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10000/109/939
(VOL. III)

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10000/109/939
(VOL. III)

MONTHLY REPORTS, INDUSTRY S/COM.
AUG. 1945 - DEC. 1946

353.

Ltr. Industry & Utilities Sub. Div. Monthly Report for October is at 348-352. Passages of interest have been marked.

G. W. C. M. 14/11 W.S. 14/11

Ltr. Comm. 357.

Ltr. Industry & Utilities Monthly Report for Nov. is at 354-356. Passages of interest have been marked.

G. W. C. M. 11/12. W.S. 12/12 NR

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329.

Ex Comm.

325-328 is monthly report for May Industry & Utilities Branch. Passages of interest have been marked.

J. McM. 12/6. N.S. 1316

764.

N 14/6

Ex Comm. 333.

Industry and Utilities Monthly Report for June is at 330-332. Passages of interest have been marked.

J. McM 10/7. N.S. 1017

934.

N 10/7

Ex Comm. 338.

Folios 334-337 is Industry and Utilities Monthly Report for July. Passages of interest have been marked.

J. McM. 13/8 N.S. 1318

N 14/8

Ex Comm. 342.

Industries & Utilities Monthly Report for August is at folios 339-341. Passages of interest have been marked.

1230

J. McM. 13/9.

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Ex Comm. 333.

LSO. Industry and Utilities Monthly Report for June is at 330-332. Passages of interest have been marked.

G. McM 10/7. N.S. 1017

934.

N.S. 10/7

Ex Comm. 338.

LSO. Folios 334-337 is Industry and Utilities Monthly Report for July. Passages of interest have been marked.

G. McM. 13/8 N.S. 1318

N.S. 14/8

Ex Comm. 342.

LSO. Industries & Utilities Monthly Report for August is at folios 339-341. Passages of interest have been marked.

G. McM. 13/9. WJ-S

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N.S. 14/9

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Fm:- d'l

288

C.O. Hobos 288. for info. Underlined & sidelined articles appear interesting

Sptt 6/1/46

To Comm:-

C.O. Folios 280-295 for info. 296

H.S. 2/2 Sptt 1/3/46

Seen by E.C. H.S. 136/

From Comm:-

C.O. Please see 297-305 for info 304

H.S. 7/3. Sptt 7/3/46

MS (163 Ld/

To Comm:- 313

C.S.O. Please see folios 304 to 312 for info.

Sptt 29/3 H.S. 29/3

40/

From:-

C.S.O.

P.S.10. B.J. 5-30,000 tons confirmed only 360,000 available for civilian industry B.J. at next V.Ps. meetings.

MS (3113.

✓ MS (3/4 B/f from 3/4 Pa. P.S. 3/4. 1229

320. A/C.C.

Seen by F.O. 4/2.

Prob Comm.
C60. Please see 297-305 for info 301

N.S. 7/3. Sheff 7/3/46

MM 16/3

to Comm 313
CSO Please see folios 307 to 312 for info. SK 20/3 N.S. 19/3

40/

CSO

P310. B. of S-30,000 tons inflated only 360,000 available for civilian industry. B/f. at next V.Ps. meetings.

MS/3/3.

✓ MS/3/4 B/f 3/4 Pa. 3/4. 1229

320.
CSO A/C.C.
Folios 315-319 for info. Passages of interest have been marked.

N.S. 23/4

G. m/c M. 23/4.

323/

CSO to Comm MS/25/4

324.
Folios 321-322 for info. Passages of interest have been marked. G m/c M 11/5 N.S. 13/5

564/

MM/7/6

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267

Ex Com.
CSO- folios 252-260 monthly report of Industry s/c for info. Outstanding aspects are ① turnover of functions to the Italian government and ② failures of Italian government.

T-Hitz / 17/10. Emuld 16/10

262

CSO The recommendations made at A on f 221 and B on f 220 should be made under separate letter to the appropriate authority.

DS/ISK.

Hdqrs. Ps Comm 271.

1228

The recommendations made at A on f 221 and B on f 220 should be made under separate letter to the appropriate authority. DS/18/x.

1228

271.

Asst. Sec Comm

Please see Industry S/C. report to October at 270. Passages of interest are marked. A good report.

ARB 26/11. DS. 26/11.

26/11

DS/18/x

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~~160~~
250

Ex. Com.

C/50 - folios ~~246~~-249 monthly report of Industry
d/c for Aug for info. Key figs underlined.
Report on Venezia Giulia (folios 235-37) worth
reading in its entirety

Enc 28/9

29/9.

Chief Commissioner. 251

This report is well worth reading throughout
(not appendices.) It gives a very good picture of
(1) conditions (2) of the work of the Sub Commission
The report on V.G. is particularly interesting.
I will take up points for action.

OCT 8 RECD
0945

Noted by CC

1227

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5003 ✓

JAN 15 1947

360

EXCEC Comm.

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Industry
Utilities

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8 January 1947

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A. INDUSTRY

During this month 20 requests for de-requisitioning submitted by the Italian Government and private owners have been forwarded to the Military Authorities, 5 of them for industrial plants, 3 for public buildings, 11 for private houses and apartments and 1 for privately owned land used as an air-field.

15 requests from September-December have been replied to by the Military, 3 have been granted immediately, 2 partially, 4 will be granted shortly and 6 have been refused.

De-requisitioning was granted for the following school buildings as requested by the Italian Government :

(a) Istituto Tecnico Industriale, Foggia
(b) Tomasone School, Lucera (Foggia)
(c) Elementary School, Siponto (Foggia)
(d) Elementary School, Manfredonia (Foggia)
(e) Elementary School, Termoli (Campobasso)
(f) Scuola Media "G.Mameli", Padua
(g) Liceo Ginnasio "Tito Livio", Padua

Further, instructions have been issued for the de-requisitioning of 11 elementary and technical schools in the provinces of Padua and Vicenza as soon as the necessary arrangements are completed.

De-requisitioning has further been obtained for :

(h) S.A. Importazione Bestiame, Senigallia
(i) A Launch of the Banca d'Italia, Venice

The following premises will be de-requisitioned shortly pending the disposal of Fixed Assets contained therein :

(k) Mercato Agricolo, Naples
(l) Montecatini Works, Pontecagnano
(m) Tobacco Warehouse, Naples
(n) State Monopolies Administration, Naples.

Representations had been made to the Chief Commissioner by the Italian Government regarding the allegedly intended requisition of the thermal hotels at S. Pellegrino, province of Bergamo, for Polish Troops. We have, however, been informed by G.H.Q. that it is not intended to accomodate Polish Troops in these hotels.

A new urgent request for the de-requisitioning of the Psychiatric Hospital, Ancona, received from the Government has been forwarded to A.F.H.Q.

In order to solve the difficult problem of payment for timber requisitioned by the British Forces in the Province of Udine a conference was held on 6 December 1946 in which the Provincial Commissioner A.M.G. Udine and representatives from the Italian Ministries, Timber Federations and Allied Commission participated. As all prices have been agreed upon and fixed by A.M.G. Udine it is expected that the long discussed additional payment will now be made by the Italian Government.

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(d) Elementary School, Manfredonia (Foggia)
(e) Elementary School, Termoli (Campobasso)
(f) Scuola Media "G.Mameli", Padua
(g) Liceo Ginnasio "Tito Livio", Padua

Further, instructions have been issued for the de-requisitioning of 11 elementary and technical schools in the provinces of Padua and Viconza as soon as the necessary arrangements are completed.

De-requisitioning has further been obtained for :

(h) S.A. Importazione Bestiame, Senigallia
(i) A Launch of the Banca d'Italia, Venica

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B. UTILITIES

Northern Italy

The electricity situation is practically unchanged; power is being drawn from the reservoirs according to the already established program.

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Central and Southern Italy

Electricity generation from hydroelectric plants has been slightly decreasing during December, due to insufficient availability of water; however rains have been reported in the Sila area (Southern Italy) where the reservoirs have now reached a storage of about 52 millions of KWH (1/6 of total capacity) to be used during the next summer season.

A meeting of the Advisory Committee on Electric Power for Central and Southern Italy was held on 20 December; it was shown that one natural steam-unit had been reactivated during December and some other units, both steam and hydro, would be put into operation in January.

Power import from the North is now reduced from 1.0 to 0.6 millions of KWH per day, due to shortage of water at the generating plant supplying the Central Italy area.

Power Availability for January

The Central and Southern Italy situation was reviewed at the monthly meeting of the Central Commission for the Rationing and Control of Electric Power.

The electricity situation is again at a critical point due to decreased hydroelectric generation, decreased import from Northern Italy and increased consumption as compared with the preceding month. The estimated shortage of power for January is about 36% (November 32%, December 26%); however it is believed that the situation can be met by taking immediate measures for a strict enforcing of the present curtailment plan. The frequency of the Central and Southern Italy system will now be slightly raised in order to permit a more efficient operation i.e. a larger output at the natural steam plants of Larderello Group.

C. GENERAL

The Coal Miners strike in United States ended 7 December. This permitted the embargo on the export of coal to be lifted. It did not result in any larger quantities of coal being shipped immediately, however, as only that waiting at the ports was available. About ten days are required to get coal from the mines to the ports. Normal shipments were resumed about 20 December.

A total of 328,031 long tons of imported coal reached Italy during the month of December.

About 400,000 tons were consumed during the month and at the end of the month stocks in Italy were approximately 345,000 tons; 700,000 tons are expected to arrive during January 1947 and 500,000 have been allocated for consumption during the month. This should result in a stock of 545,000 tons at the end of January.

Sardinian coal production for the month of December was 30,342

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would be put into operation in January.

Power import from the North is now reduced from 1.0 to 0.6 millions of KWH per day, due to shortage of water at the generating plant supplying the Central Italy area.

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Sardinian coal production for the month of December was 80,342 metric tons. This was 10,973 less than last month, and was occasioned by the many Holidays occurring during the month.

Receipts of P.O.L. during December were satisfactory and included accumulated backlogs from previous months arising out of the maritime strike. The improved stock position resulting from these imports permitted the Italian Government to restore the cuts in consumption which had been imposed during November.

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Effective from 1st December retail prices of P.O.L. in Italy were considerably increased

Motor Gasoline	from	27	lire	to	35	lire per liter
Diesel Oil	"	24	"	"	30	" " "
Kerosene	"	28.50	"	"	36.23	" " Kilo

The refineries at Bari and Naples which had re-commenced operating on 22nd and 25th of November respectively continued working without incident. Receipts of crude were as scheduled and now total nearly one half of the 2 million barrels paid for by UNRRA.

H.M. WALKER
Colonel, CE

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H.M. WALKER
Colonel, CE

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EXCF, COMM.

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A. INDUSTRY

During the month 20 requests for de-requisitioning submitted by the Italian Government and private owners have been forwarded to the Military Authorities, 8 of them for public buildings, 3 for industrial plants, 7 for private houses and apartments, 1 for furniture and 1 for a truck.

16 requests from September - November have been replied to by the Military, 5 have been granted, 4 have been refused and one release had already taken place some months ago.

De-requisitioning as requested by the Italian Government was obtained for the following premises :

(a) Four Elementary Schools in the Provinces of Foggia and Campobasso
(b) Chamber of Commerce, Matera
(c) Institute of Plant Breeding for Cereal Crops, Bologna
(d) Villa of late Galeazzo Ciano, Capri
(e) A former DP Camp at Servigliano (Ascoli Piceno).

A second list of 30 Elementary Schools still occupied by Allied Troops has been submitted to the Chief Commissioner by the Italian Government and forwarded to A.F.H.Q. for investigation with a view to releasing as many of them as possible.

A.F.H.Q. has informed us that out of a previously submitted list of 53 Technical Schools at least three (in the Provinces of Udine and Rubignacco) must be retained. The question of the remainder is still under consideration.

The question of retaining premises for some 3,000 Polish Officers and ORs married to Italian women and therefore remaining in Italy has been dealt with by us with A.F.H.Q., G.H.Q., and M.M.I.A. A scheme of priorities for eventual release was agreed to. The Macerata Barracks previously de-requisitioned have been re-requisitioned in concurrence with the Italian War Ministry. Later, urgent representations were made by the Italian Government for the release of the Psychiatric Hospital, Ancona, and School Buildings, Forli. These requests have been forwarded to A.F.H.Q. and G.H.Q. for information.

The Government had asked the Chief Commissioner that the requisition of the Cinema Nazionale, Trieste, might be avoided. However, this could not be granted by the Military Authorities, but simultaneously the Rossetti Theater, Trieste has been de-requisitioned and made available for civilian use.

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B. UTILITIES

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Northern Italy

The electricity situation is unchanged but, due to the high consumption now being experienced, the rationing plan is carried out by disconnecting all customers 2 days per week (instead of one) during the daylight hours.

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Central and Southern Italy

The electric power generation in Central Italy showed a considerable increase, following the November heavy rains; only a slight improvement is reported in Southern Italy, while the Sila reservoirs which seemed to have started the seasonal re-fill, are again at a critical point.

A General Meeting of the Power Companies and the Government Officials was held in Rome on November 6 to discuss future plans for hydroelectric and steam plant developments; it was agreed that the Power Companies will submit their programs to the Government also showing the recommended priority for the construction of plants.

A meeting of the Advisory Committee on Electric Power for Central and Southern Italy was held on November 20; it was shown that additional hydro - and natural steam-units will be put into operation in December so that it is estimated that the power situation will considerably be improved in January.

Power Availability for December

The Central and Southern Italy situation was reviewed by the Central Commission for the Rationing and Control of Electric Power, during the monthly meeting held on November 30.

The general situation is slightly improved and, in spite of the increased consumption the estimated shortage in December will be about 26% (32% in November); feeder disconnection will be carried out according to the November scheme. It was also agreed that, in the event of a large availability of hydroelectric power, the thermal generation will be reduced in order to save fuel.

Power import from the North will remain unchanged i.e. 1 million of KWH per day.

C. GENERAL

The Coal-miners strike in the United States started 20 November and was still in progress at the end of the month.

An embargo was placed on all coal for export from United States, at the beginning of the strike, which will have the effect of reducing December arrivals considerably.

The Maritime strike which ended on 27 October caused stocks of Coal in Italy to fall from 714,000 tons at the beginning of October to 415,000 tons at the end of November [illegible] and cut-backs in allocations.

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An embargo was placed on all coal for export from United States, at the beginning of the strike, which will have the effect of reducing December arrivals considerably.

The Maritime strike which ended on 27 October caused stocks of Coal in Italy to fall from 714,000 tons at the beginning of October to 415,000 tons at the end of November despite severe rationing and cut-backs in allocations.

A total of 379,631 long tons of imported Coal reached Italy during the month of November.

For December essential consumption has been limited to 400,000 tons as compared to a normal minimum of 600,000 tons which is considered necessary to avoid a setback in the Italian Industrial Rehabilitation Program after two or three months of gradual improvement.

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The Chief of Coal Branch UNRRA is now in London attending conferences of the European Coal Organization in an effort to procure a larger allocation of coal for Italy from Eastern Hemisphere Sources. No news of results is yet available.

Sardinian Coal production for the month of November was 91,315 metric tons. This indicates that the labor trouble of last month, which caused production to fall to 75,454 tons, is settled. It will be recalled that production was not yet up to normal at the end of October.

Owing to the United States Maritime strike in October, shipments of P.O.L. to Italy were greatly restricted and in order to conserve stocks in the country the November allocations of Motor Gasoline and Diesel Oil were cut by 50 and 40% respectively. No Motor Gasoline was received during November and only 1 tanker of Diesel arrived.

The first 5 tankers of Crude Oil were received during the month from Arabia. This represented slightly more than a quarter of the quantity of 2 million Barrels which has been procured by UNRRA. Both Bari and Naples refineries commenced operations, the former on 22nd and the latter on 25th.

H.M. WALKER
Colonel, CE

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H.M. WALKER
Colonel, CE

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EXCE., COM M.

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By

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A. INDUSTRY

During this month, 24 requests for de-requisitioning submitted by the Italian Government and private owners have been forwarded to the Military Authorities, 7 of them for the release of industrial premises, 5 for public buildings, 1 for camps, 1 for a hotel, 1 for a cinema, 8 for private houses and apartments, 1 for furniture.

24 requests from September and October have been replied to by the Military: 6 have been granted immediately, 4 for the near future, 13 have been refused, in one case further information has been requested.

Again some progress could be made in de-requisitioning industrial and public premises requested by the Italian Government and release has been obtained for the following premises :

a) S.A. Forme e Fustelle, Naples
b) Soc. Capuana per lo Xilon, Capua
c) DP Camp at Servigliano
d) Telephone lines, Matera.

The following property will not be re-requisitioned :

e) Casa dello Studente, Ferrara.

Release has been promised for :

f) S.A. Bega & Figli, Bologna (mid-Nov)
g) S.A. Bevilacqua, Naples
h) Ospedale Policlinico, Bari.

De-requisitioning of g) and h) is depending on the disposal of fixed assets by the Italian Government.

Refusals have amongst others been received for ex-Mussolini Barracks: L.L.L. Plant, Ferrara; Cotonificio Veneziano, Venice; S.A. Viggioni, Naples; Magazzini Generali, Mestre.

Strong representations had been made by the Italian Government regarding the difficult housing situation at Ancona. In their reply, 3 District state that it is hoped that the de-requisitioning programme can be accelerated.

The Italian Government has submitted to the Chief Commissioner uncomplete lists of school buildings (53 technical and 16 elementary schools) still occupied by Allied Troops asking for an early release. The request has been forwarded to A.F.H.Q. G-5 Section for decision.

4 for the near future, 13 have been refused, in one case further information has been requested.

Again some progress could be made in de-requisitioning industrial and public premises requested by the Italian Government and release has been obtained for the following premises :

a) S.A. Forme e Fustelle, Naples
b) Soc. Capuana per lo Xilon, Capua
c) DP Camp at Servigliano
d) Telephone lines, Matera.

The following property will not be re-requisitioned :

e) Casa dello Studente, Ferrara.

Release has been promised for :

f) S.A. Bega & Figli, Bologna (mid-Nov)
g) S.A. Bevilacqua, Naples
h) Ospedale Policlinico, Bari.

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De-requisitioning of private houses and apartments is still very slow and during this month only one release could be obtained while another one was promised for November.

Considerable correspondence is still being passed regarding the question of requisitioning of timber by British Military Forces in the province of Udine. The delay of payment to be effected by the Italian Government to the mill owners is causing undue hardship and endangering the supply of timber to the Military. Continuous pressure is being exerced on the Ministry of Treasury and it is expected that the matter can be satisfactorily settled shortly.

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B. UTILITIES

Northern Italy

The electricity situation is good but, due to the large post-war increase in consumption, a rationing scheme had to be adopted. All customers are now disconnected, by shifts, one day per week from 0730 to 1730 hours and on Sundays from 0830 to 1100 and from 1300 to 1530 hours.

In the meeting held on 18 October in Milan, the Advisory Committee on Electric Power recommended that some definite action be taken by the Government to assist the Power Companies in the construction of new plants.

Central and Southern Italy

Following some heavy rains, the electric power generation in Central Italy showed an increase during the last period of the month.

Only a slight improvement is reported in Southern Italy, where the Sila reservoirs are gradually being emptied.

Daily power supply from the North will be decreased from 2.2 to 1 million of KWH during November; this is due to seasonal conditions.

A meeting of the Advisory Committee on Electric Power was held in Rome on October 25; additional hydroelectric plants are to be reactivated during November and it is hoped that sufficient water will be available.

Power Availability for November

The monthly meeting of the Central Commission for the Rationing and Control of Electric Power was held in Rome on 31 October: the electricity situation in Central and Southern Italy is slightly improved but, due to the seasonal increase in consumption and decrease of power supplied from the North, the estimated shortage of electricity in November is about 32%.

The Commission therefore agreed that all customers (with the exception of a few essential services) are to be disconnected from 0700 to 1700 hours two days per week and from 0800 to 1300 hours on Sundays.

A rationing scheme will also be enforced to limit the electric power consumption (both for lighting and industrial purposes) to fixed amounts.

The rationing scheme will be less severe in the event that the hydroelectric plant situation improves.

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C. GENERAL

The United States Maritime strike terminated on 27th October. It is estimated that it had involved a shortfall of at least 300,000 long tons of Coal in shipments to Italy during the month of October 1946.

Arrivals of Coal from all sources during the month of October were estimated to be 321,000 tons, of which approximately 170,000 came from the U.S.

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14th October the outlook was such that UNRRA consi[illegible]advisable to warn the Italian Ministry of Indu[illegible]d Commerce that the amount of Coal available for distr[illegible]tion through November would be seriously curtailed. Fortunately the State Railways at that date had 85 days stocks as result of the conservation policy closely observed during August and September.

Instead of 960,000 tons being available for Public Utilities, Industries, etc. for the two months of October and November, it was decided at the Emergency Meetings held on 16th and 18th October and subsequently to reduce this to 779,000 tons.

Fortunately the termination of the strike and expected sailings from the U.S. Ports which will arrive during November will not compel further economies, but the set-back, of course, has again retarded the rehabilitation program of Italy.

Sardinian Coal production for the month of October was 75,454 metric tons. A strike involving the price paid for "piece work" caused the production to fall 13,779 tons short of that attained in September i.e. 89,233 tons. The strike started 17 October and ended 28 October. Production was not yet up to normal at the end of the month.

The shipping strike in the U.S. held up shipments of P.O.L. The last tanker known to have left the U S. for Italy sailed on October 16th.

A conference was held with the Liquid Fuels Division of the Ministry of Industry and Commerce in order to acquaint them with the situation and plans were worked out to reduce the November allocation for Gasoline and Diesel Oil, these two being the critical products.

First shipments of Crude Oil from Arabia which were expected at Bari and Naples in October did not materialise and the latest information is that they are now due on 12th and 18th November at above mentioned ports respectively. This delay caused a temporary shortage of Gasoline in the Naples and Rome areas owing to the non availability of the refined products expected from the Crude Oil but loans from the Military alleviated the situation.

H.M. WALKER
Colonel, CE

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HEADQUARTERS ALLIED COMMISSION
APO 794
Industry and Utilities Branch

D E P A R T M E N T S

Industry
Fuels
Utilities

MONTHLY REPORT FOR AUGUST 1946

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EC Dist

1 - EC
6 - PRB
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1 - Air Adv

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HEADQUARTERS ALLIED COMMISSION
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Industry and Utilities Branch

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A. INDUSTRY DEPARTMENT

General

Requests for the de-requisition of industrial premises submitted by the Italian Government were a little less successful this month than in July, but release has been obtained for the following plants and premises :-

a) 11 Grain Warehouses in the province of Macerata
b) Precision Laboratory of the Italian Army, Rome
c) Istituto Tecnico Agrario, Macerata
d) Soc. Italiana Autori ed Editori, Milan (now fully vacated).

Strong representations had been made by the Italian Government for the de-requisition of the Naples Finance Building. The question had been taken up with AFHQ, but due to military necessities a release is not yet practicable.

Regarding the situation in the Leghorn area as pointed out in the letter from the British Embassy quoted last month, we have been informed by AFHQ that the points raised by the Italian Minister of Labour are thoroughly appreciated and that the position regarding requisitioned establishments in that area is under constant review. De-requisition will continue as rapidly as possible.

During this months the handling of requests for the de-requisition of non industrial premises has been taken over by this Branch. Some 15 requests have been dealt with, but so far only two have been successful, three others have had definite refusals and replies to the remainders are still outstanding.

Some difficulties are being experienced with the payment of requisitioned timber in Udine Province, as the funds accredited by the Italian Government arrived at Udine only after the end of the fiscal year and therefore could not be used for the proposed payment. The Italian Ministry of the Treasury has promised to remedy the situation.

Various outstanding items have been successfully dealt with.

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B. FUELS DEPARTMENT

Coal Division

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Imported Coal arrivals in Italy during the month of August 1946 attained a post-war high of 911,000 tons, UNRRA shipments accounting for the major part thereof.

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112 " 871,321 " "

Allocations for the month were 540,000 tons. The balance of 331,000 tons were stockpiled pending a decision as to the division of supplementary allotments between Italian State Railways and other Civil consumers. The Railways now have 44 days stock.

September allocations were based on 600,000 tons, excess arrivals are to be stockpiled. During and since the war there never have been any substantial stocks of Coal in Italy. Inasmuch as Italy is so far away from source of supply it is highly desirable that stocks should be maintained to guard against any stoppage of supply.

Other shipments which arrived during the month were two Commercial cargos totalling 14,763 tons, two Military cargos totalling 17,000 tons and one cargo to Venezia Giulia of 8,000 tons.

Sardinian Coal production for the month of August was 92,185 metric tons, 329 tons less than July. Actually the daily production during August, 3,545.5, exceeded that of July, 3,537.5, but the combination of Holidays, working days etc. account for the difference.

Lignite production continues at about the same level i.e. 160,000 tons per month.

There has been no Coal arrived from Poland as of the end of August 1946. Arrivals from this source were expected during the month but failed to materialize.

P.O.L. Division

It is anticipated that arrivals of Crude Oil in Italy will permit the starting of the refineries at Naples and Bari during September 1946. 150,000 tons have been ordered forward to cover a 3 month program for conversion to Gasoline, Kerosene, Diesel and Fuel Oils.

It is estimated that this will save 500,000 dollars in credits for the Italian economy.

Stocks of P.O.L. continue to be maintained at about a sixty day level.

The UNRRA shipments which arrived during the month were as follows :-

From U.S.	84	Ships	700,962	Long tons
" U.K.	3	"	12,710	" "
" South Africa	2	"	19,092	" "
" Germany	22	"	129,232	" "
" Bahrein Is.	1	"	9,325	" "
	112	"	871,321	" "

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C. UTILITIES DEPARTMENT

Power Allocations

On September 2nd, the Central Commission for the Distribution and Utilization of Electric Power (Italian Government) had its 9th meeting on electric power allocation for Central and Southern Italy at the Ministry of Public Works.

It was shown that curtailment by 20% on the June allocation which still provides the basic figures will be necessary to meet the September situation. This will be obtained either by disconnection of feeders in the city areas or by rationing of industrial and private customers. Steps are being taken to get some extra power from the North. Power is now being secured to Foggia Allied Air Fields as requested by AFHQ.

Power situation in Italy

Northern Italy :

Reservoir situation good - present supply of power to Central and Southern Italy will be maintained throughout September - new arrangements will be made after this period. On September 1st, the Commissioner for the Control of Electric Power in Northern Italy resumed his functions.

Central Italy :

Drought persisting - situation quite bad - thermal generation about 100,000 KWH/day.

Southern Italy :

Hydroelectric plant situation poor - steam generation 300,000 KWH/day.

H.M. WALKER
Colonel, CE
Director.

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DEPARTMENTS

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A. INDUSTRY DEPARTMENT

General

The activities of this Division during the month have been chiefly directed to endeavouring to obtain de-requisition of industrial premises. The month was one of the best yet recorded and the following plants and premises were fully or partially released;-

a) Alfa Romeo - Bari - Auto Repairs
b) Chamber of Commerce - Benevento
c) Ditta Vincenzo Porcelli - Tolentino - Straw Paper
d) Tobacco Warehouse - Lecce
e) Grain Warehouse - Montegoldo
f) Ditta Giuseppe Aldo' - Portacivitanova - Wire and Nails Plant (partly de-requisitioned, rest promised mid Sept 1945)
g) Chamber of Commerce - Ancona (partly de-requisitioned)
h) Soc. Italiana Autori ed Editori - Milan - Printers (British occupied part vacated, no information yet regarding American occupied part)
i) Textile Plant I.T.A.L. Co. - Lanciano.

Not much progress has been made in the area occupied by 13 Corps or the base depots of Naples and Leghorn. With regard to the latter a letter has been received from the British Embassy complaining about the unrest and discontent alleged to be prevalent in Leghorn, and requesting us to take up the whole question of this area with AFHQ. This has been done, as it is felt that with the run down of stores and equipment in this area, it should now be possible to concentrate and release more premises and space and allow the owners to re-start the local civilian economy.

Protracted discussions are continuing with PBS regarding the coal pier and dump at the Bagnoli steelworks. This dump is required for the coal due to arrive to operate the coke ovens and blast furnace. Up to date PBS are insisting on continued control of this pier and dump but discussions are continuing and it may be necessary to take up the question with AFHQ.

A brief was prepared summarizing the activities and achievements in industrial rehabilitation during the period of military occupation for onward transmission to Civil Affairs War Office.

Other outstanding claims mostly rather old have been cleared up and it is hoped settled.

B. FUELS DEPARTMENT

Coal Division

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B. FUELS DEPARTMENT

Coal Division

The Coal situation in Italy during the month of July showed considerable improvement. The end of Coal Miner's Strike in U.S. permitted shipments to be resumed from that source, which supplies the major portion, and arrivals from the Ruhr were approximately 100,000 tons.

The Coal Emergency Committee of the Italian Government - UNRRA continues to function and have done an excellent service in controlling consumption during the difficult period in which Coal was in very short supply. The experience thus gained will be of material assistance in the industrial rehabilitation of Italy.

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Approximately 514,000 tons of imported Coal from all sources arrived in Italy during the month of July. In comparison only 135,000 tons arrived in June. It is estimated that 650,000 tons will arrive during the month of Augus

Sardinian Coal production for the month of July was 95,514 tons. This was an increase of 17,539 tons as compared with June. The target figure of 100,000 tons per month has not yet been attained, but July production came close. It is hoped that the target can be surpassed as the indigenous production of Fuel means much to the Italian economy.

Lignite production continues at about 160,000 tons per month. This is the equivalent of 64,000 tons of hard Coal.

Final arrangement for the purchase of 15,000 tons of Polish Coal, by UNRRA, for Italy during the month of August have been made. Italian rolling stock has actually been despatched to begin the transport of this coal.

P.O.L. Division

The distribution of petroleum products was interrupted during the month by a sudden strike of C.I.P. employees at Genoa on 15th and which, by th next day, became effective over the whole country. During the period of the strike incoming tankers were discharged with the exception of the KARSTEN WANG with 100,000 barrels of Fuel Oil at Genoa where the strikers refused to handle the ship and this caused a heavy bill for demurrage.

The strikers did not interrupt deliveries to the Allied Armed Forces nor to British and American Embassies, but all Italian and other categories of civilian consumers including UNRRA were unable to obtain supplies of P.O.L.

Owing to the serious consequences which would follow a prolonged cessation of P.O.L. deliveries this Division immediately took action to impress on the Italian Government the necessity for energetic and prompt measures to secure a settlement of the dispute and the return to work of all the strikers.

The Government after being unsuccessful in making the C.G.I.L. call off the strike issued an order placing all the petroleum installations under Italian Military control and calling, under penalty of fines and imprisonment for refusal, on all key personnel, to distribute P.O.L. to essential services and to UNRRA.

The latter part of this order was effective in only some districts and it was not until Saturday morning, 20th July that UNRRA Rome was able to obtain a small quantity of petrol.

After issuing this order the Government again took up negotiations

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ran of Fuel means much to the Italian economy.

Lignite production continues at about 160,000 tons per month. This is the equivalent of 64,000 tons of hard Coal.

Final arrangement for the purchase of 15,000 tons of Polish Coal, by UNRRA, for Italy during the month of August have been made. Italian rolling stock has actually been despatched to begin the transport of this coal.

P.O.L. Division

The distribution of petroleum products was interrupted during the month by a sudden strike of C.I.P. employees at Genoa on 15th and which, by th next day, became effective over the whole country. During the period of the strike incoming tankers were discharged with the exception of the KARSTEN WANG with 100,000 barrels of Fuel Oil at Genoa where the strikers refused to handle the ship and this caused a heavy bill for demurrage.

The strikers did not interrupt deliveries to the Allied Armed Forces nor to British and American Embassies, but all Italian and other categories of civilian consumers including UNRRA were unable to obtain supplies of P.O.L.

Owing to the serious consequences which would follow a prolonged cessation of P.O.L. deliveries this Division immediately took action to impress on the Italian Government the necessity for energetic and prompt measures to secure a settlement of the dispute and the return to work of all the strikers.

The Government after being unsuccessful in making the C.G.I.L. call off the strike issued an order placing all the petroleum installations under Italian Military control and calling, under penalty of fines and imprisonment for refusal, on all key personnel, to distribute P.O.L. to essential services and to UNRRA.

The latter part of this order was effective in only some districts and it was not until Saturday morning, 20th July that UNRRA Rome was able to obtain a small quantity of petrol.

After issuing this order the Government again took up negotiations with the strikers' representatives and an agreement was reached late on Saturday 20th July. This agreement provided for increases of pay to the strikers which will be passed on to the consumer through an increase in price of Petrol of 2 Lire per litre and of Kerosene and Gasoil of 2 Lire per Kilogramme as from 1st August 1946.

Receipt of bulk products during the month have been in line with the programmed quantities for which UNRRA paid.

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The latter were:

Gasoline	180,840	Bbls.
Kerosene	189,430	"
Diesel	205,083	"
Fuel Oil	1,000,000	"

Actually the Diesel Oil receipts were considerably higher at 454,490 Bbls. but this was due to the liquidation of a heavy backlog - 331,326 Bbls, owing to UNRRA at 30th June 1946.

UNRRA imports of Fuel Oil which were the highest yet achieved will suffer a reduction during the next 2 months owing to a reputed world wide shortage. There are however large stocks stored at Taranto, Bari and Palermo which are sufficient to cushion this expected out in imports but which will have to be shuttled to Vado Ligure and Venice if the rate of off-take from these 2 Ports serving the industrial north is to be kept at its present level.

The Italian Government has been asked to make provision for the movement of this Oil since at present there are no black oil shuttle tankers operating between Italian ports.

The critical situation which existed in June in Heavy Motor Lubricating Oils improved during July and with the receipt of further quantities already shipped the difficulty will be overcome and there should be no further complaints on this score.

C. UTILITIES DEPARTMENT

Advisory Committee

A joint meeting of the Central and Southern Italy Advisory Committee was held on 25 July. The principal item discussed were the August power allocations, standardization of frequency, standardization of voltage and power rationing.

Considerable discussion evolved around plans for power rationing which was to be started in August. Based on past experience, it was felt that each company should arrange to curtail its power consumption by a fixed percentage which is discussed in detail further on in this report.

Power Supplies

No important generating units were restored to service during the month. However, a 12,000 KW unit at the natural steam plant in the Larderello area and a 10,000 KW unit at Pescara No.3 are due to be restored and begin power production the early part of August. These machines will furnish power to the Central and Southern Italy grids.

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Power Allocations

On 29 July the Central Commission for the Distribution and Utilization of Electric Power of the Italian Government had its eighth meeting on power allocation for Central and Southern Italy at the Ministry of Public Works.

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For August the requirements were estimated to be 235,600,000 KWH against an estimated availability of 204,600,000 KWH. This left an estimated deficit of 31,000,000 or 13%. This condition is brought about by the drought conditions which are now adversely affecting the stream flow plants. Accordingly, the Commission has issued a formal order directing that all consumers, with certain exceptions, reduce their consumption of power in August by an amount equal to 15% of their June consumption.

The complete text of the newspaper announcement which appeared in the 2 August issue of "Il Messaggero" is quoted below :-

"As of today and until further order all consumers of electric power, supplied by Terni Co., S.R.E., A.C.E.A., U.N.E.S. and S.M.E. will reduce their consumption by 15%, as compared with June 1946 consumption.

"This reduction applies to the customers of utility companies distributing power supplied entirely or partially by the above mentioned companies.

"The 15% reduction also applies to the amount of power allocated by the Provincial Commission or the Central Commission for the Regulation and Control of Power distribution and utilization.

"Show windows and advertising signs will not be supplied.

"Following classes of customers are excepted from the above reduction: electric traction, hospitals and similar institutions, food preservation industries, water systems, bonifiche and power companies (electricity consumption for their own use).

"In the event that the daily consumption by customers is not reduced by the required amount, the power companies are authorized to disconnect by shifts their customers, after agreement with the responsible Provincial Commission.

"In the event that the consumption by the power companies is not kept within the allowed limits, the Master Control Center Dispatcher will order the disconnection of feeders to reduce the consumption by the required amount."

In the city of Rome the reduction to residential and small commercial consumers will be accomplished by dividing the area in 6 parts. Each part will be disconnected from service at a regularly scheduled period of 4 hours each day. The scheduled periods for each area will be changed each week.

It is the general opinion of the Committee that this curtailment will have to be continue until adequate rainfall resumes or until the latter part of November when the heavy rains normally begin. At that time increased seasonal peak loads will require curtailment both for reduction in energy consumption and for reduction of demand.

Public Works

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Public Works

The Division handled further transfers of Bailey and Flambo bridges to the Italian Government. These are being disposed of by GHQ CMF to A.R.A.R. and this Division was requested to also take up the matter with the Ministry of Public Works.

This Division was asked to have the Italian Government look into the alleged irregularities in the operation of the pontoon bridge at Piacenza. The report of the Liaison Officer in that area indicated that

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the pontoon bridge was being kept out of service more than was justified for the purpose of causing more traffic to be diverted to a privately owned river ferry. This matter was referred to the Ministry of Public Works and the Ministry of War since the operation of the bridge is under the direction of the Italian Army engineers.

G-5 Section AFHQ requested that the Ministry of Public Works be notified that no military help will be provided for snow clearance work on the main highways of Italy during the coming winter. This matter has been referred to the Ministry of Public Works and it has been suggested that if they are short of equipment to carry on this work they should made applicat to A.R.A.R. in an endeavor to secure any needed equipment from excess Allied stocks.

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1 - Mil Gov't Br. Emb.
1 - FR. Rep.

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SUMMARY

A. INDUSTRY DEPARTMENT

General

The activities of the Industry Division during June have been chiefly connected with the continued stream of requests for de-requisition of industrial premises.

Some progress has been made in this direction and a food processing plant, tobacco curing warehouse, a textile plant, have been released and handed back to the owners control.

The important firm of Ansaldo Pozzuoli has been partially de-requisitioned by the British and will be completely vacated in 3 months time. Unfortunately there is a threat of re-requisition by the U.S. Navy for a store and dockyard. This has been taken up with AFHQ and the Naval Sub-Commission, but so far no definite answer has been obtained.

The Polish Corps have vacated several other smaller premises in the Ancona-Venice area.

There has been little change in the Naples - Leghorn area, but generally speaking the month of June was fairly successful in the matter of de-requisition of industrial premises.

The Timber Plan approved by AFHQ and implemented by the Italian Government appears to be functioning in a satisfactory manner, additional finance for the sawmills will be required for the third quarter of the year and we are in touch with GHQ regarding the amount required.

The general industrial situation was again overshadowed by the non arrival of coal, the actual receipts being less than 50% of what was expected and the latter figure being only 30% of normal pre-war consumption. Stocks, however, have been conserved, but little expansion of the basic industries can be expected until these figures are considerably improved.

Further outstanding problems have been dealt with.

B. FUEL DEPARTMENT

Coal Division

The Coal Emergency Committee of Italian Government - UNRRA continues to exercise very close control of the consumption of Coal in Italy. During the month of June six meetings were held thus permitting an almost day to day check on the very difficult situation caused by the recent strike in the U.S. Coal Field.

At the end of June imported fuel stocks in all of Italy were

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At the end of June imported Coal stocks in all of Italy were about 350,000 tons. July arrivals are estimated at 400,000 tons. 450,000 tons have been allocated for essential industrial purposes during July, an increase of 50,000 tons over the June allotment.

The Italian Government - UNRRA Emergency Coal Committee will continue to function for the present and will make all coal allocations

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to Italian industry. It is considered that the committee, created to meet the crisis which resulted from the coal strike in the United States, has built up a valuable body of experience which will continue to be of service to industrial reconstruction during the coming months, as UNRRA shipments of industrial materials increase.

Meanwhile, the Italian Government is encouraging industrial firms to procure coal from other than UNRRA sources, to improve further the general coal situation and re-establish normal coal procurement.

During the month of July the use of household gas is being extended from one-and-a-half hours to two-and-a-half hours daily, as a result of a larger allocation of coal to the gas companies.

Sardinian coal production for June was 77,975 tons. This was a decrease of approximately 11,000 tons as compared with May. The decrease was occasioned by the diversion of manpower to the harvest and the anti-locust campaign. It is hoped to increase the production in the next few months.

Production of lignite continues to about 160,000 tons a month.

P.O.L. Division

Negotiations between the Workers's Committee, C.I.P., and the interested Ministries with regard to workers pay etc following the recent strike were continued during the month but the general impression is that no conclusive results may expected until a new Government is formed.

Military releases during the month of bulk fuels have been sufficient to cover the quantities which were due to us and in addition the backlog of Diesel Oil outstanding at the end of May has been made good.

Heavy motor Lubricating Oil has been in short supply, both for civilian and Italian Army vehicles, but advice has been received of recent shipments which should relieve the situation on arrival.

The deliveries of Fuel Oil from Vado Ligure and from Venice have kept pace with the increased demands of North Italian industries. These increased demands are due to conversion from coal to fuel oil in many plants and to the seasonal activity in the sugar refining and canning industries.

C. UTILITIES DEPARTMENT

Advisory Committees

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C. UTILITIES DEPARTMENT

Advisory Committees

A Joint meeting of the Central and Southern Advisory Committees was held on 22 June. The principal items discussed were July power allocations, standardisation of frequency, standardization of voltage and plans for rationing of power in Central and Southern Italy during the coming fall and winter. All utility company engineers agree that same rationing will be required.

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No meeting of the Northern Italy Advisory Committee was held during the month.

Power Supplies

One important item was the restoration during June of a 130,000 volt transmission line direct from the Bressanone plant in North Italy to the Tavernuzze sub-station near Florence. When the additional transformer is installed at Orte sub-station North of Rome, which was expected during the early part of July, the power flow from North Italy into Central Italy will be improved by 15,000 KW, bringing the total import to Central Italy from Northern Italy to about 130,000 KW.

The storage reservoirs' position in North Italy as of 1 July was about 64% of full capacity. Melting snows will continue to improve the reservoirs' position during the next few months.

The first 8,500 KW unit at Pescara plant No.4 was restored to service during the month and will increase the Southern Italy capacity by that amount. This is the first generator of the 4 Pescara plants which has been rehabilitated. These plants were demolished by the Germans in May of 1944 shortly before the fall of Rome.

Power Allocations

On 28 June the Central Commission for the Distribution and Utilization of Electric Power of the Italian Government had its 7th meeting on electric power allocations for Central and Southern Italy at the Ministry of Public Works.

The allocations for July remain practically the same as for June. However, more industrial customers in Southern Italy will be granted power as soon as the Orte transformer mentioned above is put into operation. This will supply Central Italy there by permitting this amount of power to be transferred to Southern Italy. It was not possible for the Committee to determine the final allocations for July pending the installation of the Orte transformer.

General

The Ministry of the Treasury of the Italian Government has taken an adverse position on the proposed 14 billion lire autostrada project between Trieste and Tarvisio mentioned in last Month's report. They have requested that the matter be reconsidered and base their request on the following points :-

a. Cost of project.
b. Transport requirements are being met by the railroads at

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a. Cost of project.
b. Transport requirements are being met by the railroads at present.
c. The money involved is needed on more urgent works in the plan of national reconstruction in Italy.

The above request has been forwarded to AMG XIII Corps for necessary action. G-5 AFHQ and AMG Udine Province have been informed.

H.M. WALKER
Colonel, CE
Director
Industry & Utilities Branch

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1 - EC.
6 - PR Br.
1 - Mil Gov Sec.
1 - Trend Rep. 120
1 - Spare.

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S U M M A R Y

A. INDUSTRY DEPARTMENT

General

The revised timber plan has been approved by AFHQ and the Italian Government instructed to implement the scheme, a loan of 50,000,000 lire has been advanced by the Italian Treasury to the Timber Federation to enable them to continue work until payment by the Military Authorities for timber supplied can be effected. The transportation of the sawn timber is being considered by Transportation Branch in conjunction with G-5.

Most time has been spent on the numerous requests received for de-requisition of industrial premises. The worst areas effected are: Naples, Leghorn and the area from Ancona to Venice. Not much success can be recorded in connection with the first two mentioned areas where the British and American Armies have their main base installations. However, with regard to the Ansaldo plant at Naples, the Director of Ansaldo and REME and Ordnance have been in conference and it appears likely that further sections of the works will be handed back to the owners, this will probably help the unemployment situation in this area.

A large saw mill and a molasses and syrup plant in the Forli area have been released by the British Authorities, and with the withdrawal of the 2 Polcorps the vacation of many other premises are promised.

Little progress in industrial activities has been possible due to the coal shortage. It has not been possible to re-start the Bagnoli blast furnace and coke ovens and with the non-arrival of American pig iron the situation is not promising, this material together with coal is the basis of all engineering industry. It is hoped that the resumption of shipments of American coal will improve matters, but can hardly be expected that the benefit will be immediate as backlogs have to be made up and priority users supplied first.

Further outstanding problems have been dealt with and it is hoped finalized.

B. FUEL DEPARTMENT

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Further outstanding problems have been dealt with and it is hoped finalized.

B. FUEL DEPARTMENT

Coal Division

The Coal Emergency Committee set up by Coal Branch of UNRRA in conjunction with the Italian Government held 10 meetings during the month of May by means of which very close supervision was exercised over the allocation of coal.

At the end of the month there was 600,000 tons of coal in stock in all of Italy and it was expected that 300,000 tons will arrive in June or very early in July.

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The Committee has authorized consumption of 425,000 tons, an increase of 75,000 tons of their previous allocations which should leave a stock of 475,000 tons at the end of July. This action was taken because the coal strike in the United States has now ended, and the reserves can be reduced to some extent.

The consumption on the railways was held to about 8% over normal during the month while the gas companies were held at 45% of their pre-war consumption. The increase of 75,000 tons for June will go into industry generally speaking.

There has been some headway made in substituting lignite for import of coal due to better transportation facilities.

Imported coal discharged in Italy including Sicily during the month of May totalled 330,000 tons. Sardinian coal arrivals totalled 57,000 tons during the same period.

Sardinian coal production for May was 88,854 tons. This was a decrease of 1,546 tons.

Production of lignite during the month was approximately the same as the previous month 160,000 tons. The exact figures are not available yet.

P.C.L. Division

For 9 days to the 16th May all petroleum workers in Italy except in the provinces of Liguria, Piemonte, Lombardia and Veneto were in strike and returned to work only when the Government were about to place the Italian Military in Control of the storage depots and distribution equipment and on the understanding that full discussion on the question of the workers claim would recommence on May 25th. These discussions have taken place and a definite offer in writing has been made by the employers to the workers. It is understood that the reply will be discussed on June 15th so we are not yet out of the wood as regards a renewal of the strike.

Bulk products have continued to be released by the Military in a satisfactory manner and by end of May all bulk quantities due against gasoline, kerosene and fuel oil were released in full. There is still a backlog of approximately 390,000 bbls. of diesel oil due which near all of the month of May "dues in" and 90,000 bbls. balance due against April

The consumption on the railways was held to about 8% over normal during the month while the gas companies were held at 45% of their pre-war consumption. The increase of 75,000 tons for June will go into industry generally speaking.

There has been some headway made in substituting lignite for import of coal due to better transportation facilities.

Imported coal discharged in Italy including Sicily during the month of May totalled 330,000 tons. Sardinian coal arrivals totalled 57,000 tons during the same period.

Sardinian coal production for May was 58,854 tons. This was a decrease of 1,546 tons.

Production of lignite during the month was approximately the same as the previous month 160,000 tons. The exact figures are not available yet.

P.C.L. Division

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Several ships have arrived carrying part cargo of package lube oils. Considerable difficulty has been experienced by C.I.P. to whom the packaged lubes were consigned. The cargoes did not agree in any item with the ship manifest and so every package of the thousands of packages received have to be checked and in many cases the oil has to be analyzed to determine its proper grade. This unsatisfactory matter has been duly reported to Washington with a request to have future shipments correctly checked and packages properly marked so that the manifest will be in keeping with the cargo.

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Refining of Crude Oil in Italy

Information was received during the month that crude oil from Arabia would be available for export to Italy for refining locally. A detailed report has now been received from C.I.P. on the possibilities of immediate refining in Italy and it is hoped that by the end of June arrangements can be made for commencement of crude importation.

Bulk Lube Oils

Request has again been made to Washington to endeavor to ship basic lube oils in bulk for blending in Italy. If this is possible a saving of approximately dollars 39 per ton will result as against shipping the finished product in packages.

C. UTILITIES DEPARTMENT

Advisory Committees

A meeting of the Northern Italy Advisory Committee was held on 9 May 1946 in the city of Milan. The principal items discussed at the meeting were the standardization of frequency and transmission and distribution voltages. Both programs will require several years to complete and the purpose of the discussion was to adopt the suggested standars toward which all companies should plan in connection with any new construction or rebuilding of existing systems.

The joint meeting of the Southern and Central Advisory Committee was held in Rome on 22 May 1946. The principal items discussed were the standardization of frequency and plans for the rationing of power during the coming fall and winter.

While Central Italy will be able to accomplish considerable on standardization of frequency to 50 cycles by the end of 1946, it is anticipated that the change-over in Southern Italy would in all probability be delayed beyond 1946. This is due to the necessity for changing motor installations at large drainage pumping stations and water works systems and it is doubtful whether the necessary modifications and equipment needed could be prepared and installed during 1946. However, the decree which has been issued by the Italian Government directing utilities and consumers to convert their equipment to 50 cycle operation will have served notice and steps can now be taken by them to plan accordingly.

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Page Six

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The utility company engineers of Central and Southern Italy feel that rationing of power will be necessary during the coming fall and winter, especially if the coal shortage is such that the gas plants are not able to operate on longer schedules and thereby relieve the electric systems of domestic heating and cooking foods. A number of generating plants will have been restored to operation during the summer and early fall, but the authorities do not believe that this capacity will be sufficient to meet the demand for power.

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Power Supplies

In last month's report it was anticipated that 130,000 KW of power would be coming to Central Italy from North Italy during the week of 6 June. However, the rehabilitation work necessary to provide all of this capacity will not have been completed in order to permit this amount of power flow. The June allowable power flow from North to Central Italy was therefore left at 110,000 KW, which was the same as that delivered in May.

As of the end of the month, the Silo reservoirs had a storage of 232,000,000 KWH, an increase of 32,000,000 over April. This will probably be the maximum reached. This is about 80% of full storage capacity.

In Central Italy the Terni reservoirs show very little change over that reported for April and the amount in storage still remains at approximately 6,000,000 KWH.

In Northern Italy in the Adriatic section, which comprises Venezia and Emelia areas, the storage reservoirs are reported to be all filled to capacity as of the first week in May. The reservoirs of the Edison Co. and the S.I.P. Co., which provide most of the remaining power requirements in Northern Italy, report that their reservoirs only have about 15% of capacity. This, however, is not considered serious in view of the fact that the melting of snows in the Alps, which fill these reservoirs, does not normally start until the latter part of April and continues through the summer months. These reservoirs just started to refill in the early part of May.

Power allocations

On 28 May the Central Commission for the Distribution and Utilization of Electric Power of the Italian Government had its eighth meeting on electric power allocations for Central and Southern Italy at the Ministry of Public Works. For June 1946 the power allocations for Southern Italy measured at delivery points were set at 185,000 KW of demand and 97,300,000 KWH of energy. This compares with the May allocation of 171,300 KW of demand and 80,800,000 KWH of energy.

For Central Italy, including the Leghorn and Florence areas, the June 1946 allocations measured at generating plants were set at 274,000 KW of demand and 156,000,000 KWH of energy. This compares with the May allocations of 287,000 KW of demand and 163,000,000 KWH of energy.

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Power allocations

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General

In last month's report reference was made to the renewal of the wholesale power contract between the CIELI Co. of Italy and the Service du Controle des Distributions de l'Energie Electrique of France.

A meeting was held between representatives of CIELI and the French Company on the applications of surcharges [illegible]

collected from all other customers of CIELI Company; also on the question of moneys due the Italian Company for services rendered prior to the change in the lira which sent into effect at the end of 1945. Since this matter is involved in one of the border disputes between France and Italy, the matter is now under discussion at Paris and that the representative of the CIELI Company is also in Paris on the question.

Arrangements were completed during the month for transferring certain electrical materials of the Public Works and Utilities Sub-Commission, to the British Ministry of Supply for disposal to U.N.R.R.A. Also arrangements were made to turn over certain Italian Army electrical supplies to the Ministry of Public Works. These transactions will be completed in June.

The Italian Government's request for permission to implement a public works housing program in Venezia Giulia was not deemed possible at the present time by AMG XIII Corps. AMG considered the matter carefully and concluded that everything possible is now being done in the housing field to provide employment to the extent that all skilled labor available for such construction was being utilized. Discussions were held by the Public Works Division of AMG XIII Corps with the Ministry of Public Works on a proposal to construct an autostrada between Trieste and Tarvisio. This project would pass through Udine and the Venezia Giulia areas. The total length of the project is 135 kilometers and 4 years' time would be required to complete the construction. The estimated cost in Venezia Giulia is 8,000,000,000 lire and in Udine 6,000,000,000 lire, total 14,000,000,000 lire. The Italian Government agreed to underwrite that portion in Udine and AMG XIII Corps will arrange for the financing of the portion lying in Venezia Giulia. These works are still in the course of discussion and have been referred to G-5 AFHQ for further consideration. This project will require a high percentage of unskilled common labor and would relieve unemployment, for that class of labor, in the areas adjacent to the route of the proposed project.

The No. 2 Claims Commission and Directorate of Hirings and Disposals (Fixed Assets) C.M.F. were experiencing delays in turning over to the Italian Government all Bailey bridges still in place in Italy and which were erected by the British Army. The Claims Commission desired that the Italian Government accept the bridges in toto without a field check and with no price stipulation. The price would be determined at the time of final settlement at some later date. The Italian Government did not wish to accept the bridges without a field check and as a result Claims and Hirings requested that A.C. Utilities Division assist

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H.M. Walker

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Colonel, CE
Director
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AFC 794
Industry and Utilities Branch

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EC DIST - 10 May
1 - EC
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Industry and Utilities Branch

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SUMMARY

A. INDUSTRY DEPARTMENT

General

The general industrial situation is overshadowed by the American coal strike and anxiety and apprehension exists throughout all the industrial areas of the country regarding its consequences. Confidence which was beginning to return has suffered a sharp setback. On the other hand the improvement in the power situation has helped the big users of electric power.

Difficulty is being experienced by the Italian industries in dispensing of manufactured products, especially textiles due to large stocks held and lack of export markets.

The number of requests received from the Italian Government for the derequisition of industrial premises continue to increase and successful representations have been made in several cases. There is also evidence on the part of the Military Authorities to co-operate fully on these cases, especially so in connection with food processing plants, state monopoly concerns and plants specialising in re-construction.

The timber plan submitted by the Italian Government through A.C. to AFHQ was rejected by them on the grounds that it involved too many small firms and would be difficult to operate. An alternative plan was submitted and agreement has been reached between the Italian Forestry representatives, the Italian Government, and the Military. Timber requirements have been reduced to a minimum and will be drawn from two areas instead of one, thus spreading the load, agreement on price has also been reached and it is hoped that this problem is now settled.

Much time has been spent on outstanding problems in an effort to get them cleared up and settled, many of these problems date back many months and take considerable time to investigate.

B. FUEL DEPARTMENT

Coal Division

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B. FUEL DEPARTMENT

Coal Division

The amount of imported coal discharged in Italy and Sicily during the month of April totalled approximately 722,600 tons. In addition to this some 82,394 tons of Sardinian coal was discharged during the month.

Production of Sardinian coal totalled approximately 90,400 tons during the month showing a small increase of 2,000 tons over that for March. 1-20

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Production of lignite during the month totalled approximately 160,000 tons showing an increase of approximately 4,500 tons over that of March.

The Coal Emergency Committee set up by Coal Branch, UNRRA, during the early days of March to deal with thecoal strike in America have imposed severe restrictions on the use of coal during this emergency period. Railways consumption was reduced by 20%. Gas to 45% of the pre-war consumption. On other industries reductions range from 10 to 65%. Every effort is being made to increase the production of Sardinian coal and lignite and the use of such fuels wherever possible in lieu of imported coal.

P.O.L. Division

Owing to the arrival of a considerably greater than expected number of tankers during April there was an improvement in the overall stock position of petroleum products in the theatre with the exception of Diesel oil.

This improvement permitted PBS to increase their releases to CIP for civilian consumption and this resulted in the following position:

House Brand Gasoline: All dues in up to 30 April have been released.

Kerosene: All dues in up to 30 April have been released.

Diesel Oil: The release for April totalled 130,000 bls, but owing to the existence of a hitherto undisclosed heavy backlog from the FEA programme this release has not improved the UNRRA backlog which is still 151,000 bls. outstanding from March dues in.

Fuel Oil: The general stock position is sufficient to permit all current demands to be met but owing to uncertainty as to ownership of stocks at 1st February the exact backlog cannot be ascertained at present. There is, however, no cause for anxiety as there are ample stocks and the question of ownership is expected to be cleared up within the next few months.

During the month discussions took place with

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During the month discussions took place with representatives of UNRRA, CIP and the Italian Government with a view to deciding the elements to be included in prices charged to consumers for petroleum products imported by UNRRA. This matter is still under investigation.

Discussions with representatives of all the Italian Ministries interested in the POL monthly allocations have taken place in order that justifications be submitted for study by UNRRA of all demands made by these ministries.

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Discussions were held with CIP and the Ministry of Industry with the object of ascertaining the quantities of fuel oil which can be distributed to Italian industries in lieu of the coal which will not be available as a result of the strike of coal miners in the U.S. This question is still being discussed.

C. UTILITIES DEPARTMENT

Electrical Division

No meeting of the Northern Italy Advisory Committee was held during April.

A joint meeting of the Southern and Central Advisory Committee was held in Rome for the purpose of discussing arrangements for and utilization of the power which was to be transmitted from North Italy to Central and Southern Italy during the summer months.

Near the end of April, arrangements were completed for transporting 110,000 KW of capacity to Central Italy, which included 30,000 KW to be sent on to Southern Italy. In June the power coming from Northern Italy will increase to 130,000 KW, of which 50,000 will be sent to Southern Italy.

This program will permit the continued filling of the Sila reservoirs during the summer months in preparation for the fall and winter load in Southern Italy. At the present time the Sila Reservoirs have something over 200,000,000 KWH in storage. The total capacity of these reservoirs is 300,000,000 KWH, but due to light snowfall during the past winter in that area it is not expected that these reservoirs will be entirely filled unless unusual rains occur.

In Central Italy the Terni Reservoirs show very little change and the amount in storage still remains at approximately 6,000,000 KWH as was reported last month. No water is being taken from these reservoirs.

Power Allocations

On 29 April the Central Commission for the distribution and utilization of electric power [illegible] Italian Government had its 5th meeting on electric power

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Power Allocations

On 29 April the Central Commission for the distribution and utilization of electric power of the Italian Government had its 5th meeting on electric power allocations for Central and Southern Italy at the Ministry of Public Works.

For May 1946, the power allocations for Southern Italy measured at delivery points were set at 171,300 KW of demand and 88,800,000 KWH of energy. This compares with the April allocation of 170,000 KW of demand and 85,100,000 KWH of energy.

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For Central Italy, including the Leghorn and Florence areas, the May 1946 allocations measured at generating plants was set at 287,000 KW of demand and 163,000,000 KWH of energy. This compares with the April allocations of 260,000 KW of demand and 132,000 KWH of energy.

General

The Electrical Division has been asked by the Italian Government to have a representative present at the discussions for the renewal of the wholesale power contract between the CIELI Co. of Italy and the Service du Controle des Distributions de l'Energie Electrique of France. This contract was entered into between the two companies in June 1945 and provided for the delivery of 5,000 KW of demand and 2,500,000 KWH of energy per month pending the restoration to service of certain generating plants in the French territory which had been damaged by combat operations in the early stages of the war.

The contract was for a period of one year, expiring on 30 June 1946, and the French Company desires to renew the contract for a period of another year. In addition, there is a disagreement regarding the application of surcharges being collected from all other customers of the CIELI Co. In addition, there is the question of moneys due the Italian Company for services rendered prior to the change in the lire exchange rate which the CIELI Co. feels is due it since it did not collect the money until after the exchange rate went into effect.

The Prime Minister asked ALCCM's permission that the Italian Government be allowed to implement a public works program consisting of housing and highway construction in the Venezia Giulia area to overcome a threatened unemployment situation. The matter has been presented to the MG 13th Corps for their consideration and recommendations.

H. M. WALKER
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INDUSTRY AND UTILITIES BRANCH

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S U M M A R Y

A. INDUSTRY DEPARTMENT

General

Now that the main supply functions have been taken over by the Sub-Bureau of Industrial and Re-Habilitation with the exception of supplies to the AMG territories of Venezia Giulia and Udine, the chief function of the Division has been dealing with the numerous requests for the de-requisition of industrial premises and plants passed to us for consideration by the various branches of the Italian Government.

The bulk of the staff has been transferred to UNRRA.

During March 30 cases were handled and approximately 10 of those were finalized, successful representations were made in 6 different cases, the bulk of the remaining ones are still outstanding waiting investigation and report by the Military Authorities.

The number of cases continues to increase and special pressure is asked for in connection with the Naples and Ancona areas to relieve serious unemployment.

The industrial requirements for Venezia Giulia and Udine areas were screened by an officer of the department in conjunction with AMG, UNRRA and the Italian Government, these requirements have been passed to Economic Section for forwarding to AFHQ.

Industrial activity has continued at a steadier rate during March with better coal supplies, but the American coal strike if continued will have a disastrous effect on the economy of the country, improved electric supply have assisted all industries especially those consuming large blocks of power.

B. FUEL DEPARTMENT

Coal Division

The amount of imported coal discharged during March totalled 623,000 tons. This tonnage included that required for Military and Railways. In addition to this

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D. FUEL DEPARTMENT

Coal Division

The amount of imported coal discharged during March totalled 623,000 tons. This tonnage included that required for Military and Railways. In addition to this 99,000 tons of Sardinian coal was discharged on the Mainland and in Sicily during the month of March.

Production of Sardinian Coal totalled 83,660 tons during the month showing an increase of approximately 15,000 tons over that for February.

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Production of lignite during the month was approximately 149,500 tons. This figure represents all the mines which render monthly production figures to the Ministry of Industry and Commerce. However, there are still some lignite mines in North Italy which do not render returns of production and we are pressing the Ministry of Industry and Commerce to ensure that they are included in future.

The transfer to UNRRA of responsibility for coal supplies to Italy excluding Venezia Giulia and Udine was completed during the early days of March. On the 12th of March they formed an Emergency Committee to deal with the building up of stocks against the strike in U.S. which started on the 1st of April.

C. UTILITIES DEPARTMENT

Electrical Division

1. Advisory Committees

The Monthly Advisory Committees on Electric Power for Italy held their regular meetings during the month.

For Central Italy it was announced that 15,000 KW of generating capacity was restored to service at the Castel Nuovo Plant. The output will go into the Central Italy system. This is one of the natural steam plants near Larderello.

It was also stated at the Central Italy meeting that there would be a surplus of power during night hours in Central Italy for most of the summer, and it was recommended that all utilities encourage the use of this power by industries wherever possible by scheduling night operations.

In spite of the improved situation in Central Italy, the area in the vicinity of Ancona is still having difficulty due to lack of transmission and transformer capacity which have not yet been restored to service. Every effort is being made by the utility company in that area to improve this situation.

At the meeting of the Advisory Committee for Northern Italy a final report was submitted giving the results of the power rationing program which was put into effect in that area.

This matter was first brought up by the Northern

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This matter was first brought up by the Northern Italy Advisory Committee in November 1945, at which time it was estimated that North Italy would be short approximately 1 billion KWH for the 5 months' period December 1945 through April 1946, against a need of 4 billion KWH, thereby making it necessary to set up rationing controls to conserve energy. It was anticipated that approximately 150 million KWH of this deficit would be produced by thermal stations depending on the avail-

ability of coal. On 7 March, the date of the Advisory Committee meeting, the energy deficit for the balance of March and the month of April was then estimated at 35 million KWH. In view of the favorable position, it was considered it would no longer be necessary to operate thermal stations after 15 March. The thermal plants were used to produce only about 70 million KWH instead of the 150 million KWH as planned. The improvement was due primarily to the effectiveness of the rationing program and some increased rain-fall and warmer weather, resulting in a general decrease in seasonal load. During the last week in March all rationing and control measures were removed in North Italy on electric power, with the exception of the use of electricity for operation of electric boilers, and it was left to the discretion of the individual electric companies to make arrangements with industrial firms concerned for that use of electric power. The surcharge decree which provided for an increase in electric rates, based on the operation of thermal stations, was suspended effective as of the 1st of March instead of the anticipated date, 30 of April, due to the discontinuance of thermal station operation.

One of the main topics of discussion by the Committee was the fact that there would be considerable surplus energy in North Italy during the summer months and that a strong recommendation should be made for the reactivation of certain heavy industries to schedule their operations for the summer utilization of this power instead of winter. The Committee also pointed out that there will be considerable excess power available for transfer to Central Italy.

At the Southern Italy meeting it was announced that the seasonal load factor had improved the daily system load curves to such an extent that it was only necessary to disconnect 8,000 to 10,000 KW of load during peak periods instead of 25,000 to 30,000 KW which had been necessary previously.

One general complaint registered by all of the Advisory Committees was the excessive cost of material, which is acting as an obstacle to the electric power companies' rehabilitation and reconstruction program. The Committees recommended that the Italian Government take some measures whereby manufacturers will not have to pay such high cost for material which is being imported by the Government at a reasonable cost and then sold to the electric equipment manufacturing companies at 5 to 6 times the imported price. This condition, coupled with the fact that the surcharges for electric power ranges anywhere from 200% to 400% were based only on operating cost and not on rehabilitation expense

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2. Power Supply, General & Rationing

The situation for North Italy has already been discussed in the previous paragraphs.

In accordance with the decree authorized in February, the Ministry of Public Works appointed Engineer Virgili as the Commissioner for electric power for Central and Southern Italy. He has been given rather broad powers for the purpose of establishing necessary rationing and control measures in Southern and Central Italy similar to Prof. Bottani, Commissioner in North Italy. In addition to his responsibility as Commissioner, Engineer Virgili is an Electrical Engineer with the Italian State Railways. The establishment of this Commission in Central and Southern Italy provides for an effective agency to coordinate the activities of all provincial and rationing control Commissions and to give overall supervised control of power throughout Central and Southern Italy during the period of electricity shortage.

At the present time the Silo reservoirs supplying the bulk of the power for Southern Italy have accumulated approximately 185 million KWH of energy and it is expected that the maximum filling will attain 200 million KWH in April. This is about 100 million KWH short of the normal storage and is due to a lack of normal snow and rain-fall the past winter.

This means that control of the consumption of power in Southern Italy will be necessary in the summer and fall of 1946 in order to have sufficient energy to carry through the winter months. The situation will be partially relieved by the restoration of one of the Fascara group of plants which is part of this main power system and some power which will be available from Central Italy. These sources were not available during last year. During the month the S.M.E. Company restored the 150,000 volt line, Archi-Naples to service. This improves the Naples power supply by about 20,000 KW.

In Central Italy the Terni plant has approximately 6 million KWH in storage at the present time, whereas it normally has available approximately 200 million KWH at this time of year. The Galleto plant is operating to about 60% capacity now using water only from the Velino river while accumulating reservoir storage. To meet this situation discussions were held during the month on plans to import power from North to Central Italy during the summer of 1946. It is anticipated that approximately 250 million KWH can be transferred from

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The transfer of this power from North Italy to the Central Italy grid area will also permit the transfer of a certain amount of power from Central Italy to Southern Italy mentioned in a previous paragraph.

3. Power Allocations

On 28 March the Central Commission for the Distribution and Utilization of Electric Power of the Italian Government had its fourth meeting on electric power allocations for Central and Southern Italy at the Ministry of Public Works.

For April 1946 the power allocations for Southern Italy measured at delivery points were set at 170,000 KW of demand and 85,100,000 KWH of energy. This compares with the March 1946 allocation of 170,000 KW of demand and 87,850,000 KWH of energy.

For Central Italy, including the Leghorn and Florence areas, the April 1946 allocations measured at generating plants was set at 285,100 KW and 143,500,000 KWH of energy. This compares with the March 1946 allocations of 268,000 KW of demand and 132,800,000 KWH of energy.

4. Electric Equipment Manufacturing Facilities

During the month of March, actual inspection of the electric equipment and machinery companies in North Italy was made by a representative of the Electrical Division for the purpose of ascertaining the situation existing in these firms in connection with their ability to produce equipment as required by the electric power companies, in the immediate future, such as transformers, generators, and turbines and transmission equipment. The companies visited were Brown Boveri, C.G.E., Morelli, Breda, Riva, all in Milan; Franco Tosi in Legnano and S. Giorgio and Ansaldo in Genova. With the exception of a few small companies engaged in production of this type of equipment the above-mentioned firms produce practically all of Italy's central station turbines, generators, and transformers.

It was found that all the firms were in a good position technically to produce the equipment that may be required by the electric power companies. However, the extreme cost of materials was making it impractical for the power companies to place orders utilizing these firms' capacity to the maximum. There was a shortage of certain insulating materials for electric machinery,

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The information furnished by these companies would indicate, pending availability of material, that their combined production could be about 1 million KW rotating machinery for power generation and about 3 million KVA of transformer capacity per year. The 2 principal turbine equipment companies, Riva and Franco Tosi, are in a position to construct and furnish the necessary hydraulic and steam turbines as required for the above generating capacity. A third turbine company, the Escher-Wyss firm located in Schio, normally produces about 15% of Italy's turbines.

H. M. WALKER
Colonel, CE
Director
Industry & Utilities Branch

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E. ... Wilson
Colonel, GS
Director
Industry & Utilization Branch

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HEADQUARTERS ALLIED COMMISSION
APO 394
Industry and Utilities Sub-Commission

D E P A R T M E N T S

Industry
Fuels
Public Works and Utilities

MONTHLY REPORT FOR FEBRUARY 1946

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HEADQUARTERS ALLIED COMMISSION
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MONTHLY REPORT FOR FEBRUARY 1946

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HEADQUARTERS ALLIED COMMISSION
APO 394
Industry and Utilities Sub-Commission

MONTHLY REPORT - FEBRUARY 1946

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S U M M A R Y

(A) INDUSTRY DEPARTMENT

General

Chief activities during the month have been concerned with handing over the main supply functions of the Department to the Sub-Bureau of Industrial Rehebilitetion, U.N.R.R.A.

There is a considerable problem in the textiles field where a large stock of finished goods are known to exist and raw materials are still coming in. Steps are being taken to resolve this situation.

Lack of electric power is still an obstacle in industry but coal arrivals have been considerably improved.

Arrival of Imports

(a) Cotton ..... 4,244 tons (YT Program)

(b) Wool ..... 1,746 tons

(c) Phosphate rock ....14,900 tons (up to 12 March 1946)

Solid Fuels Production

The production of Sardinian coal in January was 64,589 tons.

Estimated productions of solid fuels for the month of February is as follows :

Sardinian Coal	73,000	tons
Xyloid lignite	115,000	"
Sub-bituminous	15,000	"
Anthracite	15,000	"
	218,000	Tons

(B) FUEL DEPARTMENT

Coald Division

According to the available figures at the end of February imported coal discharges on all accounts for the month totalled approximately 530,000 tons.

After deducing railway and military allocations and loans to Venezia Giulia about 360,000 tons were available for

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After deducing railway and military allocations and loans to Venezia Giulia about 360,000 tons were available for Industry and Public Utilities.

An additional 60,000 tons of Sardinian Coal was discharged on the mainland and in Sicily.

Sardinian coal produced totalled 73,000 tons and the production of Lignite amounted to 130,000 tons for the month.

On 1st March UNRRA assumes the responsibility for coal supplies to Italy excluding Venezia Giulia and Udine.

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P.O.L. Division

Tankers arriving during the month restored the weak stock position referred to in the Janury report and information now received indicates that all back logs may be expected to be made up by the end of March. Should this be so it is anticipated that there will be a reserve stock equal to forty five days supply for Civil Consumption in the Country.

During the month Venezia Giulia received supplies from Military sources and Udine from UNRRA stocks by arrangement with C.I.P.

The responsibility for P.O.L. supplies was taken over by UNRRA as from 1st February and this Division of the Fuels Department now acts in an advisory capacity to the UNRRA Petroleum Division.

(C) PUBLIC WORKS AND UTILITIES DEPARTMENT.

Electrical Division.

It was announced at the meeting of the Central Italy Advisory Committee that two generating Units at the San Giacomo plant totalling 132,000 KW are expected to be in operation by the end of this year.

An improvement has been experienced from the stream flow plants in Central Italy due to the February rains.

Now that control and rationing measures are becoming effective in Northern Italy the power situation is improved.

Power allocations for Central and Southern Italy for the month of March were reduced in comparison with February.

The Italian Government is making a forecast of anticipated rainfall and Power production for the balance of this year with a view to determining future monthly allocations of Power.

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(A) INDUSTRY DEPARTMENT

GENERAL

Chief activities for this month have been the passing of the bulk of Industry Department staff to the Sub-Bureau of Industrial Rehabilitation UNRRA with the consequent staff reorganisation and passing of correspondence etc. to the newly constituted Industry Division, Industry and Utilities Branch, of the Commission. The changeover has been comparatively "painless" although it has involved a considerable amount of clerical work and in some cases extra work for personnel where inevitably, the "two hat" period has overstepped the deadline. The bulk of the staff concerned has now passed to UNRRA but they are, of course, still giving Allied Commission whatever advice and assistance that is necessary in this transient period.

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DIVISION I

CHEMICALS

General

Much of the month was spent in administrative detail related to the transfer of existing Italian personnel to UNRRA and to seeking additional personnel, which, it is anticipated, will be required. Approximately 7 days were spent accompanying Mr. Nils Jacobsen, European Representative for Fertilizers for UNRRA to the London Economic Commission, in conferring with officials, both in Rome and Milan, and in visiting fertilizer plants. As a result, a definite understanding has been reached as to what the 1946 fertilizer target will be. This, subject to minor possible revisions, is as follows:

(a) Phosphate Rock — 500.000 tons — To be bought directly by the Italian Government from the French and to be imported from Tunisia at a maximum rate of 60,000 tons per month.

In view of the late resumption of rock shipments, it is understood that 50,000 tons of superphosphate have been signalled for arrival before the end of April to tide over urgent spring requirements.

(b) Copper Sulfate

Blister copper — 5,000 tons on order in addition to arrivals — In view of delayed deliveries, it may be necessary to cancel part of this. Meanwhile, it is understood that 10,000 tons of copper sulfate is being procured in London for the spring wine crop.

(c) Nitrogenous Fertilizer

Coal — 650,000 tons should be earmarked for 1946 if our commitment to produce in Italy 70,000 tons

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(c) Nitrogenous Fertilizer

Coal — 650,000 tons should be earmarked for 1946 if our commitment to produce in Italy 70,000 tons of nitrogen in the form of fertilizer is to be met.

(d) Potash Fertilizer - Allowing some 15,000 tons of nitrogen for industrial uses, this represents 55,000 tons for agriculture. In addition to this, perhaps 10,000 tons of nitrogen in the form of calcium cyanamide will be produced, depending on the electric power supply being available and the competitive demand for calcium carbide which is the raw materials for cyanamide.

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Of the 20,000 tons of K_2O required, it is understood that 10,000 tons have already been contracted for by Mr.Jacobsen with the French and that another 2,500 tons may be looked for. This will make Italy as regards potash more favorably situated than most European nations.

Industrial Information - Owing to the disorganization that has existed in the North Italy Industrial Council in the course of their transformation into the Northern Section of the Ministr of Industry and Commerce, only fragmentary information has been received on industrial developments. Now that a decree has been passed making it obligatory for all manufacturing concerns to send in a monthly report on their current and planned operations, the flow of information should change radically for the better. Unfortunately, the first return will not be available until well into April so that our knowledge of March operations will still be a sketchy one.

UNRRA Import Program - After last-minute conferences with such of the Northern committees as are still functioning, it has been found that the Chemicals and Pharmaceuticals Section of the UNRRA Import Program must be drastically revised. Considerable time was devoted preparing our recommendations for 1946. The work is being energatically pushed.

DIVISION II

FOOD AND PHARMACEUTICALS

Dr. S. Manian, the former chief of this Division having gone home, the month was spent in reorganising this Division to meet UNRRA needs.

Division I & II of Allied Commission will become in UNRRA :

(a) Chemicals & Pharmaceuticals Division

(b) Food Processing Division.

DIVISION III

ENGINEERING

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(a) Chemicals & Pharmaceuticals Division

(b) Food Processing Division.

DIVISION III

ENGINEERING

Iron and Steel

Failure of procurement of Antheracite for Soderberg Paste has left the Steel Industry approaching the season of increased electric power without sufficient supply of Solderberg for electrodes.

To relieve this situation UNRRA has been asked to obtain this antheracite from England.

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With increased arrivals of coal, it is hoped that the Coal Division will be able to allot the coal required by Coking ovens for metallurgical industries so that pig iron production, the basis of steel production, can be started. Original allocations to Ilva Bagnoli coking plant have not been delivered so that they have not been able to start these ovens.

The UNRRA Import Program is being drawn up by the Industrial Committees and the Italian Government and much time has been devoted this month to this program.

The Policies of the Italian Government to import finished iron and steel for railways and ship building instead of raw materials for the steel industry if carried out will seriously hamper the steel production program for 1946 and would result in a considerable amount of unemployment this year.

Lumber

The Plan for furnishing lumber for British Military, preparatory to derequisitioning the lumbering areas has been drawn up and tentatively agreed upon by both the Military and Italian Government Authorities and is before the Council of Ministers for approval.

Mechanical and Electrical

Production Program for these industries have been drawn up and a program for furnishing required material is being prepared for UNRRA procurement.

Building Materials

Ample supplies of cement bags now exist in Italy and the delivery of this commodity and glass has been accelerated this past month increasing the activity of the industry.

DIVISION IV

TEXTILES AND MONOPOLIES

1. Cotton

During the month of February the following nine ship loads of cotton arrived :

80 tons on the S.S. "Adonirani Judson"

has been devoted this month to this program.

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1063	"	"	"	"	"W.M. Fergo "	
3563	"	"	"	"	"Sidney Edgerton"	
506	"	"	"	"	"John McMilleen "	
1093	"	"	"	"	"José Benitez "	
6800	"	"	"	"	"F.M. Smith "	
3873	"	"	"	"	"Nancy Lykes "	
1602	"	"	"	"	"Rutgers Victory "	
237	"	"	"	"	"Stephen Beesley "	

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Of these loads only those on the S.S. F.M. Smith, S.S. Nancy Lykes and S.S. Stephen Beesley were for private concerns, the other five were on the Y.T. programme and one not yet classified, so the total amount of cotton imported into Italy is as follows :

34,274	tons on account of the YB + YT programmes
1,020	tons " " " " UNRRA 1945 programme
17,795	tons on private accounts
53,097	Total

The total amount represents approximately 32% of the production capacity of the cotton industry and approximately 64% of the internal consumption. Further loads of cotton are in fact expected to arrive in March.

2. Wool

Some loads of wool have arrived during the month of February and they are the following :

288	tons on the S.S. " Purdue Victory "
650	" " " " " " Samindora "
110	" " " " " " Heroe "
698	" " " " " " Delston Hall "

The Associazione Laniera, which controls the arrivals has declared that the stocks already arrived are generally of good quality.

MONOPOLIES

1. Tobacco

No essential change took place regarding the tobacco situation. A small quantity of American tobacco could be procured from Switzerland in exchange for dark Italian leaves and tobacco residues. Negotiations with Greece and Turkey aiming to the obtainment of tobacco leaves in exchange for Italian products had no result so far. Credit allowances the Monopoly wants to obtain in U.S.A. for the purchase of tobacco are not granted evidently owing to the uncertain political situation. Therefore it will not be possible to obtain

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23,097 Total

The total amount represents approximately 32% of the production capacity of the cotton industry and approximately 64% of the internal consumption. Further loads of cotton are in fact expected to arrive in March.

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2. Matches

Considerable quantities have been sold through London to Egypt, Iraq, Transjordan, Eastern and West Africa, Eire, for part of which credits are opened, so that their shipment can be effectuated, since also transports are now available. Difficulties have been encountered concerning the allocation of an import quota by England, but it is hoped that this at last will be granted to Italy.

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3. Salt

In spite of the short supply prevailing in some European countries none of the large surpluses of Italy could be exported up to now.

DIVISION V

MINING

1. Sardinian Coal

a. Production and sales data from Sardinia for January 1946 are as follows :

	M. Tons
Stock on Hand - 1 January	50,559
Production January	64,585
Sales - January	
Local	15,930
Exports	42,603
Stock on Hand - 31 January	56,615

b. Production and sales data from Sardinia for February 1946 are as follows :

Stock on Hand - 1 February	56,615
Production - February	72,614
Sales - February	
Local	14,671
Export	63,840
Stock on Hand - 28 February	50,718

c. Present average daily production is 3005 tons and everything possible is being done to step up production still more.

2. Lignite - Italian Mainland

a. Estimated production of all xiloid lignite for February is 115,000 metric tons.

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b. Estimated production of picea (sub-bituminous coal) is 15,000 tons.

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3. Other solid fuels

Estimated production of La Thuile anthracite, Seui (Sardinia) anthracite and Ovaro coal for February is 15,000 M. Tons.

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4. Metal Mines - Sardinia

Some lead-zinc mines are now operating on a limited scale.

5. Lead Smelting

Two Sardinian lead smelters have resumed operations and produced in the month of February a total of 1120 tons.

6. Private

No current production reports have been received.

7. Sicilian Sulphur

No current production reports have been received.

8. Pit Props

Pit prop situation has improved recently. Plans for pit prop production by the Italian authorities are reported to be materializing. Approximately 10,000 cu.m. are cut and being shipped to Sardinia from Central Italy. Operations will be resumed shortly in Calabria for procurement of approximately 30,000 cu.m.

(B) FUELS DEPARTMENT

COAL DIVISION

1. According to best available figures imported coal discharges on all accounts during February totalled approximately 530,000 tons, the highest monthly figure yet achieved. Of this total, after deducting railway and military allocations, and loans to Venezia Giulia, some 360,000 tons was available for industry and public utilities. In addition 60,000 tons of Sardinian Coal was discharged on the mainland and in Sicily.

2. Production of Sardinian Coal totalled some 73,000 tons during the month, a substantial increase over the output of previous months. Lignite production was in the region of 130,000 tons.

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2. Production of Sardinian Coal totalled some 73,000 tons during the month, a substantial increase over the output of previous months. Lignite production was in the region of 130,000 tons.

3. As of March 1st UNRRA assumed the responsibility for coal supplies to Italy, excluding V. Giulia/Udine. Coal Division will however continue to function for the time being as part of the reformed I & U Branch.

4. Strenuous effects are being made to increase both the quantity and quality of coal shipments to Italy but the immediate outlook is not too encouraging. UNRRA are however putting up a strong case for an allocation of coal from the Ruhr, which would have a most beneficial effect on the Italian industrial economy.

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P.O.L. DIVISION

1. The week stock position referred to in the January report was restored to near normal by the arrival of tankers early in February and information was received that all back logs were expected to be made up by end of March. If this expectation is realised there will be a reserve stock equal to forty five days supply for civil consumption in the country.

2. The question of supply channel for Udine Province and Venezia Giulia was examined but no final solution was possible before the end of the month. During February Venezia Giulia was supplied ex military sources and Udine ex UNRRA stocks under arrangement with C.I.P.

3. UNRRA Petroleum Division took over full responsibility for Petroleum supplies for Italy as from 1 February 1946 and the activities of P.O.L. Division, Fuels Dept. were restricted to cleaning up small outstanding points and acting in an advisory capacity to UNRRA Petroleum Division.

(C) PUBLIC WORKS AND UTILITIES DEPARTMENT

ELECTRICAL DIVISION

1. Advisory Committees on Electric Power

The monthly meetings of the Advisory Committees on electric power for Italy dealt largely with the problems of power supply.

An important bit of information brought out at the Central Italy meeting was that two units of the San Giacomo development southeast of Terni are scheduled to come into operation in November or December of 1946. Each unit will have a rating of 66,000 KW or a total of 132,000 KW which will provide power for Central Italy. In addition, the 220,000 volt line from Terni to San Giacomo will be completed about the same time.

The San Giacomo plant is a part of a new development which was started prior to the war and on which construction work was resumed in the fall of 1944.

At the Advisory Committee Meeting for Northern Italy it is reported that the 120,000 volt Italian State Railway line

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2. Power Supply - General and Rationing

The rationing measures which have been inaugurated for Northern Italy are helping the power supply situation in that area.

Prof. Botteni who was appointed Commissioner for the control of electric power in North Italy has been active in getting compliance with the rationing regulations.

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In Central Italy the power situation was helped some by rain. It was necessary to discontinue taking power from the Terni reservoirs due to the low level to which the reservoirs had been drawn. The rains helped the stream flow plants to the extent that their output was improved about 15% and by curtailing the use of power it was possible to discontinue taking water from the Terni reservoir in order to permit refilling.

In Southern Italy it was still necessary to continue control measures in order to improve the Silo reservoir position before the dry summer month season begins.

3. Power Allocations

On 28 February the Central Commission for the distribution and utilization of electric power of the Italian Government had its 3rd meeting on electric power allocations for Central and Southern Italy at the Ministry of Public Works. An important announcement is the fact that a decree is being promulgated for the appointment of a commissioner for electric power for Central and Southern Italy similar to that which was established for Northern Italy.

For March 1946 the power allocations for Southern Italy measured at delivery points were set at 170,000 KW of demand and 87,850,000 Kwh. This compares with the Feb. allocation of 175,500 KW and 84,500,000 KWH of energy.

For Central Italy, including the Leghorn and Florence areas, the March 1946 allocations were set at 268,000 KW of demand and 132,800,000 Kwh of energy. This compares with the February allocation of 283,400 KW of demand and 135,000,000 KWH of energy.

The above allocations for Central and Southern Italy are subject to downward revision if rainfall conditions are not improved.

The Central Commission announced that it is now making a long range study of rainfall for the balance of the year 1946 in order to provide a basis for allocations for the remainder of the year. Since the reservoir filling period usually ends the latter part of May, such a study will provide a basis on which to make a tentative monthly allocation forecast to December 1946, when the reservoirs normally begin to refill.

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For A.H. SULLIVAN,
Director.

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MAR 5 1946

HEADQUARTERS ALLIED COMMISSION
APO 394
Industry and Utilities Sub-Commission

DEPARTMENTS

Industry

Fuels

Public Works & Utilities

MONTHLY REPORT FOR JANUARY 1946

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HEADQUARTERS ALLIED COMMISSION
APO 394
Industry and Utilities Sub-Commission

D E P A R T M E N T S

Industry

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MONTHLY REPORT FOR JANUARY 1946

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HEADQUARTERS ALLIED COMMISSION
APO 394
Industry and Utilities Sub-Commission

MONTHLY REPORT - JANUARY 1946

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SUMMARY

(A) INDUSTRY DEPARTMENT

General

Lack of electric power in Northern Italy and reduced arrivals of coal resulted in an industrial situation more critical in January than in previous months.

The use of Italian credits for the importation of semi-finished steel products is not expected to assist in the rehabilitation of the steel industry. It has been recommended that except in emergency, only raw materials be imported. The supply of scrap for operating the steel furnaces may well become a difficult factor. The Northern Italian Steel Plants are operating at approx. 30% capacity due to lack of power, coal and raw materials, a figure well below their economic level.

Prices of cotton and woollen goods are falling as a result of the present standstill in sales. It is estimated that the present stock of cotton goods amounts to 10[illegible] million Kgs. A large stock of unfinished goods exists due to the reduced operation of the finishing plants through lack of coal and dyes, etc.

Production of automotive tyres has been restarted at the Pirelli Plant in Milan and reached 2,000 tyres and tubes for January.

It is expected that the output will reach about 200 per day during February.

Arrival of Imports

(a)	Cotton	13,914 Tons
(b)	Wool (scoured basis)	1,059 "
(c)	French phosphate rock	15,015 "

Solid Fuels Production

The production of Sardinian coal in December was 51,481 tons, the decrease resulting from lack of pit props. Estimated production of solid fuels for the month of January is as follows :-

Sardinian Coal	55,000	Tons
Xyloid Lignite	115,000	"
Sub-Bituminous	15,000	"
Anthracite	13,000	"
TOTAL	198,000	Tons

(B) FUELS DEPARTMENT

Coal Division

There has been an improvement in the January loadings in the

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(B): FUELS DEPARTMENT

Coal Division

There has been an improvement in the January loadings in the U.S. and these conform more closely to Italy's allocations. February arrivals are expected to be in the region of 480,000 tons but after the deduction of 200,000 tons for military and railway purposes it will be realised that the quantity of coal remaining for industry is far below what is required. Also the outlook for imported supplies during March, April and May, according to the latest reports from the European Coal Organization, is far from encouraging.

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P.O.L. Division

Owing to the non-arrivan of tankers from U.S. stockpiles were reduced to a very low level towards the end of the month and it was necessary to warn the Italian Government to reduce February allocations to a strict minimum until tankers scheduled began to arrive.

An up-to-date study of and uses of P.O.L. was initiated during the month with a view to checking on Italy's total requirements for 1946 and setting up a definite importation programme, covering the p.. od May-December 1946.

(C) PUBLIC WORKS AND UTILITIES DEPARTMENT

Electrical Division

Power Allocations

Power allocations for February 1946 were made at the Ministry of Public Works on 27 January under the auspices of the Central Commission for the Distribution and Utilization of Electric Power. Representatives of all interested Military Services were present. The February 1946 allocations for Central and Southern Italy were practically the same as the January 1946 allocations, but are to be subject to downward revision if the drought conditions continue during February.

The Terni reservoirs only hold about 15 days supply at the present rate of withdrawal.

Power Supply, General and Rationing

..... Continued drought is affecting the power supply in all Italy necessitating control measures, rationing and feeder cuts. 70,000 KW capacity was put out of service for a period of 15 days at the Sila plants supplying Southern Italy, due to a landslide at the intake.

In North Italy rationing measures are only producing about 13% reduction as against the 30% required to provide sufficient power for the months of March and April.

Continued pressure was brought on the Italian Government, to appoint a Commissioner on Electric Power for Northern Italy.

(A) INDUSTRY DEPARTMENT

GENERAL

(a) The industrial situation continues to be critical as a result

Electrical Division

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(A) INDUSTRY DEPARTMENT

GENERAL

(a) The industrial situation continues to be critical as a result of the lack of industrial power in Northern Italy and reduced arrivals of coal.

(b) It has been recommended that no semi-finished or finished steel products be imported except in case of emergency. The use of Italian credits for the import of such items has only a deleterious effect on the rehabilitation of the steel industry.

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(c) As a result of the standstill of sales of cotton and woollen goods, prices are still falling. It is estimated that the present stock of cotton goods is 100 million Kgs.

(d) Production of automotive tires has commenced. An output of about 200 heavy duty tires per day is expected in February.

DIVISION I

CHEMICALS

1. The principal activity of this Office during the month of January 1946 has been the reorganization of its functions in preparation for undertaking the duties of the Chemical Branch, Division of Industries, Sub-Bureau of Industrial Rehabilitation, UNRRA.

2. Several comprehensive studies are in preparation, in connection with the UNRRA import program, such as:

(a) Rationalization of superphosphate manufacturing facilities in Italy, so as to achieve maximum overall efficiency with respect to inward and outward freights, manufacturing economy and market distribution.

(b) A broad technical and economical study of the Rayon industry from the standpoint of desirable levels of operation and foreign trade in order to resolve as harmoniously as possible the economic conflicts involved.

(c) The possibility of providing 3 Kgs. per annum per capita of soap or equivalent substitutes for the civilian population during this year. This study is largely pointed towards the possibility of producing organic detergents and/or soap adjuncts such as sodium pyrophosphate, and yet not introducing further complications and burdens into Italy's economy.

(d) The long-term economic feasibility of satisfying Italy's potash requirements from its large reserves of Leucite-bearing volcanic rock.

(e) Preliminary investigations indicate the possibility that a substantial part of Italy's imports of Petroleum Coke might be replaced by domestic manufacture of Dutch Coke. It is not believed that this could affect the 1946 program, but might well be organized in time for 1947 requirements.

DIVISION II

FOOD & PHARMACY

1. Pharmaceuticals

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FOOD & PHARMACY

1. Pharmaceuticals.

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(a) The distribution of pharmaceuticals and hospital supplies which were given by the Allies to the Italian Government in September 1945 has progressed in negligible quantities, namely about 5% of available stocks in a period of four months. Visits to the main warehouses in Naples and Florence of the Italian distribution agency established that there are very substantial quantities of these stocks and the distribution very small. In

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the meantime the public is paying extremely high prices for medicinals, when and if available, in or out of the black market.

(b) Numerous causes are given for this poor distribution rate. The main ones however are, first, lack of distribution plans at regualr and appropriate periods, lack of adequate transportation facilities, lack of adequate protective carabinieri in transportation, and a rather complex and somewhat unwieldly pricing procedure between the levels of the Italian Government and the ultimate consumer.

(c) The High Commissioner of Public Health and Hygiene has been advised verbally of these poor results in distribution. He has advised that he is working on a distribution plan now.

(d) UNRRA pharmaceutical supply branch advised this office that they have prepared and are submitting requisitions to Washington for the second quarter of the 1946 import program. While most of the items on this program are raw materials for the pharmaceutical industry, there are a number of finished products.

2. Food Processing

The new extensive allocation plan for molasses as worked out by the C.I.A.I. and screened by A.C. was submitted to the Ministry of Industry and Commerce for its administration.

DIVISION III

ENGINEERING

1. Steel

(a) There has been very little change in the industrial activity of the steel firms during this month. Pig iron and steel products are arriving from the United States. An allotment of coal was made to the Ilva Bagnoli Plant for the operation of their coking ovens, in preparation for their starting one blast furnace for the production of pig iron in the Spring.

(b) The present policy of requesting the use of Italian credits for the purchase of semi-finished and finished steel beyond requirements for relief of the immediate situation caused by the delay in coal arrivals will have a serious deleterious effect on the rehabilitation of the steel industry.

(c) The total steel production reported for December was 52,304 tons. The total pig iron production reported for December was 3,044 tons.

2. Lumber and Building Meterials

The plan for furnishing British military lumber requirements

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2. Lumber and Building Materials

The plan for furnishing British military lumber requirements is drawn up and has been informally submitted to British Military Authorities. It is hoped to obtain derequisitioning of military lumbering areas by the end of February.

DIVISION IV

TEXTILES

1. Cotton

(a) During the month of January the following four shiploads of cotton arrived:

105 tons on the SS George Patton
3,041 " " " " Christian Gale
6,780 " " " " James W. Cannon
3,488 " " " " Sam Haston

Of these loads only those on the SS Christian Gale and SS Sam Haston were on the YB program, the other two having been imported for private concerns.

(b) These loads bring the total amount of cotton imported into Italy to 37,833 tons, of which:

29,928 tons are on account of the YB and YT programs
1,020 tons are on account of the UNRRA 1945 program
6,885 tons are on provate accounts

37,833

(c) The total amount represents approximately 20% of the yearly capacity of the cotton industry and approximately 40% of the internal consumption. The spinning plants are already operating at half their normal pace, and steps are being taken into it up to normal.

(d) Further loads of cotton are, in fact, expected to arrive in February and the near future offers excellent possibilities in manufecturing on behalf of foreign countries.

(e) The continual inflow of cotton has brought about a complete standstill in the sales, in all their stages. Prices are continually falling and it is generally believed that they will fall still further. The stocks of goods appear to be increasing, but the truth is that because of the fall of prices, all the hidden stocks are being produced and offered for sale.

Consequently, the total stock which was estimated last month to be 75 million kilograms, is now estimated to be 100 million Kgs.

(f) The financial situation is becoming increasingly difficult. As a result of the standstill in sales on one hand, and the greater sums paid for the purchase of raw materials and to pay the workers on the other, financial assistance from the banks has become more and more pressing. Failure to assign coal to the textile industry has made the situation still worse compared with preceding months. Thestocks of raw cotton, and cloth, waiting to be dyed and printed have continued to grow. It is hoped, however, that a large quantity of coal in February will

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2. Wool

(a) More loads of wool have arrived furing the month of January, totaling 1,059 tons of scoured basis wool, partly under the YB and partly under the YT program. Up to the end of January the total amount of wool

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imported into Italy was 2,911 tons. This quantity represents only 7% of the arount needed to employ the wool industry fully, but further arrivals are expected, which will improve the situation. Already this quantity of imported wool has caused prices to fall.

(b) It has been announced that 3,500,000 Kgs. of greasy wool produced in Italy have so far been handed into the "armassi". This quantity represents about 3,000,000 Kgs. of washed wool, some of which is for mattresses and some for spinning. This wool has not yet been distributed and it is expected to be accumulated with the wool gathered during the next shearing season, which begins in three months. The lack of coal is felt strongly in this branch also, causing washing operations to be considerably delayed.

DIVISION IV

HEMP

1. General

(a) The position is fairly satisfactory both in the North and the South. Supplies of the raw material continue to come in freely, chiefly because of the general fall in prices on the black market, now rendering the Consorzio official prices attractive.

(b) The Mills are being reasonably well furnished with raw material, and, in addition, they have now plenty of stocks. In fact, they are beginning to find considerable difficulty in disposing of them to the public.

(c) Generally lower prices are anticipated; there are plenty of made-up goods available - the shops are well supplied - but the mass of the public have very little margin for purchasing anything after they have paid for their minimum food requirements.

2. Exportation

238 tons of raw hemp were shipped during January to the U.K. Now there is also a considerable demand setting in from France, Belgium, Switzerland and Sweden, and the availability for export should easily become exhausted within the next few months.

3. Hemp Consorzio

Whereas the Industrialists have been left free to handle their own products without any control from the Consorzio, it is understood that the Hemp Consorzio will continue to attend to the amassing of the raw hemp from the farmers, and that probably exportation will be centralised through their medium.

4. Jute

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4. Jute

The Ministry of Supply, London, have arranged to load a steamer presently at Calcutta with 3,500 tons of Indian Jute (various marks) for discharge at Genoa. Presumably, it will become available in Italy towards the end of March.

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DIVISION V

MONOPOLIES

1. Tobacco

(a) The production of tobacco leaves in 1945 was only 16,500 tons compared with 40,000 tons normally produced in prewar time. The diminution of production is due in part to the destruction of tobacco cultivations through war actions and mines, and in part to the extraordinary dryness, which in the past year had hit agriculture in Italy.

(b) In order to ensure the quantity of raw tobacco necessary for national consumption the Administration of the State Monopilies has provided for an increase in production, so that the crop in 1946 is expected to be about 40,000 tons, provided that normal weather conditions prevail.

(c) It must, however, be pointed out that the tobacco crop of 1946 will be not available for the manufacture of cigarettes and cigars before 1948, as drying and other treatments of the tobacco leaves in order to make them fit for manufacture generally requires a period of 2 years.

(d) In view of the pressing needs of the Treasury, and in order to ensure normal supplies of tobacco products to the population during 1946 and 1947, the Monopoly has been trying for the last several months to make up for the deficiency caused by reduced home production through importation from abroad, mainly from U.S.A., and in small amounts from Turkey. The Monopoly is aiming to abolish rationing and furnish a monthly revenue of 6,000,000,000 of lire in place of the present revenue of 3,800,000,000 per month.

(e) For the accomplishing of this program, 3,000.000 Kgs. of raw tobacco monthly are necessary for 1946 and 1947, involving a credit requirements of about 70,000,000 dollars. According to the plans of the Ministries concerned, this credit should be procured in part through exportation of Italian surpluses (sulphur) in part through foreign credit allowances, regarding which negotiations are in course.

2. Matches

(a) The distribution of matches through the Consorzio Industrie Fiammiferi is being carried out regularly in spite of the difficulties encountered in finding transport facilities. The task of the Consorzio can be effected with their distribution system consisting of primary agencies and warehouses located in all principal cities of the provinces, from which matches in bulk are moved to the secondary warehouses and distributer located in smaller cities and communes. From the latter matches are delivered to licensed retail shops.

(b) The Consorzio, which is not a private, but a Government controlled organization, also provided for the procurement of raw materials for the match - manufacturers during the emergency period which existed from the time of the liberation of Rome to the liberation of the North.

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(c) The match production of the country is more than sufficient, so that not only the abolition of rationing was possible at once after the liberation of the North, but there are also considerable surpluses for exportation.

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(d) In fact, SAFFA, the great Italian match concern which is running 10 big match factories and two chemical plants for the manufacture of phosphorous and potassium chlorate, in which Italy is self sufficient too, is attempting to resume exportation of matches. Owing to difficulties in obtaining import licenses by their customers in Great Britain and the British Empire, so far nothing has been shipped.

3. Salt

Production and distribution both of edible and industrial salt is taking place with regularity.

DIVISION VI

MINING

1. Solid Fuels General

(a) Solid Fuels production remained at slightly less than 200,000 metric tons per month during January. A decrease in production of Sardinian coal due to the pit prop shortage was offset by a slight increase in lignite production. This does not take into account the fact that Sardinian coal production would have increased to 70,000 tons instead of declining to 55,000, if adequate pit p ops were available.

(b) Production of solid fuels during 1945 (after liberation) is as follows:

Sardinian coal	554,986	metric tons
Lignite (estimate)	386,000	" "
Anthracite and other (estimate)	58,000	" "
TOTAL	1,498,986	metric tons

2. Sardinian Coal

(a) Production and sales date from Sardinia for December 1945 are as follows:

	Metric Tons
Stock on hand - 1 December	59,767
Production December	51,481
Sales December	
Local	19,219
Exports	41,470
Stock 31 December 1945	50,559

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(b) Estimated production for January 1946 is 55.000 tons.

(c) Shipping for export coal improved with the assignment of two U.S. ships to the coal run. Stocks on 26 January were still 50,000 tons, and more shipping is required.

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3. Lignite Italian Mainland

(a) Estimated production of all xyloid lignite for January 1946 is 115,000 Tons.

(b) Estimated production of picea (sub-bituminous coal) is 15,000 Tons.

(c) Rail and road transportation continue to be the bottleneck to increased production.

4. Other Solid Fuels

Estimated production of La Thuile anthracite, Seui, (Sardinia) anthracite and Ovaro coal for January is 13,000 metric tons.

5. Metal Mines Sardinia

Some lead-zinc mines are now operating on a limited scale.

6. Lead Smelting

Two Sardinian lead smelters have resumed operations. Total production in December was 780 metric tons of lead about 30% of which was antimonial lead. Production, which is partly from old stocks of ore, will increase substantially during January.

7. Zinc Smelting

Electrolytic zinc plants at Iglesias, Sardinia and Crotone, Calabria, are producing several hundred tons per month. Belgian Retort plant at Vado Ligure (Savona) is also producing. Total monthly production of refined zinc is estimated as 650 tons.

8. Pyrites

Production for December declined to 10,895 tons for the Grosseto area. Explanation for the decrease has not yet been determined.

9. Sicilian Sulphur

Production is now down to about 4,000 tons per month from 6,500 due to shortage of power. It was recently reported that stocks in Sicily are about 50,000 tons of sulphur, and that none has been allocated by the Government for some months.

10. Mainland Sulphur

No data available except for Montecatini mines in the Ancona area which produced 1,581 tons fused sulphur during December.

11. Mercury

The two chief producers, Monte Amiata and Societa' Siele are operating, the former at 80% of maximum and the latter at 30% to 40% [illegible] 24,600 flasks of 76 lbs. Product-

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11. Mercury

The two chief producers, Monte Amiata and Societa' Siele are operating, the former at 80% of maximum and the latter at 30% to 40% maximum. Total production during 1945 was 24,600 flasks of 76 lbs. Product in 1940 (after discounting 13,600 flasks produced at the Idria Mine, now in Juguslavian controlled territory) was 82,278 flasks. If foreign demand warrants, production in 1946 could probably be more than 60,000 flasks.

12. Supplies

(a) All supply matters with the exception of pit props have been termin

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(b) Pit ~~P~~props: At the suggestion of UNRRA London, estimates for pit ptops shortages have been submitted to them, to be coordinated with plans for importing pit props from Canada and U.S.A. for European coal mining. The plan is in a formative stage, and imports will require Italian Government approval. 19,000 cu. meters were recommended for import.

DIVISION VII

RUBBER

1. Rubber

The Pirelli plant in Milan started production of automotive tires in January, using American syathetic rubber and rayon produced in Italy, the latter material having been started in production in December. It is expected that production of heavy duty tires will reach about 200 per d in February.

2. Cement

Cement production is holding the levels of the past three months. Paper bags are now being produced in Italy in quantities sufficiently great to relieve the critical situation on this item which has existed for the past six months.

3. Glass

Glass production has increased to approximately 60% of prewar capacity. Military requirements for flat glass are being satisfied and increasing supplies are becoming available for Italian reconstruction.

(B) FUELS DEPARTMENT

COAL DIVISION

1. January loading both in the United States and S. Africa were better and conformed more closely to Italy's allocations. February arrivals are expected to be in the region of 480,000 tons, but after the deduction of 200,000 tons for Military and Railway purposes, it will be realised that the quantity of coal remaining for Industry is far below that which is required.

2. At the last meeting of the European Coal Organization February loadings ex U.S.A. were confirmed as 449,000 tons and this figure was tentatively approved for March loadings. It appears unlikely that there is any immediate prospect of any increase beyond this figure monthly

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2. At the last meeting of the European Coal Organization February loadings ex U.S.A. were confirmed as 449,000 tons and this figure was tentatively approved for March loadings. It appears unlikely that there is any immediate prospect of any increase beyond this figure monthly from U.S.A. owing to limitations in transport and loading facilities, which are at present strained to their maximum. Italy has however been recommended priority in February loading up to the allocation.

3. UNRRA E.R.O. are investigating the possibility of obtaining coal from the Ruhr but it is not known whether any coal thus obtained would reduce correspondingly the quantity shipped from the States.

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P.O.L. DIVISION

1. During the month activity has centred around dovetailing the section's responsibilities with those of UNRRA Petroleum Division and working on the forward programme. An up-to-date study of end uses of POL was initiated in collaboration with interested AC. S/C's and UNRRA Divisions with a view to checking on Italy's total requirements for 1946 and setting up a definite importation programme covering the period May-December.

2. Information was received from Washington that A.N.P.B. (Army and Navy Petroleum Board) would continue to procure POL supplies for Italy on behalf of UNRRA until all February loadings have been completed. As a result combined civil and military shipments will continue to arrive through March and continued close collaboration with military POL authorities will be necessary to obtain releases of civil supplies ordered for UNRRA account.

3. The local stock situation reached a dangerous low level towards the end of the month due to non arrival of tankers from U.S. as a result of strikes during December in the oil fields and lack of sufficient tanker crews. It was necessary to warn the Italian Government to reduce February allocations to a strict minimum for the first half of February. Information received during the last days of January indicated that efforts were being made to reduce the resultant backlog. and that shipments due to arrive early in February would restore a more normal stock level.

4. The Italian Government put forward a proposal to channel distribution of petroleum supplies financed by them (as distinct from supplies paid for by FEA or UNRRA funds) through independent Italian commercial distributing agencies rather than C.I.P. Owing to practical difficulties this question was put back for further study in the light of further details which Italian Govern ent were asked to supply.

(C) PUBLIC WORKS & UTILITIES DEPARTMENT

ELECTRICAL DIVISION

1. Advisory Committees on Electric Power, Italy

At the monthly meeting of the Advisory Committee on Electric Power for Central Italy the principle topic for discussion was arrangements for payment for power furnished to the various comapnies of Central Italy by the Terni Co.

The question of retail rates of the utility companies was also discussed as the companies do not feel that the present authorized surcharges are sufficient.

Both matters have been taken under consideration by the Ministry of Public Works.

The Advisory Committee for Southern Italy recommended that the standardization of frequency for that area be delayed until 1947. The system is now operating at about 46 cycles. Central Italy is now

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At the meeting of the Advisory Committee on Electricity for Northern Italy held on the 17th of January, the need for a central authority was still evident in order to correlate the rationing activities of the various Provincial Commissions and to direct the interchange of power between the producers of electricity in Northern Italy to provide

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for a more equitable distribution of energy.

The Advisory Committee meeting held on the 17th of January was attended by representatives of AC, No. 2 District, DW AFHQ, and XIII Corps.

2. Power Supply, General and Rationing

For Southern Italy the power supply situation was seriously affected on 27 January by a land-slide at the intake from the Ampollino reservoir supplying all the plants at Sila. This reduced the capacity of the Sila plants by about 70,000 KW and it will require about 15 days to remove enough of the slide to permit full operation of the plants. Peak load on the Southern Italy grid measured at plants was about 200,000 KW before the loss of 70,000 KW, to partially offset this loss additional fuel supplies were made to the Capuana steam plant at Naples, increasing its output capacity from 15,000 KW to about 30,000 KW leaving the net reduction of about 55,000 KW or 27% of the system load.

While there was a slight improvement in stream flow conditions in Central Italy during the middle of the month, it was of short duration. Continued lack of rainfall has made it necessary to continue feeder interruptions and curtailment measures throughout Central Italy. The main storage reservoir at Terni has been reduced to less than a 20-day supply as of the end of January 1946.

In Northern Italy the diminishing of storage in reservoirs continued at about the same rate as before. Rationing measures which were put into effect in December are only showing about 13% reduction in usage, whereas 30% is required. A number of meetings on the situation have been held with representatives of the Ministry of Public Works pressing for the immediate appointment of a Commissioner for electricity in Northern Italy.

On January 25th the Council of Ministers passed a decree authorizing the appointment of the Commissioner and Prof. Ercole Bottani a well known electrical engineer of Milan was selected for the appointment.

Prof. Bottani is forming his commission which will include representatives from: Ministries of Public Works, Labour, Industry & Commerce; electric power companies; and various power consuming industries. The Commission will handle all matters in North Italy relating to the rationing and control of electric power and the interchange of electrical energy between companies forming a power pool. The Commissioner's appointment is effective until 30 April 1946 at which time the electrical situation should be normal again with plenty of power in the North.

3. Power Allocations

On 28 January the "Central Commission for the Distribution and Utilization of Electric Power" of the Italian Government had its second meeting on electric power allocations for Central and Southern Italy at the Ministry of Public Works.

The agenda for the meeting was as follows:

1. Statement by the Chairman

2. Electric Power Allocations to Central and Southern Italy for

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...refore the loss of 70,000 KW, to partially offset this loss additional fuel supplies were made to the Capuana steam plant at Naples, increasing its output capacity from 15,000 KW to about 30,000 KW leaving the net reduction of about 55,000 KW or 27% of the system load.

While there was a slight improvement in stream flow conditions in Central Italy during the middle of the month, it was of short duration. Continued lack of rainfall has made it necessary to continue feeder interruptions and curtailment measures throughout Central Italy. The main storage reservoir at Terni has been reduced to less than a 20-day supply as of the end of January 1946.

In Northern Italy the diminishing of storage in reservoirs continued at about the same rate as before. Rationing measures which were put into effect in December are only showing about 13% reduction in usage, whereas 30% is required. A number of meetings on the situation have been held with representatives of the Ministry of Public Works pressing for the immediate appointment of a Commissioner for electricity in Northern Italy.

On January 25th the Council of Ministers passed a decree authorizing the appointment of the Commissioner and Prof. Ercole Bottani a well known electrical engineer of Milan was selected for the appointment.

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The agenda for the meeting was as follows:

1. Statement by the Chairman
2. Electric Power Allocations to Central and Southern Italy for February 1946.
3. Appeals lodged by consumers against the decisions of provincial commissions.
4. Screening of applications for electric power allocations.

Representatives from AC, 2 and 3 Districts, MRS, RAAC, DW AFHQ, and XIII Corps were present at the meeting.

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For February 1946 the power allocations for Southern Italy measured at delivery points were set at 175,500 KW of demand and 84,500,000 KWH of energy. This compares for the allocation of January 1946 from 170,500 KW of demand and 90,350,000 KWH of energy.

For Central Italy, including the Leghorn and Florence areas, the February 1946 allocations were set at 289,200 KW of demand and 142,500,000 KWH of energy. This compares with the January 1946 allocations of 281,500 KW of demand and 148,500,000 KWH of energy. Approximately 19,000,000 KWH of power for the Florence and Leghorn areas was to come from the Edison Co. of North Italy.

Due to the shortage of power in Central Italy it was proposed to send only 15,000 KW of demand and 3,300,000 KWH of energy to the Southern Italy system.

The above allocations for Central and Southern Italy are subject to downward revision if drought continues during February.

A. H. SULLIVAN
Director.

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JAN 31 1946

HEADQUARTERS ALLIED COMMISSION

APO 394

Industry and Utilities Sub-Commission

D E P A R T M E N T S

Industry

Fuels

Public Works & Utilities

MONTHLY REPORT FOR DECEMBER 1945

26 January 1946

HEADQUARTERS ALLIED COMMISSION

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Industry and Utilities Sub-Commission

D E P A R T M E N T S

Industry

Fuels

Public Works & Utilities

ACTIVITY REPORT FOR DECEMBER 1945

26 January 1946

See M.296

EC DIST - 1/31 Jan 1177

1- EC
6- PRB
1- Mil Attache
1- Fr Rep

PA 25 Jan

SWNCC 1/2/51

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HEADQUARTERS ALLIED COMMISSION
APO 394
Industry and Utilities Sub-Commission

MONTHLY REPORT - DECEMBER 1945

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SUMMARY

(A) INDUSTRY DEPARTMENT

General

The lack of electric power in Northern Italy has resulted in a slow-down of production in almost all industries. It is not expected that this situation will be alleviated before March.

Approximately 15,000 tons of pig iron have been released to Italy from Trieste. This is expected to relieve the shortage in Italy to some extent.

Production of automotive vehicles is still handicapped by an acute shortage of tyres so that the finished vehicles are being sold without tyres.

Although shipments of raw cotton continue to arrive, the finished products are stockpiling as a result of a general standstill in the sales of cotton goods. It is estimated that there are 75,000 tons of cotton type goods in stock. This has been caused by the entry of other cotton goods into the market to be sold at low prices.

Arrival of Imports

4,500	Tons	French phosphate rock
7,890	"	Cotton
502	"	Electrodes
8,119	"	Petroleum Coke

Solid Fuels Production

The production of Sardinian coal in November was 63,307 Tons. Estimated production of solid fuels for the month of December is as follows :-

Sardinian Coal	55,000 Tons
Xyloid Lignite	110,000 "
Anthracite	13,000 "
Sub-bituminous	12,000 "
TOTAL	190,000 Tons

(B) FUELS DEPARTMENT

Coal Division

The overall position of Coal Shipments against the Italian YB Coal Programme for 1945 is as follows :-

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The overall position of Coal Shipments against the Italian YB Coal Programme for 1945 is as follows :-

Month	AC Bid	Set Up	Shipped & Received	Shortfall
October	383,000	355,000	358,588	+ 3,588 Tons
November	420,000	420,000	131,433	288,567 "
December	450,000	450,000	391,831	58,169 "
	1,253,000	1,225,000	881,852	343,148 Tons

Unless shipments arrive as scheduled in January a serious coal shortage will result.

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December Exports Sardinian Coal

Approximately 34,000 tons Sardinian coal was shipped to the Italian Mainland and Sicily during December.

P.O.L. Division

During the month the following matters were discussed and agreed with the Italian Government :-

Extension of validity of circulation permits for motor vehicles by one month.

Increased Methane Gas prices owing to higher cost.

Transfer of responsibility for POL control North Italy to Italian Government as from 1 Jan 46.

Requirements for civil consumption March 1946.

(C) PUBLIC WORKS AND UTILITIES DEPARTMENT

Public Works Division

General

The functions of this Division were directed towards the final closing of the Regions as at 31 December 1945.

The Office of Regional Engineers for Northern Italy was established on 1 December and closed on 31 December 1945.

Electrical Division

Power Allocations

During the month the control of electric power allocations was transferred to the "Central Commission for the Distribution and Utilization of Electric Power" of the Italian Government established under Decree No 95 dated 5 April 1944. Military services are to receive priority on electric power.

To facilitate coordination of civilian and military bids, "Regional Commissions" of the "Central Commission" have been established at Naples, Rome and Florence. A similar "Regional Commission" will be established in Milan.

Power allocations established for January 1946 for Southern Italy totalled 125,500 KW of demand and 90,650,000 KWH of energy and for Central Italy, including the Leghorn and Florence areas, 281,500 KW of demand and 148,800,000 KWH.

Power Supply, General and Rationing

Recommendations were made to the Italian Government that steps be taken to effect necessary control measures in the use of power on the

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vehicles by one month.

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Power Supply, General and Rationing

Recommendations were made to the Italian Government that steps be taken to effect necessary control measures in the use of power on the Italian Mainland.

To meet the situation in Northern Italy a rationing order was issued under the authority of the Regional Commissioners restricting power usage and arrangements made for coal supplies to permit the operation of thermal plants to augment the energy supply. Additional coal allocations were made to the gas plants in Northern Italy sufficient to increase the availability of artificial gas from 2 hours daily to 4 hours daily commencing in January 1946. In order to equalize the cost of thermal plant operation a surcharge, for all consumers, was authorized under AMG orders of .30 lire per KWH for the first 15,000 KWH used in

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each billing period, and .15 lire for all in excess of 15,000 KWH.

The Italian Government has been requested to take the necessary steps to institute rationing measures in Central Italy due to the continued drought and increased loads.

In Southern Italy rationing of Electric Power has been in effect for several months and it was recommended that the Government select industrial operations which could be further curtailed or discontinued in order that high priority industrial requirements could be met.

Increased loads are all areas is largely attributed to lack of fuels and artificial gas for domestic and commercial use resulting in those consumers resorting to electric power for cooking and heating purposes.

Rehabilitation Program

The fourth and last 35,000 KW generating unit at Galleto Plant at Terni was restored to operation during the month, bringing the total restored capacity of this plant to 140,000 KW.

The 150,000 volt transmission line between Central and Southern Italy in the Foggia area has been restored to service and 20,000 KW of capacity began flowing from Central Italy to Southern Italy, helping to relieve the difficult situation which has existed in that area.

(A) INDUSTRY DEPARTMENT

GENERAL

Because of the decreased water power, the lack of electric power in Northern Italy has continued through the month of December. This has caused a slow-down of production in almost all industries, and two to three-week shut-downs occurred in many instances. It is anticipated that this situation will continue until March.

Approximately 15,000 Tons of pig iron have been released from Trieste to Italy. This will provide some relief to the present shortage.

The acute shortage of tyres still handicaps the production of automotive vehicles, and finished vehicles are being sold without tyres.

Shipments of raw cotton continue to arrive. However, as a result of a situation whereby some cotton goods have entered the market at a low price, sales of the bulk of finished cotton products have reached a standstill, with stockpiles amounting to around 75,000 tons.

For the year 1946 Industry Department received requests

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During the year 1945, Industry Department received requests from 824 industrial installations for derequisition and 117 have been released.

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DIVISION I.

CHEMICALS

I. Superphosphates

Only 4,500 tons of phosphate rock were imported last month, bringing the total imported on the new contract to only 11,750 tons, leaving a balance for delivery by March 1, of 88,250 tons. In view of shipping shortages it is highly improbable that anything like the necessary 44,000 tons per month will be delivered. More plants have closed down through lack of phosphate rock.

2. Nitrogenous Fertilizers

Montecatini hopes to get power for synthetic ammonia production at Crotone in January.

3. Copper Sulphate

Production at Montecatini plants at Bagnoli and Brindisi has continued on a small scale using up the remaining small stocks of brass cartridge cases there. No information has been received as to actual distribution of the 3,000 tons of blister copper which arrived in Genoa in November.

4. Calcium Carbide

The 500 tons of coke allocated to Terni Company for production of carbide at Pepigno have been delivered but operations have not yet started because of lack of power. Information is not available as to delivery of 2,000 tons of coke allocated to Northern plants.

5. Carbon Bisulphide

UNRRA has requested the sale of 800 tons of carbon bisulphide during the next two months for export to Greece. No production reports being available it is impossible to say whether this quantity can be spared or not. Inquiries have been directed through existing channels.

6. Caustic Soda

200 tons of solar salt are being sent from Margherita di Savoia (Foggia Area) to CECI Company, S. Severino Marche.

7. Caustic Soda and Sodium Carbonate

1,000 tons of coke for Solvay Company, Rosignano, are on route from Vetrocoke Porto Marghera.

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8. Explosives and Surplus Ammunition

The Chief Disposal Officer (B) has concluded final agreements with the Italian Government regarding the huge task of transporting and unloading surplus British Ammunition to safe locations. The total quantity will probably exceed 100,000 tons. Thus far, little physical movement from ammunition dumps has taken place despite British Ordnance request that some 20,000 tons per month minimum be moved.

There is a possibility that the American Armed Forces will offer up to 30,000 tons of air bombs for unloading as an alternative to dumping at sea.

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9. Carbon Electrodes

The 1,500 tons of tar in stock at Coke Apuania has not started to move to Distillerie Lombarde di Catreme in Milan. The continued production of carbon electrodes for which coal tar is required is absolutely essential to maintaining steel manufacture.

10. Sulphuric Acid

Everything possible has been done by this office to start the shipment of sulphuric acid to Austria, where it is badly needed. The principal difficulty has been the absence of state-owned steel tank cars for transporting the acid, but this has at last been overcome by requisitioning the necessary 12 cars from Montecatini. These cars should by now have reached the plants and it is hoped that actual shipment will soon begin.

DIVISION II.

FOOD & PHARMACY

1. Pharmaceutical

Screening of the 1946 Import Program for Pharmaceuticals was completed early this month.

2. Considerable time has been devoted during December to the study of the organization, distribution procedures and warehousing of the Italian medical distribution agency, ENDEA. A visit was made to Caserta and Naples. At Caserta various aspects of the medical supply programs for Italy during 1944-1945 were reviewed. Lists were obtained of military medical supplies which have been turned over to the Italian Government from the 2,665 CCMD in September 1945. These supplies are located in warehouses in Naples and Florence.

3. The large pharmaceutical plant at Moreno which was expanded and operated by the Germans, is under CAM Branch for disposal. It is planned to turn it over to the Italian Government for operation when agreement has been reached on a number of points. Its operation however will require raw materials which, it is believed, have not been provided for in the Import Program. Also, its large production capacity will have a definite effect on the pharmaceutical manufacturing industry in general. CAM Branch HQ keeps this Dept. advised of progress.

4. Responsibility for medical supplies for the Italian Army has been turned over by MMLA to the Italian Government.

5. Food Processing

AC Milan has done further considerable work in conjunction with several of the Comiteti in Milan on the details of the Allocation Plan for Molasses. The report was practically completed by the end of the month. As it was possible to increase the first estimate of the 1945-46 molasses supply to 9,300 tons, the final allocation for cattle fodder was increased from 2,200 to 5,000 tons. It was also possible to allocate about 5,000

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This type of allotment had not been permitted in the previous Allocation Plan dated 6 September 1945. It was deemed unnecessary to allocate molasses to the Sweets Manufacturing Industry because the 1946 Import Program contains 54,000 tons of molasses for Food Industries.

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DIVISION III.

ENGINEERING & BUILDING MATERIALS

1. Steel

Decreased allocation of coal and lack of electric power account for the very low production of steel in Italy in December.

Some 15,000 tons of Pig Iron have been released from Trieste and 5,000 tons of Pig Iron are to arrive the first week in January. This will relieve somewhat the shortage of Pig Iron in Italy.

Arrival of substantial quantities of Acheson Electrodes in December has assured a stock for steel production for the first two months of 1946. and, together with Italian electrodes production, will provide electrode requirements for first 6 months of 1946.

Anthracite for Solderburg paste is urgently required and immediate action is being requested to have the 2,000 tons requisitioned in the Transitional Program procured and delivered as soon as possible.

The steel production reported is as follows :-

Liguria Region :-

Ilva	-	1,750 tons
Pruzzo	-	1,627 "
SIAC	-	1,669 "
		5,046 tons

Central & Southern Italy :-

Terni	-	4,552 tons
Giovi Genoa	-	1,100 "
Ilva Torre		
Annunziata	-	1,400 "
		7,052 tons.

2. Lumber

Lack of working capital is handicapping the lumbering industry. Military Forces requisitioning timber paid for below production costs for the same also the payment to lumbering firms for lumber sold is made in from one to three months while payment by lumbering firms for labor is current and for operating materials is demanded in advance by the Government.

The plan required by the Military Forces pending derequisitioning of the balance of the timber areas has been drawn up and approved by

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...production of steel in Italy in December.

Some 13,000 tons of Pig Iron have been released from Trieste and 4,000 tons of Pig Iron are to arrive the first week in January. This will relieve somewhat the shortage of Pig Iron in Italy.

Arrival of substantial quantities of Acheson Electrodes in December has assured a stock for steel production for the first two months of 1946, and, together with Italian electrodes production, will provide electrode requirements for first 3 months of 1946.

Anthracite for Solderburg paste is urgently required and immediate action is being requested to have the 2,000 tons requisitioned in the Transitional Program procured and delivered as soon as possible.

The steel production reported is as follows :-

Liguria Region :-

Ilva	-	3,750 tons
Bruzzo	-	1,327 "
SIAC	-	2,369 "
		3,446 tons

Central & Southern Italy :-

Terni	-	4,552 tons
Giovi Acc	-	1,100 "
Ilva Terre		
Annunziata	-	1,400 "
		7,052 tons.

4. Lumber

Lack of working capital is handicapping the lumbering industry. Military Forces requisitioning timber paid for before production costs for the same also the payment to lumbering firms for lumber sold is made up from one to three months while payment by lumbering firms for labor is current and for operating materials is demanded in advance by the Government.

The plan required by the Military Forces pending derequisitioning of the balance of the timber areas has been drawn up and concurred by all operators in Central and Southern Italy. Concurrence has been obtained in six of nine provinces in Northern Italy and it is expected that the remainder will concur by the middle of January.

The Department was charged with an investigation of unauthorized exports of lumber from Cortone (Calabria) and submitted a detailed report with a suggestion as to the necessary action to be taken.

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5. Automotive and Mechanical

If the Automotive Industry is taken as a barometer, the Italian Mechanical and Automotive Industries are reaching about 30-35% recuperation

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as compared with their activities in the last peace-time year of the Italian economy - 1935 (before the Ethiopian and Spanish wars.)

The greatest handicap in their recuperation is their dependency on imported coal. The November production automotive vehicles for example, fell about 12% when the imports of coal failed to arrive in time.

The production of automotive vehicles is still handicapped by an acute shortage of tires and in the majority of cases the finished vehicles are being sold without tires.

Special attention and study has been given by the Department to Italy's import requirements for 1946 and a report has been submitted.

The Department has assisted various Italian Governmental Bureaux in coordinating the specifications of the already imported or to be imported materials with the specifications used in this country.

DIVISION IV.

TEXTILES

1. Cotton

During the month of December two ship loads of cotton arrived on the SS "Nicholson" and SS "Paine". Both these cargoes arrived in Genoa, and were immediately unloaded and distributed. With these two arrivals it was possible to distribute 2,37 Kgs. per spindle in North Italy. The total Italian imports now amount to about 2[illegible],000 tons plus 2,000 of UNRRA cotton, equivalent to 15 % of the average pre-war consumption.

It is estimated that there are about 75,000 tons of cotton type goods in stock. These stocks are composed for the greater part of "Materiali Autarchici" and therefore the disposal of these goods will be very difficult and for certain lots impossible.

The entry of cotton goods into the market to be sold at low prices has caused these stocks to be almost unsaleable. This concerns a quantity of goods which only two months ago were worth 80 million Lire and now this value has been reduced considerably. In consequence there is a shortage of capital which is aggravated by the absorption of liquid capital in payments against cotton allotments.

Another problem effecting cotton textile industry is the supply of coal and electric power. During recent months the shortage of coal has not been felt as coal consumption in cotton industry takes place chiefly during the finishing operations. Therefore if adequate quantities of coal are not supplied during the months of January and February it is foreseen that a great part of the cotton textiles will remain in the raw state instead of the finished article being made available for sale.

2. Wool

During the month of December the first shipments of wool have arrived. This wool was immediately sent over to the three chief combing mills for the preliminary operations of assortment, scouring and conditioning. As a whole it is wool of rather inferior quality, including a great deal of second shearing. The breakdown plan has been entrusted by CIAI to Associazione dell'Industria Laniera Italiana which represents 90 % of the wool machinery

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DIVISION IV.

TEXTILES

1. Cotton

During the month of December two ship loads of cotton arrived on the SS "Michelson" and SS "Paine". Both these cargoes arrived in Genoa, and were immediately unloaded and distributed. With these two arrivals it was possible to distribute 2,57 Kgs. per spindle in North Italy. The total Italian imports now amount to about 2[illegible],000 tons plus 2,000 of UNRRA cotton, equivalent to 15 % of the average pre-war consumption.

It is estimated that there are about 75,000 tons of cotton type goods in stock. These stocks are composed for the greater part of "Materiali Autochici" and therefore the disposal of these goods will be very difficult and for certain lots impossible.

The entry of cotton goods into the market to be sold at low prices has caused these stocks to be almost unsaleable. This concerns a quantity of goods which only two months ago were worth 80 million Lire and now this value has been reduced considerably. In consequence there is a shortage of capital which is aggravated by the absorption of liquid capital in payments against cotton allotments.

Another problem affecting cotton textile industry is the supply of coal and electric power. During recent months the shortage of coal has not been felt as coal consumption in cotton industry takes place chiefly during the finishing operations. Therefore if adequate quantities of coal are not supplied during the months of January and February it is foreseen that a great part of the cotton textiles will remain in the raw state instead of the finished article being made available for sale.

2. Wool

During the month of December the first shipments of wool have arrived. This wool was immediately sent over to the three chief combing mills for the preliminary operations of assortment, scouring and conditioning. As a whole it is wool of rather inferior quality, including a great deal of second shearing. The breakdown plan has been entrusted by CLAI to Associazione dell'Industrie Laniere Italiane which represents 90 % of the wool machinery plants in Italy. As a temporary measure a distribution program of 1,250 tons scoured wool has been planned. As a general principle it is proposed to give 55 % of the wool to worsted spinning. The balance of 45 % will be allotted to Items. To Felt factories, national wool from the Ammassi (pools) will be allotted. To small industries, to members of Associazione Cotoniere, national wool will be allotted in addition to the share of cotton allotted to the Wool Industry by the cotton breakdown plan.

The wool market indicated at once the influence of this arrival, with lower prices. The production will be as follows :-

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Sewing yarn	5%	worsted
Knitting yarn	15%	"
Men's cloth	45%	"
Women's cloth	10%	"
Men's cloth	15%	woollen
Women's cloth	10%	"

No policy has been fixed in connection with prices and distribution. Pending market control, it has been recommended that manufacturers produce cloth for the poorer classes so that this wool sent to Italy under a relief plan may actually go to the needy. If this does not materialise, CIAI or Comitato Fibre tessili on their behalf, will prepare a distribution plan with prices and qualities.

3. Silk

After months of negotiations, an agreement has been reached between government spinners and cocoon growers. Half of 1944 output which had been originally blocked by the Germans will be taken over by the Italian Government at the price of 1,750 Lire per kilo of reeled silk exported direct by Government. The other half remains at the spinners' disposal for export. 1945 crop remains completely free for direct export.

The price of cocoons has been fixed in agreement between spinner and growers at 325 Lire per kilo. At present cocoons are being transported from the Ammessi to the spinning mills and spinning operations will begin towards the end of January.

HEMP

1. During December raw hemp has been delivered much more freely to the Official Warehouses both in the North and the South, and farmers are realising that the prices now being paid are probably the maximum that could ever be reached. As a consequence, all the Mills are receiving their quota of raw material, which however, owing to the drought and lack of fertilising material, are bound to remain relatively low until the new crop comes along at the end of next summer. Unfortunately for the same reasons the quality is below usual standards.

Raw hemp has been deleted from the Reserved Commodity List so that exportation is now quite free.

EXPORTATION

2. The S.S. "Empire Lorenzo" sailed from Leghorn for the U.K. on the 5th December with 715 tons, and the S.S. "Avon Coast" is expected to load 240 tons for the U.K. about 15th January.

STATE MONOPOLIES

1. Tobacco

The short supply of raw tobacco, as a result of considerable decrease of production and lack of imports, has continued to create a difficult situation for the Monopolies. The increased demand for tobacco products cannot be satisfied and a heavy loss of revenue is being incurred. The

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STATE MONOPOLIES

1. Tobacco

The short supply of raw tobacco, as a result of considerable decrease of production and lack of imports, has continued to create a difficult situation for the Monopolies. The increased demand for tobacco products cannot be satisfied and a heavy loss of revenue is being incurred. The Administration of the Monopolies has been obliged to establish an increase of tariffs on finished tobacco products by 40 to 50 percent, effective as from 30 December 1945.

2. Salt

Salt prices effective in Italian Government controlled territory have been implemented in the Northern Regions as from 7 Dec. 1945.

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3. Matches

The production of matches on a normal scale exceeds considerably the needs of the population. Possibilities of export seem to be favourable.

The match concern, SAFFA, has sold matches worth approximately 200,000 pounds. This society and the Monopolies, with the previous approval of the Ministry of Foreign Trade, have made an agreement to the effect that foreign currency funds to become available through the exportation of matches be utilized for the importation of tobacco.

DIVISION V.

MINING

1. Sardinian Coal

Production and sales data from Sardinia for November 1945 are as follows :-

	M. Tons
Stock on Hand - 1 November	52,885
Production November	63,307
Sales November	
Local	13,425
Export	43,000
Stock on Hand - 30 November	59,767

The Estimated production for December is 55,000 tons. Decrease was ceused by lack of shipping to move the coal, shortage of pit props and two day strike at some of the mines. The strike is reported to be settled. The number of underground workers during December was approximately 5,000 men.

Stocks of coal on hand 31 December are approximately 70,000 tons.

2. Lignite - Italian Mainland

Estimated production of all xyloid lignite for December is 110,000 metric tons and of picea (sub-bituminous coal) 12,000 tons.

Rail and road transportation continue to be the bottleneck to increased production.

3. Other Solid Fuels

Estimated production of La Thuile anthracite, Seui (Sardinia) anthracite and Overo coal for December is 13,000 M. Tons.

4. Metal Mines - Sardinia

During December an explosion of 5 tons of dynamite and 600,000 [illegible] occurred at Iverse where 240 tons of explosives were stored

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3. Other Solid Fuels

Estimated production of La Thuile anthracite, Seui (Sardinia) anthracite and Ovaro coal for December is 13,000 M. Tons.

4. Metal Mines - Sardinia

During December an explosion of 5 tons of dynamite and 600,000 detonators occurred at Aversa where 240 tons of explosives were stored by ICE pending shipment to the Sardinian mines. The explosion also destroyed about 1,200,000 ft. of fuse. Loss of fuse and detonators may delay reactivation of the mines.

5. Pyrite

Production in November was reported as 16,179 tons in the Grosseto area.

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6. Mainland Coal

The Montecatini mines in the Ancona area, produced 1,145 tons of fused sulphur during November.

7. Pit Props

Situation on shipment of pit props stock in Calabria has improved somewhat and there should be sufficient for January production of Sardinian coal. Plans for pit prop production by the Italian authorities are reported to be materialising. 3,800 tons of props are cut and ready for shipment to the ports. Lack of road transport is still the bottleneck.

(B) FUELS DEPARTMENT

COAL DIVISION

1. The overall position of Coal Shipments against the Italian YB Coal Programme for 1945 is as follows :-

Month	AC Bid	Set Up	Shipped & Received	Shortfall
October	383,000	355,000	358,588	- 3,588 Tons
November	420,000	420,000	131,433	288,567 "
December	450,000	450,000	391,831	58,169 "
	1,253,000	1,225,000	881,852	343,148 Tons

Unless shipments arrive as scheduled in January a serious coal shortage will result.

2. Approximately 34,000 tons Sardinian coal was shipped to the Italian Mainland and Sicily during December. Two WSA vessels, the ZAREMBA and the COLBEE, have been placed on the Sardinian coal run. Approximately 62,000 tons of coal awaited shipment at San Antioco on 31 December 1945.

3. Special representations were made for Italy at the E.C.O. Allocation Meeting in London on 3rd January. The Ruhr available coal had been reduced from 1,200,000 to 900,000 tons monthly for February and March while U.S.A. loadings were cut to 1,458,000 tons. Italian claims were strongly urged and in addition to 17,000 tons South African for February and 34,000 Tons South African for March, E.C.O. agreed 45,000 Tons for each month. Also 10,000 tons of South African was procured by Ministry of War Transport for Bunker Coal requirements and a further two cargoes 18,000 tons to set off against any further deficit which may be experienced

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	1,253,000	1,225,000	881,852	343,148 Tons

Unless shipments arrive as scheduled in January a serious coal shortage will result.

2. Approximately 24,000 tons Sardinian coal was shipped to the Italian Mainland and Sicily during December. Two WSA vessels, the ZAREMBA and the COLBEE, have been placed on the Sardinian coal run. Approximately 62,000 tons of coal awaited shipment at San Antioco on 31 December 1945.

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P.O.L. DIVISION

1. An Italian Government proposal involving control of circulation permits for private cars by means of a Provincial quote system was approved and, to give time to bring this new arrangement into effect, it was agreed to extend the validity of the present series of Circulation Permits, -

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normally due to expire on 31st December 1945 - until 31st January 1946. A.M.G. Regions in the North were instructed to make arrangements for a corresponding extension of the validity of Circulation Permits issued by them.

2. An investigation was carried out into prices for Methane Gas and following the recommendation of the Price Control Committee for North Italy the selling price to automotive consumers was fixed at Lire 28 per c.m. viz., an increase of L. 5,50 per c.m. over the previous price. Prices to industrial users were increased proportionately.

3. Arrangements were discussed and concluded with the Italian Government to govern assumption of responsibility by Liquid Fuels Dept. (Ministry of Industry & Commerce) for control of POL in North Italy as from 1st January 1946 and suitable instructions were sent to all Northern Regions on this subject. Control will be exercised by provincial offices of the Ministry (U.P.I.C.) and procedure unified with that already in force in Southern areas handed back previously. C.I.O.M. will continue to advise on industrial uses until such time as their future functions have been agreed by them with the Ministry.

4. P.C.L. civil requirements for March 1946 were screened by AC/C.R.A., agreed by the Italian Government and forwarded to Washington and London through UNRRA channels.

5. Difficulties in connection with the Lube Oil stock position in North Italy - caused through releases to C.I.P. from military stocks being concentrated at points in the South - were overcome following the organization of transfers from South to North by coastal schooners with the assistance of Transportation Sub-Commission.

(C) PUBLIC WORKS & UTILITIES DEPARTMENT

PUBLIC WORKS DIVISION

General

This Division closed down at 31st December 1945 and from 1st January 1946 all Public Works functions were turned over to the Italian Ministry of Public Works.

The office of the Regional Engineer for Northern Italy was established on 1st December 1945 and terminated at the end of the year.

Most of the projects approved during the month were to relieve unemployment.

Transportation difficulties continued due to lack of P.C.L. supplies.

The Chief of the Division is preparing a final report on the activities of this branch of Public Works & Utilities Department.

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Attached are tables reflecting the present status of work projects in Italian Government Territory and in A.M.G. Regions :-

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PUBLIC WORKS PROJECTS IN ITALIAN GOVERNMENT TERRITORY FOR THE MONTH OF DECEMBER 45

TYPE OF PROJECT	Works initiated during Month	C O S T (Lire)	Works completed during Month	C O S T (Lire)	Works in prog during M
TABLE "A"		SCHEMES OF MILITARY PRIORITY			
Roads	37	135,361,856	19	53,961,321	190
Bridges	14	88,571,830	9	17,461,440	101
TOTAL "A"	51	223,933,686	28	71,422,761	291
TABLE "B"		CIVILIAN WORKS			
Roads	138	391,107,548	170	130,566,309	1,072
Bridges	101	243,191,886	151	194,244,301	763
Public Buildings	130	102,001,958	162	125,690,470	655
Schools	79	80,026,225	80	37,111,007	385
Churches & Charitable Inst.	73	78,216,384	77	33,506,290	350
Debris Removal, etc.	113	87,931,802	161	88,376,396	403
Aqueducts & Sewers	42	49,715,742	37	27,607,957	250
Hydraulic Works	30	31,798,020	44	47,077,772	172
Maritime Works	22	104,194,615	29	31,254,023	172
Housing Repairs	1,700	449,466,239	1,365	337,100,885	7,553
Bonifica	42	102,857,573	61	83,530,688	290
TOTAL "B"	2,470	1,720,502,992	2,337	1,136,066,038	12,065
GRAND TOTAL ("A" & "B")	2,521	1,944,436,678	2,365	1,207,488,799	12,359

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PUBLIC WORKS PROJECTS IN ITALIAN GOVERNMENT TERRITORY FOR THE MONTH OF DECEMBER 45

	Works initiated during Month	COST (Lire)	Works completed during Month	COST (Lire)	Works in progress during Month	COST (Lire)
SCHEMES OF MILITARY PRIORITY						
	37	135,361,856	19	53,961,321	190	961,250,943
	14	88,571,830	9	17,461,440	104	446,159,636
	51	223,933,686	28	71,422,761	294	1,407,410,579
CIVILIAN WORKS						
	138	391,107,548	170	130,566,309	1,072	1,921,475,778
	101	243,191,886	151	194,244,301	763	1,616,090,847
	130	102,001,958	162	125,690,470	655	931,524,582
	79	80,026,22[illegible]	80	37,111,007	385	403,380,348
nat.	73	78,216,384	77	33,506,290	350	388,929,837
	113	87,931,802	161	88,376,336	403	393,624,103
	42	49,715,742	37	21,607,957	250	288,654,875
	30	31,798,020	44	47,077,772	172	718,094,747
	22	104,194,615	29	31,254,023	172	367,010,599
	1,700	449,466,239	1,365	337,100,885	7,553	2,493,859,329
	42	102,857,573	61	83,530,688	290	570,605,828
	2,470	1,720,502,992	2,337	1,136,066,038	12,065	10,123,250,873
1)	2,521	1,944,436,678	2,365	1,207,488,799	12,359	11,530,661,452

Table "A"

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PUBLIC WORKS PROJECTS IN DECEMBER 45

	Initiated during Month	COST (Lire)	Completed during month	COST (Lire)	In pr during
TABLE "A"		Schemes of Military Priority			
Roads	16	136,610,000	12	12,700,000	6
Bridges	17	262,320,000	14	30,984,247	10
TOTAL	33	398,930,000	26	43,684,247	16
TABLE "B"		Schemes other than of Military Priority (but for which approval of AC/ANC was			
Roads	139	1,136,[illegible]2,000	99	128,128,303	3
Bridges	59	124,804,[illegible]22	52	73,570,724	3
Public Buildings	200	335,676,630	107	81,048,494	9
Water, Sewers Works & Util.	90	361,430,[illegible]00	13	32,979,938	2
Flood Control	7	16,637,000	22	1,670,000	
Forts	37	476,091,893	8	25,775,900	
Housing	187	155,619,[illegible]01	42	11,023,768	2,7
School Repairs	66	29,450,603	61	2[illegible],420,[illegible]7	2
Demolition & Debris Rem.	1[illegible]	[illegible],108,9[illegible]0	11	4,[illegible]40,000	
Denifiche	--	--	--	--	
TOTAL	726	2,[illegible]6,670,9[illegible]	515	433,187,864	5,0
TABLE "C"		Schemes Handled Independently by Italian Agencies			
Roads	7	1,10[illegible],000	6	1,124,000	
Bridges	7	1,123,000	4	535,000	
Public Buildings	104	13,587,541	121	13,826,418	2
Sewers, Water Wks. & Util.	30	4,191,035	21	1,55[illegible],060	
Flood Control	5	730,421	1	50,000	
TOTAL	153	20,73[illegible],997	183	17,088,478	3
GRAND TOTAL	982	[illegible],116,339,926,	726	493,960,889	5,4

NOTE: This table do not include Venezia Tridentina Region.

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PUBLIC WORKS PROJECTS IN DECEMBER 45

	Initiated during Month	COST (Lire)	Completed during month	COST (Lire)	In progress during Month	COST (Lire)
Schemes of Military Priority						
	16	136,610,000	12	12,700,000	63	442,588,020
	17	262,320,000	14	30,984,547	105	551,694,000
	33	398,930,000	26	43,684,547	168	994,282,020
Schemes other than of Military Priority (but for which approval of AC/ANC was required)						
	139	1,136,[illegible]2,000	99	128,128,303	344	1,127,214,664
	59	124,804,[illegible]22	52	73,570,724	369	1,[illegible]70,491
	200	335,676,630	107	81,048,494	957	1,[illegible]1,436
il.	90	361,430,[illegible]00	13	[illegible]2,979,9[illegible]8	246	45[illegible],044,712
	7	16,637,000	22	1,670,000	3	[illegible]51,800
	37	4[illegible]6,093,843	8	25,775,900	95	278,409,078
	187	155,619,0[illegible]1	42	1[illegible]-053,768	2,737	291,271,633
	66	[illegible]3,150,603	61	2[illegible],420,[illegible]7	222	124,84[illegible]76
	1	[illegible],108,9[illegible]	11	4,540,000	27	70,01[illegible]8
	--	--	--	--	4	18,878,07[illegible]
	736	2,[illegible]6,670,92[illegible]	515	433,187,864	5,009	5,525,048,615
Schemes Handled independently by Italian Agencies						
	7	1,10[illegible],000	6	1,124,000	4	926,000
	7	1 123,000	4	535,000	21	1,699,000
	104	13,[illegible]87,541	41	13,826,418	260	29,734,238
1.	30	4,191,0[illegible]5	21	1,55[illegible],060	38	5,[illegible]65,479
	2	730,421	1	50,000	4	305,000
	153	20,7[illegible],997	183	17,088,478	317	38,529,717
	982	[illegible],116,339,926,	726	493,960,889	5,494	6,[illegible]7,865,352

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TABLE "C" SUMMARY OF REPORT ON PROGRESS OF HOUSING REPAIRS

PROVINCES: Agrigento, Ancona, Aosta, Apuania, Arezzo, Ascoli Piceno, Avellino, Bari, Benevento, Bergamo, Bologna, Brindisi, Cagliari, Caltanissetta, Campobasso, Caserta, Catani Catanzaro, Chieti, Cosenza, Cuneo, Enna, Firenze, Foggia, Forli, Frosinone, Grosseto, Imper L'Aquila, Latina, Lecce, Livorno, Lucca, Macerata, Matera, Messina, Milano, Modena, Napoli, Nuoro, Padova, Palermo, Parma, Perugia, Pesaro, Pescara, Piacenza, Pisa, Pistoia, Potenza, Ragusa, Ravenna, Reggio Calabria, Reggio Emilia, Rieti, Roma, Rovigo, Salerno, Sassari, Siena, Siracusa, Sondrio, Taranto, Teramo, Terni, Torino, Trapani, Vercelli, Viterbo.

THIS REPORT COVERS THE MONTH OF DECEMBER

	1 Started before Dec.	2 Started during Dec.	3 Total Col. 1 & 2	4 Approx. cost (In thousand Lire)	5 Completed by 31 Dec 1945	6 Balance underway
Projects done by the owners:						
up to 50,000 Lire	26,855	3,445	30,300	936,017	20,836	9,464
from 50,000 to 150,000 Lire	24,847	3,823	28,670	2,774,176	17,077	11,593
from 150,000 to 300,000 Lire	12,522	2,219	14,741	3,062,631	7,784	6,957
from 300,000 to 1,000,000 Lire	1,296	166	1,462	765,610	794	668
over 1,000,000 L.	266	42	308	564,106	103	205
TOTAL	65,786	9,695	75,481	8,102,540	46,594	28,887
Projects done by Genio Civile:						
up to 50,000 Lire	8,364	143	8,507	152,144	7,728	779
from 50,000 to 150.000 Lire	3,894	161	4,055	328,717	2,516	1,539
from 150.000 to 300,000 Lire	1,430	89	1,519	312,848	864	655
from 300,000 to 1,000,000 Lire	768	103	871	478,614	380	481
over 1,000,000 L.	269	39	308	1,216,808	69	239
TOTAL	14,725	535	15,260	2,489,131	11,567	3,693
GRAND TOTAL	80,511	10,230	90,741	10,591,671	58,161	32,580

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from 300,000 to 1,000,000 Lire	1,296	166	1,462	765,610	794	668
over 1,000,000 L.	266	42	308	564,106	103	205
TOTAL	65,786	9,695	75,481	8,102,540	46,594	28,887
Projects done by Genio Civile:						
up to 50,000 Lire	8,364	143	8,507	152,144	7,728	779
from 50,000 to 150,000 Lire	3,894	161	4,055	328,717	2,516	1,539
from 150,000 to 300,000 Lire	1,430	89	1,519	312,848	864	655
from 300,000 to 1,000,000 Lire	768	103	871	478,614	380	481
over 1,000,000 L.	269	39	308	1,216,808	69	[illegible]
TOTAL	14,725	535	15,260	2,489,131	11,567	3,[illegible]
GRAND TOTAL	80,511	10,030	90,741	10,591,671	58,161	32,58[illegible]

COMMUNE COMMITTEES

	Preceding Total	Total this month	New total
Working Committees	811	212	1,0[illegible]
Advisory Committees	152	24	1169
Communes as yet requiring Committees	119	--	119

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ELECTRICAL DIVISION

1. Advisory Committees on Power

The Advisory Committees for Northern, Southern and Central Italy, Sicily and Sardinia held their regular meetings during the month.

The Northern Italy Committee dealt with the problems of electrical power rationing and curtailment and the Central Italy Committee with the control of power consumption and the utilization of the new restored capacity from Selisano and Gelleto Generating Plants.

2. Power Allocations

In December the control of electric power allocations was transferred to the Italian Government. The official agency assuming this responsibility is known as the "Central Commission on the Distribution and Utilization of Electric Power" and at present is made up of representatives from the following :-

(a) Inspector General of the Ministry of Public Works, Chairman.

(b) Administrative representative of the Ministry of Public Works.

(c) Technical representative of the Ministry of Industry and Commerce.

(d) Administrative representative of the Ministry of Industry and Commerce.

(e) Representative of Electric Companies.

(f) Representative of Industries consuming electric power.

The Central Commission was organized under the existing Italian decree for the control of electric power indentified as Decree No. 95, dated April 5th 1944 and held its first meeting on 29 December 1945, at which time allocations of power were made for the month of January 1946, for Central and Southern Italy.

Representatives from the Director of Works, GHQ, HQ #3 District, Rome Area Allied Command, Military Railway Service, Peninsular Base Section, Mediterranean Theater of Operations U.S.A. and Allied Commission were present to act in an advisory capacity and to insure that military demands were given proper consideration and first priority.

The Central Commission has established sub-commissions or Regional Commissions in Naples, Rome and Florence for the purpose of correleting the military and civilian bids for the main power pool areas, namely Southern Italy, the Rome Area, and the Florence-Leghorn Area. Under the decree provisions were made for the establishment of provincial commissions for the control of power by civilian agencies and the aforementioned Regional Commissions will correlate the demands of the Provinces and military agencies within these areas. The Regional and Provincial Commissions will

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Arrangements were made for a similar Regional Commission to be established in Milan for the correlation of power flow, usage and enforcement in the Lombardia, Piemonte, Liguria, Emilia and Venezia areas and to coordinate with military agencies to insure supply of electric power to areas under military control and in addition the Central Commission has directed that all the Provinces of Northern Italy, except those under military control, form the required Provincial Commissions under Decree No. 95.

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Representatives of military agencies located in the areas of the Regional Commissions and of the Central Commission in Rome may attend the meetings of these Committees in an advisory capacity if they so desire.

3. Power Allocations - Central and Southern Italy

For January 1946 the power allocations for Southern Italy measured at delivery points were set at 170,500 KW of demand and 90,350,000 KWH of energy. This compares with the allocation for December 1945 of 152,500 KW of demand and 78,300,000 KWH of energy.

For Central Italy, including the Leghorn and Florence areas, the January 1946 allocations were set at 281,500 KW of demand and 148,800,000 KWH of energy. This compares with the December 1945 allocation of 254,000 KW of demand and 134,400,000 KWH of energy.

For December 60,000 KW of capacity was allocated to the Florence-Leghorn area of Central Italy to come from Northern Italy. Approximately 30 million KWH of energy were allocated during peak load hours and approximately 5 million KWH were to be returned by Central Italy to Northern Italy during off peak hours, leaving a net energy flow to the Leghorn-Florence areas of about 25 million KWH. The actual deliveries during the month however, were approximately 40,000 KW with an energy delivery of about 21 million KWH. The energy returned to Northern Italy from Central Italy totalled about 2 million KWH, leaving a net energy flow of about 19 million.

Due to the shortage of power in Northern Italy and an improvement in stream flow conditions on the power plants in the Valderno and Leghorn areas, the amount of power to be sent from Northern Italy to Central Italy, in January 1946, was reduced to 40,000 KW of demand and 19,500,000 KWH of energy.

4. Power Supply General and Rationing

As mentioned in previous reports it became apparent in November that drought conditions and increased loads would require stricter control and rationing measures in the use of power and it was recommended to the Italian Government that steps be taken to effect necessary control measures, throughout the Italian Mainland. Rapid diminishing of the storage capacities, indicated that the principal reservoirs of Northern Italy would be emptied during February 1946 and it was evident that Northern Italy would have an extreme shortage of power for about a month and a half. To meet this situation the following four measures were taken as the territory was still under AMG control in December :-

(a) An AMG rationing order was issued under the authority of the Regional Commissioners requiring industry to cease operations for 2 days a week, outlawing certain classes of amusement and sign lighting and placing limitations on the consumption of power by all other consumers. The intent of these orders was to reduce the consumption of power in Northern Italy by 25 to 30%.

...demand and 78,300,000 KWH of energy.

For Central Italy, including the Leghorn and Florence areas, the January 1946 allocations were set at 231,500 KW of demand and 145,200,000 KWH of energy. This compares with the December 1945 allocation of 254,000 KW of demand and 134,200,000 KWH of energy.

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(b) The second remedy was to arrange for coal supplies to certain thermal plants in Northern Italy in order to augment the energy supply during the last half of December 1945 and January, February, March and April 1946.

(c) North Italy Gas Plants put into operation supplying gas 2 hours daily. Coal allotment obtained for 4 hours daily beginning January 1946, thus reducing domestic requirements for electricity.

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(d) Since all of the electric power in Northern Italy was placed in a common pool, it was considered proper that the cost of operating the thermal plants be spread over all consumers in Northern Italy on the basis of energy actually used rather than requiring the power companies owning the thermal plants to bear the entire cost. To spread this cost a surcharge for all consumers, of .30 Lire for the first 15,000 KWH used in each billing period, and .15 Lire for all in excess of 15,000 KWH was determined jointly by the representatives of the Italian Ministry and all power companies concerned and was checked by and agreed to by the Price Fixing Committee of Northern Italy and by the Northern Italy Industrial Committee. This surcharge was calculated to be the difference between the cost of the energy produced by the thermal plants and the cost of the same energy from hydro power spread over all consumption. In order to get the thermal plants into operation immediately the surcharge was legalized by issuing provincial AMG orders, which the Italian Government directed should be continued into effect subsequent to North Italy being turned back to Government control. The thermal plant operation is expected to continue until late March or early April 1946.

Since the territory of the North was to be handed back to the Italian Government on 31st December 1945, they were requested to issue instructions to the effect that the AMG rationing orders mentioned above should continue in full force and effect, subsequent to the termination of AMG. This the Italian Government has done.

In Central Italy the continued drought conditions and increase in loads indicated that similar measures would have to be taken in this area as well, and the Italian Government was asked to take the necessary steps to effect control measures. Investigations showed that while the consumption in Metropolitan Rome was under reasonable satisfactory control, the situation in the outlying areas and provinces of Centrl Italy was not being properly controlled with the result that sections of Metropolitan Rome were being subjected to feeder interruptions on a greater scale than in the other areas being served from the same network.

Southern Italy already has curtailment measures in effect and it was recommended that the Government select industrial operations that could be further curtailed or discontinued in order that high priority industrial requirements could be met.

The increased load in all areas was largely attributed to lack of cooking fuels and artificial gas. As a result of these deficiencies domestic users are resorting to electricity for domestic cooking and heating purposes. In Northern Italy this added load was estimated at 500,000 KW of demand which is approximately 25% of the load in Northern Italy. Actually Northern Italy was experiencing system peak loads which

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5. Rehebilitation Progress

The power connection between Central and Southern Italy was put into operation during December over a 150,000 volt transmission line between the Galleto plant at Terni and Pescara at Foggia also in Southern Italy. This provided the first flow of energy from Central to Southern Italy since the territory was liberated.

Approximately 20,000 to 25,000 KW of demand, 450,000 KWH per day, commencing 22 December 1945, are now being sent to Southern Italy thus helping to relieve the difficult situation which has existed in that area for several months.

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The fourth and last 35,000 KW generator at the Galleto Plant in Terni was restored to operation at the same time. This brings the total restored capacity at this plant to 140,000 KW. At the Seliseno Plant in Central Italy a 7,000 KW unit was restored to service during the month of December which has, with a part of the Galleto unit mentioned in the previous paragraph, materially improved the power situation in Central Italy. In Southern Italy the 20,000 KW machine at Orichella was placed back into operation. This machine had to be completely rewound by Brown Boveri after it was damaged by short circuit in early summer 1945. This offsets the loss of a similar machine of same capacity at this plant in December 1945. The loss of this later machine is a severe handicap to the power capacity supply to Southern Italy in that it will require 5 to 6 months to effect necessary repairs.

The 10,000 KVA transformer which was moved from Feroleto to Tusciano was placed into operetion during December. This transformer will relieve the over-load on the existing Tusciano sub-station which supplies a large percentage on the power consumed in the Campania and Naples areas.

The transmission line from Pescare to Naples and the transformer to be located at Agnano II Naples is now scheduled for completion the latter part of January 1946. This project will help to improve the Naples power supply when completed.

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The transmission line from Pescara to Naples and the transformer to be located at Agnano II Naples is now scheduled for completion the latter part of January 1946. This project will help to improve the Naples power supply when completed.

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HEADQUARTERS ALLIED COMMISSION
APO 394
Industry and Utilities Sub-Commission

22 December 1945

MONTHLY REPORT - NOVEMBER

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SUMMARY

INDUSTRY DEPARTMENT

General

In general, the month of November has brought forth little improvement in industrial conditions and activities. In some instances, delays and shortages have caused some slowing down of production. The decrease of available power in the North has stopped nearly all pig iron production and has cut down steel production. As a result of strikes in the States, delay in the arrival of cotton has brought about an increase in prices. The manufacture of worsted wool is at a standstill because of lack of material. All rubber stocks have been turned over to the Italian Government for allocation by them.

A plan is in the formative stages for the establishment of a general control of distribution and allocation of key imports through reporting and spot-check inspection procedures, to assure proper use of UNRRA funds.

Arrivals of Imports

6,000	T.	French phosphate rock
3,000	T.	Blister copper
260	T.	Electrodes
8,728	T.	Cotton

Solid Fuels Production

The production of Sardinian coal in October was 63,623 tons, an increase of about 8,000 tons over the previous month. Estimated production of solid fuels for the month of November is as follows :-

Sardinian coal	65,000	m. tons
Xyloid lignite	110,000	" "
Anthracite	13,000	" "
Sub-bituminous coal	12,000	" "
Total	200,000	m. tons

FUELS DEPARTMENT

Coal Division

The October loading programme (November arrivals) was reduced by 52 cargoes because of strikes in the U.S. There resulted a lull in receipt of coal cargoes in Italy between 1 and 20 November. The overall stock position was thus decreased by approximately 20 days supply.

Total estimated discharges of coal and coke in Italy, Sicily and Sardinia in November were as follows :-

	Tons	Tons
Y B Program	308,990	
U.S. Army	21,549	
British Army	27,055	

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	Tons	Tons
Y B Program	308,990	
U.S. Army	21,349	
British Army	27,035	
Coke	4,892	
Sardinian Coal		30,051
Totals	362,266	30,051

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P.O.L. Division

Preliminary activities have been mainly directed to elaborating a procedure for channeling responsibilities for the procurement, financing, handling, and distribution of Petroleum Products for the period November 1945 through January 1946 (UNRRA programme) and successive periods when UNRRA will have taken over supply responsibilities.

PUBLIC WORKS & UTILITIES DEPARTMENT

Public Works Division

Highways and Bridges

Work is progressing satisfactorily. 170 trucks issued to the Genio Civile by 3 Districts are being used on highways and bridges.

Housing

Improvements in the housing situation continue both in Italian Government Territory and in A.M.G. Territory.

General

Projects, mostly unemployment, and including ports and warehouses, are still being processed and approved in active regions. Procedure was established for submitting of projects from Pantelleria and Lampedusa. Transportation still handicapped by insufficient petrol.

Electrical Division

Advisory Committees on Electric Power

The crisis in the Government delayed action on the Decree fixing memberships and responsibilities of the committees.

Power Allocations

The last meeting of the Allied Force Electric Power Committee was held on 24 November 45. Future meetings will be under the Government with Allied Commission and the Military in attendance with Military power requirements being given first priority.

Power allocations made in November for December 1945 were 152,500 KW Southern Italy and 254,0[illegible] Central Italy.

In North Italy it has been necessary to institute a power rationing program and an A.M.G. order was issued for this purpose, with effective date 29 November 1945.

It is planned for the Italian Government to place the general provision of this order in effect in the rest of Italy.

Generation and transmission lines connecting Central Italy to Southern Italy.

Work progressed on the 35,000 KW Gelleto unit and the 150,000 volt line to Southern Italy.

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INDUSTRY DEPARTMENT

GENERAL

The decrease of electric power in the North combined with a shortage of pig iron has slowed down steel production. Delays in the arrival of cotton imports has brought about an increase in prices.

Considerable time has been spent this month in future planning. A review of the 1946 Industrial Import Requirements as set forth in various plans is underway, and a plan is in the formative stages for the establishment of a general control of distribution and allocation of key imports through reporting and spot-check inspection procedures, in order to assure proper and equitable use of UNRRA appropriations.

Numerous recommendations have been received from the Ministry of Industry and Commerce for the derequisitioning of industrial facilities, and these have been forwarded to the Commanding Generals of the areas in which such facilities are located. Some favourable actions have been taken by the District Commanders. However, the situation is predominantly that a well-established US or Br. Unit scheduled to remain in Italy cannot give up premises without having to requisition others. And so, no favourable action can be taken in these cases.

DIVISION I.

CHEMICALS

Superphosphates

The first shipment of 6,000 tons on the new 100,000 tons contract for French phosphate rock has just arrived in Naples for the Southern plants. There are over 40 superphosphate plants which could operate and unless the present program for phosphate rock importation is greatly increased, most of these will remain idle during the winter. The strongest representations continue to be made vis-a-vis the French authorities for additional contracts, but unfortunately negotiations drag on without present prospects of improvemen

Nitrogenous Fertilizer

Electrolytic production remains at approximately the 1,000 tons per month level reported last month. Reports on by-product nitrogen production at San Giuseppe di Cairo (Cokitalia) were found premature. Actually, the coke oven is still being preheated and charging of coal will not begin before the end of the year. Meanwhile the small coke oven at Vetrocoke (200 T/day) has operated through most of the month, but it is too small to supply enough gas for the nitrogen fixation plant.

Sinigo Marano produced 3,000 tons of nitric acid and 300 tons of synthetic ammonia.

Copper Sulphate

With the arrival of 3,000 tons of Blister copper, production should

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Sinigo Morano produced 3,000 tons of nitric acid and 300 tons of synthetic ammonia.

Copper Sulphate

With the arrival of 3,000 tons of Blister copper, production should shortly be resumed and the necessary coal and fuel oil are being furnished.

Calcium Carbide

Owing to falling behind in the coke oven reactivation program the availability of coke is far below current needs for carbide. Nevertheless the critical scarcity of carbide has justified the allocation of 3,000 tons of coke to six selected plants in the North for its manufacture.

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Viscose Rayon

In the absence of definite information, it is estimated that rayon production has now reached the rate of 75[illegible] tons/month. In addition to this, two Pirelli plants have been authorized to resume production (6[illegible] tons/month) of high-resistance rayon for use in tires.

As to whether Italy will be given official sanction to consumate present plants to import 4[illegible],000 tons of cellulose from Sweden through a reciprocal trading agreement appears to be still a moot point, particularly in view of the drastic reductions that have been made under the UNRRA program.

Carbon Bisulphide

Provisions for producing the quantities necessary for the rayon industry and agriculture have proved adequate, excepting for the fact that the transportation of the necessary charcoal from the South to the North, where the bulk of carbon bisulphide is made, continues to be interfered with by arbitrary local diversions of railcars.

Pyrites

The situation remains unchanged from last month, excepting that shipments have been reduced now that a satisfactory stock-pile has been provided at those plants scheduled for early receipt of phosphate rock in connection with the fertilizer program. In view of prior commitments to the French and Swiss, a request for sale of pyrites as ballast for ships returning to the US[illegible] elicited only 2[illegible],000 tons.

Caustic Soda

Salt arrivals have greatly improved this last month and at least three plants are now in operation in the North, namely, ACNA Company at Cengio, Rumianca Company at Pieve Vergente, and Dr. Soronio Company at Mulegnano. These plants, including those already in operation, bring the present output of electrolytic soda, (solution) to well over 6[illegible] tons a month.

Sodium Carbonate and Caustic Soda

The Solvey Company at Rosignano continues to operate at approximately the same levels as last month, producing 3,[illegible]00 to 3,[illegible]00 tons of carbonate and caustic soda each, per month. They are seeking additional coal to increase their output by 25%.

Explosives

Actual movement of ammunition to plants for unloading and scrapping has not yet begun, but negotiations for handing over British and captured enemy ammunition to the Italian Government are now in the final stages. [illegible] ammunition is being handled directly through Col. Fry's office [illegible] ammunition is being handled

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[illegible] of the caustic reductions that have [illegible] program.

Carbon Bisulphide

Provisions for producing the quantities necessary for the rayon industry and agriculture have proved adequate, excepting for the fact that the transportation of the necessary charcoal from the South to the North, where the bulk of carbon bisulphide is made, continues to be interfered with by arbitrary local diversions of railcars.

Pyrites

The situation remains unchanged from last month, excepting that shipments have been reduced now that a satisfactory stock-pile has been provided at those plants scheduled for early receipt of phosphate rock in connection with the fertilizer program. In view of prior commitments to the French and Swiss, a request for sale of pyrites as ballast for ships returning to the USA elicited only 2[illegible] tons.

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Explosives

Actual movement of ammunition to plants for unloading and scrapping has not yet begun, but negotiations for handing over British and captured enemy ammunition to the Italian Government are now in the final stages. Surplus British ammunition is being handled directly through Col. Fry's office (Chief Disposals Officer), whilst captured enemy ammunition is being handled through the Captured Enemy Materials Sub-Commission. American surplus ammunition will evidently not be an important factor inasmuch as most of it is being returned to the States.

In order to give it a wider basis CIEM, the trade association for munitions industry, has been dissolved and reorganized itself under the name of UIEM, in which have been admitted as charter members the explosive manufacturers, such as Nobel and EPD.

Estimates as to total quantity of ammunition that will ultimately be forthcoming have fluctuated widly, the latest statement being that there will be at least 15[illegible],000 tons of British surplus ammunition with probably far more from captured enemy sources.

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Chemical Warfare Plant - Ceseno Romano

Dismantling and transportation of this chemical warfare gas factory is well underway and the first 200 tons of dismantled equipment had left the plant. The work is being expedited and a deadline for completion of the work by December 15th was set.

Industrial Gases

The plants for the production of bottled oxygen and acetylene have now, with one or two exceptions, reverted to the control of the Italian Government. Unfortunately, the usual malpractices have developed in the distribution of the necessary raw materials, principally calcium carbide, and these have been brought to the notice of appropriate Italian officials.

Coke Ovens and Coal Tar Distilleries

For corrections see section under "Nitrogenous Fertilizer". Conflicting reports re arrivals of coking coal have created confusion. One particular difficulty is our inability to get proper advance notice as to quality of coal being shipped and the name of the ship on which it is being sent. At Cokitalia the 16,000 tons of coal delivered is being tested to ascertain whether it is suitable or not.

Supplies of coal tar are extremely scarce at present, there being only 1,000 tons of low temperature tar at S. Antiochio, Sardinia, and nearly 3,000 tons of regular coke oven tar at Cokeapuania. Efforts to export to the mainland the former have not yet been successful. As regards the latter, half has been earmarked for shipment to the Distillerie Lomberde at Milano at the rate of 500 tons a month. There it will be converted into high-melting-point pitch for sale to Forno Allione and to Societa' Talco e Grafite di Val Chisone at Pinerolo for the manufacture of graphite and graphitic electrodes, essential for the steel industry.

Carbon Electrodes

A meeting was called in Milan on the 15th of November at which representatives of all Italian Government branches concerned, the important procedures and consumers, and the Chief of the Chemicals Division, were present. Outstanding differences were ironed out and an overall program of raw material distribution and factory production was agreed upon.

In general, the plan may be summarized as follows :-

To implement the 1946 economic program it will be necessary to produce 69,000 tons of carbon electrodes divided as follows :-

Chemical Industry	9,350	Tons
Aluminum Industry	28,000	Tons
Iron and Steel	31,650	Tons
TOTAL	69,000	Tons

The above production has been provisionally assigned as follows :-

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The above production has been provisionally assigned as follows :-

Estimated 1946 Output:

Forno Allione Company	4,000	Tons
Talco e Grafite di Val Chisone	4,000	Tons
Electro Carbonium (Plants at Narni and Ascoli Piceno)	18,250	Tons
TOTAL	26,250	Tons

The balance is roughly divided between Soderberg pastes and anodes for aluminum production, both of which are made by consumers themselves.

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The total raw materials required for the above program are :-

	Coal Tar for conversion to pitch as such	32,000 Tons
	Foundry coke	1,200 Tons
	Anthracene oil	2,000 Tons
*	Calcined Petroleum Coke	40,000 Tons
	Anthracite coal	31,000 Tons
	Mineral oil (special grade)	160 Tons
*	Madagascar graphite	2,000 Tons

* Could largely be replaced by domestic substitutes.

Italy's tar distilling capacity is over 150,000 tons per year which is more than adequate. Unfortunately, the restarting of the coke ovens is months behind our anticipations and the immediate bottleneck has now become the coal tar which will bot be forthcoming in sufficient quantities until the volume of coal coked reaches 75,000 tons/month.

Arsenicals

A plan for producing arsenical requirements has been set up for the following concerns : Rumiance, Caffaro, Montecatini, Silesia, Osiride. A total of nearly 1,500 tons of arsenates in the form of lead, calcium, etc., are programmed which will be ample for agricultural requirements for fungicides. The above exceeds the normal annual consumption which is explained by the fact that stocks are non existent and a considerable back-log of applications has accumulated.

Rumiance Company is currently producing 15 tons/month of arsenious anhydrite at Pieve Vergonte and 60 tons/month at their plant at Apuania. A separade program for 350 tons of sodium arsenite, for locust control has also been undertaken, of which there are reported to be considerable stocks at Montecatini's plant at Spinatta Marengo.

Paper

It is reported that nearly 90% of the paper mills in central and southern Italy are in operation, but at very low rate, owing to the acute shortages in all the basic supplies required, viz., coal, cellulose and straw. Indeed, the industry has only been kept going by using waste paper.

Aluminum

In September permission was granted Montecatini to move several thousand tons of alumina, pitch, etc., to Mori and Dolo for fabrication of aluminum. However, it is being found necessary to cancel their permit to transport 5,000 tons of Bauxite ore from the mines at Manfredonia to the Montecatini plant at Porto Marghera in view of higher shipping priorities.

DIVISION II.

FOOD AND PHARMACY

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DIVISION II.

FOOD AND PHARMACY

Pharmaceutical

Considerable time and work this month has been put into the screening of the pharmaceutical section of the 1946 Import Program. Of the 90 items appearing on the program about 30 of them have been reduced in the quantities requested, 3 items have been increased in quantity, 8 items have been eliminated, 25 new items have been added. This screening has been closely coordinated with the High Commissioner of Public Health.

New interest by several private Italian firms is developing for individual contractual agreements with American companies for either sub-licensing of patents and processes or for the importation of other pharmaceutical products on their own initiative.

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A request was received and approved this week for the urgent supply of a small quantity of a list of pharmaceutical products for the small island of Lampedusa.

Responsibility for the procurement and distribution of imported medical supplies is transferred from the Public Health Sub-Commission to this Department.

Food Processing

The chief new claimant for molasses which is already in very short supply is for use in distillation for industrial alcohol.

The distribution of previously allocated molasses for cattle fodder has not been very successful and the problem is receiving particular attention in the present allocation plans.

On the Import Program for 1946, molasses appears to the extent of 54,000 tons, as well as a considerable amount of sugar for the food preserving industries.

A meeting is being held with members of this Department, Agriculture and Food Sub-Commission, Italian Ministry and interested industrial consorzio to initiate plans for the quick planting of the beet crop for 1946. It is essential that this program get underway immediately.

DIVISION III.

ENGINEERING & BUILDING MATERIALS

Iron and Steel

The decrease in available power in the North has stopped nearly all pig iron production and cut down steel production. To combat the pig iron shortage that will exist throughout the balance of the winter a request has been made for the de-blocking and release of the pig iron stored in the Venezia Giulia Area. This is sufficient to produce 80,000 tons of steel.

260 tons of electrodes arrived in Genoa on 25th November 1945. These will immediately restore to operation some of the idle furnaces that have been shut down for lack of electrodes.

Distribution of raw material imports for metallurgical industries has been planned between Northern, Central and Southern Italy and further plans for distribution to individual firms are being drawn up so that all incoming loadings can be despatched immediately to the consumer.

Miscellaneous

Cement

Cement production continues at a satisfactory rate, and, in general, is limited by the ability of the transport system to move it from the plants.

Immediate procurement, of 2,000,000 paper bags has been authorized for January loading.

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Glass

Glass production is increasing and the supply of bottles is approaching the demand.

Vetreria Italiana in Leghorn is starting flat glass production in December to the extent of 30 tons/day.

Brick and Tiles

Few plants making building bricks and tiles are equipped with forced driers and therefore are not expected to operate to any extent during the winter months. Production will therefore be low until late Spring.

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Chinaware and Pottery

There has been no change in this industry during the month. Coal allocations are required for further activation. Insulators remain a principal item of manufacture. Stocks of high grade kaolin are decreasing.

Lumber Industry

A plan for furnishing the Allied Forces with lumber requirements has been drawn up by the Ministry preparatory to turning over to the Ministry Control of the balance of the lumbering industry.

Pit prop production is at a stand-still due to the failure of producers to keep promises and fulfill commitments.

Automotive and Mechanical

The situation in the automotive and mechanical industries of Italy was influenced by the shortages in the deliveries of coal and the fears of a stoppage of work on account of it.

The Department had a number of visitors interested in the latest developments in metal working industries in USA and in the sources for various types of machines for their plants. The Division has given advice to many inventors interested in securing US patents.

Study is now being made of Italy's Industrial Import Requirements for 1946 as submitted to Headquarters Allied Commission by the Italian Government.

DIVISION IV.

TEXTILES

Cotton

After the first three shipments of cotton reached Italy, several weeks elapsed without any new arrivals as a consequence of the stevedores strike.

The following shipments reached Genoa at the end of the month:- S/S "Abner Nash" with a load of 4,586 tons (of which 1,000 tons were for UNRRA) and S/S Sestriere with 4,142 tons, equal to 17,697 bales. Both these shipments of cotton are destined for the Northern industries and will enable the plants to work for 18 days on an 8 hours shift.

1,200 bales from the S/S "Abner Nash" will be forwarded to the Cotonificio Triestino at Gorizia as a loan, which will be returned when Venezia Giulia receives its own requisitioned supplies.

Because of inaccuracies in the employment of imported cotton the Textile Committee has been requested to produce a manufacturing program.

The Textile Committee proposed the following articles :-

Bed sheets	20 %
Towels and table cloths	10 %
Men's shirts	15 %

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Towels and table cloths	10 %
Men's shirts	15 %
Working clothes	10 %
Printed and dyed cloth women's wear	10 %
Men's textiles wear	10 %
Madapolam (assorted textile)	15 %
Technical articles	10 %
	100 %

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The 1,500 bales of Egyptian cotton that arrived in Naples will be forwarded to Genoa. Originally the Ministry of Industry and Commerce allotted this cotton to only four Mills. Northern Headquarters Allied Commission held this plan up and another plan has been forwarded to the Ministry. As a result the Egyptian cotton will be allotted to twenty mills in proportion to the combers in the mills.

Wool

The wool collected by the Ammassi has not yet been distributed. Of all the textile industries, wool is in the worst condition. The manufacture of worsted wool is completely at a standstill. The carding industry is still supplied by rags and waste, which are becoming scarce and are of a very poor quality.

Silk

As a result of many discussions between the Ministry of Industry and Commerce and representatives of silk-worm breeders and spinners, the following agreement suggested by Minister Gronchi, was reached :-

The silk collected in 1944 will be sold entirely to the Government at the price of 1,750 Lire per Kg. of reeled silk. The stockpiling in 1945 shall be quite free. The advance prices of the Ammassi will be 200 Lire instead of 340 as requested by the breeders.
The part that will not be passed over to the Ammassi may be sold freely on the internal market, or may be sold abroad in exchange for the import of raw materials which will be specified by the Ministry.

Hemp

Encouraged by the new prices, fair quantities of hemp are coming in every week from the farmers to the Central Warehouses, both in the North and in the South.

All the hemp and jute mills are now working upon a reasonable scale, although nothing near 100% and considerable stocks of material exist for relieving the general situation in Italy, which has been bereft of the manufactured article for nearly two years.

The C.C.C. of Washington has now allocated 5,000 tons of Indian jute to Italy, so that in the early part of 1946 this will help greatly to alleviate the difficult situation resulting from the shortage of hemp. The jute mills will be able to get back to the normal spinning of jute instead of most uneconomically utilizing the hemp by-products, which has been a forced plan for many years in Italy as a result of the lack of jute.

Exportation

The S/S "Empire Lorenzo" is now loading about 900 tons of raw hemp and tow at Leghorn for the United Kingdom.

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MONOPOLIES

Tobacco

The supply of cigarettes shows a slight improvement inasmuch as the weekly ration has been increased from 30 to 50 cigarettes, effective 19 November.

The State Monopoly is making strong efforts to obtain imports of raw tobacco and cigarette manufacturing machines. The credit necessary for such imports might be procured through the exportation of salt, of which the Monopoly has an actual surplus of about 200,000 tons.

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Salt

The War Shipping administration in Italy is in search of an item to be used as ballast for Liberty Ships on their return voyages from Italy. Salt has been proposed by this Department for the above purpose. The Monopoly is offering the salt at 2,000 Lire per ton of 1,000 Kg. FOB Margherita di Savoia, payable in dollars at an exchange rate of 200 Lire for 1 Dollar.

This Department has suggested to the Monopoly that negotiations be started with its prewar customers in Denmark, Norway, West Africa, etc., in order that the salt surpluses of the Monopoly and of the private Salt Works, amounting to 600 - 700,000 tons, can be exported.

The salt prices have now been equalized for all of Italy by the institution of the higher Southern prices in the Northern regions. As a result of this action, loss of revenue amounting to 43,000,000 Lire per month has been prevented.

Revenue

A recent report of the Ministry of the Treasury revealed that about a third of the State's revenue is furnished by the Monopoly. This figure has been as much as 30,000,000,000 Lire per annum, and the Minister expects that for 1946 it might be increased to 40,000,000,000 Lire.

Matches

The match industry which consists principally of 9 important match plants of the big concern of SAFFA has a large surplus of matches for export, and can increase production for this purpose. SAFFA is making efforts with a view to regaining its former position in the world's market. So far about 3,000,000,000 matches have been sold to England, Iran, and Palestine, subject to obtaining the necessary import licenses and securing of shipping space.

Prices

The match prices in AMG territory are still half of those effective in Italian Government controlled areas. This situation is causing to the State a monthly loss of about 80,000,000 Lire in the form of restitution payments to the match industry, and a further diminution of revenue amounting to 70,000,000 Lire as a result of loss of revenue. This Department is emphatically in favour of the equalization of prices for all of Italy in order to prevent a further loss to the State, and in order to abolish black market.

DIVISION V

MINING

Solid Fuels - General

Solid fuel production in Italy is estimated at approximately

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DIVISION V

MINING

Solid Fuels - General

Solid fuel production in Italy is estimated at approximately 200,000 tons during November. This is a 63% increase over the 1938 pre-war production rate, and about 68% of the 1942 war time production rate. (Omitting the Arsa mines in Jugoslavia Istria). Given an adequate pit prop supply, 1,000 to 1,500 additional miners, adequate food supplies in mining areas, and transportation, the current production rate can be increased to 250,000 tons per month. The latter figure which is 85% of 1942 production, is considered a maximum with present mine plants and equipment.

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Sardinian Coal

Production and sales data from Sardinia for October 1945 are as follows :-

	M. Tons
Stock on Hand - 1 October	24,869
Production October	63,623
Sales October	
Local	11,107
Export	24,500
Stock on Hand - 31 October	52,885

The above production is the maximum since the liberation of Italy.

Estimated production for November is 65,000 tons.

The number of workers has increased to approximately 4,900, also a maximum. No labour troubles have occurred during the month.

Lack of pit props at the mines may affect the December production adversely. A ship is reported to be loading props at Crotone at the present time, but it is doubtful if it will arrive in Sardinia in time to avert curtailment of production.

Lignite Italian Mainland

Estimated production of all xyloid lignite for November is 110,000 metric tons.

Estimated production of picea (sub-bituminous coal) is 12,000 Tons.

Railway transportation continue to be the bottleneck to increased production.

Other Solid Fuels

Estimated production of La Thuile anthracite, Seui (Sardinia) anthracite and Ovaro coal for November is 13,000 M. tons.

Metal Mines - Sardinia

Additional supplies for metal mines have arrived in Naples, but description of the items is not available, and it is not known if the mines can be reactivated immediately.

5,000 tons of coke have arrived in Sardinia and the resumption of lead smelting is expected during December.

A ship load of zinc concentrates has been shipped to the electrolytic zinc plant at Crotone. Production of electrolytic zinc will be resumed on a limited scale.

Mainland - Metal Mines

Pyrite production has been resumed in the Grossetto area with 11,000 M. tons produced in October. Estimated November production is 15,000 M. tons.

The above production is the maximum since the liberation of Italy.

Estimated production for November is 65,000 tons.

The number of workers has increased to approximately 4,900, also a maximum. No labour troubles have occurred during the month.

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3,000 tons of coke have arrived in Sardinia and the resumption of lead smelting is expected during December.

A ship load of zinc concentrates has been shipped to the electrolytic zinc plant at Crotone. Production of electrolytic zinc will be resumed on a limited scale.

Mainland - Metal Mines

Pyrite production has been resumed in the Grosseto area with 11,000 M. tons produced in October. Estimated November production is 15,000 M. tons.

Mainland - Sulphur

No data is available except for Montecatini mines in the Ancona area which produced 676 tons of fused sulphur in September.

Sicilian Sulphur

Estimated production for November is in excess of 6,000 M. tons. Actual production reports are no longer received by Mining Division.

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Supplies

All supplies, with the exception of certain tools and maintenence supplies now being allocated, have been turned over to the Italian Government.

Pit props remain the only bottleneck as far as supplies are concerned.

All imported items under CLAC requisitions are being handled by Istituto Nazionale per il Commercio Estero.

DIVISION VI.

RUBBER

All rubber stocks imported as Category A items for tire repair and the manufacture of new tires have been given to the Italian Government for allocation with recommendations for their use.

Steps have been taken to balance the stocks now on hand for the manufacture of new tires by additional procurement of rayon and plasticizers.

Allocation of coal and cellulose have been given to Pirelli by the Italian Government to start operation of one rayon plant for the sole manufacture of tire cord and fabric. This plant will start in December.

FUELS DEPARTMENT

COAL DIVISION

The transfer of Coal Division to Industry and Utilities Sub-Commission of the Supply Group, Economic Section on 1st November 1945 did not alter the functions of this Division.

Due to strikes in the U.S. the October loading (November arrival) program was reduced by 52 cargoes causing a lull in receipt of coal cargoes in Italy between 1st and 20th November. This reduction caused a decrease in the overall stock position of approx 20 days supply. However no serious repercussions were caused by this shortage as stocks in dumps and in hands of consumers were sufficient to see them through.

The supply authorities in Germany were approached on the possibility of obtaining 200,000 tons of coal ex the Ruhr to make up the deficiency ex U.S. but after an investigation it was recommended that this scheme was not possible because even though a portion of this amount could be made available, there were not sufficient rail facilities to move it.

The proposal to divert 5 coal cargoes destined for Belgium ex U.S. to Italian Ports did not materialize.

Total estimated discharges of coal and coke in Italy, Sicily, and Sardinia in November were as follows :-

	Tons	Tons
Y B Program	308,990	
U.S. Army	21,240	

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Total estimated discharges of coal and coke in Italy, Sicily, and Sardinia in November were as follows :-

	Tons	Tons
Y B Program	308,990	
U.S. Army	21,349	
British Army	27,035	
Coke	4,892	
Sardinian Coal		30,051
TOTALS	362,266	30,051

Considerable difficulty was and is being experienced in receiving an allocation of a sufficient number of vessels to move Sardinian coal. Due to this lack of shipping, 46,000 tons of coal awaited shipment ex Sardinia to Italy and Sicily on 31 November. In order to expedite the movement of this coal, Coal Division requested the allocation of a Liberty Ship to assist in the movement of this backpile. M.S.A. have agreed to

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allocate a Liberty Ship for this purpose providing the Italian Government can arrange to pay the freight charges in U.S. dollars.

The matter has been referred to the Italian Government.

A representstive of Coal Division was sent to Venice/Trieste in late November to obtain information relative to the disposition of coal in Trieste and to ascertain amount of coal which Venezia Giulia had received from the Italian Y B Program.

P.O.L. DIVISION

This division was formed during the month to take over the functions and personnel of the POL Division of Commerce Sub-Commission as a result of the decision to co-ordinate all supply activities under the Supply Group of Economic Section, effective 1st November 1945.

Preliminary activities have been mainly directed to elaborating a procedure for canalising responsibilities for the procurement, financing, handling and distribution of Petroleum Products for the period November 1945 through January 1946 (FEA Program) and successive periods when UNRRA will have taken over supply responsibilities.

Requisitions were placed which should result in the building up by January 31st 1946, of stocks available to the Italian Government equivalent to approximately 45 days supply, based on current consumption rates.

Liaison has also been maintained with PETSEC A.F.H.Q. and arrangements made to take over responsibility for bulk allocations to the Italian Government and Regional allocations to A.M.G. in Northern Regions following the closing up of PETSEC R.A.C as of 30 November 1945.

Measures were concerted with the Italian Government to defeat theft of POL by means of forged Petrol Coupons reported to be in circulation in Florence area.

PUBLIC WORKS AND UTILITIES DEPARTMENT

PUBLIC WORKS DIVISION

Highways and Bridges

Highway and bridge work throughout Italy is proceeding satisfactorily. All of the one hundred and seventy trucks which have been issued to the Genio Civile by 3 District are being put to use on roads and bridges.

Housing

Steady progress in the rehousing of the roofless continued both in

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Housing

Steady progress in the rehousing of the roofless continued both in Italian Government territory and in A.M.G. territory.

Housing Committees are functioning better and all Committees are very active.

Projects approved for the erection of barracks in towns which have been badly damaged progressing better than had been expected.

Ports

Work on ports and warehouses is continuing satisfactorily throughout Italy.

In Venezia several projects have been approved for the clearing of debris from quays which had previously been under Army control and Port authorities are preparing further projects.

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General

Projects, mostly unemployment and including numerous river control projects, are still being processed and approved in active regions. A procedure was established for the submitting of projects for approval from Pantelleria and Lampedusa. Stocks of bitumen continue to arrive and the situation is at present satisfactory.

Arrangements were completed for the establishment of an office for a regional engineer for all the Northern Regions to function under the office of the Economic Commissioner for Northern Italy.

Shortages of petrol and tires continued to hamper transportation operations throughout Italy.

Attached are tables reflecting the present status of work projects in Italian Government Territory and in A.M.G. Regions :-

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PUBLIC WORKS PROJECTS IN ITALIAN GOVERNMENT TERRITORY FOR THE MONTH OF NOVEMBER

TYPE OF PROJECTS	Works initiated during month	C O S T (Lire)	Works completed during month	C O S T (Lire)	Work in progress during
TABLE "A"		SCHEMES OF MILITARY PRIORITY			
Roads	37	40.769.903	41	135.740.454	1
Bridges	31	166.186.737	20	59.051.000	
TOTAL "A"	68	206.956.640	61	194.791.454	2
TABLE "B"		CIVILIAN WORKS			
Roads	135	196.015.068	164	112.473.528	12
Bridges	129	212.949.356	140	156.742.531	7
Public buildings	150	225.906.479	127	92.597.069	7
Schools	160	157.672.994	110	51.091.969	3
Churches & Charitable Inst.	72	79.927.469	65	39.383.532	3
Debris Removal, etc.	169	213.436.043	195	124.005.536	5
Aqueducts & Sewers	51	53.103.002	67	33.891.761	3
Hydraulic Works	59	63.805.848	110	69.350.902	2
Maritime Works	31	52.175.972	14	17.897.880	1
Housing Repairs	3.833	879.526.193	3.444	503.759.388	6.0
Bonifica	105	257.827.976	84	65.776.713	2
TOTAL "B"	4.894	2.392.346.400	4.520	1.266.970.809	11.1
GRAND TOTAL (A & B)	4.962	2.599.303.040	4.581	1.461.762.263	11.4

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PUBLIC WORKS PROJECTS IN ITALIAN GOVERNMENT TERRITORY FOR THE MONTH OF NOVEMBER 1945

	Works initiated during month	C O S T (Lire)	Works completed during month	C O S T (Lire)	Works in progress during month	C O S T (Lire)
			SCHEMES OF MILITARY PRIORITY			
	37	40.769.903	41	135.740.454	195	833.604.358
	31	166.186.737	20	59.051.000	83	296.763.304
	68	206.956.640	61	194.791.454	278	1.130.367.662
			CIVILIAN WORKS			
	135	196.015.068	164	112.473.528	1237	1.646.955.008
	129	212.949.356	140	156.742.531	748	1.467.501.981
	150	225.906.479	127	92.597.069	787	1.092.526.072
	160	157.672.994	110	51.091.969	361	332.257.764
inst.	72	79.927.469	65	39.383.532	339	328.864.203
	169	213.436.043	195	124.005.536	559	532.808.839
	51	53.103.002	67	33.891.761	317	377.340.252
	59	63.805.848	110	69.350.902	294	858.251.355
	31	52.175.972	14	17.897.880	176	334.799.788
	3.833	879.526.193	3.444	503.759.388	6.092	2.480.539.379
	105	257.827.976	84	65.776.713	282	323.248.517
	4.894	2.392.346.400	4.520	1.266.970.809	11.192	9.775.093.155
	4.962	2.599.303.040	4.581	1.461.762.263	11.470	10.905.460.820

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PUBLIC WORKS PROJECTS IN NOVEMBER 1945

	Initiated during Month	C O S T	Completed during Month	C O S T	In progress during Month
TABLE "A"			Schemes of Military Priority		
Roads	27	71,049,575	6	18,105,000	125
Bridges	1	5,000,000	4	1,950,000	63
TOTAL:	28	76,049,575	10	20,055,000	188
TABLE "B"			Schemes other than of Military Priority (but for which approva		
Roads	58	122,378,043	63	32,106,500	587
Bridges & Retaining Walls	16	4,354,627	31	33,019,750	318
Public Building	49	41,974,513	54	25,761,320	585
Sewers, Water Works, & Util Aqueduct -	33	47,175,800	106	61,462,131	223
Housing Repairs	1,410	160,226,172	1,248	156,178,678	2,885
School Buildings	19	14,467,890	52	12,445,817	228
Demolition & debris Removal & clearance	20	86,256,360	51	49,152,067	183
Bonifica	4	627,850,370	17	11,100,280	106
Hydraulic Works	10	58,603,200	22	21,32[illegible],000	248
Maritime Works	1	340,000	2	1,520,000	23
TOTAL	1,620	1,163,576,975	1,646	354,069,543	5,386
TABLE "C"			Schemes Handled Independently by Italian Agencies		
Roads	3	430,000	32	4,742,000	254
Bridges	16	1,172,700	15	997,700	9
Public Buildings	--	--	26	3,134,725	312
Debris Removal	--	--	22	2,530,124	51
Waters Works, Sewers	--	--	32	4,424,975	172
Forts	--	--	4	618,000	11
Bonifica	--	--	3	339,000	50
TOTAL	19	1,602,700	134	16,786,524	859
GRAND TOTAL	1,667	1,241,229,250	1,790	390,911,067	6,433

NOTE : The above figures do not include Liguria Region.

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PUBLIC WORKS PROJECTS IN NOVEMBER 1945

Initiated during Month	C O S T	Completed during Month	C O S T	In progress during Month	C O S T
		Schemes of Military Priority			
27	71,049,575	6	18,105,000	125	487,814,975
1	5,000,000	4	1,950,000	63	314,571,657
28	76,049,575	10	20,055,000	188	802,386,632
		Schemes other than of Military Priority (but for which approval of AC/AMG was required)			
58	122,378,043	63	32,106,500	587	1,780,270,298
16	4,354,627	31	33,019,750	318	1,083,396,493
49	41,974,513	54	25,761,320	585	1,580,998,917
33	47,175,800	106	61,462,131	223	347,762,834
1,410	160,226,172	1,248	136,178,678	2,885	652,871,310
19	14,467,890	52	12,445,817	228	124,725,312
20	86,236,360	51	49,152,067	183	198,926,978
4	627,850,370	17	11,100,280	106	145,058,102
10	58,603,200	22	21,32[illegible],000	248	507,198,512
1	340,000	2	1,520,000	23	18,055,500
1,620	1,163,576,975	1,646	354,069,543	5,386	6,439,364,256
		Schemes Handled Independently by Italian Agencies			
3	430,000	32	4,742,000	254	40,086,658
16	1,172,700	15	997,700	9	1,286,000
--	--	26	3,134,725	312	42,914,247
--	--	22	2,530,124	51	7,613,379
--	--	32	4,424,975	172	21,919,358
--	--	4	618,000	11	1,386,770
--	--	3	339,800	50	6,111,542
19	1,602,700	134	16,786,524	859	121,317,954
1,667	1,241,229,255	1,799	390,911,067	6,433	7,363,068,842

e above figures do not include Liguria Region.

TABLE "C" SUMMARY OF REPORT ON PROGRESS OF HOUSING REPAIRS

Province of: Agrigento, Ancona, Apuania, Arezzo, Ascoli Piceno, Avellino, Bari, Benevento, Bologna, Brindisi, Cagliari, Caltanissetta, Campobasso, Caserta, Catania, Catanzaro, Chieti, Cosenza, Enna, Firenze, Foggia, Forli', Frosinone, Grosseto L'Aquila, Latina, Lecce, Livorno, Lucca, Macerata, Matera, Messina, Modena, Napoli, Nuoro, Palermo, Perugia, Pesaro, Pescara, Piacenza, Pisa, Pistoia, Potenza, Ragusa, Ravenna, Reggio Calabria, Reggio Emilia, Rieti, Roma, Salerno, Sassari, Siena, Siracusa, Taranto, Teramo, Terni, Torino, Trapani, Vercelli, Viterbo.

THIS REPORT COVERS THE MONTH OF OCTOBER 45

	1 Started before Oct.	2 Started during Oct.	3 Total Col. 1 & 2	4 Approx.cost (In thousand Lire)	5 Completed by 30 Oct 45.	6 Balance underway 3 less 5
Projects done by the owners:						
up to 50,000 Lire	18,925	3,326	22,251	860,794	15,514	6,737
from 50,000 to 150,000 Lire	16,076	3,847	19,923	1,907,464	11,826	8,097
from 150,000 to 300,000 Lire	6,864	2,918	9,782	2,062,922	4,856	4,926
from 300,000 to 1,000,000 Lire	1,068	128	1,196	628,564	594	602
over 1,000,000 L.	217	30	247	436,919	93	154
TOTAL	43,150	10,249	53,399	5,696,663	32,883	20,516
Projects done by Genio Civile:						
up to 50,000 Lire	8,066	109	8,175	145,097	7,445	730
from 50,000 to 150,000 Lire	3,581	126	3,707	198,744	2,327	1,380
from 150,000 to 300,000 Lire	1,302	106	1,408	385,951	739	669
from 300,000 to 1,000,000 Lire	710	35	751	412,667	301	450
over 1,000,000 L.	220	45	265	1,024,417	56	209
TOTAL	13,885	421	14,306	2,166,876	10,868	3,438

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TOTAL	13,885	421	14,306	2,166,876	10,868	3,438
GRAND TOTAL	57,035	10,670	67,705	7,863,539	43,751	23,954

	Preceding total	Total this month	New total
Working Committees	764	47	811
Advisory Committees	144	8	152
Communes as yet requiring Committees	63	56	119

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ELECTRICAL DIVISION

Advisory Committees on Electric Power

Due to the impending crisis which existed in the Italian Government during November no action was taken by them to comply, with the request to fix the chairmen and membership of the Committees in Northern, Central and Southern Italy and the islands of Sicily and Sardinia.

The Committees, nevertheless, held their meetings for the month on schedule.

A matter of special interest taken up by the Committee for Southern Italy were arrangements for receiving the power to be transported over the 150,000 volt line being rebuilt between Central and Southern Italy.

Power Allocations

The monthly meeting of the Allied Force Electric Power Committee (AFHR(I)B) was attended by representatives of this Department.

Representatives of the Ministry of Public Works of the Italian Government were also in attendance, upon invitation, in order to discuss the plans which they had developed for taking over the responsibility for power allocations subsequent to 30 November 1945.

It was decided that the Government would establish Regional Commissions in Naples, Rome, Florence and Milan for the purpose of coordinating the civilian and military demands and in addition the Central Commission, authorized by an existing decree, would be reorganized to take over the functions of the Allied Force Electric Power Committee in December. Representatives of Works GHQ, CMF, HQ 3 District, Rome Area Allied Command (RAAC), Military Railway Service (MRS), Peninsular Base Section (PBS), Mediterranean Theater Operations U.S.A. (MTOUSA), and Allied Commission would arrange to attend the future meetings of the Central Commission and the Regional Commission meetings if necessary in an advisory capacity.

In turning over the control to the Italian Government it was stipulated that military demands would receive first priority.

Under the new arrangements the Military Services would submit their future power bids to the Regional Commissions for their respective areas with information copies to A.C. and the Central Commission of the Italian Government in order that Military bids will be given the proper attention.

In the future as the Military requirements become less and less the Central and Regional Commission will have complete control. In view of the shortage of electricity throughout Italy it is anticipated that the Government will have to exercise control over power usage for at least another year.

For Central Italy the allocations for December 1945 were 254,000 KW of demand and 134,200,000 KWH.

For Southern Italy the allocations were 152,500 KW and 78,300,000 KWH.

Power Supply - General

For Northern Italy the need for a rationing program to reduce the

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sported over the 150,000 volt line being rebuilt between Central and Southern Italy.

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For Southern Italy the allocations were 152,500 KW and 78,300,000 KWH.

Power Supply - General

For Northern Italy the need for a rationing program to reduce the consumption by at least 25% became apparent and arrangements were made to put into effect a rationing decree under A.M.G. Otherwise, at the existing rate of usage, the storage reservoirs would be emptied by mid February which would result in a disastrous situation before Spring rains and melting snows replenished the supply. It also became apparent that it would be necessary to operate some of the thermal plants in order to meet the situation and arrangements were made for special coal allocations for that purpose. As mentioned in previous reports the unusually heavy power loads are due to lack of artificial gas and other fuels for domestic cooking and heating purposes.

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This added load is estimated to be approximately 500,000 KW or 25% of the present peak load on the North Italy Electric System. The peak load on the Northern Italy system is the highest in history. For Central Italy the shortage of power is due to lack of normal rainfall and the heavy load imposed by domestic services due to lack of fuels and artificial gas. Stricter rationing measures are now necessary for Central Italy and the Italian Government have been advised to take steps to put into effect the necessary control measures.

For Southern Italy the power supply situation is the most serious of any area in Italy. Generators totaling 28,000 KW failed during the month which represents about 10% of the available capacity in an area which is already being seriously curtailed. Lack of normal rainfall has also had an adverse effect on the available supply.

Transmission lines connecting Central Italy to Southern Italy

The work on the Gelleto 35,000 KW unit and the 150,000 Volt line to Southern Italy showed continued progress with completion scheduled for mid December. This line will transmit about 20,000 KW of capacity to help ease the Southern Italy situation.

REGIONAL REPORTS

PIEMONTE - (Regional Engineer: 1st Lt. Wm. J. ALSUP, C.E.)

Public Works

Housing

Progress is satisfactory and all Committees are working well. By the end of November there were 141 active Committees in Piemonte, and a total of 3,608 projects for a value of approximately 565,000,000 Lire have been submitted.

Inspection Tours

During the month several inspections tours were made - these were confined mostly to the inspection of Provincial Roads which had not been inspected recently.

Highways and Bridges

Heavy rains during the last days of October and early November, have caused about 25,000,000 Lire damage to structures on State Highways alone.

Traffic is now passing through the Tende Tunnel and the official

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PIEMONTE - (Regional Engineer: 1st Lt. Wm. J. ALSUP, C.E.)

Public Works

Housing

Progress is satisfactory and all Committees are working well. By the end of November there were 140 active Committees in Piemonte, and a total of 3,608 projects for a value of approximately 605,000,000 Lire have been submitted.

Inspection Tours

During the month several inspections tours were made - these were confined mostly to the inspection of Provincial Roads which had not been inspected recently.

Highways and Bridges

Heavy rains during the last days of October and early November, have caused about 25,000,000 Lire damage to structures on State Highways alone.

Traffic is now passing through the Tende Tunnel and the official opening will be held on Dec 4th.

Railroads

Cooperation of Highway and Bridge section with railroad officials is continuing as in previous works.

The Colle di Tende R.R. tunnel, as previously reported, has been officially opened to highway traffic, thus reconnecting Alta Valle di Roya to the rest of Italy. Work on this tunnel is being continued.

The combination R.R. and Highway bridge over the Ticino River on Highway No 11 between Novara and Milano is now under contract for reconstruction and work is proceeding rapidly.

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Water Supply and Drainage

The activity of the Section during this period has been largely confined to the processing of the projects received prior to this date; bids have been opened, contracts awarded, work commenced on some projects which had been previously approved and about 4% been completed.

The water supply in this Region is considered satisfactory.

P.O.L.

For the month of October and at the beginning of November the P.O.L. situation so far as this Division was concerned was very unsatisfactory. Work had ceased on many important projects for lack of motor fuel. Genio Civile were not receiving enough fuel to allow them to make the necessary inspection trips, especially in view of the number of serious traffic interruptions caused by heavy rains.

Snow removal

Projects for snow removal have been approved and financed for all the State Highways of this Region. The C.R.E. has stated that they have the necessary fuel and will furnish all the fuel needed for snow removal on all Regional Highways. On a few sections of the Regional Roads neither the contractors nor Genio Civile have the transport necessary. Arrangements are being made for Autotrasporti to furnish the necessary vehicles when they are needed.

Electricity

The electrical situation in this region is not at all satisfactory. The deterioration of the transmission system is extensive and maintenance is a major problem. The excessive power demand has resulted in overloading with resulting power failures and damage to equipment.

The demand is double and sometimes quadruple the normal capacity of the transmission system, specifically at the peak hours - 1030-1300 hrs. and 1730-2100 hrs. This has resulted in 44 burnt out transformers - 3000/220 V. - and an average of 300 power failures per day in Turin city alone due to burnt out fuses caused by overloading.

Measures for the reduction of power consumption and the conservation of potential energy have been worked out and a program will be put into effect in the early part of December.

Gas

All of the Gas Works in Piemonte with one exception are undamaged and they can be put into operation as soon as they receive their coal allotments.

Distribution of gas in Alessandria, Novara and Turin will start between the fifth and tenth of December.

The amount of coal for all plants for December and following months will be about 20% higher than for November.

The Gas Works of Tortona are heavily damaged and will not be able to start work again before April 1946.

The Turin Gas Works will also have allocated for the month of November a further quantity of 2000 tons of coal (out of coke ovens quota)

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The Turin Gas Works will also have allocated for the month of November a further quantity of 2000 tons of coal (out of coke ovens quota) for gas industrial use (Fiat, Philips, etc.) The same extra quantity will be allotted for the month of December, but the coal will be taken from the total quantity allotted for Gas Works.

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LOMBARDIA - (Regional Engineer: Major A. G. EVANS, R.E.)

Public Works

The programme already presented by Milan province mainly for the relief of unemployment, to which reference was made in last report, has been supplemented by a programme for expenditure of some 900,000,000 Lire for other provinces of the Compartimento. This programme also has been approved in principle by P.W. & U. Department after consultation with the Italian Ministry LL.PP. Individual projects have now been called for by this Division for definite approval.

Military Highways

There is no change. Fair progress is being made with works already in hand.

Other Highways

A number of minor projects have been approved in the hope that, where necessary, bitumen will become available at the right time.

Electricity

Water in storage in hydro-electric plant reservoirs is 20% less that at this date last year and will not now be augmented before the spring. The overall supply of electricity available for winter period is thus more or less fixed and drastic rationing is necessary.

Industrial and private users will be limited to a supply for roughly half of each week. Agreement has not yet been reached regarding the periods of supply to industries.

Discussions are in progress and a decision is expected soon.

Gas

Coal supply has improved somewhat and Gas plants are now in operation in Milan. Distribution for 2 hours daily will commence on 1st December 45.

VENEZIE - (Regional Engineer: Lt-Col. M. KNIGHT, M.C.)

General

During the month the Magistrato alle Acque has handled all projects from the Genio Civile with the exception of Udine, which have been handled by this office. Those projects which have been routed to the Magistrato alle Acque have been screened by that office and submitted to this Division for approval.

In order to absorb unemployment several projects which will benefit the public in general were submitted for approval.

Further requests made by the Army for repairs to roads in Udine Province, were put in hand during the month. The general state of the main highways is good, sufficient bitumen and stone being available to

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Work on bridges and public works projects is proceeding in a very satisfactory manner. Of 250 bridge projects approved, 76 have been completed and 99 are still in course of reconstruction and repair.

Public Works

Very little change has occurred in this section. The works already approved are proceeding satisfactorily.

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Highways and Bridges

The progress on Military highways has been maintained, several new requests from 13 Corps have been put in hand.

The requests for Bailey Bridges which were forwarded to the Military last month have had favourable consideration and the R.E.s are erecting those agreed with the help of civilian labour. Satisfactory progress is now being made on bridge construction and repairs. Of 230 projects for new and temporary bridges approved, 76 are now completed, 99 being still under construction and repair.

Ports

Several projects have been approved for clearing of debris from quays which had previously been under Army control and the port Authority are preparing further projects.

Housing

Steady progress is being made in the rehousing of the roofless. Projects approved for the erection of barracks in towns which have been badly hit are going ahead satisfactorily. The position up to date is : Total houses destroyed and damaged 46,304, Number repaired 10,270, Number of families roofless 37,068, Number of families rehoused 18,280, Total barracks constructed 342, Number of families rehoused in new barracks 720, Total expenditure to date being 917,575,000 Lire.

Electricity

Due to the lack of autumnal rains, the water in the reservoirs which supply the Hydro-Electric Station has been reduced to a very low level; in order to try and conserve the water an agreement was reached whereby rationing of electricity should be brought into force in Northern Italy. This Region therefore put the rationing into effect during the last week of this month, in order to effect a 25% reduction of consumption. A request was forwarded to Milan for an allotment of coal for the Thermal Power Plant at Marghera, so that, if necessary, this plant can be put into operation.

A. H. SULLIVAN

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A. H. SULLIVAN.
Director.

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HEADQUARTERS ALLIED COMMISSION

ECONOMIC SECTION

INDUSTRY SUB-COMMISSION

NOV 26 1945

MONTHLY REPORT

No. 16

OCTOBER 1945

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By [illegible] NARS, Date 12/28/82

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INDUSTRY SUB-COMMISSION

MONTHLY REPORT

No. 16

OCTOBER 1945

SECTION I - GENERAL

1. INTRODUCTION

October has been a month of generally increasing industrial activity in all fields. The arrival of raw materials and the considerable increase in the quantity of imported coal has enabled more plants to get to work and others to step up their production in line with their availabilities. The import of raw materials has brought about a considerable "decrease" in the black market price of such commodities, which decrease should in turn be reflected in the prices of the finished goods. It is thus to be hoped that the tendency towards a continuous rise in consumer prices will receive a check. This should be particularly noticeable in textiles where 31,088 bales of American and 1,300 bales of Egyptian cotton have arrived.

Considerable work has been put into "screening" the Import Program for 1946. Discussions have been held on all phases of the industrial program and suggestions have been made to improve it in the light of the knowledge of the technical experts in this Sub-Commission. The program is a bold one covering all fields of industrial activity and, if carried out, should put the Italian industries back on their feet.

2. ALLIED FORCE ELECTRIC POWER COMMITTEE (AFLRS)

The first meeting of the above Committee, which has taken over the functions of the Electric Power Committee (AFLR (I) B), was held on 27 October 1945, under the chairmanship of Lt. Col. George F. Parker, AC. The following was stated to be the situation in Italy with regard to electric power :

(a) Southern Italy

The additional storage capacity in the Sila Reservoir will permit of the present allocations of electric power in Southern Italy continuing through November in spite of the lack of rain in Southern Italy during October, subject to the rainfall in November being normal or above normal. Should the dry conditions continue through November it is anticipated that the electric power availability in Southern Italy will have to be curtailed towards the end of November in spite of the anticipated relief afforded by the supply of power from Central Italy planned for mid-November.

(b) Central Italy

Due to the continued dry conditions, the availability of electric power in Central Italy is reduced to 141 x 10^3 KW and 94.2 x 10^6 KWH.

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(b) Central Italy

Due to the continued dry conditions, the availability of electric power in Central Italy is reduced to 141×10^3 KW and 94.2×10^6 KWH. An additional 22×10^3 KW will become available on the completion of the repairs to the No. 2 Galleto unit planned for mid-November but the Committee agreed that in view of the precarious situation of the power supply in Southern Italy this increased capacity should be made available to the FOGGIA - BENEVENTO area.

The situation regarding the availability of electric power 1193 in Southern Italy shows no improvement since the last meeting of the Electric Power Committee due to two factors :

(a) the continuation of dry conditions;

and (b) the delay in the completion of the ARCHI - PESCARA transmission line and the fourth generating unit at

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Galleto Power Station.

Further, due to dry conditions, the availability of power in Central Italy is now reduced and cuts have had to be made in the November allocations.

The Committee therefore recommended that a meeting should be held in November to regulate the December allocations. It was agreed that AC should invite the appropriate Ministry of the Italian Government to be prepared to set up a similar body to the Allied Force Electric Power Committee to provide a National control of the use of electric power, such a body to be prepared to take over the allocation of power throughout Italy from January 1946, it being however understood that military advisors would meet with the Committee and that military requirements of power must receive first priority. It was decided to invite Italian Ministry representatives to the next meeting of the Allied Force Electric Power Committee so that they might study the method of operation of the Committee.

3. DEREQUISITION OF INDUSTRIAL PREMISES

The Ministry of Industry and Commerce continues to send to us a considerable number of applications for the derequisitioning of industrial premises. These are dealt with here and the applications passed on to the various Headquarters concerned for action. Our relationships with all the Headquarters with whom we deal in this matter are cordial and there is no doubt that the importance of releasing industrial plants is realised by all military formations.

SECTION II - INDUSTRIAL ACTIVITIES

DIV. I - CHEMICALS

General

Our efforts to induce the Ministry of Industry and Commerce to set up a systematic method of reporting developments in the chemical field have not yet produced tangible results, as considerable time will be required to establish a regular flow of information from private industry. Furthermore, our Northern Office has now become the focal point of such information as is available, and here also there has not been sufficient time to set up a satisfactory system of reporting. Hence, the information that follows is considerably less complete than in the past and represents only such highlights of events as have come to our knowledge.

Superphosphates

After a four months' interruption of movement, 6,000 tons of phosphate rock are due to leave SFAX for Southern Italian ports about the 12th of November. Meanwhile, several thousand tons of cross hauling of rock by land has been necessary to keep going the few superphosphate plants, still in opera-

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Nitrogenous Fertilizer

Electrolytic production continues to rise and over 1,000 tons of chemical nitrogen was produced last month. No coke oven by-product nitrogen has yet been produced, but San Giuseppe di Cairo (Cokitalia) is now operating one battery and soon 1,000 tons a month of chemical nitrogen should be forthcoming from this one plant.

Copper Sulphate

There has just arrived 3,000 tons of blister copper, which will produce 15 per cent of the entire Italian 1946 requirements of copper sulphate. The copper is being discharged at Genova for distribution to three plants

in the North.

Calcium Carbide

Late arrivals and reduced shipments of coal as well as delayed coke production have disrupted our plans for taking advantage of surplus electric power in the North for carbide manufacture. Despite extreme shortage of carbide the only possible production for the next three months is two or three thousand tons to be produced at Cokeapuania Company from residual second grade coke lying at the plant. There is scant hope that gas coke from Central Italy can be spared to resume production at Papigno (Terni Company).

Viscose Rayon

In October, 2,500 tons of cellulose were imported from Switzerland, sufficient with the 2,000 tons in stock to resume operations at 1,500 tons a month pending arrival of cellulose from Sweden. A total of 44,000 tons of cellulose has been committed by Sweden for sale to Italy against exports to Sweden of rayon, yarn cloth and knitted goods. All other chemicals, including carbon bisulphide, are now coming into satisfactory production and the limiting factor has become coal.

Carbon Bisulphide

Production in Sicily and Central Italy has continued unchanged from previous months, but in the North SNIA Viscosa at Venaria Reale has started up one electric furnace at a rate of 100 tons a month. After long delays, arrivals of the necessary charcoal from the South are reported.

Pyrites

With the resumption of phosphate rock shipments, the availability of sufficient stocks of pyrites must be reviewed. There is at present a 230,000 tons stockpile in Maremma and the three smaller mines there produced over 11,000 tons of pyrites last month. This is a fairly satisfactory position, excepting for the fact that 100,000 tons have been pledged for sale to the French as a collateral condition to the sale of phosphate rock. Thus, although there is no need for concern regarding the next three or four months' superphosphate program, the continued supply of the pyrites involved will depend on the big Gavorrano mine resuming production. This is not expected before March at an initial rate of 25,000 tons a month, with other mines increasing in step.

Caustic Soda

Electrolytic caustic soda is still proceeding only in one plant near Rome on account of the rock salt shipments having fallen six weeks behind plan. During this month it is expected that over 10,000 tons will have been distributed to half dozen selected plants, and that thereafter production should steadily increase to a planned level of 4,000 tons a month of solution (36 Be).

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Sodium Carbonate and Caustic Soda

Production continued at approximately the same levels at Solvay Company, Rosignano, where several thousand tons of carbonate and caustic soda were produced. Present output of alkali is in excess of industry's current ability to consume.

Explosives

Production of explosives is closely bound up with recovery of the contents of surplus military ammunition. Negotiations for British surpluses have practically been completed. Arrangements for disposal of U.S. and captured enemy munitions have been worked out finally and during this month it is hoped

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that the first large scale deliveries to CLEM for unloading the shells will have taken place. The recovered explosive contents will be converted into industrial explosives under special Government control.

Chemical Warfare Plant - Cesano Romano

The Chemicals Division in close collaboration with the Land Forces Sub-Commission has now put into force an agreement with the Ministry of War for the dismantling of this chemical warfare plant for making Mustard Gas and Adamsite and for its transference for scrapping or disposition for peace-time purposes at Anagni where the Government has a depot. Approximately 1,000 tons of miscellaneous equipment, including a small electrolytic soda-chlorine and bleaching powder plant, are involved in the operation.

Industrial Gases

With one or two exceptions, all plants have been turned back to civilian ownership and no information re this industry is available.

Coke Ovens and Coal Tar Distilleries

Owing to coal shortages it will not be possible to reactivate Petrocoke for this month. Thus, there is now only one coke oven that produces chemical nitrogen as a by-product which is in operation, i.e. Coke Italia at San Giuseppe di Cairo. Negotiations for importing 1,000 tons of low temperature Tar from Sardinia have been frustrated through lack of agreement as to future fuel allocations to Sardinia.

Note

In general it may be said that heavy chemical industry in Italy is making satisfactory progress, but that output is far below what it might have been were it not for the two ever-present obstacles of insufficient coal and oil, plus shortages in shipping.

DIV. II - FOOD AND PHARMACEUTICALS

1. Food

There has been no substantial change in this industry during October.

A meeting is now under way in Milan to discuss the molasses situation with the sugar manufacturers in the Northern Area. Results of the meeting will be made known in due course.

Shortage of alcohol in the North is still badly felt no steps having been taken to ease the situation by the Italian Ministry concerned.

2. Pharmaceuticals

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2. Pharmaceuticals

No progress in the production has been registered during October owing to the permanent shortage of raw drugs and intermediates, specially in the sulpha field.

Very little shifting of finished pharmaceuticals has taken place from the North during October.
Cause : the confusion originated by the much debated and not too clear Ministerial Decree issued with the intention to perequate prices between north and south production. Most northern manufacturers refrained from selling in view of a substantial rise in prices, thus creating an artificial shortage of finished products all over the country.

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Requisitions have been placed by this Sub-Commission for several crude drugs and intermediates; when these will be made available to industry, production of a number of very essential pharmaceuticals, so far unobtainable, can be produced.

DIV. III - STEEL, MECHANICAL AND BUILDING MATERIALS

(a) Steel

Ferrous Industry

The production of pig iron and steel during the month of October suffered a mild set back for the following reasons :

1. Lack of Coal
2. Imports of electrodes and paste have not arrived and stocks in same localities have been exhausted.
3. Some plants have, with limited stocks, not been receiving their just allotment of scrap steel and have had their production curtailed.

With the resumption of the Tempo of coal shipments from abroad situation 1 will be eliminated.

Electrodes are scheduled to arrive from the States the early part of November and production of Acheson Graphite Electrodes in the firm of Forno Allione was started in October which Electrodes will be available to the industry in December. This will relieve the situation as outlined in 2.

It is assumed that with the control of the scrap distribution in the hands of the Ministry and I.S.R. distribution of this scrap will now be promptly made to the firms requiring the same and will relieve situation 3.

The operations of Officine Elettrochimiche Trentine have been reactivated for the production of Calcium-Silicide for the manufacture of magnetic sheets. The production will be about 180 tons per month.

The production of iron and steel products in Central and Southern Italy was as follows :

Ilva Torre Annunziata	4,000 tons
Terni	7,000 "
Giovinazzo	1,500 "

It is anticipated that the production of the Terni plant will increase to 10,000 tons during next month.

It is also anticipated that Ilva Piombino and Bagnoli will [illegible] next month with an additional production of 3,000 tons.

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The production of pig iron and steel during the month of October suffered a mild set back for the following reasons :

1. Lack of Coal

2. Imports of electrodes and paste have not arrived and stocks in some localities have been exhausted.

3. Some plants have, with limited stocks, not been receiving their just allotment of scrap steel and have had their production curtailed.

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Non Ferrous Industry

Raw materials for the production of Alumina (i.e. coal and bauxite) were obtained from I.N.A. at Porto Marghera and authorization to operate was given on September 24, 1945.

From these operations sufficient alumina to produce 1,500 tons Aluminum will be delivered to Meri and Bolzano. 1151

Lumber Industry

Plans for the furnishing to the Armed Forces of their

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lumber needs were requested of the Ministry in preparation to derequisitioning balance of the lumber industry in Italy.

(b) Mechanical

In spite of all handicaps with the free flow of industrial and commercial activities due to the various after-war causes the industries of Italy show a remarkable recuperative ability.

This ability of self-help and adaptability to the existing abnormal conditions is best illustrated by the small number of appeals and requests for assistance which are reaching this Division. The few requests which reach, finally, this office are mostly from the Northern Regions which are still under AMG and are for very specific imported materials.

The best illustration of the remarkable recuperative abilities of the Italian industries is the automotive industry which lend itself to an easy check up.

The following are the output figures for October of the Automobile plants in Italy :

FIAT Co.

"Fiat" Plants	: Passenger cars (incl. chassis)	327	Units
	Light vans	220	"
	Trucks	310	"
"SPA" Plant	: Trucks	52	"
"OM" Plant	: Trucks	170	"

LANCIA Co.

Passenger cars (incl. chassis)	25	"
Trucks (electric)	9	"
Trucks (Diesel)	23	"

ALFA - ROMEO

Trucks	28	"

The motor companies - Ed. Bianchi and Isotta-Fraschini are still in a conversion stage to peace time activities. They are working now on parts for producing 60 and 80 motor vehicles correspondingly per month.

The production of three wheel vans and camionette's was progressing quite energetically and the eight existing companies had in production about 250 vehicles. The number of finished vehicles was, however, not stated in their reports.

It must be added however that the majority of the vehicles are held in the plant warehouses for the lack of tires.

(c) Building Materials etc.

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Cement

Cement production is, in general, running ahead of transportation facilities. All plants have adequate fuel for the units now operating. Stocks on hand at the plants are large particularly as paper bags remain a critical item for civilian distribution.

Glass

Production of flat glass has been started in four plants. Others are being rapidly reactivated, in spite of severe war damage. Numerous small

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plants are producing tableware and containers using wood as fuel.

Brick and Tile

Numerous small plants are operating using waste fuels. Little or no imported coal has been allocated to this industry.

Lime

Lime is being produced both in the larger plants and in small local kilns. Practically all is being consumed locally for building repair and construction.

Chinaware and Pottery

No coal has been allocated to this industry except for the production of electrical insulators. Substantial production is being obtained from three plants equipped with electric kilns.

Refractories

Production of refractories is limited due to the shortage of imported clay. Limited production is obtained using domestic clays but the products are of inferior quality for high temperature service.

DIV. IV - TEXTILES AND MONOPOLIES

1. Textiles

(a) Cotton

The first shipments of cotton reached the manufactories during the month of October and the activity of the factories was immediately set in motion. Up to the end of the month, the following supplies have arrived :

SS "James Moore" at Genoa with 9,000 bales
SS "Norwich Victory" at Genoa with 16,788 bales
SS "Robin Tuxford" with 5,300 bales.

In addition another 1,300 bales of Egyptian cotton arrived at Naples, with the SS Flora Nomicos.

The cotton which arrived at Genoa was distributed in accordance with a plan made by the Textile Fibre Committee of the C.I.A.I. and approved by the Associazione Cotoniera. The Istituto Cotoniero was entrusted with the task of actually distributing the cotton, and of its conveyance from the port to the spinning-mills.

40% of each arrival will go to the spinning mills, 40% to the weaving mills and 20% to the other industries (sewing thread stockings, technical articles etc.). Each one of these portions should be then divided between the separate firms, according to the number of spindles and looms they possess.

The price of American cotton has been fixed by the Ministry of

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The price of American cotton has been fixed by the Ministry of Industry and Commerce on the basis of Lit. 225 per kilo base middling 15/16.

The range of prices should be as follows :

QUALITY AND STAPLE	PRICE PER KG.
L.M. to S.L.M. 31/32" to 1. 1/32"	L. 205,10
S.L.M. 15/16" to 31/32"	" 214,25
S.M. shy 15/16" to 31/32"	" 227,05
Midd. to S.M. 1" full	" 228,80
Midd. 1.1/32" to 1.1/16"	" 232,50

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The 5,300 bales which arrived at Naples by SS "Robin Tuxford" were distributed among the mills southern of the Gotic line, by the Ministry of Industry and Commerce as follows :

Cotoniere Meridionali	555,500 Kg.
Cot. Mattioli	12,500 "
Cucirini Cantoni Coats	170,000 "
Cot. Spoleto	224,000 "
Cotonificio Oliva	170,000 "
Filatura di Pistoia	71,000 "

As may be seen in this plan of distribution prepared by the Ministry no weaving plant has been taken into consideration. Likewise the other various industries (hosiery, stockings sewing thread) have been entirely excluded.

The Egyptian cotton in arrival at Naples has to be forwarded to the North, and there distributed among the firms which are specialized in yarns for technical uses.

The American cotton arrived at an opportune moment, just when the factories were about to suspend work. A great deal of benefit has been felt in the whole market by the arrival of this cotton : firstly the black market price fell from Lire 1,000/1,400 to 400/500 and it is quite probable that the prices will fall still more when the next consignments arrive.

In order to place upon the market cheap goods for the poorer classes, the Government has taxed the industrialists with a certain quota on each loom and spindle, so that goods at a price varying from 50 to 100 Lire per meter may be sold to the workers. An amount of about 12,000,000 Kg. obtained in this manner will be distributed as soon as possible. Another quantity about 40/50 million Kg. of fabrics which were frozen since the liberation, will be able to be sold without control.

(b) Silk

The Italian Government wishes to use the harvest of 1944 as a basis for bartering silk with cotton, with the United States Government, at the rate of 1 Kg. of reeled silk, with 34 Kg. of American cotton.

The distribution plan of the 1945 harvest is under examination. This plan will take into consideration a distribution based on the number of the bowls, but giving a preferance of 20% to the reeling mills in Friuli and in the Northern Venetian Regions.

At the present the reeling is suspended until the farmers come to an agreement with the mills about the selling price for the cocoons. The farmers claim more than 340 Lire for each kilogram of cocoons while the mills and also the Government intend to fix a lower price.

Also the price of reeling asked for by the mills is too high. They are asking for 1,200 Lire per Kg., basing their requests on the annual expenses while, according to the distribution plan, they would be in a condition to work only for 45 days.

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(c) Wool

The Ministry of Industry and Commerce is preparing a distribution plan of the local wool collected by the Ammassi.

Of these quantities :

200,000 Kgs. will be allotted for technical use
100,000 " " " " " ecclesiastical use
800,000 " " " " " the Armed Forces
800,000 " " " " " civilian use.

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The Italian Armed Forces will give up their typical military woollen cloth and adopt a type of worsted cloth like that used by the American Army. In applying such a measure and moreover allocating to the combing-machines the 800,000 Kgs. destined to the civilian needs, the Government intends to alleviate the present serious situation of the worsted wool industry. On the other hand, the carded wool industry is working on a scale of 50% utilising rags, wastes and local fibres.

2. Hemp

(a) As the new increased prices for hemp due to the farmers have now come into force, supplies have been coming in to the official central warehouses rather more freely, especially in the North, and the reluctance of the farmers in the South is also slowly being overcome.

All mills have received reasonable supplies of raw material during this month, including the feeding of the Southern mills with North Italian hemp, altogether over 100 wagon loads having been sent down by rail to help the local critical situation, owing to the previous lack of material.

(b) Exportation : The following shipments to the United Kingdom have been effected :-

20 October, 1945 -- S/S "DON" -- from Leghorn - 238 tons
23 October, 1945 -- S/S "FORT MINGAN" - Venice- 467 tons.

(c) Hemp Control Office is rendering all possible help to the Italian Authorities in connection with handing over the complete control of the Hemp Industry to the Consorzio Nazionale Canapa.

3. Monopolies

(a) Tobacco

The manufacture of the known reduced scale of tobacco products was normal during the month of September.

Coal and Belting

Great difficulties are being encountered by the Monopolies in obtaining a sufficient supply of fuel and leather belting, both being controlled by the Ministry of Industry and Commerce.

In spite of recommendations from this Sub-Commission, the Ministry has not so far given the Monopoly a higher priority for the allocation of coal. It is our experience that the Offices concerned do not understand the importance the State's tobacco industry has from the revenue angle. The U.P.I.C. charged with the distribution of coal prefer to make allocations to the private industries and do not consider the needs of the tobacco factories, in spite of the verbal assurance from the Coal Office of the Ministry, that this situation would be adjusted. The same situation is found at the Leather Office of the Ministry of Industry and Commerce.

(b) Cigarette Paper

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(b) Cigarette Paper

The supply of this item improved through the reactivation of 1 paper mill in the North and 1 in the South, which together with the other 3 cigarette paper mills are able to cover the present reduced needs of the Monopoly. The Monopoly has been advised to procure hemp rags from private sources which are no longer controlled by AFLRS.

(c) Salt

Although more than sufficient stocks are available, the supply and distribution both to the population and industry in the North was somewhat hampered through the lack of sea transport and insufficient allocation of railtrucks.

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It is however anticipated that more shipsmay be allocated for the transportation of salt from Cagliari and Margherita di Savoia, so that the present increased needs of the Sausage and Ham industry can be ensured.

Prices

Due to the fact that salt prices in Italian Government controlled territories are double those effective in the 4 Northern Regions, large quantities of salt find the way from the North to Central Italy in order to be sold on the black market.

Therefore this Sub-Commission supported the request of the Monopolies that the Decree relative to the higher salt prices be implemented in AMG territories. This is essential in firstly from the revenue angle, and to abolish the black market at least in Monopoly items.

(d) Nicotine Extract and Nicotine Sulphate

Both products are essential for agriculture. The manufacture thereof however is often held up through the lack of coal and kerosene. The Ministry and the Offices concerned in the North have been contacted with a view to ensuring the allocation of the quantities necessary for the continuation of production.

(e) Matches

The production is going on at full scale.

Prices

There are being sold on the black market in the South matches brought down from the North where prices are the half of those effective in the South. The implementation of the higher prices in the North is essential, if further reduction of the State revenue is to be prevented. A reduction of prices in the South, as originally prospected by the Monopoly seems to be unpracticable owing to the raised costs both in the South and North.

DIV. V - RUBBER

Production of new tires continues at the Tivoli plant of Pirelli but is limited to small tires for passenger cars due to the lack of rayon cord and fabric.

Retreading and repair of civilian tires is in effect but is limited by availability of equipment for such work. Efforts are being made to obtain the equipment of O.E.S. No. 2 for use by Italian industry.

The production of soles, heels, bicycle tires and some mechanical goods using scrap and reclaimed rubber is increasing.

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DIV. VI - MINING

1. Sardinian Coal

(a) Production and sales data from Sardinia for September 1945 are as follows :

	M. Tons
Stock on hand - 1 September	42,175
Production September	55,470

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	Tons
Sales September	
Local Sales	15,296
Export Sales	57,48[illegible]
Stock on hand 30 September	2[illegible],869

(b) The estimated production for October is 55,00[illegible] metric tons. Actual production is not yet available.

(c) The number of workers has now increased and it is estimated that daily production will rise to an average of 2,500 metric tons during November.

(d) More supplies have been shipped to the mines and sufficient critical items, except pit props, are now in Italy to operate the mines until local Italian manufacturers can supply such requirements.

(e) The pit prop situation is very uncertain. With the reverting of procurement responsibility to Italian Government, requirements of good pine timber for pit props is over one lineal meter per ton of coal produced. With present production, this will require a minimum of 2,000 cubic meters per month. At present the Italian Government has made no plan or taken but little action to procure these pit props.

2. Lignite Italian Mainland

(a) Estimated production of all xiloid type of lignite for October is 100,000 metric tons.

(b) Estimated production of picea (sub-bituminous coal) will be 12,000 metric tons.

(c) Railroad car shortage and other transport difficulties remain the bottleneck to increasing production.

3. Other Solid Fuels

Estimated production of other solid fuels (La Thuile Anthracite and Ovare coal) for October is 10,000 metric tons.

4. Metal Mines Sardinia

(a) Supplies to reactivate the metal mines are now arriving. Several of the smaller mines are producing ore and the larger mines are commencing operations on a limited scale.

(b) Coke for the operation of the lead smelters has been shipped from the U.S. It is expected that this coke will arrive early November and that the lead smelters will commence operating on the present stockpile of concentrates.

5. Mainland Metal Mines and Minerals

No change from previous month.

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5. Mainland Metal Mines and Minerals

No change from previous month.

6. Sicilian Sulphur

October

Estimated production for month of October is 6,000 metric tons of fused sulphur.

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September

Actual production etc. of sulphur in September was as follows :

Raw Sulphur produced in tons	5,837

Raw Sulphur shipped to Consorzio Magazzini Generali		2,654
Stocks on hand on the various mines ready to be shipped		12,380
Workers :	inside	4,283
	outside	1,933
Operating mines producing sulphur		42
" " not " "		29

7. Supplies

(a) Members of Mining Division visited the various warehouses Naples (ICE - ACAI) and located much material previously reported as lost or displaced. Full instructions for picking up, handling, and disposing of such material, has been given to the interested agencies.

(b) Responsibility for the control of explosives has been handed over to the Italian Government.

SECTION III - PERSONNEL

Assignments or Re-Assignments

Capt. W. King	assigned to Piemonte Region
Capt. J.P.S. Amoore	appointed to U.M.D. Sub-Commission

Officers released during October

Maj. J. Rosenbaum (A)
Maj. W.A.K. Finlayson (B)
Maj. E.R.H. MacDermott (B)
Capt. A.F. Radcliffe (B)
Capt. A.R. Pengilly (B)

The following list is present establishment Headquarters :

Maj. Charles Fewings (B)	Deputy Director
Capt. D.S. Kingery (A)	Mining Div. V
Lt. F.N. Spencer (A)	Mining Div. V A
Mr. W.S. Backhouse (Civ.) (B)	Hemp Control Office
Mr. S.D. Brootzkoos (Civ.) (A)	Mechanical & Automotive Div. III
Mr. V. Dorkovich (Civ.) (A)	Chemical Div. I

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Mr. V. Dorkovich (Civ.) (A)	Chemical Div. I
Mr. M.C. Farmer (Civ.) (A)	Engineering Div. III
Mr. S. Land (Civ.) (A)	
Dr. S.H. Manian (Civ.) (A)	Food Processing Div. II
Dr. E.W. Rembert (Civ.) (A)	Rubber Div. IV
Mr. H.R. Whitehead (Civ.) (A)	Textiles Div. IV

Northern Office Milan

Maj. A. MacNaughton-Wright (B)	O. i. C. Northern HQ., Milan
Maj. A. Haban Jr. (A)	Electrical Div.
Capt. L. Mehr (A)	Food Div.

Local Government

Capt. R. Haworth (B)	Hemp Control Office
Mr. H. Thorogood (B)	Hemp Control Office

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Liguria Region

Maj. K. C. Wilson (B) — Chief Industry Officer

Piemonte Region

Capt. D.B. Roberts
Capt. W. King

Lombardia Region

Capt. T.G. Elliott (B)

Venezia Region

Maj. N.R.L. Macdonald (B) — Chief Industry Officer
Capt. S. Laidlaw (B)

Venezia Giulia

Maj. H.D. Bradbury (A) — Industry Officer

CHARLES FE[illegible]INGS
Major [illegible]ASC

for A.H. SULLIVAN
Director,
Industry and Commerce Division,
Economic Section.

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Maj. N.R.L. Macdonald (B) — Chief Industry Officer
Capt. S. Laidlaw (B)

Venezia Giulia

Maj. H.D. Bradbury (A) — Industry Officer

CHARLES FENNINGS
Major AASC

for A.H. SULLIVAN
Director,
Industry and Commerce Division,
Economic Section.

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HEADQUARTERS ALLIED COMMISSION
APO 394
INDUSTRY SUB-COMMISSION

CF/gp

Tel. 489081, Ext. 237

10 October 1945

Ref. AC/5529/IND

OCT 13 1945

SUBJECT : Monthly Report.

TO : Distribution Below.

Attached herewith for your information is a copy of our Monthly Report for Sept. 1945.

For the Chief Commissioner :

CHARLES FEWINGS
Major RASC

for A.H. SULLIVAN
Director,
Industry and Commerce Division.

Incls.:-
Monthly Report.

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G-4 AFHQ (A) (Attn.: Col. Libby)
Allied Force Local Resources Section, RAAC, CMF
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1 — Ex Comm
1 — Food Syst Sec
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HEADQUARTERS ALLIED COMMISSION

ECONOMIC SECTION

INDUSTRY SUB-COMMISSION

MONTHLY REPORT

No. 15

SEPTEMBER 1945

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INDUSTRY SUB-COMMISSION

MONTHLY REPORT

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SECTION I - GENERAL

1. INTRODUCTION

The month of September has again been one of advice and help in straightening out industrial tangles, chiefly connected with allocations of raw materials. It is still difficult to convince the various Italian agencies concerned that if there is only a 50% availability of materials, plants cannot be allocated 100% of their needs.

Raw materials, so far notably cotton and manganese ore, are beginning to arrive in quantity and up to now, it has been difficult to get definite programmes of distribution. This has been left to the various Committees in the North, together with the Ministry, with this Sub-Commission helping wherever necessary, but various factors, economic and political, seem to have prevented the formulating of a clear, detailed allocation of the supplies arriving and due to arrive. The completion of such programmes is being pressed both here with the Ministry and in the North and it is hoped shortly to arrive at the stage where everyone concerned will know the distribution of the materials etc. before they are landed.

Despite emphatic statements on the matter, large numbers of civilians continue to approach this Sub-Commission for allocations of POL, vehicles, tyres and almost any other item of interest to industry. They are in all cases referred to the Ministry despite their complaints of slowness etc., except in cases where there is an obvious threat of shut-down in much needed production or other serious consequences, when an attempt is made to clear the situation here.

In general, with the arrival of coal in greater quantities and of raw materials, the prospect for Italian industry is much brighter and it is hoped that unemployment will be appreciably decreased as the coal and materials are put to work.

2. MATERIALS COMMITTEE A.F.L.R. (I) B.

The 2nd meeting of the above Committee was held on the 27th September 1945, under the chairmanship of Brigadier D.L. Anderson, CBE, when the entire availability of hemp products was allocated to A.C. No allocation of plywood was necessary as the military stocks were sufficient for requirements. It was therefore recommended that

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and (b) Hemp, raw, tow and manufactured

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cease to be controlled items.

It was also recommended that this Committee, having fulfilled the functions for which it was set up, should be dissolved.

3. ELECTRIC POWER COMMITTEE - A.F.L.R. (I) B.

The 23rd meeting of the above Committee was held on 12th September 1945 under the chairmanship of Lt. Col. G.F. Parker, P.W. Sub-Commission, A.C.

The situation envisaged by this Committee at its meeting held on 21 July 1945 has now developed and unless a considerable increase in rain

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takes place the supply of water in the Sila reservoir will be exhausted at the beginning of November. The Committee strongly recommended that A.F.H.Q. be asked to issue an order restricting the use of electricity in Southern Italy, enforcing the strictest economy with a view to conserving as long as possible such small supplies of water as remain in the Sila reservoir.

The Committee considered procedure for the continuation of its functions should the A.F.L.R. (I) Board be dissolved. After discussion the Committee recommended that :

(i) The control of the bulk allocation of electric power in Central and Southern Italy should remain in the hands of the military.

(ii) In view of the present difficulties of electric power supply in Southern Italy and the necessity for the careful control of bulk allocations of power for transmission from Central to Southern Italy a Committee constituted on similar lines to the present Committee should continue to function and make bulk allocations of power. Such a Committee to review the necessity for continuing its functions at each meeting with a view to terminating its activities as soon as possible compatible with the requirements of the Allied Forces for electric power being ensured. The recommendation of such a Committee to be passed to the D/CAO, AFHQ for approval prior to publication.

4. DEREQUISITIONING OF INDUSTRIAL PREMISES

Applications from the Ministry of Industry and Commerce continue to take up a good deal of time in the Sub-Commission. With the departure of troops, however, the position is becoming a lot easier and it is thought that by the end of the year, the majority of industrial premises will have been vacated although there are bound to be exceptions in areas like Naples and Leghorn.

SECTION II - INDUSTRIAL ACTIVITIES

DIV. I - CHEMICALS

General

In the last week of August the Chief of the Chemicals Division held lengthy conferences with the Comitato Chimica e Gomma (North Italy Industrial Council) for the purpose of turning over the operating responsibilities for all current matters under the jurisdiction of the Chemicals Division. The arrangements made have proved satisfactory since virtually all operations have been conducted throughout the month directly by the Comitato Chimica in close liaison with our Northern Office.

As of September 21, pursuant to instructions issued, the Chemicals Division has relinquished all functions as regards Italian chemical industry programs, distribution and manufacturing operations and has strictly

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Super-phosphate

The impasse in Franco-Italian negotiations for phosphate rock has not been broken. No phosphate rock has arrived in three months and even the Southern plants are at a virtual stand-still.

Copper Sulphate

Owing to many months of delay in releasing substantial tonnage of brass cartridge cases, it has been decided to abandon the plan to use them for copper sulphate production, as copper is expected to arrive soon.

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Nitrogenous Fertilizers.

Reports requested on northern production have not yet arrived. The situation probably remains unchanged from that reported last month.

Calcium Carbide.

8,500 tons of coke requested in July have yet to be available for allocation for production of calcium carbide and the Montecatini plant at Apuania is the only one in regular operation.

Viscose Rayon

The raw material supply situation is improving in that representatives of the Swedish Cellulose Industry are now in Rome and agreements for an initial shipment of 4,000 tons of cellulose from Sweden have nearly been concluded.

Pyrites

In view of the back log of unfulfilled phosphate rock requirements, current movements of pyrites for stock piling at superphosphate factories have proceeded satisfactorily. Stocks at Maremma are more than adequate, particularly since the mines are now being dewatered while exports to France have not yet begun.

Caustic Soda

The bottleneck continues to be an inadequate supply of shipping space and shortage of coal for the railroads in Sicily, which latter has kept the movement of salt from the mines to the port at a level far below that necessary for filling our program.

Soda Ash

Solvay Company plant at Rosignano continues its regular production at the rate of several thousand tons a month, the exact figures for the month not yet being available. The fuel situation had become a dangerous one owing to interruption of rail connection with the lignite mine at Ribolla and also because stocks of coke for lime production had fallen to less than two weeks' supply. The situation has been eased by the allocation of 1,500 tons of coke lying at Coke Apuania Co., and the transfer by truck and schooner is now actively in hand.

Explosives

No overall plan has yet been reached for organizing the flow of munitions into authorized hands, such as the Comitato Lavorazione Esplosivi Munizione (CLEM) which was spoken of last month. An important development is that British munitions are to be handed over to the Italian Government for their disposal and that their explosive contents will not

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Chemical Warfare Plant

Rumianca Co.'s plant at Pieve Vergonte is now receiving raw materials and should shortly start producing caustic soda, chlorine, carbon bisulfide, etc.. Dr. Soronio's Works at Riozzo (Milan), having dismantled essential portions of such chemical warfare plants as had not previously been incapacitated, have been granted permission to resume manufacture of formic acid.

Cesano Romana. This plant though officially turned over to civilian control of the Ministry of War, is still in the charge of the former

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operators i.e. ICNA. This plant is ill-suited to normal commercial operation in the fields which the management claims to be interested in. The Land Forces Sub-Commission has also advised that reactivation of this plant would clash with their own operations and, therefore, no material assistance has been given.

Industrial Gases.

This branch of the industry has been entirely turned over to the Italian Government and no reliable information as to operations is available.

Coke Ovens and Coal Tar Distilleries

Three coke ovens have started firing their batteries, i.e., Fornicoke (Vado Ligure) Cokitalia (San Giuseppe di Cairo) and Vetrocoke (Porto Marghera). Owing to over-optimistic estimates as to the conditions of the coke ovens, the starting of coal carbonization is over a month behind schedule. It is anticipated that before the end of October coke and coal tar deliveries can begin. This will prove a boon to the chemical industry, in that large quantities of coke are required for making soda ash, calcium carbide, methanol, etc., while its co-products, coal tar and coke oven light oils, constitute the raw materials for creosote, carbon electrodes and synthetic organic chemicals.

DIV. II.- FOOD AND PHARMACEUTICALS

1. Food

a. During the month of September there appeared to be a growing tendency on the part of various local governmental agencies and manufacturers to disregard allocations as recommended by this Sub-Commission. Molasses allocations might be cited as the outstanding example of the foregoing. A test case in Italian Government Territory has been referred to the Ministry of Industry and Commerce and the action of that Ministry is awaited with interest.

b. Emergency requisition for 1500 barrels of gasoline for Venezie Region for hauling sugar beets to the sugar refining plants was requested and obtained.

c. Advanced Headquarters AC Northern Region is now in process of formulating the 1946 import programme in cooperation with Comitato dell'Alimentazione. The first programme will be an overall review of the year 1945 and a forecast of requirements for the year 1946. It is planned that this programme will be followed by a detailed quarterly programme in which will be indicated the actual commodities and quantities.

d. Despite the recent decision of Economic Section AC to turn-over to the Italian Government all details pertaining to allocations, numerous letters of request continue to come to this office from individual industrial firms on such matters. It would appear that more adequate publicity should be given by the Italian Government to this trans-

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2. Pharmaceuticals

a. The general situation in the pharmaceutical industry remains much the same as previously reported. The main difficulties blocking complete rehabilitation are : mal-functioning of allocations of raw materials to producers, holding of finished stocks by certain pharmaceutical manufacturers, and lack of certain raw materials which were requisitioned from abroad early this year.

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b. Alcohol was again in extremely short supply in the North during the month of September. This Sub-Commission has repeatedly recommended that alcohol for pharmaceutical purposes be transported from the South to the North of Italy. However, to date, the Ministry of Industry and Commerce has taken no action despite the fact that there is a daily cistern wine train from Brindisi to Milan.

DIV. III - ENGINEERING, STEEL, MECHANICAL AND BUILDING MATERIALS

(a) Steel

Demands for magnetic sheet for the Electrical Industries of the North have increased. Current production of magnetic sheet steel at Terni is 200 tons per month. Steps have been taken to receive additional rolls from Ditta S. Eustacchio, Brescia, which rolls will increase Terni's production to 400 tons per month.

The firm of Breda started hot rolling steel rails on Sept. 18 and are currently producing these rails at 1000 tons per month.

The Firm of Acciaierie at Terni is starting the second batch of two Cupola Furnaces for production of cast iron pipes and from the first of October will be producing cast iron pipe for Public Utilities, and grates & brake shoes etc. for rail roads.

Ilva, Piombino has started producing steel for rails and railroads at a rate of 3000 tons per month.

The arrival of 3190 tons of manganese ore on SS "Norwich Victory" was announced for Oct. 2nd. With the announcement of this proposed arrival no program for distribution was available for unloading and distributing. This program was obtained and steps are being taken to make available distribution programs for all metallurgical imports in sufficient time in advance of actual ship dockings so that prior arrangements for immediate movement of the materials can be made.

Stocks of Electrodes and Soederberg paste have dwindled to about one month's supply. To relieve this situation inquiries have been made as to the possibility of importing these materials from Switzerland and Germany. A stock of tar has been located at Apuania and stocks of some graphite have been located in Northern Italy. Steps are being taken to have electrodes manufactured at Distillerie Lomberde.

Steel production in Central and Southern Italy during month of September is as follows :

Terni	12,216	Tons
Ilva Torre A.	4,500	"
Giovinazzo (Bari)	2,620	"

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(b) Refractory Materials

Refractory materials are being produced using raw materials available in this country. The quality is relatively poor and imports of high alumina clays are required. Substitute compositions are used to good advantage.

Electrical insulators are in production and are of good quality. These materials are produced in conjunction with panels and fixtures for repair work in building circuits as well as power lines.

(c) Chinaware and Sanitary Fixtures

No fuel has been allocated for these products. Substantial production is obtained, however, from the plants equipped with

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electric tunnel kilns.

(d) Cement

A survey of representative cement plants in Central and Northern Italy has shown that operations are confined to those plants having modern equipment and that adequate fuel is available for about 50% of capacity from these plants. The principal difficulties at present are paper bags and transportation. Raw materials present no problem in this industry. Fuel is a primary consideration.

(e) Glass

Production of glass-plane and containers has started with allocation of fuel to a limited number of plants.

(f) Brick and Tiles

Production of brick and tile is continuing on a limited basis. Fuel allocations to plants manufacturing these products are small though most can operate on a variety of locally found fuels.

DIV.IV - TEXTILES, LEATHER, AND MONOPOLIES

1 - Textiles

The information in this report has been gathered from visits to industrial plants and from interviews with manufacturers and heads of the various raw materials committees at this office.

Verbatim reports of interviews have been made but are not submitted herewith.

(a) Natural Silk

Attention has been devoted to natural silk first for the reason that it is grown in Italy, whereas cotton, wool and pulpwood have to be imported.

We have interviewed several manufacturers of silk fabrics and hosiery and find that hosiery manufacturers are in desperate need of needles, sinkers and other accessories for the manufacture of hosiery. Unless large quantities of these parts are obtained promptly, the hosiery manufacturers will be forced to stop production.

We have written American firms asking for prices, deliveries and methods of payment for the needed parts. As the lira is not acceptable in payment, some system of bartering or an arrangement for payment in foreign exchange must be made.

The silk industry is now operating at approximately 29 per cent of capacity.

Recently a quantity of pure silk yarn was exported

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The silk industry is now operating at approximately 20 per cent of capacity.

Recently a quantity of pure silk yarn was exported to England and it is understood that further shipments are to be made. Conflicting opinions have been expressed regarding the advisability of exporting raw silk and yarn. Some manufacturers contend that there is a shortage of silk; other maintain that there is ample for Italy's requirements. It is believed that the latter statement is true and that the manufacturers who claim there is a shortage are those who are not willing to pay black market prices.

If there is ample silk, the export of yarn was a good move for Italy, as it brought an excellent price. On the other hand, if there is a shortage, exporting raw silk and yarn will necessarily deprive Italians of needed employment, and further exports are not recommended.

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If the Allies should confiscate Japanese silk as reparations settlement, perhaps the importation of Japanese silk to the United Kingdom and the United States would be a step toward breaking black market prices.

Samples of silk fabrics and hosiery are being sent to New York to obtain prices which the New York market is willing to pay. The manufacturers with whom talks have been held seem to have no idea of the prices they can get in foreign countries and therefore are unable to determine whether it is advisable to cater to the export trade. We expect to have replies regarding the samples within a short time and if prices are satisfactory, exportation can be started. It is our opinion that so long as prices of raw materials remain at present extremely high levels, very little can be accomplished in the export line.

(b) Cotton

The first shipment of American cotton arrived recently and is being held at Genoa pending formulation of a plan of distribution by the Italian government and approval by the Allied Commission. When the plan is ready the cotton will be distributed accordingly.

Cotton mills have been operating at about 20 per cent of capacity and mostly with Sicilian cotton, which is a cotton of very inferior grade. Some Sicilian cotton has been purchased at prices out of all reason, ranging from 700 lire to 1100 lire per kilo.

It is our understanding that the Italian Government intends to raise the price of American cotton to 150 lire per kilo. Whether or not this has been definitely decided we do not know.

It is the opinion of several cotton, wool and silk manufacturers with whom we have talked that Labor will ask for a 100% increase in wages.

It is unnecessary to point out that the price of the finished product will be raised to such a level that it will impose a hardship on the Italian people and also prevent exportation.

While Egyptian cotton is in the purchasing program, we have no information as to quantities purchased and shipped. We would like to have this information immediately, as the manufacturers are daily asking for it.

We suggest that in the future only one staple and one grade of American cotton be sent to Italy, in order to simplify the distribution. Our recommendation is 31/32" strict low middling cotton until sufficient coarse and durable fabrics have been produced for the Italian people. When this has been accomplished, better grade and staple will be recommended.

We should also like to have the invoices mailed

present extremely high levels, very little can be accomplished in the export line.

(b) Cotton

The first shipment of American cotton arrived recently and is being held at Genoa pending formulation of a plan of distribution by the Italian government and approval by the Allied Commission. When the plan is ready the cotton will be distributed accordingly.

Cotton mills have been operating at about 20 per cent of capacity and mostly with Sicilian cotton, which is a cotton of very inferior grade. Some Sicilian cotton has been purchased at prices out of all reason, ranging from 700 lire to 1100 lire per kilo.

It is our understanding that the Italian Government intends to raise the price of American cotton to 150 lire per kilo. Whether or not this has been definitely decided we do not know.

It is the opinion of several cotton, wool and silk manufacturers with whom we have talked that Labor will ask for a 100% increase in wages.

It is unnecessary to point out that the price of the finished product will be raised to such a level that it will impose a hardship on the Italian people and also prevent exportation.

While Egyptian cotton is in the purchasing program, we have no information as to quantities purchased and shipped. We would like to have this information immediately, as the manufacturers are daily asking for it.

We suggest that in the future only one staple and one grade of American cotton be sent to Italy, in order to simplify the distribution. Our recommendation is 31/32" strict low middling cotton until sufficient coarse and durable fabrics have been produced for the Italian people. When this has been accomplished, better grade and staple will be recommended.

We should also like to have the invoices mailed when shipment is made, showing price, grade, staple, weights and marks.

2 - Hemp

(a) In the North, everything has proceeded satisfactorily, and the necessary transport fortunately has been available, both by road and rail. In consequence, reasonable supplies of raw material have been supplied to the Hemp & Jute Spinning Mills, according to availability; and, in addition, a fair quantity has been railed down to Naples for feeding the Southern Mills, owing to the great scarcity of Naples Hemp.

The farmers both in the North and the South are still most reluctant to bring in their supplies of hemp to the official Consorzio warehouses, and unfortunately there is a continued large leakage on to the black market, which the Italian Authorities appear to be quite unable to deal with.

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As anticipated, the new crop is down both in quality and weight, owing to stunted growth caused by the excessive drought during the spring and summer.

All hemp products have now been released by A.F.L.R.S. over to the Italian Hemp Consorzio, and this availability for internal distribution should go to ease the situation all round, as the population throughout the country have received very few if any supplies for nearly two years.

It has now been recommended by the A.F.L.R.S. Materials Committee that Hemp and all Hemp Products be decontrolled, and when this becomes effective then hemp will remain under control only so far as concerns exportation, this still remaining subject to allocation from the Combined Raw Materials Board in Washington.

3 - Monopolies

(a) Raw Tobacco

The critical situation as described in the monthly report for August has not improved. Efforts are being made by this Sub-Commission jointly with the General Management of the Monopolies to procure raw tobacco from Greece against the exportation of matches and cigarette paper. Both items are urgently required by that country, but the answer of the Greek Government to the above proposal, forwarded to Athens by the Greek Delegation, has not yet arrived.

Other countries which could supply tobacco are Turkey and the South Africa. These will have to be approached through UK.

Transport

The SS. Rinucci has been allocated to carry 600 tons of raw tobacco from Gallipoli to Venice in October.

(b) Cigarette Paper

Prices - Against a price of 300 Lire per 1 Kg. of U.S. requisitioned cigarette paper, the Monopoly has to pay the following prices for Italian produced paper :

To the Cartiere Meridionali of Isola del Liri 950 Lire
To the Paper Mills located in the North 1235 "

whereas a small quantity of Austrian cigarette paper imported in compensation against fruits from Bolzano was paid only 488 Lire per 1 K.

Hemp weed - 4000 Kg. of this material, sufficient up to the end of this year, have been released to the Monopolies by AFLRS.

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Hemp weed - 4000 Kg. of this material, sufficient up to the end of this year, have been released to the Monopolies by AFLRS.

Machine belts - The Ministry of Industry and Commerce, after reiterated urgent recommendations by this Sub-Commission, have allocated at last 1300 metres leather belting while 1000 Kg. requisitioned belting arrived from U.S.A.

Coal - The Monopoly complain that in spite of the intervention both of this Sub-Commission and the Ministry of Industry and Commerce the factories at Bari and Lecce have not been given any allocation of coal. This seems to be due to the irregular functioning of the U.P.I.C. of Bari.

(c) Salt

Sea Transport - The S.S. Imperatore has been allocated

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for the transport of 2000 tons of salt from Barletta to Venice in October.

Salt for Jugoslavia - The Italian Mission of UNRRA asked the Monopoly through this Sub-Commission to furnish 86000 tons edible salt for Jugoslavia. The Monopoly is prepared to do so against payment in kind, such as timber, cement or coal. Meantime the Monopoly has put at the disposal of UNRRA 10000 tons salt gratis, which quantity will be supplied to Jugoslavia.

(c) Matches

Prices - The anomaly that prices in the North controlled by AMG are half of those effective in the territories controlled by the Italian Government still persists because the Ministry of Finance failed to establish an equalization of prices, with the result that large quantities of matches are being imported from the North to the South and sold on the black market at prices which are lower than those of the official tariff.

It was decided at the beginning of June, that the Ministry of Finance would issue a decree to establish equal prices for the whole of Italy which would have involved a reduction in the present prices. It is now understood that the Ministry of Finance is not willing to reduce the present prices and wants instead to impose the Southern prices in AMG territory.

In order to avoid the importation of matches from the North to the black market it appears desirable that the official Gazette Nr. 28 dated 6 March 45 covering the prices introduced in Southern Italy on 2 Feb. 45 be implemented in AMG controlled territories.

Raw material situation - The match industry which is operating at a normal level, has sufficient stocks of all necessary raw material, except animal glue and phosphorous. The first is not being produced in Italy and should be imported from abroad; for the manufacture of the latter Italy needs to import phosphorites from Tunis or USA (Florida). These will be treated at the Chemical plant of Spoleto which is expected to go into production by 1 Jan. 1946. The difficulties of procuring power supply have been overcome and power has been ensured for this plant as from 1st Jan. 46 for a 4 months' period.

DIV. V - MINING

1. Sardinian Coal

a. Production and sales data received from Sardinia for August 1945 are as follows :

	Tons
Stock on Hand - 1 August	37,199
	57,238

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DIV. V - MINING

1. Sardinian Coal

a. Production and sales data received from Sardinia for August 1945 are as follows :

	Tons
Stock on Hand - 1 August	37,199
Production August	53,238
	90,437
Sales August	
Local	10,592
Export	37,670
	48,262
Stock on Hand - 31 August	42,175

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b. The estimated production for September is 52,000 tons;

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actual data are not yet available.

c. The number of underground workers increased from 4116 in the last week of August to 4248 in the last week of September notwithstanding a slight falling off to 4033 in mid month.

d. The Mining Office, Alcom, Sardinia has been wound up. From 15 September all responsibilities of the above office have been assumed by the Italian Government. Arrangements have, however, been made with Soc. Carbonifera Sarda, with the approval of the High Commissioner for Sardinia, for liaison between the coal Company on the one side and Coal Division, AFHQ and Alcom on the other side.

Mr. Elliot GALLI, an employee of the coal Company, who has been attached during the last two years to Mining Division, Sardinia, will act as liaison agent and will prepare production reports.

2. Lignite - Italian Mainland

a. The estimated production of all lignites for September was 100,000 tons.

b. The railway spur between Pietrafitta mine and Ellera on the main line through Perugia has been completed.

3. Other Solid Fuels

The estimated production of La Thuile Anthracite mines for September is 5,000 tons.

4. Metal Mines - Sardinia

a. The metal mines in Sardinia continue on a maintenance basis.

b. All work previously handled by Mining Office, Sardinia will now be handled directly by the mining companies and the Government Agencies concerned. Pigments for the British Ordnance Paint Factory will be handled by a representative of that unit now in Sardinia.

5. Mainland Metal Mines and Mineral Mines Other Than Coal

a. The following mines were visited either at the end of August or during the early part of September.

Lead-Zinc Mines of Val Seriana (Bergamo)
Long Fibre Asbestos Mines of Sondrio Province
Balangero short fibre Asbestos Mine
Talc Mines of Val Chisone
Pestarena Gold Mine (Novara Province)

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Lead and Zinc

The mines of Val Seriana are maintaining a reduced labour force to carry out development which was neglected during the war.

Cave del Predile Mine in Udine has recommenced operations on a small scale.

Asbestos

The Sondrio long fibre mines are maintaining a skeleton labour force and a small output is being stockpiled against future markets.

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The Balangero asbestos mine is producing all the short fibre which can be absorbed by local industry. It is capable of a greatly increased output should markets become available.

Talc

The talc mines of Val Chisone depend normally on an export market and are therefore practically at a standstill.

Gold

The Pestarena gold mine is concentrating on development and on low-grade stopes. Organized stealing hinders normal operation.

Mercury

Production figures for mercury are expected to remain constant.

6. Sulphur Division

a. On the departure of Lt. Comdr. J. H. Pollard, USNR for U.S.A., the Sulphur Division ceased to operate as a separate unit.

b. Production and shipment data for Sicilian mines have not been received for either July or August.

7. Supplies

Responsibility for the allocation of carbide has been handed over to the Italian Government.

DIV. VI - RUBBER

Production of new tires has been started by Pirelli at Tivoli. Production is limited to small tires for passenger cars due to unavailability of rayon fabric necessary for use with G.R.S. synthetic rubber in heavy duty tires. Experience and technical information for handling this rubber is so far lacking.

The control of tire retreading and repair materials has been passed to the Ministry of Industry and Commerce. Increased capacity for such work has been obtained during the month.

A review of the requisition status of rubber requirements has been started which will lead to a revision of the program if this should prove to be required.

SECTION III - PERSONNEL

Assignments or Re-Assignments

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SECTION III - PERSONNEL

Assignments or Re-Assignments

Major A. Haban Jr. assigned to Northern Headquarters, Milan.
Capt. L. Mehr assigned to Northern Headquarters, Milan.
Capt. R. Haworth returned from LLAP to Emilia Liaison Group.
Capt. R. B. Bullock appointed Adjutant, HQ. AC.
Mr. M. C. Farmer (FEA) assigned to Engineering Div. this HQ.
Dr. E. W. Rembert (FEA) assigned to Rubber Div. this HQ.

Officers due for Release during October

Maj. J. Rosenbaum (A)
Maj. W. A. K. Finlayson (B)
Maj. E. R. H. MacDermott (B)
Capt. A. F. Radcliffe (B)
Capt. A. R. Pengilly (B)

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Officers Released during September

Col. A.H. Glendinning (B)
Maj. A.W. Haigh (B)
Maj. R.C.D. Boger (B)
Maj. S.L. Goldman (UDF)
Maj. M.A. Matthews (A)
Lt. Comdr. J.H. Pollard (A)
Capt. R.J. Hardy (UDF)
Capt. T.H. Corwin (A)
CWT H.Discoe (A)

The following list is present Establishment

Maj. Charles Fewings (B) Deputy Director
Maj. J. Rosenbaum (A) Organic Chemicals Div.II
Maj. G.F. Hatch (B) Mining Div. V A
Capt. D.S. Kingery (A) Mining Div. V
Capt. A.F. Radcliffe (B) Mining Div. V A
Lt. F.N. Spencer (A) Mining Div. V A
Mr. J.S. Backhouse (Civilian) (B) Hemp Control Office
Mr. S. Land (Civilian) (A)
Mr. V. Dorkovich (Civilian) (A) Chemical Div. I
Mr. M.C. Farmer (Civilian) (A) Engineering Div. III
Mr. S.H. Manian (Civilian) (A) Food Processing Div. II
Mr. E.T. Rembert (Civilian) (A) Rubber Div. IV
Mr. H.R. Whitehead (Civilian) (A) Textiles Div. IV
Mr. S.D. Broetzkoos (Civilian) (A) Mechanical & Automotive Div. III

Northern Office Milan

Maj. A. MacNaughton-Wright (B) O.i.C. Northern Headquarters Milan
Maj. E.R.H. MacDermott (B) Executive Officer
Maj. W.A.K. Finlayson (B) Textiles Div. (~~Leather~~) - ~~on leave to U.K.~~
Maj. A. Heban Jr. (A) Electrical Div.
Capt. T.King (B) Textiles Div. *(LEATHER) - ON LEAVE TO U.K.*
Capt. L. Mehr (A) Food Div.

Local Government

Capt. R. Haworth (B) Hemp Control Office
Mr. H. Thorogood (B) Hemp Control Office

Liguria Region

Maj. K.C. Wilson (B) Chief Industry Officer
Lt. K. MacHoul (B) Hemp Control Office

Piemonte Region

Capt. D.B. Roberts (A) Chief Industry Officer
Capt. J.F.S. Amoore (B)

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Capt. J.P.S. Amoore (B)

Lombardia Region

Maj. S.S. Selby (B) Chief Industry Officer
Capt. T.G. Elliott (B)
Capt. A.R. Pengilly (B) Mining Div.
Mr. R.C. Magee (B) Hemp Control Office

Venezia Region

Maj. N.R.L. Macdonald Chief Industry Officer
Capt. S. Laidlaw (B)

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Venezia Giulia

Maj. H. D. Bradbury (A) Industry Officer.

CHARLES FEVINGS
Major RASC

for D. L. ANDERSON
Brigadier,
Deputy Vice President,
Economic Section.

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

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HEADQUARTERS ALLIED COMMISSION
APO 394
INDUSTRY SUB-COMMISSION

DG/al

Tel. 489081, Ext. 447

16 September 1945

Ref. AC/5529/IND

SEP 21 1945

SUBJECT : Monthly Report.

TO : Distribution Below.

Attached herewith for your information is a copy of our Monthly Report for Aug. 1945.

For the Chief Commissioner :

CHARLES FLEMINGS
Major RASC

for A. H. GLENDINNING
Colonel,
Acting Director,
Industry Sub-Commission.

Incls.:
Monthly Report

DISTRIBUTION:

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G-4 AFHQ (A) (Attn.: Col. Libby)
Allied Force Local Resources Section, RMAC, CMF
R.C. Piemonte Region (Attn.: E. & S. Division)
R.C. Liguria Region (" " " ")
R.C. Lombardia Region(" " " ")
R.C. Venezia Region (" " " ")
Public Relations Officer, A.C. (2)
Information Division (2)
D.E.P. & S. HQ. 15 Army Gp. (Attn.: Maj. Mackenzie)
Public Health Sub-Commission
[illegible] (Attn.: Commercial Counsellor) (10)

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Public Health Sub-Commission
American Embassy, Rome (Attn.: Commercial Counsellor) (10)
British Embassy, Rome (Attn.: Mr. Simmonds)
Col. Ballantyne C.E.M.E., 603 Base Work Shops REME
Transportation S/C Planning Staff (Attn.: Mr. Charlie Ryan)
Commerce S/C (Attn.: Coal Division)
Commerce S/C
UNRRA (Attn.: MP. S.Keeny) (2)

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HEADQUARTERS ALLIED COMMISSION

ECONOMIC SECTION

INDUSTRY SUB-COMMISSION

MONTHLY REPORT

No. 14

AUGUST 1945

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By

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INDUSTRY SUB-COMMISSION

MONTHLY REPORT

No. 14

AUGUST 1945

SECTION I - GENERAL

1. INTRODUCTION

The policy of handing over control of industrial facilities to the Government (Ministry of Industry and Commerce) has been continued and this Sub-Commission is acting more in an advisory capacity and giving all possible assistance to the Ministry. It is still the opinion of this Sub-Commission that the Ministry is not quite strong enough to handle the problems that arise on their own but it may well be that the officials have become so used to depending on Allied Commission that they find it difficult to make decisions and smooth out troubles without reference to outsiders. This situation will undoubtedly improve with time.

Attached to this Report as Appendix "A" is the Monthly Report from the Industry Division, AMG XIII Corps, for August, which gives a general picture of the situation in Venezia Giulia.

2. MATERIALS COMMITTEE - A.F.L.R. (I) B.

The 1st meeting of the above Committee, which now takes the place of the former Engineering Materials Committee and the Miscellaneous Purposes Committee, was held on 20 August 1945 under the chairmanship of Brigadier D.L. Anderson, CBE. At this meeting allocations of hemp products were made to Services and AC. In view of the importance of all controlled products to the Italian economy it was agreed that Service demands should be kept to the minimum necessary.

It was recommended to the Board that "Leather and all leather articles" be deleted from the list of controlled materials, effective 1 October 1945 and that "Matches" be deleted from the list of "restricted" materials in view of increased availabilities.

3. ELECTRIC POWER COMMITTEE.

The 22nd meeting of the above Committee was held on 25 August 1945 when it was agreed to allocate 15,000 KW peak load to the Terni Ammonia Plant at Nora Montoro with the following provisions :

a) that the plant will be disconnected, wholly or partially as necessary, if the connecting of other loads, already authorized, causes the system to become overloaded,

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3. ELECTRIC POWER COMMITTEE.

The 22nd meeting of the above Committee was held on 25 August 1945 when it was agreed to allocate 15,000 KW peak load to the Terni Ammonia Plant at Nera Montoro with the following provisions :

a) that the plant will be disconnected, wholly or partially as necessary, if the connecting of other loads, already authorized, causes the system to become overloaded,

b) that the load will be reduced at the plant in the event that the system becomes overloaded during the times of peak load or emergencies.

It was reported to the meeting by AC that present indications are that the 150,000 volt electric transmission line interconnecting Central and Southern Italy now under repair will be completed by the end of September in accordance with the following :-

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Pescara III to Archi (the south end of the line, belonging to the Societa' Meridionale di Elettricita') finished by 15 Sept. 1945,

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Archi to Aquila (the north end of the line, belonging to the Societa' Terni) finished by 30 Sept. 1945.

4. DEREQUISITIONING OF INDUSTRIAL PREMISES.

Applications made by the Ministry of Industry and Commerce for the dercquisitioning of industrial plants continue to be dealt with by this Sub-Commission. The percentage of agreements by the Military Authorities concerned has not been high but, following recent orders issued on the subject by AFHQ, speedier results will probably now be obtained. It is important to free as many plants as possible to enable repairs and rehabilitation to be carried out, giving immediate employment to many civilians, and also putting the plants in a position to work when sufficient coal and raw materials arrive.

SECTION II - INDUSTRIAL ACTIVITIES

1. CHEMICALS.

Super-phosphates

The protracted Franco-Italian negotiations for the next agricultural year's requirements of phosphate rock, viz., an initial 500,000 tons, are still going on.

At least 27 factories in the North have been ready for over two months to start production, and appropriate allocations have been made. Sant'Elpidio, belonging to the Consorzio Agrario, resumed production from the last of the 1944/45 phosphate rock shipments on the 19th August. Puccioni Company in Tuscany has now received phosphate rock and is in production.

Copper Sulfate.

11,600 tons of brass will now be forthcoming from the Allied Forces. Four metallurgical works are prepared to convert this into copper from which Montecatini Company and Coffaro Company at three plants will be able to produce the 30,000 tons of copper sulfate which will satisfy Northern Italian requirements for fungicide.

Nitrogenous Fertilizers.

The power allocation at the Nera Montoro Plant of the Terni Company has been stepped up to 15,000 kilowatts as of 1 September, which will enable them to increase their production of chemical nitrogen to 500 tons per month, plus 100 tons of Methanol per month. Montecatini's plant at Sinigo, Merano, should shortly resume production. In addition, within two months, at least one coal company producing chemical nitrogen as a by-product will be back in operation so that Italy's position on nitrogenous fertilizers will be enormously improved.

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Calcium Carbide.

Lack of coke has kept this industry at a complete standstill until recently. 2,300 tons of coke required at Montecatini's carbide works at Apuania have been released to them and this, plus additional quantities of coke which will be forthcoming when certain coke ovens start up within the next two months, will notably reduce the carbide shortage. Present target is for 8,500 tons of carbide per month.

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Viscose Rayon

For the present there are only four plants in operation with a total output of approximately 500 tons a month. This has been achieved by scraping together stocks of cellulose from many plants and represents an operation of less than 5% of normal. The cancellation of 12,000 tons of cellulose for the rayon industry is seriously questioned in view of the grave repercussions this will have on chemical industry at large, in view of the importance of the rayon industry as an outlet for such basic products as caustic soda, carbon bisulfide, etc.

The Italians are actively seeking to re-establish the flow of cellulose from Sweden by means of an exchange agreement, and representatives of both countries are trying to arrange a meeting in Switzerland as soon as possible. Every assistance should be given to promote such an arrangement. Meanwhile, anticipating that eventually some measure of relief will be accorded the important rayon industry, raw materials for the subordinate chemicals, such as carbon bisulfide, are being moved into strategically located plants in the North.

Pyrites

In anticipation of resumption of phosphate rock imports from North Africa, the full complementary requirements of pyrites for sulfuric acid production are in the course of being moved to the various top-priority superphosphate plants throughout the country. A target of 35,000 tons for the month is likely to be reached. A setback is that communications between the pyrites mines in Agordo are still broken and the projected supply of 5,000 tons of pyrites from this northern mine will have to be filled from Maronna, thus throwing an unwelcome, additional burden on the northern railroad system.

Caustic Soda.

3,000 tons of rock salt from Sicily are being planned for shipment North for distribution among the 10 plants capable of producing electrolytic caustic soda in the North. A table of priorities has been developed whereby the key plants will be reactivated first. In general it is planned to have all 10 working at approximately 50% of full capacity. Electrolytic production of caustic soda has been favored inasmuch as no solid fuel is consumed in its manufacture, the entire process depending on electric power.

Solar Salt

300 tons of solar salt has arrived in Genoa and 1,800 tons more should arrive shortly. This represents the first shipments against a total monthly need of approximately 5,000 tons for use in the manufacture of miscellaneous products such as hydrochloric acid, salt cake, and various inorganic compounds essential for the tanning, textile and food industries.

Explosives

After protracted negotiations an overall agreement has at last

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Explosives

After protracted negotiations an overall agreement has at last been reached whereby, on the one hand, the business of unloading light ammunition will be equitably apportioned among the 14 munitions handlers experienced in this field, and, on the other, the explosive contents will be distributed among the four principal firms engaged in producing, in pre-war days, industrial explosives. These trade associations are known respectively as Comitato Lavorazione Esplosivi e Munizioni and Consorzio Dinamiti. The disposal of the steel, empty shells, and miscellaneous scrap metal that will thereby become available, is a matter still under consideration and calls for a decision at the earliest moment. It is estimated, should the munitions from all sources in Italy become available, that not only will industrial explosive requirements be covered for the next 5 to 10 years, but the supply of metal will prove to be an important

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factor in the floating supply situation of steel and brass scrap.

2. FOOD PROCESSING

Sugar Production.

A late survey of the hectarage sown with sugar beet in North Italy has shown the progressively serious effects the lack of rain and parasitic attacks have made on the crop. As of the middle of August a total crop of only about 280,000 tons is foreseen as the harvest for processing at the various plants. This is a little more than half of what was predicted after the survey made early in July. On a national ratio basis of one ton of sugar production per 10 tons of beets only about 28,000 tons of sugar can feasibly be produced in North Italy. This figure will be lessened depending upon what tonnages of beets are diverted from processing to cattle feeding. From an economic point of view the farmers with cattle are willing to pay higher prices for the beets for fodder purposes than the managers of the sugar plants are capable of paying. Plans have been offered to counter this trend with actual sugar subsidies to the beet growers for every quintal of beets delivered to the plants. This has been discouraged, because of the obvious black-market stimulation that such a plan would have.

Deliveries of imported coal have been proceeding as scheduled and coke is also moving to the plants from national stocks. Most of the plants in the program will commence operation during the first two weeks of September. The campaign will have an average length of only 3/4 weeks.

It is hardly necessary to re-state that sugar production this year will scarcely do more than scratch the national annual requirement because of the disastrous climatic conditions that have prevailed. Production in Southern Italy will also be small. It is hoped that means will be found in the not too distant future to augment this small production with imported sugar though the outlook is pessimistic due to the world shortage of this important food-stuff.

Molasses.

A scheme for the distribution of existing molasses stocks located in Northern Italy has been drawn up after a detailed survey was made of needs and availabilities. Many quarters have been trying to divert molasses for alcohol production and candy manufacture. From information on hand there are large availabilities of alcohol in Southern Italy. Examination of the following plan shows that no molasses are available for use in the manufacture of alcohol and use as such except for 1,400 tons allocated for the production of alcohol as an intermediate in the preparation of ethyl ether.

From latest information there are 43,020 tons of molasses existing at various sugar plants throughout Northern Italy. The alloca-

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about 26,000 tons of sugar can feasibly be produced in North Italy. This figure will be lessened depending upon what tonnages of beets are diverted from processing to cattle feeding. From an economic point of view the farmers with cattle are willing to pay higher prices for the beets for fodder purposes than the managers of the sugar plants are capable of paying. Plans have been offered to counter this trend with actual sugar subsidies to the beet growers for every quintal of beets delivered to the plants. This has been discouraged because of the obvious black-market stimulation that such a plan would have.

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From latest information there are 43,020 tons of molasses existing at various sugar plants throughout Northern Italy. The allocations are as follows :

Approximate Annual Requirement for Yeast	24,000 tons
Barytization (extraction of sugar from molasses)	12,043 "
Cattle Fodder	2,200 "
Foundries	550 "
Ethylic Ether	1,400 "
Glycerine	2,237 "
Total	42,430 tons

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24,000 tons of molasses have been blocked for yeast production until the new molasses production is ascertained. Allocations amounting to 25 - 33% of these 24,000 tons have been (see Table II) to cover the needs of the entire country until at least the end of October when the new quantities of molasses to be shortly produced will be known. Allocations for other purposes might then be considered.

In the Tables below, Table I lists the known existing stocks of molasses in North Italy. Table II lists the allocations of molasses for yeast manufacture at least through October 1945. Table III lists the sugar plants which will provide the necessary molasses from existing stocks for barytization. Table IV lists the allocations made for cattle food.

The respective interested Northern Committees can coordinate with the "Consorzio Zuccheri" to determine the most feasible sources from which to draw the molasses f r the production of ethyl ether, glycerine and for foundry purposes in terms of location of stock, location of ether and glycerine manufacturing plants, foundries and transportation conditions just so long as the sources designated to provide molasses for yeast, barytization and cattle fodder are not interfered with.

T A B L E I

EXISTING STOCKS OF MOLASSES AT VARIOUS SUGAR PLANTS

CEGGIA	Tons.....	308.1
CLASSE	"	293.7
CODIGORO	"	1,465.2
COLOGNA	"	413.9
FERRARA (Eridania)	"	1,088.5
FICARCLO	"	630.2
FORLI'	"	26.0
GRANAROLO	"	475.0
LAMA	"	1,406.9
MANTOVA	"	314.1
MASSALOMBARDA	"	840.0
MEZZANO	"	3,742.4
MONTAGNANA	"	404.3
OSTIGLIA	"	391.8
PONTELAGOSCURO	"	247.2
SAMBONIFACIO	"	82.4
SAN BIAGIO	"	200.0
SARMATO	"	8.2
BADIA	"	2,180.2
BAZZANO	"	910.1
BOLOGNA	"	250.0
CESENA	"	800.0
COSTA	"	2,251.4
LEGNAGO	"	4,095.9
LENDINARA	"	2,210.0
ROVIGO	"	4,825.3

from existing stocks for barytization. Table IV lists the allocations made for cattle food.

The respective interested Northern Committees can coordinate with the "Consorzio Zuccheri" to determine the most feasible sources from which to draw the molasses for the production of ethyl ether, glycerine and for foundry purposes in terms of location of stock, location of ether and glycerine manufacturing plants, foundries and transportation conditions just so long as the sources designated to provide molasses for yeast, barytization and cattle fodder are not interfered with.

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LENDINARA	"	2,210.0
ROVIGO	"	4,825.3
BONDENO	"	2,500.0
IOLANDA DI SAVOIA	"	2,097.9
POLESELLA	"	4,400.0
MIGLIARINO	"	23.7
FERRARA (Berera)	"	1,858.9
ARQUA POLESINE	"	315.9
BOTTRIGHE	"	1,953.0
	Tons	43,020.2

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Availability : 43,020 tons.

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TABLE II

YEARLY PRODUCTION OF YEAST IN NORTHERN ITALY AND REQUIREMENTS OF MOLASSES

FACTORY	PRESENT YEARLY PRODUCTION IN TONS	MAXIMUM YEARLY PRODUCTION TONS	YEARLY NEEDS OF MOLASSES ON PRESENT PRODUCTION	YEARLY NEEDS OF MOLASSES ON MAXIMUM PRODUCTION	NEEDS HE CONSIDERED
Cerosio - Arqua' Polesine	720	1080	1080	1620	1500
Distillerie - Corvignano	370	1200	550	1800	1500
Eridania - S. Vito Tagliamento	660	1920	990	2780	1500
Distillerie - Padova	840	1200	1260	1800	1500
Eridania - Sampierdarena	600	1980	1200	2970	2700
Distillerie - Sesto S. Giovanni	1440	4200	2145	6300	3500
S.A.T.P.A. - Moncalieri	240	1280	360	1860	670
Boringhieri Fratelli - Torino S. Paolo	120	640	180	920	330
Bernido - Mantua Prov.	None	2400	-	2000	2000
Lauis - Vicenza	None	3000	-	2500	2500

YEARLY PRODUCTION OF YEAST IN SOUTHERN ITALY AND REQUIREMENTS OF MOLASSES

Distillerie - Roma	1700	1700	2750	2750	2750
Distillerie - Napoli	1440	1440	2160	2160	2160
Distillerie - Barletta	720	720	1080	1080	1080

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T A B L E II

YEARLY PRODUCTION OF YEAST IN NORTHERN ITALY AND REQUIREMENTS OF MOLASSES

PRESENT YEARLY PRODUCTION IN TONS	MAXIMUM YEARLY PRODUCTION TONS	YEARLY NEEDS OF MOLASSES ON PRESENT PRODUCTION	YEARLY NEEDS OF MOLASSES ON MAXIMUM PRODUCTION	NEEDS HERE CONSIDERED	SUPPLYING SUGAR FACTORY AND EXISTING STOCKS	(tons)	ALLOCATION THROUGH 31 OCTOBER 194 (Tons)
720	1080	1080	1620	1500	Polesella	4400	500
370	1200	550	1800	1500	Lama	1407	500
660	1920	990	2780	1500	Coggia	308	308
840	1200	1260	1800	1500	Polesella	4400	500
600	1980	1200	2970	2700	Sarmato	82	82
					Bondeno	2500	700
1440	4200	2145	6300	3500	Bondeno	2500	700
					Cologna Veneta	410	410
					S. Bonifacio	80	80
					Montagnana	400	400
240	1280	360	1860	670	Ostiglia (Mantua)	390	260
120	640	180	920	330	"	390	130
None	2400	-	2000	2000	Bondeno	2500	700
None	3000	-	2500	2500	Migliarino	4400	700

YEARLY PRODUCTION OF YEAST IN SOUTHERN ITALY AND REQUIREMENTS OF MOLASSES

1700	1700	2750	2750	2750	Cesena	800	800
1440	1440	2160	2160	2160	Mezzano	3742	1200
720	720	1080	1080	1080			

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T A B L E III

ALLOCATION OF MOLASSES FOR BARYTIZATION

Barytization of 12,049 tons of molasses to be accomplished at Legnago which is the only sugar plant in Italy equipped for this process of sugar extraction.

Location of Stock	Quantity allocated for Barytization (Tons)
Costa	2018
Legnago	3000
Badia	2180
Londinara	2251
Rovigo	2600
Total	12049 Tons

T A B L E IV

MOLASSES ALLOCATION FOR CATTLE FOOD

Allocation made to	Source	Quantity (Tons)
Prov. Rovigo (Venezie)	Ital. Zucc. (Rovigo)	500
	Eridania (Ficarolo)	250
	Bottrighe (Rovigo)	250
		1000
Prov. Padua (Venezie)	Ital. Zucc. (Rovigo)	400
Prov. Verona (Venezie)	Ital. Zucc. (Legnago)	300 (inverted)
Prov. Ferrara (Emilia)	Bonora (Ferrara) (di Ravenna)	200
Prov. Forli' (Emilia)	Eridania (Mezzano)	300
		2200 tons

3. HEMP, ETC.

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Legnago		3000
Badia		2180
Lendinara		2251
Rovigo		2600
	Total	12049 Tons

TABLE IV

MOLASSES ALLOCATION FOR CATTLE FOOD

Allocation made to	Source	Quantity (Tons)
Prov. Rovigo (Venezie)	Ital. Zucc. (Rovigo)	500
	Eridania (Ficarolo)	250
	Bottrighe (Rovigo)	250
		1000
Prov. Padua (Venezie)	Ital. Zucc. (Rovigo)	400
Prov. Verona (Venezie)	Ital. Zucc. (Legnago)	300 (inverted)
Prov. Ferrara (Emilia)	Bonora (Ferrara) (di Ravenna)	200
Prov. Forli' (Emilia)	Eridania (Mezzano)	300
		2200 tons

3. HEMP, ETC.

(a) "Emilia" Area.

Road Transport.

The Truck Company lent by No. 1 District has rendered valuable service throughout the month, moving approximately 1180 tons of hemp. The quantity consists of :-

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70 tons Baled Hemp taken to Italian Mills in the Lombardy Region

540 tons Baled Hemp brought into Bologna for re-forwarding by rail

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570 tons ex-German hemp brought into the Consorzio warehouses for recovery and re-selection.

Rail Transport

Difficulties experienced earlier in connection with rail transport were overcome during August. The second half of the month has been a steady allotment of rail cars and a consequent steady outflow of raw material to the Italian industries, thus :

462 metric tons were sent to the NAPLES area
409 " " " " " " " LOMBARDY area

Black Market.

According to local talk this is flourishing, and it is said that lorry loads are travelling Northward daily. Reports state that the Cotton Mills are willing to pay fantastic prices to obtain the raw material.

This drain on supplies must seriously affect the quantity of old crop hemp to be amassed by the Consorzio. The high prices being paid by the black marketeers is encouraging considerable resistence on the part of those still holding old crop hemp, and the "ammasso" is going very slowly.

New Crop.

Harvesting, retting and scutching are proceeding under excellent weather conditions. It is a small crop of roughly 20000 tons of varying qualities. Owing to lack of fertilizers and subsequent lack of rain, the crop is considerably below normal length in many parts of the region.

(b) "Southern" Area.

Hemp

The amount of raw hemp brought into the pool during August was only 5 tons. During August also 22 wagons with 213.6 tons of hemp have arrived in Frattamaggiore from Bologna. The Consorzio Nazionale Canapa have decided to start amassing the new crop of hemp on September 3rd, for the season 1945/46.

Production.

There has been a decrease in the production of the spinning and weaving factories, as they had to close down for a period of 8 to 10 days to allow their workers the usual summer holiday, and also because the allocation of hemp to the factories had to be curtailed owing to the insufficient quantity of hemp at disposal.

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Power.

The power supply has been nearly normal during the month of August, but owing to the very dry summer with no rain at all in the South of Italy, power supply will be reduced to some factories from 48 to 40 hours weekly.

Supplies.

The supply of coal to the various factories has still been low during August - about 216 tons, (especially taking into consideration that only 90 tons have been delivered in July). The U.P.I.C. are expecting

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a good load of Sardinian coal to arrive in Naples shortly and have promised to deliver 2460 tons of coal to our factories for the next two months.

Contraband.

The R. Carabinieri and the Consorzio Guards have confiscated 70 quintals of hemp in 22 police operations. The Finance Guards and Italian police confiscated a further 53 quintals of hemp in 10 operations.

General.

Demonstrations on August 4th and 6th, followed by 2 days strike of the small ropemakers, hecklers and combers, took place in Frattamaggiore as a protest against the Consorzio Nazionale Canapa, for interfering too rigorously in all activities of the hemp trade. The atmosphere seems to have quietened down now, chiefly due to the arrival of hemp from the North.

On August 17th a fire broke out at the tow warehouse at Frattamaggiore; this office cooperated in making arrangements with the American Fire Brigade to send some of their men out. After two hours the fire was extinguished. The damage amounts to a loss of 100 quintals of tow, and 25 quintals of green long line hemp. The cause of the fire is unknown.

The Consorzio Nazionale Canapa; dating from August 25th, has changed the production system in force up to the present. Factories will no longer be supplied with free material and paid on the 'facon' system, but from now on they will have to pay in advance for the raw hemp required, and are free to produce whatever material is most suitable for civilian use. They can dispose of 25% of their production at the controlled prices, whereas the remainding 75% must be kept at the disposal of the Consorzio Nazionale Canapa for 3 months.

MATERIAL DELIVERED IN AUGUST 1945

ROPE OVER 3 m/m.

R.N. Quintals 60.77

ORDINARY TWINE

	Heavy Kilos	Medium Kilos	Light Kilos
Consorzio Nazionale Canapa	8345	1555	1100
Italian Navy	---	200	200
P. S. & S.	---	2300	700
DADOS	---	200	---

Demonstrations on August 4th and 5th, followed by 2 days strike of the small ropemakers, hecklers and combers, took place in Frattamaggiore as a protest against the Consorzio Nazionale Canapa, for interfering too rigorously in all activities of the hemp trade. The atmosphere seems to have quietened down now, chiefly due to the arrival of hemp from the North.

On August 17th a fire broke out at the tow warehouse at Frattamaggiore; this office cooperated in making arrangements with the American Fire Brigade to send some of their men out. After two hours the fire was extinguished. The damage amounts to a loss of 100 quintals of tow, and 25 quintals of green long line hemp. The cause of the fire is unknown.

The Consorzio Nazionale Canapa, dating from August 25th, has changed the production system in force up to the present. Factories will no longer be supplied with free material and paid on the 'facon' system, but from now on they will have to pay in advance for the raw hemp required, and are free to produce whatever material is most suitable for civilian use. They can dispose of 25% of their production at the controlled prices, whereas the remainding 75% must be kept at the disposal of the Consorzio Nazionale Canapa for 3 months.

MATERIAL DELIVERED IN AUGUST 1945

ROPE OVER 3 m/m.

R.N. Quintals 60.77

ORDINARY TWINE

	Heavy Kilos	Medium Kilos	Light Kilos
Consorzio Nazionale Canapa	8345	1555	1100
Italian Navy	---	200	200
P. S. & S.	---	2300	700
DADOS	---	200	---
Total Kilos	8345	4255	2000

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MACHINE THREAD (Wet Spun)

		Heavy	Medium	Light
R.N.	Kgs.	50	50	50
Consorzio Nazionale Canapa	"	--	100	--
Total Kilos		50	150	50

SEWING THREAD (Dry Spun)

		Heavy	Medium	Light
R.N.	Kgs.	50	50	50

SHOEMAKERS THREAD

		Machine Sewing	Hand Sewing
Italian Navy	Kgs.	100	100
R. N.	"	50	--
Land Forces Sub-Commission	"	1400	--
Consorzio Nazionale Canapa	"	---	4038
Total Kilos		1550	4138

C A N V A S

	Heavy sq. metres	Medium sq.metres	Light sq. metres
Italian Navy	3999.60	4000.--	4002.40
DADOS/ORD.	19856.15	---	---
R. N.	6000.64	6835.92	6006.32
Consorzio Nazionale Canapa	20750.--	---	---
Q.M. - P.B.S.	---	60882.91	24997.55
Corp. Exp. Francais	---	8007.20	---
Consorzio Nazionale Canapa	--	---	64394.50
Total sq. mtrs.	50606.39	78906.03	99400.77

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DADOS/ORD.	19256.15	---	---
R. N.	6000.64	6015.92	6006.32
Consorzio Nazionale Canapa	20750.--	---	---
Q.M. - P.B.S.	---	60382.91	24997.55
Corp. Exp. Francais	---	8007.20	---
Consorzio Nazionale Canapa	--	---	64394.50
Total sq. mtrs.	50606.39	78906.03	99400.77

S A C K S

R. N.	No. 10.000.--
Consorzio Nazionale Canapa	" 159.794.--
Total No.	169.794.--

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SACKING CANVAS

Q. M. - P. B. S. Sq. mtrs. 3.150.48

T O W

R. N.	Quintals	28.10
Q. M. - P. B. S.	"	224.61
Consorzio Nazionale Canapa	"	55.50
Quintals		308.21

4. MECHANICAL AND AUTOMOTIVE

During the month the following vehicles were produced in Lombardia Region :-

Trucks	160
Trailers	73
Tractors	225
Motorcycles	97
3 - Wheelers	93
Bicycles	5,615

No tires are so far available for the motor vehicles listed above.

5. MINING

(I) Sardinian Coal

Production and sales data received from Chief Mining Officer, Sardinia, for July are as follows :-

	Metric Tons
Stock on hand 1 July 1945	30,261
Production for July	50,092
Reclaimed coal for July	37
Total	80,390
Sales July Local Sardinia	15,351
Export	27,840
	43,199

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Total	80,390
Sales July Local Sardinia	15,351
Export	27,840
	43,199
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The estimated production for August is 53,000 tons. Actual production and sales data are not yet available.

Production throughout July averaged approximately 1930 metric tons per day. The steady rise in production is due to an increase in the number of workers and not to any increase in the output

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per man shift.

There have been no labour troubles during August but discipline and control over the workers does not seem to be improving.

The number of underground workers has increased to 4116. The first batch of 379 men recruited on the mainland have arrived in Sardinia. Only 339 men reported to work the rest having disappeared presumably in connection with black market operation. Only 126 men have gone to work out of the 339 reporting and the rest refuse to work. The reasons given for this refusal are stated to be :

(a) that promises of shoes and clothing have not been fulfilled,

(b) that promises of clerical employment have not been fulfilled.

It is evident that the recruiting has been grossly mishandled and that these men will spread bad propaganda when they return to the mainland, which will adversely affect future recruiting.

(II) Lignite - Italian Mainland.

The estimated production of all lignites for August is 90,000 tons.

The xiloid lignites at Asolo in the Province of Treviso were inspected during the month. The mines would be uneconomic in times of normal coal prices as the deposits consist of narrow seams of dirty lignite requiring 50% elimination of waste by washing. The contribution of the mines to the total in the above paragraph is 20,000 tons.

(III) Other Solid Fuels

The Triassic semi-bituminous coal of the Cludinico Mine in the Province of Udine was inspected during the month. The deposit could not be worked economically in times of normal coal prices, and the coal is very friable, being 90% fines. The estimated production for August of this property is 1,000 tons.

The Pulli sub-bituminous coal mine in the Vicenza Province was inspected during the month. The mine is nearly worked out and production of sub-bituminous coal is only 700 tons per month although 1300 tons of low grade oil shale is produced.

The anthracite mine at La Thuile is expected to produce 4,000 tons in August.

(IV) Metal Mines in Sardinia.

The metal mines in Sardinia continue on a maintenance

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(IV) Metal Mines in Sardinia.

The metal mines in Sardinia continue on a maintenance basis. The San Giovanni lead smelter and the Montevecchio mine are ready to start operations and produce lead as soon as metallurgical coke is available.

(V) Mainland Metal Mines.

Mercury

Production figures for August are expected to be substantially the same as those given in last month's report (2,600 bottles per month). Scarcity of flasks is still a limiting factor on production.

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Pyrite

The Arzordo pyrite mine in the Belluno Province was inspected during the month. This mine is producing 2000 tons per month but the pyrite is all stockpiled at the mine as the mainline railway is cut at Fribano and Busche.

The Calceranica Mine in Trento Province has started up and has commenced shipments from stock to sulphuric acid plants of parent Coy. (Montecatini). Labour is slowly coming in and production is being built up gradually.

Bocchegciano mine produced 1,618 tons in July; a large increase is expected for August although it will still be far short of normal.

(VI) Sulphur Division

Lt. Comdr. Pollard, Chief of the Sulphur Division and Capt. Kingery, Chief of the Mining Division visited the sulphur mines in Sicily during the month.

Recent price increases established by Italian Government bring the present price of sulphur to approximately 9,500 lire per metric ton. This is an increase of 4,000 lire on the previous price of sulphur, brought about by the recent labour troubles and strike settlements.

Transformer for the reactivation of the power lines feeding Cabernardi has been procured and transported to the site. It is believed that power will be available shortly.

(VII) Supplies.

August receipt for imported supplies were at a maximum. Arrival of several critical maintenance items will help to maintain the current increase in Sardinian coal production. There are, however, numerous critical items for Sicilian sulphur mines which have not arrived.

Arrangements were completed to ship over 1,000 tons of equipment and supplies from Northern Italy to Sardinia.

Stocks of expendible mining supplies, both imported and locally manufactured, are satisfactory.

Arrangements are in the making for the supply of coal mining explosives for the Arsa coal mines in Yugoslav territory. A small lot has already been shipped.

Investigation of sources of local supplies continues.

6 PHARMACEUTICALS

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6. PHARMACEUTICALS

Full responsibility for the pharmaceutical industry in Italian government territory has now been turned-over to the responsible Ministries of the Italian government. This Sub-Commission is continuing to give advice and assistance wherever requested and is maintaining a general "watching brief" on the industry. In A.M.G. territory matters are now being so arranged that a complete turn-over can be accomplished very rapidly, paving the way for the Government to take over as soon as A.M.G. ceases to function.

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7. MONOPOLIES.

Tobacco.

The tobacco situation has become rather critical during the last few weeks. In the past months the Monopoly claimed that the shortage of cigarettes was due to the short supply of cigarette paper. However the availabilities found in the North, after the liberation, and the production of the paper mills at Ormea, Serravalle di Sesia, and, since the beginning of August, that of Brodano and Isola del Liri, contributed to the elimination of this shortage.

But instead of improving the situation worsened, which, according to the Monopoly's statement is due to the insufficient number of cigarette manufacturing and tobacco cutting machines as well as to the shortage of raw tobacco.

It must be pointed out that although it was known to this Sub-Commission that about 60 cigarette manufacturing machines were destroyed by war action in the Southern Tobacco Factories, the Monopoly until 30 August 45 never stressed an urgent requisitioning of such machines. It was therefore believed that in view of the small distribution of cigarettes the number of machines actually available might be sufficient.

On 30 August, however, the Monopoly stated that the urgent requisitioning in U.S., their former suppliers, of at least 20 cigarette manufacturing machines was necessary to ensure the present distribution of 20 cigarettes per week.

With a view to expediting the supply of these machines the urgency of their procurement has been pointed out to the Chief of the Italian Technical Mission to the U.S. at present in Rome by the representative of this Sub-Commission and the State Monopoly.

According to information received by the Monopoly from the Italian representative of the Morris Tobacco Coy such machines are not available now and could not be furnished for 2 years or even longer. Efforts will be made to obtain used machines both from US and GB.

The shortage of raw tobacco, with which the Monopoly is threatened, has just been revealed by them in an official statement broadcasted on 22 August 45. According to this it is expected that the new crop might yield about 16,000,000 Kg. in place of the minimum of 30,000,000 as resulted from the 1944 crop. This is explained by the Monopoly as follows :

(I) the extreme dryness of this summer

(II) reduction of the tobacco cultivating areas following the destruction of a number of warehouses for curing of

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(II) reduction of the tobacco cultivating areas following the destruction of a number of warehouses for curing of tobacco

(III) a considerable number of tobacco growers abandoned the cultivation of this plant, in order to replace it with other plants yielding bigger profits than tobacco.

Owing to their anticipated shortage of raw tobacco, the extra ration of 100 grams pipe tobacco distributed up to now, an addition to the 20 cigarettes per week, has been abolished as from the 27 Aug. 45.

This provoked a general attack by the press against

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the State Monopoly and the General Manager personally. The relevant articles reveal the great discontent of the public.

It is generally alleged that the black market, on which large quantities of Monopoly produced cigarettes are available naturally at extremely high prices, is being supplied by the Monopoly themselves or by their personnel.

Articles published in the Press reveal the existence and operation of 180 illegal cigarette manufacturing workshops at Isola del Liri (South of Rome) which would appear to explain the large availability of Italian cigarettes on the black market of Rome. These cigarettes are being put on the market in the same packaging and with labels such as used by the Monopoly at prices which are double and triple of the official tariff prices of the Monopoly.

It is not clear how these illegal cigarette workshops, the existence of which is admitted by the State Monopoly, are being supplied with tobacco, cigarette paper and other materials.

As far as the tobacco is concerned it might be that the tobacco cultivators, contractors to the State Monopoly, taking advantage of the weak control by the Finance Guards are selling their tobacco to these illegal manufacturers at higher prices than those established by the State Monopoly.

The whole situation weakens the prestige of the Monopoly, lessens the revenue to the State and might eventually have other unfavourable repercussion on the present Monopoly system.

Matches.

Supply.

Contrary to the tobacco situation that of matches has developed in a quite satisfactory way, so that abolition of rationing will be possible effective from 1 Sept. 45.

Prices.

As the match prices in Central and Southern Italy are much higher than those in the North and as it was found after the liberation of the North that the cost of matches does not justify such prices, the Ministerial Price Committee for matches is at present working out a decree to the effect that match prices be equalized in all of Italy. The new prices will involve a considerable reduction for the South and a slight increase for the North. It is expected that the new prices will become effective as from 1 Oct. 45.

Export.

There is a surplus for export resulting from the current production. It is foreseen that about 20,000,000,000 matches will be [illegible] efforts are being made with a view

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Export.

There is a surplus for export resulting from the current production. It is foreseen that about 20,000,000,000 matches will be available for export during the year. Efforts are being made with a view to selling this surplus in foreign countries which are in short supply of matches.

Salt.

Distribution of salt for food and industrial uses is being made with regularity in all of Italy.

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8. RUBBER.

(I) Approximately 400 tons of American Synthetic Rubber (GRS), carbon black, cord fabric and associated chemicals were received by Pirelli Rome against our requisition LAC Airgram 93. Additional shipments are expected in the near future. This material combined with stocks from Milan (Pirelli), and stocks on hand in Rome is sufficient to start tire production in Tivoli (Rome). It is planned to resume production Sept. 10, 1945. But unless natural rubber requisitioned which is British Supply Responsibility is supplied soon production will last only 1 month.

tire

(II) Some additional/repair material has been received. No releases have been made from British 50% supply responsibility.

(III) Approximately 450 tons of salvage rubber have been moved into the reclaiming factories this month. Further attempts have been made to stabilize prices of salvage rubber from Army Depots but this has not met with much success. Depots still operate a competitive business in this field.

(IV) Plans are being made for complete turn over of all our activities to the Italian Government. It has been suggested that Italian civilian Engineers employed by this section be taken on by the Ministry at the turn over time. In this manner the rehabilitation program would not be delayed while a new agency becomes acquainted with the field.

9. TEXTILES.

General.

The announcement of the prospective arrival of 14,300 bales of cotton, has brought great relief, as the situation during August was going from bad to worse. The reserves of raw materials were almost exhausted, so that the various managements had decided to give a long holiday to the workpeople, in order to keep a small quantity of materials for working in September.

The Northern Italy Industrial Council, at Milan, has prepared a plan for the distribution of raw materials; copies of this plan have not yet reached this H.Q.

Cotton.

It has not been possible to get exact information of the production of the Cotton industry during the month of August, but it has certainly been less than the previous month, both in the North and in the South, the reasons being:

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1) less availability of raw material

2) holidays given to the workers.

In the South the reduction has been influenced greatly by the action taken by the High Commissioner of Sicily, who froze the export of Sicilian Cotton. Arrangements were made for Sicilian cotton to be distributed between the 5 cotton mills existing in Central and Southern Italy. At first the Italian Government favoured the assignment of part of this cotton to the North, but has now accepted the point of view of the A/C., and of the A.M.G., who were greatly concerned over the enormous rise in price caused by the great demand from the North. Unexpectedly,

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the High Commissioner of Sicily froze all exportation of cotton, including that which was already assigned by the Ministry of Industry and Commerce.

There is no precise information as to the exact amount held in Sicily, but it is believed to amount to between 2,000,000 and 3,000,000 Kgs. The reasons for freezing this cotton are that the High Commissioner wishes to raise the price from 100 lire to 500 lire per kilo and to ensure that 20% be reimported into Sicily in the form of manufactured goods. It has not so far been possible to bring about any modification, and a report of the situation has been submitted to the Prime Minister.

This unexpected freezing has caused nearly all the spinning mills to stop working as this cotton was the only source of supply.

A request has been made for 516 tons of cotton, which is Italian property and has been lying at Teneriffe since before the war, to be transported into Italy as quickly as possible. This quantity will be distributed to the 23 owners who originally purchased it.

Wool.

The situation of the wool industry is much about the same as the cotton, but in some degree it is relieved by the availability of rags. The only local source of wool supply has dried up since the High Commissioner froze all wool export from Sardinia. This wool is of a very inferior quality and was used formerly only for mattresses, but owing to the critical situation, the industrialists have been induced to make use of this quality mixed with shoddies. It is believed that in Sardinia there is still about 700,000 to 1,000,000 Kgs. of wool but exact figures are not available.

In the meanwhile the following steps have been taken to relieve the critical situation of raw materials :

1) the transport of wool from the clipping of 1943 has been authorized. This was withheld from the Ammassi in order to save it from the Germans. This wool can now be taken to the North by the proprietors of the factories upon payment of 5% to the Ammassi. The total quantity amounts to about 500,000 kgs.

2) various assignments of mixed rags and woollen rags have been made to the Industries of the North.

SECTION III - PERSONNEL

Assignments or Re-assignments

Col. A.H. Glendinning R.E. assigned G.C. Northern Headquarters.

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SECTION III - PERSONNEL

Assignments or Re-assignments

Col. A.H. Glendinning R.E.	assigned C.C. Northern Headquarters, Milan.
Maj. L. MacNaughton-Wright	assigned Administrative Officer Northern Headquarters, Milan
Maj. S.L. Goldman U.D.F.	assigned Executive Officer this HQ
Capt. W. King	assigned to Textile Div. Northern Headquarters, Milan.
Maj. S.S. Selby	assigned to Lombardia Region
Maj. N.R.L. Macdonald	assigned to Venezia Region
Maj. R.C.D. Boger	assigned to Piemonte Region

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Capt. S. Laidlaw	assigned to Venezia Region
Maj. M.D. Bradbury	assigned to Venezia Giulia
Dr. S.M. Manian Civilian (A)	assigned to Food Div. this HQ.

Officers due for Release during September

Col. A.H. Glendinning	Acting Director
Maj. S.L. Goldman	Executive Officer this HQ.
Maj. M.A. Matthews	Mining Division
Lt. Comd. J.H. Pollard	Sulphur Division
Maj. W.A.K. Finlayson (B)	

Officers Released.

Maj. H.G. Reid
Maj. A.C. Lister
Maj. W.E. Mydans

The following list is present Establishment

Col. A.H. Glendinning, OBE (B)	Acting Director
Maj. Charles Fewings (B)	Deputy Director
Maj. S.L. Goldman (UDF)	Executive Officer
Maj. J. Rosenbaum (A)	Organic Chemicals Div. II
Maj. A. Haban Jr. (A)	Electrical Div. III
Maj. J.F. Hatch (B)	Mining Div. V A
Lt. Comd. J.H. Pollard (A)	Sulphur Div. V B
Capt. D.S. Kingery (A)	Mining Div. V
Capt. A. F. Radcliffe (B)	Mining Div. V A
Capt. R.B. Bullock (A)	Rubber Div. VI
Capt. R.V. Hardy (B)	Engineering Div. III
Lt. Louis Mehr (A)	Food Processing Div. II
Lt. F.N. Spencer (A)	Mining Div. V A
CWO H. Discoe (A)	do
Mr. V. Dorkovich (Civilian) (A)	Chemical Div. I
Mr. S. L. Land (civilian) (A)	Engineering Div. III
Mr. S.D. Brootzkoos (civilian) (A)	Mechanical Div. III
Mr. W.S. Backhouse (civilian) (B)	Hemp Control IV
Mr. H.R. Whitehead (civilian) (A)	Textiles Div. IV
Mr. S.M. Manian (civilian) (A)	Food

Northern Office Milan

Col. A.H. Glendinning, OBE, (B)	
Lt. Col. W.J. Maskrey (B)	
Maj. A. MacNaughton-Wright (B)	Administrative Officer
Maj. E.R.H. MacDermott (B)	due for release
Maj. W.A.K. Finlayson (B)	Textiles Div.
Capt. W. King (B)	" "

Local Government

Mr. H. Thorogood (B)	Hemp Control

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Maj. H.G. Reid
Maj. A.G. Lister
Maj. W.E. Mydans

The following list is present Establishment

Col. A.H. Glendinning, CBE (B)	Acting Director
Maj. Charles Fewings (B)	Deputy Director
Maj. S.L. Goldman (UDF)	Executive Officer
Maj. J. Rosenbaum (A)	Organic Chemicals Div. II
Maj. A. Haban Jr. (A)	Electrical Div. III
Maj. J.F. Hatch (B)	Mining Div. V A
Lt. Comd. J.H. Pollard (A)	Sulphur Div. V B
Capt. D.S. Kingery (A)	Mining Div. V
Capt. A. F. Radcliffe (B)	Mining Div. V A
Capt. R.B. Bullock (A)	Rubber Div. VI
Capt. R.W. Hardy (B)	Engineering Div. III
Lt. Louis Mehr (A)	Food Processing Div. II
Lt. F.N. Spencer (A)	Mining Div. V A
CWO H. Discoe (A)	do
Mr. V. Dorkovich (Civilian) (A)	Chemical Div. I
Mr. S. L. Land (civilian) (A)	Engineering Div. III
Mr. S.D. Brootzkoos (civilian) (A)	Mechanical Div. III
Mr. W.S. Backhouse (civilian) (B)	Hemp Control IV
Mr. H.R. Whitehead (civilian) (A)	Textiles Div. IV
Mr. S.M. Manian (civilian) (A)	Food

Northern Office Milan

Col. A.H. Glendinning, OBE, (B)	
Lt. Col. W.J. Maskrey (B)	
Maj. A. MacNaughton-Wright (B)	Administrative Officer
Maj. E.R.H. MacDermott (B)	due for release
Maj. W.A.K. Finlayson (B)	Textiles Div.
Capt. W. King (B)	" "

Local Government

Mr. H. Thorogood (B)	Hemp Control

Liguria Region

Maj. K.C. Wilson (B)	Chief Industry Officer
Maj. A.W. Haig (B)	due release
Capt. T.H. Corwin (A)	Mining Div.
Lt. K. McHoul (B)	Hemp Control

Piemonte Region

Maj. R.C.D. Doner (B)	Chief Industry Officer
Capt. D.B. Roberts (A)	
Capt. J.P.S. Amoore (B)	
Capt. J. Bender (A)	

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Lombardia Region

Maj. S.S. Selby (B) — Chief Industry Officer
Capt. T.G. Elliott (B)
Capt. A. R. Pengilly (B)
Mr. R.C. Magee (B) — Hemp Control

Venezia Region

Maj. N.R.L. Macdonald (B)
Capt. S. Laidlaw (B)

Venezia Giulia

Maj. H.D. Bradbury (A) — (Hemp Control) Chief Industry Officer.

1 Incl.
Appendix "A" with
attachments.

for A.H. GLENDINNING
Colonel,
Acting Director,
Industry Sub-Commission

Maj. N.R.L. Macdonald (B)
Capt. S. Leidlaw (B)

Venezia Giulia

Maj. H.D. Bradbury (A)

(Hemp Control) Chief Industry Officer.

1 Incl.
Appendix "A" with
attachments.

A.H. GLENDINNING
Colonel,
Acting Director,
Industry Sub-Commission

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Appendix "A" to Month[illegible] Report Industry S/C for August [illegible]45

ALLIED MILITARY GOVERNMENT
13 Corps
INDUSTRY DIVISION

REFERENCE: 13C/IND/R-100 1 September 1945

SUBJECT : MONTHLY REPORT

TO : S.C.A.O. A.M.G. 13 Corps

G E N E R A L

1. The first survey of the industries of this area presented a picture somewhat unusual to this Division because it immediately became obvious that the work of this division would not be one of re-activating destroyed industries, as had been anticipated, but rather to revive industries on the verge of bankruptoy.

2. While a considerable amount of damage had been done by bombardments, repairs were well underway and it was generally agreed that if these concerns were left alone, they were in a position to adequately repair and re-condition their plants in their own way. Free enterprise was needed and consequently it was agreed that as little blocking of materials as possible would be our policy, and such materials as it was found necessary to block would be generously released.

3. As a consequence of this policy, the work of repair has proceeded rapidly and efficiently and in many instances, factories which were badly damaged are now ready to commence operations.

4. Financially however, these firms were badly off. In many instances, factories had been paying wages to laborers who had not worked for two years. In many instances, factories had been producing materials for the German and Italian Republican Governments, paying their laborers the required wages but who had never received payment for the goods produced and the accounts of outstanding indebtedness of the German and Italian Republican Governments ran to billions of lire.

5. In addition to the huge sums of money which was uncollectible there were laws in effect which prevented the dismissal of workers for any cause whatsoever. Vast stores of raw materials were being used up, with no chance of replenishing their necessary stores.

6. This was the picture which the first survey of the industries disclosed -. Damaged plants, no possibilities for production, surplus workers who by law could not be discharged, no money with which to pay wages, and exhausted banking credit.

FINANCIAL SITUATION

7. Prior to occupation by our troops, the Jugo-Slavs had increased wages in certain categories to a considerable degree, and with the usual result that the cost of living sky-rocketed. On occupation

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GENERAL

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FINANCIAL SITUATION

7. Prior to occupation by our troops, the Jugo-Slavs had increased wages in certain categories to a considerable degree, and with the usual result that the cost of living sky-rocketed. On occupation of this area by our troops, wages settled somewhat but the cost of living remained the same. No controls had been established before our occupancy and prices of food were fantastic. In an effort to keep down unrest, wages in most instances were raised, in spite of the fact that production was at a standstill, and a Liberation bonus was permitted, in which instance the permission to the employers became a mandate because they were afraid not to comply.

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8. It is not argued that these steps were not necessary expediencies to ensure a quiescent period, but in buying peace, the price of which was added to the already over burdened employers, created a fantastic situation. To the burden of the tremendous war damage to their establishments, and to the burden of paying employees wages when no production was possible, there was added an increase in wages, and a liberation bonus which was far beyond their capacity to meet.

9. As an example let us examine a few of the industries affected, and study the figures to better understand the situation which faced every industry in the area :

The Cantieri Riuniti dell'Adriatico is the largest shipyard in the Trieste Area employing 18675 workers. Their war damage is conservatively estimated at 3,000,000,000 lire. If working at top capacity today, they would need only 12420 employees, but they are unable to work at more than 30% of their present day capacity. Yet they are required to pay 18675 workers. Payments of liberation bonuses since 2 May 45 amount to 46,467,000 lire and wages since that date have amounted to 173,959,000 lire. During this time they have produced to the extent of 2,000,000 lire. That means in addition to the damage they have sustained by the war, they have paid out since 2 May 45 over 200 millions of lire and have earned 2 millions of lire.

The Jutificio & Canapificio Triestino, the largest textile mill in Trieste Area has sustained damages of 60,709,567 lire, has paid liberation bonuses to the extent of 497,500 lire and wages in the amount of 1,067,372 lire during which period they have had no income whatsoever. This means expenditures of over 1,500 millions of lire have been paid out, with no income whatsoever.

A smaller firm, the Officina Meccanica Apparecchi Nautici, making precision instruments for aircraft and underwater craft, employing 43 men, has paid out in bonuses 134,500 lire and in wages 435,913 lire and have received from their labors during this period the sum of 750 lire.

A study of the figures attached hereto (Appendix A) give a fair picture of the chaotic economic situation of the area.

10. To briefly summarise the financial situation of the industries of the area, a study of 115 firms indicate the following :

a) Total damage to plants	3,322,145,996.35
b) Paid in Liberation bonuses	74,934,379.65
c) Paid in salaries	262,952,161.14
Total (b) (c)	337,886,540.79
Total Income	86,095,416.05

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10. To briefly summarise the financial situation of the industries of the area, a study of 115 firms indicate the following :

a) Total damage to plants	3,822,145,996.35
b) Paid in Liberation bonuses	74,934,379.65
c) Paid in salaries	262,952,161.14
Total (b) (c)	337,886,540.79
Total Income	86,095,416.05

U N E M P L O Y M E N T

11. Individual surveys have been carried on by both the Industry Division and the Labour Division, and it must be conceded that the records of the Labour Division will be more nearly correct because the figures furnished by a survey of the Industries are estimated from the rolls of the individual industries, while the survey carried on by Labour will include many whose names have never appeared on the rolls of the industry.

12. It is estimated that in Trieste area alone, there are at the present time between 15,000 and 18,000 unemployed persons. While all of the figures from the individual firms are not as yet included in our records, from the study of 115 firms who find that at the present time

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there are on the rolls of the company, actually drawing wages, 26, 945 workers. If these firms could work to 100% of their present limited capacity, they would require only 17,573 workers, which would automatically add to the already unemployed, 9,372 workers. As none of these firms can operate fully due to the lack of raw materials, another 33 1/3% or 5,857 workers must be temporarily unemployed.

13. Increased production is the only answer to the unemployment situation. The present limited production is caused by several reasons:

(a) High Policy.

Because of the nature of the industries of this area i.e. shipbuilding, aircraft building etc., it is a matter of high policy to determine the extent to which the capacities of these shipyards are to be utilized.

(b) Political Uncertainty.

Because of the uncertainty of the future of this area, industrialists are reluctant to reconvert their plants to other endeavors, as a change of sovereignty might result in complete socialization of industry, and the financial risk would be too great.

(c) Lack of Coal

The coal requirements of this area are attached to Appendix B. The heavy industries will require a far greater quantity of coal than present transport facilities will be able to meet, and without which these larger industries cannot function. ILVA works alone will be forced to suspend 1500 workers because we will be unable to furnish sufficient coal to permit them to run their smelters and rolling mills.

(d) Lack of Raw Materials

In planning for the distribution of raw materials for Northern Italy, Venezia Giulia was not included, and there is an apparent reluctance on the part of Italy proper to send raw materials into the area, when the future sovereignty of this area is still in doubt. Industries in Pola and Gorizia areas could be activated immediately if raw materials for the textile industries which are available in Northern Italy could be imported here.

(e) Interference with Management.

One of the great hindrances to furthering our plan for reconversion of industries is the interference with management by the shop committees. In several instances key men have been suspended and replaced by men incompetent for the job. In one instance the chief engineer of the shipyard has been replaced by the former foreman of the stevedores. Obviously, management is not prepared to spend the money required for reconversion, when their own personal future is uncertain, and when it is obvious from the start that key men have been and will continue to be removed to make way for incompetent men who because of their political beliefs have been elevated to these more important positions.

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EMPLOYMENT PROSPECTS

14. Plans for employment of many of those persons already unemployed and those who will be suspended from industry in the near future are already formulated.

15. In the Gorizia area, plans have been made to reactivate the quarries, cement works and lime kilns, and with such coal as will be made available, those industries devoted to building materials will be encouraged. A new housing plan which if approved will employ a

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considerable number of unemployed in this vast program. The possibility of now importing cotton for the Cotoniere Triestine, will afford labour for 4000 employees. Public works programs in the area will require a considerable number of unskilled laborers and will also require materials from other industries, which in turn will receive the necessary impetus to produce.

16. In the Pola area, a salvage scheme has been started and it is anticipated that much of the unemployment of Pola will be absorbed between this salvage plan and the housing operations planned for that area. Materials are needed to reactivate the clothing plant and the shoe shop, formerly run for the Italian Navy. The canvas and cordage industry of Pola, formerly dependent upon Jugo-Slavian hemp could obtain the necessary raw materials from the Ferrara District, and requests have been made for a release of this material. The cement industry, one of the largest in Pola, is ready to function as soon as coal is provided and we have been requested to permit the owners to make a private agreement with the Jugo-Slavian Authorities, to trade cement for coal.

17. In the Trieste Area, by using the shipyards for the assistance of public utilities, the larger steel bridges could be prefabricated at the yards and shipped to necessary points. Addition ship repair has been requested and has been doubled in the last three weeks. If a program could be made for the building of smaller coastal vessels, all of the smaller yards could be put on full time production.

18. There are at present forty-two ship salvage jobs which would afford employment for three thousand people and would furnish much materials needed for the production of steel etc. The S.S. Stockholm, which was sunk on the completion of its trial run, has much salvageable materials. One entire ships engine is till in good condition and is out of water. This could be saved along with countless other articles which at this time could be removed and repaired for future use. The necessary authority to proceed with a salvage program of this type is being requested.

U N E M P L O Y M E N T I N S U R A N C E

19. In the meantime, until other work can be planned to take up some of the unemployed laborers, relief from the tremendous burden of paying surplus workers has been given to the industries by the new unemployment benefit plan known as the "Disoccupazione Dopoguerra". A more comprehensive report on the plan will be found in the report of the Labor Division. From the standpoint of Industry, it will permit the suspension of surplus workers and will pay them benefits during the time when no actually employment exists for them. These men so suspended will, however, remain on the rolls of the companies and when work is available, these men will be taken back into full employment. This plan gives industry a breathing spell, in which necessary repairs and replacement of equipment can be made, and during which time industry is relieved of the tremendous financial burden of paying workers for whom no work is existent.

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O T H E R R E L I E F F O R I N D U S T R Y

20. At the same time, a directive is being released, which fully sets out the duties of the internal shop committees. It is planned to more fully instruct these committees as to their duties and more important it sets out clearly what they shall NOT do. If adhered to, this directive should do much to prevent further interference with management and should restore the faith in management to the extent that they will feel free to expand and reactivate their industries along lines which heretofore had not been considered, affording greater employment in the area.

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21. In those industries where management has been removed and the business is being run by the shop committee, a full investigation will be made, and if it is found that management has been unjustly removed, they will be reinstated, and in those where it is felt that there is just cause for the removal of management, a Commissario or Trustee will be appointed by A.M.G. who will be empowered to continue on with the enterprise.

O R G A N I Z A T I O N

22. There are three organizations in existence which have rendered invaluable help to this division. The first is the Manufacturers Association, who maintain offices within the City of Trieste and who maintain complete records of the economic and industrial situation of the area.

The second is the Artisans Association, made up of the smaller industries and trades within the area. They are truly representative and well managed and have been extremely useful in the handling of the complex problems of the trades.

The third organization is the Commercial Association made up of the merchants of the area. This is a new organization but gives promise to be extremely helpful in their line.

23. Perhaps the greatest accomplishment that has been noted is that through the auspices of the Labor and Industry Division, we have been successful in getting the representatives of labor and industry to sit down together and discuss their problems. In one instance in which labor and the commercial interests were deadlocked, by insisting that they work out their problem together, a compromise was reached. It is our earnest hope that by insisting that these parties thrash out their own differences in meetings of this nature, that we will be able to school them in this type of procedure to the mutual benefit of all concerned.

C O N C L U S I O N

24. It is felt that the organizations which will carry on the work of reactivating industry are functioning satisfactorily and there seems little more to be done in this field, after a short period of supervision. These industries are extremely efficient, and if they are left to their own resources, without interference such as the blocking of materials etc., that they are perfectly capable of accomplishing their end without further interference from us.

25. Industry as such, will function efficiently as soon as the following are forthcoming:

(a) The determination of the sovereignty of this area.
(b) Coal and raw materials.
(c) No interference with management.

26. Employment will increase as soon as:

(a) A policy from higher level is agreed upon as to the future production of the shipyards.

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26. Employment will increase as soon as:

(a) A policy from higher level is agreed upon as to the future production of the shipyards.

(b) A ship salvage program is instituted.

(c) Utilization of excess labor by an expanded Public Works and housing program.

(d) Industry is encouraged to lanch out upon a program of manufacturing other items badly needed in the economy of this area, but differing from their production in the past. The shipyards, as an example are equipped to make railway wagons, bridges, etc. Ilva could make rails, hardware, etc.

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27. It is absolutely essential, that Venezia Giulia be included in the economic plan of Northern Italy, and both the economic and political wisdom of considering this area in the economic development of Northern Italy should be at all time stressed.

H.B. Bradbury
Major CMP AUS
Chief, Industry Division.

A P P E N D I X

Financial Situation	"A"
Labor on Industrial Rolls	"A"
Coal Requirements of Industries	"B"
List of Industrial Branches in Area	"C"

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APPENDIX

Financial Situation	"A"
Labor on Industrial Rolls	"A"
Coal Requirements of Industries	"B"
List of Industrial Branches in Area	"C"

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APPENDIX "A"

FINANCIAL SITUATION

LABOR ON INDUSTRIAL PAYROLLS

APPENDIX "A"

FINANCIAL SITUATION

LABOR ON INDUSTRIAL PAYROLLS

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INDUSTRIE MECCANICHE E SIDERURGICHE

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. o Employe on roll
Officine Monfalconesi E. PASSERO	-	295.000.-	660.536,90	848.985,70	85
E.I.A.T. Trieste	100.000.-	227.000.-	466.000.-	134.000.-	25
N.CAMPANINI - Trieste	35.000.-	20.500;-	75.078,90	33.000.-	11
S.M.M.-Soc.Veneta Elettro-Industriale-Metallizzazione	291.024,75	63.500.-	249.000.-	3.800.-	9
ANTONIO MARTA	-	85.824.-	159.042,35	222.834,50	27
Off.Mecc.ENRICO MANDRICARDO	700.000.-	30.000.-	80.000.-	112.395.-	13
GIOVANNI GELOVIZZA	20.000.-	-	38.000.-	56.000.-	4
BLASCHEZ-Ing.LEOPOLDO	-	69.750.-	99.211,65	236.993,20	11
Cantiere Navale FELSZEGI Soc. A.G.T.	1.246.720.-	182.000.-	806.281,90	2.800.000.-	86
SALDA-Scalici e De Vonderweid	-	173.500.-	721.641,65	900.000.-	58
GIOVANNI COLAUTTI	-	17.000.-	650.-	-	6
GIUSEPPE Klimes	-	21,000.-	38.000.-	150.000.-	8
MARIO BEVILACQUA-Fonderia Metalli Officina Meccanica	-	19.000.-	59.650.-	85.360.-	12

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INDUSTRIE MECCANICHE E SIDERURGICHE

	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of Employees on rolls	Employees necessary for present production	Financial assistance required
	-	295.000.-	660.536,90	848.985,70	85	73	NO
	100.000.-	227.000.-	466.000.-	134.000.-	25	19	YES
	35.000.-	20.500;-	75.078,90	33.000.-	11	1	YES
rc-ione	291.024,75	63.500.-	249.000.-	3.800.-	9	9	YES
	-	85.824.-	159.042,35	222.834,50	27	26	NO
ARIO	700.000.-	30.000.-	80.000.-	112.395.-	13	13	NO
	20.000.-	-	38.000.-	56.000.-	4	4	NO
	-	69.750.-	99.211,65	236.993,20	11	7	NO
I	1.246.720.-	182.000.-	806.281,90	2.800.000.-	86	16	NO
rweid	-	173.500.-	721.641,65	900.000.-	58	58	YES
	-	17.000.-	650.-	-	6	6	YES
	-	21.000.-	38.000.-	150.000.-	8	8	NO
a ca	-	19.000.-	59.650.-	85.360.-	12	-	YES

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NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls
FRANCESCO PRELETTI & F.lli	-	14.500.-	64.413,25	50.000.-	5
SULLUGOI-(OMIS) Off. Meccanica	23.000.-	36.500.-	48.817,20	20.170,50	18
SILM "Impianti industriali Lavoraz.Metallurg.& Affini	75.000.-	295.000.-	46.909.-	71.797,60	17
ALBERTO FERRUCCI-Concession. S.A. "OM"	3.464.081,90	58.125.-	137.207.-	-	13
Fond.Off.Mecc.Triestine	160.000.-	321.258.-	1.021.967,40	677.699,20	98
VIDALI PIETRO-Off.Meccan.	-	50.500.-	152.586,50	160.750,45	23
A.FABIANI-Off.Costr.Meccan.	-	70.000.-	335.000.-	230.000.-	30
Stab.Ind.ATTILIO KOZMAN	85.000.-	362.000.-	1.255.652,80	669.814,10	139
ARSENALE TRIESTINO	10.000.000.-	2.461.500.-	8.119.897.-	859.180.-	786
GIOVANNI CANZIO-Off.Costr.	-	48.000.-	126.000.-	96.000.-	20
ROSARIO MARTORIANA-Costr. Impiant.Elettriche e Mecc.	-	28.000.-	52.125.-	65.824.-	10
Cant.Nav/S.Giusto-L.Pertot	-	48.250.-	75.112.-	-	18
MARCOVIGI UMBERTO	468.000.-	64.150.-	227.850.-	355.000.-	19
S.A.ALFA ROMEO-Trieste	-	77.625.-	359.021,75	384.964.-	35

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	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls	Employees necessary for present production	Financial assistance required
i	-	14.500.-	64.413,25	50.000.-	5	5	YES
	23.000.-	36.500.-	48.817,20	20.170,50	18	15	YES
i							
i	75.000.-	295.000.-	46.909.-	71.797,60	17	17	YES
n.							
	3.464.081,90	58.125.-	137.207.-	-	13	13	YES
	160.000.-	321.258.-	1.021.967,40	677.699,20	98	93	YES
	-	50.500.-	152.586,50	160.750,45	23	23	YES
an	-	70.000.-	335.000.-	230.000.-	30	29	YES
	85.000.-	362.000.-	1.255.652,80	669.814,10	139	70	YES
	10.000.000.-	2.461.500.-	8.119.897.-	859.180.-	786	657	YES
	-	48.000.-	126.000.-	96.000.-	20	12	YES
	-	28.000.-	52.125.-	65.824.-	10	8	YES
	-	48.250.-	75.112.-	-	18	18	YES
	468.000.-	64.150.-	227.850.-	355.000.-	19	19	NO
	-	77.625.-	359.021,75	384.964.-	35	35	NO

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NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. employees on r
Officina Navale Mecc.	-	42.000.-	78.225.-	27.030.-	1
Officina Mecc-Navale JUMIS & C-Trieste	30.000.-	95.512,50	659.211,20	269.807,30	4
ROMANC PIPPA Off.Mecc.Ripar.Marittime	-	53.000.-	107.407,45	-	1
KARDEX ITALIANO	500.000.-	5.500.-	-	-	
ILVA-Altiforni Acciaierie	10.000.000.-	8.000.000.-	19.907.396,45	-	1.78
Soc.Ind.Freddo	7.000.000.-	39.500.-	102.338.-	-	1
PANFILI E.G.&.SON	-	97.500.-	231.766,15	246.302,25	1
ETTORI MARTINUZZI-Off. Meccanica	-	318.500.-	2.300.000.-	1.866.000.-	9
Off.Mecc.App.Nautici	-	134.500.-	435.913,82	750.-	4
M.MIRELLI & T. SBRIZZI	-	25.440.-	68.660,35	61.500.-	
S.A.ALABARDA, Ind.Dolc. Triestina	60.000.-	219.500.-	494.902,70	6.294.287,65	9

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WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls	Employees necessary for present production	Financial assistance required
-	42.000.-	78.225.-	27.030.-	16	16	YES
30.000.-	95.512,50	659.211,20	269.807,30	46	46	YES
-	53.000.-	107.407,45	-	15	15	YES
500.000.-	5.500.-	-	-	2	2	YES
10.000.000.-	8.000.000.-	19.907.396,45	-	1.785	250	YES
7.000.000.-	39.500.-	102.338.-	-	11	-	YES
-	97.500.-	231.766,15	246.302,25	10	6	YES
-	318.500.-	2.300.000.-	1.866.000.-	94	94	yes received ass.ce to build new ships
-	134.500.-	435.913,82	750.-	43	1	YES
-	25.440.-	68.660,35	61.500.-	9	9	NO
60.000.-	219.500.-	494.902,70	6.294.287,65	92	-	NO R.M.

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NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on roll
Azienda Italiana Petroli	173.263.657	1.334.000.-	4.147.411,70	753.317,50	28
Gioachino Venezziani S.A.	27.038.409	163.000.-	713.580.-	1.512.000.-	4
Gaslini S.A.	400.000.000	646.750.-	2.084.908,25	3.110.475,60	23
Istituto Farmacoterapico Triestino S.A.	2.808.936,55	357.666,80	887.173,85	1.638.137,30	12
I.C.A.S.A.	None	177.000.-	659.540,20	2.007.140,85	6
Stabilimento MELL	50.000.-	255.000.-	745.626,75	1.500.000.-	9
Raffineria PONTINI	255.000.-	26.000.-	59.732,55	278.967.-	
Vittorio Grego & Co.	None	8.500.-	36.585.-	None	
Fabbrica Adriatica Colori	105.400.-	14.000.-	63.630.-	145.890.-	
Azienda Italiana Petroli Stabilimento B.P.	30%	119.000.-	405.251,25	None	2
A.G.I.P.	70%	103.500.-	214.498,85	None	2
Kohler & Co.	None	17.500.-	263.734.-	568.816.-	3
J. Serravallo	None	42.000.-	129.064.-	581.110.-	L
A.Zankl. Figli-Colori	None	24.000.-	55.386,40	384.000.-	
Colorifici Zonca Soc.	None	60.000.-	87.178.-	139.780,45	2
Industria Chimica Giuliana	20.000.-	52.500.-	84.603,50	109.534,35	1

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	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls	Employees necessary for present production	Financial assistance required
	173.263.657	1.334.000.-	4.147.411,70	753.317,50	281	261	YES
	27.038.409	163.000.-	713.580.-	1.512.000.-	44	40	YES
	400.000.000	646.750.-	2.084.908,25	3.110.475,60	236	40% less	YES
	2.808.936,55	357.666,80	887.173,85	1.638.137,30	128	116	YES
	None	177.000.-	659.540,20	2.007.140,85	63	40	NO
	50.000.-	255.000.-	745.626,75	1.500.000.-	92	45	NO
	255.000.-	26.000.-	59.733,55	278.967.-	9	1	YES
	None	8.500.-	36.585.-	None	3	3	YES
d	105.400.-	14.000.-	63.630.-	145.890.-	7	7	YES
	30%	119.000.-	405.251,25	None	25	25	YES
	70%	103.500.-	214.498,85	None	21	21	YES
	None	17.500.-	263.734.-	568.816.-	34	17	NO
	None	42.000.-	129.064.-	581.110.-	16	16	NO
	None	24.000.-	55.386,40	384.000.-	6	6	NO
	None	60.000.-	87.178.-	139.780,45	22	14	YES
	20.000.-	52.500.-	84.603,50	109.534,35	16	8	YES

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NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls
Costantino DAMIANI	1.221.060.-	58.000.-	136.838,60	368.000.-	10
Guerrini HAUSER	None	13.000.-	23.670.-	None	6.
Raffinerie D'Ozokerite	200.000.-	21.000.-	23.090.-	29.427.-	7
Dep.Shell Floridorfer	3.500.000.+	17.500.-	90.694,45	None	12
Società Ind. Clio	None	40.000.-	73.770.-	349.584,20	1+
Solvay and C.	5.000.000.-	1.776.250.-	8.303.771,05	547.895,75	683

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WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls	Employees necessary for present production	Financial assistance required
+.221.060.-	58.000.-	136.838,60	368.000.-	10	7	YES
None	13.000.-	23.670.-	None	6	2	YES
200.000.-	21.000.-	23.090.-	29.427.-	7	7	YES
3.500.000.+	17.500.-	90.694,45	None	12	12	YES
None	40.000.-	73.770.-	349.584,20	14	14	NO
5.000.000.-	1.776.250.-	8.303.771,05	547.895,75	683	650	YES

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INDUSTRIE MECCANICHE E SIDERURGICHE

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on roll
Cantieri Riuniti dell'Adriatico	3.000.000.000.	45.467.000.-	173.959.000.-	2.000.000.-	18.675

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INDUSTRIE MECCANICHE E SIDERURGICHE

WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls	Employees necessary for present production	Financial assistance required
3.000.000.000.	46.467.000.-	173.959.000.-	2.000.000.-	18.675	12.420	NO

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INDUSTRIE MECCANICHE E SIDERURGICHE

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employe on roll
SAGAD	100.000.-	28.750.-	112.270.-	233.000.-	13
GIUSEPPE CONTI	500.000.-	53.700.-	284.000.-	510.000.-	36
C. COLMANI	40.000.-	16.000.-	12.914.-	6.701.-	7
S.A.T.I.M.	15.000.000.-	183.000.-	534.659,25	63.771.-	67
CODIANI GIUSEPPE	-	32.000.-	128.000.-	335.000.-	12
VIDIMARI EGIDIO	25.000.-	28.981,25	53.392,90	49.798,30	15
Industria Triestina Prodotti scientifici	-	205.900.-	1.045.467,60	2.798.114,90	127
NAVALTRIESTE	-	73.200.-	427.430.-	-	63
CANTIERE NAVALE GIULIANO	-	348.000.-	1.027.124,10	2.188.154,05	182

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INDUSTRIE MECCANICHE E SIDERURGICHE

	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls	Employees necessary for present production	Financial assistance required
	100.000.-	28.750.-	112.270.-	233.000.-	13	13	NO
	500.000.-	53.700.-	284.000.-	510.000.-	36	36	YES
	40.000.-	16.000.-	12.914.-	6.701.-	7	7	YES
	15.000.000.-	183.000.-	534.659,25	63.771.-	67	34	YES
	-	32.000.-	128.000.-	335.000.-	12	12	NO
	25.000.-	28.981,25	53.392,90	49.798,30	15	15	YES
	-	205.900.-	1.045.467,60	2.798.114,90	127	122	NO
	-	73.200.-	427.430.-	-	63	63	YES
NO	-	348.000.-	1.027.124,10	2.188.154,05	182	182	NO

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INDUSTRIE TESSILI

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on roll
JUTIFICIO & CANAPIFICIO Triestino	60.709.567,15	497.500.-	1.067.372,40	-	167
ADOLFO D'AMBROSI	-	31.000.-	205.429.-	163.446,90	12

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INDUSTRIE TESSILI

WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls	Employees necessary for present production	Financial assistance required
60.709.567,15	497.500.-	1.067.372,40	-	167	50	YES
-	31.000.-	205.429.-	163.446,90	12	12	YES

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INDUSTRIE TESSILI

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls
PASSAMANERIE NITIS	-	83.500.-	64.527,25	165.092,40	11
G.I.L.F.I.T.	-	99.500.-	244.415,60	1.103.850,45	36

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INDUSTRIE TESSILI

WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls	EMPLOYEES necessary for present production	FINANCIAL assistance required
-	83.500.-	64.527,25	165.092,40	11	1	NO
-	99.500.-	244.415,60	1.103.850,45	36	4	NO

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INDUSTRIA EDILE

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls
Società Adriatica di Costruz.Sistem.FERROBET.	8.209.545.-	64.500.-	549.000.-	671.610.-	168
S.A.di Costruz. Trieste	-	30.000.-	327.000.-	250.000.-	29
Impresa Costruzioni SKERL & ZANNON	-	36.495.-	61.457,20	71.955.-	31
G.ANTONINI & FRAGIACOMO	-	5.500.-	21.697,65	-	25
LUIGI MARCON	-	125.830.-	297.557,29	524.000.-	35
CRESTE TALAMONA	-	14.000.-	62.000.-	-	6
GIUSTO SCHILLANI	60.000.-	57.400.-	7.814.-	-	7
MARIO RUTTER	-	60.000.-	350.000.-	500.000.-	44
GIANNINI & SPANGARO	-	29.370.-	159.403,85	118.749,20	7
FRANCESCO MARSI	-	100.260.-	87.979,20	-	2
PISANI LUCIANO	-	-	674.000.-	150.000.-	10
ANTONIO CANAL	-	-	300.000.-	-	1

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INDUSTRIA EDILE

WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls	Employees necessary for present production	Financial assistance required
8.209.545.-	64.500.-	549.000.-	671.610.-	168	6	YES
-	30.000.-	327.000.-	250.000.-	29	26	YES
-	36.495.-	61.457,20	71.955.-	31	-	YES
-	5.500.-	21.697,65	-	25	25	YES
-	125.830.-	297.557,29	524.000.-	35	35	NO
-	14.000.-	62.000.-	-	6	6	YES
60.000.-	57.400.-	7.814.-	-	7	7	YES
-	60.000.-	350.000.-	500.000.-	44	-	YES
-	29.370.-	159.403,85	118.749,20	7	4	YES
-	100.260.-	87.979,20	-	2	-	YES
-	-	674.000.-	150.000.-	10	10	YES
-	-	300.000.-	-	1	1	YES

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INDUSTRIE EDILI

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employee on rolls
P.LAFERRI VITTORIO	-	185.492,70	297,929,25	-	45
ZOLLA - S.A.	-	33.500.-	48.824,60	33.531,45	13
EDILIA	144.173.-	29.025,60	206.261,15	258.488,95	36
Ing. ZAMPIERI & C.	700.000.-	900.000.-	2.840.665,10	3.101.414,69	364
Ing. ROSTIROLLA	778.204,40	118.605.-	394.580,85	490.000.-	30
ITALSTRADE S.A.	14.000.000.-	730.000.-	630.000.-	-	21
Impresa ROSSI SCAVE	25.000.-	102.190.-	962.215,40	1.131.456,10	33

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INDUSTRIE EDILI

WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME SINCE 2 MAY 45	No. of employees on rolls	Employees necessary for present production	Financi assistan required
-	185.492,70	297,929,25	-	45	42	YES
-	33.500.-	48.824,60	33.531,45	13	1	YES
144.173.-	29.025,60	206.261,15	258.488,95	36	36	NO
700.000.-	900.000.-	2.840.665,10	3.101.414,69	364	364	NO
778.204,40	118.605.-	394.580,85	490.000.-	30	30	YES
14.000.000.-	730.000.-	630.000.-	-	21	21	YES
25.000.-	102.190.-	962.215,40	1.131.456,10	33	33	NO

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INDUSTRIA DEL LEGNO

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Employ necess for p produc
GIOVANNI FRANDOLI & SON	180.000.-	169.500.-	853.660.-	1.715.430.-	65	
MICHEL DETONI	200.000.-	16.500.-	139.029.78	-	20	
POLLACHINI & TOSONATTI	500.000.-	171.875.-	736.126,60	843.690,90	8	
PIETRO DE SELVO	20.000.-	30.000.-	145.468,70	250.000.-	18	
SCASSO ETTORE	25.000.-	27.000.-	46.000.-	120.000.-	18	
MOBILIFICIO GIULIANO	-	58.500.-	196.065	389.390.-	23	
MOBILIFICIO POLLI	1.600.000.-	26.786.-	87.402.-	100.000.-	1	

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	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Employees necessary for pres.t production	Financial assistance required
	180.000.-	169.500.-	853.660.-	1.715.430.-	65	65	NO
	200.000.-	16.500.-	139.029.78	-	20	20	YES
	500.000.-	177.875.-	736.126,60	843.690,90	8	8	YES
	20.000.-	30.000.-	145.468,70	250.000.-	18	18	NO
	25.000.-	27.000.-	46.000.-	120.000.-	18	17	NO
	-	58.500.-	196.065	389.390.-	23	22	NO
	1.600.000.-	26.786.-	87.402.-	100.000.-	1	1	YES

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INDUSTRIE DEL LEGNO

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Employees necessary for pres.t production
LEGNOTECNICA	-	13.000.-	93.378,80	294.437.-	12	12
EMILIO ANTONINI	1.200.000.-	-	10.400.-	-	1	1

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INDUSTRIE DEL LEGNO

DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Employees necessary for pres.t production	Financial assistance required
-	13.000.-	93.378,80	294.437.-	12	12	NO
1.200.000.-	-	10.400.-	-	1	1	YES

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INDUSTRIA GRAFICA

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Employees necessary for pres production
S.A. MODIANO	10.000.000.-	1.085.000.-	3.130.420	2.253.000	389	225
Cambiasa & Co.	30.000.-	92.500.-	155.000.	387.500	35	33
Industrie Grafiche It.	none	33.000.-	147.791.75	294.401.25	13	13
Tipografia Nigris	none	27.500.-	110.750	275.000	9	9
Modernografica	none	75.000.-	197.644	604.988	31	31
Tipografia Giuliana	none	35.500	136.697.60	607.411.80	15	15
Tipografia Adriatica	6.000	17.000	59.369	262.667.40	6	6
Editoriale Libraria	none	298.166.65	956.508.95	1.288.299.55	119	94

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INDUSTRIA GRAFICA

M	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Employees necessary for present production	Financial assistance required
	10.000.000.-	1.085.000.-	3.130.420	2.253.000	389	225	Yes
.	30.000.-	92.500.-	155.000.	387.500	35	33	no
iche It.	none	33.000.-	147.791.75	294.401.25	13	13	no
ria	none	27.500.-	110.750	275.000	9	9	no
	none	75.000.-	197.644	604.988	31	31	no
liana	none	35.500	136.697.60	607.411.80	15	15	no
iatica	6.000	17.000	59.369	262.667.40	6	6	no
aria	none	298.166.65	956.508.95	1.288.299.55	119	94	no

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INDUSTRIE GRAFICHE

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Employees necessary for full production
SCIARS & NIPOTE	757.130.-	786.500.-	2.355.431.50	5.053.478.	285	2

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INDUSTRIE GRAFICHE

	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Employees necessary for present production	Financial assistance required
OTE	757.130.-	786.500.-	2.355.431.50	5.053.478.	285	278	NO

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INDUSTRIE ALIMENTARI

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Emp... nec... for... pro...
Birra DREHER	-	1.073.000.-	3.515.000.-	9.500.000.-	326	
FRIGORIFERI GENERALI	2.000.000	38.250.-	176.471.45	359.381.05	13	
L.A.BAKER & Co.	900.000	56.500.-	216.866.-	1.300.000.-	18	
L. SALVADOR	500.000	76.000.-	80.000.-	620.000.-	18	
F. MORIG	300.000	2.500.-	1.600.-	-	1	
Industria Nazionale Caffè Illy & HAUSBRANDT	-	110.000.-	239.669;75	2.880.000.-	39	
Salumificio CESARE MASE	-	32.000.-	79.200.-	-	12	
FR. PRINCIC	-	24.000.-	56.961,95	43.920.-	9	
PUSSINI ANDREA	-	59.500.-	204.638,50	245.726.-	23	
Pastificio MULLICH CARLO	-	53.625.-	146.992,40	-	22	
Pastificio Triestino	58.507.995.-	108.000.-	455.671,60	334.482,75	41	

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INDUSTRIE ALIMENTARI

IRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Employees necessary for prest production	Financial assistance required
	-	1.073.000.-	3.515.000.-	9.500.000.-	326	322	NO
ERALI	2.000.000	38.250.-	176.471,45	359.381,05	13	11	YES
	900.000	56.500.-	216.866.-	1.300.000.-	18	9	YES
	500.000	76.000.-	80.000.-	620.000.-	18	18	NO
	300.000	2.500.-	1.600.-	-	1	1	YES
nale USBRANDT	-	110.000.-	239.669;75	2.880.000.-	39	20	YES
RE KASE	-	32.000.-	79.200.-	-	12	10	YES
	-	24.000.-	56.961,95	43.920.-	9	9	YES
	-	59.500.-	204.638,50	245.726.-	23	17	NO
CH CARLO	-	53.625.-	146.992,40	-	22	22	YES
ino	58.507.995.-	108.000.-	455.671,60	334.482,75	41	24	YES

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INDUSTRIE ALLEATE

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of employees on roll
DISTILLERIE STOCK	14.555.716,60	77.000.-	121.567,65	-	39
PASTIFICIO LORENZETTI	-	38.500.-	97.465,25	-	14
STOCK COGNAC MEDICINAL	-	225.500.-	812.375.65	15.880.000	80
AMPELEA CONSERVIFICI	-	140.000.-	379.372,45	-	31
Società Industrie Freddo	-	41.250.-	153.500.-	449.400	16

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INDUSTRIE ALIMENTARI

FIRM	WAR DAMAGES	LIBERATION HOUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of employees on rolls	Employees necessary for pres.t production	Financial assistance required
STOCK	14.555.716,60	77.000.-	121.567,65	-	39	39	YES
ORENZETTI	-	38.500.-	97.465,25	-	14	14	YES
MEDICINAL	-	225.500.-	812.375.65	15.880.000	80	80	NO
SERVIFICI	-	140.000.-	379.372,45	-	31	?	NO
stria ddo	-	41.250.-	153.500.-	449.400	16	16	NO

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INDUSTRIE VARIE

NAME OF FIRM	WAR DAMAGE	LIBERATION EXPENSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees
Tintoria V. CARNIEL	-	46.500.-	132.857,20	380.000.-	18
Cav. Ing. FACCANONI	50.000.-	144.403,20	368.850,95	185.809,80	64
ATTOMIC CHIFRI	-	39.500.-	108.347.-	120.000.-	13
ZUFFICI Giuseppe	-	6.000.-	48.375.-	49.149.-	13
Fratelli CANOVA	-	59.000.-	222.270,70	-	13
S.A.SEJET	-	157.000.-	333.414,30	1.466.005,05	36
SILVIO GIORGINI	-	4.500.-	45.000.-	143.000.-	7
CEMENTI ISONZO.	1.400.000.-	791.746.-	4.405.111,25	8.305.000.-	103
S.Elett.VENEZIA Giulia	24.000.000.-	980.000.-	5.250.000.-	12.000.000.-	450
GUGLIELMO GENEL	-	419.562,50	987.506,05	2.289.366,75	163
E.A.C.O.	-	9.000.-	58.339,80	19.000.-	10
DE ICLA ANGELO	956.000.-	15.000.-	624.000.-	none	13
S. SALTO S.A.	1.300.000.-	255.500.-	804.859,50	798.714,20	96
LIGURE-TRIESTINA	-	3.000.-	8.500.-	-	1

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INDUSTRIE VARIE

FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Employees necessary for prod. production	Financial assistance required
RNIEL	-	46.500.-	132.857,20	380.000.-	18	18	NO
ENONI	50.000.-	144.483,20	368.850,95	185.809,80	64	4	YES
	-	39.500.-	108.347.-	120.000.-	13	13	NO
epre	-	6.000.-	48.375.-	49.149.-	13	13	NO
VA	-	59.000.-	222.270,70	-	13	1	YES
	-	157.000.-	333.414,30	1.466.005,05	36	26	NO
MI	-	4.500.-	45.000.-	143.000.-	7	-	NO
0.	1.400.000.-	791.746.-	4.405.111,25	8.305.000.-	103	66	NO
TA Giulia	24.000.000.-	980.000.-	5.250.000.-	12.000.000.-	450	450	YES
EL	-	419.562,50	987.506,05	2.289.366,75	163	88	NO
	-	9.000.-	58.339,80	19.000.-	10	10	YES
0	956.000.-	15.000.-	624.000.-	none	13	13	YES
	1.300.000.-	295.500.-	804.859,50	798.714,20	96	81	YES
NA	-	3.000.-	8.500.-	-	1	1	YES

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INDUSTRIE VARIE

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls
Houser	113.010.-	37.500.-	130.277.-	-	13
Fabbrica Agglomerati Ettore Molinari	700.000.-	26.500.-	66.000.-	819.800.-	10
Aquila-S.A.Tec.Industriale	500.000.000.-	900.000.-	4.500.000.-	-	300
Barsan	-	37.000.-	164.985,35	426.310,10	24
	-	94.000.-	452.817,40	307.729,95	35
Adria	94.147.253.-	226,000.-	855.484.-	-	77
Sorpored	-	15.000.-	90.326.-	-	5
Mannora Orlando	-	51.000.-	131.000.-	-	4
S.A.T.	-	67.500.-	150.052,85	151.874,20	23
Istituto Naz.Trasporti	-	271.000.-	846.342,20	-	74
Raimondo Cellori	466.640.-	97.500.-	386.476,75	750.000.-	35
Soc. Piccolo Ferrovio	-	196.000.-	1.082.825,65	1.807.928,10	75
S.C.A.L.E.	1.000.000.-	9.000.-	54.505,55	69.450.-	1
David Lenger	-	12.000.-	88.250.-	116.600.-	6
Giovanni Beltrame	7.052.685.-	425.250.-	1.196.949,75	871.809,75	179
" "	-	413.150.-	2.019.405,95	1.812.200.-	162

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INDUSTRIE VARIE

	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Employees necessary for pres.t production	Financiel assistance required
	113.010.-	37.500.-	130.277.-	-	13	1	Yes
	700.000.-	26.500.-	66.000.-	819.800.-	10	10	NO
	500.000.000.-	900.000.-	4.500.000.-	-	300	250	Yes
ale	-	37.000.-	164.985,35	426.310,10	24	6	No
	-	94.000.-	452.817,40	307.729,95	35	33	Yes
	94.147.253.-	226.000.-	855.484.-	-	77	13	Yes
	-	15.000.-	90.326.-	-	5	5	Yes
	-	51.000.-	131.000.-	-	4	4	NO
	-	67.500.-	150.052,85	151.874,20	23	17	NO
	-	271.000.-	846.342,20	-	74	80%	Yes
	-	97.500.-	386.476,75	750.000.-	35	35	NO
	466.640.-	196.000.-	1.082.825;65	1.807.928,10	75	75	NO
	-	9.000.-	54.505,55	69.450.-	1	1	Yes
	1.000.000.-	12.000.-	88.250.-	116.600.-	6	-	NO
	-	425.250.-	1.196.949,75	871.809,75	179	179	Yes
	7.052.685.-	413.150.-	2.019.405,95	1.812.200.-	162	162	
	-						

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INDUSTRIE VARIE.

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Emplo nece for r produ
S.I.A.T.	-	6.000.-	25.379.-	-	5	5
ZIBERNA- Stireria e Tintoria	1.032.979.-	69.750.-	76.740,10	279.746,35	-	-
Lavanderia a Vapore Trieatina	-	295.000.-	471.047,91	1.189.300,90	87	50
SAUL SADOCH	100.00.-	135.000.-	575.000.-	788.400.-	62	40
FIORAVANTI-Fabb.Dolci	41.251.-	9.000.-	30.336,80	184.629,35	2	2
Stabilimento FRAZZER	-	2.500.-	4.951,50	30.446,16	2	2

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INDUSTRIE VARIE

WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 1945	INCOME SINCE 2 MAY 1945	No. of Employees on rolls	Employees necessary for prop.t production	Financial assistance required
-	6.000.-	25.379/-	-	5	5	YES
1.032.979.-	69.750.-	76.740,10	279.746,35	-	-	NO
-	295.000.-	471.047,91	1.189.300,90	87	50	NO
100.00.-	135.000.-	575.000.-	788.400.-	62	40	NO
41.251.-	9.000.-	30.336,80	184.629,35	2	2	NO
-	2.500.-	4.951,50	30.446,16	2	2	NO

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G O R I Z I A

NAME OF FIRM	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME 2 MAY 45	N.o of Employ on roll
Stabilimento Industriale Goriziano	16.000.000	15.000	64.000	-	6

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G O R I Z I A

	WAR DAMAGES	LIBERATION BONUSES	WAGES SINCE 2 MAY 45	INCOME 2 MAY 45	N.o of Employees on rolls	Employees necessary for pres.t production	Financial assistance required
rie-	16.000.000	15.000	64.000	-	6	2	YES

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A P P E N D I X "B"

COAL REQUIREMENTS

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Fabbisogno mensile di combustibile

N O M I N A T I V O	Indirizzo	Fabbisogno Mens Carbone arsa	Carb Fos
Agricole Alimentari Varie			
1) Illy & Hausbrandt	Via Giulia 112	–	–
2) Küchler & Co.	" Valmartigana 3	–	–
3) Soc.Ind. dell'Olio	" Giacinti 30	2	3
4) Torrefazione Caffè Trieste	" Machiavelli 19	–	–
5) S.A. Gaslini	Pass. S. Andrea 15	100	–
6) S.A. Arrigoni (Stab.Grado)		–	20
" " (Stab.Istria)		150	20
7) L. Salvador & C.		3	–
8) S.A. "Alabarda"	Via Ex squadristi	–	30
Dolciaria			
9) Fioravanti	Via Gambini 29	–	0,
10) S.A. Lejet	" Buonarroti 12	–	10
Acque Gass, Birra e Ind.Freddo			
11) Fabbrica Birra Ireher	Via Bonomo 2	–	200
12) "S.A.I.F."	" Foscolo 5	–	–
Mugnai e Pastai			
13) Pastificio Triestino S.A.	Viale Ippodromo 2	12,5	12,
14) C. & G. Lorenzetti	Via Margherita 13	–	–
15) Carlo Mullich & C.	" Media 40	–	–

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Fabbisogno mensile di combustibile

MINATIVO	Indirizzo	Fabbisogno Mensile in tonn. Carbone arsa	Carbone Fossile	Carbone Coke
ari Varie				
ndt	Via Giulia 112	-	-	10
	" Valmartigana 3	-	-	2
Olio	" Giacinti 30	2	3	1
affè Torgeste	" Machiavelli 19	-	-	2
	Pass. S. Andrea 15	100	-	-
(Stab.Grado)		-	20	-
(Stab.Istria)		150	20	-
C.		3	-	2
"	Via Ex squadristi	-	30	-
	Via Gambini 29	-	0,5	-
	" Buonarroti 12	-	10	2
rre e Ind.Freddo				
Ireher	Via Bonomo 2	-	200	1
	" Foscolo 5	-	-	2
stino S.A.	Viale Ippodromo 2	12,5	12,5	-
tti	Via Margherita 13	-	-	3
C.	" Media 40	-	-	5,4

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Vini e Liquori			
16)	Stock Cognac Medicinal	Via Lortorisino 2	–
Metallurgici			
17)	I.L.V.A.	Ilvania	350
18)	S.A. Ing. Gervasi	Barcola 22	–
Chimici			
19)	A.G.I.P.	Via Carducci 39	80
20)	Barsan N.	Scoglietto 316	–
21)	Colorifici Zonca	Via Vergerio 9	4
22)	Fabbrica Adriatica Colori	Piazza Ponterosso 6	–
23)	Fulgor Veneziani	Via Marconi 20	–
24)	Hauser F. & F.	Piazza Foraggi 7	40
25)	Hauser Guerrino	Via Lamarmora 39	–
26)	I.C.A.S.A.	" Valmartinaga	–
27)	Industria Chimica Giuliana	" S. Nicolò 11	–
28)	Istituto Farmaco ter.Triestino	" S.Francesco 21	–
29)	Panfilli Ing. E.G.	Corso 7	–
30)	V.U. Pontini-Raffineria	Via Macchiavelli 1	10
31)	Saponificio Dina	S.M.M. Inf. 183	–
32)	A.D.R.I.A. Fabbrica Sapone	Via XXX Ottobre 4	75
33)	Gioacchino Veneziani	Pass.S. Andrea 100	–
34)	Viotti Adolfo & C.	Via Galatti 20	15
35)	Zuculin L.	Vicolo delle Rose 18	5
36)	Bell Francesco	Via Media 25	–
37)	S.A. Prodotti "Gamma"	" Roma 22	25
38)	Stab.Ind. "Aquila"	" Dante 5	40
39)	Fabbrica Damiani Costantino	Riva Nazario Sauro 14	1
40)	Raff. d'Ozokerite	Barcola Riviera	–
41)	Solvay & C.	Monfalcone	3.725

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o Medicinal	Via Montorsino 2	-	30	-
	Ilvania	350	7.900	6.000
Gervasi	Barcola 22	-	10	5
	Via Carducci 39	80	10	5
	Scoglietto 316	-	7	3
Zonca	Via Vergerio 9	4	-	1
driatica Colori	Piazza Fonterosso 6	-	0,4	0,5
eziani	Via Marconi 20	-	-	3
& F.	Piazza Foraggi 7	40	-	-
rino	Via Lamarmora 39	-	5	-
	" Valmartinaga	-	8	8
Chimica Giuliana	" S. Nicolò 11	-	12	12
armaco ter.Triestino	" S.Francesco 21	-	9	-
g. E.C.	Corso 7	-	16	-
ni-Raffineria	Via Machiavelli I	10	10	2
Dina	S.M.M. Inf. 183	-	2	2
Fabbrica Sapone	Via XXX Ottobre 4	75	-	-
Veneziani	Pass.S. Andrea 100	-	-	2
fo & C.	Via Galatti 20	15	20	15
	Vicolo delle Rose 18	5	10	5
eco	Via Media 25	-	20	-
ti "Gamma"	" Roma 22	25	-	1
Aquila"	" Dante 5	40	-	0,3
miani Costantino	Riva Nazario Sauro 14	1	-	0,5
erite	Barcola Riviera	-	15	1
	Monfalcone	3.725	-	900

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Meccanici

42)	Fonderia Allesch [illegible]	Antrone S. Eufemia 5	–
43)	Autorimessa Moderna	Via Chiberti 4	–
44)	Bevilacqua Mario	" del Vetro 39	–
45)	Cantiere Navale Giuliano	Molo F.lli Bandiera	5
46)	Canz Enrico	Via Piccardi 62	–
47)	Cillia Marcello	" Giulia 23	–
48)	Colmani Giulio	" Commerciale 5	–
49)	Ferrucci Alberto	" F. Severo 52	–
50)	F.I.A.T.	" Marconi 6	–
51)	F.O.M.T.	" della Tesa	–
52)	Fumis & C.	" Nizza 33	–
53)	Gelovizza Giovanni	" Battisti 22	0,2
54)	A. Fabiani	" Corti 2	–
55)	A. Dorni	" Mazzini 18	–
56)	Giuseppe Gosiani	" Giulia 6	–
57)	Klimes Giuseppe	" Media 28	–
58)	S.A. Kozman Attilio	Piazza Ospedale 7	–
59)	Stab. Dilfi	Via Lorori 22	2
60)	"La Meccanotecnica"	" Colorne 48	–
61)	Lantschner Alcaico	Riva Otto Agosto 2	–
62)	Off.Navale Meccanica	Via Corti 1	–
63)	Off.Mecc. L. Lippi	Campo Marzio 14	–
64)	Mercovich Umberto	Via Milano 22	–
65)	Martorana Rosario	" Machiavelli 3	–
66)	Blaschek Ing. L.	" Diaz 24	–
67)	Off. Mecc. Lancricardo	" della Tesa 1	–
68)	Off. E. Passaro	Monfalcone	1
69)	"O.M.M.S.A."	Via Negrelli 38	–
70)	Ind.Triestina Prod.Scientifici	Str. Nardella 1	–
71)	Predonzan Riccardo	Via F. Severo 111	–
72)	L. Preletti Succ.	" Fonderia 12	–
73)	Puglisi Mario Off.	" Fortunio 1	–
74)	"S.A.L.O.A."	" Economo 2	–
75)	Spaber Antonio	Servola 625	–
76)	S.I.L.M.A.	Via Mazzini 32	–

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lesch & .	Androna S. Eufemia 5	–	–	3
Governa	Via Alberti 4	–	–	0,5
Mario	" del Vetro 59	–	–	3
Pavola Giuliano	Molo F.lli Bandiera	5	5	2
	Via Piccardi 62	–	0,5	0,5
cello	" Giulia 23	–	5	5
lio	" Commerciale 5	–	–	1
berto	" F. Severo 52	–	–	4
	" Marconi 6	–	–	2
	" della Tesa	–	5	15
	" Nizza 33	–	1	0,5
Giovanni	" Battisti 22	0,2	0,1	0,1
	" Corti 2	–	–	0,6
	" Mazzini 18	–	–	1
osiani	" Giulia 6	–	–	1
eppe	" Media 28	–	–	5
Attilio	Piazza Ospedale 7	–	–	20
	Via Lorori 22	2	1	–
otecnica"	" Cologna 48	–	–	0,6
Alarico	Riva Otto Agosto 2	–	0,5	–
leccanica	Via Corti 1	–	–	0,8
. Lippi	Campo Marzio 14	–	0,15	0,25
mberto	Via Milano 22	–	–	0,5
osario	" Machiavelli 3	–	0,4	–
. L.	" Diaz 24	–	–	0,3
Mandricardo	" della Tesa 1	–	1	2
sero	Monfalcone	1	6	2
"	Via Negrelli 38	–	20	12
ia Prod.Scientifici	Str. Campiella 1	–	–	10
Ricardo	Via F. Severo 111	–	–	0,8
Succ.	" Fonderia 12	–	–	1
o Cif.	" Fortunio 1	–	2	–
	" Economo 2	–	5	3
io	Savrola 625	–	–	4
	Via Mazzini 32	–	–	1

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77)	S.A. Alfa Romeo	Via Raffineria 6	–
78)	I. Sulli oi - (C.I.S)	" Fontanone 25	–
79)	Officine Meccaniche Vidali L.	" Del Rónco 10	–
80)	Officine Vi ini Carlo	" Udine 39	–
81)	S..T.I.M.	Barcola	3
82)	C.R.D.A.	Corso Cavour 1	170
83)	Arsenale Triestino	Via della Rampa 2	5
84)	Cantiere Navale Piccini	" Petrarca 8	–
	Gas Acquedotti		
85)	S.E.L.V.E.C.	Via Diaz 2	–
	Legno		
86)	Raff. Bruno Marini	Via Gelsomini 10	–
	Edili		
87)	Costruzioni Generali	Via XX Settembre 3	–
88)	Arch.L. Cuccagna	" Tiepolo 9	–
89)	Geom.Raff.Corberi	" Piccíola 3	–
90)	La Ceramica	" Coroneo 5	–
91)	Palaferri Vittorio	" Rossetti 74	–
92)	Impresa Costruzioni Elettr.Mecc.	" Ghega 2	–
93)	Italstrade S.A.	" Rossetti 27	–
94)	S.A.C.E.S.I.	" I della Croce 6	–
95)	S.A.C.I.R.	" Casse di Risparmio 6	–
96)	S.A. di Costruzioni	" Cicerone 8	–
97)	I.C.C.I.	" I della Croce 6	–
	Abbigliamento		
98)	Giovanni Beltrame	Via Besenghi 13	–
99)	Guglielmo Senel	Piazze S. Sansovino 1	–
	Canapa, Lino, Lanieri		
100)	Jutificio e canapificio Tricet.	Pass. S. Andrea 58	102,5
101)	J.&.J. Mitis	Via S. Maurizio 15	–
102)	C.I.L.F.A.F.	" S. Nicolò 4	–

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. Romeo	Via Raffineria 6	–	–	1,8
oi – (C.R.S)	" Fontanone 25	–	0,3	0,2
Meccaniche Vidali L.	" Del Ronco 10	–	1,5	–
Vidini Carlo	" Udine 39	–	0,5	–
.	Barcola	3	3	2
Triestino	Corso Cavour 1	170	250	500
Navale Piccini	Via della Rampa 2	5	40	10
dotti	" Pebrarca 8	–	–	4
.C.	Via Diaz 2	–	–	1.500
no Marini	Via Belpomini 10	–	0,1	0,1
ni Generali	Via XX Settembre 3	–	0,3	0,2
accagna	" Tiepolo 9	–	0,15	0,2
.Corberi	" Piccola 3	–	–	0,200
a	" Coroneo 5	–	0,20	0,20
Vittorio	" Rossetti 74	–	–	0,3
ostruzioni Elettr.Mecc.	" Chega 2	–	0,3	–
S.A.	" Rossetti 27	–	–	–
I.	" I della Croce 5	–	1	–
	" Cassa di Risparmio 6	–	–	1,5
struzioni	" Cicerone 8	–	–	0,500
	" I della Croce 6	–	1	–
to				
ltrame	Via Beccheri 13	–	10	–
nel	Piazza S. Sansovino 1	–	10	5
, Lanieri				
anepificio Triest.	Pass. S. Andrea 58	102,5	–	5,5
	Via S. Maurizio 16	–	–	0,400
	" S. Nicolò 4	–	2	–

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	Industrie Varie		
103)	Tintoria Carniel V.	Via Madonnina 38	20
104)	Tintoria "La Triestina"	" Zovenzoni 4	-
105)	A.&.F. Ziberna	" Monte Cengio 7	-
106)	Lav.e Stirerie Meccaniche della Venezia Giulia	Piazza Sansovino 1	-
	Grafici e Carta		
107)	Fabbrica Carbissa	Via della Fornace 2	(o antrac
108)	La Modernografica	Viale XX Settembre 61	-
109)	La Editoriale Libreria	Via S. Francesco 62	-
110)	A. Salto S.A.	" Media 5	-
111)	Carlo Glessich	" Ginnastica 30	-
	Autotrasporti		
112)	Cimadori Raimondo	Via Ghega 1	-
	Imprese Ferrotranviarie		
113)	S.A. delle Piccole Ferrovie di Trieste	Via F. Filzi 15	-
		T o t a l e	4.796,20

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Varie				
. Carniel V.	Via Madonnina 38	20	-	-
"La Triestina"	" Zovenzoni 4	-	6	1,5
iberna	" Monte Cengio 7	-	30	10
ireria Meccaniche della				
Sicilia	Piazza Sansovino 1	-	25	2
Carta				
a Carbissa	Via della Fornace 2	(o antracite)		2,5
rnografica	Viale XX Settembre 61	-	0,5	0,5
oriale Libraria	Via S. Francesco 62	-	4	12
S.A.	" Media 5	-	1,5	0,5
lessich	" Ginnastica 30	-	2	2
orti				
Raimondo	Via Ghega 1	-	-	3
errotranviarie				
le Piccole Ferrovie				
ue	Via F. Filzi 15	-	-	0,350
	T o t a l e	4.796,20	8.802,40	7.667,16

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Riporto 4.796,20

Industrie Varie

114)	Officina Meccanica Costruzioni ETTORE MARINUZZI - Trieste	Via G. Battisti	3
115)	Impresa di Costruzioni ANGELO FARSULA	Trieste	-
116)	VITTORIO VRIZ - Gorizia	Medea di Cormons	-
117)	LUIGI LABORANTI	Trieste	-
	T o t a l e		4.799,20

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	Riporto	4.796,20	8.802,40	7.667,16
arie				
ieccanica Costruzioni RINIZZI - Trieste	Via G. Battisti	3	-	1,5
i Costruzioni RSULA	Trieste	-	5	10
VRIZ - Gorizia	Medea di Cormons	-	350	-
ORANTI	Trieste	-	-	2
	T o t a l e	4.799,20	9.157,40	7.680,66

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FABBISOGNO DI CARBONE PER LA ZONA DI GORIZIA PER IL MESE
di Settembre 1945 (in tonnellate)

	Fossile (pezzatura)					
	grosso oltre 120 m/m	arancio 40-60m/m	noce 20-40m/m	pisello meno 20 m/m	polvere	grosso ar oltre 120 m/m 4
Officine Communale Gas-Gorizia	380	=	=	=	=	=
Stabilimento Chimico Industriale Goriziano Dottor Mario Hauser - Gorizia	=	12	=	=	=	=
S.A. Fonderie Officine - Gorizia	=	8	7	=	30	=
S.A. Cementi Isonzo-Salona D'Isonzo	=	=	600	600	=	=
Fornaci Calce						
Tacchino Luigi - Gorizia	100	=	=	=	=	=
Vriz Vittorio -Cormons (Medea)	100	=	=	=	=	=
Fornaci Laterizi						
Clivo & Dachler - Romans d'Isonzo	=	=	=	100	=	=
Tacchino Luigi - Ranziano	=	=	=	80	=	=
Vriz Vittorio - Cormons (Medea)	=	=	=	80	=	=
Vriz Vittorio - Mossa	=	=	=	80	=	=
Fornace Cormonese - Cormons	=	=	=	80	=	=
Fornace Cormonese - Lucinino	=	=	=	60	=	=
Guerra & C. Cormons	=	=	=	80	=	=
Rosetti Giuseppe -Vertoiba	=	=	=	60	=	=

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FABBISOGNO DI CARBONE PER LA ZONA DI GORIZIA PER IL MESE
di Settembre 1945 (in tonnellate)

	Fossile (pezzatura)					Coke (Pezzatura)				
	grosso oltre 120 m/m	arancio 40-60m/m	noce 20-40m/m	pisello meno 20 m/m	polvere	grosso oltre 120 m/m	arancio 40-60 m/m	noce 20-40 m/m	pisello meno 20 m/m	polvere
zia	380	=	=	=	=	=	=	=	=	=
triale Goriziano										
ia	=	12	=	=	=	=	=	=	=	=
orizia	=	8	7	=	30	=	100	=	=	=
D'Isonzo	=	=	600	600	=	=	=	=	=	=
	100	=	=	=	=	=	=	=	=	=
dea)	100	=	=	=	=	=	=	=	=	=
'Isonzo	=	=	=	100	=	=	=	=	=	=
	=	=	=	80	=	=	=	=	=	=
dea)	=	=	=	80	=	=	=	=	=	=
	=	=	=	80	=	=	=	=	=	=
	=	=	=	80	=	=	=	=	=	=
o	=	=	=	60	=	=	=	=	=	=
	=	=	=	80	=	=	=	=	=	=
	=	=	=	60	=	=	=	=	=	=

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Filande							
Simoni Domenico - Brazzano	20	=	=	=	=	=	=
Simoni Domenico - Cormons	20	=	=	=	=	=	=
S.A. Cotonificio Triestino - Gorizia	=	=	(ha scorto)	=	=	=	=
Vari							
Dalambio & Fratello -Gradisca d'Isonzo	15	=	=	=	=	=	=
Fabbrica Carta Smeriglio	=	20	20	20	=	=	30
Piccole Industrie e Artigiani	20	40	=	=	=	=	=
Forni Pane e Pastificio	=	120	=	=	70	=	=
Ospedali	=	30	=	=	=	=	=
Alberghi e Trattorie	=	20	=	=	=	=	=
Stabilimento Comunale Bagni - Gorizia							
T O T A L I	655	250	627	1.240	100	=	130

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o	20	=	=	=	=	=	=	=	=	=
ns	20	=	=	=	=	=	=	=	=	=
o - Gorizia	=	=	(ha scorto)	=	=	=	=	=	=	=
isce d'Isonzo										
	15	=	=	=	=	=	=	=	=	=
iani	=	20	20	20	=	=	30	=	=	=
	20	40	=	=	=	=	=	=	*	=
	=	120	=	=	70	=	=	*	=	=
	=	30	=	*	=	=	=	=	=	=
ni - Gorizia	=	20	=	=	=	=	=	=	=	=
T O T A L I	655	250	627	1.240	100	=	130	=	=	

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A P P E N D I X "C"

LIST OF INDUSTRIAL BRANCHES IN AREA

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A P P E N D I X "C"

LIST OF INDUSTRIAL BRANCHES IN AREA

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NUMBER AND SIZE OF THE MOST IMPORTANT INDUSTRY BRANCHES IN TRIESTE

	Workers	Subscribed
READY - MADE WEARING APPAREL		
Beltrame Giovanni S.A. Confezioni e Sartoria	160	Lire 5.000.0
Beltrame Giovanni S.A. Fabbrica vestiti	273	" "
Genel Guglielmo Stabilimento Confezioni	252	-
30 minor establishments	350	-
BEVERAGES		
S.A.B.D.V. Fabbrica Birra "DREHER"	446	Lire 16.000.000
31 minor estab.	157	
CHEMICAL INDUSTRY		
Gaslini S.A. Produzione Olii vegetali-Trieste	261	Lire 100.000.000
Politzer S.A. Fabbrica Saponi	52	" 1.000.000
Venezian Giacchino - Colorificio	132	" 4.000.000
Istituto Farmacoterapico Triestino S.A.	65	" 1.000.000
Bell Francesco stabilimento chimico industriale	63	" -
Solvay Stabilimento "Adria" prodotti chimici-Monfalcone	520	" 550.000.000
Solvay cave di pietra	110	" -

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NUMBER AND SIZE OF THE MOST IMPORTANT INDUSTRY
ENTERPRISES IN TRIESTE

		Workers	Subscribed capital
EARL			
		160	Lire 5.000.000
		273	" "
		252	-
		350	-
ra "DREHER"		446	Lire 16.000.000
		157	
Olii vegetali-Trieste		261	Lire 100.000.000
aponi		52	" 1.000.000
lorificio		132	" 4.000.000
Triestino S.A.		65	" 1.000.000
to chimico industriale		53	" -
a" prodotti chimici-Monfalcone		520	" 550.000.000
		110	" -

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	Workers	
CHEMICAL INDUSTRY		
Prima spremitura Triestina olii Luzzatti e C.s.a. Monfalcone	391	Lire
Aquila s.a. Tecnico Industriale olii minerali Muggia	833	"
Prima spremitura Triestina olii Luzzatti & C. Trieste	388	"
Gaslini S.a. Olii d'oliva	130	"
PAPER INDUSTRY		
Saul D.Modiano S.a. Industrie Cartotecniche	464	Lire
Saul D.Modiano S.a. Industrie Grafiche	108	"
Cartonificio Triestino-Lavorazione Carta	70	"
L.Smolars & Nipote-Fabbrica Registri e Legatoria	96	"
A. Saltos Fabbrica carte da sigarette	93.	"
Sadoch Saul - Fabbrica carte da sigarette	71	"
6 minor estab.	76	
FOODSTUFF		
S.a. Prodotti alimentari G.Arrigoni & C.	98	Lire
S.a. Prodotti alimentari G. Arrigoni & C. (pesce)	68	"

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	Workers		Subscribed capital
iestina olii Luzzatti	391	Lire	15.000.000
Industriale olii	833	"	55.000.000
iestina olii Luzzatti & C.	388	"	-
'oliva	130	"	-
Industrie Cartotecniche	464	Lire	10.000.000
Industrie Grafiche	108	"	-
ino-Lavorazione Carta	70	"	-
Fabbrica Registri e Legatoria	96	"	780.000
carta da sigarette	93.	"	3.500.000
ica carta da sigarette	71	"	-
	76		-
ntari G.Arrigoni & C.	98	Lire	100.000.000
ntari G. Arrigoni & C. (pesca)	68	"	-

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	Workers		Subscribe
FOODSTUFF			
S.A. Conservifici Ampelea	41	Lire	60.000.0
Pastificio Triestino S.A.	273	"	5.000.0
Stock Cognac Medicinale	149	"	5.000.
S.A. Prodotti Alimentari Arrigoni (Grado)	241	"	-
66 minor estab.	577		-
WOOD INDUSTRY			
Falegnameria meccanica Frandolli Giovanni	89	Lire	50.0
Sbocchelli Giulio - Mobili d'arte	60	"	-
Falegnameria meccanica - Mobilificio Zerial	59		-
PRINTING INDUSTRY			
Soc. Editrice "IL PICCOLO"	145	Lire	1.0
TEXTILE INDUSTRY			
G. Angeli Fabbrica cordami	72	Lire	2.0
Jutificio Triestino	50	"	4.0
Cotonificio Triestino	145	"	30.0
5 minor estab.	56		-

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	Workers	Subscribed capital	
ampelea	41	Lire	60.000.000
no S.A.	273	"	5.000.000
inale	149	"	5.000.000
entari Arrigoni (Gredo)	241	"	-
	577		-
nica Frandolli Giovanni	89	Lire	50.000
- Mobili d'arte	60	"	-
nica - Mobilificio Zerial	59		-
PICCOLO"	145	Lire	1.000.000
cordai	72	Lire	2.000.000
	50	"	4.000.000
no	145	"	30.000.000
	56		-

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	Workers		Subscri
MACHINE AND METAL INDUSTRY			
OMSA Officine Meccaniche Metlicovitz	217	Lire	3.200
ILVA - Altiforni e acciaierie	1648	"	1.250.000
Fonderie Officine meccaniche Triestine	84	"	420
Cantieri Riuniti "Adriatico" Direzione Generale Trieste	173	"	200.000
Cantieri Riuniti "Adriatico" Fabbrica Macc;S.Andrea	2529	"	-
Cantieri Riuniti "Adriatico" Cantiere S.Marco	4327	"	"
Cantieri Riuniti "Adriatico" Cantiere Triestino Monfalcone	10825	Lire	200.000
Cantieri Riuniti "Adriatico" Cantiere S. Rocco Muggia	522		"
Arsenale del Lloyd Triestino-Trieste	1304	"	300.000
Cantieri Metallurgici della Venezia Giulia S.A.	63	"	1.000
SVEM Soc. Veneta Elettricità	58	"	1.500
S.A.L.D.A. Officina Saldatura Autogena Wonderweld	51	"	50
Industria Triestina Prodotti Scientifici S.A.	70	"	1.000
BUILDING INDUSTRY			
Società Adriatica di Costruzioni	142	Lire	3.000
Ing. Lazzarini & Co.	212	"	1.000

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INDUSTRY	Workers	Subscribed capital
iche Metallicovitz	217	Lire 3.200.000
cciaierie	1648	" 1.250.000.000
ccaniche Triestine	84	" 420.000
riatico" Direzione Generale Trieste	173	" 200.000.000
riatico" Fabbrica Macc;S.Andrea	2529	" --
riatico" Cantiere S.Marco	327	" "
riatico" Cantiere Triestino	10825	Lire 200.000.000
riatico" gia	522	"
riestino-Trieste	1304	" 300.000.000
i della Venezia Giulia S.A.	63	" 1.000.000
ttricità	58	" 1.500.000
tura Autogena Wonderweid	51	" 50.000
rodotti Scientifici S.A.	70	" 1.000.000
Costruzioni	142	Lire 3.000.000
	212	" 1.000.000

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	Workers		Subscri
MISCELLANEOUS INDUSTRY			
Istituto Nazionale Trasporti	121	Lire	20

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LILCUS INDUSTRY	Workers	Subscribed capital	
ezionale Trasporti	121	Lire	28.000.000

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