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REPORTS, AUSTRIA
MAY 1945

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MILITARY GOVERNMENT STAFF

AUSTRIA

MONTHLY REPORT

for

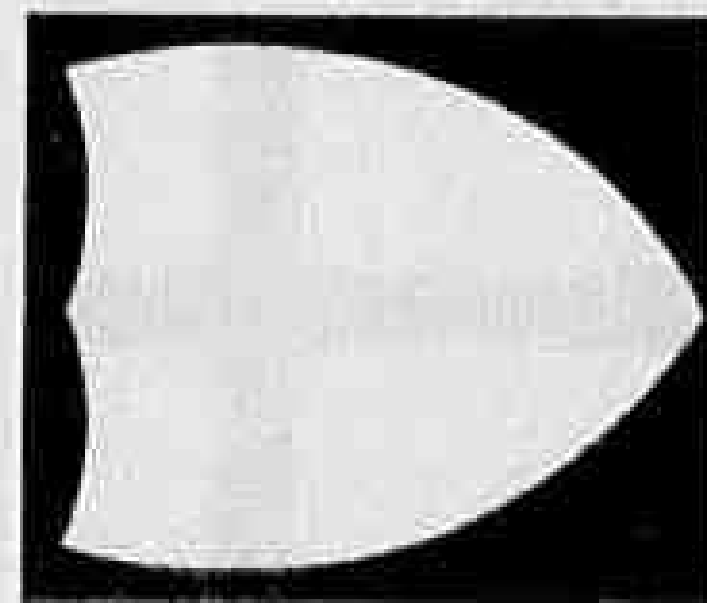
MAY 1945

AUSTRIA

MONTHLY REPORT

for

MAY 1945



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Subject: MONTHLY REPORTS.

HA 121 GOV. STAFF (AUSTRIA)
OF

To: AFHQ - 5.5 Sec (25 copies)

A/102/103
12 Apr 45.

1. Herewith monthly report for MAY 45.
2. Composition of report is:

(a) PART I GENERAL
(b) PART II SECTIONAL
121 Govt Sec
Finance Sec
Home & Supp Sec
Displaced Persons (DP) Sec

A/Outline.
DECA/AF
Military Government Staff (AUSTRIA)
(C.E. BENSON)

COPIES TO: 2 of 5 Eighth Army (3)
GOO 5 Corps (2)
HQS (1) Eighth Army.
HQS A/1 Eighth Army
ATA HQ (ARME) (20)
USCGO AUSTRIA (6)
AS TRAIL (ROME)
100A/AF
Brig 3.2. Hughes

(e) PART I
 (3) PART II
 INTERNAL
 EXTERNAL
 MIL Govt Sec
 Finance Sec
 Econ & Supp Sec
 Displaced Persons (DP) Sec

11
 a. Centre.
 MDCR/DE
 Military Government Staff (AUSTRIA)
 (G.E. HENSON)

CHIEFS NO: C of A Highth Army (3)
 SOI 5 Corps (2)
 SOI (2) Highth Army
 Brig A/C Highth Army
 AM HQ (HORE) (20)
 USMC AUSTRIA (6)
 AC TOLIN (HORE)
 MDCR/DE
 Early S.E. Refugee
 DPA/DE
 MIL Govt Sec
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ARMY COMMAND (AUSTRIA)ARMY REPORT FOR MAY, 1945.

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GENERAL.

MILITARY GOVERNMENT STATE AUSTRIA.

1. On 1 May at the time of the surrender of the German South-Western armies, the Military Government (All Govt) Staff to the British Army was engaged exclusively in dealing with Italian problems.
2. The Army HQ was near TRIESTE and proceeded by stages to its present location at MILITARY, whence it now directs the operation of All Govt both in the British Zone in Austria and in the areas of North East Italy, within the Army boundary.
3. It is being found impracticable to control satisfactorily, the All Govt in two countries, where the problems are so entirely different, steps are accordingly being taken to divorce the control of North East Italy from the British Army All Govt Staff, and place it under a separate staff, responsible, through 13 Corps direct to the Allied Commission at ROME and AFHQ. When this is accomplished the British Army All Govt Staff will be engaged exclusively with the Austria British zone. The separation of responsibilities which is very urgent is unfortunately not proceeding as fast as could be desired, owing to acute personnel shortages.

ALL HQ & MILITARY INVESTIGATION.

4. The formation of the NORTHWEST and the STREIZBURG was authorized on 3 May. At the time of entry of the British Forces into AUSTRIA on 6 May, the concentration of the All Staff's was proceeding but was obviously far from complete.
5. However, in order to ensure that All Govt was established as early as possible after the entry of our troops, a detachment consisting of 20 Officers and 27 OR was sent forward and arrived in AUSTRIA at 1600 hours 8 May. Reinforcements were sent to this detachment as they became available, or as they could be released from duty under All British Army in Italy, and the unit gradually deployed to provide All Govt in the whole of the British occupied zone.
6. On 16 May, having completed the concentration of the personnel for All Govt, the All HQ team under the Senior All Govt Officer (SAGO) was ordered to maintain the British zone.

3. It is being found impracticable to control satisfactorily, the MIL GOVT in two countries, where the problems are so entirely different, steps are accordingly being taken to livece the control of North East Italy from the Eighth Army MIL GOVT STAFF, and place it under a separate staff, responsible, through 13 Corps direct to the Allied Commission at ROME and AFHQ. When this is accomplished the Eighth Army MIL GOVT STAFF will be engaged exclusively with the Austria-English zone. The separation of responsibilities which is very urgent is unfortunately not proceeding as fast as could be desired, owing to some personnel shortages.

GAIL HQ A REGIONAL ADMINISTRATION.

4. The formation of Gen LAMBERT and Gen STAMMERMAN was authorized on 3 May. At the time of entry of the British Forces into Austria on 6 May, the concentration of the Gail Staffs was proceeding but was obviously far from complete.

5. However, in order to ensure that MIL GOVT was established as early as possible after the entry of our troops, a detachment consisting of 20 officers and 27 OR was sent forward and arrived in Austria at 1600 hours 8 May. Reinforcements were due to the detachment as they became available, or as they could be released from duty under 135 Eleventh Army in Italy, and the unit gradually deployed to provide MIL GOVT in the whole of the British occupied zone.

6. On 16 May, having completed the concentration of the personnel for Gail HAUTIER the Gail HQ town under the Senior MIL GOVT OFFICER (JUNO) was asked to accept responsibility for the MIL GOVT administration in the Italian zone reinforced by personnel from Gail VIENNA and Gail WITTEBACH then available.

LOCATION OF MIL GOVT IN BRITISH ZONE.

7. The first town to be entered in Austria was VIENNA where MIL GOVT was not up 1600 hrs 8 May. A party reached KLAGENFURT at 1700 hrs on the same day. During the next 48 hours MIL GOVT detachments were installed in the following Kreise:- LIECHTEN, MURAU, STEIRIA, ST. VEIT, JAMNITZ, WOLFGANG, WOLFGANG, VOLKSKIRCH and part of VOITENBURG. Since then additional officers have been located at and have taken up duties in the Germanic within these Kreis.

8. The Kreis of THURINGIA in Gail LAMBERT was also occupied by British troops and Eighth Army troops installed there. An adjustment of boundaries between the British and American occupying forces is in progress and MIL GOVT will shortly pass to American command.

8. The present area occupied by British troops covers the whole of New KARSTEN, a portion of San STEPHAN and one-half of San SALVATORE (see para 6). The occupied area in San STEPHAN, however, is so small that the San HQ has not yet become operational and the San Govt administration has been placed under the control of SMO San KUMTUN, until a larger area of San STEPHAN has been occupied.

GENERAL SITUATION IN BRITISH OCCUPIED ZONE.

10. The early days of occupation of the British zone presented a confused picture, with large numbers of surrendered enemy personnel of all nationalities as yet uncontrolled, of wounded and convalescent enemy personnel in hospitals, and of Displaced Persons, mostly Italians, streaming down the roads towards the Italian frontier. The surrendered enemy personnel were rapidly concentrated by Army formations into camps under their own officers whilst the uncontrolled flow of Displaced Persons on foot ceased off after 3 or 4 days.

11. During the first fortnight of occupation every aspect of San Govt was coloured by the presence of Yugoslav troops in the British occupied zone. Their presence particularly in the eastern part of the zone rendered San Govt virtually impotent. Civilians were confused and frightened by the apparent dual authority, and the situation was aggravated by the presence of large numbers of anti-Fito refugees from Yugoslavia and by rumours of still larger numbers on the way.

✓ 12. Within the British zone a Yugoslav local San Govt administration was set up, but never functioned seriously, at the same time it rapidly prevented the British San Govt from operating effectively, and caused a considerable loss of prestige to Britain. Yugoslav troops occupied certain buildings essential to the civilian administration in KUMTUN and towns in the eastern part of the zone, and seized records and property. Further west in KARSTEN their operations were far less evident and San Govt, on a local basis, was able to operate quite effectively from the outset. Nevertheless their presence in KUMTUN, the capital of the zone, delayed the reorganisation of the indigenous San administration until after their departure.

13. With the withdrawal of the Yugoslav troops on 21 May the situation improved rapidly and the improvement has been maintained.

LOCAL REACTIONS.

14. The attitude of the Austrian civil population may be described as resigned and apathetic to our occupation, but at the same time they are greatly relieved at the withdrawal of the Yugoslav forces and that occupation by Russian forces has not materialised.

15. Officials appointed by the San Govt are working well and all sections of the civil population are co-operating; a number no doubt with ulterior

During the first fortnight of occupation every aspect of the zone was coloured by the presence of Yugoslav troops in the British occupied zone. Their presence particularly in the eastern part of the zone rendered the Mil Govt virtually impotent. Civilians were confused and frightened by the apparent dual authority, and the situation was aggravated by the presence of large numbers of anti-Fasc refugees from Yugoslavia and by rumours of still larger numbers on the way.

12. Within the British zone a Yugoslav local Mil Govt administration was set up, but never functioned seriously, at the same time it equally prevented the British Mil Govt from operating effectively, and caused a considerable loss of prestige to Britain. Yugoslav troops occupied certain buildings essential to the civilian administration in KLAGENFURT and towns in the eastern part of the zone, and seized records and property. Further west in KARNTEN their operations were far less evident and the Mil Govt, on a local basis, was able to operate quite effectively from the outset. Nevertheless their presence in KLAGENFURT, the capital of the Gau, delayed the reorganisation of the indigenous Gau administration until after their departure.

13. With the withdrawal of the Yugoslav troops on 24 May the situation improved rapidly and the improvement has been maintained.

LOCAL REACTIONS.

14. The attitude of the Austrian civil population may be described as resigned and apathetic to our occupation, but at the same time they are greatly relieved at the withdrawal of the Yugoslav forces and that occupation by Russians forces has not materialised.

15. Officials appointed by the Mil Govt are working well and all sections of the civil population are cooperating; a number no doubt with ulterior motives.

POLITICAL SITUATION.

16. After so many years of oppression there is little evidence as yet of political feeling. Nevertheless there are signs of awakening of party politics consciousness, the most vociferous being the Communist and Slovene, both of whom are small in number. The majority of the people in the British zone are estimated to be Social Democrats, but it has not yet been possible to assess their strength or that of the Landbund, Christian Socialist or Communist parties.

17. The Slovene minority in the area is estimated to be under 10% of the total population of the zone. They are mostly located in the area bordering on Yugoslavia at the Eastern end of the zone. Particular attention is being paid to removing any cause for complaint by this minority who support the future inclusion of KARNTEN into Yugoslavia, and as far as can be

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ascertained, complaints of victimization made from Yugoslavia did not emanate from the Slovenes in the zone.

CIVILIAN ADMINISTRATION.

18. The civilian administrative machine was found to be functioning reasonably smoothly and efficiently. In no part of the British zone was there any serious disorganization. The task of imposing Mil Govt on to and of controlling the civil administration was, therefore, less difficult than had been anticipated.

19. Various branches of the German civil administration are now under the direct control of the Mil Govt specialist sections and are getting well into their stride under their new direction. The Mil Govt thus acts as the controlling body but avoids direct Govt as much as possible.

20. Some difficulty is experienced in finding suitable substitutes for officials who have been arrested or removed from office because of their association with the Nazi Party, but nevertheless this is not being allowed to interfere with the work of denazification, which although slow at first, is now proceeding more rapidly as records become available and Field Security Sections reinforced.

21. It is planned in due course to have the local administration on the Austrian pre-war structure administration and later to appoint a Landeshaupmann when the time is considered ripe for an Austrian to have the powers associated with that office.

22. An organisation calling itself a Provisional Government was found on entry into KARINTIA but its governmental functions were immediately suspended. In its place a consultative committee has been set up to advise the SMG on local problems and to represent to him the views of the population.

CONDITION OF THE PEOPLE.

23. The condition of the people was found, in all respects, to be far better than was anticipated after 5½ years of war. No acute shortages of food or clothing are apparent in any section of the local population. The condition of Displaced Persons throughout the area is also quite good and appears to be better than other areas of occupied territory. Amongst them there appears to be little malnutrition, as is evident in some Displaced Persons which have reached the British zone from other parts of Austria and Germany.

DISPOSABLE INFORMATION

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21. It is planned in due course to base the local administration on the Austrian Provincial administration and later to appoint a Landeshauptmann when the time is considered ripe for an Austrian to have the powers associated with that office.

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CONDITION OF THE PEOPLE.

23. The condition of the people was found, in all respects, to be far better than was anticipated after 5 1/2 years of war. No acute shortage of food or clothing are apparent in any section of the local population. The condition of Displaced Persons throughout the area is also quite good and appears to be better than other areas of occupied territory. Although there were reports to be little malnutrition, as is evident in some displaced persons which have reached the British zone from other parts of Austria and Germany.

ECONOMIC SITUATION.

24. The British zone is largely an agricultural and forest area with little industry. The reactivation of such industry is severely handicapped by the acute shortage of labour, which it is hoped to remedy initially, by the employment of German surrendered personnel and later by repatriated Austrian surrendered personnel and civilians.

25. In general, the food situation appears to be better than was anticipated. In country districts, stocks of food are now being disclosed, which had been hidden to avoid requisitioning by Yugoslav troops.

26. Stockpiles are being built up in the British zone for use in 6022 and later in STEIERMARK, where supplies are reported to be short.

DISPLACED PERSONS.

27. Displaced Persons (DP) have proved to be, as was anticipated, the biggest problem the Govt had to face in Austria. Owing to the late formation of the DP organization, neither staff nor equipment were available to deal with the situation at the outset. Staff is now becoming available, but equipment is still lacking.

30. The present intention is to evacuate Italian civilians only to Italy, and arrangements are being negotiated for the repatriation of the remaining Western European nationals via Germany and Switzerland. Russian II are being turned over to the Russian occupying forces in SWITZERLAND - Yugoslav and Hungarian will be held temporarily in the camps in the Italian zone.

31. The system of Control Camps and Assembly Centers is now beginning to work satisfactorily, and accommodation of displaced persons is proceeding as planned.

ITALY

32. Contact has been established with the Govt in SALZBURG and the G-5 Staff of 15 paria. The Govt of the SALZBURG is kept informed of the policy in the political zone, and coordination on a local level is being achieved.

GERMANY

33. The situation in connection with personnel is extremely complicated by two factors, namely the Eighth Army responsibility for a large portion of North Western Italy, where the peculiar circumstances require more than the usual number of military officers, and secondly by the rapid progress of the release of prisoners.

34. In order to assist in Italy, military personnel belonging to the Govt (Germans) are being employed in North East Italy. These officers will have to be withdrawn in the near future.

35. A large number of officers on the Eighth Army (G-5 Staff) are in low morale groups, but suitable replacements for them are being obtained from the Allied Commission for Austria. This requires the attention of investigative Allied Commission personnel as quickly as possible, in order to facilitate the transfer to the Allied Commission in the course. In this one detail is now being worked out.

36. The situation in regard to the same personnel is particularly unsatisfactory. All vacancies in the original establishment of officers have not yet been filled, and there appears to be no prospect of replacements for the early release groups, with respect to the current. In previous years, of course, we have for such replacements from Allied Commission resources.

37. All officers in German groups 1 to 4 are accordingly being asked to volunteer to remain until August 1st, and application for the position, until that date, of those who volunteer will be made on operational basis.

38. There is also an extreme shortage of other ranks. In the total establishment of the Govt Staff and 22 C.I.A. there is a deficiency of approximately 200 NCOs and 60 of various grades, especially clerical, which is not even possible to obtain from Eighth Army resources and for which application is now being made to G-5. The early provision of these personnel is imperative. The Govt could not function in SWITZERLAND and VIENNA until these deficiencies are made up.

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25. If in the area are divided into three main groups:

- (a) Those for repatriation eastward.
- (b) Those for repatriation southward and westward.
- (c) Stateless persons including Yugoslavs unwilling to return to Yugoslavia.

26. Movement of displaced persons in the early days was largely uncontrolled but was controlled as soon as staff became available. Evacuation is now controlled and orderly, but owing to the large number of armed troops and uncontrolled movement in the zone, available transportation was inadequate to hold the 12 pending proper arrangements for their repatriation, and their evacuation from Austria to Italy from the last 2 of 3 and, therefore, had to be postponed to.

27. The present programme is to evacuate Italian citizens only to Italy, and arrangements are being negotiated for the repatriation of the remaining Western European nationals via Germany and Switzerland. Russian IP are being handed over to the Russian occupying forces in SWITZERLAND - Yugoslavia and Hungary will be held temporarily in the camps in the British zone.

28. The system of Control Camps and assembly centers is now beginning to work satisfactorily, and documentation of displaced persons is proceeding as planned.

ITALY

29. Contact has been established with the Govt in SALERNO and the Govt Staff of 15000. The Govt of Rome SALERNO is kept informed of the policy in the British zone, and coordination on a good level is being maintained.

GERMANY

30. The situation in connection with movement is extremely complicated by two factors, firstly the rights and responsibility for a large portion of North Western Italy, where the political circumstances require more than the usual number of UN Govt soldiers, and secondly by the rapid progress of the Italian police.

31. In order to assist in this, persons belonging to UN Govt (Austrian) are being employed in North East Italy. These officers will have to be withdrawn in the near future.

32. A large number of persons on the other side of UN Govt Staff (Austrian) are in low volume status, but suitable arrangements for them are being obtained from the Allied Commission for Germany, thus facilitating the transfer of introducing Allied Commission personnel to the UN Govt Staff.

Declassified E.O. 12356 Section 3.3/NND No. 785016

SECRET

MEMORANDUM

39. The transport establishment is in practice proving to be inadequate, and application for increase in the establishment, and the replacement of certain service type vehicles by civilian cars is being made.

Declassified E.O. 12356 Section 3.3/NND No. 785016

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A. MILITARY GOVERNMENT SECTION.1. LOCAL GOVERNMENT.(a) PROVISIONAL GOVERNMENT OF KATHIN.

On entry into KATHIN there was found to exist a Provisional Government which had evicted the Reichstatthalter from office two days previously and which had taken the power of government into its own hands. The composition of this government was as follows:-

- | | | |
|------------|-----------------------|-------------------------------------|
| PEASANT | - Social Democrat. | Landwirtschaft and Education. |
| TRADESMEN | - Peasant Party. | Stally. Landwirtschaft and Finance. |
| HERDS | - Social Democrat. | Peasant Administration. |
| ARMED | - Red Army. | |
| PEASANTS | - Peasant Party. | Agriculture. |
| LEADER | - Christian Democrat. | Health. |
| WAGES | - Communist. | Social Welfare. |
| TECHNICIAN | - Communist. | Ministry. |
| SECTOR | - No Party. | Security. |
| WOMEN | - Social Democrat. | Building. |

This Government had earmarked men for positions in the Local Government of Kathin and Gumbin prior to our entry and their residence was found to be occupying their allotted positions. The Government itself denied that it had contact with the Provisional Government of VIENTIANE, but it seems that there must have been a certain amount of contact since the two Administrations were appointed on roads from Vientiane passed through the KATHIN Government.

As a preliminary step the Government was informed that it had no executive capacity and that Military Government was the only form of government in KATHIN. During the early days, however, the members of this Government were used as liaison between officers of Military Government and the various branches of the Civil Service to which they had been nominated as "Ministers". This situation no longer obtains and the Provisional Government itself has been informed that it does not exist at all and Military Government officers deal direct with the heads of the various branches of Local Government.

(b) The Consultative Committee for KATHIN.

1. Consultative Committee of citizens representing all political

- ANSHEL
- Not known.
- President Party. Agriculture.
- Christian Democrat. Justice.
- Communist. Social Welfare.
- Communist. Housing.
- No Party. Security.
- Social Democrat. Building.

This Government had warned men for positions in the local Government of Kreize and Semmlen prior to our entry and their names were found to be carrying their allotted positions. The Government itself denied that it had contact with the Provisional Government of VIMUK, but it seems that there must have been a certain amount of contact since the new representatives were appointed on notes from VIMUK passed through the Ministry Government.

As a preliminary step the Government was informed that it had no executive authority and that Military Government was the only form of government in KATZIN, during the early days, however, the members of this Government were and as liaison between officers of Military Government and the various branches of the Civil Service to which they had been nominated as "Ministers". This situation no longer obtains and the Provisional Government itself has been informed that it does not exist at all and Military Government officials deal direct with the heads of the various branches of local Government.

(b) The Consultative Committee for KATZIN.

A Consultative Committee of citizens representing all political parties of importance has been set up and a chairman nominated. Its composition is as follows:-

Hans PIERSON	Social Democrat
Hans HENKE	Social Democrat
Hans FRIEDRICH	Landlord
Hans ALBERT	Christian Socialist
Joel HIGHT	Communist
Albin THOMASING	Communist
Hans GROSSMANN	Christian Socialist
Julius RUTTER	Democrat
Hermann WERNIG	Social Democrat
Joel HAINES	No Party
Herman HENNINGER	Social Democrat
Thomas SUPPAC	Slavov

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The purposes of this Committee are as follows:-

...../(1)

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- (A) A. Born a link between the Democratic and Anti-Nazi population of GUTTEN and the Military Government.
- (11) Through its chairman to advise the Senior Military Government Officer (SMO) on all matters of local government wherever he requests such advice from them.
- (111) The Committee in question, again through its chairman, to put matters of local interest before the SMO.

The Committee itself has no executive function of any kind whatever and its members are not identified with particular branches of Local Government.

Terms of ref are set in Annex 'A'

- (c) Herr FISKE, who was the head of the Provisional Government and in which was nominated Landschlagman by it, has been informed that he does not occupy the position of Landschlagman and that Military Government will appoint the Landschlagman when it considers that the time is ripe.

Herr FISKE, has, however, been nominated to serve in a dual capacity. Firstly as chairman of the Committee referred to above, and secondly, as the supervisor under Military Government of all branches of indigenous Local Government.

- (d) Local Government in all its spheres is well organized and functioning despite the removal of many local and Reichsautobahn. It has indeed not been found necessary to appoint anyone of importance who falls into the "technical categories" in office with the single exception of a technical engineer required by 243 to operate the broadcasting station. Local appointments have been made by Military Government officers and the appointments made by the Provisional Government have either been removed or else, if found to be suitable, have been approved by Military Government.

- (e) Provisional Provisional Government.

When the Hagenlavs retired from Austria, they left behind a Provisional Government in KLAGENFURT, headed by one, Dr. FENKE. The members of this Government was to represent the interests of the SLOVENE minority in KLAGENFURT.

Dr. FENKE has been informed that there is only one government, the British Military Government and that his organization has no power and will refrain from any executive activity. Dr. FENKE personally has been authorized to approach the SMO on any questions

Government will support the formation of a new government at this time is ripe.

Herz 212551 has, however, been restricted to some in a dual capacity. Firstly as chairman of the Committee referred to above, and secondly, as the supervisor under Military Government of all branches of indigenous Local Government.

- (4) Local Government in all its spheres is still organized and functioning despite the removal of many heads and heads of state. It has limited not been found necessary to maintain anyone of importance in the field into the "indigenous" organization in office with the single exception of a nominal member named by the Government to operate the press, radio station. Local appointments have been made by Military Government officers and the appointments made by the Provisional Government have either been removed or else, if found to be suitable, have been appointed by Military Government.

(c) Yugoslav Provisional Government.

When the Yugoslavs returned from Austria, they left behind a Provisional Government in KLAGENFURT, headed by MR. IM. KESTER. The purpose of this Government was to represent the interests of the SLOVENE minority in KLAGENFURT.

Dr. KESTER has been informed that there is only one Government, the British Military Government and that his organization has no power and will refrain from any executive activity. Dr. KESTER personally has been authorized to approach the MG on any questions affecting the Slav minority and has been asked to nominate a candidate to sit on the Consultative Committee as the Slav minority representative.

(2) The Austrian Prov Corps.

After the Yugoslavs had withdrawn, some members of this Corps appeared on the streets of KLAGENFURT under the command of Herr KÄRCH; they were armed and wore red/white/blue uniforms. Herr KÄRCH stated that this body was some 700 to 800 strong (probably exaggerated) and he ordered their services to Military Government to assist in Police work. He was informed that the Corps was to be disbanded and all arms and uniforms handed in immediately. This has been done.

It is intended to investigate the numbers of this Corps individually and if they are found to be suitable, it may be possible to incorporate a certain number of them into the indigenous police.

- (2) On 23 May three persons arrived in KLAGENFURT from VIENNA.

...../ stating

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station that they had been nominated by the Provisional Government of VINA to fill vacancies on the KARMEN Provisional Government as follows:-

Dr. Otto ZHUBER - Landeschauptmann.
Dr. Anton JAKUBISCH - Chief of Police.
Dr. Robert HOFFMANN - Courier.

Further investigation revealed that these persons had not in fact been nominated by the Government of VINA, but had been permitted by Dr. KARLHAAS "Under Secretary of State to the Republic of Austria" to leave VINA and proceed to KLAUSHAUSEN on service duties. These persons have been informed that they have no standing in KARMEN, but on their urgent request have been allowed to remain as private citizens after careful vetting by Public Safety.

2. LEGAL.

(a) Mal Govt Courts.

- (1) General Courts. W/OAR ELLISON, MRS. BARKINS and MRS. TREADWELL have been appointed as a Standing General Court. No cases yet.
- (2) Intervenor Courts. Saw position as (1)
- (3) Summary Courts. Have been instituted and so far have tried 25 cases, all minor offences of murder etc., except one case of arms possession and stealing (6 months). All cases are reviewed by HQ and Govt Legal.

- (b) Austrian Courts. W/OAR ELLISON, (who is the Legal Officer in A.C.A. allocated to this position) is investigating the status of the Austrian Courts; the desirability of re-opening is well in mind; liaison on this question with Legal Officers in SAIGON (U.S. Zone) and at G5, AFHQ is being maintained.

When we occupied KARMEN the Presidency of the Landesgericht was vacant, the former President (Dr. FOMBERG) having died about 2 years ago. FOMBERG appears to have been an ignorant upstart (he was a clerk in an Attorney's office before the Anschluss) who was appointed to the Presidency solely by reason of his extreme Nazism.

(c) Legislation.

- (i) The following have been promulgated in British Occupied Territory:-

Proclamations 1 and 2 - (General).

Decree 1 - (General).

785016

1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

(2) 117 Coast Courts.

- (1) General Courts. W/O or W/SGT. Has duties and has treatment. Have been appointed as a Stealing General Court. No more yet.
- (2) Intermediate Courts. See position as (1)
- (3) General Courts. Have been limited and as far as tried point every day on the substituted of number of number etc., except the court with the court etc. (6 months). All cases are reviewed by the 1st Court.

24

Austrian Consul, W/O R. STATION, (who is the legal officer in I.C.A. allocated to this question) is investigating the status of the Austrian Consul; the desirability of re-opening is well in mind; liaison on this question with legal officers in Salzburg (U.S. Cons) and at GZ, also is being maintained.

When we occupied KAPUTZ the Presidency of the London-orient was vacant, the former President (Dr. POKORSKY) having died about 2 year ago. POKORSKY appears to have been an important agent (he was a clerk in an Attorney's office before the Anschluss) who was appointed to the Presidency solely by reason of his extraneous position.

(c) Total estimated.

- (2) The following have been proclaimed in British Occupied Territory:—

Structural forms 1 and 2 = (General).

- $\left\{ \begin{array}{l} \text{unbounded} \\ \text{unbounded} \\ \text{unbounded} \end{array} \right\}$

$$Z = \left(\frac{1}{\sqrt{2}} \begin{pmatrix} 1 & 1 \\ 1 & -1 \end{pmatrix} \right) \begin{pmatrix} X_1 \\ X_2 \end{pmatrix}$$

Optimization 200 = (Graves and Robinson).

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- (ii) The following legislation is in final form preparatory to promulgation:-

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101 (No-Confidentiality of Austrian Courts) 120-21

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Notice Lodgment from Honorary Wagon Prohibition of Station.

3. PHYSIOLOGICAL

(a) Public Health (PH) Services, Ukraine.

The acting Chief Medical Officer of Health is Dr. GABER who is chief assistant to Dr. MELNICHUK. No security objections have been reported to date.

Accurate detailed information was not available on 28 May due to reports in communications caused by the evacuation of civilian postal services, and by the occupation of troops both British and American of various institutions. Details has been asked for and is omitted. The following is a general picture of the conditions in Ukraine.

(b) Water Supplies. Reported adequate and pure. No knowledge by Health Officials of disinfection except at LIEC where bombing was reported to have caused some contamination of the water supply. No damage seemed to have been reported by records of water and service again functioning.

(c) Hospital Services. Reported adequate, but position continued due to occupation by military, German and British, of various buildings and due to the advantage of civilian and military patients in the same hospitals.

Major services and facilities are built into PLASCHEN where a large hospital (1500 beds) was partly taken over by the German military. Minor surgery possible in smaller hospitals in the various towns. No details available.

Infectious diseases are mainly sent to RYBACH - a 135 bed hospital south of RYBACH. No epidemic of infectious diseases reported although some cases of louse borne typhus were reported. It was impossible to secure confirmation of these diagnoses as the cases were dead and buried before the Red HI Officer was informed. The Gen HI Officer stated no likelihood of spread from these specific cases.

Some institutions, e.g., maternity hospitals and homes for the blind have been housed in temporary quarters due to fear of Allied bombing. Laboratory facilities are available only in PLASCHEN, except for minor and more urgent specimens, e.g., diphtheria culture.

(d) Medical Personnel

100 Following is a general picture of the conditions in

- (b) Water Situation. Reported inadequate well water. No knowledge by British Officials of arrangements except at LIMA where drinking water reported to have caused damage contamination of the water supply. New dam was stated to have been reviewed by middle of 1945 and now under construction.
- (c) Sanitary Services. Reported adequate, but position confused due to occupation by military, German and British, of various buildings and due to the absence of civilian and military personnel in the area hospital.
- Major services and supplies are dealt with in Blackout, there is a large hospital (1500 beds) and partly taken over by the German military. Minor services available in smaller hospitals in the various towns. No details available.
- Infectious diseases are mainly sent to LIMA - a 150 bed hospital south of LIMA. No evidence of infectious diseases reported although some cases of loose bowels typhus were reported. It was impossible to secure confirmation of these diseases as the enemy have died and buried before the German Officer was informed. The German Officer stated no likelihood of spread from these specific cases.
- Some disinfection, U.S. authority hospitals and homes for the blind had been burned in temporary quarters due to fear of disease. Laboratory facilities are available only in LIMA, except for minor and more urgent operations, U.S. fighting forces.
- (d) Medical Services. No shortage of doctors was reported although some 72 hospitals are without doctors. In the more sparsely populated areas one doctor may serve two or more towns, or doctors pay weekly or bi-weekly visits from the larger centers. It is possible that a surplus may be found due to influx of doctors with refugees from the Russian zone. Some of these have 'put up their plates' and extended practice. This will be controlled. Nurses look after consultation without a doctor and refer the appropriate cases to doctors.
- Manning instruction usually given at Blackout but not now in progress.
- Vital Statistics
Infectious Disease Notifications. } No information available for May.
- (e) Medical Supplies. One QAD Radio Medical unit - incomplete - is available for each town. Twelve others were reported on 11 April as available in QAD series.
- It is proposed to set up a wholesale distribution centre for medical supplies on payment for cash, by the local Austrian authorities. Prices will be fixed by Military Government Staff,

or in accordance with prevailing Austrian prices. (Military Government Austria Finance Instruction No. 11 refers).

Information is not available either in Public Health Branch or Economic and Supplies Section as to what precisely constitutes the Basic GAD Medical Unit nor as to what other medical items are available from GAD sources. It is essential that these schedules with the scale of issue for 100,000 or 200,000 population be available. Unit issued cost prices are desirable but it is not proposed to base selling prices on the 'Landed Cost Plus' basis.

Local hospitals are alleged to have approximately 2 months' reserve of supplies with the exception of dressings, anaesthetics, insulin and sulphamides.

No manufacturer of drugs has been reported in GAD KARSTEN. Medical supplies issued for Air Field Centres are being collected and centralized.

Reconnoiter and Supplies Section based demands on 5 GAD Units monthly for British Medical requirements. Assuming unit is for 200,000 population, then supplies for 1,000,000 will be available from GAD sources. The population of British administered AUSTRIA is 2,500,000 approximately excluding a possible 150,000 total Displaced Persons.

Unless manufacture facilities or stocks exist the demands will be inadequate. The KARSTEN GAD Unit weighs 3 1/2 tons and the first monthly estimate of demand from KARSTEN is for 18 tons.

AIFM have been asked for appropriate schedules without which further bidding is more guesswork.

(4) Displaced Persons. On 29 May, 25,000 Displaced Persons were accommodated in 20 Camps and Assembly Centres in KARSTEN.

VILKUNIG Camp, near HACHBURG, contained 6,000 Slovaks and upwards of 200 horses in an open field with living conditions primitive and insanitary. Efforts were being made to clear up ordure and to supply squatter type deep trench latrines with covers and lids. This, although laudable, will not remove the potential danger of an epidemic of enteric or dysentery in this camp. Camp fever already exists - mild stomachache, diarrhoea, a little temperature and headache. This is probably a mild form of dysentery. The only effective medical solution is to transfer the population to buildings or to heated camps with waterborne sewage disposal.

Longer term measures for Public Health policy regarding Displaced Persons are in progress.

monthly for British health requirements. Assuming unit is for 200,000 population, then supplies for 1,000,000 will be available from MS sources. The population of British administered Albania is 2,300,000 approximately including a possible 150,000 total Displaced Persons.

Under manufacture facilities or stock exist the chemicals will be limited. The KAPUTEN can lift weight 50 tons and the first monthly estimate of demand from KAPUTEN is for 48 tons.

All have been asked for appropriate schedules without which further bidding is not possible.

(i) Displaced Persons. On 28 May, 29,000 Displaced Persons were accommodated in 20 Camps and Assembly Centers in KAPUTEN.

VIAVING Camp, near KILKILIN, contained 6,000 Slovaks and upwards of 200 horses in an open field with living conditions primitive and insanitary. Efforts were being made to clear up refuse and to supply equine type (and trench latrine) with covers and lids. This, although laudable, will not remove the potential danger of an epidemic of enteric or dysentery in this camp. Camp fever already exists - with stomachache, diarrhoea, a little temperature and headache. This is probably a mild form of typhoid. The only effective medical solution is to transfer the population to buildings or to huts with waterborne sewage disposal.

Longer term measures for public health policy regarding Displaced Persons are in progress:

- (i) Allocation of an SO 2 Public Health Officer for duties with Displaced Persons.
- (ii) Authority obtained to employ refugee doctors (Displaced Persons) as permanent Staff of Camps at 6 shillings 8 pence (English) daily with food and accommodation.
- (iii) Medical Administrative instructions are to be drawn up, closely defining duties of these doctors (in English and German).
- (iv) A directive will be issued by Public Health for Consultants of PP Camps.
- (v) Investigation is occurring regarding available stocks and future bids and requirements of anti-louse powders DDT, AL 65, etc.

(x) Welfare. At the time of occupation there were three Welfare programmes operating in KAPUTEN.

- (i) Austrian Public Welfare Agency (assisted by private and church charities)

- (43) The Key of National Socialist Peoples Welfare Organization (NS-Volkswelfahrt).
 (44) The Hitler Youth Organization.

Dr. Peter ZAJAR is Austrian Public Welfare Officer - no adverse report received. The Name of (45) will be impounded and given to (4). The Hitler Youth Organization will be dismantled and education branch has the future care of these young people in hand.

4. PUBLIC SAFETY.

NOTE: This report covers in general terms Can KAMMER and that part of Can STRASSMANN in British occupation. Detailed quotation, S.S. Strengths etc. relate to Can KAMMER only.

(a) Civil Police Licensing.

(1) General.

As was to be expected, on entry into AUSTRIA a varied range of affairs was found. In many places no police at all, in others some had remained at their posts and in the larger towns an appreciable number were found. In the case of many who had left their posts it was said they had done so fearing that Russians were going to occupy the territory. Others had done so rather than be caught in the Yugoslav net. For the first 10 days the Civil Police as an operative force were at a virtual standstill. In the KALINGMANN and VIENNA area in particular the men could not be put outside on duty as the Yugoslavs were dispersing them and in fact physically preventing them performing their duty. Gradually, as the Yugoslav situation cleared more personnel drifted back. It was possible to send the men out, first patrolling with British M.F. and then on their own. It has been interesting to watch the gradual development of the Civil Police from the first days when they were at a complete loss, then, as the influence of the BRIG and WAGON began to have effect they managed on patrol, traffic point and crash post duty. It is not surprising that in their bearing and appearance they are smart, noticeable in saluting, generally well clad and shod. The Communist propaganda and the individualized have on the whole shown themselves to be extremely efficient. Naturally in the short time since occupation and with so many things to be done there is still a certain amount of shoddiness in the picture but it is developing satisfactorily and in accordance with plans.

(a) Civil Police Activities.(4) General.

as was to be expected, on entry into Austria a varied number of affairs was found. It was found no longer at all, in other words had remained at their posts and in the larger towns an appreciable number were found. In the case of many who had left their posts it was said they had done so fearing that Russians were going to occupy the territory. Others had done so rather than be caught in the Yugoslav net. For the first 10 days the civil police as an operating force were at skeleton strength only. In the Kitzbühel and Villach areas in particular the men could not be put outside on duty as the Yugoslavs were disarming them and in fact physically preventing them performing their duty. Gradually, as the Yugoslav situation cleared more personnel drifted back. It was possible to send the men out, first patrolling with British MP and then on their own. It has been interesting to watch the gradual development of the Civil Police from the first days when they were at a complete loss, then, as the influence of the MP's and MG's began to have effect they carried on patrol, traffic point and check post duty. It is not surprising that in their bearing and appearance they are smart, intelligent in talking, generally well clothed and shod. The Germanic proportions and the kindred qualities have in the whole given themselves to be extremely efficient. Naturally in the short time since occupation and with so many changes to be done there is still a certain amount of shuffling in the picture but it is developing satisfactorily and in accordance with plans.

(11) Strength of Civil Police Available at 14 May 45.

All ranks.

GERMANIA	560
SCHUTZPOLIZEI (SS's)	235
SCHUTZPOLIZEI (Garrison)	30
BEREITUNGSPOLIZEI (Total 3 women)	58
VERWALTUNGSPOLIZEI	19
Grand total	902

Information as to the precise composition in Officers and ORs is not yet available.

(111) Arrests and Dismissals of Police.

Approximately 100 all ranks have been arrested or dismissed in the denazification programme, including dismissal of Reich Germans.

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- (iv) Composition of Forces - Age and Sex.
The personnel are for the most part rather old, averaging in the 40's and comprising career men and conscripts.
- (v) Clothing and Equipment.
The serving personnel are well equipped and clothed, the Schutzpolizei have 500 uniforms in stock but the Gendarmaria are without any reserves. Request has been made for the release of 1000 uniforms from German Military stores taken over by the occupying force.
- (vi) Arms.
The planned limitation of arms was rendered unnecessary since the Yugoslavs seized many of them, particularly from the Gendarmaria - in fact there is a shortage of arms which it may be possible to remedy locally. Supervision is maintained on the permitted arms held.
- (vii) Communications.
All Gendarmaria Stations and posts and all Schutzpolizei Stations have telephone connection with the Civil telephone exchanges. Local calls and limited trunk and junction connections are available and with approval of OSI (S) use is being extended to allow trunk and junction calls on police matters between all Police Stations and posts, and with all GEP posts in Corps Area.
- (viii) Transport.
The police transport system has been greatly disturbed by the Yugoslav seizure of numerous vehicles. A complete survey and reallocation of existing availability is in process.
- (ix) Barracks.
No augmentation of the ordinary civilian code.
- (x) Accommodation.
With the exception of a few stations in the VOLKSGEMEINSCHAFT area, Police Stations are generally in possession of their offices, stations and posts.
- (xi) Armaments.
There for the Civil Police are very necessary since the soldier cannot easily distinguish the policeman from the German armed forces. Unfortunately the provided supply from COMBON has not materialized, consequently local expedient was necessary to supply armaments - not only in first occupation with materials in

the formation and hold.

(vii) Communications.

All Communication Stations and posts and all Schuttpolizei Stations have telephone connection with the Civil telephone exchange. Local bells and limited trunk and junction connections are available and with approval of OSI (b) can be being extended to allow trunk and junction calls on police matters between all Police Stations and posts, and with all the posts in Corps Area.

(viii) Transport.

The police transport system has been greatly disturbed by the Yugoslav seizure of numerous vehicles. A complete survey and reallocation of existing availability is in process.

(ix) Rations.

No augmentation of the ordinary civilian needs.

(x) Accommodation.

With the exception of a few stations in the Volkersburg area, Police Agencies are generally in possession of their offices, stations and posts.

(xi) Ambulances.

There for the Civil Police are very necessary since the soldier cannot easily distinguish the policeman from the German armed forces. Unfortunately the promised supply from LONDON has not materialized, consequently local expedition was necessary to supply ambulances - not only in first occupation with materials in short supply. Some kind of distinguishing emblem is being worn by all police. These will be replaced when the regular ambulances (for which application has been made through AIDG) arrive.

(b) The Civil Police - Recruitment.

It is not possible at this stage to give an estimate of the number of personnel required to bring the various agencies up to reasonable strength by recruiting for part time or temporary duty.

The man power shortage is extremely acute and it is clear at

stage no recruitment from such men as are about is possible.

No reliable elements of the LAUSUNTERS POLIZEI, LAUSUNTERS or STADTWART have been identified.

The most following paragraph however refer to one possible

source of augmentation which is being vigorously applied.

During the course of the war large numbers of regulars of the German and Austrian Communities and Schuttpolizei were drafted into German occupied territory (many into Jugia Slavia) for duty in a Civil Police role or as units for the suppression of partisan activities is critical situations.

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On the capitulation of the German Army such men as were in the Jugoslav area made their way (or were driven) back into AUSTRIA and managed to reach the northern banks of the Drava river. There they were either captured by or surrendered to the British.

More than 500 Austrian Schutzpolizei and Gendarmerie are in SW Germany in British hands; quite a number of these were from FORMER EASTERN and SOUTHERN originally.

With the very ready cooperation of Army and Corps branches concerned certain men have been located and others are completing interrogations which are being examined by MI and CI; their claim to be prisoners is being checked and to date 73 men have been cleared. It is hoped to resume their release in the course of a few days.

Since it is possible Austrians may be reorganized and sent back to Police in a similar category will be in cases SOUTH of the Army areas, ARMO GS have been asked whether particulars of any such men may be obtained and furnished to this HQ.

(NOTE: The observations above do NOT refer to the FELDGERICHTE).

(c) Police Criminal Records.

For the Gm of EASTERN have been requested details from the places in the country where they were stored for safety.

(d) Abolished Police Services.

Extracted according to plan. No observations.

(e) Disbanded Police Formation.

The NACHRICHTEN POLIZEI.

The only unit identified last VILLICH area some weeks before our occupation, removing completely all personnel, equipment and records. The LACHMACH and STADTMACH.

Do not appear to have been functioning.

In any event, as already stated, no reliable elements have been found for absorption.

(f) Abolished SCHUTZPOLIZEI.

The POLICE, PUNISHMENT, PUNISHMENT, PUNISHMENT, as called police have been abolished.

(g) Crime.

Major crime is negligible. Up to 34 May, 65 cases (55 per cent offenders) have been tried recently, and no delay in dealing with offenders is anticipated.

(h) Curfew.

As from 1 June 45 this is from 2200 hours to 0500 hours.

(c) The observations above do NOT refer to the HILGENHUSCHEN.

(c) Police (British) Records.

For the last of records have been recovered intact from the place in the country where they were stored for safety.

(d) Abolished Police Auxiliary.

Erubated according to plan. No observations.

(e) Disbanded Police Auxiliary.

The HILGENHUSCHEN KOMMUN.

The only unit identified left VILLAGE area some weeks before our occupation, removing completely all resources, equipment and records. The LAUTENHAGEN and STADTHAGEN.

Do not appear to have been functioning.

In any event, as already stated, no reliable elements have been found for observation.

(f) Abolished SOUVENIRIST.

The HILGENHUSCHEN, HILGENHUSCHEN, HILGENHUSCHEN, as called police have been abolished.

(g) Crimes.

Major crime is negligible. Up to 31 May, 65 cases (55 for curfew offences) have been tried summarily, and no delay in dealing with offenders is anticipated.

(h) Curfew.

As from 1 June 45 this is from 2200 hours to 0500 hours.

Despite the number of prosecutions during May, curfew can be said to be well observed.

(i) Surround of HILGENHUSCHEN.

This appears to be satisfactory.

As was mentioned they are headed over to British Military Units. The view of 381 (b) was sought regarding the desirability of allowing certain persons to have insignia returned to them on license, in view of damage to crops by vermin and deer. The security considerations at present outweigh other considerations and re-issuance of insignia was refused.

(j) Control of Civ. Movement.

The 10 km limit is still in force and entails considerable work in the issue of passes. Again 381 (b) has security considerations preclude the lifting of the restriction.

(k) Frontier Control.

Such assistance as possible from the limited personnel available is being given C.I. in effecting this control.

Through the Zollgrenschutz (Customs Frontier Control Personnel)

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would not normally be a Public Safety responsibility, in those early days of Frontier Control when no few police are available to assist C.I. We are ensuring that personnel of the Zollgrenzschutz are rotated and rotate duty in the Frontier as soon as possible. The men who were on duty on the Jugo-Slav Frontier appear to have been taken prisoner when the area was occupied and some 400 are believed to be in its camps in the MOSEREG area. It may be possible to secure their release. The men on the Italian Frontier were not taken prisoner and in the HERNALDOR and LIEBZ there are about 340 whose waiting is proceeding.

(2) The Prohibited Frontier Zone.

It has been found necessary to extend until 20 June 45 the period in which residents in the Frontier Zone are required to be in possession of Certificates or Identity Cards proving residence.

(3) Movement of Motor Vehicles.

Civilian vehicles may only be on the road if carrying a temporary M.V. permit issued by MG and much work is involved in the issue of these permits.

A scheme is being evolved for the resumption of the indigenous licensing system with such modifications and control by MG as may be necessary.

(4) Identity Cards.

Considerable difficulty is being experienced in checking civilians NOT necessarily refugees or displaced persons, owing to the surprisingly large number who are without means of identification. At the request of CSI (a) the requirements for all civilians to be in possession of a Certificate of Identity and/or residence and the method of carrying such a requirement into effect is under review.

(5) Review Boards.

A Review Board is being set up to consider the case of two persons who were found in prison on occupation under sentences of death, one for murder and the other for looting.

No other cases for Review Boards have come to light.

(6) Austrian Courts.

Not yet operating. There are about 150 prisoners awaiting trial for offenses under the Civil Code.

(7) Demobilization.

292 arrests had been made by P.S. Personnel at 23 May 45. These include the Captains of EISENHART and HADOVER, the Gen KARLHEIM Colonel of Gendarmes, the Director of Police and head of the Civil Defence.

Civilian vehicles may only be on the road if carrying a temporary M.V. permit issued by MI and much work is involved in the issue of these permits.

A scheme is being evolved for the resumption of the indigenous licensing system with such modifications and control by MI as may be necessary.

(n) Identity Cards.

Considerable difficulty is being experienced in checking civilians not necessarily refugees or displaced persons, owing to the surprisingly large number who are without means of identification. At the request of OSI (b) the requirements for all civilians to be in possession of a Certificate of Identity and/or residence and the method of carrying such a requirement into effect is under review.

(o) Review Boards.

A Review Board is being set up to consider the case of the persons who were found in prison in occupation under sentence of death, one for murder and the other for looting.

No other cases for Review Boards have come to light.

(p) Austrian Courts.

Not yet operating. There are about 150 prisoners awaiting trial for offences under the Civil Code.

(q) Identification.

292 arrests had been made by P.S. personnel at 26 May 45. These include the Gauleiters of FLAUBERT and HANIGER, the Gen. HANIGER, Colonel of Genarmaria, the Director of Police and head of the Civil Defence. These persons are being disposed through Kreis and Gestapo and assignment certificates are being issued.

The actual number of identifiable is not yet available, but identification has continued to be vigorously pursued.

(r) Public Morale.

The general attitude of the people is one of exasperation and calm.

(s) Prisons.

(i) Establishments.

There are 24 prisons or places of detention in Gen 26016 with accommodation ranging from 10 to 300. Only at one prison is overcrowding which is being relieved.

(ii) Condition of Prisons.

Generally good - rocky - sanitation better than the Italian system, less good than the British. Adequate recreation facilities.

(iii) Prison Guard Personnel.

Believed to be adequate.

(iv) Political Prisoners from Nazi Regime.

None found.

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(c) Fire Services.

(i) Availability.

Fire fighting services exist down to the small community level and throughout the Gau are intact.

(ii) Personnel.

The voluntary system operates and personnel are adequate. In the City (the largest in the Gau) and Kreis of KLAGENFURT there are 122. Officers and men available, in Villach City normally of 25,000 pop. there are 4 Officers and 28 men.

(iii) Uniform and Equipment of Personnel.

In good condition.

(iv) Fire fighting equipment.

Adequate, modern, and in first class condition. In KLAGENFURT City and Kreis for instance there are 74 M.T. vehicles and 450 hand and towed pumps.

(v) Fire Stations.

All available and in good condition.

(vi) Personnel Training System.

Arrangements have been made to have the Brigade Call Out awarded on what was the air-raid siren.

(vii) General.

The fire services throughout the Gau are efficient to a high degree. Fire fighting as far observed has been excellent, the Stations and equipment down to the small community are well kept, turn outs are smart. On the whole a very satisfactory state of affairs was found in the Fire Service.

(u) Civil Defence.

General.

The WEHRGELIPTSCHENSTUNDE has been abolished and the TEMO disbanded. The TEMO consisted of 16 agencies throughout KARNIEN, with equipment and a volunteer personnel of 1300. Other agencies in the Civil Defence system have been "stood down".

The equipment available for distribution into other channels is not yet fully assessed.

5. POSTS, TELEGRAPHS AND TELEPHONES.

(a) Organisation.

The organisation is working reasonably smoothly, but many difficulties are caused by the 10 km travel restrictions. All the staff are cooperative. De-Mobilisation is actively in hand. Approximately 70 Nazis have been already suspended in KLAGENFURT and orders given for the dismissal of 62 Germans. PSS have ordered the dismissal of 25 persons as the result of examination of Fragebogen.

(vi) Personnel Warning System.

All available and in good operation. Arrangements have been made to have the Brigade Call Out sounded on time and the air-raid alarm.

(vii) General.

The fire services throughout the Gau are efficient to a high degree. Fire fighting as the observed has been excellent, the Stations and equipment down to the small Gemeinden are well kept, turn outs are smart. On the whole a very satisfactory state of affairs was found in the Fire Service.

(u) Civil Defense.General.

The REICHSLUFTSCHUTZ has been abolished and the REMO disbanded. The REMO consisted of 18 agencies throughout HAARLEM, with equipment and a volunteer personnel of 1500. Other agencies in the Civil Defense system have been "stood down".

The equipment availability for distribution into other elements is not yet fully assessed.

5. POSTS, TELEGRAMS AND TELEPHONES.(a) Organization.

The organization is working reasonably smoothly, but many difficulties are caused by the 10 km travel restrictions. All the staff are cooperative. De-Militarization is actively in hand. Approximately 70 Nazis have been already suspended in HAARLEM and orders given for the dismissal of 62 Germans. SSS have ordered the dismissal of 23 persons as the result of examination of Bruegelogen. Gau PG Staff total was between 3500 and 4000. There are some 300 Post Offices and telephone exchanges.

(b) Telephones and Telegrams.

Most of the plant is reasonably intact and all Military requirements are being met. Local Telephone service for civilian subscribers has been authorized by Chief Signal Officer Eighth Army. Inter-urban service is authorized to selected officials approved by CSI (b).

(c) Posts.

All letters and parcels are centralized in Kreis capitals limiting censorship. Limited official post circulates via Military Government channels after censorship by MGs. To avoid waste, arrangements have been made for parcels containing food and seeds to be delivered or returned to senders.

(d) Post Office Financial Services.

4,950,000 Schillings have been handed over to the Post Office to enable Post Offices to reopen for Savings Bank and limited pensions payments. The Post Offices will reopen on 4 Jan.

...../ (c)

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- (a) Censorship. (Civil Censorship) is being and kind. Facilities for telephone and telegram censorship are being arranged.
- (f) Telecommunications Board. The Military Telecommunications Board with the CSO 5 Corps in the Chair is in operation. The Military Government ITT Officer is a member.

6. EDUCATION

- (a) Introduction. There has been little formal education in most of the Gau for the last two years. Daily air-raid alarms extending over large parts of the day have played havoc with school routine, and the older boys have in any case been too busy with military duties to attend such classes as there were. The progress of a generation almost without education of any kind is causing grave anxiety to parents and school staffs, and all are eager to assist in the setting up of an organization which will make possible the re-opening of the schools.
- (b) Administrative System. This, at present, is not functioning, largely due to communication restrictions. Voting of new administrative officials in lieu of Nazis is in hand and when completed the voting of the teachers will be begun.
- (c) Teaching Personnel. The acute shortage of uncommissioned trained teachers will necessitate the interim employment of the best available unqualified personnel.
- (d) School Buildings, equipment and books.

- (i) Buildings. A close coordination of the situation in KLEINSTADT is suggested by a less detailed inspection of a number of Commission suggests that there are few schools which are not either destroyed by bombing or occupied by the military authorities, or in other ways not available as schools. The position in KLEINSTADT is as follows:-

School buildings in use as hospitals, barracks, refuelling hostels etc.	21
Schools wholly or partly destroyed by bombing	6
Schools in use by local bombed air families	2
Schools available for use as schools	5
	<u>34</u>

The following steps will be taken:-
 A survey will be made of all school buildings in the Gau with a view to ascertaining their availability for use by a given date.
 Suggestions will be drawn up by local authorities for the provision of alternative accommodation where necessary.

(ii) Equipment

- (b) Administrative System.
This, at present, is not functioning, largely due to communication restrictions. Vetting of new administrative officials in lieu of Nazis is in hand and when completed the vetting of the teachers will be begun.
- (c) Teaching Personnel.
The acute shortage of untrained teachers will necessitate the interim employment of the best available unqualified personnel.
- (d) School Buildings, equipment and books.

- (i) Buildings. A close examination of the situation in KLAGENFURT Stadtkreis, supported by a more detailed inspection of a number of Gemeinden suggests that there are few schools which are not either destroyed by bombing or occupied by the military authorities, or in other ways not available as schools. The position in KLAGENFURT is as follows:-

School buildings in use as hospitals, barracks, refugee hostels etc.

Schools wholly or partly destroyed by bombing

Schools in use by local bombed out families

Schools available for use as schools

21 6 2 1
21

The following steps will be taken:-

A survey will be made of all school buildings in the Gau with a view to ascertaining their availability for use by a given date. Suggestions will be drawn up by local authorities for the provision of alternative accommodation where necessary.

- (ii) Equipment.

School equipment in the schools visited was reasonably well stored, but the degree of accuracy in the inventory is a matter of doubt. Most schools have a resident caretaker who is responsible for such parts of the building as are not occupied.

- (iii) Text-Books.

Practically no text-books are to be found in the schools. Large quantities have been taken home by the children. An Ordinance ordering the immediate surrender to the Police of all school books is about to be posted. School books of the pre-Nazi era are practically non-existent. The Education authorities at KLAGENFURT have been ordered to provide one copy of every text-book used in the schools since 1938. The somewhat limited local printing facilities are being investigated.

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- (e) The School Children

The school children are at home or in boarding establishments such as K.L.Va., H.J. hostels and Heppolas. If the need should arise it would be easy to occupy those who are at home usefully under the supervision of Youth leaders. Those in hostels present a problem. Many of them are from Germany and it is not possible to send them home. The Education Officer is visiting establishments to ensure that:-

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- (i) Unreliable supervisory personnel are removed forthwith
- (ii) No formal instruction is held.
- (iii) No hard absences are practiced.
- (iv) The younger boys are entrusted as far as possible from the older boys who are likely to exert undesirable influence.
- (v) Arrangements are made as soon as possible for the return of the children to their homes.

7. MONUMENTS, FINE ARTS & ARCHIVES (MFA & A)

- (a) A conference was held in the dungeons at KLATZIMSK 1000 hrs on 15 May 45, at which were present the following:-

Capt R. Croft-Murray and Capt T.H. Proctor (of MFA & A Branch of Mil Govt HQ)
 Prof. Friedrich Turnovsky (of the KUNSTHISTORISCHES
 DEUT. MUSEUM (Director of the Styria-Museum)
 Herr Reimer (Director of the DEUTSCHES MUSEUM)
 Dr. Wilhelm Bruckner von Zernitz (of the Landesmuseum)

At this meeting, Dr. Bruckner interpreted the policy of MFA & A officers and asked for the co-operation of all officials concerned, particularly in the matter of information regarding deposits and damage to buildings in the Gau. Later in the day very satisfactory detailed lists were provided. All Austrian personnel present at the meeting completed Fragebogen which were passed on to Field Security.

The damage to monuments in the Gau is not serious, but the buildings of the two most important museums, KUNSTHISTORISCHES and VILLAGE, have both suffered severely (particularly in the case of the latter which is destroyed). As far as is known, however, most of their material is safe in various deposits in the neighbouring countryside.

Of some hundred monuments and deposits which have been visited since 15 May 45, the following reports refer only to the most important.

(b) Visits to Monuments.

- (i) KUNSTHISTORISCHES.
 (a) Cathedral. Intact except for 1 hole at N.W. angle of roof, now covered. Organ damaged.
 (b) Prioratshaus-Kloster. Tiles on roof shaken by nearby bomb explosions. Interesting 18th Century frescoed vault suffering somewhat from damp.
 (c) Museum. Gravely damaged in March 1945. Upper story fallen

At this meeting, Dr. Krumpholtz interpreted the policy of G.A. & A. officers and asked for the co-operation of all officials concerned, particularly in the matter of information regarding deposits and damage to buildings in the G.A. Later in the day very satisfactory detailed lists were provided. All Austrian personnel present at the meeting, completed Fragebogen which were passed on to Fluid Security.

The damage to monuments in the G.A. is not serious, but the buildings of the two most important museums, KUNSTHAUS and VILHARD, have both suffered severely (particularly in the case of the latter which is destroyed). As far as is known, however, most of their material is safe in various deposits in the neighbouring countryside.

Of some hundred monuments and deposits which have been visited since 15 May 45, the following reports refer only to the most important.

(a) Visits to Monuments.

(1) KLINGENSTURM.

(a) Cathedral. Intact except for 1 hole at N.W. angle of roof, now covered. Organ damaged.

(b) Erzstiftsarchiv-Kloster. Tiles on roof shaken by nearby bomb explosions. Interesting 18th Century frescoed vault suffering somewhat from damp.

(c) Museum.

Gravely damaged in March 1945. Upper storey fallen in in parts. Interior in considerable disorder. A large important material safe in deposits, but many other objects, pictures and books still on premises. From September 1944 occupied by Volksturm who left quantity of arms in hall. Museum staff, under Prof. Turnovsky, have now returned and are using as offices the rooms in least damaged portion while initial clearing up work proceeds. Re-establishment of Museum will, however, be a long term concern.

Action taken: Posted "Out of Bounds" and damaged windows boarded up.

(d) Kunstarchiv. Deposits premises in Lindhaus and adjacent buildings, 14 Hermannsgasse, also two large rooms in basement of the Haus der Technik, Tarnobierstrasse. All three are intact, but the Haus der Technik is in use as Military HQ and there has been some disordering by British troops (the Archivus concerned are important historical

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collections from the three Monasteries of St. Paul in Lavanttal, St. Michael and Wibling. The collection contains many of the best public and private archives from other parts of the Dan.

(ii) St. Michael Cathedral.

Intact. All frescoes and other works of art and in place, except for glass in window of west porch, which is stored in vaults below church. Archives safe.

(iii) St. Michael Museum.

Contains Michael Museum recently organized by Doctor FROHM after purchase of Castle during the war by the Nazi Government. All material of this collection (mainly Folk Art) in place.

(iv) St. Paul i.L.

(a) St. Michael Church. Intact. Michael Becker and other treasures in good condition.

(b) Library.

Very rich and important collection of early printed books. Stored until recently in the Church where they were gradually becoming damp. Monks and state have taken the initiative in re-arranging these and other valuable books in two rooms in monastery buildings.

(v) St. Peter.

(a) Parish Church St. Peter. Intact. Carved altars in place and uncovered.

(b) Stadtschloesschen. Intact and material on premises.

(vi) St. Ulrich.

(a) Church of St. Ulrich. Structure in the main intact though shaken by nearby bombing. All windows shattered. Those of nave said to be of 14th century. Some fragments saved and placed in S.E. corner of church. Building apparently completely destroyed but not examined in detail.

(b) Museum.

(c) Deposits.

(i) All contents of Deposits visited were found to be safe and in good condition. Fortunately the troops in occupation have been mainly British and in every case willing co-operation has been

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Col. Smith, has arranged with Corps for this Unit to remain as long as possible and to be replaced by permanent guard. Small deposit from KULTURWERKE Studienbibliothek also in building.

On 30 May 45 MEK & A Officers escorted members of the Press and HQ round library. Photographs were taken by Army Film Unit. Articles and Broadcasts have stressed propaganda value of deposit, which has had good result locally.

A further small collection of books, including some good incunabula, were found by MEK & A Officers in air raid shelter. It would appear however that others, possibly of even more importance, had been removed by fleeing Library Staff. Books were extremely damp and are being treated on the premises.

Detailed information as to personnel of Staff has been obtained from proprietor of Grand Hotel KULTURWERK and Herr LAUBER, former Hausmeister under Dr. KROGER, together with interesting details as to characteristics of Nazi bibliophiles (including the fact that Dr. KROGER received a military decoration for his discovery of the well hidden KULTURWERK library which he celebrated with a party in the Hotel at Arnhem). Public Safety and other Security Officials have been given lists and descriptions of the missing persons and asked to apprehend them as soon as possible.

(a) General.

(i) Declaration of Nazi looted Works of Art etc.

(a) Military Government Ordinance is in course of preparation demanding the immediate declaration of all works of art, books and documents deposited by Nazi institutions or individuals. Broadcast appeals on the same lines have already had good effects.

(ii) Lists of protected monuments.

450 copies of the lists for KULTURWERK have been delivered to Divisional HQ's in the Gau for distribution to Units and further copies to MEK's.

- treated on the premises.
- (iv) Detailed information as to personnel of Staff has been obtained from proprietor of Grand Hotel ANSCHUTZ and Herr LAZARUS, former Hausmeister under Dr. GOTTHE, together with interesting details as to characterization of Nazi bibliophiles (including the fact that Dr. GOTTHE received a military decoration for his discovery of the well known WITTENBERG library, which he collaborated with a party in the Hotel at Lusenheim). Public Safety and other Security officials have been given lists and descriptions of the missing persons and asked to apprehend them as soon as possible.

(d) General.

- (1) Declaration of Nazi looted Works of Art etc.
- (a) Military Government Ordinance is in course of preparation concerning the immediate declaration of all works of Art, books and documents deposited by Nazi Institutions or individuals. Broadest appeals on the same lines have already had good effects.
- (12) Lists of protected monuments.
- 150 copies of the lists for LAUSITZ have been delivered to Divisional HQ's in the Gau for distribution to Units and further copies to MCO's.

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B. FINANCE SECTION.1. GENERAL.

The first Military Government Finance Officer moved into Austria on 8 May 45 and was soon followed by the Gau Finance Team and HQ Finance Staff who have since been engaged on certain special investigations.

A Military Government Finance Office was temporarily established in VIENNA on 8 May 45. The Gau Finance Office at KILGERFURT was established on 11 May 45.

2. MF FINANCIAL POLICY.

MF Financial Policy was hampered in the initial stages by the presence of Yugoslav forces who attempted to exercise Military Government rights. The subsequent withdrawal of these Yugoslav forces has resolved this difficulty, but their presence in the initial phase increased the difficulties which Finance Officers had to contend with and hampered an early implementation of the Financial Policy.

Decree No. 2. Finance, has been promulgated throughout the territory in which British Military Government operates.

3. CURRENCY.

Shortage of currency in the banks has been the main financial feature of the territory occupied. The surplus cash of all the banks in KILGERFURT amounting to approximately RM 157,500,000, was held in VIENNA. In the period immediately prior to British occupation of the Gau the Austrian local authorities had attempted to alleviate this shortage by issuing two forms of emergency currency:-

Notgeld des Reichsgaues Kärnten.
Hilfsbanknoten.

(4) Notgeld des Reichsgaues Kärnten

The printing and issue of this emergency money was authorized by the Reichsstatthalter, KÄRNTEN, and the manager of the Reichsbank, KILGERFURT, in terms of an instruction issued by the Reichsbank, KILGERFURT, dated 14 Sep 1944.

In authorizing the issue of Notgeld the authorities in KÄRNTEN appeared to have observed the terms of the instruction, except that Notgeld were printed only in the denomination of RM 50, where as the instruction recommended printing in denominations of RM 10, 5 and 1 and Reichsbanknoten 50 and 10.

The Austrian authorities report that the total printing of the Notgeld amounted to RM 9,500,000 of which total RM 13,150,000,

3.

CURRENCY.

While Finance Officers had to contend with and hesitated on early implementation of the Financial Policy.

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In authorizing the issue of Notgeld the authorities in KLAGENFURT appeared to have observed the terms of the instruction, except that Notgeld were printed only in the denomination of RM 50, where as the instruction recommended printing in denominations of RM 10, 5 and 1 and Reichspfennige 50 and 10.

The Austrian authorities report that the total printing of the Notgeld amounted to RM 24,300,000 of which total RM 18,150,000, were placed in circulation by the Reichsbank KLAGENFURT, during the period 2 to 9 May 45.

The balance of RM 6,150,000 is at present held by the authorized Banking Agency KLAGENFURT.

Notgeld are printed on extremely poor quality paper and it is reported that they were not regarded with confidence by the general public.

These notes had been used extensively for paying pensions and similar administrative obligations.

Pending investigation and a decision as to the status of these notes, the banks were instructed not to issue or to accept Notgeld.

It has now been decided that Notgeld will be withdrawn from circulation during the period 4 - 6 Jun 45 inclusive. The conditions of exchange will be made public by Gen KLAGENFURT

Notice No. 2, and by FWS newspaper and broadcast services

In order that our troops may not become unwitting tools for the exchange of Notgeld by unauthorized holders all banks have been placed out of bounds

...../(b)

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SECRET(b) Hilfsbanknoten

It is stated by The Authorized Banking Agency in KILGERPURT that the issue of Hilfsbanknoten was decided upon at a meeting attended by the German Minister Funk, and the managers of the GBAZ, SAIZENBURG and the LEHNEZ branches of the Reichsbank which was held in mid-Apr 45.

Verbal orders were given by Minister Funk for the printing to be carried out. These orders were implemented in GBAZ. The printing was carried out by a photographic process in three denominations which are numbered as follows:-

RM 100	-	T. 7396475	Every note bearing the same serial number.
RM 50	-	B. 06647727	Every note bearing the same serial number.
RM 10	-	D. 02775733	Every note bearing the same serial number.

The Authorized Banking Agency, KILGERPURT, state that they received RM 10,000,000 of these Hilfsbanknoten from the Reichsbank, GBAZ and that they were put into circulation. Finance Officers have issued instructions to banks that Hilfsbanknoten will not be issued or accepted. Information received to date is that these notes are also in circulation in GAN SCHNEIDER and GAN SAIZENBURG, but there is no indication of the amount issued.

(c) Currency issued by the German Armed Forces.

Both Reichsmedienbesatzungsschein and Vorratshausbeschein were found to be in circulation in Austria. These currencies were formerly used by the German Armed Forces for troops pay and used in Army canteens. Neither of the currencies in question are legal tender but on entry they were found to be in circulation. The banks have been instructed not to accept either of these currencies. Troops have been warned about currency which is not legal tender.

(d) Austrian Schillings.

Allied Military Schillings are being used for paying the British occupying forces, and are being freely accepted. To enable the banks to reopen and to finance the exchange of Notgeld, all Schillings have been deposited with The Authorized Banking Agency, KILGERPURT and VILLACH. It is clearly understood that all Schillings will not be placed in circulation

The Authorized Banking Agency, KLINGENFURT, states that they received RM 10,000,000 of these Reichsbanknoten from the Reichsbank, GNR and that they were put into circulation. Finance Officers have issued instructions to banks that Reichsbanknoten will not be issued or accepted. Information received to date is that these notes are also in circulation in Gm. STEIERMARK and Gm. SALZBURG, but there is no indication of the amount issued.

(c) Currency issued by the German Armed Forces.

Both Reichsbanknoten and Reichsbanknoten were found to be in circulation in Austria. These currencies were formerly used by the German Armed Forces for troops pay and used in army canteens. Neither of the currencies in question are legal tender but on entry they were found to be in circulation. The banks have been instructed not to accept either of these currencies. Troops have been warned about currency which is not legal tender.

(d) Austrian Schillings.

Allied Military Schillings are being used for paying the British occupying forces, and are being freely accepted. To enable the banks to reopen and to finance the exchange of Notgeld, all Schillings have been deposited with The Authorized Banking Agency, KLINGENFURT and VIENNA. It is clearly understood that all Schillings will not be placed in circulation unless it is unavoidable and undertakings to this effect have been signed by all concerned.

(e) Foreign Currencies.

Considerable amounts of foreign currency principally Italian Lire, have been uncovered and taken into control by Military Government Finance Officers. Sacks of currency surrendered by SS found to contain Russian, Bulgarian, Yugoslavian, Croatian, Albanian, Italian, Hungarian and Rumanian notes - approximate value 27,800. On 20 May 45 Lire 14,000,000 was surrendered by the Todt organization at KLINGENFURT. On the 19 May Lire 1,105,000 was surrendered by the Post Office official at LIEN. It was reported as "having been left there by the Germans". On 15 May RM 35,000 of "local currency" was surrendered by Todt organization. All such amounts are being lodged with the Authorized Banking Agency, KLINGENFURT in blocked accounts.

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BANKS

The only case of badly damaged bank currency is reported from PILSEN, where the Kautschke's Sparkasse is badly damaged and new promises will have to be found, duplicate sets of books were available within a week. An early assessment of the main banks in VILLAGH and VILLAGH indicated that approximately 24,400,000 would be required by the banks before they could reopen. It was necessary to add a further 17,000,000 to this figure if Notgeld were to be withdrawn from circulation. All Schilling 66,080,000 was advanced to the Authorized Banking Agency for distribution to other banks and financing the withdrawal of Notgeld. On 30 May, twenty three banks including all the large Austrian Branch banks but not the numerous Raiffeisenbanks in isolated country villages, had been reopened, subject to certain restrictions, in the following towns:-

VIACHTENBERG	STILLBACH
St. Veit	STILLBACH
VILLAGH	STILLBACH
SPITZ	STILLBACH
WOLFGANG	STILLBACH

5. PUBLIC FINANCE.

Much time has been devoted to ascertaining the precise form of the State and Civil Administration within the Gau with a view to ascertaining the extent to which the separation of Austria from Germany and the temporary separation of the Gau from the remainder of Austria have affected the normal channels of revenue and expenditure. Advances have been made where necessary to State and Local Authorities and such have been issued as the continuance of payment of pensions and allowances in accordance with Decree No. 2. The detailed reports and statistics could not be completed in time for the preparation of this provisional report.

ACCOUNTS

An audit of the main currency bank note in 1941 was completed during the period.

Accountant Officers were attached to the Gau Staff to supervise the accounting for imported food and to settle the financial arrangements with Local Authorities in relation to IP and Refugee Camps.

PROPERTY CONTROL.

The plan for property control in Austria to drawn by Military Government has been found to be completely workable with the exception that it has proved to be impossible to obtain from any public records particulars of the ownership of shares in companies.

5. FINANCIAL MANAGEMENT.

Much time has been devoted to ascertaining the precise form of the State and Civil Administration within the GDR with a view to ascertaining the extent to which the separation of Austria from Germany and the temporary separation of the GDR from the remainder of Germany have effected the normal channels of revenue and expenditure. Advances have been made where necessary to State and local authorities and such have been issued on the continuance of payment of pensions and allowances in accordance with Decree No. 2. The detailed reports and statistics could not be completed in time for the preparation of this provisional report.

6. ACCOUNTS

An audit of the main currency bank books in GDR was completed during the period.

Accountant Officers were attached to the GDR Staff to supervise the accounting for imported food and to settle the financing arrangements with Local Authorities in relation to up and Refugee Camps.

7. PROPERTY CONTROL.

The plan for property control in Austria as drawn by Military Government has been found to be completely workable with the exception that it has proved to be impossible to obtain from any public records particulars of the ownership of shares in companies.

Considerable property which appears to have been looted by REDAR has been discovered and arrangements will be made for a Central Fund to be established under Military Government direction.

During the period 20 properties were taken into control including the following business enterprises:-

Kellner - Partington Paper Pulp Co. Ltd. (Newington)
 Österreichische Magnesit AG (German managed - American owned)
 Karingwerke AG (American)
 Österreichische Chemischwerke AG.
 Alsbury Bergwerke AG

Property Control work in the first days of the British Occupation was 6012 by the presence of the German Military Units in the area.

8. GENERAL

For various reasons the administrative work was delayed in the first days and it became necessary to attach a number of UN Officers to GDR Staff. As a result it has been found necessary to delay for a short time the issue of a detailed and comprehensive Finance Section Report.

ECONOMICS - SUPPLY ACTION.

1. General.

- (a) Preamble: The period covered by this report is from 6 to 31 May, representing the first twenty-three days of Military Government in British occupied AUSTRIA. The more detailed reports of the branches of this Section are given below.
- (b) Visual Impressions: The people generally appear to be well clothed, well shod and well fed with little or no sign of poverty. As was anticipated, mobilization would appear to have been very comprehensive with a corresponding inflow of foreign labour and, among these latter, the standard of living was very much lower although there was no discrimination against them in so far as food is concerned, each one according to his or her category, granting the same ration as their Austrian counterpart.
- (c) Economic Controls: Wages are low but are considered adequate, in view of the fact that the cost of living has been kept stable and at a low level. An example of this control is manifested by the fact that bread has been kept at 35 pfennigs per kilo since 1944. This control has been effective in respect of other items, such as clothing and footwear and particularly haulage rates, lack of control of which has resulted in spiralling prices in other countries. All these controls remain in force and would appear to be still effective, but it may be a little early to judge what may be the effect of removal of restrictions from their enforcement. The necessity of taking all possible steps to avoid inflationary tendencies is fully realized and is being actively pursued.
- (d) Local Administration: The Austrian officials of the organizations through which this branch works are on the whole competent and co-operative, and their machinery is to all intents and purposes intact. De-Nazification was in most cases carried out by the Austrians themselves in the interim between the breakdown of the German War machine and our arrival.

In the first fourteen days, the local economic administration was frustrated to a considerable degree by the presence of Yugoslav Armed Forces. Our Headquarters' Officers were occupied and the staff visited, heads of departments were threatened and instructed to report to the Yugoslav HQ for instructions, and no communication was available with the most easterly troops where the Yugoslav elements were thickest on the ground. All that, however, ended with the withdrawal of TITO's troops, and now nervousness has been replaced by hope and confidence in British support, and the administrative offices with better

view of the fact that the cost of living has been kept stable and at a low level. An example of this control is manifested by the fact that bread has been kept at 35 pfennigs per kilo since 1941. This control has been effective in respect of other items, such as clothing and footwear and particularly, haulage rates, lack of control of which has resulted in spiralling prices in other countries. All these controls remain in force and would appear to be still effective, but it may be a little early to judge what may be the effect of removal of barriers from their enforcement. The necessity of taking all possible steps to avoid inflationary tendencies is fully realized and is being actively pursued.

- (d) Local Administration: The Austrian officials of the organizations through which this brutal work is on the whole competent and co-operative, and their machinery is to all intents and purposes intact. De-Mobilization was in most cases carried out by the Austrians themselves in the interim between the breakdown of the German War machine and our arrival.

In the first few days, the local economic administration was frustrated to a considerable degree by the presence of Yugoslav Armed Forces. Our Headquarters' officers were corrupted and the staff rejected, heads of departments were threatened and instructed to report to the Yugoslav HQ for instructions, and no communication was available with the most easterly lines where the Yugoslav elements were thickened on the ground. All that, however, ended with the withdrawal of RMO's troops, and new nervousness has been replaced by hope and confidence in British support, and the administrative officer with better communications at their disposal are getting into their stride.

- (e) Future Activities: In very broad terms, the objectives of this Section for the immediate future will be as under:-

- (i) Stimulation of Agricultural Production.
- (ii) Price control at pre-liberation levels, coupled with maintenance of equitable distribution of all indigenous and imported supplies.
- (iii) Development of rail and road transportation to ensure normal commercial, industrial and public services.
- (iv) Provision of labour in such quantity as to guarantee full exploitation of local resources.
- (v) Assessment in greater detail of local available resources in order to determine and bid for minimum imports.
- (vi) Encouragement of all industry cleared by DEMIL to the maximum extent consistent with availability of raw materials.

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- (f) Conclusion: The general economic life of that part of AUSTRALIA occupied is much fuller and more vital than one might have expected to find in a part of a country which has broken down after nearly six years of war that was largely economic in nature. Study of statistics prior to entry led one to expect that CAN KATHIN would present a much more dismal picture than that encountered.

2. Food.

- (a) This report deals with CAN KATHIN only. Surveys are now being made of those parts of CAN KATHIN and SALZBURG occupied by BRITISH troops.
- (b) Crop Reports. The latest harvest estimates on grain and potato crops for 1945 are as follows:-

Wheat.....	10,900 tons
Rye.....	18,752 "
Barley.....	11,135 "

Total broad grains.....41,387 tons

Oats.....	17,785 tons
Maize.....	5,100 "

Total Potable Grains.....22,885 tons

Potatoes.....165,250 tons.

Even the above figures must be deducted percentages for seed, farm retention and waste, regarding which no information is yet to hand. Also the figures may be subject to further revision, when a present survey of growing crops is completed. It is unlikely that any reaping will take place before the beginning of August, though it may be possible to lift early potatoes by the middle of July.

- (c) Ration Scale: Present ration scale for normal consumers is as follows:-

	28 day period	gms per day	calorific value
Bread.....	4800	171	449
Fats and Oils....	200	7	60

Barley.....11,735 "

Total bread grains.....41,307 tons

Oats.....17,785 tons

Maize.....5,100 "

Total Polder Grains.....22,885 tons

Potatoes.....165,850 tons.

From the above figures must be deducted percentages for seed, farm retention and waste, regarding which no information is yet to hand. Also the figures may be subject to further revision, when a present survey of growing crops is completed. It is unlikely that any surplus will take place before the beginning of August, though it may be possible to lift early potatoes by the middle of July.

(a) Ration Scale: Present ration scale for normal consumers is as follows:-

	<u>28 day period</u>	<u>lbs per day</u>	<u>calorific value</u>
Bread.....	4300	171	1449
Fats and oils....	200	7	60
Meat.....	2000	71	190
Sugar.....	575	13	55
Potatoes.....	5000	107	80
Total.....	10375 lbs	369 lbs.	834

In addition to the above, there is a local ration of skim milk to adults, which varies according to local conditions and transportation facilities. The supplementary issue for heavy workers is on the following scale:-

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SECRETFor 26 Day Period:

Wheat.....1000 tons.
 Meat.....1400 lbs.
 Fat.....200 lbs.

The extra heavy workers ration scale has been suspended for the present period. The question of removing this issue during the period commencing 25 Jun is under review.

(a) Food Situation:

(i) Grain/Fish. The quantity of flour required to feed the population of Mombasa at present ration scale for a 26 day rationing period, has been estimated at between 1500 tons, 1700 tons, depending on the D.F. situation. At the commencement of the rationing period No. 76, 28 May 45, it was estimated that there were 1000 tons of indigenous flour available.

(ii) Meat. Supply is sufficient to meet present ration. A survey is being carried out to ascertain whether meat ration could be increased without adding into national increase of animals, in view of the low calorific value of the present ration.

(iii) Rice. There have been 217 tons per ration period to 200 lbs per ration period. On this basis, there are sufficient rice in the country to cover the present 26 day rationing period.

For the period commencing 25 June, however, it will be necessary to import rice to maintain even the 200 lbs ration. Present local production of rice is approximately 55% of requirements, based on the above scale. A request has been made to 1250 for imports.

(iv) Sugar. Sugar has been issued up to the end of the present period (28 May-21 Jun) on the basis of 375 lbs per 26 day period.

Estimated stock at expiry of current period, available for next ration period, will be approximately 90 tons. Based on present ration scale of 375 lbs per head, 190 tons would be required, representing an import requirement of 100 tons.

(v) Potatoes. It is estimated that the population of Mombasa, with the exception of 100,000, has been provided with potatoes up to next harvest. For the 100,000 population not so provided, provision has been made up to 21 Jun at the rate of 3 kilos per head for the period, leaving a balance of 100 tons to be issued at the rate of 1 kilo per head from 25 Jun/45 to the date of harvest.

(vi) Fresh Vegetables. These are almost non-existent, there being available only a limited supply of dried vegetables.

was estimated that there were 1000 tons of indigenous fish available.

- (14) Meat. Supply is sufficient to meet present ration. A survey is being carried out to ascertain whether meat ration could be increased without entering into natural increase of animals, in view of the low calorific value of the present ration.

- (14i) Eggs. There have been 200 375 gm per ration period to 200 gm per ration period. On this basis, there are sufficient eggs in the country to cover the present 25 day rationing period.

For the period commencing 25 June, however, it will be necessary to import eggs to maintain even the 200 gm ration. Present local production of eggs is approximately 55% of requirements, based on the above scale. A request has been made to AFHQ for imports.

- (14i) Sugar. Sugar has been issued up to the end of the present period (28 May-24 Jun) on the basis of 375 gm per 28 day period.

Estimated stock at expiry of current period, available for next ration period, will be approximately 90 tons. Based on present ration scale of 375 gm per head, 190 tons would be required, representing an import requirement of 100 tons.

- (14i) Potatoes. It is estimated that the population of KAMPUN, with the exception of 100,000, has been provided with potatoes up to next harvest. For the 100,000 population not so provided, provision has been made up to 24 Jun at the rate of 5 kilos per head for the period, leaving a balance of 100 tons to be issued at the rate of 1 kilo per head from 25 Jun to the date of harvest.

- (14i) Fresh Vegetables. These are almost non-existent, there being available only a limited supply of salad vegetables.

- (e) Ration Cards: Owing to printing difficulties, due to Japanese occupation of main Printing Works, it was necessary to modify the system of ration cards for the present period 28 May-24 Jun. A return to the pre-occupation system, with certain minor modifications, is now under consideration, as events have proved it to be more satisfactory.

- (f) Imports: Shipping and railway links have been accepted by 'Q' Government for 6100 tons of grain/flour up to 4 July, to be borrowed from the Italian stockpile. In addition, a further 3,000 tons has been bid for during maintenance period 5-24 July. Deliveries effected in KAMPUN to date are as follows:-

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<u>Loading Point.</u>	<u>Transport.</u>	<u>Total.</u>
ANGORA/VEHICLE	5 2 T	119
CELEBES	5 2 T	540
UDINE	1001 Cuy	232
		<u>1221</u>

* From captured army stocks.

Distributed to Kevico in Kanton.... 603
 Stockpiled for STEINBURG..... 618

1221

In addition, 60 tons of mixed supplies have been called forward and delivered for displaced persons.

- (2) Warehousing: A Military Government Warehouse has been established at STANLEY PARK, about 5 miles N.E. of KLAGENFURT. Capacity is approximately 2500 tons. This is being used for stockpiling for STEINBURG. Negotiations with army are under way to obtain the use of another warehouse in close proximity to KLAGENFURT, with a capacity of 5,000 tons. It is believed that this will be made available to us. Instructions have been issued to commence stockpiling in STANLEY PARK, STEINBURG, and for this purpose a warehouse with a capacity of 2,000 tons has been located. The present policy with regard to supplies for STANLEY PARK is to break those down to Kevico immediately on arrival.

3. Transportation.

- (a) Transport availability: Freight transport availability, in running condition, has reached 800 tons. War-surplus, which can be converted to transport with spare parts, total a further 500 tons. This is just adequate for immediate needs. Other transport is still coming to light, but at a slow rate.
- (b) Passenger Transport: A trolley-bus service is operating in KLAGENFURT. A schedule of omnibus services between main towns is drawn up, and will be put into operation in the near future. Negotiations have been completed with RAF for the handing over of Belmont buses to Mil Govt. Number of buses not known.
- (c) Utilization of Captured Enemy Vehicles: A plan is under consideration at RAF Army, for the release of Class II vehicles to

in addition, 60 tons of mixed supplies have been carried forward and delivered for displaced persons.

- (2) Warehousing: A Military Government Warehouse has been established at REICHENBERG, approximately 5 miles N.W. of KLAGENFURT. Capacity is approximately 2500 tons. This is being used for stockpiling for SUPPLY. Negotiations with Army are under way to obtain the use of another warehouse in close proximity to KLAGENFURT, with a capacity of 5,000 tons. It is believed that this will be made available to us. Instructions have been issued to commence stockpiling in REICHENBERG, STEIERMARK, and for this purpose a warehouse with a capacity of 2,000 tons has been located. The present policy with regard to supplies for CARLSTADT is to break these down to prices immediately on arrival.

3. Transportation:

- (a) Transport availability: Freight transport availability, in running condition, has reached 800 tons. Non-runners, which can be converted to runners with spare parts, total a further 500 tons. This is just adequate for immediate needs. Other transport is still coming to light, but at a slow rate.
- (b) Passenger Transport: A trolley-bus service is operative in KLAGENFURT. A schedule of carriages between main towns is drawn up, and will be put into operation in the near future. Negotiations have been completed with Nov & Co for the leasing over of Reichsbahn buses to Mil Govt. Number of buses not known.
- (c) Utilization of Captured Heavy Vehicles: A plan is under consideration at 2nd Army, for the release of Class II vehicles to Mil Govt, for "training" to civil contractors. If this plan is accepted, the expected transport conditions in STEIERMARK will be alleviated. It continues to develop in transport columns with Class I vehicles, and has passed over one mixed transport column to Mil Govt.
- (4) Civilian Motor Cars: Granting of permits is now being more rigorously controlled, and a review is being made of permits already granted.
- (5) Petrol: Quotas issued for use in June. Petrol Organization laid down in instruction covering all aspects of fuel and lubricants distribution, Finance, Rationing, etc. This instruction now being examined by Gov prior to issue.
- (6) Transport Instruction on: Organization and Control of Road Transport in AUSTRIA detailed in Transportation Instruction No. 1, now issued.

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- (e) Civilian Road Transport Organisation in Zamboni: The system of control by Gruppenfuhrerbereichsleiter and Fahrerleiterschaffteiler, is being prior to our occupation, is now fully restored, and operating satisfactorily.
- (h) Petrol Organisation: A Central Organisation for Mineral Oil has been established at KLAGENFURT to control all fuel and lubricants for both GEMEINSAM and GEMEINSAM. Senior officials already appointed and storage plants surveyed. Limited number of retailers allowed to draw supplies to pumps.
- (j) Petrol Production: Investigations are being made into the possibility of opening a small petrol production plant which formerly operated in KLAGENFURT. The maximum output was 500 litres daily.

4. Labour.

- (a) On arrival in KLAGENFURT, it was found that the Gas Arbeitsamt was occupied by Yugoslav troops, and it was feared that the records and office equipment had been destroyed or taken away. Temporary premises were found and Austrian labour officials were instructed to reorganise and carry on, pending a clarification of the Yugoslav problem.
- On 22 May, the Yugoslavs vacated the Gas Arbeitsamt and it was found that a considerable amount of office equipment had disappeared, including desk lamps and typewriters; the offices were left in a chaotic state. Order was restored and the records were found relatively intact. The staff numbered 115; eleven of these have been suspended and a survey of the staff position is now in progress, as it is considered that the number of employees is somewhat high.
- The administration is now functioning normally.
- (b) The Trustee of Labour was suspended upon entry.
- (c) D.A.P.: The premises of this organisation received a direct hit in February 1943, and most of the records and equipment were destroyed. Temporary accommodation found elsewhere is now occupied by the Army. All the employees had been dismissed by the Provisional Govt prior to our entry. Investigations are continuing.

- (d) Labour Situation: Complete coordination exists between the Civil

4. Labour.

(a) On arrival in KARSTEN, it was found that the Gm. Arbeitssamt was occupied by Yugoslav troops, and it was feared that the records and office equipment had been destroyed or taken away. Temporary premises were found and Austrian labour officials were instructed to reorganise and carry on, pending a clarification of the Yugoslav problem.

On 22 May, the Yugoslavs vacated the Gm. Arbeitssamt and it was found that a considerable amount of office equipment had disappeared, including desk lamps and typewriters; the officers were left in a chaotic state. Order was restored and the records were found relatively intact. The staff numbered 116; eleven of these have been suspended and a survey of the staff position is now in progress, as it is considered that the number of employees is somewhat high.

The administration is now functioning normally.

(b) The Trustee of Labour was suspended upon entry.

(c) B.A.F.: The premises of this organisation received a direct hit in February 1945, and most of the records and equipment were destroyed. Temporary accommodation found elsewhere is now occupied by the Army. All the employees had been dismissed by the Provisional Govt prior to our entry. Investigations are continuing.

(d) Labour Situation: Complete co-ordination exists between the Civil Labour Unit and the Arbeitssamt in the placement of employees for the Armed Forces.

There is an acute shortage of unskilled labour, and 15,000 are required urgently for Horticulture and Agriculture. It is hoped that the Army will be able to release 175 to meet this need.

An ordinance published throughout KARSTEN ordering all unemployed to register for work has produced good results; for the week ending 25 May, 507 men and 194 women registered in KARSTEN. The Army, during this period, took 175 men and 96 women. It is thought that these people, none of whom had been claiming unemployment relief, had been lying low, waiting for the Yugoslavs to go before asking for work. They are mainly shop assistants, hotel employees, clerks and typists.

(e) Wages: Basic rates of pay were frozen upon entry and an interim scale of wages issued for employees of the Armed Forces.

(f) Trade Unions: There is little evidence to report of any move for the formation of Trade Unions, probably because of apathy and the fact that KARSTEN is more agricultural than industrial. The situation is however being watched.

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- (g) Social Insurance: The Krankenkasos (Health Insurance) is working and has ample funds available. Contributions continue to come in and payments are being made.
- Old age, Invalidity and Workmen's Compensation were originally dealt with from KASERN or GLA2, according to the category of workers, and paid through the local Post Office. A scheme for the continuation of these payments is in course of preparation.

- (h) Summary: Taking the overall situation, it is considered that the following month should find the labor situation stabilized, with the Austrian Administration functioning smoothly.
- It is not anticipated that there will be any request for increase of wages, provided that prices continue at their present level.

3. Agriculture.

- (a) State of Cultivation: No cultivated land within the Gm remains unplanted and unseeded, though in certain areas cultivation had been retarded by 2/3 weeks. It may therefore be inferred that, with these exceptions, harvest will be at normal time.
- Owing to the disappearance or removal of displaced/forced labor, summer cultivation, especially of root crops, will not be fully practiced. Fields must therefore be adversely affected.
- (b) Land Fertility: Generally the land is not of high fertility; much of it being of a sandy nature from glacial deposit. There is much evidence that growing crops are suffering from lack of artificial fertilizers. The supply during the past three years has been much restricted and present crops have in only isolated cases received any at all. The nature of the soil is such that it will respond readily to the use of artificial fertilizers.
- (c) Livestock:
- (i) With the exception of pigs and poultry, there has been no excessive slaughter of stock for human consumption, and the majority of farms are carrying as much stock as can be maintained. (See also para (k)).
- (ii) There appears to be a shortage of bulls for breeding but this question has not been fully examined. There is one artificial insemination institute located in MILLERBACH, but its work has not been investigated.
- (iii) There are approx 170 stallions in KASERN and this number should suffice for the Gm.

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- (b) Land Fertility: Generally the land is not of high fertility; much of it being of a sandy nature from glacial deposit. There is much evidence that growing crops are suffering from lack of artificial fertilizers. The supply during the past three years has been much restricted and present crops have in any isolated cases received any at all. The nature of the soil is such that it will respond readily to the use of artificial fertilizers.
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 (ii) There appears to be a shortage of bulls for breeding but this question has not been fully examined. There is one artificial insemination institute located in MULLERBURG, but its work has not been investigated.
 (iii) There are approx 170 stallions in KARTEN and this number should suffice for the Gou.
- (d) Crops - Agriculture: Maize growing has been enforced but is not economic in KARTEN, and the land so used could be more profitably used for growing bread grains.
 The growing of oil seeds (rape, poppy and sunflower) has also been enforced but, again, this area is not suited to their growth because of soil and climate. There is a small oil extraction factory at MULLBURG for dealing with small quantities of seeds which peasants were authorized to retain. The bulk crop was exported to RAVENNA for oil extraction. A serious problem will therefore arise regarding the processing of the present crop unless machinery is available in SPITZBURG or plant is established in KARTEN.
- (e) Seeds:
 (i) Almost the whole requirement of grass, clover and vegetable seeds require to be imported for KARTEN. Grasses and clovers have come largely from GERMANY or German controlled territory, and vegetable seeds from VIENNA area. The head of the Landesbauernschaft is preparing estimated import requirements for next season's seedling.

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(41) A certain amount of seed bread grains and seed potatoes has been provided from GERMANY. It is submitted that next season's requirements will have to be met from indigenous production and be considered as a first harvest upon this year's harvest. Some system of control purchasing, storage and distribution to peasants, principally small land holders, will require to be devised under Provincial Government arrangements.

(f) Agricultural Machinery:

(i) Present holdings appear sufficient for requirements, and replacement can be effected from local production of existing factories and factories scheduled for conversion from armament manufacture.

(ii) Wire for fences is an urgent requirement. One factory for production is located in BRITAIN. It is assumed that there will be considerable military stocks which could be released for civil needs.

(g) Animal Health:

(i) There is little foot and mouth disease and, when outbreaks occur, strict control of movement is exercised.

(ii) Abortions in cows is very common, but here, too, control is exercised. Serum vaccination has been practised but without marked success.

(iii) "Rundbrenn", a disease which attacks cattle on hill pastures, is very serious unless stock are vaccinated prior to grazing on infected pastures. No vaccine is available, as supplies have previously come from VIENNA and BAVARIA. Details of vaccine and location of manufacture in BAVARIA and quantity required (150 litres) have been given.

(iv) Other than above, there is no immediate requirement, but Gen Agricultural Officer has knowledge of store of German Army vet supplies and is investigating the possibility of handing over to Austria (KARNTEN) authorities.

(v) Head of Veterinary Services is preparing schedule of requirements for period up to end 1945 and this will be ready in a few days.

(h) Animal Feeding Stuffs:

(i) During winter 1944/45, little feeding stuffs have been available for stock, except such quantities of cereals as were not fit for human consumption.

(ii) It was ascertained that none of the sugar beet pulp or other waste was made available for animal feed in KARNTEN. It is known that a percentage of beet pulp was used for production of beer

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(h) Animal Feeding Stuffs:

(i) During winter 1944/45, little feeding stuffs have been available for stock, except such quantities of cereals as were not fit for human consumption.

(ii) It was ascertained that none of the sugar beet pulp or other cake was made available for animal food in KAFFER. It is known that a percentage of beet pulp was used for production of beer and it is assumed that the residue will have been made available to growers and farmers in the vicinity of factories - pulp being a bulky commodity for transportation.

(iii) Hay has been largely used for maintaining winter milk production. In view of considerable damage to growing crops by stray Army/Misplaced horses, a limited import of concentrated commodities will be highly desirable for strictly controlled distribution to dairy farms.

(i)

Agricultural and Horticultural Fertilisers: Little artificial fertiliser has been available for 1944/45 crops and not much more during previous two years. (See para (b)).

The local practice has been to apply all artificial fertilisers at crop sowing (60/70% autumn sowing), with the exception of nitrogen. It has been impressed upon Provincial officials that supplies can be made available for autumn sowing, and that whatever quantities may be procured will have to be applied in Spring. This is quite a practical proposition, but a certain amount of propaganda may be necessary to convince peasant farmers of this.

Information has been obtained in sufficient detail to permit estimated requirements for KAFFER to be computed.

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- (k) Damage to Crops: The presence of roughly 15,000 stray Army and displaced horses has caused much damage to growing crops - especially hay - and they have consumed much valuable pasture. The Gun Agricultural Officer is dealing in conjunction with 3 Corps, and these horses are being collected and disposed of as quickly as possible. Some locally and the bulk is likely through the Allied Commission. Other than above, agricultural land has sustained little damage.
- (l) Black Market:
- (i) It is suspected that there has been a large increase during recent weeks in the number of cases of illicit slaughtering of stock for food.
- (ii) Milk deliveries have dropped by approx 1/3 during past month. There have been considerable but unpublicised, but it is suspected that illicit sales are being made and that milk is being made into butter and cheese on farms for black market sales.
6. Public Works and Utilities.
- (a) Karnten Engineering Depot
- (i) On the entry of the British Army into KARNTEN, the "Landesregierung Karnten" at B. Bauwesen was completely disrupted and ceased functioning due to the Yugoslav armies having taken over their offices and nearly all their equipment and stores. Their records and books were taken with their offices and were not used but merely thrown into storerooms and destroyed or at least disrupted to a great degree.
- (ii) After much difficulty the department has been resurrected and is now functioning again in offices situated at 15 Sternstockstrasse, KLAGENFURT. The dept advises to supervise all engineering and construction matters in the Gau and has branches dealing with General Technical matters, Buildings, Highways, Water Supply and Utilization, Electrical and Mechanical matters and legal matters in connection with any of the above.
- (iii) The director of the department, Oberamtsdirektor Dipl. Ing. KARL GUNTER and the engineers working under him, are all Austrian Civil Servants and as they appear efficient and none of them were political appointees or appear to have been ardent Nazis, they have all been retained. They are very co-operative and are all most anxious to be allowed to get on with their jobs. The organization of the department seems sound and efficient so no changes are being made at this time. We understand that the organizations of the Engineering Departments in the other Gaue are similar. A summary of the organization and the responsibilities of the dept and its branches is now being
- (iv)

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- (ii) After much difficulty the department has been reconstituted and is now functioning again in offices situated at 15 Sternstrasse, KLASSTEN. The dept advises to supervise all engineering and construction matters in the Gau and has branches dealing with General Technical matters, Buildings, Highways, Water Supply and Utilities, Electrical and Mechanical matters and legal matters in connection with any of the above.
- (iii) The director of the department, Oberbaumeister Dipl. Ing. Karl KNEZEL and the engineers working under him, are all Austrian Civil Servants and as they appear efficient and none of them were political appointees or appear to have been ardent Nazis, they have all been retained. They are very co-operative and are all most anxious to be allowed to get on with their jobs. The organization of the department seems sound and efficient so no changes are being made at this time. We understand that the organizations of the Engineering Departments in the other Gaue are similar. A summary of the organization and the responsibilities of the dept and its branches is now being prepared and will be forwarded as soon as ready.
- (iv) Arrangements have been made for the KARNTEN Engineering Dept to take over the responsibility of technical matters in the portions of STEIRIA under British Control until such time as the engineers in those areas can work under their own headquarters again.
- (v) Inasmuch as to methods of handling contracts, prices, distribution of materials etc. has been obtained and is being checked over and translated.

(b) Roads.

- (i) Maj. MYERS of ACA arrived from UELING as representative of CE, Eighth Army to deal with Army road matters. Arrangements are in hand for Majors KNEZEL and LAYERS to interview CE 5 Corps and Maj. CIES to ascertain Army requirements, arrange a road maintenance programme, arrange for contracts, arrange for the release of equipment, materials and labour required by the civilians etc.
- (ii) Apparently the roads were in good condition but are now beginning to go to pieces so it is very necessary that a maintenance programme be proceeded with at once.

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- (c) Bridges: Eight old bridges in the Gau were gradually being replaced by the German Engineering Dept. There are several which have or have gone in various ways under heavy army traffic and we are trying to arrange to have these replaced or repaired to fit in with army requirements.

(d) Construction Materials:

- (i) Prisoners have been held with RE at Corps and DVA as construction equipment and materials located at various places around the Gau. HVA taken on PG have agreed to turn over all equipment and materials not needed by Army to the German Engineering Dept. who will handle accounting, storing and distribution to contractors, etc. throughout the Gau as required.
- (ii) A train of 53 cars of construction, as described, and equipment and materials is now being handled there. This train, complete with two engines and 21 German Technicians was located on the railway west of KLAGENFURT and was the first and only shipment of some 600 cars of material which the Germans were proposing to move west out of the reach of the Russians. The shipment is from a partially completed aluminum plant at SCHARFENBERG, which was being created by the Aluminum Coy of READING. The Engineering Dept is inventorying and storing the goods and will use what they need.
- (iii) Arrangements are in hand to set all quarries operating for the production of road materials.

(e)

Electricity:

- (i) There is a considerable surplus of electricity available in the Gau. Statistics are being gathered and a complete survey of electricity situation is being made and will be forwarded this week. The situation is very good as there has been practically no change to the electricity system.
- (ii) The Magolava asked for and were granted a small amount of electric power from the Scharfberg power plant for general use in northern Yugoslavia. Amounts used are being kept track of and will not be allowed to interfere with Austrian requirements.
- (iii) The International Power plant is partially completed but very little is being done now except for maintenance due to lack of labour. Material and machinery to proceed with the construction are at the plant and the situation is being completely investigated and all electric companies are functioning normally, and will be reported on with recommendations.

(f)

- General: The IAW situation is as satisfactory as possible. All IAW's reports indicate that water, light and sanitation are normal and satisfactory and what repairs are required are being done, etc. are all can be carried out by local authorities. The daily stumbling block is a lack of...

reporting to move west out of the reach of the Germans were shipment is from a partially completed aluminum plant at Ruzhica, which was being erected by the Aluminum Boy of Russia. The Yugoslavians Dept is inventing and storing the goods and will use what they need.

(iii) Arrangements are in hand to set all parties operating for the production of road materials.

(c) Electricity:

(i) There is a considerable surplus of electricity available in the Gm. Stations are being gathered and a complete survey of electricity situation is being made and will be furnished this week. The situation is very good as there has been practically no damage to the electricity system.

(ii) The Yugoslavians asked for and were granted a small amount of electric power from the Schwabach power plant for power used in northern Yugoslavia. Amounts used are being kept track of and will not be allowed to interfere with Austrian requirements.

(iii) The Javna Power plant is partially completed but very little is being done except for maintenance due to lack of labor. Material and machinery to proceed with the construction are at the plant and the situation is being completely investigated and all electric companies are functioning normally, and will be reported on with recommendations.

(d)

General: The RWS situation is as satisfactory as possible. All RWS reports indicate that water, light and sanitation are normal and satisfactory and that repairs are required due to bombing, etc. are all can be carried out by local authorities. The only sticking block is a lack of materials, equipment and labor, which are being arranged for locally by RWS in conjunction with local army authorities. So far we have been asked for no help other than for road which we are handling on a Gm basis as was done previously and as dealt with above.

7. Industry.

(a) Metal Impression:

(i) Production: With the exception of those damaged by the action of Allied forces, regarding which a detailed list is being prepared, the building and equipment are in a good state of repair.

(ii) Labor: Due to enforced reduction in production caused by lack of fuel and the fear of exhausting the present meagre stocks of raw materials, the amount of special skilled labor is not generally being used to capacity.

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(iii) Raw Materials: The deposits of the coal, lead and manganese mines would appear to be plentiful. However, full use cannot at present be made of them in view of the fact that the coal mine is situated in the neutral zone between the British and Russian Zones, and the railway line used to transport the coal from the mine to the industrial enterprises in broken down within the zone zone and consequently cannot at the moment be repaired.

This lack of access to the Russian coal mine is temporarily immobilizing those industries which previously depended upon this source of coal. Other instances of the shortage of raw materials holding up production are the non-availability of cement factories, which it is hoped to obtain from Germany, and of electric power for refrigeration at a Meat Factory, which, we are informed, could be obtained from Yiddish.

(i) Factory Management: It would seem that the senior officials of most of the large enterprises have been too closely associated with Nazism and will have to be removed. Their vetting is being actively pursued, and it is hoped that their removal will not adversely affect the future efficient management of the enterprises which they have controlled.

(v) Work in Hand: Close liaison is maintained all the time with British and the preliminary survey force are being completed as quickly as possible. Until all these forces are returned and collated it will not be possible to see the picture as a whole.

It is our impression that most firms will also return in the past, in order to obtain a larger quota of fuel and raw materials, and consequently the stocks shown in their books have, as covered, been found not to correspond with stocks on the ground. This will probably necessitate a personal visit to the more important enterprises with a view to ensuring that the preliminary survey force has been based upon actual stocks and not book stocks.

A great deal of this has been spent assisting the Chief Engineer with the building programme to house 150,000 people, both PWs and DI, and this project will make equal demands on the Industry Officer's time for at least the next six weeks, owing to the fact that this job is being done by contract using civilian contractors.

The two Industry Officers at present on the ground have up to

(b) Factory Management: It would seem that the senior officials of most of the large enterprises have been too closely associated with Marxism and will have to be removed. Their writing is being actively pursued, and it is hoped that their removal will not adversely affect the future efficient management of the enterprises which they have controlled.

(c) Work in Hand: Close liaison is maintained all the time with David and the preliminary survey forms are being completed as quickly as possible. Until all these forms are returned and collated it will not be possible to see the picture as a whole.

It is an impression that most firms make false returns in the past, in order to obtain a larger quota of fuel and raw materials, and consequently the stocks shown in their books have, on several occasions, been found not to correspond with stocks on the ground. This will probably necessitate a personal visit to the more important enterprises with a view to ensuring that the preliminary survey forms have been based upon actual stocks and not book stocks.

A great deal of time has been spent assisting the Chief Engineer with the housing programme to house 150,000 people, both men and women, and this project will make equal demands on the industry (especially for at least the next six weeks, owing to the fact that this job is being done by contractors using civilian contractors).

The two industry officers at present on the ground have up to date made currency nominations of the mines in the area at present uncovered, but their technical knowledge is inadequate to assess their working productive capacity. Allied Commission AUSTRALIA have been requested to attach a Mining Engineer to this HQ to expedite this work.

D. DISPLACED PERSONS (DP) SECTION.1. Camps and administration.

- (a) In the initial stages DP and refugees were scattered all over the British Zone in AUSTRIA, only comparatively few being in organized camps. DP establishments have been collecting as many as can be held within the limits of available permanent or temporary shelter. In addition 5 Corps have been, and still are, running camps for DP which will be handed over to us progressively.
- (b) At present the DP units operating in AUSTRIA total:

Six Forward Groups

Six Control Camps

Three Assembly Centres

These, plus two more Forward Groups, comprise the units originally authorized to be formed. Elements of the two Forward Groups not in AUSTRIA are operating as detailed in para (d) below.

Authority has now been received to form a further ten Assembly Centres, six Control Camps and four Forward Groups. These are now being mobilized and will be sent forward as, and when, they are ready.

- (c) Accommodation has been a major problem all along, as the calls on available buildings have been heavy, as also the demands from all sources upon the DE for housing. Chief Engineer 5 Corps has now accepted a bid for housing for 15,000 DE and work has started.

- (d) On 1 Jun, at the wish of Eighth Army, arrangements were made to relieve 5 Corps of the administration of DP who could not be cleared immediately upon arrival at BOLZEN, the Italian terminus of the railway from KLAGENFURT and VILLACH. In addition a staging camp is being set up at GEMON, where the railway recommences, in order to cope with any DP overflow there.

- (e) Some 50 British Red Cross and Friends Ambulance Unit workers are giving valuable assistance in DP camps.

- (f) Rationing, in accordance with Supply Directive No. 7, has now been instituted in all camps under Military Government control.

- (g) Welfare and recreational facilities are still, of necessity, in their infancy, but it is worth noting that an excellent concert party, composed of Russian DP, has given a number of performances to British troops.

- (h) Total holdings of DP camps (exclusive of 5 Corps camps) on 5 Jun are 18,500.

2. Repatriation and movement of DP.

- (a) 5 Corps is responsible for evacuating Russians and Hungarians

- allied are operating as detailed in para (d) below.
- Authority has now been received to form a further ten Assembly Centres, six Control Camps and four Forward Groups. These are now being mobilized and will be sent forward as, and when, they are ready.
- (c) Accommodation has been a major problem all along, as the calls on available buildings have been heavy, as also the demands from all sources upon the IC for housing. Chief Engineer 5 Corps has now accepted a bid for housing for 15,000 IC and work has started.
- (d) On 1 Jan, at the wish of Eighth Army, arrangements were made to relieve 5 Corps of the administration of IC who could not be cleared immediately upon arrival at SCENNA. The Italian remains of the railway from KLAGENFURT and VILLACH. In addition a staging camp is being set up at GRABEN, where the railway reconnoiters, in order to cope with any IC overflow there.
- (e) Some 50 British Red Cross and Friends Ambulance Unit vehicles are giving valuable assistance in IC camps.
- (f) Rationing, in accordance with Supply Directive No. 7, has now been instituted in all camps under Military Government control.
- (g) Welfare and recreational facilities are still, of necessity, in their infancy, but it is worth noting that an excellent concert party, composed of Russian IC, has given a number of performances to British troops.
- (h) Total holdings of IC camps (exclusive of 5 Corps camps) on 5 Jan are 18,509

2. Repatriation and movement of IC.

- (a) 5 Corps is responsible for evacuating Russians and Hungarians eastwards to the Russian zone in STEIERMARK. 5,000 Russians have been moved to WOLFSBURG, the departure point for STEIERMARK. Yugoslav nationals are, with the exception of a few dissidents, repatriated direct via the Austro-Yugoslav frontier. All other nationals evacuated have travelled via TRIESTE - UDINE into Italy.
- (b) No. 1 AMC Evac Centre, ULLER, the source of our returns of numbers by nationalities of IC evacuated into Italy, was not established until 8 May 45. Prior to that date uncontrolled movement of IC into Italy, largely Italians bent on self-repatriation, is estimated at some 40,000. Subsequent to control having been established the following figures are recorded as having passed through the Centre, for the period 8 May to 5 Jun inclusive:-

Italians	51,696
French	9,592
Polish	12,484
Yugoslavs	3,942
Russians	5,509
Turks	66
Greeks	325

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83,617

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1/2	83,517
Czechs	177
Belgians	1
U.S.A.	5
Dutch	643
Hungarians	369
Rumanians	181
Danes	25
Swiss	1
Albanians	105
Bulgars	3
TOTAL ..	85,176

(c)

Onward movement of IP from ULM to THURGO and MERTHE is adequately covered for by the available empty W.D. transport. However, on 1 Jun, SMO, HQ VEMZIE REGION, reported that the camps at FORLI, BOLOGNA, MILAN, etc. were jammed for in excess of their practicable holdings and that movement out of them was negligible. It was requested that the Austrian frontier be closed until the situation had eased sufficiently.

This office made urgent representation to Eighth Army and AFHQ for

- (i) sea transport or VEMZIE to S. Italy
- (ii) sea transport or LIVORNO to repatriate French DP and ex-PW

and energetic measures were taken by Army in conjunction with SMO (Major Hudson). Fifth Army were also contacted with a view to assisting in the transport of French nationals from BOLOGNA to GENOA, MILAN and TURIN and have agreed to give all possible help.

The Polish HQ moved 6,000 Poles from BOLOGNA, while 86 Area at MERTHE produced a "windfall" of 100 lorries to ease the position. Further evacuation has not, however, been resumed as A.C. have advised that their eastern camps cannot absorb any more IP and, at the moment, only Italian for repatriation are authorized to cross the frontier.

Some slight difficulty was experienced by 4 AMB Evac Centre at ULM in holding a Roumanian diplomatic party of 186 persons. It had been ruled that their status was that of IP to be evacuated as "priority one." They objected to being

(d)

(c) General movement of IP from UDINE to TURVISCO and MESTRE is adequately covered for by the available empty W.B. transport. However, on 1 Jan. 1946, HQ VINCENNE REGION, reported that the camps at PULI, BOLOGNA, FALUN, etc. were jammed far in excess of their practicable holdings and that movement out of them was negligible. It was requested that the Austrian Frontier be closed until the situation had eased sufficiently.

This office made urgent representation to Eighth Army and AFHQ for

- (1) sea transport or VENICE to S. Italy
 - (2) sea transport or LIVORNO to repatriate French IP and ex-IP
- and emergency measures were taken by Army in conjunction with SERO (Major Hudson). Fifth Army was also contacted with a view to assisting in the transport of French nationals from BOLOGNA to GENOA, MILAN and TURIN and have agreed to give all possible help.

The Polish HQ moved 6,000 Poles from BOLOGNA, while 80 Army at MESTRE produced a "manifest" of 100 lorries to take the position. Further evacuation has not, however, been resumed as A.C. have advised that their southern camps cannot absorb any more IP and, at the moment, only Italians for repatriation are authorized to cross the frontier.

(d) Some slight difficulty was experienced by 4,000 IP at Centro di UDINE in holding a Roumanian diplomatic party of 186 persons. It had been ruled that their status was that of IP to be evacuated as "priority case." They objected to being treated as much and to the conditions of travel and accommodation. A full report has been forwarded to "A" Branch, Eighth Army.

3. Registration and Documentation.

(a) There has been delay in setting up a complete registration process in all IP camps owing to the repidity of the evacuation of IP from AUSTRIA and the urgency of feeding and housing them. The non-arrival of sufficient English forms and lack of Camp Staff made it impossible to ensure a continuous registration process once it had been started. However, complete records of the numbers in camps have been kept consistently from the first to enable payments to be made

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(b) Preliminary registration was begun on 29 May and 16,988 DP had been registered in books by 2 Jun 45. From 28 May all parties evacuated were accompanied by a minimal roll. Registration on SALLY FORMS was starting at KANGAROO, ST. VILL, WHIRLWIND and CRITTI of Jun 2.

General registration throughout all DP camps will be operating on 1 Jun, when a central Incent Bureau run by the BIC will be opened at KANGAROO. It has been necessary to have copies of Forms DP 1 and DP 3 printed in AUSTRIA pending arrival of further supplies from G-5 AFHQ.

(c) Finance. Maj. Roberts, Finance Branch, has been in ALGERIA advising on the use of forms and the keeping of records concerned with payments to be made for food, etc. since 24 May. Maj. MEACHIN (Property Control) and Capt. HUSMAN and Lt. FELL (Finance) have been assisting since 3 Jun with the documentation of and surrender of currency and valuables by DP.

4. Maré Breeding Farm.

DAIMS 5 Corps asked DHC to send experts to MILITARY to investigate Hungarian families. Women and babies, believed to form a Nazi breeding farm.

Dr. HELGE has been sent and will report her findings.

and if 3 pointed in direction of arrival of further supplies from 0-5 AM.

(c) Finances. Lieut. Roberts, Finance Branch, has been in AUSRIA advising on the use of funds and the keeping of records concerned with payments to be made for food, etc. since 21 May. Maj. MENCHIN (Property Control) and Capt. HUSKARD and Lt. BELL (Finance) have been assisting since 3 Jan with the documentation of and surrender of currency and valuables by us.

4. Hair Breeding Farm.

DAIMS 5 Corps asked BMC to send reps to MILLSBURY to investigate Hungarian families, women and babies, believed to form a Nazi breeding farm.

Dr. KLINE has been sent and will report her findings.

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APPENDIX 'A'

to
MILITARY STAFF (ADJUTANT) Monthly Report
for

May 1945

Terms of reference for the Consultative Committee for KAMPTON.

1. The above named Committee will consist of not more than 12 members including a Chairman.
2. The Committee will be democratic in principle and composition and fully representative of all democratic anti-Nazi elements.
3. The Committee will constitute the link between the Military Government and the people of KAMPTON and for that purpose will perform a dual function as explained below.
4. On the one hand the Committee will act as a consultative body and its advice may be requested by the Military Government on matters affecting the civilian population. On the other hand the Committee has the right to submit to the MG suggestions regarding questions of civil administration and the machinery most suitable for carrying out the orders of MG.
5. In all cases under para 4, the Committee will submit advice or recommendation through its Chairman who will act as spokesman for the Committee and will have ready access to the Senior Military Government Officer KAMPTON with whom he will deal direct.
6. The Chairman of the Committee will be empowered to call meetings of the Committee as and when he feels necessary. It will meet at least once a week, and will draw up its own rules of procedure.
7. The Committee will have no powers of executive authority in relation to the civil administration.
8. Members of the Committee who at present hold paid appointments as employees of the provincial administration will be given leave of absence on full pay while acting as members of the Committee.
9. The Chairman of the Committee, in addition to the functions described

2. The Committee will be democratic in principle and execution and fully representative of all democratic anti-Nazi elements.
3. The Committee will constitute the link between the Military Government and the people of KANTZEN and for that purpose will perform a dual function as explained below.
4. On the one hand the Committee will act as a consultative body and its advice may be requested by the Military Government on matters affecting the civilian population. On the other hand the Committee has the right to submit to the MG suggestions regarding questions of civil administration and the machinery most suitable for carrying out the orders of MG.
5. In all cases under para 4, the Committee will submit advice or recommendation through its Chairman who will act as spokesman for the Committee and will have ready access to the Senior Military Government Officer KANTZEN with whom he will deal direct.
6. The Chairman of the Committee will be empowered to call meetings of the Committee as and when he feels necessary. It will meet at least once a week, and will draw up its own rules of procedure.
7. The Committee will have no powers of executive authority in relation to the civil administration.
8. Members of the Committee who at present hold paid appointments as employees of the provincial administration will be given leave of absence on full pay while acting as members of the Committee.
9. The Chairman of the Committee, in addition to the functions described in para 5 above, has been entrusted by Military Government with the task of supervising the efficiency and management of the Austrian admin services in KANTZEN.

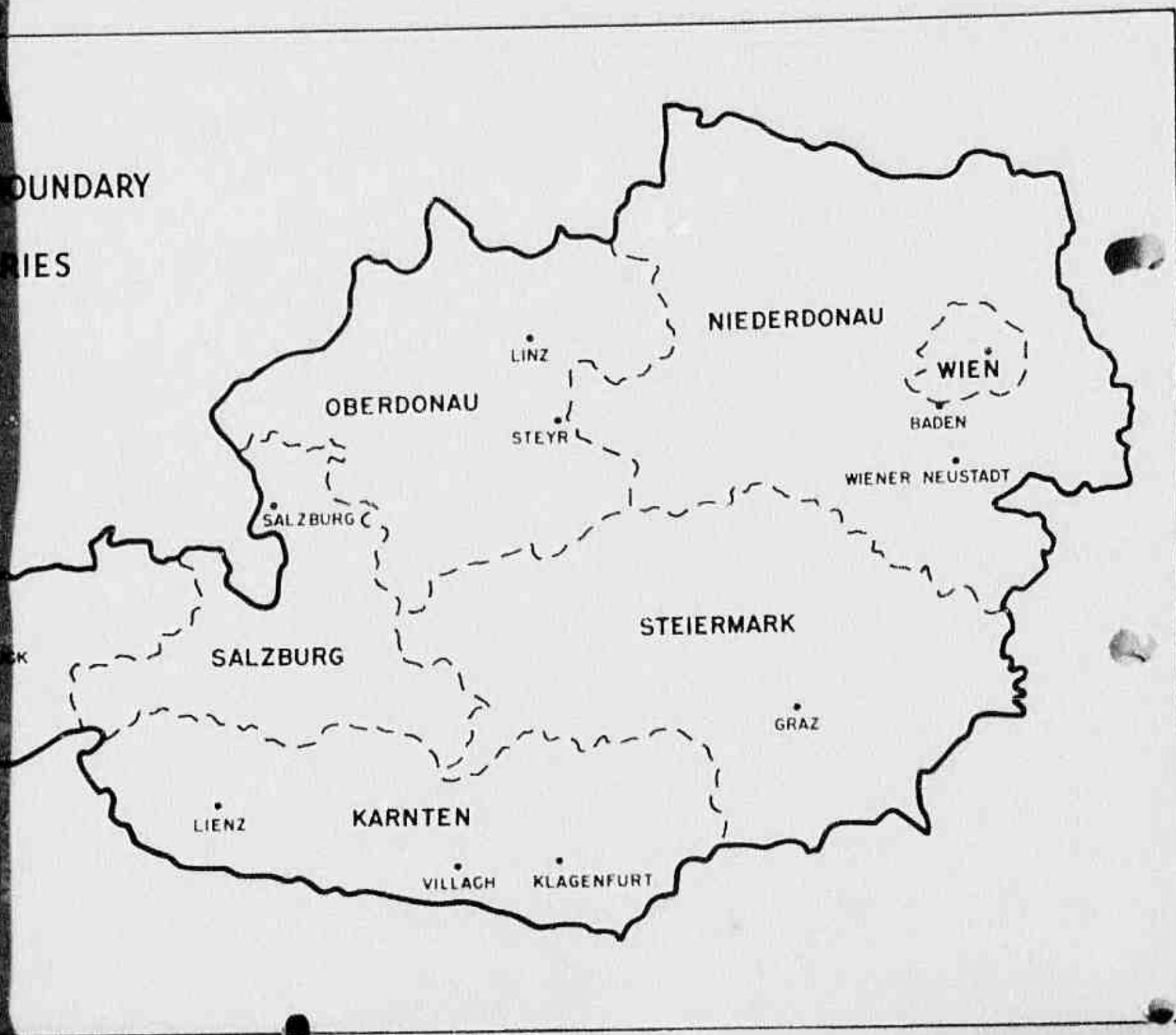
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AUSTRIA

—— NATIONAL (PRE 1938) BOUNDARY
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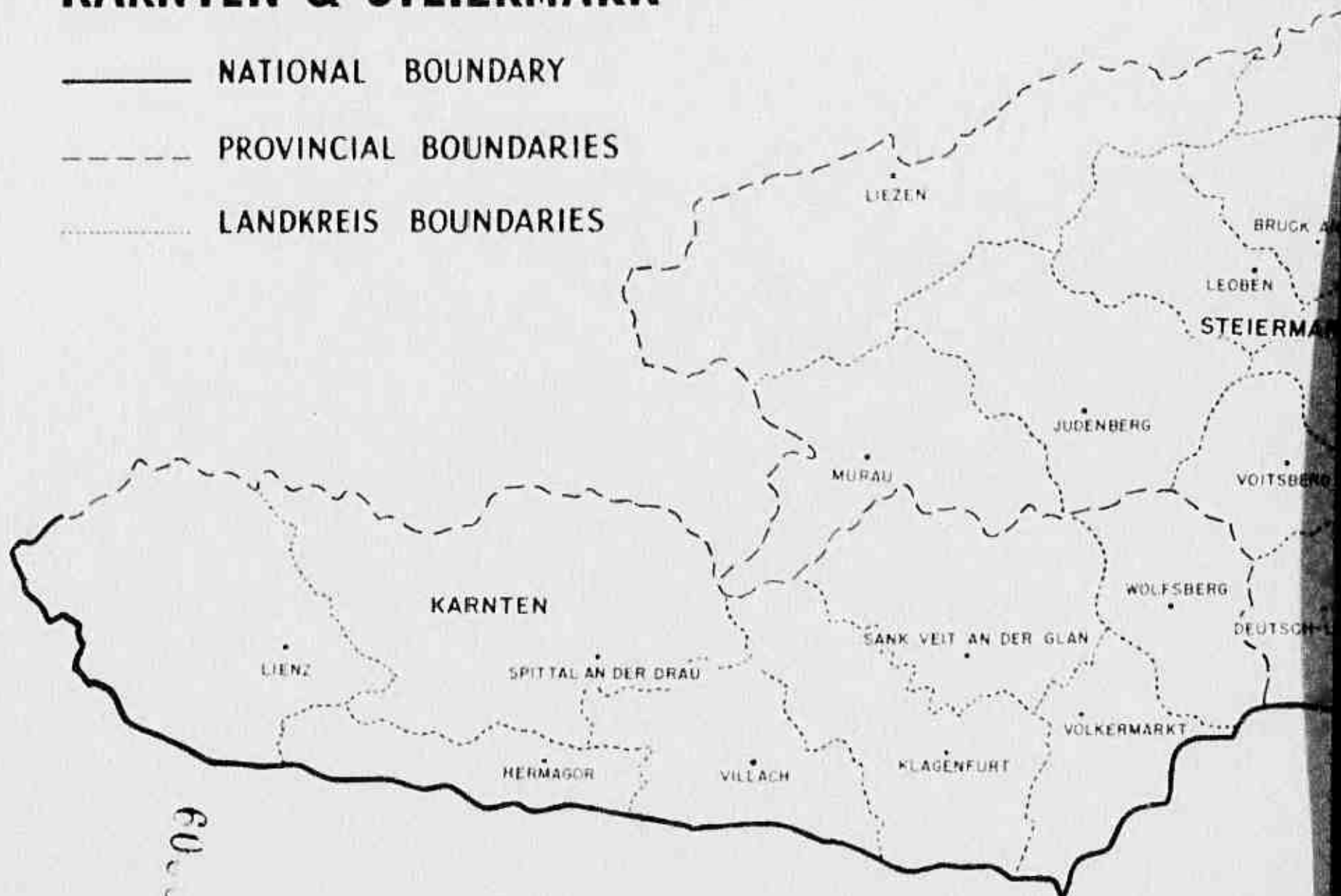
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KARNTEN & STEIERMARK

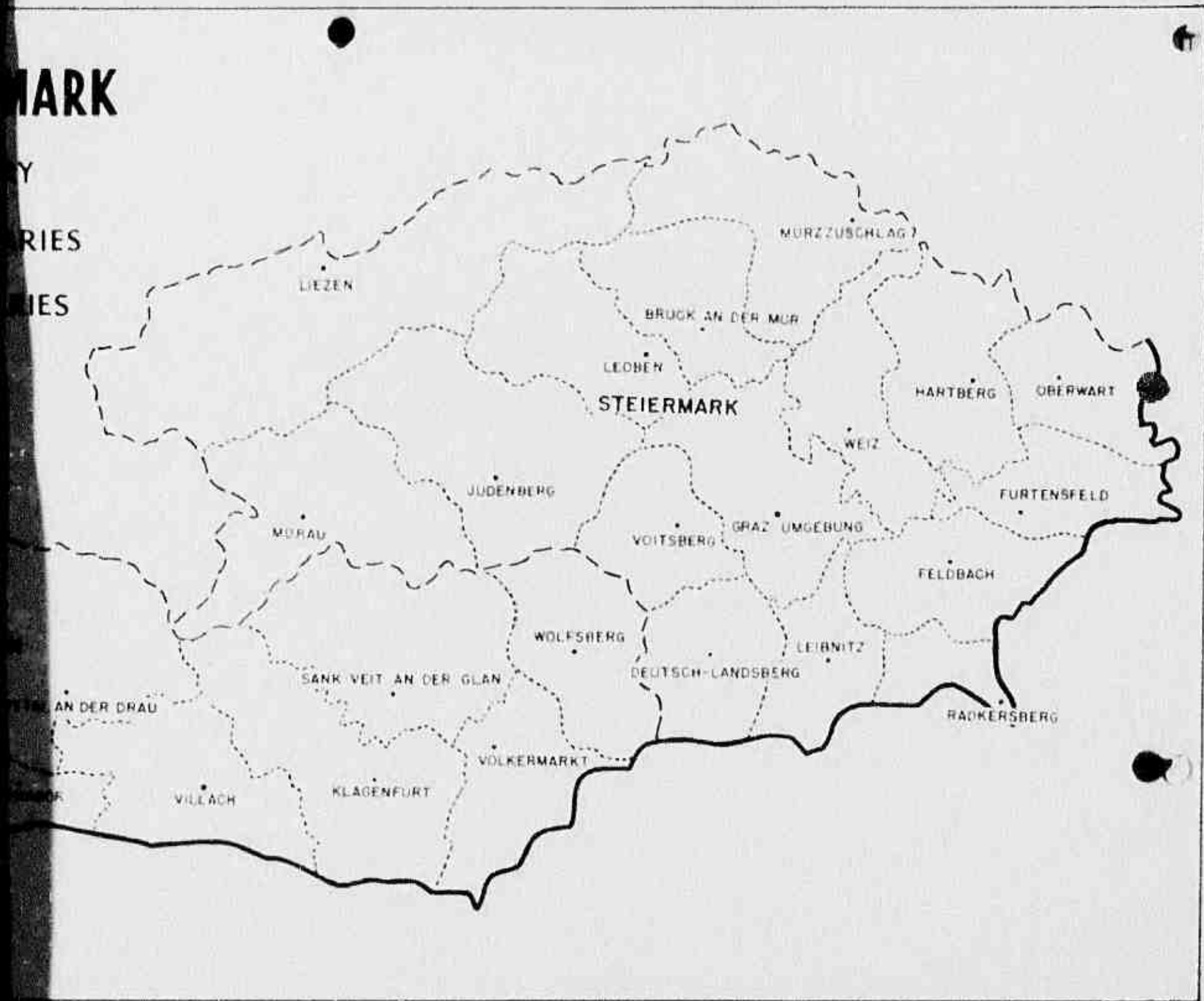
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