gang were arrested during a raid in which 1,000 Carabinieri and Agents of Public Safety took part. 700 persons were detained for interrogation and for possessing fire arms and a large quantity of firearms, ammunition and explosives were seized. Other similar raids were made in which the civil police acquitted themselves well.

15. During the month the strength of the Carabinieri reached a total figure of 54,899, excluding 3,800 Italian Army troops attached for temporary Carabinieri duty. As the ceiling fixed is 55,000, 3,000 troops of the Piceno Division have been ordered to return to combat duties. Renewed representations have been made for authority to increase the strength from 55,000 to a minimum of 65,000. In the meanwhile, efforts are being made to reduce the number of Carabinieri who are "ineffective" as far as public safety duties are concerned.

16. The activities of the extremist movements have been watched, and a new body - the "Movimento Nazionale di Difesa Economica Proletaria" - has entered the picture. It is affiliated to the "Movimento Partigiano" and the "Unione Spartaco", and seeks to exhort its members to some form of revolutionary action. However, it is not believed that any direct form of action is likely at this stage.

17. The trials of Generals ROATTA, SUSMEL and others have been without incident so far, but have not yet been concluded. An eleventh hour sensation was the suspension of CASONELLI, ROATTA's legal representative, as he himself had been adjudged deserving of epuration proceedings.

PUBLIC HEALTH SUB-COMMISSION.

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PUBLIC HEALTH SUB-COMMISSION.

18. A Medical Bulletin in Italian for the information of the Italian medical profession has been compiled from British and American medical journals by the Public Health Sub-Commission in conjuction with PWB. The first number of the "Bulletin Medico" will be ready early in February and free distribution throughout Liberated ITALY will take place. A proportion of copies will be stockpiled for the North.

19. One case of smallpox occurred in ROME. In BENEVENTO the number of cases reported during January was 51 as compared with 81 in December, and 24,000 persons were vaccinated during the month. The NAPLES Province figure was 261 as compared with 285 in December. 93,410 people were vaccinated. Isolated cases have been reported from various Provinces in Southern Region.

20. An experimental/...

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20. An experimental Anti-malaria spraying project was carried out at BONIFICA CASTEL VOLTURNO during January with good results. A typhoid epidemic of some severity has existed at TARANTO for several months, the total number of cases reported being 734. Much assistance in control measures has been afforded by the local military medical authorities and by members of the 2nd US Medical Laboratory. Recent reports state that the epidemic is under control. The ROME Infant Mortality figure for December was 148.8 and the ROME Tuberculosis (both pulmonary and non-pulmonary) rate for December was 213. Allied stocks of Penicillinin this theatre are limited and can only be used for the treatment of Allied soldiers.

21. Of 15,000 cattle vaccinated against Foot and Mouth Disease in the past year in ROME Commune, none developed any signs of infection. Sheep pox is reported from the Provinces of NAPLES, TARANTO, LECCE and BRINDISI.

22. There is no present shortage of imported medical supplies but distribution by ENDSMA, the Italian distribution agency, has been unsatisfactory. Steps have been taken to effect improvement. The new 2665 Central Civilian Supply Depot (CVHD) was activated on 6 January. This organisation, which is under the direct command of AFHQ, will serve both this theatre and other countries in the MTO.

23. The Welfare Branch, in cooperation with ENDSI, is arranging for the distribution of 100 tons of clothing to SICILY. ENDSI (Ente Nazionale per la Distribuzione dei Soccorsi all'Italia) is the title under which American Relief for Italy Inc. is known in ITALY. Arrangements are being made for the care of destitute Allied Nationals and also "Stateless" former Allied Nationals.

LEGAL SUB-COMMISSION.

24. Lord SCHUSTER, Chief Legal Advisor designate for AUSTRIA, and a Staff Officer visited the Legal Sub-Commission for ten days. A memorandum was prepared and handed to Lord SCHUSTER for use in planning for AUSTRIA. It explained the system adopted in ITALY of implementing Italian decrees to bring them into operation within Military Government Territory.

25. General Order No.29A was drafted relating to the declaration of certain essential commodities such as wheat, animal fats, flour and olive oil, and the fixing of prices therefor. Another draft General Order dealt with the anticipatory payment of certain pensions. These Orders were designed as interim measures for use in new territory from the date of its occupation until the application of corresponding Italian decrees.

26. In cooperation with the Italian Government the following decrees were prepared :

(a) A decree to strengthen the law regarding the harbouring of Allied deserters and increasing the penalty.

(b) A decree to establish Italian Military Tribunals for Northern ITALY during the period of Allied Military Government.

(c) A decree to facilitate the marriage of personnel and employees of the U.S. Armed Forces with Italian citizens.

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(d) A decree modifying the exercise of the power to order citizens to "confino".

27. The Minister of Justice, in response to advice of the Allied Commission, took steps to recall to service certain retired judges to alleviate the scarcity of judicial personnel.

28. Nine espionage cases were reviewed. Four death sentences were confirmed; four death sentences were commuted and one sentence of imprisonment was affirmed.

EDUCATION/.....

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EDUCATION SUB-COMMISSION.

29. Control of schools and higher educational institutions in the Commune of NAPLES has been handed over to the Minister of Public Instruction. Preliminary dis[illegible]ion of schools and universities is practically completed in all Military Government Territory.

30. In LAZIO-UMBRIA, ABRUZZI-MARCHE and TOSCANA about 651,000 children are attending school, representing 73% of normal enrolment in the kindergartens and 81% of normal enrolment in the elementary and secondary schools. In EMILIA Region 14,038 children have been enrolled.

31. 379,513 elementary school textbooks were distributed in December and January to the schoolchildren in LAZIO-UMBRIA, ABRUZZI-MARCHE and TOSCANA and more are printed and awaiting transportation. 161,000 textbooks have been printed in PALERMO for distribution to SICILY and CALABRIA. NAPLES has printed 174,485 for Southern ITALY and SARDINIA. More school supplies have arrived from AMERICA.

32. SICILY reports disorders in all universities due to the call-up of students for the Army. At CATANIA a riot, begun by students, resulted in the burning of buildings at PALERMO; a more harmless student riot broke up inaugural ceremonies at NAPLES. Deans appointed by Allied Commission were confirmed by vote of faculty and the irregular election of the Director of Oriental Institutes was invalidated by the Education Sub-Commission and Minister of Public Instruction. The University of ROME has an enrolment of 35,000 students, 25,000 of whom attend classes and the University of PERUGIA is functioning regularly in restricted quarters but is in financial straits. SIENA University has had its main administration buildings de-requisitioned and its current enrolment is the largest for years. 5,778 students have been enrolled in the University of FLORENCE. The PISA University medical buildings have been de-requisitioned and are being rapidly repaired. 4,539 students have been enrolled.

33. 127,273 children in more than 254 communes are getting school lunches, and the number is steadily increasing.

34. The absence of constructive organisations for youth to replace the Fascist GIL, manifests itself in destructive and disorderly activities. Younger boys and to a lesser extent, girls, are being organised on an increasing scale as Boy Scouts and Girl Guides.

35. The work on the survey of Italian education is completed up to 1940.

MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

36. Steady progress of repair-projects continues. Weekly meetings were held in FLORENCE with the Superintendent of Monuments, directors, inspectors and architects to consider the major problems. Procurement of materials has at times been difficult. Cement has been procured from the Army, but the tile situation was [illegible].

37. In FLORENCE the major project is the repair of the Uffizi Gallery. Work in the devastated area around the Ponte Vecchio is in hand, as are the minor repairs to S. Frediano, Orsanmichele, the cloister of S.Croce, the Certosa,

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38. Progress is being made in carrying out repairs in the cities and provinces of AREZZO, SIENA, PISA, LIVORNO and LUCCA. The work at LIVORNO, previously almost impossible because of lack of labour, has now started under the direction of the superintendent of the province.

39. S.Maria in PORTO FUORI at RAVENNA is still practically inaccessible because of the condition of the terrain, and mines. Initial reports on conditions at FAENZA have been received. The major damage has been to the ceramic museum and collections and to some of the libraries.

40. On 7 Jan/.....

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40. On 7 January a new letter from AFHQ was sent out to all Commanders on the subject of the protection of monuments of cultural and educational importance which, it is expected, will greatly facilitate the work of the Sub-Commission.

DISPLACED PERSONS & REPATRIATION SUB-COMMISSION.

41. One hundred and fifty to two hundred and fifty Yugoslavs have been repatriated although a number still remain who came from parts of YUGOSLAVIA not yet liberated. About three hundred dissident Yugoslavs have been collected at SANTA CESAREA Reception Centre in APULIA.

42. All centres except AVERSA, were visited by one of the Medical Staff during the month. Great improvements had been made in the hygiene conditions at LUCCA and about 1,700 Allied Nationals are receiving extra food on medical grounds in the ROME area.

43. Only 990 Italian refugees arrived during January. 1,352 Southern Italians were repatriated to homes in SICILY and the South.

44. A party of Latin Americans, mostly ecclesiastics, were granted transit visas for BRAZIL. There are "breadwinners" in TRIPOLITANIA, who have juvenile dependents still living in ITALY; some of these dependents are living under conditions of hardship and a scheme to permit them to rejoin their relatives is under consideration. A similar scheme would be operated in respect of those wishing to return from TRIPOLITANIA. A group repatriation of Greeks and Maltese, resident in TRIPOLITANIA or CYRENAICA before the war, will shortly take place.

45. During January the Banco d'Italia was authorised to make 2,176 payments totalling 7,639,210 lire, average payment per person being 3,116 lire. Payments to Yugoslavs continued to decrease. CCS have instructed that no lire or other currencies should be accepted by the Allied Commission from emigrants from ITALY with assumption of obligation to exchange them. Non-legal tender currencies collected months ago from emigrants who went to the U.S. and PALESTINE have been despatched to the War Refugee Board and American Joint Distribution Board for return to owners.

46. At the end of January, 70,702 persons of 69 different nationalities were recorded by the Record Bureau. A total of 1,324 communications were received during the month. 764 enquiries were received and processed.

PATRIOTS BRANCH.

47. Further progress has been made in connection with the rehabilitation and welfare of patriots. On authority granted by AFHQ, 2,000 sets of clothing have been delivered to Armies. In addition, patriots on FIFTH and EIGHTH Army fronts are now on the full Italian Army Ration Scale, and wounded patriots are being tended in Italian Military hospitals. A further important concession has been made and instructions issued that five hundred patriots may be enlisted on the EIGHTH Army front directly into the Combatant Italian Forces. These men are sent straight into the line and do not have to report to Base Training Centres for initial training.

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48. As a result of our contacts with the labour organisations of the Army, over 1,000 patriots are now employed as labour gangs at MURLDI and 750 at LIVORNO.

49. Enlistments into the Italian Army show a considerable increase. At a special recruiting drive held in SIENA during the month of January over 700 recruits were enlisted.

50. The immediate clothing position is good and there is sufficient to supply a further 4,000 patriots. Efforts are being made to obtain agreement from higher authority for the immediate issue of clothing on a basis of 20% of the numbers of patriots believed to be in occupied ITALY, so that it may be available when occupation takes place.

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PART III

ECONOMIC SECTION

AGRICULTURE SUB-COMMISSION.

1. The second joint agricultural, forestry and fisheries conference of Italian and Allied personnel was held in ROME from 23-25 January, and was devoted largely to production prices, bonifica and live-stock problems. Farmer groups were represented. Considerable attention was given to the problems of fuelwood and charcoal and the reorganisation of the Royal Forest Corps in some areas. The Ministry of Agriculture in conjunction with Istituto Commercio Estero has set up an organisation to control the distribution of fishery requirements in order to avoid speculation.

2. Production during the current season will be somewhat restricted by the shortage of nitrogenous fertilizer but with the exception of seed potatoes, seed requirements are being met in nearly all cases. Sugar beet production has been programmed to total 9,100 hectares.

3. Wheat consigned to the "Granai del Popolo" has passed 90% of the estimated goal and deliveries in the liberated provinces of EMILIA Region are proceeding satisfactorily.

4. Olive oil collection at a total of 203,472 qli is improving under the Italian/Allied cooperative programme and is receiving wide publicity. Out of a total of 60 officers to be supplied for specific assignment to the olive oil programme, 42 are now actually at work. 200 tyres and tubes for use in the olive oil campaign are being delivered to the areas needing them most.

5. Re-distribution of livestock began during January with two shiploads of cattle, sheep and horses moving from SARDINIA to restock areas in LAZIO-UMBRIA Region. A total of 743 head moved in the initial shipments. Because of the high market value it has been necessary to arrange for a personal inspection by the buyer whenever possible.

COMMERCE SUB-COMMISSION.

6. The match plant at JESI started production on 15 January. Due to an allocation of power for seven hours nightly an output of 220,000,000 sulphur matches monthly was secured as against the pre-war figure of 460,000,000 monthly.

7. A large release of materials for civilian requirements was obtained by the Commission at the meeting on 2 January of the Engineering Materials Committee of the AFLR(I)B.

8. There have been no imports of newsprint for two months and the shortage has now become apparent. Newspapers are being cut down on their circulation and, if newsprint does not arrive in the very near future, may be forced to suspend publication.

9. During the last week of the month a large black-market operation in newsprint was uncovered in NAPLES but the centre of this activity appears to be in ROME. Large amounts of stolen paper from the Allied Army newspapers and PWB were involved. A police investigation is now under way.

10. The reprocessing of salvaged Army clothing under the supervision of Southern Region developed with marked success. Repaired clothing

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10. The reprocessing of salvaged Army clothing under the supervision of Southern Region developed with marked success. Repaired clothing was being turned out so rapidly that by the end of the month practically the entire stock of garments turned over to AC by MSL was either completed or in the hands of contractors or dyers. Distribution was made through the AC Priorities Board.

11. January exports surpassed those of any previous month and amounted to a total of 19,592 tons, representing a value of over 153 million lire. Goods at ports awaiting shipment at the end of January, totalled 3,272 tons. The difference between Italian exporters' prices and the limits imposed by buyers overseas based on world market prices is now so marked that contracts are difficult to conclude.

12. 25,000 ounces/.....

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12. 25,000 ounces of Turkish silkworm seeds arrived in ROME by plane and were delivered to ASCOLI PICENO for cold storage.

13. Discussions have been started with the Italian Government and AC Regions with a view to handing over the responsibility for allocations of POL in LAZIO and ABRUZZI Regions to the Italian Government w.e.f. 1 March 1945.

FINANCE SUB-COMMISSION.

14. The Finance Sub-Commission has recommended that the Allied Commission should not intervene in the question of increasing the price of bread and pasta. Since the increase in the price of wheat to 1,000 lire per quintal, the political price for bread has laid an intolerable burden upon the budget, and the recent wage increases have shown that the Italian Government does not wish, or is not able, to use a low subsidized price for bread to hold the line against further income inflation. The net daily increase in cost to the consumer is so small, particularly in view of the provisions of the proposed Italian Government decree, that no serious charge of increasing the cost of living can be levelled. Similar steps will be taken in AMG territory.

15. The Combined Chiefs of Staff directed that effective Italian controls over external assets should be in operation, as certain types of business communications may now be sent from ITALY to US/UK. As the Italian Government has no effective controls over foreign exchange, trade and communications, the Finance Sub-Commission is now working with the Italian Government toward the establishment of an exchange control. To supplement the exchange control, a licensing system for communications relating to trade and business transactions will be necessary, and the Minister of the Treasury has been requested to establish such a system.

16. During January notification came through the American Embassy, ROME, and the State Department, that the account in the U.S. Treasury Department, in the name of the U.S. Secretary of the Treasury, for the account of the Italian Government, had been credited with $ 50 million, the first instalment of the dollars corresponding to the amount of lire spent by American troops in ITALY out of their pay. It was also stated that another transfer of dollars to this account would be made on or about 31 March, 1945. These dollars are to be used to purchase goods in the U.S. for the rehabilitation of ITALY.

17. Net investment in Treasury Bonds (Ordinari) for the month of December amounted to Lit. 1,994 millions; this figure is appreciably lower than the average , Lit. 2,480 millions, for the preceding five months of the current fiscal year.

18. The past month has seen a decided improvement in securing landed costs on imported commodities. In the past, AC supply accounting operations were severely handicapped by the absence of landed costs on many imported articles. The situation was unsatisfactory, particularly in regard to miscellaneous supplies in the agricultural, industrial, mining and public works categories. Repeated requests were made by I.C.S. for the landed cost figures of these items for which they had taken over distribution. Late in the month AFHQ received landed costs on a large number of items shipped from the U.S. and forwarded these to the Allied Commission. The information received is now being prepared in suitable form for reference to the Italian Government through appropriate channels.

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FOOD SUB-COMMISSION.

19. Discussions took place during the month with the recently appointed High Commissioner for Food with a view to the latter assuming the responsibility for food supplies in Italian Government territory at the earliest possible moment.

20. The distribution of rationed foodstuffs remained unaltered, and a ration of 400 grams of meat, or meat and vegetables stew, was issued to the urban centres of 50,000 and above. The salt position continued to show some improvement and, in addition to the normal distribution, it was possible to make some supplies of salt available for pig-curing in several parts of the country. Oil came into the Consi at a slightly improved rate and there was a 50% increase in the supply of eggs. Approximately 11,000 tons of non-rationed foods arrived in the ROME market and about 2,500 tons of common table wine arrived from SICILY and was distributed on a ration basis at a controlled price.

21. Owing/.....

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21. Owing to the insufficiency of local resources the question of feeding LIVORNO province continued to receive much attention. In addition to the extra issue of food made to the many thousand civilian workers employed by the Armed Forces, plans are under discussion to make special provision for workers' families.

22. The grain situation remained satisfactory with 398,000 tons of locally produced grain on hand at the end of the month. This represents over two and a half months stocks of grain at the present rate of consumption. Two truck companies moving grain from the ANCONA-MACERATA area have moved a total of 20,062 tons to deficient areas during the last three months.

23. Arrivals of cereal ships were again below schedule, and in certain areas, which depended upon sea imports, there were anxious moments over the bread supply.

24. Imports of foodstuffs into ITALY during January were as follows:

Item	Indicated Arrivals Metric Tons	Actual Arrivals Metric Tons
Wheat	84,000	46,842
Barley	20,000	14,368
Powdered Milk	3,995	1,129
Soup	-	86
Fats	2,250	149
Sugar	2,700	-
Meat (or substitutes)	3,360	-
	116,305	62,574

INDUSTRY SUB-COMMISSION.

25. During January the rehabilitation programme for Italian industry was completed and the requisitions are now in course of translation and collation.

26. Two plants for the manufacture of agricultural machinery were surveyed. One has been reactivated and has orders for forty wine presses and six olive oil presses.

27. The responsibility for tyre production was transferred from Transportation Sub-Commission to Industry Sub-Commission. Tyre repair plants will start work at once.

28. A comprehensive survey of East Coast cement production was made. One plant at TARANTO and one at BARLETTA are working for civilian requirements, under the supervision of the Italian Government, with a maximum production of 4,000 tons a month. A third plant at MONOPOLI will soon open, with a potential capacity of 6,000 tons a month. Rail bids have been accepted for raw materials which should alleviate the transport problem.

29. The Sciarra Glass Plant in LAZIO-UMBRIA Region started production at the rate of 15,000 sq. metres of window glass a month. Production of neutral glass

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29. The Sciarra Glass Plant in LAZIO-UMBRIA Region started production at the rate of 15,000 sq. metres of window glass a month. Production of neutral glass for medical ampoules continues and in addition, two plants in TOSCANA Region are producing, by hand methods, 1,500 sq. metres of window glass a day.

30. A monthly output of 65,000 bricks from three plants in CESENA is being obtained, and with the provision of additional fuel, production can be increased.

31. The manufacture of superphosphate fertiliser reached a total of 9,000 tons during the month. 24,000 tons of phosphate rock arrived from NORTH AFRICA, an increase of 6,000 tons over December. Another plant has been reactivated in SICILY.

32. SARDINIA coal/....

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32. SARDINIA coal production still gives cause for anxiety, and was further reduced owing to the strike which took place between 11 and 17 January. Total output for the month was approximately 33,400 tons. Production of lignite on the mainland was hampered by shortage of electric power and reached only 30,000 tons. The output of sulphur in SICILY was 4,000 tons for the month. SARDINIA lignite mine at SANSSETO resumed operation during January.

33. Lack of electric power still hinders production of vitally needed carbon bisulphide. An approximate quantity of 150 tons has been produced. Steel works of ILVA at PIOMBINO were visited and it was reported that rehabilitation of this plant has been accomplished.

34. Textile manufacture was still retarded by lack of electric power, and the production of hemp was unsatisfactory due to the shortage of transportation.

LABOUR SUB-COMMISSION.

35. The labour front was fairly quiet with only sporadic strikes occurring in some parts of the country. Though the workers in those few cases requested increased wages, they were in reality calling for more food and clothing. To avert a strike in the LIVORNO area the Commerce Sub-Commission was called upon to supply badly needed heavy working clothes and shoes for coal heavers and dry-dock workers.

36. The most important event in January was the inauguration of the first National Congress of Italian Trade Unions held under the auspices of the CGIL at NAPLES, from 28 January to 1 February. The Congress attracted international attention and served to build up the prestige of the Italian Trade Union Movement. The Communist Joint Secretary dominated the proceedings, but although the attendance of delegates included slightly more than 50% Communists, the election of the National Executive Council resulted in equal division of seats between the three principal parties. A summary report of the proceedings will be made next month.

37. The Italian Government has taken the first steps in the reorganisation of the service of Contributi Unificati in Agriculture in proposals contained in a draft decree which was approved by the Council of Ministers on 5 January. The decree provides for the setting up of a Central Commission in the Ministry of Industry, Commerce and Labour, comprised of representatives of the Ministries of the Interior, Justice, Finance and Agriculture together with representatives of agricultural employers and workers and of each of the social insurance institutions concerned. The Central Commission will assume those functions previously delegated to the former Fascist Confederation of Agricultural Employees and Workers. Provision is also made for Communal Commissions to be set up by the Prefect in each Commune. The functions of the Communal Commissions will be to ensure the proper performance of Directives of the Central Commission.

38. The Social Insurance scheme is operating satisfactorily and in SICILY the Italian Institute is cooperating fully. In SOUTHERN Region the new scheme for the Port of NAPLES involving the reactivation of the Ufficio Portuale del Lavoro is in force and is proceeding fairly smoothly. In the Northwest Area social security and sickness agencies are functioning.

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39. The formation of associations of trade unions continued; in the Northern areas these formations were permitted to proceed so long as their activities were not contrary to Army policy.

40. Regional Labour Organisation plans for NORTHWEST ITALY have been completed and labour teams have been formed.

PUBLIC WORKS & UTILITIES SUB-COMMISSION.

41. The Master Control Centre was inaugurated by the Electrical Division of A.C. on 20 January and the generating and transmission facilities of four companies now operate under a single unit control. These companies are situated at ROME, ANIENE, TERNI and SELT-VALDARNO. The Centre is responsible for, and gives instructions involving, the following:

(a) Load carri...

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(a) Load carried by each generating station connected to the Central Italy Electricity Grid System.

(b) Number of units of electricity to be generated by each station.

(c) Hours of operation of each station.

(d) Amount of reserve capacity to be carried at each station, whether in operation or standing-by.

(e) Opening and closing of all switches associated with the generating plants and high voltage grid systems.

(f) Issuing instructions to meet emergency conditions.

(g) Collection and tabulation of all data of maximum loads, units generated, switching instructions, and abnormal occurrences.

Other electrical systems in Central ITALY will be brought into this control plan at an early date.

42. A Board known as the "Advisory Committee on Electric Power" for Central ITALY was created and held its first meeting on 1 February. It is composed of an official from each of the five major electric companies in Central ITALY and its functions will be to:

(a) Advise on the operations of the Master Control Centre.

(b) Maintain close contact with the general operation and rehabilitation programme.

(c) Make recommendations to and advise the General Inspector for Electricity (Public Works Ministry) on all matters in connection with electricity in Central ITALY.

It is planned later to establish similar committees for Southern ITALY, SICILY and SARDINIA. The Electrical Division acts in an advisory capacity until such time as the functions can be entirely transferred.

43. Generating capacity in Southern ITALY was increased by 5,000 KW from the CALORE Station, a part of the S.M.E. System. Generating capacity available in Central ITALY in January was increased by 36,600 KW compared with the preceding month. There are three other generating units at the GALLETO plant and all are scheduled to be repaired and in operation in 1945. Because of the great importance of this Station the Division maintains close supervision of its reconstruction programme. Much assistance has been provided at various times by Army agencies and units. Due to shortage of coal and the linking of the hydro-electric plants in this area to the centrally controlled grid, it was decided to restrict generation at the ROME Thermal Stations.

44. By reason of the utter devastation at CASSINO special attention has been given to its clearance which has been greatly hindered by unexploded mines and booby traps. It is intended to leave a portion of the town untouched as a memorial.

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TRANSPORTATION SUB-COMMISSION.

45. During January, re-organisation of Transportation Sub-Commission was carried out. It is now divided as follows:

Planning Staff
Administration Division
Movements Division
Rail Division
Road Division
Port & Warehouse Division

46. The first/.....

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46. The first meeting of the Allied Railway Board was held on 15 January. The Board consists of representatives of AC, the Military Railway Service, and the Italian State Railways under the Chairmanship of DQMG (Mov & Tn), AFHQ. Five sub-committees were set up to deal with traffic, construction, equipment, stores, and finances.

47. On 22 January the first civilian passenger train since the Allied occupation ran from ROME to NAPLES. The service is scheduled to run three days a week in each direction. The Minister of Transport travelled on the first train and the inauguration of the service was given a good Press. The possibility of starting other passenger services is continually being examined, but the shortage of passenger rolling stock is the main handicap.

48. The first batch of a large number of civilian load-carrying vehicles being imported into ITALY from the UNITED STATES arrived during the month. These vehicles will be driven by Italian drivers under the general supervision of Allied officers; they are being formed into QM and GT companies and consideration is being given to joining them into a Motor Transport Brigade.

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PART IV

PUBLIC RELATIONS BRANCH & INDEPENDENT SUB-COMMISSIONS

PUBLIC RELATIONS BRANCH.

1. On the liquidation of Psychological Warfare Branch operations in Liberated ITALY South of the Army control line, a series of discussions were held to arrange for the re-distribution of responsibilities. Allied press agencies, Reuters, A.P., U.P., INS and the Italian ANSA, SI and ORBIS began operating in ROME on 15 January and a technical committee was set up to establish methods of distributing agency material outside ROME.

2. Aide-memoires were prepared for the Italian Prime Minister on the proposed Governing Board of Italian radio and on the functions of the proposed Film Board.

3. More than sixty Allied correspondents attended a press conference arranged for the Acting President on 3 January.

4. During the month an Italian press section was set up at HQ A.C. to assist Italian journalists in interviewing officers of the Allied Commission and to facilitate better mutual understanding.

NAVY SUB-COMMISSION.

5. The outstanding event has been the repatriation of five warships and four minor vessels from SPAIN. These vessels, which left SPEZIA for MALTA in September 1943, with the remainder of the Italian Fleet, had put into ports in the BALEARICS and SPAIN. Their purpose was, among other reasons, to land survivors from the battleship "ROMA" but on arrival the vessels were interned.

6. At the request of the Italian Government, an Italian Cruiser was sent to CATANIA on 15 January to help in quelling the local disturbances by a show of force and to protect har bour installations if it should become necessary. She also visited PALERMO and ferried several batches of rebellious young men to the Island of USTICA but has subsequently been withdrawn, not having been called upon to take any offensive action.

LAND FORCES SUB-COMMISSION (MMIA).

7. The manpower requirements for the Italian Army in the Allied programme continued to be met during January from the call-ups in CAMPANIA, LAZIO and SICILY. Figures for SICILY at the end of the month were encouraging; over 1,600 men were sent to the R.T.C. I.C.F. at CESANO as reinforcements for the Combat Groups, while about 4,000 men were allotted to service units. The 1924-25 recall in SARDINIA started well, over 4,000 men reporting in the first five days.

8. Volunteers from Patriot bands reached a record figure. Over 2,500 patriots were accepted for combat and all arrangements made for their training. The desire to come into, and stay in, the Army on the part of patriots and "recalls" became more evident as the improved pay, rations and welfare facilities were realised and as the administration of the Italian War Ministry became better organised.

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9. The Italian Army Regional organisation for all ITALY came into force on 1 January and has been implemented in Liberated ITALY up to Rear Army boundaries. It comprises:

(a) Eleven Territorial Regions, each with a Territorial HQ;
(b) Ninety-nine Military Districts;
(c) Ninety Regimental Depots;

The object of this organisation is to extend the authority of the Ministry of War up to Army Rear Boundaries, to enable control of any personnel and real estate to be resumed as soon as the Allied advance proceeds Northwards, also to implement the call-up or demobilisation as required.

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AIR FORCES/.....

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AIR FORCES SUB-COMMISSION.

11. There has been little change to report during January. The Italian Air Force continues to support the Allied war effort in active operations over the BALKANS but the scale of effort during the month has again been reduced very considerably. This is mainly due to the fact that the enemy has retracted beyond range of fighter bases in Southern ITALY, and bases further North from which he could be reached are still occupied by RAF squadrons.

12. Owing to ill-health, Dr. Carlo SCIALOJA has been forced to resign his post as Minister for Air and has been succeeded by Signor Luigi GASPAROTTO. First impressions of the new Air Minister have been satisfactory.

13. The number of Air/Sea rescue sorties increased slightly over those of last month, but no rescues were effected. A terminal in the ROME area for seaplanes has been allotted. Bomber Transport Wing dropped supplies over ALBANIA and YUGOSLAVIA and aircraft landed at airfields in both countries to deliver and pick up personnel. The Courier/Transport Squadron continued on much the same scale of effort as in previous months, and despite the bad weather conditions the postal service to ROME got through on all but five days. The bad weather during the month naturally reduced the number of sorties carried out by the Light Bomber Wing, but a very reasonable tonnage of bombs was dropped, with good results.

14. The serviceability of aircraft remains satisfactory. Considerable work on the fighters has been done during the slack period so that they will be ready when operations recommence. It is hoped that certain urgently needed spares and equipment will shortly be available for the Bomber Transport aircraft.

15. The question of defascistation still remains very unsatisfactory. There were indications of a slight lowering of morale in the Italian Air Force, but this always appears at a time when the operational effort has been small, and it is hoped that when the squadrons can resume their active cooperation with the Allies the position will improve.

COMMUNICATIONS SUB-COMMISSION.

16. As a result of the comparatively static military situation in the theatre there have been no major changes in the communications situation in ITALY.

17. Externally, the first telegraph service abroad for civil use was opened by the restoration of the ROME - MOSCOW radio telegraph circuit at the end of January. Negotiations were also begun for the opening of a ROME - NEW YORK radio telephone service, for Allied non-military use.

WAR MATERIALS PORTUGAL AND ITALIAN FW SUB-COMMISSION.

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WAR MATERIAL DISPOSAL AND ITALIAN PW SUB-COMMISSION.

18. The PBS Salvage Dump at LIVORNO was visited and bids for material wanted by the Commission have been made to PBS. A quantity of captured enemy material available in the Middle East was offered to the Commission and bids for certain items have been submitted.

19. The number of salvaged vehicles brought into ROME during the month was fifty-one. The Ministry of War claimed twelve, the balance to be rebuilt by individual firms. The question of whether a number of German pontoons found in the TIBER could be operated as river transport was discussed.

20. The number of/.....

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20. The number of IPW repatriated in January was 1,440, made up of 774 Carabinieri and Guardia di Finanza, the balance being mostly sick and wounded. Requests for the repatriation of 1,160 specialists were forwarded to AFHQ, the majority asked for being Carabinieri and Guardia di Finanza. The number of requests submitted during January for repatriation on compassionate grounds was 66 of which only 12 were approved.

21. Plans are being made for the transport and lodging of Italian Nationals who find their way across the frontier on the cessation of hostilities.

22. A plan has been prepared for the repatriation of IPW in Allied hands and will become operative when a general repatriation is agreed. The basis of the plan is to give priority to specialist personnel most urgently required for reconstruction and agricultural work in ITALY.

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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 394

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24 March 1945

MONTHLY REPORT

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POLITICAL SECTION

1. A corner was turned in the history of ITALY and a milestone passed in the work of the Allied Commission when the Rt. Hon. Harold MACMILLAN, Acting President of the Allied Commission, at a Press Conference on 24 February, announced the imminent implementation of the "New Deal for Italy", as set out in the Combined Chiefs of Staff directive to the Commission.

2. During the past month, events in ITALY have not unnaturally been overshadowed by the CRIMEA Conference. The Italian Government had all along been pressing the Allied Governments to clarify the country's status of co-belligerency and, if possible, accept ITALY as one of the United Nations. This pressure was translated into a concrete request for the grant of Allied status in a telegram addressed simultaneously to President ROOSEVELT, Mr. CHURCHILL and Marshal STALIN on 8 February. The communique issued at the conclusion of the Conference made no reference specifically to ITALY and it is feared keen disappointment was felt by all Italians. This disappointment was, however, in some measure offset by the news that the British Labour Conference which was sitting in LONDON at the time had invited the Italian General Confederation of Labour to send its representatives to LONDON and also by the release of the news of the "New Deal" directive.

3. The Council of Ministers met on 7 February and tackled the difficult problem of the "political price" of bread. The object was to reduce the burden on the State treasury and on 16 February a decision was reached to abandon the policy of subsidizing the price of bread as from 1 March. At the same time it was announced that the new price of bread would not be fixed at more than 16 lire per kilo, (The price fixed for ROME, however, was 18 lire per kilo). To mitigate the effect of this increased retail price, a monthly indemnity of 95 lire per person is to be paid by employers (including the State and local governments) to workers, their wives, and minor children. In addition, the unemployed, paupers and dependents of military personnel will be paid this "caro pane" indemnity by the State.

4. As part of its tax and anti-inflation programme, the Italian Government decreed on 18 February a "Fund of National Solidarity" to assist that part of the population injured by the war, to reconstruct the liberated areas, and to create employment for partisans. It is hoped that a number of voluntary contributions will be paid into the fund. The Council again stated that the goods of high-ranking fascists would be confiscated and that the war excess profits taxes already in force would be extended to farmers - a class hitherto exempt. Further the pay of troops was to be doubled. As regards control of prices it was announced that the interministerial committee had suggested that cooperative and communal kitchens should be set up and encouraged, and the Food Commissariat was given wide powers to control markets and supplies.

5. The Government and the Allied Commission had jointly announced on 21 February that as from 1 March the bread ration for all Liberated ITALY would be 300 grams or its equivalent - for example, 200 grams of bread daily and 550 grams of pasta weekly. On the whole, public opinion as reflected in the press, has reacted very favourably to these developments.

6. The Government announced on 6 February that they had been studying closely the problem of Italian prisoners of war in Allied hands. It was stated that there

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6. The Government announced on 6 February that they had been studying closely the problem of Italian prisoners of war in Allied hands. It was stated that there are 340,000 prisoners in British hands, 110,000 held by the Americans and 35,000 held by the French. 670,000 soldiers and "several hundred thousand" civilians are detained in Germany and are not given the proper status of war prisoners, since Germany does not recognise the Bonomi Government. The statement added that accurate figures on prisoners held by the Russians are unobtainable. This objective report of the Government was not well received by the press which insisted that the prisoners detained by the United Nations should be repatriated and that Germany should be compelled to give recognised status and better treatment to those in German hands. The news that Count CARANDINI had assumed the protection of Italian interests in the UNITED KINGDOM - hitherto the charge of the SWISS Legation in LONDON - was hailed with satisfaction as it was realised that the prisoner of war question is the chief Italian interest in the UNITED KINGDOM at this present time.

7. ...t its meeting on 5783....

7. At its meeting on 8 February, the Council of Ministers set up a new Commissariat for Veterans. This Commissariat will deal not only with Veterans but also with civilians in the areas to be liberated and, through the partisan organisations, will also be concerned with assistance for the patriots. Signor CASPAROTTO has been named High Commissioner.

8. In the field of party politics it is reported that the Socialist and Communist parties published a declaration on 10 February in which a joint programme was set out. The workers were first of all reminded of their duty to carry on the war against fascism. Next, the Allies were asked for the grant of more autonomy.

9. The trial of General ROATTA and others continues without any startling developments to report. The left-wing press has been enraged by the presence of certain witnesses at the trial who, it is claimed, are members of the OVRA and yet are still safe and in the employment of the State. The Government have denied that these witnesses are in fact members of the OVRA and the newspapers have retorted that the Government must know who are members of this ill-famed organisation, that the names should be published and the individuals put on trial. It is reported that the OVRA employed members of practically all the State services for short periods at one time or another for particular jobs and that there was not, in a strict sense, a complete and permanent list of the staff of the organisation. The central organisation has, of course, been broken up and its leaders will undoubtedly be punished in due course but it would be impossible to seek out and bring to justice the great number of small officials whose association with the OVRA was temporary and short-lived. Meanwhile the business of epuration has moved on a step with the setting up of a central commission. Signor BONOMI spoke on the occasion of its inauguration and emphasised again that epuration must strike those who had important charges and were blindly subservient to the fascist regime but for the lower ranks justice must be tempered with mercy. Above all, the operation must be carried out with justice and legality.

10. Signor TARCHIANI has taken up his post in WASHINGTON. Duke GALLARATI SCOTTI, the new Ambassador to SPAIN, has also reported his arrival in MADRID. There is still much speculation in the press as regards the resumption of diplomatic relations between ITALY and FRANCE and it is hoped that a statement will be made in the very near future.

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PART I.

AMG ARMIES AND REGIONS.

AMG FIFTH ARMY.

1. From the operational point of view, February has again been an uneventful month. The limited advances made in the MONTE BELVEDERE sector in the last week brought no new communes under Military Government as the area captured was entirely mountainous and the few inhabitants had been previously evacuated. The Army area thus remains unchanged from January.

2. There has been a general improvement in public safety throughout the area and the arrest of a number of persons for brigandage in country districts has contributed to the restoration of confidence among the population. Very few crimes of violence were reported.

3. Four persons were tried by General Courts on charges of espionage. Two were convicted of whom one was sentenced to death and the other to life imprisonment.

4. Public health remained unsatisfactory and the typhoid epidemic at PRATO continued to abate; energetic action resulted in more people submitting to innoculation.

5. The work of the American Red Cross continued at a high standard and a total of 32,800 persons, representing approximately 10% of the population in the forward areas, were given clothing.

6. Olive oil amassing continued to move slowly despite the campaigns waged by the Provincial organisations. Power for the flooded lands near VIAREGGIO was increased and all flood waters were pumped off. A considerable part of this land has been ploughed and planting is in progress. The labour supply continued to exceed demand and the number of registered unemployed increased to about 6,450.

7. The Acting President of the Allied Commission visited the Army area during the month and saw many phases of Military Government work. The Lieutenant General of the Realm has also been in the area inspecting Italian Army units.

AMG EIGHTH ARMY.

8. The area administered remains unchanged, namely, the whole of FORLI Province and the greater part of RAVENNA Province.

9. Italian Provincial administration is well established in FORLI with all the normal local government agencies in operation. In the liberated portion of RAVENNA, local government is also well advanced.

10. Italian courts are functioning in both Provinces and their jurisdiction over violations of travel and curfew restrictions has been extended to include CESENA. The policy of re-opening schools has been carried well forward into Corps areas, although in many cases buildings

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11. There were two demonstrations in favour of the Army call-up, one at FORLI and the other at CESENA. The demonstrations were orderly.

12. The standard of health is satisfactory.

13. Good progress has been made in reclaiming flooded areas. Five pumping stations have been repaired and re-activated and a total of 14,350 acres have been drained. This land is drying out well, and it is hoped to sow most of it in time for this year's harvest. Military units have cooperated in repairing breaches in river and canal banks and in clearing obstructions, and the danger of re-flooding has been averted.

14. In RIMINI

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14. In RIMINI, further progress has been made in effecting first aid repairs to houses, in clearing the streets of debris, and demolishing dangerous buildings.

15. Approximately 700 bridges in this area have been destroyed and before Bailey bridges are removed a minimum of 100 bridges must be repaired or rebuilt to maintain essential civilian communications. So far eight bridges have been completed, eleven are under construction, and plans have been prepared for thirty-eight others which are awaiting financial sanction. Progress is slow owing to shortage of bricks and timber.

16. Crime remains at a surprisingly low level. Carabinieri and other police agencies are giving good service but efficiency is hampered by lack of uniforms and equipment.

17. The Autotrasporti of both Provinces are now getting into their stride and are operating 294 trucks with a total load carrying capacity of 5939 quintals.

18. Cultivation is well advanced and crop prospects for the coming season are good.

19. A mine clearance school was started during January at which civilians are trained in mine lifting. The first squad began work 5 February and on 19 February this was increased to five squads of five to seven men each. By the end of the month 304 mines had been lifted.

SICILIA REGION.

20. There have been no public disorders during the month and the military call-up, on a reduced scale, proceeded without incident. There was a slight increase in crime and armed bands continue to operate. The civil police have, if anything, shown slightly more zeal and activity but are still badly handicapped by shortage of transport, arms and personnel.

21. There were no strikes or labour troubles. The only immediate effect of the announcement of further wage increases was a rise in black market prices. The disparity between wages and prices was as great as ever.

22. The bread situation remained good with the arrival of five ships bringing over 20,000 tons of wheat and barley and 1,200 tons of flour. The 300 gram ration of bread and paste was issued regularly and there was no real shortage of food although the prices charged are beyond the pocket of many.

23. There was little political activity during the month and the people showed no signs of increasing interest in political matters. The SICILIAN distrust of the central Government is long-standing and deep rooted and the inauguration of the new Consulta was given a very restrained welcome and little enthusiasm or interest was shown by the man in the street. The people are apathetic and without confidence in their own administrative officials, many of whom they know to be inefficient

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18. Cultivation is well advanced and crop prospects for the coming season are good.

19. A mine clearance school was started during January at which civilians are trained in mine lifting. The first squad began work 5 February and on 19 February this was increased to five squads of five to seven men each. By the end of the month 504 mines had been lifted.

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20. There have been no public disorders during the month and the military call-up, on a reduced scale, proceeded without incident. There was a slight increase in crime and armed bands continue to operate. The civil police have, if anything, shown slightly more zeal and activity but are still badly handicapped by shortage of transport, arms and personnel.

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24. In spite of the lack of an adequate system of relief or assistance and the shortage of clothing for the needy, the health of the people continued to be remarkably good and the cases of typhoid fever have decreased. The health and medical treatment in the prisons still leaves much to be desired.

25. Trade, and particularly inter-regional trade, was gravely handicapped by lack of road, rail and sea transport. Mixed cargoes have, however, been shipped to ITALY and there have been shipments of citrus fruit and salt to the mainland.

26. During...../

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26. During the month 1,946 quintals of grain were amassed, bringing the total to date to 1,324,100 quintals. The amassing of olive oil was again very small. Artificial manures and seed potatoes continued to be distributed.

SOUTHERN REGION.

27. The handing over of food storage and distribution to the Italian authorities was an important step completed during the month. Segrals and Consorzi Agrari have made a good start with their new responsibilities.

28. Farmers and agricultural officials predict a serious decline in production due to the accumulated effects of the shortage of fertilizers for several years past. The campaign for the collection of olive oil has met with considerable success and by 17 February, 216,134 quintals had been amassed. There was, however, a lack of cooperation shown by various Tribunals in convicting and sentencing offenders against the olive oil decree. NAPLES and SALERNO Zones have built up their wheat stocks to about one month's supply.

29. Public Safety in the Region remained generally satisfactory. Civil police agencies, with the exception of Guardie Municipali, maintained a reasonable standard of efficiency, but their duties were hindered by a lack of transport and communication facilities. A gang of armed criminals was broken up in NAPLES by the arrest of seven civilians and the recovery from their possession of firearms and ammunition. Ten civilians have been killed by Allied sentries while attempting to steal from dumps, trucks and trains. The criminal misconduct of Italian paratroopers is reaching serious proportions, including in some cases the use of firearms and hand grenades and appropriate representation has had to be made to the Italian authorities.

30. Production of neutral glass has been delayed owing to lack of coal, but domestic and medical glass-ware is being produced from 30 to 35 quintals daily at Vetreria Ricciardi, NAPLES. It is still necessary to ration electricity in Southern ITALY.

31. The schools of NAPLES Commune were returned to Italian hands on 6 February and were re-opened on 19 February, having previously been closed due to the cold and lack of fuel for heating purposes. Approximately 70,000 elementary textbooks were printed during the month, bringing the total to 238,655 of the original 900,000 ordered.

32. Banking in the South continued to be marked by an increase in deposits, attributed to high prices, lack of raw materials for the resumption of commercial activity, moderate public investments and the large profits made by the farmers.

LAZIO-UMBRIA REGION.

33. The month passed without political sensation and local government in its present limited form is, on the whole, working as well as can be

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34. Good progress has been made with the livestock problems. Grain amassing is now almost at a standstill but showing very creditable figures with over 100% of the target set amassed. Other agricultural features were the olive oil amassing and the distribution of seed potatoes. Olive oil amassed reached only about one-third of its goal and the Italian authorities showed considerable reluctance to enforce the law, whilst the distribution of seed potatoes was so inefficient that a potato famine threatens. SOME stocks of soft grain and flour decreased by 30%, mainly due to the failure of truck owners to carry the grain to the railhead in the exporting areas. There was no issue of meat. The issue of other foodstuffs on the ration scale was restricted by lack of availability, 70% of the sugar ration being distributed and 68% of the oil. There has been a steady improvement in the supply of charcoal and lignite.

35. FIUMICINO...../

35. FIUMICINO harbour is now 9½ ft. deep and 2,300 tons of fuel were discharged there during the month. 55 bridges were completed and good progress has been made with Bonifica repairs in the PONTINE MARSHES.

36. Perhaps the outstanding development during the last three months has been the increased efficiency of the Italian police agencies. The big problem of unauthorised possession of firearms is being tackled, but the inability of the Italian courts to deal with their case load is alarming. Forged currency cases were reported from ROME, FROSINONE, RIETI and VITERBO. The total amount involved was 56,700 lire; so far only two arrests have been made.

37. Health has been surprisingly good and the winter has passed with unexpected freedom from any serious epidemic.

38. Out of a total of 367, elementary and secondary schools now functioning number 231. Of the 136 which are not open, Allied formations are only occupying 15 and the Allied Military authorities have been extremely cooperative in this respect. Nearly 300,000 textbooks were distributed.

39. Distribution of American Red Cross clothing in TERNI was completed on 17 February.

40. Among Allied officers in this Region there is the feeling that there is not very much more that they can do and that the Italian machinery, out-of-date and creaking though it may be, has been put in a position to run on its own on the Regional level.

ABRUZZI-MOLISE REGION.

41. The Region, in general, has been quiet throughout the month, the Communist Party alone displaying any initiative, particularly in TERAMO and AQUILA, where, upon the announcement that AC officers would be withdrawn, a flare-up of political activity occurred.

42. The collection of olive oil under the impetus of control officers increased 50 per cent. during February, but at the month's end only one-fifth of the target figure had been obtained. The Region exported important surpluses of eggs, wheat and alcohol, chiefly from the middle MARCHE Provinces.

43. The reaping of wheat came practically to a standstill after the target figure was reached, and there is little inclination on the part of the Italian officials to insist upon further collections. The doubling of the price of potatoes in the middle of the collection period caused considerable difficulty.

44. Unemployment has been less than had been feared in the Region and further improvement is expected as soon as weather permits resumption of work on roads, bridges and railways. The very low salaries of state and parastatal employees, including school-teachers, have created a critical situation.

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38. Out of a total of 387, elementary and secondary schools now functioning number 231. Of the 156 which are not open, Allied formations are only occupying 15 and the Allied Military authorities have been extremely cooperative in this respect. Nearly 300,000 textbooks were distributed.

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45. Public works reconstruction and highway maintenance were hampered chiefly be lack of transport and somewhat by lack of materials.

46. A start was made in re-establishing civilian telephone services in ANCONA city and civilian mail services in PESARO.

47. The standard of efficiency of the CC.RR continues to improve and some clothing is now arriving, though much more is still required. There has been little serious crime throughout the Region, the major problem being extortion gangs which have been formed by the worst elements of the former partisans. Mobile night patrols by Italian and Allied police have reduced the danger.

48. From n...../

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48. From a health standpoint, the Region came through the winter well. Blankets and clothing have been distributed in the devasted areas.

49. The grain harvest resulted in substantial increases in bank and post office deposits.

50. The latest information available shows that 258,639 mines have been cleared in the CHIETI-PESCARA area since June 1944.

51. The SUPPA match factory at JESI, working during the night hours only, owing to war restrictions, has increased its production from 54 to 70 million matches weekly.

52. Six truck pools, with 169 trucks lifting an average of 475 tons a day, and three Italian GT Companies, provide for the transport needs of eight Provinces. A total of sixty-seven bus lines, twenty of them inter-provincial, are licensed to operate.

SARDEGNA REGION.

53. Production of the coal mines at CARBONIA remained at approximately 40,000 tons for the month but it is hoped to increase the monthly output to 100,000 tons for which 2,500 additional miners will be required. In pre-war days about one third of the total number of miners came from the main-land but an attempt is being made to recruit the required number locally. Arrangements have been made for the conditions of pay, housing and food, including the news of the increased ration allowed in February, to be broad-cast by radio, published in the Press and spread by means of town crier in the villages to encourage more miners to sign on.

54. The call-up of the Italian Army in February went very smoothly. The maximum estimated local intake from the first classes to be called back to the Army was 10,000 and this number has been substantially exceeded. The men were contented and there was very little real opposition. What opposition did occur was dealt with by the local authorities and was probably due to ignorance as there are few newspapers and news travels slowly in country districts.

55. Crime showed a considerable increase including 8 murders and 50 armed robberies. A welcome addition to the small garrison has been provided by the arrival of a detachment of Marine Military Police on temporary duty at the Port of CAGLIARI. During the month bombs were thrown at the Carabinieri and Questore Garages in NUORO and at other centres causing slight damage.

56. Amassing of wheat has reached approximate finality for the season at nearly 310,000 quintals but the olive oil collected so far is only just over 5,000 quintals as compared with an estimated total of 50,000 quintals.

57. A consignment of boots arrived by ferry steamer and allotments have been made to the Mines and Railways. Boots are also now on sale in the shops.

58. Another enemy agent was dropped in CAMPANIA by parachute on the 21st and captured on the 26th with a radio transmitter and 143,000 lire in his possession.

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59. The health of the people was good and text books for schools are being distributed satisfactorily.

TOSCANA REGION.

60. Of the nine provinces of TOSCANA Region, four of them have not yet come under Regional control. LUCCA, PISTOIA, and FIRENZE Provinces are under AMG Fifth Army control and APUANIA is still in the hands of the enemy. Part of LUCCA Province is also enemy territory.

61. The Communist continues to be the most active and best organised of the political parties. In certain parts of the Region increase in member-ship was due, in part at least, to the fact that its leaders are dis-couraging actions which will bring the Party into disrepute. Anti-monarchist feeling is crystalizing. In certain provinces recruiting for the Italian

Army...../

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Army has taken on a political aspect. In some cases Communists have endeavoured to make the departure of recruits an occasion for a Communist celebration. Political activity of this description has been discouraged.

62. The food situation improved slightly and collections of last summer's grain for the ammasi were still being made. An additional source of salt supply has been obtained at the Solvay works in LIVORNO Province, by the use of steam for boiling down brine which was previously wasted. The amassing of olive oil is not progressing satisfactorily due to the passive resistance of the producers. The total amount amassed was 37,072 quintals.

63. The labour situation improved due, mainly, to the increased wages and food rations.

64. The C.C.RR are becoming more effective throughout the Region and there has been an improvement in communications and morale but over 400 men in the Florence Region are still without uniforms.

65. Both the Italian Courts and the Allied Military Courts functioned effectively. In the Allied Military Courts in LIVORNO Province alone, 693 sentences were passed.

66. Poor water supply has been responsible for a small epidemic of typhoid in AREZZO, but generally the health of the civilian population throughout the Region is satisfactory. Schools are functioning well in Provinces under Regional control and school lunches are being served in 90 communes. While there has been definite improvement in the distribution of medical supplies, the work of ENDIME was still unsatisfactory. Distribution of American Red Cross clothing in the Region was almost completed.

67. Reconstruction projects included the PRATO aqueduct, the flood control works in the VAL DI CHIANA, repair of University buildings at PISA and harbour repair works at PIOMBINO, ORBETELLO, PORTO S. STEFANO. The west coast railroad is in operation through LIVORNO and thence east to MONTECATINI and every commune in GROSSETO now has telephone communication. Postal restrictions have been relaxed.

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PART II...../

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PART II.

CIVIL AFFAIRS SECTION.

Defascism.

1. To date (exclusive of the Services) the records of 15,568 persons representing 41% of those subject to epuration by Central Commissions, have been scrutinized. Of these:

(a) 6,033 (38%) have been referred to Epuration Commissions for decision.

(b) 1,934 cases (30% of (a)) have been decided.

(c) 463 persons (25% of (b)) have been dismissed.

483 appeals, of which about two-thirds are appeals by the High Commissioner against acquittal, have been filed in the Central Commission which was inaugurated by Signor BONOMI on 14 February.

2. The time limits fixed for the commencement of proceedings have been extended. This was necessary owing to the difficulty of setting up sufficient courts without drawing too many judges from their normal duty and also because of delays in investigations caused by lack of transport. The extended time limit for civil servants employed in the Central Administration expires on 15 March.

3. Progress is at last being made in the appointment of Provincial Commissions. Conferences attended by AMG officers, the Prefects and local representatives of the High Commissioner were held to co-ordinate the functions of each in the process of epuration. The question of allowing avvocati to sit on Epuration Commissions in lieu of Judges is still under consideration.

Mine Clearance.

4. Mines removed during the month by the Mine Clearing Companies and civilian squads numbered 106,054. Authority has been granted to form a third mine clearing company to be known as the 563 Company.

Devastated Areas.

5. Distribution of blankets and clothing allocated to devastated areas in LAZIO-UMBRIA and ABRUZZI-MARCHE Regions was completed and 75,000 square metres of strong canvas have been distributed in LAZIO-UMBRIA Region for temporary repair of less badly damaged dwellings. Good progress is reported.

6. A branch committee of the Italian National Committee for Relief in Devastated Areas has been formed in FLORENCE.

LOCAL GOVERNMENT SUB-COMMISSION.

7. Under the terms of the "New Deal" for ITALY, the Allied Commission

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LOCAL GOVERNMENT SUB-COMMISSION.

7. Under the terms of the "New Deal" for ITALY, the Allied Commission no longer has any authority over the appointment or dismissal of State officials (except certain Service officials) in territory under the jurisdiction of the Italian Government. During the course of the month the Italian Government has issued a circular to Prefects, impressing upon them the urgency of completing the appointment of Giunte Communali and Sindaci in substitution for Commissari Prefettizi, of whom too many are still holding office.

8. In order to overcome difficulties anticipated from extended lines of communication, Regional Commissioners for the Northern Regions of ITALY have been authorised to appoint or remove Prefects Regent without first obtaining the approval of HQ AC. Notification of a change must, however, be made as soon as possible. A circular has been issued to Regional Commissioners explaining that appointments and promotions of Italian officials

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by AMG are temporary and have no effect upon the permanent rank or status of the appointee in the Italian Civil Service. Permanent promotions will be dealt with by the Italian Government when they resume responsibility for liberated provinces.

9. With the view to alleviating the grave shortage of local Government officials, the Italian Government has been asked to furnish particulars of officials held as Prisoners of War or as civilian internees in AFRICA. The question of release will be taken up with the appropriate military authorities.

10. The Government Decree extending the right to vote to women over 21 years of age was published on 20 February 1945.

PUBLIC SAFETY SUB-COMMISSION.

11. Disorders and riots in protest against the military call-up, which were prevalent in SICILY during the months of December and January, have subsided. In SARDINIA demonstrations resulting from the same cause increased, but not to an alarming degree. Conditions throughout ITALY were quiet.

12. The strength of the Carabinieri at 24 February was 53,990. Of this figure, 45,207 were employed on normal police duties, the remainder 8,783 being ineffective owing to leave, sickness or being employed with the Italian Army on provost duties. 992 men were recruited during the month.

13. It has been decided that the control of the Italian-French and the Italian-Swiss frontiers will be a purely military responsibility.

14. From all sections of the country come reports indicating improvement in morale, efficiency and initiative of law enforcement agencies. This is particularly true in the case of the Carabinieri and is especially evident where units have recently received uniforms, boots and other items necessary for proper performance of police duties. Another factor contributing to improvement in morale is the support given by the Allies who are working closely with the Italian police agencies.

PUBLIC HEALTH SUB-COMMISSION.

15. Two verified cases of typhus were reported, one at LATIANO near BRINDISI and the other at MODICA near RAGUSA in SICILY. Three other suspected cases were reported at the end of the month from MESAGNE, a small town about five or six miles from LATIANO. The Typhus Demonstration Unit tours were continued. It is felt that with the approach of spring and with the preventative measures which have been taken all over Liberated ITALY, the possibility of a serious typhus epidemic is now negligible.

16. The Smallpox situation in NAPLES remains much as before, 241 cases having been reported as compared with 261 in January. 67,838 persons were vaccinated during February. Scattered cases have been reported from other provinces on the mainland, the greatest number - 23 - occurring in [illegible]

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16. The Smallpox situation in NAPLES remains much as before, 241 cases having been reported as compared with 261 in January. 67,836 persons were vaccinated during February. Scattered cases have been reported from other provinces on the mainland, the greatest number - 23 - occurring in SALERNO Province where 90,000 people have been vaccinated. Only 11 cases have been reported from BENEVENTO and no cases have occurred since 20 February 1945.

17. Early in February a meeting on malaria control measures for the coming year was held at the Ministry of Interior; the Italian Authorities, the Malaria Control Branch, UNRRA and the Institute of Hygiene were represented. The AC agreed to place at the disposal of the Italian Authorities 50 million Atebrine tablets, all available stocks of Italian quinine preparations and 100 tons of Paris Green, the arrival of which was not anticipated before April. UNRRA agreed to provide further supplies.

18. In AREZZO Province a Typhoid epidemic which flared up early in February is now under control. There were 3 deaths out of the 134 cases reported. The PRATO epidemic is virtually at an end, only 28 cases being

reported...../

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reported during February and approximately 35,800 primary inoculations have been carried out. The help given by the Military Medical Authorities has been invaluable.

19. The ROME infant mortality rate for January 1945 was 148.2 and the tuberculosis figure (both pulmonary and non-pulmonary) for January was 257 deaths.

20. Veterinary. Production of Crystal Violet Swine Cholera Vaccine has begun at Sclavo Institute, SIENA, and vaccine against foot and mouth disease is being produced slowly. The introduction of lime sulphur dip against sheep scab is contemplated and the Italian veterinary authorities have issued instructions concerning production.

21. Welfare. The distribution of clothing in SICILY, the devastated areas and the forward areas has been greatly appreciated. Milk, supplied by UNRRA is to be distributed through Welfare Officers and local Italian Committees. Material has been procured for the manufacture of orthopaedic appliances for mutilated Italian soldiers and civilians.

LEGAL SUB-COMMISSION.

22. Arrangements have been made for the transfer to the Italian Government of the assets and liabilities of the Instituto Nazionale di Trasporto of SICILY. Captured German and Italian vehicles were transferred to this organisation which was operated under the auspices of AMG.

23. At the request of AC, the Italian Government has framed a decree making it an offence for Italian civilians to harbour Allied deserters or absentees. This decree has been implemented in AMG territory.

24. The jurisdiction of the Tribunale Militare of MACERATA, which was recently established in co-operation with the Minister of War, has been extended to the Provinces of TERNI and RAVENNA.

25. A decree has been passed establishing a Tribunale Militare in TUSCANY. This Tribunale will sit in FLORENCE as soon as the necessary personnel have been provided and will deal with the large number of offences committed in the area by members of the Italian Army.

26. Continued pressure is being applied to the Minister of Justice to increase the pool of judicial officials for Northern Italy, and circulars have been issued by the Minister to Courts in Italian Government territory to discover additional personnel.

27. Examinations have been held in FLORENCE for Procuratori and Avvocati and arrangements have been made for similar examinations to be held in ROME during March.

28. AMG Courts continued to function throughout the period but there was little serious crime. Several cases related to counterfeiting AM lire while in TOSCANY Region there were a number of prosecutions for black market operations and possession of firearms. Ten espionage cases were reviewed during the month. Three death sentences were confirmed and five death sentences were commuted. Two sentences of imprisonment were imposed. The AMG Courts in RIMINI have been closed. During the 2[illegible] months of their

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EDUCATION SUB-COMMISSION.

29. The survey of Italian education is completed up to 1943 and is being distributed to Education Officers as background material.

30. Epuration, short of final hearings under Italian Epuration Commissions, is practically complete.

31. Repairs were begun in 17 of ROME's schools; 66 schools still remain in need of repair. The 15 universities in Liberated Italy are functioning, a number with record enrolments and some are offering courses to Allied Forces.

32. The project.../

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32. The project of publishing and distributing elementary school text-books is drawing to a close. The lateness of arrival of supplies from the United States, the shortage of electricity, and the use of printing presses for war purposes, have necessitated halving the programme contemplated. Nevertheless, 1,233,624 books have been printed and distribution has been made in every province in Liberated Italy. 500,000 school notebooks were printed in ROME in February; 140,000 in PALERMO.

33. The number of elementary school children enrolled in all Liberated Italy is approximately 1,472,500. 428,150 lunches of American dried soup and dried vegetables are being served daily in 416 communes.

34. A commission on youth activities has been organised in ROME. In TOSCANA sport and recreation clubs, student councils and orchestras are springing up and university groups are becoming active. Italian Boy Scouts have had provisional recognition by the international organisation and the movement is growing rapidly in all Regions.

35. Arrangements are being made for sending a professor of physics to the United States to study recent research in nuclear physics as a start in the policy of cultural and scientific exchange between Italy and the Allied Nations.

Amendment: First four lines of Para 32, Education Sub-Commission report for January should read: "SICILY reports disorders in all universities due to the call-up of students for the Army. At CATANIA a riot, begun by students, resulted in the burning of buildings. At PALERMO a more harmless student riot broke up inaugural ceremonies".

MONUMENTS, FINE ARTS & ARCHIVES SUB-COMMISSION.

36. On 18 February 1945 the Exhibition of Masterpieces of European Paintings at the Palazzo Venezia, ROME, was closed and the proceeds, amounting to Lire 1,626,000 will be used by the Italian Government for repairs to national monuments.

37. Much progress has been made during the month including the completion of the consolidation of the Cavallini frescoes in S. Cecilia in TRASTEVERE. In FLORENCE City repairs have been completed on the Carmine, S. Croce and S. Frediano. In the devastated area, the church of S. Stefano is being repaired, the four towers are being re-roofed and shored and frescoes of the Palazzo Acciaioli are being detached. At AREZZO the major project is still the Badia, one side of which has been completely re-roofed. The work on the Cathedral, S. Francesco and S. Maria in Gradi was completed. Work is progressing satisfactorily on 16 churches in PISA. Outside the city the churches of S. MINIATO and at S. PIETRO A GRADO are being repaired. Most of the repair projects in the ABRUZZI are now finished. In the MARCHE the major work centres around PESARO and ANCONA. The problem of clearing ANCONA is difficult and assistance is being given by both military and civilian authorities. The treasures of the Museum are still buried beneath the debris of the campanile of S. Francesco awaiting more favourable weather conditions for their recovery. The colossal bronze equestrian statue of Cosimo I di Medici has been returned to FLORENCE from its deposit at ROCCA

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38. Archives. A census by the Italian Ministry of Interior of Italian Archives shows a very small proportion of loss or disturbance by Allied troop occupation.

39. A revised and documented account of the losses from art deposits in TUSCANY has been received at this HQ and further information has been obtained from the Ministry of Public Instruction concerning German removals of pictures from FORLI.

DISPLACED PERSONS...../

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DISPLACED PERSONS & REPATRIATION SUB-COMMISSION.

40. All centres, including CINECITTA' and AVERSA, were inspected by a Medical Officer during the month. Difficulty is experienced in teaching sanitary discipline to transient refugees, but on the whole the standard is high; medical Administrative Instructions have been issued in English and Italian. Health continues to be good and ROSIGNANO Centre was freed from quarantine for smallpox on 12 February 1945. 1,765 Allied Nationals in ROME are receiving extra food on medical grounds.

41. Approximately 700 Royalist Yugoslavs have been concentrated at SANTA CESAREA Centre. Certain Jews in the Southern Centres have been selected for emigration to PALESTINE. UNRRA personnel continued to arrive and the hand-over is almost completed.

42. During the month, 2,275 Italian refugees arrived in ROME from the Northern Centres, the majority from the RIMINI area. 2,404 Italians were repatriated to homes in SICILY or the South; repatriates to Yugoslavia numbered 731. Up to the end of February 74,609 persons were recorded by the Records Bureau; the location of approximately 59,000 of these is known, the remaining 9,460 are reported to be in German occupied Italy. These records cover 70 different nationalities.

43. During February the Banco d'Italia was authorised to make payments totalling 8,363,110 lire, the number of persons benefitting from these payments being 3,912. Payments to Yugoslavs have decreased considerably, only 176 payments were made as against 2,117 in December 1944. Currency conversation proposals were approved by the Combined Chiefs of Staff on an "ad hoc" basis for a group of Jewish refugees scheduled to leave shortly for PALESTINE.

PATRIOTS BRANCH.

44. The patriot position on the Fifth Army front remains practically unchanged. On the Eighth Army front about 400 patriots have passed through the Patriot Centre at RAVENNA.

45. Liaison with the Italian Government has been made easier by the formation of the Ministry for Occupied Territories. Priority of employment will in future be given to genuine patriots.

46. A national "Patriot Day" was celebrated on 18 February 1945. A parade of Italian Regular Troops and patriots was held in ROME with the object of demonstrating the union between formerly antagonistic regular soldiers and partisan forces. This was followed by the posthumous award of the Italian Gold Medal to regular soldiers and patriots who had died in action against the Germans since the Badoglio Armistice. Smaller parades and celebrations were held elsewhere in Italy.

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PART III

ECONOMIC SECTION

AGRICULTURE SUB-COMMISSION.

1. Surveys have been made of SICILY, CAMPANIA, EMILIA and TOSCANA areas in regard to crop production requirements and land reclamation. Crop production prospects were encouraging with seed requirements well provided for and imported materials scheduled for early arrival and distribution. Of the 4,334 tons of imported seed potatoes scheduled for import against spring requirements, approximately 3,500 tons were received and distributed. Sulphur distribution was satisfactory except in SARDEGNA and Central ITALY.

2. Wheat consigned to the "Granai del Popolo" reached a total of 10,884,736 quintals, or 92% of the estimated goal, with current consignments small. Olive oil collection reached 325,281 quintals, and there is evidence that the total may reach 450,000 quintals.

3. Production of fuelwood and charcoal continued slightly to exceed the consumption. A long term programme is being established for reafforestation by the Ministry of Agriculture.

4. Fisheries supplies delivered permitted a distribution programme to be started under Fondazione Assistenza Rifornimenti Pesca. Additional supplies of fish are anticipated as a result of restrictions relaxed during the month.

COMMERCE SUB-COMMISSION.

5. The reprocessing of salvaged clothing carried out in NAPLES has more than met expectations. Large quantities of garments were made available by MMLA for reprocessing, including 300 tons shipped from NORTH AFRICA, the condition of which necessitated the setting up of laundries and disinfestation plants. At present two large plants in NAPLES are laundering and disinfesting approximately 40,000 garments a week.

6. Textiles and clothing factories in AMG Fifth Army area have started production and considerable quantities of clothing, textiles and blankets are being produced and distributed.

7. Total exports during the month amounted to over 12,450 tons gross, representing a value of approximately 140 million lire. Contracts have been placed for 150 kilos Jasmine Concrete, and the USA have bought 100,000 lbs Bergamot Oil. Negotiations are in progress for the export of surplus minerals, such as Pyrites, Bauxite and Zinc Blend.

8. The supply of newsprint for Liberated ITALY was practically exhausted during the month and in the City of NAPLES newspapers were forced to suspend publication for two days. In conjunction with AFHQ, small stocks of newsprint have been obtained and it is hoped that these will be sufficient to meet requirements until American newsprint is available. The official price of scrap paper which is the basis of present newsprint production has risen from 7½ lire per kilo to 22 lire per kilo, with black market quotations as high as 40 lire per kilo; the price of newsprint has jumped from 26 lire per kilo to 60 lire per kilo in contrast to a landed

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9. Although the majority of silk filatures in TUSCANY were demolished, two remain in AREZZO Province and the small stocks of cocoons which still exist will be delivered to them. Twenty-seven tons of Persian cocoons have been imported for the Italian reelers and these are being distributed among the filatures in CAMPANIA.

10. The Italian Government assumed responsibility for all civilian allocations of petroleum in LAZIO and ABRUZZI Compartimenti as from 1 March 1945.

FINANCE/.....

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FINANCE SUB-COMMISSION.

11. On 27 February it was widely reported in the Italian press that the U.S. Secretary of the Treasury had stated before a Congressional Committee that the Italian Government had accepted responsibility for the redemption of "invasion currency" under the terms of the Armistice. The reactions of the Italian Government to the statement were mainly of disappointment rather than disillusionment. It is thought that reports of the QUINTIERI - MATTIOLI Mission had already indicated that the U.S. Government had no intention of assuming any liability for the redemption of AM lire used by the U.S. Armed Forces in ITALY, other than the troops expenditure credits already made available. The new Italian Ambassador to the U.S. has, however, been instructed to ascertain the precise meaning of Mr. MORGENTHAU's statement.

12. The Italian Treasury has decided upon two internal loans. A large loan for purposes of reconstruction will be attempted as soon as substantially all of ITALY is liberated. It is planned to issue immediately 25 billion lire of bonds. The books will be open for subscriptions for one month beginning 15 April 1945. These bonds will have a five year maturity, will pay 5%, and will be issued at 97.50.

13. The net investment in Treasury bills during January was 2,405 million lire. The monthly average for the preceding six months of the current fiscal year was 2,400 million lire. Tax collections in Liberated ITALY for the seven months to 31 January 1945 amounted to 8,040 million lire.

14. The programme for turning over to the Federazione dei Consorzi Agrari the accounting and financial responsibility for imported foodstuffs is proceeding smoothly. The large AC stock-pile warehouse at NAPLES and the warehouses and depots of AMG FIFTH and EIGHTH Armies will be handed over to the Federazione on 1 March 1945. The detailed work of pricing, billing, and collecting for sales is done by the Federazione, which renders a receipt report to AC.

FOOD SUB-COMMISSION.

15. Arrivals of imported grain reached a higher level during the month. The actual figures of cereal imports were :

Wheat	91,927 tons
Barley	22,952 tons
Flour	17,333 tons

This enabled reserve stocks to be built up and the "300 gram bread ration policy" to be implemented in Central ITALY as from 1 March making the whole of the liberated territory uniform with respect to the bread and pasta rations. Heavy Worker's ration scales were adjusted. Several other measures were introduced during the month for the improvement of the feeding conditions of office workers, refugees, Sardinian miners and labour employed by the Armed Forces, and also for an extension of public assistance work.

16. The normal issues of bread, pasta and sugar remained unaltered. Owing to distribution difficulties the ration of olive oil for each person for the month

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16. The normal issues of bread, pasta and sugar remained unaltered. Owing to distribution difficulties the ration of olive oil for each person for the month had to be reduced in some areas, including ROME, from three to two decilitres. The issue of meat or meat and vegetable stew to the population of cities of 50,000 and above was reduced from 400 grams to 200 grams due to diminishing stocks and the probability that no further supplies would be forthcoming. The grain situation remained satisfactory. There were 330,000 tons of locally produced grain on hand at the end of the month representing over two months stock of grain at the present rate of consumption.

17. The average weekly arrival of wheat and flour in ROME city fell from 3690 tons in January to 2892 tons in February. As a result the bread reserve of ROME fell from 32 days on 1 February to 22 days on 1 March, the fall being largely due to reduced rail acceptances from the ANCONA area. Approximately 13,000 tons of non-rationed foods arrived in ROME at an average of 425 tons a day. In addition 3400 tons of wine arrived from APULIA and SICILY and about 65,000 eggs a day arrived at the Moranbosen mill.

18. An exchange/....

18. An [illegible] plan for vegetables, which has been under discussion for some months, was adopted by AMG. This will involve a replacement by the Armed Forces on an agreed average basis for a certain amount of the local vegetables purchased on behalf of the Allied armies. This is in addition to vegetables automatically made available for military hospitals and other priority classes.

INDUSTRY SUB-[illegible]ISATION.

19. The improvement of the stockpile of coal at the ROME Gas Works has enabled an increase in the ration of gas to be made.

20. During the month seven factories were [illegible]. Reconstruction is proceeding at sugar beet processing plants for the 1945 campaign and seven plants are scheduled for operation with an estimated output of approximately 30,000 tons. The Pirelli Rubber Reclaiming plant has resumed operations.

21. Approximately 1,650 tons of sulphur have been delivered to factories for the manufacture of carbon bisulphide and for agriculture; bids have been made for the acquisition of 4 liberties at the rate of 630 tons a week. Sicilian supplies depend upon transportation and so far it has only been possible to deliver 3,000 tons a month. Three hundred and thirty tons of carbon bisulphide have been delivered to oil extraction plants in NAPLES and SALERNO and the Southern mainland. In addition, power has been obtained for the plant at SICLI and a combined production of approximately 200 tons was obtained.

22. Lignite production on the mainland is still handicapped by lack of electric power and transportation but the production for February was 45,000 tons and estimated stocks above ground amount to 250,000 tons. Total amount production for the month was 4,000 tons.

23. Delivery of sulphate rock from NORTH AFRICA during the month was approximately 24,000 tons. Production of copper sulphate fungicide by flotation at BARTOLI, near NAPLES, has started and is expected to be maintained at the rate of over 500 tons a month; 2,000 tons of scrap brass are used for this production which will cover the 1945 requirements of this plant.

24. Production of woollen goods shows little improvement on account of the lack of electric power. Approximately fifty firms are, however, running at a reduced capacity by using old motor and lorry engines. Production of cotton goods shows an increase on the previous month.

LABOUR SUB-ORGANISATION.

25. The Confederazione Generale Italiana del Lavoro (C.G.I.L.) Congress held at NAPLES 28 January to 2 February was a marked success, and considerably enhanced the prestige of the Confederation. The keynote of the Congress was the importance of preserving unity of trade union movement without regard to party politics and delegates showed open resentment of the few speakers who introduced political issues. The Executive handled a share in reconstruction; in the fight against the black market, the installation of a sliding wage scale to meet cost of living, and where possible, the [illegible]tioning of factories. There was strong opposition of labour offices. Proposals for agricultural reform, for reform of social insurance, protection of women and juveniles in [illegible] and [illegible]

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26. Threatened strike in a number of undertakings have been postponed pending negotiations, and the C.G.I.L. used its influence as a moderating factor in the prevention of the spread of strikes.

27. Agreements have been reached with the Government for substantial wage increases for State and para-mental employees. Representatives of the Confederation of Industry have agreed that general negotiation of new wage agreements shall take place in all industries, with new basic scales and a variable bonus to keep in step with changes in cost of living.

28. The Minister/....

28. The Minister of Industry, Commerce and Labour has submitted particulars of a draft decree providing for the institution of a "Social Assistance Fund" from which to meet the special needs of workers.

PUBLIC WORKS AND UTILITIES SUB COMMISSION.

29. Electrical service was greatly improved as a result of the successful operation of the Central ITALY Grid. FLORENCE, most distant large city from the main centres of generation, reports that voltage during period of maximum demand has been increased by approximately 20%.

30. Italian Advisory Committees on electric power are now functioning in Central and Southern ITALY and during February Committees were organized in SICILY and SARDINIA.

31. The CANTERNO Generating Station, of 10,000 kilowatts capacity, was completed and connected to the transmission network. Construction of this plant was commenced prior to the war and suspended in 1943. During the German occupation, employees of the company buried parts of the machinery and after liberation they were salvaged and construction resumed.

32. Arrangements have been completed for the withdrawal of AC officers from the Southern Region, and transfer of their military highways responsibilities to representatives of the military district.

33. Operation of the FLORENCE gas system was resumed on 18 February.

34. The effectiveness of the entire reconstruction programme is seriously hampered by shortage of transport, and there is a progressive decline in the number of vehicles available in working condition.

35. During the month 1,474 public works projects were initiated, 613 completed and 2,424 were still in progress.

TRANSPORTATION SUB-COMMISSION.

36. The bids made on APHQ for the movement of AC traffic by rail were accepted up to 80% and the majority of these bids were actually moved. The system of bidding for, and programming AC traffic is, at present, under review and new arrangements will come into force during March. The object of the contemplated change is to decentralise some of the work and to secure more accurate records of tonnages carried.

37. ENAC (Ente Nazionale Autotrasporti Cose) came into being on 1 February. It is too early to determine the effectiveness of the organisation, but cooperation between ENAC and this HQ has been good.

38. Out of the first consignment of 1700 trucks, mentioned in last month's report, to be imported from the USA, 360 have arrived. These vehicles are sent cased and will be assembled in this country. They will operate mainly in the North.

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Regional Advisory Committees on electric power are now functioning in Northern and Southern ITALY and during February Committees were organized in SICILY and SARDINIA.

31. The CANTERNO Generating Station, of 10,000 kilowatts capacity, was completed and connected to the transmission network. Construction of this plant was commenced prior to the war and suspended in 1943. During the German occupation, employees of the company buried parts of the machinery and after liberation they were salvaged and construction resumed.

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PART IV

PUBLIC RELATIONS BRANCH & INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. News services of PWB in Italian Government Territory terminated on 15 February and newspapers and radio stations in this territory will now be serviced by private agencies.

2. Representations were made to the Italian Government concerning reported inefficient handling of imported Allied newsprint by the Italian Press Committee which, during the month, resulted in suspension of publication of several newspapers in NAPLES and ROME due to shortage of newsprint.

3. The News Production Section expanded its programme and local outlets were increased to twenty-nine direct recipients, including all Allied neutral correspondents, morale papers, wire services, four Italian news agencies and also nine indirect channels, such as AFHQ News Production Section and Italian Government Press Bureau.

NAVY SUBCOMMISSION

4. There were no far-reaching changes during February.

5. The Ministry of Marine, at the request of the Navy Subcommission, has agreed to supply sixty Italian naval officers for assignment to duty with Italian military courts in order that the Navy may bear its proportionate share of court work.

6. The Italian Navy has shown an interest in obtaining general technical publications from England and the United States and some publications have been supplied already to the Ministry of Marine by American and British representatives.

7. On 19 February Rear Admiral G.L. WARREN was appointed as Chief of the Navy Subcommission, vice Rear Admiral C.E. MORGAN, C.B., D.S.O.

LAND FORCES SUBCOMMISSION

8. Assisted by Patriots, Italian troops of the Cremona Combat Gp, in their first major action since they entered the line, fought a successful battle in the Adriatic Sector of the EIGHTH Army front. Praise and recognition of their success was given both by Field Marshal Alexander and General Mark Clark. All reports generally indicate a good standard of morale and discipline.

9. During the month the Friuli Combat Gp moved into the line after a period of training and later came under command EIGHTH Army.

10. An unexpected increase in the numbers of men enlisted for Combat necessitated the establishment of an overflow camp in the Reinforcement Centre area which imposed a severe strain on equipment and Italian staff.

11. The enrolment of Patriots into the Italian Combat Gps continued during the month. Over 1,800 Patriot volunteers were moved from the forward area by road and rail to CESANO where their initial training in British methods and equipment commenced. Some difficulty was experienced in persuading these volunteers to hand

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12. Results of the re-call to the colours and the call-up of the 1914-15 recruits were most encouraging. Reinforcement Camps at ORVIETO, TRANI and AVRAGOLA are almost full to capacity.

13. The ration scale of flour, olive oil and nuts was increased by authority of AFHQ from 20 February 45.

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14. The month has shown an all-round improvement in the morale of the Italian Army. This was due mainly to the increased welfare facilities which have been implemented during the last few weeks. The Italian Army newspaper "LA PATRIA" now has a wide distribution and is issued free to all Italian Units in the forward areas. Several voluntary welfare organizations have been started in the forward areas and the Italian Forces' Rest Home in ROME was visited by the Prime Minister, the War Minister and the Minister of Marine on 9 February.

AIR FORCES SUBCOMMISSION

15. The Italian Air Force is still being employed in active operations over the BALKANS. The scale of effort during the month of February was the second greatest since the Italian Air Force has been controlled by the Air Forces Sub-commission. The Fighters attacked a variety of targets, and it is confirmed that damage to enemy transport was inflicted.

16. The Seaplane Wing carried out a very successful Air/Sea Rescue sortie and rescued the crew of an Allied aircraft in spite of extremely difficult weather and sea conditions.

17. The Bomber/Transport Wing has carried out the largest number of sorties since August 1944.

18. The Light/Bomber Wing has dropped a considerable weight of bombs with good results. Unfortunately the Commanding Officer of one of the Squadrons and his crew were lost by a direct hit from anti-aircraft fire.

19. The morale of the Force remains satisfactory, and a small increase in the rations for flying personnel has been very well received.

20. The new Minister, H.E. DOCTOR LUIGI GASPAROTTO, has made a good start and is popular with the units.

COMMUNICATIONS SUBCOMMISSION

21. Considerable extensions were authorized by the military security authorities to the areas open to civil communications. These are now:

Postal boundary (foreign and domestic). The Northern boundary of PESARO and AREZZO provinces, thence the line of the R. ARNO through the provinces of FIRENZE and PISA (including the provincial capitals).

Telegraph boundary (domestic). The Northern boundary of PESARO and AREZZO provinces, the line of the R. ARNO through the province of FIRENZE, thence including SIENA & GROSSETO provinces.

Telephone boundary (inter-provincial service). The Northern boundary of MACERATA, PERUGIA and GROSSETO provinces; the province of FOGGIA is excluded. Provincial telephone service is allowed in ANCONA, SIENA and FOGGIA provinces.

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22. Services are not in full operation in all the northernmost parts of these areas but they are being steadily restored.

23. Tests were satisfactorily made and all arrangements completed for the opening of the ROME-NEW YORK radio telephone service. The Italian language may now be used in telegraph and telephone communications from ITALY.

24. Authorization was received from Combined Chiefs of Staff for the issue to the Italian Government of the communication stores requisitioned from Allied resources on the "prevention of disease and unrest" basis; this basis allows for about a 3% restoration of facilities.

25. Arrangements were completed for the method of sale in situ of surplus military signal stores, and the transfer of circuits constructed by military signals in SARDINIA was completed and the price settled.

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WMD & IPW SUBCOMMISSION

War Materials Disposal

26. A new procedure for handling all surplus salvage and scrap material made available from the Allied Armies in Italy to the Italian Government has been established. Arrangements have been made with PBS and British Salvage regarding future allotments

27. Some 7,550 tons of salvage material was offered by PBS and British Salvage to the Allied Commission during February and bids have been made accordingly. This salvage material included aluminium, canvas, cotton, ferrous metals and rubber.

28. Abandoned ammunition continues to be a serious problem and a scheme whereby it can be broken down and remade into mining explosives is being considered.

Italian Prisoners of War

29. The number of Italian prisoners of war repatriated during February was 819. This figure is less than 50% of the average for the past six months and the Italian Government, through the Italian High Commissioner for Prisoners of War, expressed great concern at this reduction in numbers. Most of those repatriated during February were sick and wounded.

30. Remittances to Italian families made by Italian co-operator prisoners of war increased from 10,401 pounds sterling in January to 92,2[illegible] pounds sterling during February. The statements were passed to the Italian High Commissioner for Prisoners of War for payment.

31. 593 packages of impounded valuables were forwarded to the Italian High Commissioner for Prisoners of War and the Italian Red Cross for distribution to claimants.

32. A meeting was held at this Headquarters regarding the repatriation of some 30,000 Italian prisoners of war for employment into the Italian Army. The policy with regard to types of specialists and priorities was discussed, and arrangements as to procedure were agreed.

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Rear Admiral, USN
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HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT
JUNE 1945

Ref: 824/30

13 August 1945

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HEADQUARTERS ALLIED COMMISSION
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MONTHLY REPORT

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POLITICAL SUMMARY

1. The first important development of the month preceding the solving of the Government crisis was the declaration of complete agreement of the six parties, after considerable discussion, on the subject of the position of the Committees of National Liberation. Agreement was reached on the following points:

   1. The provincial and communal Committees of National Liberation should continue to carry out consultive functions with the Prefects until such time as the normal organs of local administration should be re-established after Democratic elections;

   2. That the other Committees of National Liberation not covered by the preceding paragraph should return to their exclusively political character;

   3. The Committees in factories and industries should be transformed into technical and trades union organisations according to the production needs or social requirements of the factory or plant in question.

2. At a meeting of the Council of Ministers on 8 June the political situation was reviewed and Signor BONOMI offered to hand in his resignation. However, the Communist, Socialist, Labour Democrat and Christian Democrat Ministers in the Government requested Signor BONOMI to hold his hand a few days more until an agreement had been reached. In the meantime, on 9 June political leaders in the North, impatient of delay, sent a delegation to ROME led by Signor MORANDI, President of the CLNAI, and representing the Regional Committees of Liberation of VENEZIE, LIGURIA, LOMBARDIA, EMILIA and PIEDMONTE.

3. On 12 June, Signor BONOMI placed his resignation in the hands of the Lieutenant of the Realm and the Government crisis was officially opened. The CLNAI passed a resolution calling for action on a three-point programme; namely, the designation of Signor PARRI as the President of the Council, the representation in the new Government of all the political forces in the Committees of National Liberation, including such leaders as Signor NENNI, TOGLIATTI and DE GASPERI and finally the appointment of five ministers without portfolio to be designated by Northern political parties. The Central CLN accepted the first point of this resolution the same day and on 17 June Signor PARRI was received by the Lieutenant of the Realm and officially charged with formation of the new Government. Lists of the new Cabinet Ministers and Undersecretaries can be seen on page 4.

4. There are three additional Ministries in the new Government giving a total of twenty portfolios. The Ministry of Post War Relief will absorb the work of various High Commissions and other agencies set up to deal with refugees, prisoners of war and veterans; the previous Government had a High Commission for Food and this has now been raised to the rank of a Ministry.

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5. The proportion/.....

5. The proportion of new blood is substantially higher than in the last Government. Counting Signor PARRI himself, there are nine newcomers, some of whom are in important posts. As might be expected, the North has the largest representation, fourteen of the Ministers having been born North of ROME. However, it is the most representative Cabinet on geographical lines that new ITALY has yet achieved. There are three members from Southern ITALY, two from SICILY and one from SARDINIA. The new Government is further to the left than Signor BONOMI's last administration and Signor PARRI himself is a man of avowed republican sympathies, although he does not share Socialist views on "Social Problems" - or so at least Signor NENNI himself has asserted. The powers given to Signor NENNI to take charge of the work of preparing for the convocation of the Constituent Assembly and of the Office of Sanctions against Fascism are of considerable political significance at this time. On the other hand, the Right has also had its triumphs: it has succeeded in blocking the drive for a Socialist President which a month ago seemed sure of success.

6. On 23 June, Signor PARRI made a broadcast appeal to the nation. After expressing gratitude to the Allies for the liberation of the country and the generous material support which they had given for its reconstruction, he reminded the Italian people that the country was still in a state of emergency and that only a united effort would see ITALY through. The convocation of the Constituent Assembly could not of itself provide bread for people to eat and the Allied powers would be unwilling to give that material aid which was so essential for the reconstruction of the country unless they were satisfied that the Italians themselves were making a serious effort for their own redemption. The reaction to this sensible speech has been uniformly good.

7. On 25 June, the Cabinet Council held its first meeting under Signor PARRI's chairmanship and prepared a nine-point draft programme which was approved by the Council of Ministers on the following day. The nine points incorporated in the subsequent statement of the Council are as follows:

1. Preparation of the Constituent Assembly

2. Appeal to the Allies to replace the armistice clause by a Peace Treaty.

3. Direct negotiations with Yugoslavia on the VENEZIA GIULIA question.

4. Reconstruction of the High Commission for Sanctions against Fascism.

5. Recognition of the advisory function of the Committees of National Liberation.

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6. Administrative elections as early as possible.

7. Inclusion of representatives from the North in the Consultative Assembly.

8. Collaboration with the General Confederation of Italian Labour and other workers' groups on problems of labour and supplies.

9. Reconstruction.

The Council/.....

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The council also approved a draft decree presented by Signor NENNI for the abolition of the title of "Excellency". The Council further heard a report from Signor SCELBA and approved a budget for the next two months. A few days later it was announced that the campaign for the 5% Treasury Bond loan would now be extended to the North and Minister SCELBA expects by this means to increase the present subscriptions from 2,000,000,000 lire to 100,000,000,000. A special Inter-ministerial Committee was set up for economic coordination of the North and the South consisting of Signori RUINI, LA MALFA, GRONCHI, SCOCCIMARRO and RUINI.ASCHI: its specific task is to study the questions of prices, wages and salaries.

8. The military agreement on VENEZIA GIULIA was signed in BELGRADE on 9 June on behalf of Field Marshal ALEXANDER and Marshal TITO. Marshal TITO by this agreement undertook to withdraw his troops to the East of a line running roughly from the frontier North of GORIZIA, East of this town and thence East of TRIESTE to the coast to the North of CAPO D'ISTRIA and YUGOSLAV troops were to be withdrawn from POLA and the surrounding area. Allied Military Government was formally set up in TRIESTE on 12 June and in GORIZIA on 14 June.

9. Reaction to this settlement of the VENEZIA GIULIA question was not favourable in ITALY. The Council of Ministers in the programme already mentioned referred to the agreement as an "unsatisfactory arrangement". The "Globo" pointed out that ITALY had "lost" by the terms of the agreement "about half the national production of coal, almost all her bauxite and a good part of her mercury". A one-day general strike took place in TRIESTE on 26 June but there were no complications and Marshal TITO's latest speech on the possibility of Yugoslavia and Italy living in friendly relations "in an atmosphere of progressive democracy" should serve to clear the air.

10. Disturbances broke out in Southern ITALY in late June which assumed a greater measure of importance in view of Signor NENNI's declaration that illegal activities must cease. Details are given on page 10.

11. The main economic problems facing ITALY and the Allied Commission are food and work. The wheat crop this year is expected to be 2,000,000 tons less than last year's harvest, largely due to the prolonged drought, and the loss reduces the food supply and raises other economic problems. The income of 47% of ITALY's population, dependent on farming, will probably be cut by 220,000,000 dollars (£55,000,000). Farming will not be alone, moreover, to absorb the surplus labour from industries which have been obliged to close down for lack of coal and raw materials. Food shortages further raise the problems of public safety and even public health since the farms have not been producing enough for the needs of their owners let alone a surplus for export to deficient areas. The estimate of the wheat crop cannot be definite until the crop is threshed, but the reports are clear enough to warrant calling attention to them in all fields of governmental activity, Italian as well as Allied, since the all important question of increased imports is sure to be raised again.

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The council also approved a draft decree presented by Signor NENNI for the abolition of the title of "Excellenza". The Council further heard a report from Signor SCELBA and approved a budget for the next two months. A few days later it was announced that the campaign for the 5% Treasury Bond loan would now be extended to the North and Minister SCELBA expects by this means to increase the present subscriptions from 2,000,000,000 lire to 100,000,000,000. A special Inter-ministerial Committee was set up for economic coordination of the North and a Sub-Committee consisting of Signori RUINI, LA MALFA, GRONCHI, SCOCCIMARRO and MARCHESCHI: its specific task is to study the questions of prices, wages and salaries.

8. The military agreement on VENEZIA GIULIA was signed in BELGRADE on 9 June on behalf of Field Marshal ALEXANDER and Marshal TITO. Marshal TITO by this agreement undertook to withdraw his troops to the East of a line running roughly from the frontier North of GORIZIA, East of this town and thence East of TRIESTE to the coast to the North of CAPO D'ISTRIA and YUGOSLAV troops were to be withdrawn from POLA and the surrounding area. Allied Military Government was formally set up in TRIESTE on 12 June and in GORIZIA on 14 June.

9. Reaction to this settlement of the VENEZIA GIULIA question was not favourable in ITALY. The Council of Ministers in the progress already mentioned referred to the agreement as an "unsatisfactory arrangement". The "Globo" pointed out that ITALY had "lost" by the terms of the agreement "about half the national production of coal, almost all her bauxite and a good part of her mercury". A one-day general strike took place in TRIESTE on 26 June but there were no complications and Marshal TITO's latest speech on the possibility of Yugoslavia and Italy living in friendly relations "in an atmosphere of progressive democracy" should serve to clear the air.

10. Disturbances broke out in Southern ITALY in late June which assumed a greater measure of importance in view of Signor NENNI's declaration that illegal activities must cease. Details are given on page 10.

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LIST OF MEMBERS/.....

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ITALIAN GOVERNMENT

LIST OF MINISTERS AND UNDERSECRETARIES

Ministry	Minister	Party	Undersecretaries	Party
President	Ferruccio PARRI	Action		
Vice-President	Pietro NENNI	Socialist	Giustino ARTESANI	Liberal
Vice-President	Manlio BROSIO	Liberal	Giorgio AMENDOLA	Communist
Agriculture	Fausto GULLO	Communist	Antonio SEGNI	Christian Democrat
Air	Mario CEVOLOTTO	Labour Democrat	Ernesto PELLEGRINI	Independent
Education	Vincenzo ARANGIO-RUIZ	Liberal	Achille MARAZZA	Christian Democrat
(Fine Arts)			Carlo RAGGHIANTI	Action
Finance	Mauro SCOCCIMARRO	Communist	Enrico PARESCE	Labour Democrat
Food	Enrico MOLE	Labour Democrat	Renato SANSONE	Socialist
Foreign Affairs	Alcide De Gasperi	Christian Democrat	Eugenio REALE	Communist
(Italians abroad)			Gemma MORELLI	Liberal
Industry and Commerce	Giovanni GRONCHI	Christian Democrat		
(Industry)			Ivan Matteo LOMBARDO	Socialist
(Commerce)			Enzo STORONI	Liberal
Interior	Ferruccio PARRI	Action	Giuseppe SPATARO	Christian Democrat
Justice	Palmiro TOGLIATTI	Communist	Dante VERONI	Labour Democrat
Labour and Welfare	Gaetano PANTALEONI	Socialist	Gennaro CASSIANI	Christian Democrat
Navy	Raffaele De COURTEN	Independent		
(Military)			Carlo ARDIZZONE	Labour Democrat
(Merchant)			Angelo CORSI	Socialist
Post and Telegraphs	Mario SCELBA	Christian Democrat	Mario FANO	Independent

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Air	Mario CEVOLOTTO	Labour Democrat	Ernesto PELLEGRINI	Democrat Independent
Education	Vincenzo ARANGIO-RUIZ	Liberal	Achille MARAZZA	Christian Democrat
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(Merchant)			Angelo CORSI	Socialist
Post and Telegraphs	Mario SCELBA	Christian Democrat	Mario FINO	Independent
Post War Relief	Emilio LUSSU	Action	Ernesto [illegible]	Communist
Public Works	Giuseppe ROMITA	Socialist	Giuseppe BRUNO	Action
Reconstruction	Meuccio RUINI	Labour Democrat	Ernesto ROSSI	Action
Transport	Ugo LA MALFA	Action	Antonio Priolo	Socialist
Treasury	Marcello SOLERI	Liberal	Giovanni PERSICO	Labour Democrat
			Pietro NENNI	Action
War	Stefano [illegible]TINI	Christian Democrat	Mario [illegible]	Communist
			Luigi [illegible]	Independent

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PART I.

REGIONAL REPORTS.

EMILIA REGION.

1. There were no major political changes during June and the political atmosphere remains outwardly calm. Most people sense a deliberate policy of deferred action on the part of the more lawless elements who are obviously awaiting eagerly the departure of the Allies; this is further borne out by the attitude of the Carabinieri who feel that any action on their part now will be the cause of reprisals against them later. The Communists are still the most aggressive of the parties.

2. During the past month rapid strides have been made in restarting the industries in the Region. Eighty two factories which, at the beginning of the month, were closed are now in production and a further twenty one are continuing necessary repairs and will be in operation within the next month. The greatest obstacles to the recovery of industry continue to be the extreme shortage of coal and lack of transport.

3. Apart from the shortage of fresh meat, food conditions throughout the Region remain exceptionally good. During the month over 1,000 head of cattle were sold to TOSCANA and between 500 and 1,000 to Northern Provinces. There is still an acute shortage of cattle fodder in all provinces.

4. Wheat crops, after first threshing results, are estimated to be 40-50% less than previous yields. Continuation of the drought has caused considerable damage to the crops and rice alone shows an almost normal harvest.

5. The health of the people continues to be comparatively good, with the exception of local outbreaks of typhoid and paratyphoid fever in BOLOGNA Province.

6. Progress on all public works is seriously hampered by lack of transport and critical materials. Twenty one drainage and flood-control projects have been completed during June.

7. Although the number of major crimes committed has steadily decreased, intimidation of land-owners and even of public officials still continues in the form of anonymous threats and acts of extortion. One serious crime occurred at FERRARA, where a number of armed men wearing British battledress, with one of the party acting as a prisoner, entered the prison and shot the chief guard and seventeen prisoners. Nine others were injured and thirty four prisoners escaped. Eighteen of the escaped prisoners have returned of their own accord. A similar attack on a prison occurred at CARPI in MODENA Province where sixteen wellknown Fascist political prisoners were shot.

8. All patriot centres in the Region were closed on or before 10 June.

9. Unemployment is widespread and the estimated number of unemployed in the Region is 265,000. More than 140,000 refugees, both Allied and Italian, passed through the camps during the month.

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LIGURIA REGION.

10. Allied Military Government has now existed in LIGURIA Region for a few days over two months. The people have been fed, law and order has been restored, business of many kinds re-opened and a start on the repair of public works has been made. Schools and banks are functioning almost normally. Public morale, however, is affected by fear and uncertainty; as military units are withdrawn many people express the fear of reprisals, lawlessness and violence after the departure of the Allies.

11. Throughout/...

11. Throughout the Region provincial and communal administrative bodies are established and in operation and the efficiency of government is steadily improving.

12. The full allocation of flour and groceries for June together with the undelivered portion of the May allocation of flour have been distributed and there is now a substantial stockpile in each Province. A bread ration of 150 grammes a day, with one kilo of pasta and one kilo of rice and issue of fats, sugar and other supplements has been maintained. Heavy workers' supplements are being issued. Vegetables, fruit and fish are available in all provinces and prices have shown some decrease but meat is in short supply.

13. In GENOA there are about 60,000 to 70,000 unemployed, in SPEZIA 10,000 and large unemployment exists in each of the other provinces. No relief on a large scale can be anticipated until coal and other raw materials are available. At the present fruit and vegetables are plentiful but food kitchens will soon have to take over a heavy responsibility to prevent hunger and serious unrest. No strikes occurred during the month although there was an increasingly insistent demand for a better wage level and more employment.

14. The clearance of the harbour of GENOA has met with many difficulties which, after a minesweeper was destroyed with some loss of life, have resulted in the closing of the port for an indefinite time. One large ship at a time is being off-loaded on a nearby beach and the work of clearing SAVONA harbour was completed at the end of June. Rail transportation was available from GENOA to SAVONA as from 20 June.

15. During the month there has been an increase in crime, involving larceny but a decrease in cases of extortion and murder, thirty five murders being reported. Investigations were made in all cases but the results have been disappointing, partly due to witnesses not coming forward to give evidence for fear of reprisals. Prison deliveries occurred on 27 June, when twelve prisoners were removed from the PUBLIC SECURITY Section in SAVONA Province, and on 6 June, when three prisoners were removed from the gaol at LA SPEZIA. On 7 June, a mass grave of Nazi-Fascist atrocities containing about fifty bodies was found at SAVONA: many have been identified.

16. Public health in the Region was good and there was no evidence of malnutrition. There was, however, a marked rise in the number of typhoid fever cases reported in GENOA, caused during the month, traced to the free flow of sewage into the sea, sea bathing under insanitary conditions and the eating of raw sea foods. Efforts to discourage these practices have been made.

17. All public schools in the Provinces of IMPERIA, LA SPEZIA and SPEZIA are open for a summer session lasting until 14 August 1945.

LOMBARDIA REGION.

18. The rising cost of living, low wages and salaries continue to be the chief source of discontent and political unrest. Between 22 and 26 June there were twenty four disturbances in MILAN Province, usually taking the form of sit-down strikes. Constant negotiations with employers and representatives of

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LOMBARDIA REGION.

18. The rising cost of living, low wages and salaries continue to be the chief source of discontent and political unrest. Between 12 and 26 June there were twenty four disturbances in MILAN Province, usually taking the form of sit-down strikes. Constant negotiations with employers and representatives of labour were successful in avoiding any serious incidents.

19. The minimum ration scale has been maintained but meat is in very short supply.

20. Distribution of captured animals to a total of over 5,500 has been concluded. It has been arranged for teams to round up shortly a large number of captured animals which had already been distributed in certain provinces before the arrival of AMG.

21. The moral/...

21. The morale and efficiency of the Carabinieri has improved and they are working well throughout the Region. Very little hostility has been shown towards them. Public Security Agents are, however, most unsatisfactory, mainly due to the lack of experienced officers. Forty three cases of homicide were reported during the month, the majority of which occurred before 7 June. These figures show improvement on those of last month when 469 murders were reported in three provinces. A much higher percentage of crimes have been solved and detected. Cases of highway robberies, larcenies, illegal possession of firearms, cattle and horse stealing and extortion of money with threats have been reported.

22. One hundred and thirteen cases were tried by Summary and Superior Courts in MILAN city and thirteen in the Provinces. Italian Courts continued to function normally but are handicapped by lack of personnel and by the necessity for giving prior attention to the Extraordinary Courts.

23. Public health remained satisfactory. There has been a slight increase in the cases of typhoid fever. One case of typhus at DARFO-BRESCIA has been reported.

24. A small strike took place among teachers for increases in wages, but the announcement of certain officially established increases has quietened the situation temporarily.

25. 18,890 refugees and displaced persons have been registered and passed through camps in LOMBARDIA Region, making a total of 31,342 persons since the opening of these camps. Internees from SWITZERLAND are returning at the rate of about 5,000 a week.

PIEDMONTE REGION.

26. Considerable progress was made during the month towards the restoration of the Region to normal conditions and the populace remained very friendly towards the Allied Forces. While in the city areas political activity appears to be on the increase and labour problems abound, the rural areas have little interest in politics. The Communist and Socialist Parties appear to have become more segregated, the Communist Party being the most active.

27. French forces have withdrawn from AOSTA and TURIN Provinces and it is anticipated that the remaining occupied areas in CUNEO Province will be evacuated in the near future.

28. The food situation is good but the wheat harvest is expected to be far below normal. The health of the civilian population and sanitary conditions remain satisfactory.

29. The major outstanding Regional problem is cost of living and the comparatively low scale of wages operating are insufficient to combat the inflated prices. Considerable unrest exists amongst the people, as evidenced by numerous large scale demonstrations and small strikes throughout the Region all of which, however, were orderly.

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30. Crime is on a comparatively low scale. Eight cases of murder have been reported during June but police services are functioning reasonably well and there has been an improvement in their morale.

31. Repatriation of displaced persons from SWITZERLAND to ITALY has commenced, the total number to be repatriated being estimated at 40,000.

32. Fiat works continue in production making 12 three-ton trucks and 10 cars a day, but local stocks of tyres are now almost at an end and the shortage of tyres throughout ITALY is acute.

TOSCANA REGION.....

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TOSCANA REGION.

33. On 19 June the Provinces of FIRENZE, PISTOIA, PISA, less the Commune of PISA and the Province of LIVORNO, less the Commune of LIVORNO and COLLI SALVETTI, were handed over to the jurisdiction of the Italian Government and appropriate ceremonies were held to commemorate the day. The Provinces of LUCCA and APUANIA were transferred to the administration of AMG Liguria Region. LIVORNO Commune remained under AMG and the Communes of PISA and COLLI SALVETTI came under the command of Commissioner LIVORNO Zone.

34. Although there was no outstanding development during the month the political parties were very active and the Communist Party stirred up the farmers, inciting them to make trouble for the landowners. Local Government continued to function smoothly.

35. The food situation has been satisfactory. The handover of the control of food supply to the Italian authorities has been effected without notable interruption to supply. Olive oil amassed, at the present scale of issue, should supply the Region until January 1946.

36. The morale of the Italian public safety organisations has improved under Allied Military Government and crime in general is decreasing.

37. Public Health is good and the anti-malarial programme has been handled with excellent results.

38. Since the commencement of AMG in the Region over 18,000 persons have been tried and over 10,000 appeals were reviewed.

39. The approximate state of repair projects to monuments in all nine provinces shows 101 projects completed or near completion, and 186 projects under way or barely started. The restoration of the burnt Campo Santo in PISA will be one of the most difficult and expensive Fine Arts problems before the Italian Government.

VENEZIE REGION

40. Throughout the month the five Provinces of UDINE, VENEZIA, TREVISO, PADOVA and ROVIGO were under direct Regional administration; the five Provinces of BELLUNO, VICENZA, BOLZANO, TRENTO and VERONA remained officially under AMG Fifth Army but VENEZIE Region was responsible in varying degree for most aspects of the administration.

41. The ten Prefects, all of them C.L.N. nominees appointed by AMG during May, continued to justify their selection. It was found necessary, however, to make changes in some of the Questore and to appoint men from the South with professional training in their place.

42. The disarming of the patriots was officially completed in the third week of June. There is, however, disquieting evidence that many patriot bands are maintaining hidden stores of arms but definite information as to the location and size of such dumps is exceedingly difficult to obtain. It

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43. The state of public security remained reasonably good. On the opening of the Special Court of Assizes in PADUA on 16 June, the crowd assembled in court and, excited by the evidence, stormed the prisoners' cage and carried off six prisoners. One was killed by the other five were rescued by Allied Military intervention. The dispatch of Carabinieri into the mountainous districts proceeded with less trouble than was anticipated, and by the end of the month nearly all stations had been opened.

44. Public health remained good and there were no serious epidemics. The food situation did not give rise to any anxiety except temporarily in UDINE where an attempt to move wheat into the Province by water transport from ROVIGO was impeded by a barge sunk in a canal.

45. Though many factories remain intact and ready to function, the shortage of raw materials, above all the shortage of coal, stand in the way of a resumption of production.

46. Railway communications improved considerably during the month and a start was made in the organization of truck pools.

REPORT BY RECENT VISITOR TO VENEZIA GIULIA.

47. Outwardly TRIESTE does not strike one as being the hot spot or the powder-keg of EUROPE, as it has been variously described. Except when there is a general strike, a superficial air of normality abounds. The bulk of the population seems to be either in the sea, bathing alongside the Allied troops, or in the trams which take them to and from the beaches. Food does not appear to be very short and flour was being sold on the quaysides from little ships coming in from the coastal towns at 40 to 50 lire per kilo. Maize was cheaper and potatoes were going at 22 lire and there did not seem to be a vast crowd of purchasers.

48. But that is only on the surface. Underneath there is a complex problem of nationalism and politics, of economic distress and, at any rate in POLA and MONFALCONE, the pressing problem of war damage, all of which are producing for the AMG authorities under XIII Corps one of the most difficult tasks that has faced the Allies in ITALY.

49. But one and all are tackling it quietly and efficiently and in the true spirit of AMG's position as trustees in a disputed territory. AMG is dealing with the territory as an administrative area with the one object of establishing good government without fear or favour. There is no doubt that stability is being established: it may probably be upset from time to time by forces beyond control but the effect of impartially and firm administration is being felt; it can be seen.

50. There was a strike in TRIESTE on 25 June involving shipbuilding docks, tramways and some shops. It was well and rapidly organised which shows the powers of the forces with which AMG has to contend, but it passed off without incident, without casualties and with only one or two arrests, a tribute to the stabilising influence of Allied troops and the military government, a tribute which is even more creditable when it is realised that there is practically no indigenous police and that law and order is maintained by the machinery of the military police and special troops allotted to them. The organisation however of a composite police force is going ahead, including the training of about 3,500 indigenous police who will eventually form the civil police force for the territory.

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REPORT BY RECENT VISITOR TO VENEZIA GIULIA.

47. Outwardly TRIESTE does not strike one as being the hot spot or the powder-keg of EUROPE, as it has been variously described. Except when there is a general strike, a superficial air of normality abounds. The bulk of the population seems to be either in the sea, bathing alongside the Allied troops, or in the trams which take them to and from the beaches. Food does not appear to be very short and flour was being sold on the quaysides from little ships coming in from the coastal towns at 40 to 50 lire per kilo. Maize was cheaper and potatoes were going at 22 lire and there did not seem to be a vast crowd of purchasers.

48. But that is only on the surface. Underneath there is a complex problem of nationalism and politics, of economic distress and, at any rate in POLA and MONFALCONE, the pressing problem of war damage, all of which are producing for the AMG authorities under XIII Corps one of the most difficult tasks that has faced the Allies in ITALY.

49. But one and all are tackling it quietly and efficiently and in the true spirit of AMG's position as trustees in a disputed territory. AMG is dealing with the territory as an administrative area with the one object of establishing good government without fear or favour. There is no doubt that stability is being established: it may probably be upset from time to time by forces beyond control but the effect of impartially and firm administration is being felt; it can be seen.

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AMG NAPLES COMMUNE.

51. There was little change in the situation in NAPLES Commune. Crime showed a slight tendency to increase, the chief offences being thefts of Allied goods. There were six cases of incidents between Allied troops and Italian soldiers and civilians during the month, resulting in the death of two Allied military personnel and one civilian.

52. Unemployment in NAPLES is increasing and it is estimated that the figure has now reached about 100,000 as against 70,000 in April.

53. The/ ....

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53. The smallpox epidemic was abating in NAPLES Comune but outside the city the figures remained static. Typhoid cases remained at the same level as in May, twenty three new cases being reported for the first three weeks in June. Water shortage was causing anxiety.

54. Farmers had in some cases to kill off livestock as grazing was short due to the drought. Damage caused by the grasshopper plague was comparatively slight inspite of the unusually large swarms of these insects.

55. More street lighting is now available in NAPLES and there has been an extension in the tramway services. The approximate number of children in NAPLES schools is 45,000 against 25,000 last year and a pre-war figure of 100,000. Over forty cooperative food shops have now been opened and it is planned to bring this number up to two hundred. Clothing available for issue from the repairing and dyeing shops now amounts to 535,910 pieces in comparison to 361,316 pieces at the end of May. 52,105 pieces were issued during June.

AMG LIVORNO ZONE.

56. The political situation in the LIVORNO and PISA areas remained quiet. There were no labour disturbances and for many months past there has been an almost total absence of demonstrations, inflammatory posters and slogans painted on walls. Public morale was good.

57. Political party volunteers helping with the thousands of refugees in daily transit through the city have rendered invaluable assistance. Arrangements were completed during the month to turn over all civilian supply supervision and administration for the entire Provinces of PISA and LIVORNO to the Italian agencies.

58. Lack of rain is seriously affecting crops.

59. With the employment afforded by the Allied military authorities in the city of LIVORNO no serious unemployment exists, but in PISA Comune there are 8,000 unemployed; with military installations now departing and refugees returning from the North it is estimated that this number will soon rise to 14,000.

60. Water supply for civilian use continues to be precarious; while this results primarily from the war destruction of large sections of the water supply system, the shortage is further aggravated by the large number of military personnel within the district, the prolonged drought and the large amount of water diverted for the German PW stockade which is in this area. Work in progress on water supply systems should relieve the situation to some extent within the next month.

61. Allied Military Courts disposed of 268 charges for violations of proclamations and general orders during the month.

62. No serious outbreaks of disease have been reported and conditions appear to be normal for this time of year.

(Liaison Officer, PWB)

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61. Allied Military Courts disposed of 288 charges for violations of proclamations and general orders during the month.

62. No serious outbreaks of disease have been reported and conditions appear to be normal for this time of year.

BARI AND SOUTH EAST ITALY (from report of A.C. Liaison Officer BARI)

63. There were serious disturbances and terrorist rule by Communists at ANDRIA and MINERVINO MURGE, BARI Province, during the latter part of June. On 25 June a party of well armed Communists attacked the Carabinieri barracks of MINERVINO MURGE and demanded the release of three Communists who had been arrested; seven prisoners were released and the Carabinieri were disarmed and interned in their own Caserma. One Carabiniere and one civilian were killed and several others were wounded. 500 Carabinieri reinforcements were dispatched to the scene. On 27 June, armed Communists released 46

prisoners/.....

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prisoners, including four held at the disposition of the Allies, from NUORIA gaol, and established road blocks around the town. The rioters occupied the Post Office, Municipio and Telegraph Exchange at MINERVINO MURGE; telephone lines were cut, farms and trains were ransacked and goods stolen; the law courts at ANDRIA were looted and the Labour Exchange and other public buildings were burnt to the ground. Several alleged Fascists were hunted out and killed and there were several casualties both among the Carabinieri and the Communist bands. The Minister of Labour (Socialist) and Minister of Finance (Communist) visited the Province and discussions took place. Order was restored on 30 June, but the situation was far from tranquil.

64. About 1,600 Yugoslav soldiers were repatriated during the month and 400 wounded were repatriated in a hospital ship.

65. The harvest has been poor and, owing to the shortage of fodder, many farmers have had to slaughter their cattle. Distribution of rationed food, with the exception of sugar which is in short supply, has been satisfactory.

SARDINIA (from A.C. Liaison Officer SARDINIA).

66. The political situation showed little change. The acute drought has had a serious economic effect on the Island and the grain and wheat harvests were seriously damaged. Much livestock had to be slaughtered as there was insufficient fodder and diseases broke out .

67. During the month 44,186 tons of Sulcis coal were mined, as compared with 38,211 tons in May, and 38,240 tons were exported to the Mainland.

68. Total imports for the month amounted to 2,994 tons, an increase of 1,642 tons on the previous month. Cheese has been the only foodstuff exported.

69. Public safety conditions were better during June although there were a few minor disturbances.

70. A small number of cases of typhoid fever was reported in all three Provinces. The number of tuberculosis cases and the inadequate Sanatoriums and Institutions for their care are causing concern.

SICILY (from A.C. Liaison Officer C.I.L.L. and PALERMO).

71. The political situation remained unchanged although the divergence of opinion between the Republican and Monarchist groups was becoming more pronounced and public opinion appeared to have crystallised towards a Republic.

72. Price Committees are functioning but a rigid control of prices is still lacking, resulting in an increase in black market activities. Epuration is progressing very slowly and individuals affected are in most cases only minor officials.

73. At MESSINA Province the typhus epidemic has been stamped out and in

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72. Price Committees are functioning but a rigid control of prices is still lacking, resulting in an increase in black market activities. Epuration is progressing very slowly and individuals affected are in most cases only minor officials.

73. At MESSINA Province the typhus epidemic has been stamped out and in PALERMO Province it is now under control.

74. Classified labour employed by the Allies in SICILY has been granted an increase of 70 lire a day. The arrival of coal and grain shipments were regular and stocks of grain were available by the end of the month.

75. Several clashes have been reported between Carabinieri and members of the Separatist Party who have taken refuge in mountainous districts North-west of ENNA following the closing of all their Headquarters by order of the Prefect. A few caches of arms were found but there were some casualties on both sides.

76. There/....

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76., There were several strikes on the Island during the month, the most important of which was the strike of the sulphur mines in the Province of CALTANISSETTA. As the month closed the miners returned unwillingly to work after a compromise agreement had been reached.

PART II/.....

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PART II

CIVIL AFFAIRS SECTION

Defascism.

1. No new decrees were passed during the month due to the cessation of legislative activity of the Italian Government during the political crisis.

2. General Order 46 dealing with the epuration of workers and employees in private industry was issued on 2 June 1945. The Provincial Epuration Commissions operating under General Order 35 have been working satisfactorily.

3. The American and British Embassies and the Allied Commission have given their approval for the enactment of a decree dealing with the forfeiture of wealth corruptly gained during the Fascist regime.

4. The Extraordinary Courts of Assise have greatly increased their volume of work and the section of the Court of Cassation, sitting in MILAN, has expedited the disposition of appeals, particularly in cases of death sentences.

5. In the principal Ministries 37,442 of the 47,365 employees have been scrutinized and 7,252 have been sent for trial; of the latter total 4,768 cases have been concluded, 703 employees were dismissed, 393 sentenced to compulsory retirement and 1,266 received lesser punishment.

Mine Clearance.

6. The Zones set up in VENETIA and LIGURIA Regions are functioning satisfactorily and new squads being trained as recruits come forward. Lack of transport and POL is retarding a fuller development of the scheme.

7. The total number of mines lifted during the month was 55,902, which brings the total of mines reported lifted in ITALY to the end of June to 1,281,714. There were several casualties among both the military units and civilian squads during the month, 15 being killed and 13 wounded.

LOCAL GOVERNMENT SUB-COMMISSION.

8. The compilation of Electoral Registers in the Northern Provinces under Allied Military Government, excluding VENEZIA GIULIA, will start on 15 July 45. Under Italian Law 100 days are required, from the date of commencement, for the completion of these Electoral lists. An extension of this time-limit will be granted only to Communes which show proof that, because of war damage and disruption, they are unable to complete their lists within the time limits set.

9. The Italian Government are again to be advised to revise the existing electoral laws, which were passed in 1915. The previous efforts of the Allied Commission in this direction resulted in a reply from the then President of the Council, H.E. BONOMI, to the effect that no reform was required since, in his personal opinion, the law was "adequate."

EDUCATION SUB-COMMISSION.

10. On the whole the education system of Northern ITALY with the exception, as yet, of VENEZIA GIULIA, was found to be satisfactory and most schools have been

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EDUCATION SUB-COMMISSION.

10. On the whole the education system of Northern ITALY with the exception, as yet, of VENEZIA GIULIA, was found to be satisfactory and most schools have been re-opened; where the children had an almost uninterrupted year the opening was for examinations only, followed by closing for the summer vacation but, where the school year had been badly broken, schools were extending the spring term to late June or early July, or running full summer sessions. Voluntary summer sessions are being held in ROME and GENOA. Plans are being made to give recognition for work done in clandestine non-fascist schools run by partisans during the German occupation; students who fought with the partisans, or whose fathers did so, are exempted from tuition fees. Epuration is proceeding effectively in all schools, universities and cultured institutions.

5714

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11. LOMBARDIA is reported to have had the largest concentration of fascists in teachers' posts. In CREMONA Province 33% of the teachers, as against an average of 4% to 7% in the rest of ITALY, had to be removed; in one school seventeen out of eighteen teachers were removed from office.

12. Reports on damage to school and university buildings show that 25% to 30% of the schools in APUANIA were destroyed and the University of BOLOGNA and the University of GENOA, and four buildings of the University of MILAN have suffered greatly. APWC have issued a new order against further requisitioning of schools but derequisitioning is still a serious problem, in many cases more serious in the South than in the North of ITALY.

13. In LOMBARDIA Region there were small teachers strikes organised by the "incaricati", or teachers employed from year to year but not yet on permanent civil service rolls. These "incaricati" receive salaries for only ten months of the year and with the rising cost of living their situation during the summer vacation is desperate. Demonstrations were quieted and an immediate solution is being sought.

14. In Southern ITALY, SICILY and SARDINIA all schools and universities functioned throughout the year, closing for the summer vacation in June. While building repairs have begun in many places, there is still a vast amount of repair and reconstruction to be done. The shortage of glass remains the most universal problem in the repair of school buildings, while another major difficulty is the replacement of scientific and technical equipment which has been requisitioned by the Germans and the by the Allies, or looted, or destroyed.

LEGAL SUB-COMMISSION.

15. With the termination of Military Government in TOSCANA Region, the reduction in the volume of AMG Court cases continues. Several serious crimes have been tried in NAPLES; in particular another gang of counterfeiters was brought to trial and 7 persons were convicted out of 8 charged. In North ITALY there has been a slight increase in the volume of AMG Court cases; the offences involved were mainly possession of arms and possession of Allied property: several cases of illegal possession of Allied petrol have been tried. In VENEZIA Region a few cases have arisen out of political disturbances and one serious case was tried in which a member of the CLNAI shot and seriously wounded an Allied soldier; a similar case occurred in NAPLES Commune.

16. In the Italian Courts the principal interest centred in the Extraordinary Courts of Assize. These are operating in all provinces in the North with the exception of BOLZANO Province where, owing to the special conditions, it had not been possible to implement Italian legislation or establish the Extraordinary Courts. Arrangements are, however, in progress to institute these courts forthwith. The courts themselves appear to be working fairly and satisfactorily and on the whole a genuine effort to administer justice appears to be being made.

17. Unfortunately the inevitable time involved in an appeal to the Court of Cassation and a petition for mercy creates an appearance of delay in the execution of death sentences which is causing considerable comment and some disturbance. In view of the nature of these Courts it is necessary to preserve some form of appeal and the interval between sentences and execution of about one month is difficult to reduce.

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LOCAL SUB-COMMISSION.

15. With the termination of Military Government in CAMPANIA Region, the reduction in the volume of AMG Court cases continues. Several serious crimes have been tried in NAPLES; in particular another gang of counterfeiters was brought to trial and 7 persons were convicted out of 8 charged. In North ITALY there has been a slight increase in the volume of AMG Court cases; the offences involved were mainly possession of arms and possession of Allied property: several cases of illegal possession of Allied petrol have been tried. In VENEZIA Region a few cases have arisen out of political disturbances and one serious case was tried in which a member of the CLNAI shot and seriously wounded an Allied soldier; a similar case occurred in NAPLES Commune.

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18. On 30 June a conference was held in MILAN of the heads of all the Courts of Appeal in the North to discuss the operation of these Courts and to secure uniformity of administration.

19. General Order No. 48 was issued to prevent mass dismissals from private industry, with consequent large scale unemployment, as a result of the shortage of raw material in Northern ITALY.

PUBLIC HEALTH SUB-COMMISSION.

20. The Italian Government is proposing to appoint a High Commission for Public Health, thus freeing the Health Service from the present subordinate position in the Ministry of Interior. The High Commission will be directly responsible to the Council of Ministers.

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21. Representatives of the Rockefeller Foundation have advised against the formation of a Cordon Sanitaire in the South of ITALY mentioned in last month's report, owing to the delay in repatriation and the consequent congestion such a Cordon would cause. AFHQ have therefore been requested to decline the kind offer made by the Swiss Government of medical aid to Northern ITALY.

22. Three cases of Typhus have been reported from PALERMO but no further cases have occurred at CARINI; sporadic cases have been reported from the Mainland. A marked decrease has occurred in the incidents of Smallpox in NAPLES City but there is little diminution in the number of cases reported from NAPLES Province.

23. Anti-malaria spray guns and 20,000 litres of Pyrethrum Spray have been delivered to Venezia Giulia and further shipments are being arranged. Spraying in the TIBER Delta projects has been completed and field reports indicate that mosquito densities in the treated areas are exceedingly low. In addition, a marked reduction in flies is noticeable.

24. The Infant Mortality rate in ROME Commune during May was 74.8 a thousand as compared with 70.7 in April. Deaths from all forms of Tuberculosis in ROME were 290 in May as compared to the April figure of 237.

25. A tour of the Northern Regions revealed a satisfactory position as regards medical supplies, except for a scarcity of insulin, the delivery of which is being arranged.

26. A survey of veterinary activities in the Northern Regions indicates that they are being operated much more efficiently than those in Southern Regions. Three veterinary laboratories were found to be undamaged and functioning satisfactorily, and had ample stocks on hand. The TURIN laboratory has produced a satisfactory vaccine against Foot-and-Mouth Disease. Swine Cholera and Swine Erysipelas are sporadic in all Northern Regions.

PUBLIC SAFETY SUB-COMMISSION.

27. The public safety position showed a considerable improvement over the previous month but it is still far from satisfactory. Reports indicate the continued ineffectiveness of Police Agencies and the lack of trained personnel, press support, uniforms and equipment, transport and officers and NCOs constitute major problems for the Italian Government. A marked reduction from the high May records of killings, disappearances and extortions is noted during June.

28. The ceiling strength of the Carabinieri was raised by 10,000 to 65,000 at the end of the month and nearly 8,000 ex-Carabinieri were enrolled and equipped.

29. The mobile Carabinieri Battalions have been formed, one in SICILY and the other in SARDINIA, and those for MILAN, TURIN, GENOA and PARMA will soon be in operation. It is planned to form additional mobile Battalions for FLORENCE, BOLOGNA, ANCONA, ROME, NAPLES and BARI.

30. The initial hostility towards professional Questors from the South being appointed in the North of ITALY is now diminishing and the 'amateur' who filled the post on the cessation of hostilities, finding the task too much for him, is giving way to the trained professional.

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29. Two mobile Carabinieri Battalions have been formed, one in SICILY and the other in SARDINIA, and those for MILAN, TURIN, GENOA and PADUA will soon be in operation. It is planned to form additional mobile Battalions for FLORENCE, BOLOGNA, ANCONA, ROME, NAPLES and BARI.

30. The initial hostility towards professional Questors from the South being appointed in the North of ITALY is now diminishing and the 'amateur' who filled the post on the cessation of hostilities, finding the task too much for him, is giving way to the trained professional.

31. There have been several cases of organised bands gaining entry to prisons for the purpose of releasing their friends or murdering their enemies. This problem is made more difficult by the incorporation of the prison guards and the critical overcrowding which exists in the prisons where 95% of the prison population are political prisoners. It is hoped that more prisons will soon be released from military requisition to relieve this serious overcrowding. There were some demonstrations against slow legal procedure and light sentences assessed against fascists and collaborators.

32. Truck thefts are reported from all parts of the country and armed bands are operating throughout the Southern areas. There is a general increase in larceny, burglary and counterfeiting and in some places unofficial political police forces have been organised. Details of incidents and disturbances are dealt with in full in the Regional Reports.

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Return of Illegal Shooting in Provinces of
VENETO, LIGURIA, LOMBARDIA, EMILIA and PIEMONTE.

June, 1945.

Date	Kidnapped and shot	Kidnapped - presumed Killed	Shot	Incidents involving loss of life	Shot by Germans	Killed by other means	Lynched	TOTAL
1-19 June	7	2	30	-	9	1	31	80
19-24 June	-	-	35	-	-	2	-	37
24-30 June	-	-	12	13	-	1	-	26
						Total:		143 +

+ Approximate number of illegal deaths or kidnappings for the period 8 to 31 May was 3,237 as compared to the 143 reported in June as shown above.

Date	Kidnapped and shot	Kidnapped - released - killed	Shot	Incidents involving loss of life	Shot by Germans	Killed by other means	Lynched	TOTAL
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24-30 June	-	-	12	13	-	1	-	26
						Total:		143 +

+ Approximate number of illegal deaths or kidnappings for the period 8 to 31 May was 1,237 as compared to the 143 reported in June as shown above.

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PATRIOTS BRANCH.

33. With the exception of a few organised bands, such as the Cesoppo and Mino Muratetti Divisions in VENEZIA, the disarming and demobilisation of patriots was practically completed. There remained, however, a number of patriots requiring employment and assistance and 27 Patriot Centres were still operating at the end of the month. It was clear that large quantities of arms were still being kept hidden, although information as to the location of the dumps was very difficult to obtain.

34. The most important measures affecting patriots taken by the Government during the month were the granting of "Ente Morale" status to the Associazione Nazionale Partigiani d'Italia, and the authorising of increased bonuses for patriots as follows:-

Patriots with less than 3 months service	L. 1,000
Patriots with more than 3 months service	L. 5,000
Wounded Patriots	L. 10,000
Relatives of fallen Patriots	L. 20,000

35. Contrary to expectations, the patriot problem in VENEZIA GIULIA has proved to be relatively simple; those Italian patriots who had not withdrawn into UDINE, were disarmed and disbanded by the Yugoslav forces before ANGLO-US Army troops occupied the area and the Yugoslav patriots withdrew into YUGOSLAVIA. It is not proposed to set up any patriot organisation in VENEZIA GIULIA.

MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

36. The "Last Supper" by Leonardo da Vinci has been uncovered and found to have suffered practically no damage. The famous Certosa of PAVIA, the Masolino frescoes at CASTIGLIONE D'OLONA, and the Luini frescoes at SARONNO are unharmed. In PIEMONTE six deposits of art objects were inspected and found intact. In LIGURIA Region 37 monuments in GENOA were inspected and 16 urgent projects approved; inspections were also made of monuments at CAVIA, BRUGNATO, the provinces of GENOA and LA SPEZIA and the provinces of IMPERIA and SAVONA, where monuments were found to be in good condition.

37. In EMILIA, LOMBARDY, PIEMONTE and VENEZIA Regions, Archives Officers have carried out inspections of state, town, notarial and church archives and also of libraries. Return of deposits has started, where the state of parent depositories make it possible.

38. Mr. Hilary Jenkinson, C.B.E., Archives Advisor to the War Office, arrived in ROME on 24 June to survey progress made in connection with Italian archives. During his visit a draft memorandum, setting out a programme for the future administration of the Archives of the Allied Commission, extending over a period of several years, was discussed.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

39. During the month the movements of refugees and displaced persons have become more organised. Representatives of AFHQ and SHAEF have discussed plans for the repatriation of 350,000 Italians from GERMANY and AUSTRIA, and 300,000 German ex-PWs from ITALY, through the BRENNER PASS and SWITZERLAND by rail commencing 1 July 1945.

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Patriots with less than 3 months service	L. 1,000
Patriots with more than 3 months service	L. 5,000
Wounded Patriots	L. 10,000
Relatives of fallen Patriots	L. 20,000

35. Contrary to expectations, the patriot problem in VENEZIA GIULIA has proved to be relatively simple; those Italian patriots who had not withdrawn into UDINE, were disarmed and disbanded by the Yugoslav forces before EIGHTH Army troops occupied the area and the Yugoslav patriots withdrew into YUGOSLAVIA. It is not proposed to set up any patriot organisation in VENEZIA GIULIA.

ARTS, MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

36. The "Last Supper" by Leonardo da Vinci has been uncovered and found to have suffered practically no damage. The famous Certosa of PAVIA, the Maschino Francesco at CASTIGLIONE D'OLONA, and the Duomo Francesco at SANSEPOLCRO are undamaged. In PIEMONTE, six deposits of art objects were inspected and found intact. In LIGURIA Region 37 monuments in GENOA were inspected and 16 urgent projects approved; inspections were also made of monuments at SAVIA, IMPERIA, the provinces of GENOA and LA SPEZIA and the provinces of IMPERIA and SAVONA, where monuments were found to be in good condition.

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40. Approximately 68,707 Italian refugees arrived in ROME from the North in June and about 46,129 were sent to the South. 500 Greeks were repatriated by air from ITALY to GREECE in groups of 100.

41. At the end of the month a total of 68,171 persons were recorded by the Records Bureau covering 72 nationalities.

42. This month saw the close of the financial assistance programme for displaced persons. Started in ROME on 7 October 1944 when 273 heads of families received loans, it was extended immediately to all of liberated ITALY. The peak was reached in December 1944 when 5,000 persons were recommended advances. This programme was the means of preventing untold hardship, privation and malnutrition among Stateless displaced persons and twenty-four nationalities, including former enemy nationals who had been persecuted for racial or political reasons. Loans up to 4,000 lire a head each month were made with a maximum of 12,000 lire for any single household. The total amount loaned was a little over seventy-five million lire. UNRRA is now responsible for this work.

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PART III

ECONOMIC SECTION

AGRICULTURAL SUB-COMMISSION.

1. A report on the Italian wheat crop estimate forecasted 4,427,314 tons as compared with 6,399,661 last year, the decrease being mainly due to the prolonged drought which has further accentuated the fertiliser deficiency. Acreage planted showed 8% decrease owing, to a large extent, to non-cultivation of marginal strips in mountain areas. Acreage for the year is estimated at 4,363,985 while acreage for last year was 4, 65,490. The drought has continued since March and is said to be the worst since 1922. The small farms which form the greater part of Italian agriculture have suffered more than the large surplus producing properties. A low yield is anticipated for other reasons also, such as late sowing, frosts, hot winds, floods and war damage.

2. The Granai del Popolo reports for the season from 1 July 1944 to 30 June 1945 show that 1,563,698 metric tons of wheat were collected in Northern ITALY, while in the remainder of ITALY the quantity amounted to 1,114,830 metric tons, which represents 96% of the target figure. The olive oil collection totalled 51,766 metric tons.

3. The forage shortage will necessitate redistribution of forage surpluses and livestock. In SARDINIA, grasshoppers have damaged forage.

4. An allocation of 500,000 tons of rock phosphate was received from North AFRICA. Copper sulphate and sulphur were distributed and nitrogen fertiliser production was resumed and distribution commenced in Northern ITALY.

5. Investigation disclosed that several factors, primarily the cost of movement and secondarily the bad condition of the animals due to drought and lack of forage, will prevent the transfer of any larger numbers of animals from SARDINIA to the mainland for slaughter or restocking. Distribution of captured animals to farmers has been completed with approximately 26,176 distributed since the early part of May.

6. A programme for the re-establishment of ocean fishing, using Italian-owned trawlers, was prepared. A chart to aid in the location of mines and obstructions was made and fishing boats were sent to unrestricted areas.

COMMERCIAL SUB-COMMISSION.

7. As a result of the uncovering of large stocks of engineering materials in Northern ITALY, only five items are now controlled by the Engineering Materials Committee of the Allied Force Local Resources (Italian) Board, viz: tin, solder, white metal for bearings, standing timber, in the two areas reserved for British and American services in CALABRIA, and plywood.

8. More than 2,000 tons of new and used clothing, shoes, new blankets and comforters arrived in ITALY from the U.S.A. and were consigned to I.C.E. (Istituto Commercio Estero).

9. Exports during the month amounted to 1,946 tons, with a total value of 90 million lire.

10. An Italian Economic Mission has left for SWITZERLAND where it will keep in

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shortage.

2. The Granai del Popolo reports for the season from 1 July 1944 to 30 June 1945 show that 1,563,698 metric tons of wheat were collected in Northern ITALY, while in the remainder of ITALY the quantity amounted to 1,114,530 metric tons, which represents 96% of the target figure. The olive oil collection totalled 54,766 metric tons.

3. The forage shortage will necessitate redistribution of forage surpluses and livestock. In SARDINIA, grasshoppers have damaged forage.

4. An allocation of 500,000 tons of rock phosphate was received from North AFRICA. Copper sulphate and sulphur were distributed and nitrogen fertiliser production was resumed and distribution commenced in Northern ITALY.

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9. Exports during the month amounted to 1,345 tons, with a total value of 90 million lire.

10. An Italian Economic Mission has left for SWITZERLAND where it will keep in close touch with U.K. and U.S. legations at BERNE while negotiating with the Swiss authorities.

11. A request submitted by the Italian Government for a further increase in the June bulk allocation of POL was examined but refused on the grounds that the best possible use is still not being made of the present allocation, which is estimated to be more than sufficient to cover Category A needs.

12. 2,000 tons of newsprint arrived from AMERICA.

FINANCE SUB-COMMISSION

13. CCS has authorised the sending of certain transactional communications from ITALY to the British Empire and United States and possessions, provided a licence has been granted by the Ministry of the Treasury.

14. The Swiss frontier was partly opened on 29 June to permit the repatriation of Italian refugees in SWITZERLAND; and with the concurrence of the Allied Commission, the Banca d'Italia, acting on behalf of the Italian Treasury, has established a currency control. Dollars, sterling and Swiss francs are being purchased; other currencies (except reichsmarks) are being taken up against receipt.

15. The Allied Commission has to date seized more than 6.5 billion lire of German Army and other German official funds.

16. The final figures for the new 5% Five Year Treasury Bond issue in Central and Southern ITALY show a total of 33 billion lire subscribed. It has been decided to extend the new bond issue to North ITALY (except VENEZIA GIULIA). The issue price is to be 99 and the subscription period will run from 15 July to 5 August 45.

17. Upon liberation of the industrial North, Allied authorities found already in operation a two-fold system of caring for workers rendered surplus by war damage and materials shortages. One group benefitted by a broadening of the scope of the "integrazione salariale" a guaranteed minimum compensation to short-time workers. A second group, placed on a temporary waiting list, was granted a social daily allowances by the employer and the Unemployment Fund and the right to continue to receive regular family allowances. Both treatments provided under decrees of the Fascist Republican Government of 20 January and 13 February respectively. General Order No. 48 has now been issued to provide a proper legal basis for continuing the essential features of this system. It is based on discussions with the Italian Government, which not only gave invaluable technical advice but undertook to subsidize the Cassa Integrazione Salariale, already seriously strained by the unusual burdens it has had to bear in recent months.

FOOD SUB-COMMISSION.

18. The food economy of North ITALY is being brought into line with that of the South with as little change to the existing system as possible. Decisions were reached in respect of rationing policy, movement of foodstuffs and prices of foodstuffs in Northern ITALY and a uniform basis of ration scales has been promulgated to all Regions at the official Allied Commission scales providing in Southern ITALY. Food organizations existing in Northern ITALY on liberation have now been linked up with those formed by the Italian Ministry of Food in the South. The functioning of the Ministry of Food and the Federazione dei Consorzi Agrari continued to improve.

19. Total imports for the month were 244,629 tons, of which 221,155 tons were cereals, being the highest monthly total since the occupation of ITALY.

20. During the month 26,600 tons of miscellaneous supplies were delivered to Northern Regions and non-rationed foodstuffs imported into NORTH have reached 734 tons a day, the highest figure reached during 1945.

21. Food commitments which had previously been undertaken by the Armies are now being undertaken by Allied Commission including the feeding of partisans and Pol-

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16. The final figures for the new 5% Five Year Treasury Bond issue in Central and Southern ITALY show a total of 35 billion lire subscribed. It has been decided to extend the new bond issue to North ITALY (except VENEZIA GIULIA). The issue price is to be 99 and the subscription period will run from 15 July to 5 August 45.

17. Upon liberation of the industrial North, Allied authorities found already in operation a two-fold system of caring for workers rendered surplus by war damage and materials shortages. One group benefitted by a broadening of the scope of the "integrazione salariale" a guaranteed minimum compensation to short-time workers. A second group, placed on a temporary waiting list, was granted special daily allowances by the employer and the Unemployment Fund and the right to continue to receive regular family allowances. Both treatments provided under decrees of the Fascist Republican Government of 20 January and 13 February respectively. General Order No. 48 has now been issued to provide a proper legal basis for continuing the essential features of this system. It is based on discussions with the Italian Government, which not only gave invaluable technical advice but undertook to subsidize the Cassa Integrazione Salariale, already seriously strained by the unusual burdens it has had to bear in recent months.

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20. During the month 26,600 tons of miscellaneous supplies were delivered to Northern Regions and non-rationed foodstuffs imported into NAPLES have reached 734 tons a day, the highest figure reached during 1945.

21. Food commitments which had previously been undertaken by the Armies are now being undertaken by Allied Commission including the feeding of partisans and Polish refugees in camps.

INDUSTRY SUB-COMMISSION.

22. The production of cement totalled 11,441 tons, the decrease of 1,914 tons from the previous month being mainly due to shortage of fuel. The Solvay works produced 6,000 tons of Sodium Carbonate (Soda Ash), 40% of ITALY's pre-war requirements. Occhi Cacchiri plant in SARDINIA for the production of Nitrogenous Fertilizer has been forced to close through lack of water.

23. Estimated production for June of Sardinian coal was 40,000 tons. With an additional 2,500 workers it is estimated that this production could be raised to 75,000 tons a month. The estimated lignite production for June was 50,000 tons but the potential production, which is much greater, is handicapped by shortage of transportation and labour. Mercury production has commenced at the [illegible] Mine, but the sulphur industry in SICILY is at a standstill owing to a strike at

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the mines. The marine salt works are producing about 400,000 tons per annum which is sufficient to meet ITALY's needs.

24. The increased prices in the North for finished tobacco products and tobacco derivatives will result in an increase of revenue to the Italian Government of 600,000,000 lire a month.

25. Production of cotton for Southern ITALY for June showed a considerable increase over the previous month and the production of woollen piece goods for June in Southern ITALY was approximately 1,350,000 metres.

LABOUR SUB-COMMISSION.

26. There is increasing industrial unrest in Northern ITALY due to rising cost of living and heavy unemployment. Arrangements have been made to prevent wholesale discharge of surplus workers for a further period, pending the preparation of an effective scheme for diverting these workers into other channels.

27. In Northern ITALY numerous wage agreements in private industry providing for substantial increases in wage rates have been negotiated and approved, particularly in the provinces of MILAN, TURIN and BOLOGNA. Decrees providing for increases in the wages and pensions of State and parastatal employees have been implemented. Allied Forces employees have also been granted increases of wages, local commanders have been authorised to pay wages ranging between the minimum and the maximum of the basic pay with part of the cost of living bonus prevailing in the South of ITALY pending the establishment of Local Sub-Committees of the Labour and Wages Control Committee.

28. Reorganization of social insurance in the North is proceeding and in VENEZIA GIULIA special inspectorates are being established in order to maintain the autonomy of this district.

29. In Central and Southern ITALY there have been fewer demands for wage increases and with the exception of a strike at the sulphur mines in SARDINIA there has been little industrial disturbance.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

30. Communal Housing Committees are becoming increasingly active in Italian Government territory but progress is less advanced in AMG Territory. Functioning Committees now total 431, with 24,344 housing repair projects started and 12,646 completed since the inauguration of the Committees. The value of work on housing to the end of June amounted to 2,942 million lire.

31. A comprehensive five year rehabilitation programme for the port of GENOA was submitted for consideration with a total cost of approximately 950 million lire. Approval was given for the urgent work which can be accomplished in 1945 to be started and this will amount to approximately 35 million lire.

32. To help meet the expected power shortage in Southern ITALY steps have been taken to repair the high voltage transmission lines between TERNI and PIACENZA and PIACENZA and MILAN. It is expected to transport 20,000 KW of power on these lines by October 1945.

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PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

30. Communal Housing Committees are becoming increasingly active in Italian Government territory but progress is less advanced in AMG Territory. Functioning Committees now total 45, with 24,344 housing repair projects started and 12,646 completed since the inauguration of the Committees. The value of work on housing to the end of June amounted to 2,542 million lire.

31. A comprehensive five year rehabilitation programme for the port of GENOA was submitted for consideration with a total cost of approximately 950 million lire. Approval was given for the urgent work which can be accomplished in 1945 to be started and this will amount to approximately 95 million lire.

32. To help meet the expected power shortage in Southern ITALY steps have been taken to repair the high voltage transmission lines between TERNI and PESCARA and PESCARA and NAPLES. It is expected to transport 20,000 KW of power on those lines by October 1945.

33. During the month of June three 60,000 Volt transmission lines capable of transporting approximately 20,000 KW power from Northern to Central ITALY were completed and put into operation.

TRANSPORTATION SUB-COMMISSION.

34. The movement into Northwest ITALY was not as planned owing to the delay in opening GENOA Port. This necessitated the movement of supplies continuing along the ANCONA - FORLI axis, with consequent long road hauls. At the end of the month improved rail communications between the South and the North somewhat relieved the strain on available road transport.

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35. An increasing demand on all means of transport was made to deal with the large number of returning refugees, many of whom had to be moved from the North to areas South of ROME. Generally all demands for movement of refugees were met with little delay, AMG being most helpful in working out a flexible system to meet the emergency demands which occurred throughout the month. Arrangements have now been made with SHAEF to control the flow of refugees, so that advance programmes can be made.

36. 80,000 tons of stores were moved coastwise in June, excluding stores lifted by the personnel/cargo ferries operating between NAPLES, SARDINIA and SICILY. Of the 80,000 tons, 25,000 tons were lifted by schooner.

37. Tonnages moved by rail totalled approximately 220,000 tons, showing an increase over previous months. About 67% of the accepted programmed traffic on the mainland was moved, against an average of 62½% in the previous month. In addition, 31,000 refugees moved by train.

38. Line 257 from NAPLES to VITERBO has been extended to SIPICCIANO and additional services have been introduced.

39. During the month considerable progress has been made in the handover of trucks to the Italian Government. About 930 x 1½-ton vehicles have been collected by the Italian State Railways and AC Truck Pools at FOGGIA, CAMPOBASSO, CHIETI, AQUILA and RIETI. Five have been taken over by the Ministry of Transport. The remaining AC Pools will be handed over before the end of July. Transfer of INT (SICILY) vehicles from AC to the Italian Government was completed on 13 June.

40. A total of 35,000 tons has been moved by road during the month, on priority haulage programmes, being an increase of 25% over the May figure. In addition, 12,700 refugees were moved across the ANCONA-LORETO rail gap.

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37. Tonnages moved by rail totalled approximately 220,000 tons, showing an increase over previous months. About 67% of the accepted programmed traffic on the mainland was moved, against an average of 62½% in the previous month. In addition, 81,000 refugees moved by train.

38. Line 257 from ROME to VITERBO has been extended to SIPICCIANO and additional services have been introduced.

39. During the month considerable progress has been made in the handover of trucks to the Italian Government. About 930 x 1½-ton vehicles have been collected by the Italian State Railways and AC Truck Pools at FOGGIA, CAMPOBASSO, CHIETI, AQUILA and PESCARO have been taken over by the Ministry of Transport. The remaining AC Pools will be handed over before the end of July. Transfer of ENT (SICILY) vehicles from AC to the Italian Government was completed on 13 June.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. Psychological Warfare Branch was liquidated on 15 July and private newspapers are now responsible for the collection of articles and news items.

2. The revival of pre-fascist newspapers was discussed during the month but the project has met with opposition from some elements of the civilian population.

3. Approximately twenty releases on various subjects, including further transfers of territory, wheat prices and special announcements for AMG in the North, arranged for simultaneous publication through PWB 15 Army Group, and more than one hundred hometown biographical releases on U.S. personnel were issued by the Allied Commission during the month.

NAVY SUBCOMMISSION

4. The Commander-in-Chief, Mediterranean has directed that captured material of German and Italian Naval origin, including that previously in the possession of the Italian Republican Navy, if not required for Allied Naval purposes may be turned over to the Italian Naval authorities for [illegible]. The Navy Subcommission has been designated by the Commander-in-Chief, Mediterranean, as the agency responsible for the disposition of such material.

5. In accordance with instructions received from the Supreme Allied Commander and from the Commander-in-Chief, Mediterranean, the Navy Subcommission has informed the Ministry of Marine, that any action to be taken concerning ex-Italian Republican Navy personnel still at large, is the responsibility of the Italian Government. Such personnel cannot be taken into Allied protective custody either as prisoners of war or surrendered enemy forces.

6. The Commander-in-Chief, Mediterranean, has directed that Italian Merchant Vessels in the Mediterranean which carry Italian armament manned by Italian Naval personnel are now to be disarmed. Such action will permit a considerable number of Italian Navy gun crews to be released in order that they may rejoin other branches of the Italian Navy.

LAND FORCES SUBCOMMISSION (AGIA)

7. On 1 July approximately 18,000 Italian Service Units (SU) assigned to American formations changed their status to US-ITI and former cooperator units passed under administrative control of 212 Italian Command and 205 Administrative Div HQ. Approximately 7,930 men will be demobilized when released by the employing unit. About 17,000 Italian cooperators serving in ITALY were transferred from SU status to US-ITI status as from 1 July: of these about 6,000 are of the age for demobilization.

8. At the end of the month it was estimated that 20,000 out of the 50,000 of the 1914 and older classes (first four months) still remained to be demobilized. It was recommended to AFHQ that the rest of the 1914 class should be demobilized forthwith and other classes later, depending on the reduction in the services required.

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9. Strong recommendations were made to AFHQ for the disbandment of the Italian Intelligence Units as it was considered that their roles had become obsolete. AFHQ agreed to the reduction of the EIGHTH Army 852 Intelligence Unit by about 50%. The Surette Section will be disbanded on 1 August and the Technical and 135 Special Wireless Section will be reduced by half on that date. Orders for the disbandment of the Italian Increment to No. 1 Special Force have already been issued to the War Ministry.

AIR FORCES SUBCOMMISSION

10. Personnel of the Italian Air Force performing Air Transport and Air Sea Rescue functions are efficient and keen but the morale of those not employed on these duties is low owing to the restriction of activity and uncertainty of their future.

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11. Authority was received from HQ MAAF for the release of captured enemy war material of Italian Air Force origin to the Air Forces Subcommission. Issues to the Italian Air Force of such material as may be necessary for ground personnel within the authorized ceiling and to support authorized flying programmes will be made. Sufficient signals equipment was discovered in I.A.F. Depositories or held in factories in the North of ITALY to make the Italian Air Force self-supporting in most respects for a considerable time to come.

COMMUNICATIONS SUBCOMMISSION

12. Marked progress was made in restoring communications facilities. Foreign mail service is now authorized between ITALY and all countries except JAPAN and Japanese controlled territory, GERMANY, AUSTRIA and RUMANIA.

13. Internal censorship was abolished in ITALY except for the border provinces.

WAR MATERIAL DISPOSAL & ITALIAN PRISONERS OF WAR SUBCOMMISSION

War Material Disposal

14. The armies continued to control all captured material throughout the month.

15. Steps have been taken to provide 10,000 tons of brass and copper cartridge cases for the production of copper sulphate. 75,000 to 80,000 tires were offered by the DAD Salvage (Sr) and arrangements have been made for their delivery to Pirelli Works, ROME. 144 derelict vehicles were inspected during the month, eight being returned to the Italian Ministry of War and nine to the Ministry of Transport; the remainder have been passed to firms and individuals for rebuilding. Arrangements are in progress to use six German pontoons left derelict in the Tiber, for river transportation.

Italian Prisoners of War

16. In June 6,023 Italian PW were repatriated to ITALY. Of this number approximately 50% were sick and wounded, the remainder included about 400 Italian seamen, 975 civilians, with the balance made up of specialists required to fill specific appointments in ITALY. It has been agreed to repatriate approximately 4,200 Italians from France in the early weeks of July.

17. Compassionate, welfare and financial cases dealt with during the month numbered 1,150.

KILLERY N. STONE
Rear Admiral, USNR
Chief Commissioner

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War Material Disposal

14. The armies continued to control all captured material throughout the month.

15. Steps have been taken to provide 10,000 tons of brass and copper cartridge cases for the production of copper sulphate. 75,000 to 80,000 tires were offered by the R&D Salvage (Sr) and arrangements have been made for their delivery to Pirelli Works, ROME. 144 derelict vehicles were inspected during the month, eight being returned to the Italian Ministry of War and nine to the Ministry of Transport: the remainder have been passed to firms and individuals for rebuilding. Arrangements are in progress to use six German pontoons left derelict in the Tiber, for river transportation.

Italian Prisoners of War

16. In June 6,023 Italian PW were repatriated to ITALY. Of this number approximately 50% were sick and wounded, the remainder included about 400 Italian seamen, 973 civilians, with the balance made up of specialists required to fill specific appointments in ITALY. It has been agreed to repatriate approximately 4,200 Italians from France in the early weeks of July.

17. Compassionate, welfare and financial cases dealt with during the month numbered 1,150.

Ellery W Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT
JULY 1945

Ref: 324/30.

17 September 1945.

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C O N F I D E N T I A L

HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

JUNE 1945

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POLITICAL SUMMARY

1. The communique issued at the conclusion of the Potsdam meeting referring to the part played by ITALY in the war against GERMANY and promising an early negotiation of the Peace Treaty with ITALY after which her application for a seat amongst the United Nations would be supported by the "Big Three" gave widespread satisfaction.

2. The opinion of the Italian public on the declaration of war against JAPAN on 15 July was almost entirely favourable, being regarded as a proof of the solidarity between ITALY and the Western Democracies. The reaction to ITALY's recognition of the new Polish Government, reported on 8 July, was also generally favourable, although some regret was expressed that this step should have been taken after the new Government had been recognised by the "Big Three" and therefore appeared to lack Italian initiative.

3. The outcome of the British General Election was generally interpreted as a development of the greatest importance to ITALY and the Left Wing Parties hailed the move to the Left as an augury of better treatment for ITALY and a greater consideration of her difficulties.

4. The organisation of the two Ministries for the "Constituente" and "Consulta" under Signor NENNI and Signor ROSSI respectively, has been under consideration. The Council has approved the draft decree for setting up the Ministry of the Constituent Assembly and has outlined its functions. The new Ministry is charged with the preparation for the convocation of the Constituent Assembly and with drawing up a programme for the new political order of the State and for ITALY's social and economic future. A commission for the study of the election laws will also be formed within this Ministry. On 18 July the Council approved the decrees setting up the Ministry for the Consultative Assembly and the Ministry of Post War Relief. Some criticism has been made of the preponderance given to Committee of National Liberation representatives on the "Consulta". These will probably have an absolute majority with over 200 delegates, as against the 20 seats allotted to the three Opposition parties and to other categories.

5. Signor NENNI was also appointed High Commissioner for the Punishment of Fascist crimes and has obtained the approval of the Council to a decree simplifying the administration of this office. Under the new arrangement there will be only three branches; epuration, punishment of fascist crimes and liquidation of fascist profits. Each branch will be under the supervision of a magistrate, instead of under a political figure as was formerly the case.

6. On 27 July the decrees laying down the functions of the new Ministry of Food and the Ministry of Labour and Welfare were approved and on 28 July the Council agreed to address a formal request to the Allied Governments for the early return to ITALY of Prisoners of War and for their treatment in the meantime as free workers.

7. Following a meeting of the Council on 11 July a statement was made reaffirming the determination of the new Government to guarantee social rights

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7. Following a meeting of the Council on 11 July a statement was made reaffirming the determination of the new Government to guarantee special rights for language minorities residing in certain areas in ITALY. These rights include the use of their native tongue in business, in public meetings, in the press, in relations with political and juridical authorities and in schools.

8. The Minister of the Treasury, Signor SOLERI, died suddenly in TURIN on 23 July. He has been succeeded by Senator Federico Ricci, also of the Liberal Party.

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9. On 10 July the Italian Government declared that the preparation of electoral lists in Northern ITALY would begin on 15 July. This would be effected through AMG. It was stated that preparation of the lists was almost completed in Southern and Central ITALY and that those in TUSCANY and UMBRIA, where work had recently started, would be completed in September. All of the political parties appear to be agreed that the holding of elections at as early a date as possible is the most important single political question to be faced at the present time.

10. Disorders in various parts of the country have been a problem both for the Italian Government and for AMG. The situation in APULIA has quietened down.

11. The Congress of the National Council of the Socialist Party took place in ROME from 29 July to 1 August. Ostensibly convened in order to listen to the political report of the Party Executive and to elect new members to the Executive for the ensuing year, the Congress in effect devoted the greater part of its time to the discussion of the need for the creation of a single working-class party. There was practically no discussion of crucial Italian domestic or international issues nor of reconstruction nor of relations with other parties. The Congress was asked to choose between two motions signed respectively by Signor PERTINI, former Secretary of the Socialist Party of Northern ITALY, and by Signori SILONE and SARAGAT. The PERTINI motion, which asked for all the working masses of the country to form a single bloc as soon as possible and urged that all the organisms of collaboration between the Socialist and Communist parties be strengthened and new offices of liaison created, won 7% of the votes. Although there is reason to suppose that many Socialists are still opposed to this policy, an ever increasing drive towards fusion of the two parties may be anticipated.

12. The National Council of Christian Democrats met from 31 July to 3 August. A report of the discussions will be included in the Monthly Report for August.

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PART I

REGIONAL REPORTS

EMILIA REGION.

1. There has been a general decline in open political activity during the last month, and little change has been reported in provincial administration.

2. The chief commercial shortages in the region are still coal, POL and transport. Production of bricks, tiles, lime and cement is sufficient to cope with local demands and to leave an exportable balance.

3. The food situation is good but, although prices have dropped considerably, they are still far too high for the poorer classes. The weekly cost of living is calculated to have dropped 556 lire a week in BOLOGNA province this month and over 200 tons of food supplies imported in the province have been held for special distribution to refugees.

4. The movement of horses from AUSTRIA to FERRARA has been completed. Cattle in MODENA, REGGIO and PARMA provinces had to be exported owing to the extreme shortage of fodder.

5. Although up-to-date only 59% of the expected total weight of wheat has been amassed, it seems probable that the total estimated earlier will be exceeded. Most crops are suffering from the drought, but the grape and soft fruit harvests are expected to be normal or large.

6. Nearly all banks report a continued excess of deposits over withdrawals and ample funds are now available for investment and loans to industrialists.

7. Progress on all public works has slightly improved, although most projects are still seriously hampered by shortage of transport and, to a lesser degree, by lack of materials. Repairs to water supply, sewage and electrical systems are proceeding satisfactorily, and, owing to the increased number of men employed on this work, unemployment figures of last month have been considerably reduced.

8. The number of killings and kidnappings have decreased.

9. The health position throughout the Region continues to be satisfactory. All provincial school administrations have been reorganised and are headed by competent Superintendents.

10. 88,442 refugees were passed through the camps during July.

11. Although 3,707 arms of various types were collected during July it is thought probable that sufficient arms and ammunition have been hidden in the mountains to re-arm 50% of the patriots.

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10. 85,442 refugees were passed through the camps during July.

11. Although 3,707 arms of various types were collected during July it is thought probable that sufficient arms and ammunition have been hidden in the mountains to re-arm 50% of the patriots.

12. Road communication is excellent throughout the Region.

13. All displaced works of art have been located.

14. It is thought unlikely that there will be any major disturbances while Allied troops are stationed in EMILIA and while AMG is established in neighbouring Regions. Subsequently the position may change immediately. Although the morale and efficiency of the Carabinieri has improved lately, they are still badly equipped and are unlikely to be able to control any well organised outbreak.

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LIGURIA REGION

15. The people are showing uneasiness over the transfer of LIGURIA to the Italian Government. There is fear of disorders and a lack of confidence in the Italian Government. In IMPERIA Province fear of the area returning to the French after AMG leaves is prevalent. Allied troops took over 14 communes of this province on 10 July.

16. Considerable progress in local government has been made by the Italian officials, but once AMG is withdrawn it is likely that these officials will come increasingly under the influence of the Committees of National Liberation.

17. The supply of rationed food has been satisfactory but prices on the open market are extremely high.

18. Unemployment exists on a large scale but it is hoped this may be alleviated by public works projects, which have been approved on a considerable scale. Recent rises in wages have been offset by rises in prices.

19. Rehabilitation of the ports of GENOA, LA SPEZIA, IMPERIA and APUANIA is proceeding and about half of the port of SAVONA is in operation.

20. Public safety shows an improvement but police agencies suffer from lack of morale, equipment, transport and public confidence.

21. Public health is good and no epidemics have been encountered. Schools are in operation but are handicapped by lack of teachers and buildings.

22. Communications on the whole are good and railway facilities are relieving the transportation problem to some extent. This whole region, however, is normally dependent upon the port of GENOA for its existence and upon tourist traffic and full recovery will have to await the opening of the port, the return of foreign commerce and the revival of industry and of normal travel facilities.

LOMBARDIA REGION

23. The general strike in MILAN at the beginning of July was disciplined and orderly. Great difficulty has been experienced in finding local government career officials with acceptable records.

24. The economic life of the North is gradually reshaping itself in all fields where supplies exist. Silk exporters are planning the export of 150,000 kg of raw silk; a monthly production target of 8,000 tons of lignite has been attained; rayon and ferro silicon industries are working; 70 railway carriages have been built and 300 carriages and 13 engines repaired. 8263 tons of soap have been produced in LOMBARDIA, LIGURIA and PIEMONTE. The lack of coal continues to hamper industry generally and in particular the steel industry.

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25. The food situation has not improved during July. Extended drought has greatly reduced all harvests, especially those of wheat and corn. It is hoped that the rice crop may be saved.

26. Plans for the completion of public housing projects in MILAN have been approved, while demolition work and debris clearance is well under way in the city.

27. Public health is normal although there has been an increase in cases of typhoid fever. One case of typhus occurred in MILAN.

28. Approximately 86,260 refugees and displaced persons passed through LOMBARDIA camps.

29. The Region now has a registration of 13,784 efficient trucks with carrying capacity of 25,062 tons.

30. Re-consignment of property to owners has continued. Of the French industrial properties in MILAN city and province, all but 13 have been completed and all private French real estate has been inspected.

PIEMONTE REGION

31. The various political parties were active during the month. The impending withdrawal of AMG from the Region is causing anxiety in many quarters, as rumour is rife that the political parties of the "Left" intend to assume control by force upon the departure of AMG.

32. French troops withdrew from the remaining occupied areas of the Region on 10 July with the exception of officially approved liaison representatives.

33. Local government administration is satisfactory but pressure has had to be applied to Italian officials to adhere to the Electoral List Preparation Time Schedule. In many communes it will be necessary to grant extensions of time limits owing to the fact that their official records have been destroyed.

34. The food situation has been good but the outlook for the future is serious owing to the failure of the annual programme and to the poor harvest. The fact that there will be no grain flour imports to the Region after 1 August makes a suspension of the bread ration in AOSTA and TURIN likely any time after 1 September.

35. 13,000 tons of coal arrived during the month and have been allotted. Cogne Steel Works and Fiat Works continued to operate despite fuel shortage and Lancia have now commenced production. Unemployed returns show a slight increase with a more substantial increase in numbers of surplus workers due to the slump in industrial activity. Steps have been taken to increase progress on housing programme which is unsatisfactory.

36. Killings and crimes of violence have decreased but it is considered that large numbers of firearms are still held by unauthorised persons for criminal purposes.

37. AMG and Italian Courts are functioning satisfactorily but the Extraordinary Courts of Assise are overworked due to shortage of trained personnel.

38. The health of the civilian population remains good. One case of typhus was discovered in [illegible], but no further cases have been

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PIEDMONT REGION

31. The various political parties were active during the month. The impending withdrawal of AM from the Region is causing anxiety in many quarters, as rumour is rife that the political parties of the "Left" intend to assume control by force upon the departure of AM.

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37. AM and Italian Courts are functioning satisfactorily but the Extraordinary Courts of Assise are overworked due to shortage of trained personnel.

38. The health of the civilian population remains good. One case of typhus was discovered in ALESSANDRIA but no further cases have been reported. There has been an increase in typhoid due probably to the scarcity of water necessitating use of insanitary wells.

39. All Patriot Centres were closed on 15 July.

VENEZIA REGION

40. The two most important parties in the Region are the Christian Democrats and the Communists, and the truce between them is wearing very thin. Both Christian Democrats and Liberals purport to be very frightened at the danger of a Communist coup d'etat.

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41. In general the Centre, the industrialists, the Church and the professional classes profess regret at the prospect of withdrawal of AMG in the near future since they think that this is a premature move. On the other hand the two Left parties seem to welcome the thought of the transfer of the territory to the jurisdiction of the Italian Government.

42. Very steady progress towards the organisation of local government was made during July. The ten Prefects continued to work well and relations with the Committees of National Liberation improved. The situation is not, however, stable and with the departure of AMG there is likely to be an attempt by the CLNs to assert their authority over the Prefects. The necessity for trained Questori became apparent and some professional men were brought in from the South of ITALY. Their progress was made in the preparation of electoral lists. The question of an adequate strength of Carabinieri becomes even more important with the withdrawal of Allied troops. Commander 13 Corps (British) took over the military command of the provinces of UDINE, TREVISO and VENICE from EIGHTH Army on 15 July. An incident which occurred at the SCHIO Prison on 7 July is reported on page Progress was made in equipping the Carabinieri and their morale improved, although it was still low.

43. Italian Courts of Assize continued to function without incident, but their work is slow owing to shortage of judges and is making little impression upon the mass of political prisoners in gaol. The disposal of these political prisoners presents one of the largest problems still confronting AMG in the Region.

44. Substantial increases in wages were made during the month in accordance with the MILAN agreement.

45. Industry is progressing slowly towards recovery but acute unemployment continues owing to lack of coal and raw materials. Plans and projects for the repair of public works and utilities have been examined during the month and work is proceeding satisfactorily.

46. Progress is being made in the epuration of school and university staffs and this should be complete by the end of August.

47. The grain crop was disappointing and assessing has proceeded very slowly. Rains towards the end of the month should improve the maize harvest and the food situation generally is satisfactory. Public health continues to be good.

AMG VENEZIA GIULIA.

48. The political situation has remained quiet in the whole area. The four parties of which TRIESTE Committee of National Liberation is composed are taking an increasing interest in the affairs of the town. These parties are the Christian Democrats, Political Democrats, the Action Party and the Socialists. In areas round TRIESTE the people are cooperating with the Civil Affairs officers and it appears that the treatment of the

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49. Negotiations have been carried out in TRIESTE between the Slovene Committee, Communist party and the Committee of National Liberation with the object of setting up some form of representative local government on area level.

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50. SETTRAL (Sezione Provinciale Alimentazione), TRIESTE, is now distributing all food supplies for the territory and is working well. New ration scales have been authorised for invalids and other special classes and a price control plan has been agreed which will go into operation in August.

51. Although certain parts of the territory are suffering from the severe drought the agriculture situation generally is better than might be expected. Yields of grain are estimated as only 10% down from last year and no serious inroads have been made on livestock by either Germans or partisans. Shortage of forage and farm labour are the chief difficulties.

52. The labour market remains static pending adoption of the "Cassa Integrazione" plan for unemployment compensation. The increased wage rates, paralleling the Northern ITALY increases, were very well received.

53. Work on public works and utilities proceeds satisfactorily. Two bitumen works have been reactivated, which will be of great assistance in the maintenance and reconstruction of roads in TRIESTE and GORIZIA areas.

54. In general a satisfactory standard of public safety has been maintained throughout the area. The formation of the new police force progresses rapidly and it is anticipated that the first members, correctly trained, will be on duty in TRIESTE on simple police tasks early in August.

55. Initially there was much confusion amongst the social welfare agencies in the area. Four of these are now functioning efficiently. They are:

(a) Ente Comunale di Assistenza - This is operating reasonably well throughout the area.

(b) Italian Red Cross - Functioning in TRIESTE and attempting to reorganise in POLA and GORIZIA.

(c) Yugoslav Red Cross - Functioning in TRIESTE, POLA and GORIZIA. Confines its activities almost entirely to Yugoslav citizens.

(d) American Red Cross - Is attempting to bring about a working relationship between the various societies.

56. Considerable work has been done on property control and on the compilation of lists of displaced persons.

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(c) Yugoslav Red Cross - Functioning in TRIESTE, POLA and GORIZIA. Confines its activities almost entirely to Yugoslav citizens.

(d) American Red Cross - Is attempting to bring about a working relationship between the various societies.

56. Considerable work has been done on property control and on the compilation of lists of displaced persons.

57. AMG courts are functioning well and the position of civil courts has been clarified by a General Order issued on 12 July.

AMG MATTERS GENERAL.

58. The preparation of lists for the coming election of the Consiglio Provinciale and Consiglio Comunale is progressing normally.

59. The visit of Signor PARRI, the Prime Minister, on 8 July was very welcome. His attention was drawn at a meeting in the NAPLES Chamber of Commerce to unemployment and a request made that the Allies should be asked to derequisition buildings, particularly factories. Signor PARRI spoke of the general unemployment in ITALY and explained the necessity for unity

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between the North and South. The general reaction was that his visit was too brief for so important a centre as NAPLES.

60. There were eight strikes during the month of July, three caused by non-payment of indemnity, four asking for increased wages, and one objecting to increase in working hours. No untoward incidents occurred.

61. NAPLES Commune budget for the quarter July - September 1945 was approximately the same as for the preceding quarter, i.e. 430,000,000 lire - reduced to 575,000,000 lire. This includes 15,000,000 lire for buildings and arrangements in connection with the victualling department of the Commune.

62. Cost of living figures, which have been rising steadily since September 1943, showed a decrease during June for the first time. Comparative figures for an artisan class family of five are given below.

September 1943	-	Lire	4,831
December 1943	-	"	7,299
December 1944	-	"	18,686
April 1945	-	"	27,723
June 1945	-	"	16,777

63. The numbers of refugee civilians and ex-PW awaiting transport to Northern ITALY and SARDINIA continue to grow.

64. A plan for the rebuilding of NAPLES on a broad scale is at last getting under way. This plan will also provide useful opportunities for employment. Health is good and smallpox is declining, slight increase in typhoid is reported. Water scarcity has caused anxiety. The crime and public safety position is unaltered. The tendency towards a reduction in prices and cost of living which had begun to have effect cannot be maintained in the face of general wage increases. NAPLES warehouses are again very congested and there is risk of foodstuffs spoiling.

AMG LIVORNO ZONE

65. While there is some slight undercurrent of unrest, the political situation continues relatively quiet, particularly in AMG territory. Public morale appears to be exceptionally good. Even the LEGHORN and PISA areas, noted for being "hot beds" of activity against orderly government, are surprisingly calm and peaceful. While the bulk of the population seems somewhat apathetic to prevalent political manoeuvrings; there is real interest, and some apprehension, regarding the contemplated elections. The apprehension is caused by doubt as to whether the Allies will, or can, properly supervise the elections so as to afford an honest and truly representative vote.

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67. The food situation was satisfactory, although fewer green vegetables are available on the markets owing to the drought. The extended dry spell has greatly reduced grazing fodder and more cattle are therefore being sold for slaughter, thus easing the meat shortage to some extent.

68. The drought has affected all crops, and has actually ruined a large portion of the potato and bean crops. Current estimates for 1945 grain production in TUSCANY show a decrease of between 30% and 40% on last year's figures. In this connection there is some reason to believe that the grain farmers are using the drought to justify too low assessing declarations. The withdrawal of AMG from TUSCANY removed the only determined supervision over assessing. It is obvious that the Italian officials, from the highest

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provincial level downwards have not been, and do not intend to be, either too alert or too aggressive in controlling the situation.

69. There has been no serious labour trouble as yet, but the number of unemployed is very large which makes the situation difficult. Part of the answer to the problem is in increased public works, and hour [illegible] projects.

70. The drought has reduced the water supply generally and in LEGHORN especially it is still precariously inadequate.

71. Public safety conditions in the LIVORNO AMG Zone are excellent, but a small crimewave, including holdups by armed brigands, has struck throughout TUSCANY Italian Government territory. Overcrowding of gaols continuesowing largely to the number of political prisoners. The number of arrests by Allied Forces Police Agencies is the lowest on record.

72. Efforts are being made to derequisition two Sanatori in PISA for the treatment of tuberculosis and infectious diseases. There are some cases of undulant and typhoid fever throughout the area, but no epidemics have been reported.

73. While there has been some improvement, the refugee situation in LEGHORN remains difficult. It has however been kept fluid and during the month approximately 30,000 refugees were cleared through LEGHORN, for the South and East of ITALY.

BARI AND SOUTH EAST ITALY (From A.C. Liaison Officer BARI)

74. Persistent drought and heat have seriously affected crops, including olives and vines and, partly owing to uncertainty regarding the future value of the lira, farmers are showing reluctance in releasing grain.

75. The trial of General MILANO took place between 25 and 28 July without incident. Action by the Italian Government to follow up the MINERVINO-MURGIA disorders by arresting the ring leaders, recapturing liberated prisoners and confiscating illegally held weapons has met with poor success, due chiefly to the half hearted measures adopted. Only 302 weapons were recovered from persons concerned in the disturbance.

76. There have been two incidents involving British soldiers. One was killed by unknown assailants and the other, who had been involved in a fight with coloured troops, died of injuries.

77. On 21 July three Albanian subjects, sent to BRINDISI to count the number of Albanian ships in use by the Allies, boarded a number of Albanian ships and ordered the masters to proceed to ALBANIA irrespective of sailing contracts. The buccaneers were taken prisoner and their deportation to ALBANIA is being arranged by the Albanian Mission.

78. Throughout the area unemployment figures are high. Bands of unemployed are working on farms without the owners' knowledge and are demanding pay-

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78. Throughout the area unemployment figures are high. Bands of unemployed are working on farms without the owners' knowledge and are demanding payment. The possibility of allocating uncultivated ground to unemployed persons is being investigated.

79. Industry generally is hampered by lack of raw materials.

80. Supplies of rationed foods have been regularly distributed and meat is plentiful, since cattle are being slaughtered owing to shortage of fodder and water.

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81. The transport situation in the area is fairly satisfactory. All WD vehicles in SITA and SUD-EST have been handed over to the Italian Government. A total of 1,750 refugees have been moved by rail from the area to various destinations. 2,902 displaced persons arrived at No.1 Transit Camp during July and 2,791 left it. The increase consists chiefly of GREEKS and Stateless JEWS.

SARDINIA (From A.C. Liaison Officer SARDINIA)

82. On the whole the political situation is normal. There has been some increased political propaganda in view of the forthcoming elections and the economic depression has caused some unrest, especially in SASSARI Province.

83. During the first two days of July the Regional Council held its third session and discussed administrative and economic matters. They emphasised the immediate necessity for the shipment of free cotton goods for farmers, which are to be given them in exchange for wheat, since without these it was thought unlikely that the farmers would turn into the granaries the small quantities of grain harvested. Owing to the failure of the harvest, it is believed that there will be a deficiency of about 60,000 quintals to the grain amassed.

84. The export situation improved during July. Livestock was shipped to the mainland for slaughter and arrangements are being made for shipment of animals for stock purposes. Of the 30,091.06 tons of coal mined during the month, 27,840 were exported. The total imports amounted to 1,354.32 tons less than those for the month of June.

85. The unemployment problem is still general: in the Province of SASSARI unemployment among bricklayers has become acute. Means of alleviating this problem by putting through public works projects are being studied.

86. The prisons are less overcrowded now, since those prisoners who had terminated their sentences have been returned to the Mainland. Insufficient police forces are available to deal with the public disturbances caused by food and financial crises.

87. No serious epidemics have been reported, but tuberculosis is rife and the treatment available is inadequate. A sum of approximately 10,000,000 lire is needed to continue the treatment of this disease and if this is not forthcoming many cases at present in hospital will have to be released before cure has been effected.

88. Only a few hundred refugees still remain to be shipped and the 1,054 who were repatriated to the Island have all been sent to their respective Communes.

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89. The road transport situation has deteriorated and and there is insufficient fuel to meet current needs. Rail and water transport facilities are unchanged. The latter are still most inadequate.

SICILY (From A.C. Liaison Officers CATANIA and PALERMO)

90. The political situation has remained unchanged during the month.

91. The grain harvest has been badly affected by the drought, and estimates for grain to be amassed show a considerable decrease on last year's figures. Grain shipments have, however, continued to arrive regularly and the bread and pasta rations have been maintained at 300 grams a day.

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92. The labour situation in CATANIA is deteriorating due to the return of ex-soldiers - for whom jobs are not immediately available.

93. There is a considerable amount of lawlessness in CATANIA but in other parts of the island the situation has improved.

94. Eight cases of typhus (one fatal) have occurred at LIPARI (MESSINA) and one in the Commune of LENTINI (SYRACUSE). Ninety-three cases of typhoid occurred at PULIZZI SECCHIO (ENNA). A further two hundred vials of Penicillin have been imported by UNRRA.

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PART II

CIVIL AFFAIRS SECTION

Defascism.

1. Epuration is nearing completion in all that part of ITALY which lies south of a line running approximately from CIVITAVECCHIA on the West coast to VASTO on the East coast. In accordance with the epuration decrees of the Italian Government, no new epuration proceedings may be initiated in this Southern area after 15 August 45 and all hearings must be completed by that date. Exception is made in the case of certain officials located provincially and a few classes of persons whose time limit has been extended to 15 November 45.

2. Out of 48,300 persons liable to epuration in Grades I - IX, preliminary investigation has been completed in respect of 43,250 - (90%). The balance which can be epurated provincially consists largely (4,000) of bank, insurance and other finance officers and of teachers (550). Out of 7,520 cases for trial 5,210 (70%) have been completed.

Mine Clearance

3. Two Italian Mine Clearance Companies have been working in EMILIA Region, but the enormous task of mine clearance in this area has only been touched at the fringe. Few civilians have volunteered for this dangerous work and the shortage of equipment, transport and POL have been a further handicap. Casualties have been heavy.

4. A new danger has arisen in the FERRARA, FORLI and RAVENNA area where many of the river embankments and dams, built to hold the autumn and spring floods, have been mined and destroyed through the war destruction. Unless this area can be cleared of mines and the embankments and dams repaired before the beginning of September flooding will take place. The Italian Government estimate that if this task cannot be completed in time 50,000 people will be rendered homeless and their lands destroyed by flooding. A third Mine Clearance Company is being sent to this area.

5. It has been suggested that German P.W. should be made available for mine clearance work.

LOCAL GOVERNMENT SUBCOMMISSION

6. Of the 40 provinces in Northern ITALY under AMG all but those of ASTI, AOSTA and CUNEO have now been surveyed by officers of the Local Government Sub-Commission. The general state of local government was found to be satisfactory and the organs for the preparation of electoral lists are, with few exceptions, functioning.

7. Some requests for an extension of the 100 days' time limit set for the completion of the electoral lists have already been received but it has been decided that extensions will only be granted to those Communes where population records have suffered war damage. The maximum extension will be 30 days.

8. The unofficial dates on which the compilation of electoral lists was [illegible] ITALY [illegible] been ratified in order to localize the

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8. The unofficial dates on which the compilation of electoral lists was begun in AMG Zones in Southern ITALY have been ratified in order to legalize the work already completed.

9. A renewed attempt was made by AC, in a letter addressed to Sig. Parri on 7 July, to persuade the Italian Government to revise the present electoral laws. These were passed in 1915 and are not considered truly democratic. It was hoped that the reaction of the New Government would prove more responsive than that of Sig. Bonomi's Government but, although yet another letter was sent later in the month requesting a reply, no indication of the New Government's attitude, nor, in fact, any acknowledgment, has been received.

10. The Italian Government has accepted and expressed its appreciation of the Allied Commission offer of assistance in the study of the system of the election of the Constituent Assembly.

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EDUCATION SUBCOMMISSION

11. Defascism under Executive Memorandum 67 and General Order 35 was practically completed for all elementary and secondary schools in EMILIA by the time the Region was turned over to the Italian Government: 233 persons were suspended. In other Northern Regions defascism is progressing, especially in PIEMONTE Region where excellent progress is reported.

12. The Minister's Commission has approved over a hundred new manuscripts for elementary school text books, and the Regional text book commissions have approved a number of others. In EMILIA Region distribution of the text books published this last year under the auspices of the Allied Commission totalled nearly 90,000.

13. The number of school buildings still requisitioned constitutes a serious problem in all parts of Italy except in PIEMONTE Region where it is expected that most school buildings will be freed from requisition by September.

14. Epuration of Universities has proceeded satisfactorily and many, including those of BOLOGNA, PADUA and GENOA have now opened.

15. Scouting is progressing in all Regions, some summer camps are under way and training of leaders is proceeding. A number of other youth organizations, some apparently communist-controlled, are starting up.

16. In PIEMONTE 25 summer colonies for needy children have been organized, and 5,000 children are being cared for, some on a day-camp and some on a full time basis for 3 or 4 weeks. The programme includes games, gymnastics, story telling, handwork, singing, and informal lessons.

LEGAL SUBCOMMISSION

17. There has been a distinct increase in the number of AMG Court cases in Northern ITALY; the principal offences being possession of arms and Allied property. In the frontier areas there is inevitably a certain amount of illegal travel, while a few cases involving violence have been handled by these courts. Counterfeit currency cases are becoming more frequent.

18. The Extraordinary Courts of Assize have continued. In EMILIA Region much criticism has been directed against the vicious atmosphere in which these courts are operating and against the savagery of certain sentences imposed. Elsewhere in the North the situation is improving and the excitement originally created by these courts is dying down. A large number of death sentences are still being imposed. An Italian decree has been passed modifying the procedure in the Extraordinary Courts of Assize in order to reduce the time limits for appeals, to increase the number of judges available and to force advocates to take part in the work of the Public Ministry.

19. Italian Courts are now working normally throughout ITALY, though there is an acute shortage of personnel.

20. Many offences have been committed by Italian soldiers on duty in North ITALY and arrangements have been made to set up Military Tribunals in VERONA in addition to MILAN and TURIN.

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LEGAL SUBCOMMISSION

17. There has been a slight increase in the number of AMG Court cases in Northern ITALY; the principal offences being possession of arms and Allied property. In the frontier areas there is inevitably a certain amount of illegal travel, while a few cases involving violence have been handled by these courts. Counterfeit currency cases are becoming more frequent.

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21. After a long period of discussion the Italian Government has produced a decree formulating principles for the confiscation of profits illegally acquired during the fascist regime. The decree is far reaching in scope.

PUBLIC HEALTH SUBCOMMISSION

22. Professor MICELI, formerly Professor of Physiology at the University of NAPLES and H. C. Commissioner for Food in the BONOMI Government, has been appointed High Commissioner for Public Health.

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23. The anticipated return in August of about 5,000 sick Italian prisoners of war and refugees has caused anxiety owing to shortage of hospital accommodation. It has been decided that as patients from the large German hospital colony at MERANO in BOLZANO Province are returned to their country, the incoming Italian sick will be accommodated there; the rate of flow is to be strictly controlled. The Swiss Red Cross have volunteered the services of 15 doctors and 40 nurses until the IRO staff has achieved a full complement.

24. Only three cases of tyohus, one fatal, were reported during July among repatriated refugees. Smallpox figures have shown a further decrease both in NAPLES city and province. There has been a rise in smallpox in AVELLINO and SALERNO Provinces but elsewhere in ITALY the figures are negligible. Weekly searches at 198 collecting stations in the Tiber delta anti-malarial project indicate a very low mosquito density, the average number captured in mid-July being only 0.22 per station.

25. The infant mortality rate for ROME Commune in June was 96.5 a thousand as compared with 74.8 in May. Deaths from all forms of tuberculosis in ROME in June were 233 as compared with the May figure of 250.

26. Foot and mouth disease has spread to the Provinces of RIETI, TERNI and PERUGIA, where vaccination has been made obligatory. Swine erysipelas is sporadic except in the province of CUNEO where the incidence is high and the production of vaccine swine cholera is to be increased as the result of reports of further scattered cases. There has been a marked increase in rabies during the month. The distribution of Allied veterinary supplies, which should have been effected by ANDIMEA six weeks ago, has not yet been effected. Arrangements are being made for the export of Italian veterinary biologicals to AUSTRIA.

27. Despite repeated representations to the Italian Government, ANDIMEA has not made any distribution of medical supplies for three months. 2,665 Central Civilian Medical Depots are closing down in August on AFHQ instructions and further supplies for ITALY are to be accepted at dock side by ICE (Institute for External Commerce), an agency nominated by the Italian Government. Displaced Persons and Repatriation Subcommission will be supplied with a three month stock of medical requirements and after this is exhausted supplies will have to be met by UNRRA and the Italian Government. VENEZIA GIULIA is also being supplied with stocks sufficient to last until the end of November after which ETO will be responsible for medical supplies.

28. 65,000 blankets have been distributed in Emilia Region and any surplus from other regions will be sent to this Region where war devastation is acute.

PUBLIC SAFETY SUBCOMMISSION

29. The prospects of obtaining better supplies of clothing, equipment and transport for police agencies are much improved and the Italian Government has accepted the offer to clothe Carabinieri in British dyed battledress as a temporary measure.

30. 140 Italian tanks have now been released for Carabinieri Mobile Battalions.

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31. Many more Carabinieri have been recovered in Northern Regions while others have returned from captivity and the work of screening them is well in hand. The training of men to form the Venezia Giulia Police Force continued.

32. Law and order in Northern Regions is still far from satisfactory and figures for murders and other illegal killings totalled 177 as compared with 143 for June and approximately 3,237 for May.

33. On 9 July at SCHIO in VENEZIA Region 15 armed men believed to be ex-partisans broke into the local prison, murdered 49 political prisoners and wounded an additional 26. The Regional Commissioner, VENEZIS, delivered a speech at SCHIO condemning the assassins in strong terms and widespread publicity was given the incident in the Italian press.
There were three other cases of attempts to murder or release prisoners by force and at TURIN no less than 70 prisoners managed to escape.

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34. At [illegible] in the Compartimento of VENEZIA, considerable damage was done in a demonstration which was apparently made against the grain assessing regulations but the Italian Government took stronger measures than they had previously taken over the MINERVINO MURGE incident. At AGRIGENTO, SICILY, on 1 July 200 persons demonstrated against food conditions, setting fire to offices, the Municipio and the Garibaldi Club. Hand grenades, automatic arms and small arms were used and one Carabinieri was killed. 16 men were subsequently arrested and a curfew was imposed. On 12 July at LA SPEZIA, 7000 persons went to the Prefettura bearing signs urging speedier epuration and better living conditions, but the demonstration was orderly. In MILAN Province five lorry loads of arms were found.

35. Another riot occurred at REGINA COELI Prison (ROME) but the situation was firmly handled by the Italian authorities. The prisoners fired portions of the building which are now temporarily uninhabitable and prisoners had to be evacuated to other prisons.

PATRIOTS BRANCH

36. The Associazione Nazionale Partigiani d'Italia has now been converted into a state organization.

37. A decree has been promulgated setting up and constituting the Ministry of Post War Aid and all Italian Military Patriot Representatives will be responsible to this Ministry, although under administrative control of Prefects.

38. A decree has been also published authorising the issue of a medal and ribbon to Patriots.

MONUMENTS, FINE ARTS & ARCHIVES SUBCOMMISSION

39. The costly collection of works of art which the Germans had removed a year previously from the deposits of Tuscany were returned to FLORENCE on 21 July from the ALTO ADIGE: the collection was handed over to the Italian authorities with considerable ceremony.

40. In VENEZIA GIULIA serious war damage is limited to the Cathedral at POLA and the Temple of Apollo but there is considerable administrative confusion and much checking of displaced works of art to be done. German activity in this area included considerable organized looting of libraries, archives and Jewish-owned works of art.

41. In VENICE on 21 July a very successful exhibition of Five Centuries of Venetian Art was opened.

42. Two crates of valuable antiquities from TRIPOLITANIA and CYRENAICA were found in Northern Italy and have now been taken to ROME.

43. Arrangements are now complete for representatives of the Ministries and of the Epuration Commission to visit MILAN and fix details of the transfer of the Ministerial archives, which have been found in Northern ITALY, to ROME.

DISPLACED PERSONS & REPATRIATION SUBCOMMISSION

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35. Another riot occurred at REGINA COELI Prison (ROME) but the situation was firmly handled by the Italian authorities. The prisoners fired portions of the building which are now temporarily uninhabitable and prisoners had to be evacuated to other prisons.

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DISPLACED PERSONS & REPATRIATION SUBCOMMISSION

44. During July the flow of refugees, displaced persons and ex-prisoners of war has continued steadily. The BRENNER route opened officially on 1 July with trains running directly from INNSBRUCK to VERONA. At the conference in ROME on 20 July between representatives of AFHQ and USFET (CPDX), AFHQ agreed to accept 4,500 - 5,000 persons a day over the Brenner route including one train-load of Italians for destinations in the South of ITALY. Since 23 July train arrivals have been at the average of two a day for North ITALY and one a day for South ITALY; in addition 1,000 persons a day are coming through SWITZERLAND from GERMANY. The return of 38,500 Italians from SWITZERLAND was completed on 31 July, with the exception of a hospital train which is due to leave on 8 August. The use of this route for the return of Italians from USFET will however continue. USFET (CPEX) reported 284,000 Italians yet to be repatriated from GERMANY and AUSTRIA, and a further 70,000 from the Russian Zone of occupation, FRANCE, BELGIUM,

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DENMARK and ALBANIA. No indication of the numbers in RUSSIA have yet been received other than that there are several thousands.

45. In addition to 155,729 Italians received through the Brenner and Swiss routes during the month, 4,204 were received by sea and air from FRANCE, GREECE and CASABLANCA. 42,118 persons were received in ROME from the North and 43,446 were transported South from ROME. It is estimated that 225,000 Italians will be received during August and arrangements for their reception and dispersal are complete.

46. Camps for Polish refugees and displaced persons, to be administered by Polcorps under the supervision and with the advice of Displaced Persons & Repatriation Subcommission, are being organised at BARLETTA and TRANI. These Camps are intended to accommodate up to 12,000 persons.

47. Good progress has been made in the North in the registration of displaced persons under the SHAEF system. On 28 July 12,742 out of a total of 21,369 Allied and other nationals had been registered and two trained registrars were sent South to help with registration in the UNRRA camps. Over 3,000 Allied and other nationals have been repatriated during the month.

48. At the end of the month a total of 95,439 persons were recorded by the Record Bureau, covering 72 nationalities.

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PART III.

ECONOMIC SECTION.

AGRICULTURE SUB-COMMISSION.

1. The abnormal spring drought has adversely affected many harvests. Forage crops and cereals, except corn and rice, have been seriously damaged. Fruit and vegetable production is satisfactory and there is in many areas surplus of perishable fruits. Owing to the serious shortage of forage in these areas, 13,500 tons of hay were made available for APULIA, LUCANIA and SARDINIA.

2. The total wheat crop is estimated at 4,188,586 metric tons and the quantity amassed at the end of July was 319,339 metric tons. To encourage and expedite amassing the Ufficio Nazionale Statistico Economico dell'Agricoltura is being formed into a national organisation and the publicity campaign in the ROME press is now being extended to the North. The Italian Government is giving vouchers for textiles to farmers in proportion to the amount of wheat brought to the ammasi. Requests, which have not yet been met, have been made for transport for officials supervising the ammasi.

3. The olive oil collection in the season totalled 52,396 metric tons.

4. Supplies of fertilizer have been received and some agricultural equipment has been called forward for early delivery. In Northern ITALY the distribution of domestic supplies continued.

5. The provisions of the present Slaughter Decree are being evaded and the Italian Government is preparing a decree which provides for the compulsory slaughter of 15% by weight of all bovines, the meat to be sold through official channels.

6. The reactivation of fisheries continues and a national conference has been proposed for September with a view to obtaining maximum fish catches.

COMMERCE SUB-COMMISSION.

7. The activities of the Materials Division have gradually declined during the month as increasing responsibility for the handling of materials of all kinds has been passed to the Italian Government. Only five items are now left in the AFLR(I)B list of controlled materials, being standing timber in the two areas reserved for British and American Services in CALABRIA, plywood, leather and all leather articles, hemp, and salt (controlled by the Food Supply Committee).

8. Two important directives were received during the month: one increased the liberty of the Italian Government in its external financial affairs: the other authorised the termination of export activities of the Allied Commission as from 31 July 45. The latter was received on 27 July 45 and therefore the Italian Government received very short notice of their new responsibilities. A directive was communicated to the President of the Council of Ministers on 31 July 45 and came into force on 1 August 45.

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9. The failure of the French and Italians to reach agreement and sign the contract for 500,000 tons of phosphate rock has had the following result:

a) the loss of the whole of the July scheduled shipments;
b) the enforced movement of one ship, from SFAX, in ballast;
c) the threat of a loss of further ships from the Mediterranean.

10. Exports shipments effected during the month amounted to a total of 3,263,098 tons, representing an f.o.b. value of more than 161 million lire.

11. Ente Petrolio Trieste (E.P.T.) has been set up in TRIESTE by Petroleum Section, AFHQ, to handle the distribution of POL in AMG VENEZIA GIULIA. E.P.T. will work independently from Comitato Italiano Petroli (C.I.P.).

12. A new appeal to eliminate misuse of POL was addressed to the Italian Government and this action was coupled with a request to AFHQ for a general drive aimed at drying up the sources from which black marketeers secure their supplies.

FINANCE SUB-COMMISSION.

13. The financial section of the Macmillan directive, FAN 585, was received from the Combined Chiefs of Staff during the month. Under this directive practically all Allied control over Italian external financial arrangements is relaxed. The directive was implemented by 23 July 45 - with the exception of the proposed currency agreement with the Italian Government - on which prior action by the British and U.S. Embassies is awaited.

14. On 15 July 45 the subscription lists for the new Italian Government 5-year bond issue were opened in North ITALY and up to 31 July 45 approximately 30 billion lire had been subscribed. As less money has been raised than was anticipated it has been decided to keep the lists open until 25 August, instead of 5 August as originally planned. It is hoped to raise about 50 billion lire.

15. The Combined Chiefs of Staff ruled that any conversion of German marks currency for repatriates by the Italian Government must be made at the provisional mark-lire rate of exchange already established, which is 10 lire equal one mark.

16. The Italian Ministry of Foreign Affairs was advised that the Italian Government should begin negotiations as soon as possible on the settlement of the Spanish war debt to ITALY, keeping the Allied Commission advised of the progress made.

FOOD SUB-COMMISSION.

17. Imports during the month were on a smaller scale than in June. The Ministry of Food is allocating imported goods for Italian Government territory regularly and is trying to build up reserve stocks but distribution of supplies in Italian Government territory is hampered by the shortage of box cars.

18. The movement of warehoused foodstuffs was satisfactory and the export of surplus fruit and vegetables from producing regions to deficient ones proved successful. 4,500 tons of salt have been moved during the month.

19. Progress is being made in equalising main ration scales in Northern and Southern ITALY. A meeting has been held at which agreement was reached on the principle of adjusting the workers and normal consumers' scales.

20. A series of meetings was also held with the Italian authorities to establish the basis for economic prices of bread and pasta for all ITALY. Prices based on these meetings went into force at the beginning of August, and the increases have in general been well accepted.

INDUSTRY SUB-COMMISSION.

21. Industry Sub-Commission is continuing to hand back civilian industry to Italian Government control and all cement plants previously controlled by this Sub-Commission have been returned to the Italian Government. It has

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22. The total Italian potential production for caustic soda in the main plants is 180,000 tons a year.

23. Strenuous efforts are being made to organise the resumption of cellulose trade between SWEDEN, AUSTRIA and ITALY, since, if requisitions for cellulose are not met, the rayon and paper industries will be seriously affected. The textile industry is almost at a standstill awaiting the arrival of raw materials. It is estimated that about 50,000 tons of sugar will be the maximum production in ITALY this year. The yeast plant at NAPLES has gone into production at a rate of 60/65 tons monthly. Hemp is now being moved from BOLOGNA to NAPLES for processing there but the new crop is of poor quality.

24. Estimated coal production figures during the month were as follows:-

Sardinian coal - 50,000 tons, as compared to 40,000 tons for June.
Lignite 65,000 tons, as compared to 50,000 tons for June.
Anthracite from
LA THUILE 4,000 tons

25. The supply of matches has improved. In South and Central ITALY the ration has been doubled and in SICILY rationing has been abolished. A cigarette paper plant started production at ISOLA del LIRI on 30 July.

LABOUR SUB-COMMISSION.

26. During the month General Order No. 46, which had been designed to control economic conditions in the North, was withdrawn; the MILAN wage agreement was implemented throughout North ITALY, thus bringing wages in the North to approximately the same level as those in the South; the question of wage policy and control was discussed with the new Italian Government.

27. There were several demonstrations for increased wages, the largest of which took place in MILAN and TURIN.

28. Proposals for modifying social insurance laws in Northern ITALY have been discussed. These include the repeal of certain Fascist republican decrees, the implementation of decrees increasing benefits and the extension to the North of the increases in the family allowance system.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

29. Progress on rehabilitation work at the ports of GENOA, SAVONA, LA SPEZIA, APUANIA, VIAREGGIO and ANCONA is satisfactory.

30. Sixty-three cargo trucks of the 158 allocated have been collected and are being serviced, together with 60 trucks and 8 passenger vehicles from Fifth Army, before handing over to the Regions.

31. Work on military highways is progressing satisfactorily, but on civil roads the shortage of bitumen makes maintenance impossible. Bridge reconstruction is very satisfactory. Fifty bridges have been completed during July, making a total of 1761 bridges completed in ITALY to date.

32. The handover of Public Works activities in EMILIA Region and the Provinces of LUCCA and APUANIA to the Italian authorities was satisfactorily carried out. It is anticipated that all Public Works officers can be withdrawn by 20 August 45.

33. Additional road machinery, including 300 dump trucks, was requisitioned in order to place the Ministry of Public Works in a position to assume total responsibility for military highways maintenance by the end of September.

34. Two new important electrical committees were formed and met during July: one composed of representatives of Electrical industry for Northern ITALY and the other of representatives of the SARDINIA, SICILY, Southern ITALY, Central ITALY and Northern ITALY Advisory Committees. This latter is known as the

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35. The power situation in Northern ITALY remained satisfactory and no rationing has been necessary. 34,000 KW additional power was allocated to Central ITALY for August 45. A 120,000 volt line between North and Central ITALY was restored to operation during the month. The outage of two generators at GELA has made the already precarious situation in South ITALY worse. Reconstruction work on electrical systems in North ITALY showed progress, although this work is hampered by scarcity of materials and transport.

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36. All demands for materials for reconstruction in Central and South ITALY were met, with the exception of those for steel plates and sections. A number of tyres were made available to the Public Utilities Companies from military sources.

37. Efforts to obtain heavy truck transport for electric transmission line rehabilitation work have been made by Electric Companies through established Italian Government agencies. These have not been successful.

TRANSPORTATION SUB-COMMISSION.

38. The movement of civilian traffic in Italian Government territory continued to improve. Well over one million tons of civilian traffic is now being conveyed monthly by rail, road and sea in Italian Government territory. The movement of refugees and displaced persons continued according to programme and it was found possible to increase the rate of acceptance into ITALY across her North frontiers. It is hoped that in the near future arrangements can be made to clear refugees through VENICE and GENOA for Southern destinations by Italian Navy craft.

39. The first rail link between North and South ITALY was established on 7 July when the river PO was crossed at CASTIGLIA. At present, the crossing is a bottleneck, owing to the heavy military traffic including leave trains but it is hoped that progress on the further crossing North of PIACENZA will provide an alternative route between BOLOGNA and MILAN.

40. Phase II was introduced in Northwest ITALY on 15 July and the movement of civilian rail traffic in that area became the responsibility of the Allied Commission. All demands for rail movement in that territory have been met.

41. The greater responsibility for the programming and movement of civilian traffic which was delegated to the I.S.R. as from 1 July 1945 is working smoothly. The allocation of 800 wagons a day for civilian traffic should result in an overall improvement in civilian rail movement. It is hoped shortly to establish a daily civilian passenger service between ROME and MILAN.

42. The position regarding the handover of trucks to the Italian Government for civilian supply is satisfactory and by 31 August all Allied Commission Military Transport Units will be disbanded. All bids for movement by road during the month have been met.

43. After successful mine sweeping operations, the situation in the ports of GENOA and VENICE improved at the end of the month. The port of CIVITAVECCHIA handled the record volume of tonnage of 50,000 tons, 28,000 tons of which was coal. The port of PIOMBINO also functioned well throughout the month.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. Considerable time was spent in re-establishing pre-Fascist newspapers in the north to replace those of PWB, which closed down on 15 July. Independent newspapers are now appearing in MILAN, TURIN, GENOA, BOLOGNA and VENICE.

2. Press releases were issued on several important subjects, including preparations for elections, the turnover of territory, the increase in the price of bread, radio telephone, displaced persons and the joint Allied Commission - Italian Government Economic Conference. Use was made of Italian news agencies to transmit urgent press releases to the north, with excellent results.

3. The "Review of Allied Military Government and the Allied Commission in Italy from "D" Day, 10 July 43 to the Nazi Surrender in Italy, 2 May 45" was approved by AFHQ and has gone into production. Release will be made about 1 September and 100,000 copies are being printed in English and 100,000 in Italian. Italian copies will be distributed to all schools and universities.

NAVY SUB-COMMISSION

4. The report of the Campbell Committee, appointed to make recommendations on the methods to be employed in transferring the operations of Italian ports to Italian Government Authorities, was approved during the month by the Supreme Allied Commander, Mediterranean and the Allied Naval Commander-in-Chief, Mediterranean. The Navy Subcommission has notified the Ministry of Marine of the approval and has directed them to take the necessary steps to implement the policies of the Campbell Committee report.

5. The Ministry of Marine has been notified that there is no naval objection to the development of the Gulf of GENOA ports of IMPERIA, PORTO MAURIZIO and ONEGLIA. All action in regard to the ports is to be initiated by the Italian Government and no Allied Naval resources can be made available for minesweeping or for purposes of bomb and mine disposal.

LAND FORCES SUB-COMMISSION (AMGIA)

6. As from 1 July Italian Co-operator prisoners of war working for the Allies became members of the Italian Army. This change of status involved the transfer of ex-cooperators to the US-ITI and BR-ITI Categories and the physical movement of considerable numbers of men. By 25 July 178 officers and 11,157 ORs had passed to the Administration of the BR-ITI Administrative Divisions.

7. As a result of a mixed up in the transfer of US-ITIs released by 5

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LAND FORCES SUB-COMMISSION (MMIA)

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7. As a result of a speed up in the transfer of US-ITIs released by 5 Army and F.B.S. all Allied Divisions in N. ITALY now have sufficient personnel at their disposal for future needs. In addition the replacement of Pioneer Units by German labour and the disbandment of other units is releasing large numbers of men in each Administrative Division. These men are placed at the disposal of the Division to make up deficiencies, while surpluses are allotted to other units by MMIA.

8. A further programme of demobilisation has been proposed by MMIA to AFHQ. Plans for the reduction of units are not yet firm but the political necessity of demobilising older classes, many of whom have been under arms for over 7 years, has been strongly pressed, both by the War Ministry and MMIA. Meanwhile the demobilisation of the 1919 class has been authorised.

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9. The disbandment of all the non-essential Intelligence units not working directly for the Allies continued during the month.

10. After much delay, and considerable interference from both Allied and Italian sources, the recovery of Italian Army vehicles in illegal possession of civilian firms and private owners proceeded rapidly during the month. Some 340 vehicles were released to the Italian Army by 1 District and the Recovery Organization set up by the War Ministry in conjunction with MMLA is working more smoothly.

11. 140 Italian light tanks, shipped from SARDINIA, have been released to the Ministry of War for CC.RR. Internal Security duties.

12. The position as regards food and supply depots is satisfactory and all depots would be operating on 21 August.

AIR FORCES SUB-COMMISSION.

13. All ranks of the Republican Air Force below Major have now returned or are in process of returning to their homes.

14. The courier service between the Mainland and SARDINIA was closed down during the month when it was discovered that civilians were using this service against payment. A personal apology for this misuse of transport has been received from the Air Minister together with his assurance that this practice has ceased, and the service was reopened on 31 July.

COMMUNICATIONS SUB-COMMISSION.

15. Foreign postal and telecommunications services were restored to several countries and postal and telecommunications services were opened VENEZIA GIULIA and the rest of ITALY.

16. External censorship stations were transferred to the Italian Government.

WAR MATERIAL DISPOSAL & NPW SUB COMMISSION
War Material Disposal

17. During the month 270 tons of brass scrap were made available to Italian Industry from British salvage sources. American policy on the release of brass and copper scrap and first grade steel is still under consideration.

18. Thirty nine lists of available salvage materials were received from British and American sources and approximately 5,500 tons of salvage was released to the Italian Government. 5,000 tyres were released to Pirelli during the month and it is expected however that there will be a considerable number of US tyres available in the near future.

19. Inspections of scrap vehicles were carried out. 53 vehicles of various types have been issued on contract to civilians for remodelling. [illegible] will be disposed of to the

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19. Inspections of scrap vehicles were carried out. 93 vehicles of various types have been issued on contract to civilians for remodelling. 500 scrap vehicles inspected in RIMINI area will be disposed of to the Italian Government.

Italian Prisoners of War.

20. The return of Italian Prisoners of War from INDIA and AUSTRALIA is still very slow, but some 200 are expected from INDIA next month. It is also understood that a considerable number of releases will shortly be made from the United States.

21. During the month 130,436 Italian Prisoners of War were repatriated to Italy or released from Cooperator status. The majority of these were sick and wounded. Applications for release of 624 specialists were forwarded to Allied Force Headquarters.

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22. The number of welfare and compassionate cases repatriated was 662.

ELLERY W. STONE
Rear Admiral, USN.
Chief Commissioner

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ELLIS M. STONE
Rear Admiral, USN
Chief Commissioner

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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

AUGUST 1945

Ref. 824/30

1 November 1945

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POLITICAL SUMMARY

1. There were few political developments of importance involving ITALY during the month with the exception of the signing of the Armistice between the Allies and the Japanese to which the Italian press gave voice with general feelings of gratification. The President of the Council said that he hoped that the end of the war would mean the release of more tonnage for the transport of food supplies, coal and raw materials to ITALY.

2. Measures for the assistance of Partisans and Repatriates were approved, and also the budgets of the various Ministries. The President of the Council made an important statement on VENEZIA GIULIA on 2 August when he received delegates from the area. He told the delegation that he intended to ask the Allies to review the existi conditions under which the Italian Government are powerless to do anything for the inhabitants of the region, which, until declared otherwise, was still a part of ITALY

3. The National Council of the Christian Democrats met from July 31st to August 3rd. Signor de Gasperi, Secretary General of the party, asserted that the party was desirous for collaboration with SOVIET RUSSIA.

4. Economically the most important news is the restoration of virtually complete freedom of foreign trade to the Italian Government from August 1st with the exception of VENEZIA GIULIA. This has come about as a gradual evolution under the guidance of the Allied Commission. At a meeting of the Council on August 9 and 10 the Ministers approved the proposal for the grant of a wider measure of administrati autonomy to the VAL D'AOSTA. Relations between the State and the Council have been regulated; certain financial provisions were guaranteed together with the free use of the French language. The control of public waters and mines has also been approve

5. The Council has approved the first list of members of the Consultative Assembly and has passed the decree setting up a commission to study the electoral law which will govern the voting for the Assembly. There was still a good deal of press polemics on the question of whether the elections for the Constituent Assembly should or should not precede the local elections. In the meantime Signor Parri maintained that no progress could be made until the status of ITALY had been finally clarified, and this would inevitably require much time. He insisted that political parties must pledge themselves to a free campaign.

6. Signor Nenni, as Minister in charge of epuration, has decided to turn over to the High Court of Justice for epuration proceedings all Italian senators except those already approved as members of the Concultative Assembly and the new Minister of the Treasury.

7. The Government are very satisfied with the response to the 5% Treasury loan which closed at the end of August.

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PART I/.....

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PART I

REGIONAL REPORTS

LIGURIA REGION

1. The Provinces of LUCCA and APUANIA were turned over to the Italian Government on 4 August with appropriate ceremonies and with many outward expressions of good will towards the Allies. Uncertainty and fear of the economic, social and political future of Italy is still prevalent among thinking and educated people but the Region is slowly returning to normal life; local government shows a continued improvement, and local officials are gaining the respect and confidence of the people

2. The food situation was good during August and the ration scale was maintained. A regular supply of fruit, vegetables and fish was on the open market but prices were very high.

3. With the regular monthly arrival of imported coal and its increased availability in August and also, it is hoped, in September, there were indications everywhere that industrial recovery was gathering momentum and the production programme was beginning to assume large proportions. The Siemens-Martin furnaces located at the ports of entry for coal are well situated for economical production o steel and with sufficient coal will be able to make a real contribution to the economic life of both the Region and Northern ITALY.

4. There were no political demonstrations involving labour and no strikes during the month but there was a further increase in unemployment. At present about 65% of the working population is unemployed.

5. Progress was maintained on the reconstruction of the ports of GENOA, SAVONA and LA SPEZIA. GENOA is now able to accept the original target of 8000 tons a day, sometimes exceeding this figure.

6. Grain collections have been slow and unsatisfactory, only about 700 quintals having been amassed by the end of August. Livestock figures show a reducti: of about 50% during the war period.

7. The efficiency and morale of police agencies showed definite improvement and partly as a result of this a number of persons in possession of firearms were arrested. Clothing, equipment and transport are still insufficient but communications and accommodation have been improved. There was a marked decrease in the number of murders, and several arrests have been made. Common theft cases are on the increase. The general security situation is normal, the few demonstrations that there were bei: mainly protests against the high cost of living.

8. Public health in the Region was good. There is a seasonal prevalence of typhoid fever but the peak was reached during the third week of August and a downward trend is apparent. Relatively heavy rains early in August have restored the water supply and made it possible to eliminate all parts of the water system suspected of being contaminated.

LOMBARDIA REGION

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LOMBARDIA REGION

9. All provinces have reported a gradual but steady return to normal life. Mor confidence was shown in the police agencies whose prestige has been increased by a number of detections and arrests, but the public safety situation in several provinces is not satisfactory. Press reports are exaggerated but there is apprehension among the population on the state of public safety when the Allies withdrew. The prison position was virtually unchanged and was by no means satisfactory.

10. Progress has been made on the economic side. Commencing on 22 August a daily train of 25 tankers was put into operation carrying wine between BRINDISI and MILAN. An average of 30 tons a day of war hemp was furnished the LOMBARDIA spinning mills and 9200 tons of lignite were mined at VAL GANDINO mines during the month, representing 75% of the normal production. The Portovaltravaglia factory near MILAN

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will start production of about 4000 square meters of window glass daily in September. Comparatively few disputes involving stoppage of work were reported during August but there were further indications of labour unrest over wage rates and high living costs. The electric power situation was good and power loads are increasing; rationing may, however, be necessary in January and February of 1946 if the gas plants are not put into operation. A reserve of about 1700 tons of imported grain and 250 tons of imported flour has been stocked for the Region but exporting Provinces have not met their consignment obligations. The wheat estimate for LOMBARDIA was 1,750,000 quintals of which 831,487 had been collected by 25 August. Rains during the month have considerably improved forage and late corn production and the rice crop in particular shows promise.

11. Public health on the whole has been good but there have been sporadic cases of typhoid fever mainly due to water shortage and the consequent use of polluted streams. Total vaccination is being carried out throughout the Region. 15,000 mufflers were distributed without charge to hospitals and institutions in MILAN City and some provinces, and continued assistance is being given to the new Ministry of Pol War Assistance and other Italian welfare agencies in re-establishing their work in LOMBARDIA Region.

12. 97,945 refugees and displaced persons passed through LOMBARDIA camps during August, of which 43,800 were internees from Southwest GERMANY and FRANCE received through CHIASSO. In all, 184,205 persons have been recorded in the Region, of which 58,897 were ex-PWs who have now been demobilized.

13. 134 cases were disposed of by the Extraordinary Courts of Assize during the month, 14 death sentences being imposed, three of which were executed. Advantage is being taken of D.L.L. 234 to convene a special court for dealing with cases of armed robbery. Sentences of 23-25 years were imposed on 4 youths convicted last week. All courts are functioning normally.

PIEMONTE REGION

14. Various political parties were active during the month and the jockeying for position amongst the parties undoubtedly detracted from the general efforts towards reconstruction. General feeling towards the Allies has remained favorable and the confused state of Italian politics has increased the desire among a considerable section of the population for the Allies to remain in ITALY.

15. The food situation was good and the ration has been maintained; in addition, large quantities of fruit and vegetables were made available.

16. The assessing figures have shown improvement. Large quantities of wheat are being collected and the public and officials are now beginning to realize their responsibility in this matter.

17. Labour offices continued to gain the confidence of the employers and organized labour, and it is due to their activities in the conciliation of labour controversies that a number of strikes have been avoided and labour relations have remained, on the whole, amicable throughout the Region.

18. The latest unemployment returns show the following figures: registered unemployed, 18,712; surplus workers (schedule less than 40 hours weekly), 178,596; surplus workers (in excess of 48 hours weekly), 103,799.

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19. Progress in housing is far from satisfactory. The material situation is, as last month, still a great handicap and the Sindaci of the various communes are not sufficiently aggressive to force the various yards to give up the material. Dealers are reluctant to sell since the market is rising.

20. Practically all electric plants, lines and sub-stations in PIEMONTE which were damaged have been repaired and such repairs that have not as yet been finished, should be completed within a month.

21. There has been a marked reduction in crime but cases of robbery and hold-u are still numerous. Determined efforts by police to effect arrests are meeting with some success. 3500 pairs of boots, 1,000 blankets and other equipment were secured during the month for the CCRR in the Region and each serving member will shortly be provided with an automatic weapon. The local military commander, who is conducting

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valuable assistance in public safety work, has attached a truck with wireless equipment at each of the six isolated CCRR stations. Contact is being kept with troops who assist CCRR in dealing with bandits and serious crime in which firearms are used. A large number of arrests has been made. Special courts of assize tried 136 cases. There were 9 death sentences and 37 acquittals and 14 cases were continued or transferred. There were various disturbances at sittings of special courts of assize but police action avoided serious trouble.

22. The health of the population is good but there has been a substantial increase in the number of typhoid fever and tuberculosis cases.

VENEZIA REGION

23. There was considerable activity among the political parties but all have shown reasonable restraint. Relations between AMG, Prefects and C.L.N. continued to run smoothly and all provinces report an improvement in public morale. There were still many cases of armed banditry but these were nearly all based upon motives of robbery, the political killings and vendetta murders having noticeably declined. The signs, apparent by the end of the month, that further British troops would move into the area for the autumn, had a further steadying effect. The condition and morale of the carabinieri and other police agencies continues however to be a matter of concern and clothing, boots and equipment are still in very short supply.

24. The compilation of electoral lists is proceeding slowly but satisfactorily.

25. On the economic side progress has been made. More shops were re-opened and more goods appeared for sale, usually at high prices. There was, however, no sign of an upward curve in prices: fruit and vegetables prices were steady throughout the month and in some cases declined. Distribution of food proceeded normally but both salt and firewood were in short supply. The limitations of the allocation of coal will seriously reduce the activity of the cement, fertilizer, metallurgical, glass and food processing industries with resulting unemployment.

26. Good progress was made in the clearing of bomb damage and in repairing roads and bridges. Many further rebuilding projects were approved and will be commenced shortly: it is hoped that these projects will contribute substantially towards solving the problem of unemployment which is assuming serious proportions especially in TREVISO, BELLUNO and UDINE Provinces. This problem is aggravated by the return of ex-PWs from GERMANY but there were no serious labour disturbances during August.

27. Considerable improvement was effected in the cropping of grain but the region's food supply was badly affected by a cyclonic storm of unusual violence which swept across the Provinces of TREVISO, VICENZA and VERONA on the 8th of August, doing great damage to the maize crop and to the vines and fruit trees. The damage caused by this storm and a previous one which took place on 30 June is estimated at 1,337,000,000 lire.

28. Particular attention is being given to the strengthening of provincial agricultural committees which are now functioning well in most provinces: their value has been fully demonstrated by the improvement in the cropping figures. Forage production was greatly advanced by recent rains and the region as a whole should produce sufficient for its requirements. The grape harvest shows every indication of being of average production and of better quality than usual.

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29. 58 Superior and 253 Summary Courts have been held. The majority of the former are for possession of arms and sentences have stiffened. The latter are mostly for wrongful possession of WD property.

30. The health of the population has been good although a few cases of typhoid and paratyphoid fever, dysentery and malaria have been reported.

31. Owing to the nearness of the disputed ground and to the presence in VENICE of a number of refugees from ISTRIA, the question of VENEZIA GIULIA always remains a topic of strong local feeling. The majority of the people spoken to will be prepared to agree to the handing back to YUGOSLAVIA of a major part of Slovene-speaking VENEZIA GIULIA provided always that the Italian character of TRIESTE be fully maintained. There are, of course, others who insist on the retention of what they call ITALY's natural frontiers."

32. Political activity during the month has been largely aimed at non-cooperation with Allied Military Government. Local government has, since the enforcement of the plan for re-organization under General Order No. 11, met with innumerable difficulties from the Slovene and Communist parties but the situation is clearing in view of the firm stand taken by the AMG in this matter.

33. The functions of the Civil Police Force are still being carried out by Allied Provost units but every effort is being made to equip and clothe the Civil Police which is in process of forming. There have been few public disturbances and little crime or rioting; six murders have been reported of which only one appears to be political.

34. The ration situation remains stable but meat is very scarce and the meat ration will have to be discontinued unless further supplies become available. At 30 August 600 tons grain, 708 tons flour and 2655 tons of mixed supplies were on hand but the assessing programme is proceeding unsatisfactorily and the Slovene element is openly obstructive over the assessing regulations, little more than half of the target figure of 10,000 quintals having been collected to date. Great hardship is caused through lack of forage, much of which has to be imported in this area. The Land Reclamation Project, much publicised in the local press, continued to progress.

35. The labour situation is greatly affected by internal trade union disorder and by lack of employment and raw materials. Rehabilitation programmes are being put into operation and it is hoped that this work will absorb many unemployed. Considerable progress is being made in the maintenance and repair of roads, bridges and TRIESTE harbour, while pill-boxes and road blocks are being rapidly demolished. The Bomb Disposal Squad is actively engaged and working very satisfactorily.

36. Public health has been good and there is a complete absence of any serious epidemic. The local administration is, however, still very bad and certain committees, such as Maternity and Child Welfare, are virtually at a standstill. Substantial medical supplies have been received during the month from Allied sources.

37. Between 1st and 26th August 11,947 persons passed through the Refugee Centres, of which 6,579 were displaced civilians and 5,068 Italian PWs. The main problem at the moment is the disposition of the "stateless" Italian civilians whose homes are in that part of VENEZIA GIULIA occupied by the Yugoslav authorities. A holding centre for these is going to be established in the north of ITALY.

38. 243 charges, involving 213 accused, were heard by Summary Court and 31 persons were tried by the Superior Courts; 81% of these charges arose from disagreements of a political or national nature. Epuration continued and 1444 completed Schede Personale have been received by the Commission. With the exception of those in GORIZIA, civil courts are holding regular sessions.

39. The telephone circuit to FIUME and all towns in Zone "B" and to POLA ceased to function having been cut off by Yugoslavs.

40. News is being disseminated from Allied Military Government, VENEZIA GIULIA at an increasing rate. Weekly radio programmes are to begin in Slovene and Italian early next month. The press conferences held once a week have proved extremely

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AMG NAPLES COMMAND

41. The end of the war with JAPAN provoked little comment amongst the people of NAPLES. There has been little political activity during the month but there was some agitation among returned PWs and other refugees assembled in NAPLES and clearance projects have been accelerated to give these men employment.

42. The first cereal returns were poor as compared to the amount amassed by the same date last year. These poor returns are not only due to the drought which has damaged many crops but also to the farmers who are demanding increases in price.

43. Salvaged garments and boots and material for the repair of 5608 pairs of boots have been handed over to the Italian Government I.C.D.

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44. There is much discontent and uneasiness among the working population caused by the employment of large numbers of German PWs in NAPLES. There were 16 strikes lasting only one to three days during the month: the majority of these strikes were for increases in pay and there were no incidents.

45. The water situation is becoming more acute particularly as the civilian population have no sense of water discipline and storage in NAPLES is inadequate.

46. Prisons are still overcrowded.

47. There has been a marked decrease in smallpox and typhoid cases during the month.

48. Hospital staffs struck for higher wages. The strike lasted 48 hours.

49. Truck pools are working satisfactorily under Italian Government control, and a cut in military allotments has eased the shortage of rail cars.

AMG LIVORNO ZONE

50. All political parties are actively carrying on their propaganda, holding numerous conferences and public assemblies. All political meetings have been orderly and well disciplined.

51. The full use and expansion of economic resources has been retarded mainly because of the lack of raw materials and fuel, principally coal.

52. The food situation has been unsatisfactory. There were fewer non-ration foods than last year on the market due to the drought and the fruit and olive crop have also suffered from lack of rain. Tillage has been prevented by extensive mines Assessing estimates showed that the crop will fall about 40% below the figures shown last year.

53. There has been an improvement in the electric and gas services and in the water supply although in the case of the latter the situation in PISA and LIVORNO is still critical.

54. Road blocks, check points and roving motorbicycle patrols in the LIVORNO zone made up of military police, carabinieri, and other public safety agencies and Allied army units were successful in rounding up 4 counterfeit operators, holding over 5,000,000 lire in forged currency, 12 fugitives from justice, and 2 escaped German PWs; several persons in possession of WD property were also arrested.

55. Over 25,000 displaced persons passed through the LIVORNO Refugee Staging Area during the past month.

56. A few cases of undulant and typhoid fever have been reported but public health in the section has otherwise been normal.

BARI AND SOUTH EAST ITALY (From A.C. Liaison Officer BARI)

57. There has been little political activity in the area during the month. All prefects were satisfied with the preparations of electoral lists for the coming elections but the greater part of the population took little interest in the proceedings.

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49. Truck pools are working satisfactorily under Italian Government control, and a cut in military allotments has eased the shortage of rail cars.

LIVORNO ZONE

50. All political parties are actively carrying on their propaganda, holding numerous conferences and public assemblies. All political meetings have been orderly and well disciplined.

51. The full use and expansion of economic resources has been retarded mainly because of the lack of raw materials and fuel, principally coal.

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58. Rations are being regularly distributed in all provinces but there is a scarcity of fats both for cooking and eating. Farmers are reluctant to amass their grain this year on the pretext that the Government price is insufficient. Olive trees and vines have suffered from the drought and the shortage of fodder for cattle continued. The price of hay and straw is now prohibitive.

59. There is a serious unemployment problem: farmers are reluctant to employ additional men and in some cases whole farms have been forcibly occupied by labourers and peasants in the villages.

60. Details of the disturbances at MATERA and FERRANDINO during the first five days of August are reported on page 12. There seems to be little political significance in these disturbances and they were staged chiefly as a protest against

the amassing of grain, b) issue of ration cards and the inadequate measures existing for the relief of the unemployed.

61. There has been a brisk revival in the wine trade and ships and trains are carrying thousands of tons of wine from the BARI area to Northern ITALY.

62. Public health has been good.

SARDINIA (From A.C. Liaison Officer SARDINIA)

63. Political parties are active in their preparations for the forthcoming elections. In the Communes few able men take political appointments owing to the present unstable political situation and poor financial conditions.

64. Numerous demonstrations were held on the island for increased public works to relieve unemployment. The Ministers of Public Works and Post-War Relief arrived to investigate conditions. Public works projects designed to employ large numbers of workers are already being carried out and many unemployed are being absorbed in this work.

65. Owing to the continued drought and hot winds, crops have matured irregularly and many have been severely damaged. During August, 1,417 head of cattle, 568 horses and 2,421 sheep were exported to the mainland but the only food stock available for export was cheese. 53,238 tons of Sulcis coal were mined, compared to the July figure of 50,091 tons, and of this, 37,670 tons were exported. Exports for the month, excluding coal, totalled 1,307 tons. Imports amounted to 842 tons.

66. Public safety and public health conditions on the island were satisfactory.

67. Transportation facilities between SARDINIA and the mainland have been improved and during the month approximately 1,000 refugees were returned to their homes in SARDINIA from the mainland. Due to a shortage of pastures and forage, it has not been possible to build a staging area at OLBIA for livestock en route to the mainland, and often the sailing dates of the cattle ship are not communicated in time to transport to the port a sufficient number of animals; therefore, shipments for August were not up to expectations, as the ship often sailed half-empty.

68. There was some trouble among the workers brought from the mainland to work in the coal mines, and it was considered better to return some of them to their homes

SICILY (From A.C. Liaison Officers CATANIA and PALERMO)

69. Separatist headquarters in both CATANIA and PALERMO have been closed but, in spite of a decline in popular support, the movement continues to publish a considerable quantity of clandestine literature. It is not believed, however, that separatism is a strong political factor or a real menace to the present government of SICILY. There is more reason for anxiety at the political indifference of SICILY's presumably better educated citizens, which would seem to be a clear call to the more patriotic working-class citizens to assume political control.

70. There has been no general reduction in the cost of living in spite of the good supply of local fruits and vegetables and its tendency to increase, especially with the approach of winter, is a continued source of popular dissatisfaction. The grave water shortage has not seriously reduced the production of tomatoes, fruit and vegetables but the grain harvest, as reported last month, has been greatly reduced

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71. There have been more cases of malaria and typhoid fever during August than for many months past but other than this the health of the population appears to be satisfactory.

72. The economic situation is deteriorating due to the continued shortage of raw materials and lack of coal. Many plants have been obliged to reduce output so many employees are out of work. The labour market has been further disrupted by the return of servicemen and prisoners, and Provincial Labour Offices report over 40,000

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registered unemployed in Eastern SICILY alone. There have been few industrial disputes and no strikes during August.

73. Reconstruction work is being expanded in an effort to reduce unemployment. Over one milliard and a half lire have been allotted by the Government for public works in SICILY. The health of the population has remained fairly good and there have been no epidemics.

74. Public safety remains the most urgent problem, delinquency is on the increase and country districts are infested with armed bands who resort to robbery, kidnapping, and extortion. The Italian Police authorities are not powerful enough and have not enough men or arms to combat this situation, which can be attributed to adverse economic conditions, unemployment, and unrest in agricultural areas. The public have no respect for authority or the administrative officials. A train was held up at LICATA by 50 bandits, armed with rifles, sub-machine guns and hand grenades. The passengers were robbed of everything, and the shooting resulted in deaths and injuries.

ANCONA (From A.C. Liaison Officer)

75. On August 4th the Commune of ANCONA was handed over to the administration of the Italian Government but as the military situation in ANCONA remains unchanged Allied courts have been retained.

76. The food supply was satisfactory, and the distribution of rationed commodities was regularly maintained.

77. Unemployment increased but a scheme for reconstruction of the city is being prepared. It is expected that all surplus labour will be absorbed when this scheme is in operation.

78. Public health remained at a high level despite shortage of water and over-crowding. Health services are functioning satisfactorily.

BOLOGNA (From A.C. Liaison Officer)

79. There has been no increase in political activity during the month, although the parties are undoubtedly preparing for the elections. It is reported that the Communist Party is losing ground while the Socialists have gained the confidence of the population. The preparation of electoral lists is progressing and the latest date for their completion given by any prefect is the end of October.

80. The food situation is satisfactory, although sugar and fats are in short supply and prices for food remain high. Owing to the prolonged drought, this year's vintage will be well below normal in quantity but the wine will be of excellent quality. Amassing is proceeding satisfactorily. The total amassed to date is 1,605,105 quintals or 84.6% of the expected total.

81. The unemployment problem was not critical but will become increasingly serious as the farm work decreases with the winter months and more labour returns from GERMANY. Lack of coal for industry and the fact that employers will not be continuing to pay employees who are not working after 30 September will further aggravate the problem.

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82. The public works situation was satisfactory but it is feared that the reconstruction of the bridge over the Po in PIACENZA Province will not be completed this year. The high water may render the present pontoon bridge unusable.

83. There has been an increase in the number of cases of armed robbery, 63 cases having been reported. Arrests have been made in 11 instances.

84. The morale of the carabinieri improved considerably but they were still lacking in numbers, transport and POL. A mobile battalion is being formed and 14 tanks have been supplied for this purpose. There is a continual comment in the press and in speeches that partisans be recruited into the police agencies.

85. One case of typhus was reported in the refugee camp at BOLOGNA and there have been a few cases of typhoid and an increase of malaria in FERRARA Province due

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to flooding; with these exceptions public health was good.

86. 55,231 refugees passed through the Region during August. Conditions in the camps have improved and general health remained good.

87. Road and rail communication throughout the Region improved. Telecommunications are improving and the posts operated satisfactorily.

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PART II

CIVIL AFFAIRS SECTION

Mine Clearance

1. Mine clearance in ITALY is now mainly confined to Italian Government territory where the Italian Government are continuing the work started by AC/AMG. There is however a number of mines in LIGURIA Region where civilians and one company of Italian Engineers are operating.

2. Detailed maps of German minefields in Italian territory have now been received and these should speed up mine clearance work and reduce casualties. These map records will eventually be handed over to the Italian Ministry of War.

LOCAL GOVERNMENT SUBCOMMISSION

3. The Italian Government is at present selecting the Presidents of the Provincial Commissions which are to be set up in AMG territory to decide the disfranchisement of alleged Fascists. Instructions have been issued for the appointment of the other two members who, with the President, constitute the Commission in each province. They will be nominated by the First President of the Court of Appeal from a list of popular judges and then formally appointed by order of the Provincial Commissioner.

4. A representative of the Allied Commission visited the Office of the Penal and Judicial Records (Casellario Giudiziale Centrale) in ROME and reported that conditions there were chaotic and the system employed archaic. The work is particularly difficult owing to the damage and loss of records through war and the fact that much of the population is scattered and the reported inefficient functioning of the Casellario Giudiziale Centrale may ultimately affect the date on which elections can be held. The matter is being taken up with the Italian Government.

5. Extensions of the time limit for the preparation of electoral lists have been granted to 67 Communes in AMG territory: the maximum period of extension granted was 30 days.

6. The Italian Government have completed the appointment of the great majority of the members of the National Consultative Assembly ("CONSULTA"). The relevant Italian decrees include provisions for the appointment of 6 "Consultori" to represent VENEZIA GIULIA. These decrees have not been implemented in VENEZIA GIULIA but the US and British Ambassadors have approved that AMG should give sanctio to the implementation of these decrees as an administrative act. A plan for the local government of VENEZIA GIULIA has been approved by C.C.S. The type of government set up under this plan reproduces the Italian system under another name.

EDUCATION SUBCOMMISSION

7. Universities and other higher institutions are now, practically without exception, epurated and re-organized throughout the North. Building repairs are under way for damaged universities and schools in all regions and projects are drawn up for long-term construction. Epuration of schools in Northern ITALY proceeded

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8. Owing to lack of fuel, LOMBARDIA and VENEZIA Regions are arranging to open the autumn term early in order to allow schools to close during the severe weather.

9. Progress has been made towards opening schools in the German language in BOLZANO; Swiss textbooks have been selected and prices for printing obtained from BERNE. The intransigent attitude of the National Liberation Committee in VENEZIA GIULIA is causing difficulties but remarkable progress has been made; arrangements have been made to facilitate the transfer to Italian provinces of teachers who formerly taught in territory now under Yugoslav jurisdiction.

10. AFHQ has completed its survey of school requisitions showing that of 663 schools which were still under requisition on 1 August, 232 will have been requisitioned by 1 October. An AFHQ Administrative Memorandum is in preparation directing commanders to derequisition educational facilities at the earliest possible date.

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The worst requisitioning problems are in four provinces in VENEZIE Region: in BOLZANO City every school is partly or wholly occupied.

11. The Allied Commission has presented a detailed study of Italian education, its history and present organization, to the Minister of Education. The plans for a central reference catalogue of all ROME libraries to enable both Italian and foreign students to avail themselves of the rich but scattered and badly catalogued materials progressed satisfactorily.

12. The Minister of Public Instruction has set up a 500,000 lire fund to put into effect an arrangement made with the Library of Congress for purchase of books in AMERICA for Italian universities and libraries to the extent that the Library of Congress can use books to be purchased in ITALY. The British Council has worked out a different plan, setting up a credit of 200,000 pounds sterling in GREAT BRITAIN, balanced by British Council and Embassy expenses in ITALY and earmarked for book purchases through commercial channels. The British Council has also provided four scholarships for Italian students to GREAT BRITAIN and the Minister of Public Instruction has nominated the students. A considerable fund has been raised for scholarships for Italian advanced students who wish to study in the UNITED STATES.

LEGAL SUBCOMMISSION

13. There has been a general decline in the number of AMG court cases throughout all regions. Cases of possession of arms are still numerous and illegal possession of Allied property is prevalent among civilian employees in the port areas. General courts were held dealing with murder and counterfeiting.

14. The Italian courts in the North, though understaffed, are functioning normally.

15. Courts-of-assize procedure was modified, with the approval of the Allied Commission, by ACL No. 466 of 2 August 1945 rendering proceedings more speedy but increasing the amount of personnel needed for bench and the prosecutor's office.

16. RLOs have been instructed to request Italian judicial authorities to transfer trial cases to other courts where local feelings would be likely to prevent impartial justice being done. A number of death sentences have been confirmed by the Minister and CMA and executions have been carried out.

17. The Yugoslav authorities have repeatedly requested that a number of alleged Yugoslav citizens now detained in various jails of ITALY be handed over to them; each case has been given careful consideration but no decision has yet been reached. Yugoslav authorities have been requested to carry out the decisions of the Court of Appeal of TRIESTE effecting persons and property situated in territory under their control.

18. On 10 August the Italian Government sent, at the request of the Allied Commission, a circular to all First Presidents stating that membership of the Fascist Republican Army did not in itself constitute an offence.

19. No general orders were issued during August.

PUBLIC HEALTH SUBCOMMISSION

20. Both the appointment of an Alto Commissario for Public Health and a defini-

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balanced by British Council and Embassy expenses in ITALY and earmarked for book purchases through commercial channels. The British Council has also provided four scholarships for Italian students to GREAT BRITAIN and the Minister of Public Instruction has nominated the students. A considerable fund has been raised for scholarships for Italian advanced students who wish to study in the UNITED STATES.

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PUBLIC HEALTH SUBCOMMISSION

20. Both the appointment of an Alto Commissario for Public Health and a definition of the functions of this official have been amended by legislative decrees during the month of August.

21. Up to 27 August, 2,402 sick Italian repatriates had arrived at MERANO. This has been much in excess of schedule and the bed capacity of the Hospital Command is strained to its limits.

22. Only one case of typhus (in a refugee) was notified during August. Smallpox figures both in NAPLES and elsewhere in ITALY have shown a marked decrease.

23. Weekly searches at collecting stations in the TIBER Delta continue to show a very low mosquito density. Although two particular areas have yielded a large increase in figures this is purely relative and causes no concern with regard to malaria transmission.

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24. The infant mort ity rates for ROME Communes for July was 99.9 a thousand as compared with 96.9 in June. Deaths from all forms of tuberculosis in ROME during July were 238 as compared with 233 in June.

25. The Welfare Branch has now turned over to UNRRA and ENDSI all problems pertaining to the distribution of food and clothing and 217 tons of blankets have been made available by the Commerce Subcommission for distribution. Increasing responsibil ity for welfare matters is being turned over to the Italian authorities.

26. ENDIMEA has only just completed the distribution of May supplies in Italian Government territory. The supplies in the NAPLES warehouse have been handed over to the Istituto Commercio Estero, the organization designated by the Italian Government for accepting such supplies. With the dissolution of 2,665 Central Civilian Medical Depots no further requisitions for medical supplies for 1946 have been submitted. The future responsibility for Category "B" medical supplies will be accepted by UNRRA and FEA (Foreign Economic Administration).

27. Veterinary — It was anticipated that the activities of the Veterinary Branch would cease at the end of August and the Italian Government were notified accordingly. Partial distribution of all veterinary supplies was made and the distribution of the remainder will be effected shortly. No further imports of veterinary supplies will take place. There have been no serious outbreaks of communi able disease amongst animals during August.

PUBLIC SAFETY SUBCOMMISSION

28. There has been a definite improvement in Public Safety this month, apart from SICILY and SOUTH ITALY. In SICILY however major crimes were still very frequent the country districts infested with bandits and the percentage of murders very high. There have been no grave public disorders, but robbery with violence, kidnapping and extortion were common occurrences. Good work in breaking up gangs has been done by the Police Force, but other gangs are quickly formed, and there were two hold-ups of a very serious nature at LIGATA (details of which appear on page 3) and ENNA. Dis- satisfaction has been general, and the police authorities have not enough power or enough men and arms, to enforce law and order. In SOUTH ITALY too there has been unrest, for in MATERA province there was a disturbance on 1 August, when about 1000 rioters burned several buildings; the prison was forced and prisoners released. Abou 1500 people cut communications and set fire to Government buildings at FERRANDINO the following day, and one civilian, allegedly Fascist, was killed by the crowd.

29. Even in the newly handed-over EMILIA the public safety situation was not very satisfactory, and there was a considerable increase in armed robbery. The moral of the Carabinieri however has improved considerably, but they still lacked transport POL, and sufficient men to cope with the situation.

30. In LOMBARDIA, VENEZIE, and PIEMONTE there has been some improvement in the maintenance of law and order, and although many serious crimes were committed, public morale remained at a high standard. In LIGURIA there was a marked decrease in the number of murders, and the efficiency and morale of police agencies showed definite improvement, although clothing, equipment and transport were insufficient.

31. The recruiting and training of the Civil Police for VENEZIA GIULIA is proceeding satisfactorily. All applicants, of whom there are about 2,000, are being carefully screened and vetted. 140 recruits are undergoing training at the Public School established and should be fully trained and ready for duty by mid-September.

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32. The Allied Commission during August has been particularly concerned with procuring clothing, arms and equipment for the police agencies. Mobile battalions of carabinieri are being armed and supplied with Italian tanks and British and American Army units are giving training to Carabinieri and their officers in the operation of their new equipment. But there is still a serious lack of proper clothing and

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equipment which hampers efficiency, and transport is urgently required by all Carabinieri legions. It is extremely difficult to enforce law and order under these circumstances, and the need for a strong well-equipped Police Force is becoming increasingly evident and of paramount importance.

PATRIOTS BRANCH

33. The Ministry of Post-War Aid has now taken over Patriot work from the Ministry of Occupied Italy. A hospital at TRENTO is to be put into operation solely for Patriot personnel.

MONUMENTS, FINE ARTS & ARCHIVES SUBCOMMISSION

34. French impressionist masterpieces by CEZANNE, RENOIR, MONET, SISLEY, VAN GOGH and DEGAS, which had been seized by the Nazis from French owners and then "exchanged" to the Fascist Government have been found in FLORENCE.

35. Among important works of art returned to their normal locations in VENICE were the Lion of St. Mark to its column in the Piazzetta, the famous four horses to the facade of St. Mark's and the great TITIAN "Assumption" to the Church of the Frari

36. During August, 37 additional first-aid repair projects were approved in VENEZIE Region, of which the most notable was the Church of the Eremitani in PADOVA.

37. Satisfactory agreement has been arrived at on many points with the Joint Foreign Office and State Department Commission for the intelligent exploitation of certain groups of Italian ministerial archives. Certain limited categories have been selected for separate storage under Allied control, and the Italian Government has been asked to appoint an archivist for technical advice and liaison purposes.

DISPLACED PERSONS AND REPATRIATION SUBCOMMISSION

38. The number of Italians repatriated during August fell short of the original estimate of 225,000 for the month, due almost entirely to the breakdown of bridges over the BRENNER Pass route which is the main USFET to ITALY repatriation route carrying a daily average of 5,000 persons. Only 5,362 persons were received over the BRENNER route throughout the period 11 - 16 August causing a drop of more than 30,000 in the estimated total for the month and a subsequent delay in the completion of the repatriation of Italians.

39. During August approximately 180,000 Italians were returned to ITALY, through the BRENNER and Swiss routes. In addition 4,000 were received by land, sea and air at BARI, NAPLES and TARANTO from GREECE, FRANCE, SARDINIA, YUGOSLAVIA and ALBANIA. A total of 480,000 Italians have been received from GERMANY and AUSTRIA to date. 693,308 Italians have been returned to their homes since January 1944. On 31 August it was estimated that only 75,000 Italians remained to be repatriated from GERMANY and AUSTRIA but this number does not, of course, include any which have yet to come into the American, British and French zones from the Russian areas. It has been agreed with the Soviet authorities to move 60,000 Italians into USFET from a Soviet area north of CZECHOSLOVAKIA and there are a further 15,000 reported to be in the Soviet area in AUSTRIA. There are 1,150 Italians in NORWAY, 90% of whom fought with the Germans and these will not be moved until the Italian Government has facilities for their internment. The present rate of repatriating Italians from GERMANY and AUSTRIA is approximately 5,000 a day through the BRENNER Pass, 2,500 a day over the BERNINA route from SWITZERLAND, and 2,000 a week through ANNEMASSE to COMO; small

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40. In addition to the movement of Italians from Northern EUROPE, Greeks are also being transported from SWITZERLAND through ITALY to BARI for repatriation to GREECE. They are arriving at the rate of about 800 a week and are shipped from BARI to PATRAS. So far approximately 5,000 have been received in BARI of which 4,300 may been repatriated to GREECE.

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41. A scheme is being formulated whereby a sanatorium at LANA, south of MODENA, will be partly used for the hospitalization of Allied National T.B. patients. Ration scale No. 24 was introduced on 1 August for all refugees but there is no supplementar food ration for invalids although young children can be provided with an issue of mil and fresh fruits.

42. Registration continues satisfactorily. On 31 August, 17,646 persons had been registered under the SHAEF system out of a total population of 24,328. By the end of August 1945, 106,220 Displaced persons had been recorded by the Record Bureau. This shows an increase of 10,781 names over the 95,439 registered at the end of the previous month and it is also the highest number of persons to be registered in any single month during the year. 120,754 Italian prisoners of war were repatriated during the month. AFHQ have ruled that prisoners of war can no longer be released as specialists for service in the Carabinieri or Italian armed services.

43. Remittances by Italian prisoners of war in British hands to their families totalled 53,894 pounds sterling. Credit balances of repatriated prisoners of war totalled 43,569 pounds sterling.

44. The Russian Government have stated that 130,000 prisoners of war will be repatriated from the Russian zone in North EUROPE during October.

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PART III

ECONOMIC SECTION

AGRICULTURAL SUBCOMMISSION

1. There has been a considerable net reduction in the original wheat production figures. The estimates of wheat have been cut to 2,072,700 metric tons in Central, Southern and Insular ITALY, and for all ITALY 4,090.5 metric tons. Prospects for production of tobacco, potatoes, tomatoes and late beans, especially where the crop is irrigated, continued favourable. At the end of August 694,103 metric tons of wheat had been amassed, 388,216 metric tons in North ITALY and 305,887 metric tons south of the APPENINES. These collections represent 60% of the estimated available quantities for non-producers of wheat. Grain collection increased during the month, although there was an undesirable degree of variation between provinces in the effectiveness of the programme, while others have not indicated adequate support of the programme.

2. The heavy storms in TREVISO Province on 8 and 19 August resulted in considerable damage to corn, forage, grapes and other fruits. In other areas the continued drought has led to fall pasture and forage crops being considerably below normal.

3. The anticipated low olive oil production which normally follows a good year has been further reduced by the drought. Vines have also suffered from drought in Southern ITALY but wine production is expected to exceed 18,900,000 hectolitres in Central and Southern ITALY. Hail storms in some provinces of VENEZIE Region damaged the crops.

4. Livestock continued to be slaughtered at a greater rate than at any time since the liberation, probably due to the continued drought and shortage of forage. The responsibility for captured horses and mules, now on loan to Italian farmers in North ITALY is to be transferred to the Italian Government. Subsequently, the Italian Government will be able to sell the animals to the individual farmer. The livestock census continued in many provinces in the North, in order to identify animals on loan, stray animals, etc., and provide a basis for transfer of ownership from the Italian Government to the farmers concerned. Very few cases of foot and mouth disease have been reported.

5. On 1 August the new training school for forest guards opened at PIAZZA-FORME with three hundred and sixteen students, mostly Partisans. Arrangements were made to cut timber for 150,000 "sleepers" for Military Railway Service from the Foreste del Circeo of SABAUDIA.

6. A complete survey of the fisheries of VENEZIA GIULIA has been completed. 35,000 rainbow trout eggs are scheduled to arrive by air in November from the United States to restock Italian lakes and rivers. A meeting has been held at the Ministry of Alimentation to discuss the allocation of POL for fishing, as the allocation for the month of September has been so reduced that the motorized craft would be able to operate at the most only four days during the month. It is hoped to increase the allocation from 7,500 to 15,000 quintals. The Ministry of Agriculture has invited a group of nationally-known civilians to study and sponsor the rehabilitation of ocean fishing. The Allied Commission has invited the Italian Government to sponsor an

quantities for non-producers of wheat. These collections represent 50% of the estimated available quantities for non-producers of wheat. Grain collection increased during the month, although there was an undesirable degree of variation between provinces in the effectiveness of the programme, while others have not indicated adequate support of the programme.

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COMMERCE SUBCOMMISSION

7. Owing to the failure by the Italian Government to recognise the Proclaimed and Statutory lists (details of which can be found on page 16, Finance Subcommission report) complete liberty in Italian export trade activities did not come into force on 1 August as had been previously arranged.

8. 5,000,000 tons of phosphate rock from TUNIS was allocated to ITALY, who was to ship 100,000 tons of pyrites to the French in payment. The refusal of the latter to ship the phosphate has resulted in Italian agriculture lacking fertilizers and chemical plants lacking raw materials.

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9. The 100,000 to of wheat which was presented to ITALY by the ARGENTINE has not yet been allocated by the Combined Boards. However, they have agreed to the allocation to the city of GENOA of 4,000 tons of wheat and 1,200 tons of canned meat, offered to that city as a gift by SWITZERLAND. Arrangements are in hand for shipment from LISBON, where the food is now lying.

10. Good progress is reported toward obtaining a regular supply of fish from TURKEY. Four schooners, of about 900 tons each, will probably be released to the Italian Government, to be used exclusively for fish imports from TURKEY.

11. 2,471 bales of cotton cloth from TENERIFFE are being shipped to ITALY.

12. Tin, solder and white metal have been removed from Materials Committee control and are now controlled by the Ministry of Industry and Commerce. Practically all standing timber and felled logs have been made available to the Italian Government for essential civilian needs. About 90% of the leather uncovered in the North has been turned over to the Italian Government, which is working out a scheme of distribution. All plywood less than 6 mm. thick has been released from control.

13. Since June 1945 about 3,000 tyres and tubes have been turned over to the Italian Government to distribute through Michelin and Pirelli warehouses. About 5,000 have been allocated to other Subcommissions, Regions and Government concerns.

14. Export shipments during the month consisted of silk, strusa, books, wine, straw, sulphur and lemon oil, totalling 7,058,159 tons, with a value of 160,781,766 lire.

15. An Italian commission was sent to POLAND and CZECHOSLOVAKIA and a list of exportable commodities to these countries has been received by the Allied Commission for approval. AFHQ have been asked to nominate a responsible body with whom the Italian Government can negotiate in AUSTRIA.

FINANCE SUBCOMMISSION

16. Pay and allowances of public employees in North ITALY have been increased as a result of the implementation of ACC 116 of 13 March 1945. The provisions of ACC 116 were, at the request of the Italian Government, made retroactive to 1 May 1945 with the understanding that all advances conceded to personnel on account of the increases would be deducted. Authority to pay the "Liberation bonus" to State employees was granted in Military Government territory and to industrial employees in Central and South ITALY on 17 August 1945.

17. COS and AFHQ have approved both non-transactional and transactional communications (postal and telegraphic) between ITALY and RUSSIA, under the same external controls as are in effect between ITALY and the USA.

18. The Italian Government has instructed the Italian Ambassadors in LONDON and WASHINGTON to propose to the United States and British Governments that the Italian Government adopt the Proclaimed and Statutory lists when certain firms have been deleted from these lists. The American and British Governments had formerly indicate that the Italian Government should first adopt the lists after which the deletion of certain firms would be considered. The principal negotiations are being carried out by the British and United States Embassies in ROME, the Allied Commission being kept fully advised.

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19. Final figures for the subscriptions in North ITALY to the new Italian Government Five Year 5% Bonds are not yet available, but it is known that more than 70 billion lire has been subscribed and it is probable that the final total will be in the region of 75 billion lire.

20. It is estimated that for the fiscal year 1944/45 the total actual revenue collected was 46.5 billion lire.

FOOD SUBCOMMISSION

21. Stocks of food are being built up in some provinces in Central and Southern ITALY as a precaution against irregular arrivals and preparations have been made to allocate stocks of certain foods in GENOA when the Northern Regions are turned over to Italian Government administration.

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22. The distribution of food in Italian Government territory is improving.

23. As the quantity of cereals delivered to the Ammassi is lower than was estimated, a further supplementary requisition of wheat to be loaded in the period October 1945 to June 1946 was prepared. Substantial quantities of wheat have been shipped to the North of ITALY to make up the deficiencies in LOMBARDIA and PIEMONTE Regions.

24. The movement of salt by rail from S. MARGHERITA DI SAVOIA to VENEZIE Region rose from 480 tons a week at the beginning of August to 805 tons at the end of the month. Details of the cistern wine-carrying cars running from APULIA to Northwest ITALY can be found on page 2 (LOMBARDIA report).

25. A standard ration scale for the whole of ITALY showing a minimum disturbance of existing scales has been proposed: for the November/February period the same type of ration card will be used throughout all ITALY.

26. A tour of the Northern Regions was made to obtain statistics on which to base and control the planning and distribution of food as well as to obtain a basis on which to compute prices.

27. 654,103 metric tons of wheat have been amassed, and 52,963 metric tons of olive oil.

28. It is estimated that sugar production in North ITALY will only be about 28,000 tons and supplies may have to be imported. Arrangements for the distribution and use of the 43,070 tons of molasses in stock in North Italian plants have now been drawn up.

INDUSTRY SUBCOMMISSION

29. The Italian Government has assumed almost entire control of industry in Government territory, whilst in AMG territory the North Italy Industrial Council is beginning to get into its stride.

30. 11,600 tons of brass will be available to the Italian Government from Allied Forces sources for conversion into copper resulting in a production of 30,000 tons of copper sulphate.

31. Negotiations have now been concluded for the unloading of the explosive content from salvaged ammunition which will be distributed among the four principal firms engaged in producing pre-war industrial explosives. The disposal of the steel empty shells and miscellaneous scrap metal is still under consideration.

32. The estimated production of Sardinian coal is 53,000 tons for the month; production throughout July averaged 1,930 tons a day. Estimated production of lignite for August was 90,000 tons.

33. Due to increased supply, the rationing of matches was abolished throughout ITALY with effect from 1 September 1945.

34. Approximately 400 tons of synthetic rubber, carbon black, cord fabric and associated chemicals, requisitioned as a military supply commitment, have now arrived. This material, combined with stocks in MILAN and ROME, is sufficient to start tyre production at Pirelli factory at TIVOLI (ROME) but production will be limited unless

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LABOUR SUBCOMMISSION

35. Details of the implementation of DLL 116 and the payment of the liberation bonus can be found on page 16.(Finance Subcommission report).

36. There is apprehension that the revival of industry and the provision of alternative forms of employment will not be sufficient to meet threatened difficulties in the future. The payment of dole under the MILAN Agreement will continue until 30 September owing to the inability of employers to pay the employees required by this agreement.

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37. To co-ordinate the activities of the various Camere del Lavoro in the North a Northern branch of the C.G.I.L. has been established and a Memorandum has been submitted to the Italian Government by this organization, drawing attention to workers' problems and suggesting remedial action. A delegation of Italian Trade Unionists returned from RUSSIA after one month's tour of industrial centres in USSR.

38. Regional and Provincial Labour Offices have been established and adequately staffed with Italian civilians. Regional Italian Joint Advisory Committees, which consider proposed wage agreements and other labour questions referred to them by AMG, Labour Offices and both employers and employees in industry, have continued to operate satisfactorily. There have been no serious strikes or industrial disturbances during the month and the few small demonstrations which have occurred have been conducted in an orderly manner.

39. Wages of Italian civilian employees of the Allied Forces have been kept in line with local conditions but an inevitable reduction of 14,695 in the number of persons employed by the Allies had had to be made since 14 July 1945. The employment of German prisoners of war in rebuilding what has been damaged during the war has led to considerable criticism from the Italians. They are naturally resentful of the Germans being employed when they are not, and grudge the loss of labour and money which would otherwise be theirs.

PUBLIC WORKS & UTILITIES SUBCOMMISSION

40. Every effort is being made to effect a complete turnover of military highway maintenance to Italian agencies on 1 October 1945 and military units are gradually withdrawing assistance previously rendered to contractors, particularly in transport and materials. General direction of the programme by officers of this Commission will continue. Accumulative figures reflect that 1932 bridges had been completed in ITALY by the end of August. Bitumen supplies are still critically short.

41. Satisfactory progress was made transferring items of machinery and transport from this Commission to the Ministry of Public Works. Approximately 50 additional trucks were received during the month for use by the Ministry of Public Works. Final arrangements were made for a complete turnover of the operation of all equipment, shops and machinery maintenance facilities to the Italian Government on 1 October.

42. Reports on rehousing progress throughout ITALY are unsatisfactory and it has been arranged for an Engineer Officer to work directly with Ministry officials in an effort to expedite the entire programme.

43. The supply of electrical power for Southern ITALY still remained critical owing to the outage of two generators at SILA, while reconstruction work is hampered by scarcity of materials and transport. The curtailment of civilian and military usage of power will be required through September and part of October 1945. In Northern ITALY the power supply remained satisfactory and no allocation of power was considered necessary during August.

44. An allocation of 15,000 KW was made to the Terni Chemical Works at NERA MONTORO producing badly needed chemicals and fertilizers, as the actual load on the system in Central ITALY only totalled 170,000 KW against an allocation of 195,200 KW in August.

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TRANSPORTATION SUBCOMMISSION

45. Movement of civilian traffic continued to improve. Railroad civil freigh. traffic on the mainland in Italian Government territory amounted to 291,000 tons i July, an increase of 5% over June. Coastwise shipping and schooners accounted for 124,000 tons of civilian traffic, an increase of more than 50% over the previous month. 83,615 refugees were carried, an increase of 7% over the previous month.

46. AFHQ agreed to increase the daily wagon allocation for movement of civili traffic by 25% to 1000 wagons exclusive of wagon allocations for movement of refugees.

47. During the month all rehabilitation operations were seriously delayed by difficulties in obtaining cement, petrol and steel. Line 244 BASTIA-ELIERA was,

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however, completed on 30 Au[illegible] at and the strengthening of many temporary repairs for te winter was well in hand.

42. The Italian State Railways have placed an order for 1000 type L freight cars with FIAT of TURIN. Coke required for the construction of these cars has already been allocated. The car situation was improved by the output of more than 500 freight cars and coaches by private shops under contract to the I.S.R. almost all of which had required heavy repairs.

49. With the release of some forests from military control it is expected that all timber required for the repair of rolling stock and repair of bridges will now be available.

50. Much headway has been made in the introduction of new passenger services. On 23 August, the first connection with Northern ITALY since the Allied entry into ROME was effected with the establishment of a daily service between ROME and ALESSANDRIA.

51. All truck pools and trucks operating in Northern ITALY have now been turned over to the Italian Government. Up to 1 September 1945, 1600 captured enemy vehicles 3,830 Allied trucks and 125 jeeps had also been transferred.

52. Port traffic was affected by restrictions imposed by the Naval authorities in order to facilitate mine-sweeping operations. Port and harbor improvements continued simultaneously and the capacity of the ports has been increased considerabl

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. Educational campaigns on democracy in Allied countries were carried out by UNITED STATES Information Service, British Ministry of Information, and Allied Commission. A nation-wide meeting of Italian editors called by ANSA, Italian news agency, took place in MILAN on 21 and 22 August.

2. Press releases in more limited numbers, owing to the scarcity of "live" news and the departure of many correspondents from the theatre, were issued on the general industrial situation, freedom of export trade and turnover of Italian territory. The Review of Allied Military Government and the Allied Commission in ITALY, in both English and Italian editions, has gone to press.

NAVY SUBCOMMISSION

3. The Ministry of Marine has reported that twenty Italian merchant vessels have already been disarmed and the Commander-in-Chief, Mediterranean, has approved the disarming of the remainder of Italian Naval vessels, subject to the convenience of the charterers and operating authorities.

4. Approval has been given by AFHQ for a small party of Italian naval personnel to visit the islands of PANTELLERIA, LAMPEDUSA and LINOSA in the near future for the purpose of mustering any Italian Navy personnel which may be on the islands, and for making a survey of the need and desirability of carrying out port salvage operations by Italian Navy personnel.

LAND FORCES SUBCOMMISSION, AC (MMIA)

5. Italian Guard battalions, which were under the command of the Allies, are now being released in order to form Internal Security Brigades under the Italian War Ministry. It is intended that each Italian Territorial Command on the mainland shall eventually have under its command an Internal Security Brigade, consisting of a Brigade HQ and three Bns (total 2,500 men).

6. The Italian Ministry of War upon the recommendation of Allied Commission prepared a study for a more careful selection, promotion, removal or training of Italian officers. This conforms with the principle of reducing the number, but increasing the quality, of all Italian military personnel, particularly officers and non-commissioned officers. Particular emphasis is being laid on organization and training and more instructors are being trained so that they may efficiently take up their duties in order to deal with next year's call-up.

7. The Italian Ministry of War has been informed that Recovering Commissions are to work under the direction of MMIA LOs who are in a position to secure from the appropriate Allied Command the authority necessary to recover possession of Italian Army property wherever located.

AIR FORCES SUBCOMMISSION

8. Air Forces Subcommission has now been brought under the newly-formed

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AIR FORCES SUBCOMMISSION

8. Air Forces Subcommission has now been brought under the newly-formed Mediterranean Allied Air Committee for technical rulings and under the Allied Commission for policy matters.

9. The Allied Commission has recommended to the Italian Air Force General Staff that the operational command at BARI be closed down.

10. Authority has been given to the Fiats works to construct a further 8 G 12s tri-motor passenger aircraft, making a total of 20 aircraft of this type for use by the IAF Courier Service.

11. Conditional permission has been given for all ranks of the Republican Air Force, formerly under house arrest in N. ITALY, to return to their houses as a result of an AFHQ ruling.

12. The policy of permitting Italians at least to plan their [illegible]ation is now under consideration, at the request of the Allied Commission.

13. The large number of senior officers in the Italian Air Force, the cessation of all promotion, the increased cost of living combined with uncertainty as to the future all tend to lower the morale of the Italian Air Force.

COMMUNICATIONS SUBCOMMISSION

14. Internal telephone, telegraph, postal and foreign services continued to be expanded. Internal communications are improving rapidly with the exception of telephone circuits between Northern and Southern ITALY where military needs do not yet permit the release of sufficient circuits to provide adequate facilities for minimum civilian requirements.

WAR MATERIALS DISPOSAL & IPW SUBCOMMISSION

War Materials Disposal

15. 8,290 tons of general salvage, 139 scrap vehicles, 7 pontoons and 315 recovered German tires were handed to Italian civilian firms for reconditioning or conversion to items of immediate need.

Ellery W. Stone

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