

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

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(VOL. II)

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10000/109/1793
(VOL. II)

MONTHLY REPORTS, REGION I, MARCH
DEC. 1943 - APR. 1944

13 APR Recd

ALLIED CONTROL COMMISSION
PROVINCE OF MESSINA

Messina, 3 April 1944.

Subject:- Monthly Progress Report - March 1944.

To :- Regional Commissioner, Sicily Region Headquarters.

I submit herewith departmental reports for the month of March and I append some general remarks.

1. I call attention to the Civil Supply report appropos the deterioration in the flour supply. It is not good for flour to arrive at dead line before further shipments are received, and it is definitely not good advertisement of our methods and abilities - "propaganda" as displayed to the civil authorities, who obviously are closely keeping watch on our methods all the time.

I do not think there is any doubt that we were the hardest hit of all Provinces in the Island, and this Province was the last to be evacuated by the enemy. Efforts for rehabilitation, therefore, need to be greater than any where else and whilst we are doing our very best, it is disappointing to find some of our efforts disjointed by occurrences which I can't help feeling might often be avoided or ameliorated.

2. Because of a series of disappointing articles, I applied during March for the suspension of the Messina newspaper "Notiziario di Messina". The decision of the Allied Publication Board is not yet known. Other mushroom pamphlets issued by various political party leaders have been taken in hand by the Prefect. The position up to now as regards press control and censorship has been anything but clear and it will be of great assistance if the new Board can codify without delay their policy.

3. Our first and what turned out to be a very minor demonstration occurred during the latter days of the month - see report of the Public Safety Division. State employees on receiving information that the Badoglio Government had suspended their war indemnity "bonuses", left their offices and moved in a body (disorderly but peaceably) to the Municipio and Prefettura. The Prefect handled the situation extremely well and showed a satisfactory firmness. The displeasing element was that this demonstration appeared to take all departments by surprise and I have taken the opportunity of interviewing the Questore on this point in particular.

Politics.

Increased activity indicates that various parties are developing their organisation and making themselves known. Meetings held have not resulted in any disorder and in fact have not been greatly supported. The Communist party appears to be the most active with the largest number of adherents. The Separatist Party, more or less given public life by the speech of Finocchiaro Aprile, at Palermo, is not at the moment making great headway. However, the recent decision of the Bad-

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4. Rebuilding and clearance goes ahead slowly, but none the less progress is being made. Army calls on priority work is responsible for most of the delay to the civil programme, on account of the shortage of transport, material and plant.

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The medical section of the local Army Division have co-operated with the civil authorities in producing a plan for a thorough "spring clean" of the City, the object being to reduce the chance of typhoid and malarial plague in the hot weather. The plan consists of removal of as much debris as possible, cleansing of under-street torrents etc. (which have been used almost as public latrines), closing off of damaged buildings to prevent similar use, extension of refuse collection, gear-up of sewerage repair work, and so forth. Necessary ordinances to produce the co-operation of the populace will be issued as required.

Both the military and ourselves realise the seriousness of the situation in Messina and I am certain the local authorities under the control of the Prefect are now fully alive to the dangers. The sanitation problem generally is being very carefully watched.

In carrying out any plan involving transport, material and tools, we are handicapped by the shortage of equipment. Military authorities assist as far as they can but of course they have their own commitments to deal with.

I have forwarded a report asking to be allocated three schooners of a suitable size for coastwise trade (Ports in the Province and possibly between Messina, Catania, Palermo etc.). Because of the reasons advanced in my letter, I do ask that every favourable consideration be given to my application.

6. We were all greatly grieved to hear of the serious accident which occurred during the month to Lt. Beeson (Property Control Officer) whilst returning from Conference etc. in Palermo. Myself and all his colleagues wish him a sound recovery as speedily as possible. Professionally and socially he is in great miss.

7. During the month I was called upon to release four O.R.s (British and American). Two of these men occupied key positions - one as H.Q. clerk, and the other in Property Control Office. Fortunately I was allowed to make substitutes for these two men. I wish to make the point that it should be left to the discretion of the Provincial Commissioner which men he can most afford to lose, when called upon to send men away to new postings. It is appreciated that we must be constantly losing personnel, but if the prerogative was left with the Provincial Commissioner, as suggested, he would be able to make dispositions that would cause the least hiatus in the functioning of the organisation.

8. Transportation has been turned over to I.N.T. and we are attempting to give this organisation all the help possible. The lack of transportation continues to be the major problem in this Province.

9. The occupancy of this Province continued from the middle of July to the middle of August and as I look back over these eight months, I can report to my commanders that the situation here is tranquil. Both Army and Navy Officials are very helpful and the Italian Government

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C. NORMAN RAMSEY
Major, Finance
PC - Messina

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ALLIED CONTROL COMMISSION
SICILY REGION HEADQUARTERS
APO 394

30 April 1944

FILE:RC/319.1

SUBJECT: Monthly Report - March 44

TO : Executive Commissioner
R.C. & M.C. Section
A. C. C.

Your signal 3603 of 21 APR refers:

1. Herewith monthly summary-report of activities Region I for March '44, together with Divisional reports.
2. The considerable delay due to changes in staff and pressure of work is deeply regretted. The necessary steps have been taken to ensure punctual rendition of reports for subsequent months.

A. N. Hancock
A.N. HANCOCK
Colonel
Regional Commissioner

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Monthly summary-report Region I March 44.
Divisional reports

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Col. Hake
has seen
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ALLIED CONTROL COMMISSION
SICILY REGION HEADQUARTERS
APO 394

Monthly Report - MARCH 44

Region I.

A. POLITICAL.

1. While the month of March has continued to show growth in the formation of the new SICILY, much of the period has been politically spent "in waiting" on the shape of decisions from the mainland. While administration was mainly by direct communication from mainland Ministers to Prefects, action was delayed through slow arrival of instructions and by indecision over the appointment of a High Commissioner and his Giunta Consultative, both of which produced considerable personal jockeying for position.

2. The unexpected call to SALERNO of the Rector of the University of PALERMO and of Giovanni GUARINO AMELIA caused considerable comment until it transpired that the object of the visit was to discuss on broad lines the appointment of the High Commissioner; this meeting eventually led to the summons of Francesco MUSOTTO to SALERNO to confer with Marshal Badoglio.

3. The air cleared a little on the return of MUSOTTO on 26 MAR as High Commissioner-Elect, and carrying his draft decree of appointment. Uncertainty of the date of his investiture, and the then difficulties of communication with the Government caused anxious days which were finally dispelled by the unannounced arrival of Marshal Badoglio and Minister of the Interior, REALE, on 30 MAR.

4. The three day visit of the Head of the Government to SICILY not only stood as a significant and historic event in the annals of SICILY, but undoubtedly also largely increased the personal prestige of Marshal Badoglio. His earnest but simple sincerity made a great impression on all, and did much to silence his critics. His brief visit included the principle task of investing the High Commissioner with his office and also visits to CATANIA and MESSINA, where he received political groups of every creed and colour to whom he patiently explained his policy.

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5. Badoglio said that he had one supreme task - to give such remaining strength as he had to help the Allies to drive the Germans from the soil of ITALY. Thereafter he wished to see that the people of ITALY should have a Government freely chosen by elections based on a democratic system. It would be for that new Government to decide the major problems facing the whole country - including SICILY. He therefore stressed that it was impossible for himself, or for him to permit his Government, to take or impose decisions which might commit the future of the whole Italian nation. The Marshal also paid tribute to the work of the Allies, and particularly to that of A.M.G./A.C.C.

B. General MORALE.

6. While the visit of Marshal Badoglio made a profound impression on those who actually came into contact with him,

Region I Monthly Report March 44. continued. Page 2.

the General public has tended to be apathetic or critical towards the Italian government. In part this has been due to lack of information, and largely due to the delays in setting up the appointment of the High Commissioner. While the main preoccupation has been food, the pressure towards Separatism by way of administrative independence has continued. Some disappointment has been expressed in many parts of the island at the lack of allied military success on the mainland.

C. LOCAL GOVERNMENT.

7. The local administration continued to function smoothly, though the uncertainties caused over the selection of the High Commissioner, and the rumours of varying names canvassed for the Giunta Consultiva, both left the possibility of vacancies in certain Provincial administrations. Changes foreshadowed for the future are Prefect Stella of Syracuse to Secretary-General to the High Commissioner, and vacancies at Palermo, Ragusa, Syracuse and Caltanissetta due to appointments on the Giunta.

8. There remains a tendency among both officials and public to consider A.C.C. still the governing authority, and to accept recommendations and advice as though they were orders.

D. ITALIAN ARMY.

9. The headquarters of Italian XII Army Corps was established in PALERMO in mid-March under the command of Generale MARIOTTI, with whom cordial relations have been initiated. The Italian Air Force also has established a command in PALERMO under the title of Comando Presidio Aeronautico: the commanding officer is Colonnello RAVEDINO. The air command is being reorganised throughout SICILY, and a sub-group has also been active for some time in salvaging I.A.F. material. This group has worked closely with A.C.C. Headquarters, and has received the personal attention of the Regional Commissioner. The group commander is Lt Col PACINI.

E. LIAISON WITH ALLIED MILITARY AUTHORITIES.

10. In order to secure more direct contact with G.O.C. No 1 DISTRICT at CATANIA Major D. Morley-Fletcher was appointed on 10 MAR as Liaison Officer there representing Headquarters Region I, A.C.C. As a result more cordial relations were obtained with this M.Q. and a number of outstanding questions clarified. In particular, most valuable assistance was secured from the army authorities in preparations for refugees. Major Fletcher was recalled to Headquarters Region I as Executive Officer on 25 MAR, in agreement with the G.O.C. and his place

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11. The Regional Commissioner has been able to maintain close personal liaison with I.B.S., to whom a new commander - Colonel STURBIEINE - came at the end of MARCH.

12. Relations have also been maintained with the senior British and American Naval Officers based on the island. The U.S. Navy has given very considerable assistance on many occasions.

F. PERSONNEL.

13. The expected process of thinning-out has continued with the loss of 20 U.S. and 15 British officers. Consequent

changes have been made in Executive Officer this Headquarters, and Major PETER has taken the place of Lt Colonel W.R. IRISH as Provincial Commissioner, CALTANISSETTA.

G. ECONOMICS & SUPPLY.

14. This division has been continuously active in the warehousing of large quantities of flour and miscellaneous foodstuffs. These included not only Sicilian needs; but also stockpiles for future commitments elsewhere. Owing to the extremely wet weather in February and the consequent speed with which the merchandise had to be warehoused, considerable work has been entailed this month in restacking and protecting the commodities. I.B.S. gave valuable assistance, and placed at disposal of A.C.C. an officer specialist in Q.M. work, and some N.C.O.s.

15. A series of minor food disturbances was wide-spread due partly to the fact that the so-called "safety valve" of the Black Market was becoming unable to function owing to diminishing stocks. As a result, uneasiness was shown by the High Commissioner Elect and Prefects who held a special meeting in PALERMO to discuss the problem. From this a strong appeal was made to the Regional Commissioner to press for an additional 4,000 tons of flour per month for SICILY allocation in order to tide over the months before the harvest. The Regional Commissioner explained the need for making the best of the present essential situation; he stressed the necessity for a rigid check and greater control of ration card issues. Filtering and subtraction during intermediate handling of flour was also requiring attention, while more bread could be obtained through insistence on the higher bread raiser at bakeries.

H. AGRICULTURE.

16. The Italian Minister of Agriculture made a brief visit to PALERMO (FALCONE LUCIFERO) in company with the Director of the Agricultural sub-commission, Major MARTINI, in order to make contact with the Italian Regional Inspector for Agriculture Dr Luigi MINATTA. Arrangements were made for him to meet other local officials.

17. The Minister gave the impression of having considerable energy, which at that time did not appear directed into a clear-cut policy.

18. Very close co-operation with the Italian Regional Inspectorate for Agriculture has been ensured through the appointment of Major ROUGH from A.C.C. Agricultural sub-commission to Regional Headquarters Sicily. He is actually working side by side with Dr MINATTA.

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I. LABOUR.

19. As a result of the upward trend in prices of food stuffs, particularly Black Market bread, unrest was prevalent among the labouring population. Electric workers in particular returned to the charge for economic relief in one form or another. The most popular theme is for an advance to defray immediate needs. All claims of whatever kind have been met firmly with the argument that to increase the buying power of the working population in general could only lead to greater inflation and increased difficulties for all. Assurances were given that the problem was to be tackled by an attack on prices of all commodities.

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J. PUBLIC WORKS & UTILITIES.

20. Progress has been made in the restoration of more normal conditions in all branches of Public Works. Work is continuing on roads, and bridges for both road and rail travel. Messina has been specially tackled and great improvements are visible. The damage to drains here has been considerable. The main handicap has been shortage of materials; particularly cement.

K. PUBLIC SAFETY.

21. Generally crime has remained at the same level, but the tendency is towards improvement. Considerable thefts of military stores and equipment are reported from 1 DISTRICT who regard the question anxiously. This pilferage is largely due to the military inability to provide personnel for adequate guard duties. The matter was discussed with A.S.S. 1 DISTRICT and Lt Colonel GIBSON of A.A.I. The question of adequate sentences for crimes against military was also discussed: a legal liaison officer to the Court of Appeal for CATANIA, SYRACUSE and MESSINA has been appointed with the special duty of following up cases submitted through the military police. The Italian justice is giving priority to such cases, within the limitations imposed by the Italian code.

22. The respective powers of the military as compared with A.C.C. and the Italian police has been a matter of considerable uncertainty, but the recent A.A. I. ADM Instruction has made the position clearer to the military.

23. The Allied Military Courts have been completing outstanding cases and considering appeals. In Italian Courts the progress has been slow due to two main causes: uncertainty as to the future, and the interpretation under present conditions of the Italian code, and the difficulties of communication and transport which confront the provincial justices.

L. PUBLIC HEALTH.

24. The state of General Public Health remains above normal. The month has seen progress in the acceptance of responsibility by the Italian Regional and Provincial Health Officers in close co-operation with A.C.C. Public Health. Much of the month was taken up with work in co-operation with the Italian Red Cross preparing for the large number of Refugees threatened from the mainland for April. An increase in V.D. among troops assumed large proportions, and following decisions at the February Conference, Capt PINO was appointed Regional V.D. Control officer. V.D. hospitals for civilian sufferers were opened at MESSINA and CATANIA, and plans for SYRACUSE and

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M. EDUCATION.

25. Educational work continued with further study of the organization, though generally a state of suspension existed pending clarification of the relative powers of Minister, High Commissioner and Regional and Provincial officials. The checking of text-books continued. School teaching slowly progressed in spite of the many difficulties of lack of equipment and books.

N. REFUGEES.

26. Preparations for the reception of considerable numbers up to a maximum of 21,000 a month were made so that a reception camp at SIRACUSA, provided largely in co-operation with 1 DISTRICT, and a smaller camp at TERNI (PALERMO province), would be ready respectively on 3 APR and 15 APR. A maximum turn-round of seven days was allowed for, and up to 7,000 refugees could be taken in the SIRACUSA area at any one time. An unexpected opportunity occurred of trying out the arrangements at SIRACUSA with the un-heralded arrival of 40 YUGO-SLAV refugees on their way to the Middle East. The arrangements worked smoothly. Large numbers - around 500 - of SICILIAN refugees continued to arrive unheralded at MESSINA during the month. A visit from Colonel HULLS provided valuable basic information for the refugee committee.

27. While the initial steps taken with the ecclesiastical authorities did not meet with the hoped for response, the utmost co-operation and energy has been shown by the Italian Red Cross. 1 DISTRICT offered more support than could have been expected, and although a successful conference was held with all the military authorities, it was later found that NATOUSA was unwilling to see full co-operation by I.E.S.. Preparations in PALERMO Province had therefore to be made nearly entirely from the limited resources of A.C.C. and nearly entirely from the limited resources of A.C.C. and the Italian Red Cross.

O. COMMUNICATIONS.

28. Minister of Communications, FANO, visited the island and expressed hopes of an early improvement in communications both within the island and with the mainland. It is expected to extend telegraphic communications to all large communes at a very early date.

29. Minister FANO gave the impression of being a man of uncommon ability, who was in the habit of getting things done. He showed great self-confidence. Although outside his own sphere, he suggested that an organisation similar to the German TODD organisation, would ultimately be necessary for the rehabilitation of SICILY and battle-scarred Italy.

30. The improvement in postal facilities, which has characterized the section since the reintroduction of services for Sicilians, continued.

31. From 17 MAR 44 all railways in SICILY were returned to civilian operation under the control of an internal transportation sub-commission for Sicily. This sub-commission held a conference under the chairmanship of the Regional Commissioner,

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31. From 17 MAR 44 all railways in SICILY were returned to civilian operation under the control of an internal transportation sub-commission for Sicily. This sub-commission held a conference under the chairmanship of the Regional Commissioner, and including military movements representatives, which secured a happy agreement of the terms for future joint management for the interested parties. Considerable preparations were completed for the transshipment of 10,000 tons of Sulphur to port for transshipment, and for the necessary lift of the expected refugees.

N. PROPERTY CONTROL.

32. The handback of Fascist and semi-fascist and state properties to the Italian Government is well under way. This has been this division's chief preoccupation.

O. SULPHUR MINING.

33. Increased activity has been noticeable, though still on a limited scale. The increase in prices previously agreed

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by the Industry and Commerce sub-commission has been put into effect in mid-March, and further efforts are expected for future months. The industry, however, continues to languish owing to shortage of explosives, materials, and uncertainty of regular electric power and stable conditions.

P. CONCLUSION.

34. Definite progress continues throughout the administration, but the outward evidence has been slight this month while political manoeuvres have been occupying the attention of those leaders who are required to give administration impetus to the system Italy herself is to work. Great reliance is still placed on the broad shoulders of the Allied administration, and while work in the provinces is tending to lessen, there is an appreciable increase in the responsibility, demands for advice, and diplomatic effect required from Regional Headquarters in this early stage when the political parties are trying to find their feet.

MF/jb

April 44

A. N. Hancock
A. N. HANCOCK
Lt Colonel
Regional Commissioner

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Lt Colonel
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5725

ALLIED CONTROL COMMISSION
SICILY REGION HEADQUARTERS
APO 394

File: 319.1 (RTC)

3 April 1944

SUBJECT: Activities Report on Transportation, Communications,
Utilities, Public Works Division and Mining Division.

TO : Regional Commissioner, Region I Hq.

1. The following is a general activities report in five sections for above mentioned Division.

2. Transportation

a. Rail.

The coal position for the month of March was an improvement over the preceding month due to the decrease in military traffic. The civilian traffic is continually increasing and the demand continues to be great. Military traffic now only averages 35 percent of total traffic handled and is still decreasing which is enabling us to handle the mounting civil traffic.

Scheduled freight service has been reestablished for western Sicily and weekly passenger service has also been established for the western portion of the Island. ACC traffic is also very heavy and is gradually increasing. We have been requested to move ten thousand tons of sulphur for war purposes and we are commencing to handle 250,000 refugees the first part of April so the demand for rail transportation is going to be greatly increased.

We are unable to handle all the orange traffic offered from the Catania district because we have to haul the traffic over the southern route due to the fact that the Simeto bridge is not yet in operation. We do not have the fuel to move as much of the crop as is offered for shipment but we are running one orange train daily. Much of the crop will spoil this season because exports have been cut off.

On March 18th the railways were returned to the Italian Administration for operation under the supervision of the Transportation Sub-Commission and a New Transportation Committee will be formed to handle any problems that may arise.

The following repairs to buildings, tracks, bridges, etc, have been completed during the month of March:

Project NO.	Location	Description
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Catania

tions for above mentioned Division.

2. Transportation

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Project NO.	Location	Description
42	Catania A.	Repair water reservoir and pipe lines
70	Messina-Siracusa	" water lines Ionia to Valsavoia.
98	Ricocca	" section house at km 233+008
104	Port Empedocle	" freight house
159	Licata	" old freight house for Unique Direction
233	Agrigento B.	" tools for 37th Section
244	Caldare-Canicattì	" section house at km 137+075
253	Palermo Cle	" offices of Supply room
405	"	" heating plant at Centrale office
517	"	" " Palazzo Compart.
535	Ragusa	" buildings damaged by storm.
25	Marcato bianco	" station building

5724

Project No	Location	Description
37	Cammarata	Repair concrete reservoir
96	Palermo Cle	" mail office
137	Serradifalco	" small bridge damaged by floods
246	Caldare	" roofs & buildings
309	Palermo City	" elevator in Palazzo Comp.
349	Villa Albato-Enna	" flood damages.
417	Palermo Marittima	" Port Agency Office.
458	Palermo City	Purchase materials for light repair gang.
511	Caltanissetta	Repair track N°8
125	Fiumetorto-Messina	" section house km 44+048
165	R. Palumba-Port Emp.	" " "136+175
166	"	" " "134+695
167	"	" " "133+948
324	Canicattl	" roof of Locomotive Sged
329	"	" Warehouse
459	Palermo-Messina	Purchase materials for light repair gang.
512	Canicattl	Repair maintenance tools
514	"	Fill up holes at Ramilia Springs.
550	"	Repair freight house
559	Port Empedocle	" tracks
56	Galtanissetta	" movement office.
68	Bicocca-Messina	" section house km 242+240
69	Taormina	" main building
90	Aragona	" lodging Palace A
91	"	" lodging Palace D
92	"	" " C
106	"	" " E
116	Ibla to Modica	" flood damages
126	Campofelice	" slow speed freight house
179	Castelvetrano-Port Emped.	Sec. house km 59+837
181	"	" " "51+423
182	"	" " "53+152
183	"	" " "48+337
184	"	" " "49+319
272	Palermo City	" tunnel under Nicolò Garzilli St.
300	Castelvetrano	" reservoir
350	Catania	Purchase materials
353	Canicattl	Repair flood damages to installation of Ramilia
532	Ummari-Fulgatore	" unstable embankment km 100+228 to 100+446
557	Ummari-Fulgatore	" unstable embankment km 97+300 to 97+315
562	R. Palumba-Agrigento	" landslides

As reported in February projects were approved on the Palermo-Messina and Catania-Messina

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324	Canicattì	"	"	"	"	"134+695
329	"	"	"	"	"	"133+948
459	Palermo-Messina	"	"	"	roof of Locomotive Shed	
512	Canicattì	"	"	"	Warehouse	
514	"	"	"	"	Purchase materials for light repair gang.	
550	"	"	"	"	Repair maintenance tools	
559	Port Empedocle	"	"	"	Fill up holes at Ramilia Springs.	
56	Caltanissetta	"	"	"	Repair freight house	
68	Bicocca-Messina	"	"	"	tracks	
69	Taormina	"	"	"	movement office.	
90	Aragona	"	"	"	section house km 242+240	
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92	"	"	"	"	lodging Palace A	
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557	Ummari-Fulgatore	"	"	"	unstable embankment km 100+228	
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		"	"	"	unstable embankment km 97+300	
		"	"	"	to 97+315	
		"	"	"	landslides	

As reported in February projects were approved on bridges and tunnels to open the Palermo-Messina and Catania-Messina lines. The contracts have all been let with the exception of one tunnel on the Palermo-Messina line and it is now ready for bidding.

The Contractors are at work on the various projects and the work is progressing favorably.

The line from Roccapalumba to Aragona Caldare will be opened for thru traffic the latter part of April on completion on the "Ferro" tunnel near Campofranco.

The Contractor at the Simento bridge is delayed on account of material but it is expected that the necessary material will be received from the mainland very soon.

Work on three bridges on the line between Marsala and Castelvetrano in progressing but has been slowed up by heavy rains. This line should be opened to traffic in June.

Ry Co.

One small bridge on the line will be repaired by the

b. Motor.

INT in theory is operating in all nine provinces. In practice INT is operating 550 trucks. It is estimated that 40% of this total figure represents trucks leased to communes or public utilities or quasi-governmental agencies.

A speed limit has been set for INT trucks, 15 kms in cities and 35 kms on highways, with severe fines for truckdrivers violating same.

Tariffs for Consorzio, Alimentazione, public utilities, and quasi-governmental agencies have been revised and standardized for all provinces as follows:

200 lire/day, capacity 30 quintale
400 lire/day, " over 30 quintale

In addition to costs of driver, fuel and lubricants and repairs. Payments will be made in advance (or an estimated deposit for same).

All INT trucks will bear ACC in addition to present markings as soon as practicable.

INT for the last two months has been out of the "red" financially and is on its way to complete financing. However due to utilization of all INT trucks for ACC goods account in Catania, plus the fact that INT trucks were ordered not to be operated due to the expectancy of a ship to be unloaded in which case INT trucks were idle for four days, funds from other provincial earnings had to be used to finance Catania this month.

The Prefects must now order Sindacos to hand over to INT all AMG/ACC trucks for permit issuance and contracting of same if the commune warrants allocation.

Only the Prefetto of Palermo has appointed a Motor Highway transport Commission to regulate same to date, and it will begin functioning in April 1944. Suggestion has been made that the Ministero of Trasporti set up a Motor Highway Transport Commission for Region I, and that INT be made a public utility parastatale.

The difficult task of having AMG/ACC trucks handed over to INT is gradually being reduced to routine impounding of "so-called" AMG trucks on the highways throughout Sicily, now the process of systemizing and standardizing INT as well as organizing it into an integrated system is progressing along. Many detailed refinements must be made for a more efficient operation of this organization and action is being taken to affect same.

3. Public Works Section.

A tour of inspection on the east side of the Island was made

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3. Public Works Section.

A tour of inspection on the east side of the Island was made at the beginning of the month. Considerable time was spent in settling matters with regard to payments for work executed. If this work had been done through the channels set up no difficulties would have occurred. These troubles were experienced at Catania and Ragusa where work had been ordered locally and no thought had been given to payments.

At Messina a conference was held in the office of Major General Whitfield to consider the repair of the main road from Catania where it passes through Messina to Palermo. The writer was present. The work was the responsibility of the Commune but no work of repair had been done and the road was in a dangerous condition. It was agreed that tenders should be invited by the local Genio Civile and work should be started immediately. The work is now in progress. 5722

The question of maintenance of main roads passing through Communes should be settled immediately. Generally the State highways are in excellent condition but when they pass through a Commune, and the responsibility for repairs falls on the Commune, they became almost impassible. Communes should be enforced by law to keep their main roads in order.

The Deputy Director of Public Works A.C.C. LT.Col. Rhodes R.E. visited Palermo and discussed questions of the organization of P.W. in Sicily with the writer. Col. Rhodes was made aware of the difficulties due to lack of Officers in the Provinces and the resultant loss of control. These points will be taken up at Naples.

Certain difficulties in obtaining cement have occurred since the responsibility for its issue was given to the Soprintendente Regionale. It became impossible for the writer to have important work on bridges started; in one case the delay was of fifteen days duration, because an Italian Official would not issue a permit to purchase. It was agreed therefore with the Economics and Supplies Division that for all the bridges my Signature should suffice and the Soprintendente Regionale would only issue permits to purchase for other works.

Work is proceeding on all jobs in a satisfactory manner taking into consideration transport difficulties and lack of materials. Weather has held up some work particularly on state road 116. Where there has been a considerable depth of snow.

Up to date there has not been much evidence of the Italian Government assuming full responsibility in the field of Public Works.

4. Utilities.

a. Production

1. The production of power during the month of March was slightly lower than produced during February; however all important loads were carried without any trouble.

2. The amount of power distributed will have to be cut drastically early in May to conserve water for the summer months unless the S.G.E.S. people are successful in their attempts to repair the Port Empedocle roator.

b. Water Storage

1. The water level of the lake at Piana degli Albanesi has reached a height of 605.01 M. The amount of water on hand at this height is appx. 8500.000 Mc.

2. Both the Prizzi and Giammata reservoirs are filled to capacity. The Prizzi reservoirs having a storage capacity of 8800.000 Mc. while Giammata reservoir has a storage capacity of 1,500,000.

c. Consumption.

All military and ACC loads were carried without any

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c. Consumption.

All military and ACC loads were carried without any additional changes in the rationing system, and a small number of domestic consumers were added.

d. Reconstruction.

Repairs to the 70 kv. line receiving from Catania to Caltanissetta will be completed within the next ten days. The Plain transformer will also be ready to operate within the next ten days.

e. Porto Empedocle

The Porto Empedocle rotors arrived in Palermo S.G.E.S. personell have started dismounting them and a prediction as to how successful they will be in their efforts to repair one of the rotors is impossible at this time.

Palermo - Lescara - Roccapalumba - Caltanissetta
 Palermo - Villabate - Miselmeri - Villafrati - Mezzoiufo -
 Corlione
 Palermo - Piana di Greci
 Palermo - San Flavia - Bagheria - Termini
 Palermo - Termini
 Palermo - Cefalù
 Palermo - Alcamo - Calatafimi
 Palermo - Trapani
 Trapani - Marsala - Mazara - Castelvetro
 Caltanissetta - Agrigento
 Catania - Messina (UG cable)
 Catania - Siracusa (Sou-dei super-imposed on telephone current)
 Siracusa - Noto - Ispica - Pozzallo - Modica
 Siracusa - Pozzallo
 Ispica - Comiso
 Ispica - Scicli - Modica Alta
 Siracusa - Gela (Railway dispatch circuit)
 Enna - Caltanissetta
 Messina - Milazzo
 Messina - Milazzo - Lipari - Salina (submarine cable)
 Islands of Filicudi - Alicudi - Panarea (submarine cable)
 Messina - Reggio Calabria (submarine cable)
 Reggio - Catanzaro, Reggio - Bari, Reggio - Bagheria (for extension to Salerno)

Circuits marked with an asterisk are for ACC and Government use only.

b. An outbreak of sabotage took place during the latter half of the month. On the night of Mar 20/21 the manhole of a cable junction in Piazza Papineto Palermo was removed and the three pieces of cable were taken away by the cutter. These cables serve the civil police Hq; and the IBS radio site.

On the night of 26/27 the Palermo - Mondello suspended lead covering 50 pair telephone cable was cut. Three metal poles were severed and 200 yards of cable removed.

The IBS trunk circuits to Trapani were on four nights cut and on each occasion hundred of yards of wire taken away.

In all the above cases operational circuits were cut. Derelict suspended cable on the outskirts of the city has so far been untouched. CIC, The Provost Marshal, The Questura and CC.RR. have all been informed. The GOC XII (Italian) Corps is being approached for patrols on all major routes. IBS is posting notices warning the populace that such offenses will be punished by death.

c; Certain Government departments ranging from the High Commissioner, Prefects, Carabinieri, Fire Services, Banks, etc. were given permission to use the intra-urban telephone system. Their conversations were monitored from time to time. Verbosity was their main fault.

d. In co-operation with Signal Section IBS the systematic regulation of Overhead circuits began. Owing to operational needs the original OH circuits used by the US Army were put through where wire existed without transposition and without keeping to the same insulator positions. The Signal Corps and Circolo Costruzione are now adjusting all circuits on the north coast route Palermo - San Stefano - Messina.

e. Despite the suggestion of the Regional Commissioner to Prefects that one truck should be requisitioned in each Capoluogo for the CC.TT. only one has been forthcoming, this from Enna.

6. Mining Division.

a. Production of sulphur is slowly increasing due to small quantities of materials we have dug out from various places. It is probable the total production for March will exceed 600 tons when figures are available.

b. Shipments of sulphur from mines to ports are proceeding at a rate of around 300 tons per day. A fleet of British Army lorries, loaned by No. I District, is handling the sulphur from Enna Province (except the Aidone area) and the Caltanissetta Province mines North and East of Caltanissetta. INT civilian operated trucks are handling the remainder. It is expected to ship about 9000 tons through P. Empedocle, 1000 through Catania.

c. Considerable difficulty has been experienced with illegal sales of sulphur by operators for grinding and sales to wine growers. The mines of Serralonga, Colle Groce and Gibellini, particularly, have been under suspicion. Colle Groce has been disciplined by cutting off their power and supplies for a time, and has given assurance that they will desist from illegal sales. Serralonga was found to be shipping to 3 different black market grinders after being twice warned. A recommendation is being made to Italian Authorities to cancel the mineral concession to the operator and make a new concession for operation of the mine. No action has yet been taken in the case of Gibellini.

2c. Shipping. (Inadvertently omitted from 2c. page 1)

During the month of March 1944 the Shipping Section has been occupied principally with the control of and operation

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2c. Shipping. (Inadvertently omitted from 2c. page 1)

During the month of March 1944 the Shipping Section has been occupied principally with the control of and operation of a great number of Italian motor schooners engaged in trade between Sicily and Italian ports. The establishing of a Schooner Control Committee in Naples has increased the amount of shipping by these schooners considerably for War Department needs and has served to decrease the number of schooners available to ACC for return trips from Italy to Sicily. However, during the month approximately 1400 tons of wine has been shipped from Sicilian ports to ports in Italy.

Nearly 1000 tons of various types of lumber has been transported from Italy to Sicily by schooners during the month of March. It is expected that when monthly bids for tonnages needed in Sicily are submitted to the Committee in Naples by Economics

& Supply Division, Region I, facilities of cargo space will be greatly increased. Until these bids are submitted, increasingly fewer motor schooners will be available to ACC in Sicily.

Salvage of larger ships in the port of Palermo is continuing under the supervision of this office. Over 1000 tons of coal have been salvaged from the SS Giacomo Costa during the month. All of this has been turned over to the railroads for use. The SS Modena has been completely salvaged and approximately 5000 tons of coal removed for the railroads. The ship has been moved to another berth on the port by the US Navy.

This office has continued to assign registration numbers to unregistered schooners arriving in this port. It has been found, however, that schooners numbered by this office have been given other numbers on arrival in the Naples area. This is contrary to orders and instructions contained in CINCPAC's dispatch 251024 January. It is hoped that this will be remedied soon.

The above is in addition to the regular functions performed by the Shipping Section.

C.P. Bolick

C.P. BOLICK,
Lt. Col., F.A.,
Chief, T.C.U.P.W.
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Transportation.

- (a) Rail, Capt. Matson - Capt. Long
- (b) Motor, Lt. Calvanese
- (c) Shipping, Lt. Tobey.

Communications - Captain Trevelyn.

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Division.

5718

SECRET

ALLIED CONTROL COMMISSION
SICILY REGION HEADQUARTERS
APO 394

JC/ed

8 April 1944

File : HES 319.1/10

SUBJECT: Economics and Supply Division, Monthly Report No. 5 (March 1944)

A. ORGANISATION AND PERSONNEL:

1. On 10th March I took over the direction of the Division from Major Alexander who was assigned to another station.
2. Major Dring arrived from Syracuse to assist me. Major Stephens was sent as a representative by the Industry and Commerce Sub-Commission and has concerned himself with the problems of exports. Capt. Black and Lt. Mason were assigned to the Division and Capt. Mundy and 1st. Lt. Semonelli left the Division.
3. Four OP's lent by No. 1 District as warehousemen were recalled at the end of the month and the loss of four more men lent by 119 Brigade is also anticipated. The acute position with regard to the number of EM's and OP's was relieved by the loan of further personnel by IES.

B. AGRICULTURE:

1. Lt. Pike took charge of the Agriculture Section of the Division and, in conjunction with Major Hough who was sent by the Agriculture Sub-Commission to act as Liaison Officer to the Ispettorato Compartmentale, has been successful in dealing with the difficult transitional problems which have been experienced in handing over agricultural control to Italian officials.
2. The first shipment of fertilizers arrived during the month and consisted of approximately 570 tons of ammonium nitrate and 180 tons of muriate of potash. This was allocated and despatched to provinces on a basis agreed with the Ispettorato Agrario and the Consorzio Agrario, and similar arrangements were also made for dealing with a shipment due to arrive early in April.
3. No superphosphate production had commenced in the Ipnatecatini factories owing to the absence of the necessary nitrates.
4. The report on the estimated potato crop from imported seed indicated that the yield in Catania would be poor but that other provinces anticipated satisfactory crops. Much depended on the arrival in time of expected shipments of copper sulphate for spraying and it could be expected that crop yields might be even lower than the already modest estimates if the anti-blight chemical did not arrive in time.

C. FOOD:

1. Shipments of grain and flour continued to arrive and stocks of these

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3. No superphosphate production had commenced in the Pontecatini factories owing to the absence of the necessary nitrates.

4. The report on the estimated potato crop from imported seed indicated that the yield in Catania would be poor but that other provinces anticipated satisfactory crops. Much depended on the arrival in time of expected shipments of copper sulphate for spraying and it could be expected that crop yields might be even lower than the already modest estimates if the anti-blight chemical did not arrive in time.

C. FOOD:

1. Shipments of grain and flour continued to arrive and stocks of these commodities at the end of the month were sufficient to ensure that there would be no gap in the bread and pasta ration, taking the Island as a whole, for two months. Apart from a period during the middle of the month when supplies at Messina were low, no anxiety was ever felt during the month in the ability to honour the ration.

2. The flow of black market grain and flour began to dry up toward the end of the month and the ability of the population to purchase black market supplies to supplement the legal ration became more difficult. This led to demands on Italian Officials to press for an increase in the bread ration. The riots which occurred at Partinico appeared to give some ground for anxiety and the possibility of augmenting the bread ration was being discussed between Italian Officials and ACC during the last days of the month.

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

3. The control of the issue of the supplementary ration for heavy workers was found to be administratively very difficult. There was evidence of forged ration cards and of other illegal methods of obtaining the ration. Furthermore, there was little doubt that the administration of the normal issue of bread and pasta was weak. An assurance was obtained from officials that steps were being taken to improve the control of the rationing system.

4. Arrivals in the island during the month totalled about 10,000 long tons of rations (soups, vegetable, etc.) 1,000 long tons of fertilizer, 15,000 long tons of flour, and 3,000 tons of wheat.

These figures include part of the cargo of the MAIRE which arrived in February but completed its discharge in March, and of the LAURE which arrived in March but did not complete its discharge until the first days of April.

Shipments of imported wheat and flour to the provinces from headquarters warehouses or directly from shipside were as follows:

RECEIVING PROVINCE	LONG TONS	
		FROM PALERMO
Palermo	3000	(Figures of shipments to
Trapani	2350	provinces from arrivals
Messina	1175	at Siracusa and Catania
Genoa	1075	not available but would
Caltanissetta	1750	probably amount to 1,000
AGRIGENTO	2550	tons almost entirely to
	12700	Regusa from Catania).
Total		

5. At the end of the month there was on the island an estimated quantity of 28,000 long tons of imported flour and 14,000 long tons of imported wheat in addition to about 25,000 of miscellaneous food stuffs. Of this total 45,000 tons were stored in about 40 of the Division's warehouses in the Palermo area.

6. About 7,000 tons of foodstuffs unloaded in February from schooners for the home reserve was transferred to Region I by the Food Sub-Commission. The sorting and checking of these stocks was undertaken by a staff under Major Horn sent from Naples for the purpose but the task was not completed by the end of the month.

D. F.O.L.:

1. A new and comprehensive rationing scheme for POL was put into operation, with the Sovrintendenza Regionale as the coordinating authority. This scheme provided for the supply of POL to agriculture and lines previously approved by ARH, Petroleum Section. A new fuel ration card for motor vehicles was also introduced which was designed to save paper and make forgery more difficult.

E. COAL:

1. 1,400 tons of steam coal were distributed to essential industry. No Sardinian coal was received during the month and only one third of the approved total allocation of coal.

These figures include part of the cargo of the MAJIE which arrived in February but completed its discharge in March, and of the LAMAR which arrived in March but did not complete its discharge until the first days of April.

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RECEIVING PROVINCE	LONG TONS	FROM PALERMO	(Figures of shipments to provinces from arrivals at Siracusa and Catania not available but would probably amount to 1,000 tons almost entirely to Ragusa from Catania).
Palermo	3000		
Trapani	2350		
Messina	1175		
Catania	1075		
Caltanissetta	1750		
Agrigento	2550		
Total	12700		

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1. A new and comprehensive rationing scheme for FOL was put into operation, with the Sovrainendenza Regionale as the coordinating authority. This scheme provided for the supply of FOL to agriculture and lines previously approved by AFHQ Petroleum Section. A new fuel ration card for motor vehicles was also introduced which was designed to save paper and make forgery more difficult.

E. COAL:

1. 1,400 tons of steam coal were distributed to essential industry. No Sardinian coal was received during the month and only one third of the approved total allocation of coal could therefore be made.

2. At the end of the month IES control of all coal entering the Port of Palermo ceased and for the first time this Division took complete delivery of a ship which arrived on 31 March containing 8529 tons of steam coal.

3. A start was made in the formation of a Consorzio to handle all coal received on the Island for civilian use. This Consorzio has been named the Consorzio Siciliani Carboni and will in the near future handle all coal for ACC. The Sovrainendenza Regionale will control this Consorzio on the advice of this Division.

F. SALVAGE:

1. In conjunction with the Salvage Officer, IES, the following goods have been sold:

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(a) 400 pairs of salvaged American boots to poor workers in heavy industry.
9271 lbs. leather and rubber findings for repairing shoes of the poor.

(b) 2400 large cans)
4 tons of small cans) to fish canning industry.
9451 Five gallon Oil drums to essential industry.
84 tons light ferrous scrap)
82 tons mixed ferrous scrap:-- to firms engaged in work
339 tons aluminium) assisting the war effort.

G. EXPORTS:

1. Two ships were loaded on the East Coast and two at Palermo during the month. One of the latter had all but completed loading by the end of the month. Commodities exported were as follows:

Lemons	146,500 Boxes
Oranges (sweet)	14,000 "
Oranges (bitter)	1,500 "
Essential Oil	82 tons
Filberts	73 "
Almonds (unshelled)	2,095 "
Almonds (shelled)	15 "
Mustard Seed	47 "
Argols	36 "
Pumice	2,217 Bags
Lemon Juice	596 Barrels (31,273 gallons)

2. Owing to the non arrival of 2 ships which had been expected at Palermo to collect lemons, for export deterioration of the cargo compelled the re-sale of the fruit locally. This resulted in a considerable loss which was at first expected to amount to 6 million lire. Owing, however, to an advantageous sale contract it is now anticipated that the loss will amount to about one third of this sum.

H. MISCELLANEOUS:

1. Signor Cammarata, the Regional Sovrainvendente has cooperated in all matters concerned with the economic life of the Island. He has made progress in building up an ^{organization} ~~administration~~ capable of taking over from ACC some of the responsibilities formerly shouldered by the Division. Nevertheless the handing over has not progressed to any marked degree. The matter has become somewhat involved owing to the insistence from some quarters on the retention of control by ACC of certain activities which it was formerly understood should be handed over. When issues became less ~~divided~~ ^{clouded} it may be possible to hasten the process of transfer of responsibility.

2. The work of the Division has shown no signs of abating and, in fact,

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2. The work of the Division has shown no signs of abating and, in fact, the pressure on the staff has tended to increase. The task of organising the reception of considerable quantities of merchandise from ocean going vessels at high speed so as not to impede the unloading of ships, has strained the capacity of many of the divisional officers. Nevertheless, the task has been performed without complaint inspite of long hours of work under very arduous conditions. The control of large bodies of local labor has been a major difficulty but this and other problems were tackled with spirit and dealt with irrespective of their magnitude and no matter how often they arose. Special mention must be made of the good work done by Capt. Taylor and Lt's. Mason and O'Keefe in organising despatch from ships to warehouses, by Lt. Cammarata in controlling personnel and by Lt. Perry in coordinating the loading of freight cars and their despatch to various provinces. The M.C.O.'s and men of the Division involved in the import program have worked hard and well.

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3. The work although difficult would have been impossible but for the cooperation of IES. The continued loan of personnel amounting to 25 EM's and two officers was of vital importance. The two officers in question, Major Lyons and Lt. Tatro worked with will and could be depended upon at all times to rise to any occasion. In between periods of unloading of ships, Major Lyons was active in restacking warehouses and in bringing order out of the chaos following periods of unloading at pressure. Lt. Tatro kept his keeneyes fixed on transport problems and was able to shelter the Division from the ignominy which would follow any truck hold-up with its consequent effect on the speed with which ships could be discharged.

4. The remainder of the officers, OR's and EM's of the Division although not always directly affected by the food import programme nevertheless felt the pressure indirectly and responded with the spirit that was to be expected from them.

J. Grayton

J. GRAYTON
Major,
Director E & S Division

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

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ALLIED CONTROL COMMISSION
SICILY REGION HEADQUARTERS
APO 394.

FILE - RPS 319.1.

3/4/44.

SUBJECT - MONTHLY REPORT - MARCH, 1944.

TO - REGIONAL COMMISSIONER,
REGION 1 HEADQUARTERS.

1. Submitted herewith is the report on the activities of Public Safety Division, Region No. 1, for the month of March 1944.

2. POLICE AGENCIES

CARABINIERI REALI

Effective strength

There has been a slight decrease in strength and the numbers effective on 29th March, 1944, were 123 officers and 9714 other ranks.

Training Battalion

Satisfactory progress has been made with the training programme of the first company of 250 men and this course is scheduled to finish on or about 15th April, 1944.

Arrangements are going ahead for the organization of a second company of 250 and the required number of recruits has already been enlisted.

Special Stolen Car Squad

Encouraging progress has been made by the Special CC.RR. Squad investigating cases of car thefts. The following results have been achieved.-

Thefts discovered	-	79
Machines recovered	-	50
Persons arrested	-	76
Persons denounced	-	76

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Value of spare parts,

etc. recovered

800,000 lire

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Persons denounced	-	76
Value of spare parts, etc. recovered	-	800,000 Lire

Street Militia

This Corps, recently transferred back to CC.RR. jurisdiction, has now been fully re-established and the present strength is 1 Officer and 150 other ranks who have been mainly supplied from the ranks of CC.RR.

Telephonic Communications.

There has been a decided improvement in communications during the last month. Authority has recently been given for Civil Police Agencies to use all long-distance telephone and telegraph facilities. In addition, the internal civil telegraph system has been re-opened, and it is anticipated that these arrangements will do much to alleviate the difficulties outlined in previous reports.

Food.

No further information has so far been received.

3. R. GUARDIA DI FINANZA.

Effective Strength.

The Effective Strength stood at 39 Officers and 2071 other ranks as at 29/2/44. No further news has been received regarding the 100 men who were promised from the Mainland. Colonel Biondi has written to Bari H.Q. asking for authority to recall from the reserve any NCO or enlisted man who makes a request to rejoin. Arrangements are going ahead for the re-establishment of various Brigades which had to be temporarily closed down owing to the war. However, lack of adequate personnel is still seriously hampering this work of reorganisation.

Control of Legions.

The linking up of that portion of the Messina Legion of the Guardia di Finanza which is situated in the Island of Sicily with that part on the mainland which formerly was under the control of the Messina Legion is now under consideration by the Italian Government and ACC H.Q. A decision in the matter is expected in the near future.

Accommodation.

The question of accommodation remains a problem for the Guardia di Finanza. This is due to the fact that a great many buildings and barracks were badly damaged by air-raids and also because certain barracks have been requisitioned by the military authorities. Representations

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Arms and Equipments.

There has been no appreciable change in the situation detailed in previous reports. Supplies of pistols, transport, medical equipment, etc., are still urgently required, and Colonel Biondi has reported that many Finance Guards are compelled to go on duty in civilian clothes owing to the lack of sufficient uniforms. Meanwhile, every effort is being made to bridge these deficiencies from civilian sources.

4. SPECIAL FORCE OF RAILWAY POLICE.

The second course of training for Railway Guards ended on 25th February and the effective force of this organisation now stands at 116 Officers and men. It is intended that this Force shall eventually cover the whole Island and a proportion of the existing personnel will be assigned to certain Provinces in the near future. The third course comprising 80 men commenced training on 1st April.

5. CORPS OF FOREST GUARDS.

Total strength has now reached 10 Officers and 161 O.R.'s, and Forest Guard personnel are now operating in all the provinces of Sicily. Close contact has been maintained with Lt. Colonel GUZZIO and no particular problem has come to light.

6. AGENTS OF PUBLIC SECURITY.

Effective Strength.

The present total effective strength is 2255.

Training School.

A Company of 60 recruits completed a course of training on 29/2/43 and a second Company of 61 is now formed and undergoing instruction.

7. STATE OF CRIME.

The general improvement in the state of crime referred to in my last report has continued during the month of March. There has also been a very satisfactory number of arrests for serious crimes committed from the date of occupation. The campaign against the black market also shows encouraging results as is illustrated in the following summary -

<u>Type of Crime</u>	<u>January</u>	<u>February</u>	<u>1/25 March</u>
Murder	34	26	31
Attempted murder	19	10	9
Assaults on Police	6	5	6
Assaults on civilians	29	26	20

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Assaults on civilians	29	26	20
Thefts with arms	283	145	158
Extortions	21	9	13
Thefts of animals	150	122	97

	<u>February</u>	<u>1/25 March</u>
<u>Black Market</u>		
Numbers of persons arrested	449	213
Value of confiscated goods (Lire).	1,569,033	856,663

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8.

PROSTITUTION.

A vigorous campaign against prostitution and venereal disease has been launched by the various Police Agencies, and every assistance is being given them in order to combat this serious menace.

9.

STAFF.

Several transfers of Public Safety Officers have been made during the month and the total number now in the Region is 21.

10.

REFUGEES.

Several conferences have been held between General Branca, Dr. Modica and this Section regarding the reception of war refugees from the mainland and all arrangements are now complete so far as the police and security angles are concerned. A comprehensive and detailed scheme of control and registration has been worked out, and arrangements made for the vetting of all arrivees. 50,000 Special Identity cards have been printed and a complete compilation of records has been assured. Adequate and specialised personnel have been allocated to the various transit and reception centres and no appreciable difficulty is anticipated in the handling of these refugees.

11.

REGISTRATION AND LICENSING OF MOTOR-VEHICLES.

Arrangements have been completed by the appropriate Italian Agencies for the issue of civil circulating permits and fuel ration cards for the month of April. The necessary fuel ration cards are being printed locally. Instructions are expected shortly from the Italian Government as to the arrangements to be operated from 1st May. All police agencies are fully co-operating in the enforcement of the various regulations published on this subject, and results are anticipated from the newly re-constituted Street Militia.

12.

PUBLIC ORDER.

A total of 27 disturbances and strikes took place in this Region during the month of March, the most serious being at Caltanissetta on 2nd, Racalmuto, (Agrigento) 16th, Favara, (Agrigento), Partinico, 29th, and Termini Imerese on 28th March. Although these

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- (a) General discontent with the present bread and pasta ration.
- (b) Bad feeling over the recent suspension of the war bombardment indemnity.
- (c) Dissatisfaction regarding the existing scale of wages, which people say is not sufficient to purchase the necessities of life.

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Though the present situation does not give cause for undue alarm it is expected that the economic and kindred conditions previously mentioned will be the grounds for further demonstrations in the future. Police agencies have done good work in controlling and preventing disturbances and appear quite capable of handling situations of this kind. A close watch is being kept on developments and such major incidents as do occur will be reported for the information of ACC. HQ.

13.

POLITICAL.

The Communists and Christian Democrats are gaining ground over the numerous rivals and though there has been considerable activity in the political field no special incidents have come to notice.

14.

CHANGE-OVER OF CONTROL TO ITALIAN GOVERNMENT.

The necessary contact has been maintained with all Police Organizations by this Section. of Headquarters and by Field Officers at Provincial level.

No untoward incidents have occurred and relations continue to be smooth and co-operative.

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5709

ALLIED CONTROL COMMISSION
SICILY REGION HEADQUARTERS
APO 394

Subject: Monthly Report.

To : Regional Commissioner, Region I, ACC.

A - POSTAL DIVISION.

1. Following is the monthly report for March 1944.

a. DESPATCH OF MAILS.

(1) As reported in last month's report all mail with the exception of that for Catania and Messina, is being despatched by ACC Courier. Catania and Messina mails continue to be despatched via ENT transportation. With the transportation of mails by ACC Courier mail is despatched twice, to some provinces only once, a week. The bus service to Catania and Messina is daily. However there may be a possibility that in the very near future we may be permitted to use the "Littorino" which is controlled by IBS. If this is possible we will have a good mail service to all provinces, averaging mail at least five times a week to each provincial HQ. We hope to reach an agreement in the next few days.

b. CENSORSHIP.

- (1) The question regarding civilians being permitted to correspond with military personnel in Sicily has never been settled. It seems that there was no coordination among ACC, INC and the Army Postal Service. ACC and INC have authorized correspondence between civilians and military personnel in Sicily but the American Army Postal Service has notified their postal units that this service is not permitted. The situation therefore is that mail of this sort is being blocked by the Army Postal Service. Mail service between British military personnel and civilians in Sicily is running smoothly, as the Commanding Officer of the local British APO has received instructions from the British Army Postal Service. The question has been brought to the attention of NATOUSA Postal Division and a clearance is expected shortly. A new memorandum has been received from HQ ACC regarding communication with the Vatican and this office has instructed all provincial Commissioners with the new regulations. Official church mail will no longer be subject to censorship here but will be sent direct from this HQ to AFHQ, in care of INC. This mail is likewise handled as official mail and sent through Army post offices. The new memorandum likewise permits the sending of radiograms to the Vatican, for the use only of church authorities. These telegrams must be written in English, forwarded to the Regional Commissioner (Attention: Communication Section), who will forward them to Naples for onward transmission. It seems that the new memorandum on Vatican mail does not permit
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- (3) It seems that the new memorandum on Vatican mail does not permit the sending of Vatican message forms. Since the memorandum was a little obscure and the question regarding the messages vague, this office has written HQ ACC, requesting that this be cleared.

c. P. W. MAIL.

- (1) Incoming.
(a) For this month approximately 57 sacks of P. W. mail from all countries were received.
- (2) Outgoing.
(a) Approximately 1373 kg. of outgoing P. W. mail was despatched to all parts of the world for this month. Despatch is made once a week and all mail is despatched via the American APO.

d. REGISTERED AND INSURED MAIL.

- (1) The limited service for banks and financial institutions still continues to operate efficiently. However this office continues to receive requests for extending this service to other firms and especially governmental agencies. This office has advised the Inspector General to request this service from the Italian Minister of Communications, who could refer the matter to HQ ACC. This office sees no objection why registered and insured service cannot be granted to state agencies.

e. STAMPS.

- (1) Following is the amount of AMG stamps which have been received from APA and also the supply still in APA's possession:

<u>Consumed</u>	<u>On Hand</u>
15 Cent. - 6,000,000	15 Cent. - 1,200,000
25 Cent. - 5,360,000	25 Cent. - 2,400,000
30 Cent. - 5,560,000	30 Cent. - 1,800,000
50 Cent. - 7,900,000	50 Cent. - -----
60 Cent. - 630,000	60 Cent. - 5,400,000
1 Lira - 2,440,000	1 Lira - 3,000,000
2 Lire - 400,000	2 Lire - 3,600,000
5 Lire - 1,680,000	5 Lire - 2,400,000
10 Lire - 400,000	10 Lire - 3,500,000

- (2) Word has been received from HQ ACC that the requisition that this office has requested has been shipped and when this arrives it will replenish the low stocks of AMG stamps.

- (3) HQ ACC has requested the information regarding the existing supply of Italian stamps in Sicily. Attached is a report of all provinces excluding Messina, Caltanissetta, Palermo and Enna, which have not as yet, submitted their report.

f. INTERNATIONAL MAIL SERVICE.

- (1) This service is running as smoothly as can be expected. Despatches are made weekly and for the month of March the following figures can be given:

<u>To</u>	<u>Weight - Kg.</u>
LONDON	60
OTTAWA	13
NEW YORK	353
CALRO	172
TUNIS	38

- (2) London and Ottawa mails are despatched via APO Catania and all the other mail is via American APO.

- (3) As yet no incoming foreign mails have been received at this office.

g. OPERATIONAL COSTS.

- (1) Following is a list showing the amount of money requested by the Post Office Dept. for operational costs (excluding financial

(1) Following is the amount of AMZ stamps which have been received from AFA and also the supply still in AFA's possession:

Consumed	On Hand
15 Cent. - 6,000,000	15 Cent. - 1,200,000
25 Cent. - 5,360,000	25 Cent. - 2,400,000
30 Cent. - 5,560,000	30 Cent. - 1,800,000
50 Cent. - 7,900,000	50 Cent. - -----
60 Cent. - 630,000	60 Cent. - 5,400,000
1 Lira - 2,440,000	1 Lira - 3,000,000
2 Lire - 400,000	2 Lire - 3,600,000
5 Lire - 1,680,000	5 Lire - 2,400,000
10 Lire - 400,000	10 Lire - 3,600,000

(2) Word has been received from HQ ACC that the requisition that this office has requested has been shipped and when this arrives it will replenish the low stocks of AMZ stamps.

(3) HQ ACC has requested the information regarding the existing supply of Italian stamps in Sicily. Attached is a report of all provinces excluding Messina, Caltanissetta, Palermo and Enna, which have not as yet, submitted their report.

f. INTERNATIONAL MAIL SERVICE.

(1) This service is running as smoothly as can be expected. Despatches are made weekly and for the month of March the following figures can be given:

To	Weight - Kf.
LONDON	60
OTTAWA	13
NEW YORK	353
CAIRO	172
TUNIS	38

(2) London and Ottawa mails are despatched via APO Catania and all the other mail is via American APO.

(3) As yet no incoming foreign mails have been received at this office.

g. OPERATIONAL COSTS.

(1) Following is a list showing the amount of money requested by the Post Office Dept. for operational costs (excluding financial services) for all post offices for the month of March, which this office approved:

Agrigento	630,000
Catania	1,200,000
Messina	2,300,000
Palermo	5,000,000
Siracusa	1,550,700
Trapani	1,200,000
Total	14,980,700

5707

- 3 -

- (2) Effective April 1st, all requisitions for money will be handled through the Italian Ministry of Finance.

h. MISCELLANEOUS.

(1) International Red Cross.

- (a) Instructions have been received from HQ AOC regarding the new procedure for handling International Red Cross messages, which system will now be uniform in Sicily, Italy and Sardinia. The price for these forms have been changed and whereby, the accounting was done locally it will now be centralized and performed by the Ministry of Communications. Otherwise these messages will be handled as they have been previously. Approximately 34,500 messages were distributed throughout the provinces for the current month.

(2) Visit of Italian Minister of Communications.

- (a) The Italian Minister of Communications, Dr. Pano, visited this island for the purpose of inspecting telegraph and telephone communications and also postal services. Lt. Alasia met Dr. Pano at Messina and together travelled to Catania where the postal service for Italian official mail by air courier was regulated and organized. Likewise we met again in Palermo where a few points clarified in the presence of the Inspector General.

- (b) The important question seems to be the status of the Inspectorate General, established by the AMG under a General Order. This office has just been informed and a copy of the orders received, that Giorgianni, Inspector General for Sicily is being transferred to the Ministry and that effective April 10th the Inspectorate General ceases to function. Likewise all reports from provincial directorates will be sent directly to the Ministry. This office is strongly opposed to such action of this kind. If this office is to advise and control the postal services of this island it is of the utmost importance that the Inspectorate General remain both as a supervisory and administrative agency.

- (c) The possibility of obtaining the post office building for the Italian Postal services looks bright. IBS contacted 7th Army and an agreement was reached whereby as soon as alternative space is obtained, the building will be returned to the Italian Government. As yet 7th Army has not issued any orders to that effect but it is hoped that they will in the very near future.

i. FINANCIAL POSTAL SERVICES.

- (1) A report of the financial postal services for March is being submitted by the Chief Financial Officer.

GA Alasia

- (b) Approximately 34,500 messages were distributed throughout the provinces for the current month.
- (2) Visit of Italian Minister of Communications.
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- i. FINANCIAL POSTAL SERVICES.
- (1) A report of the financial postal services for March is being submitted by the Chief Financial Officer.

G. A. Alasia

G. A. ALASIA,
1st Lt., AGD,
P.O.P.O.

5706

DIREZIONE PROVINCIALE DI STRAGUSA ed

uffici della Provincia

A - CARTE E VALORI italiani giacenti

Francobolli		Rapporto	Rapporto	
Ordinari		Commemorative	Posta aerea	
0,02	-		0,25	5.597,-
0,05	125.588,-		0,50	161.550,-
0,075	-		0,60	-
0,10	100.505,-		0,75	2.591,-
0,15	44.781,-		0,80	979,-
0,20	125.624,-		1,-	14.084,-
0,25	71.950,-		1,20	-
0,30	380.350,-		1,50	-
0,35	5.649,-		2,-	2.940,-
0,50	214.880,-		5,-	1.889,-
0,75	26.022,-		10,-	188,-
1,25	41.964,-			-
1,75	85.217,-			-
2,-	20.654,-			-
2,55	1.157,-	Esp. 2,-		-
3,70	416,-			-
5,-	1.059,-			-
10,-	158,-			-
20,-	243,-			-
25,-	8,-			-
50,-	41,-			-
1,-	3.615,-			-
				Totale =====
Espressi		Recapito aut.	Cartoncini macchine affrancature	
1,25	101.803,-	0,10 25.735,-	2,-	310,-
2,50	234,-			
				Totale =====
		Posta pneumatica	Buoni risposta	
		0,15 -	2,50	1.187,-
		0,25 -		
				Totale =====
a riportare -----		a riportare -----	Biglietti postali	
			0,25	7.216,-
			0,60	6.046,-
				Totale =====

5705

- 2 -

Cartoline corrispondenza		Cartoline pacchi		Marche assicurative	
0,15	24.680,-	0,40	3.582,-	1,35	-
0,30	14.147,-	2,50	9.973,-	1,80	-
0,75	3.237,-	4,-	-	2,70	-
0,15+0,15	-	5,-	7.222,-	3,30	-
0,30+0,30	4.77,-	6,-	5.990,-	4,55	-
0,75+0,75	1.619,-	10,-	-	5,05	-
0,50+0,50	5.930,-	12,50	3.429,-	1,-	-
0,50	6.000,-	13,-	48,-	1,50	-
	-	15,-	272,-	2,-	-
	-	16,-	2.807,-	2,50	-
	-	18,-	2.014,-	3,-	-
				4,-	-
				7,-	-
Totale =====		Totale =====		Totale =====	

Francobolli pacchi		Segnatasse	
0,05	5.177,-	0,05	3.857,-
0,10	4.681,-	0,10	3.670,-
0,25	6.220,-	0,20	7.992,-
0,30	3.251,-	0,25	5.728,-
0,50	8.570,-	0,30	3.589,-
0,60	4.518,-	0,40	418,-
1,-	6.618,-	0,50	8.076,-
2,-	4.710,-	0,80	758,-
3,-	3.950,-	1,-	3.693,-
4,-	3.251,-	2,-	423,-
10,-	1.857,-	5,-	-
20,-	138,-	10,-	-
		20,-	-
Totale =====		Totale =====	

Riepilogo C. V.

Moduli vaglia		Totale L.
Tas. con. 0,10	-	1.169.830,20
Tas. con. 0,10	-	=====
Totale =====		

- 2 -

Cartoline corrispondenza		Cartoline pacchi		Marche assicurative	
0,15	504,-	0,40	305,-	1,35	-
0,30	960,-	2,50	1.386	1,80	-
0,75	200,-	4,-	-	2,70	-
0,15+0,15	-	5,-	1.081,-	3,30	-
0,30+0,30	9,-	6,-	-	4,55	-
0,75+0,75	50,-	7,50	990,-	5,05	-
-	-	10,-	-	1,-	-
-	-	12,50	647,-	1,50	-
-	-	13,-	-	2,-	-
-	-	15,-	29,-	2,50	-
-	-	16,-	9,-	3,-	-
-	-	18,-	64,-	3,50	-
-	-	-	-	4,-	-
-	-	-	-	7,-	-
Totale	=====	Totale	=====		

Francobolli pacchi		Segnatasse		Totale	
0,05	1.485,-	0,05	2.333,-		
0,10	1.483,-	0,10	1.405,-		
0,25	1.988,-	0,20	2.707,-		
0,30	1.662,-	0,25	1.130,-		
0,50	2.304,-	0,30	734,-		
0,60	619,-	0,40	887,-		
1,-	2.529,-	0,50	3.392,-		
2,-	1.108,-	0,60	721,-		
3,-	1.443,-	1,-	1.795,-		
4,-	240,-	2,-	750,-		
10,-	403,-	5,-	-		
20,-	112,-	10,-	-		
Totale	=====	Totale	=====		

Riepilogo C.V.

Moduli vaglia

0,10 -

tas. con. 0,10 -

Totale L. 145.592,60

Totale =====

5702

MINISTRAZIONE DELLE POSTE E DEI TELEGRAPHI

DIREZIONE PROVINCIALE DI TRAPANI eduffici della provincia

A. - CARTE E VALORI italiane giacenti

Francobolli		riporto	Riporto
Ordinari		Commemorative	Posta aerea
0,02	140,-		0,25 23.629,-
0,05	332.227,-		0,50 136.323,-
0,075	19,-		0,60 --
0,10	462.895,-		0,75 9.241,-
0,15	501.017,-		0,80 1.750,-
0,20	478.280,-		1,- 71.584,-
0,25	707.968,-		1,20 --
0,30	512.605,-		1,50 --
0,35	21.424,-		2,- 3.012,-
0,50	1.426.163,-		5,- 2.116,-
0,75	8.225,-		10,- 1.215,-
1,25	43.032,-		--
1,75	145.932,-		--
2,-	18.762,-		Esp. 2,- 5.414,-
2,55	7.862,-		
3,70	1.210,-		Totale =====
5,-	5.612,-		
10,-	5.453,-		Cartoncini macchine affrancati
20,-	801,-		2,- 142,-
25,-	449,-		Totale =====
50,-	545,-		
1,-	32.343,-		
	--	Recapito aut.	
	--	0,10 44.472,-	Buoni rimb. posta
		Posta pneumatica	2,50 4.884,-
		0,15 --	Totale =====
		0,35 --	
Espressi			Biglietti postali
1,25 256.753,-			0,25 24.543,-
2,50 2.685,-			0,50 31.534,-
		a riportare =====	Totale =====
a riportare			

- 2 -

Cartoline corrispondenza

0,15	255.387,-
0,30	313.488,-
0,75	1.676,-
0,15+0,15	4,-
0,30+0,30	-
0,75+0,75	990,-
0,50+0,50	2.900,-
-	-
-	-
-	-
-	-
-	-

Totale =====

Cartoline pacchi

0,40	10.465,-
2,50	12.631,-
4,-	-
5,-	9.385,-
6,-	4,-
7,50	4.618,-
10,-	68,-
12,50	4.832,-
13,-	269,-
15,-	272,-
16,-	-
18,-	230,-

Totale =====

Marche assicurative

1,35	-
1,80	-
2,70	-
3,30	-
4,55	-
5,05	-
1,-	-
1,50	-
2,-	-
2,50	-
3,-	-
3,50	-

Totale =====

Francobolli pacchi

0,05	12.415,-
0,10	13.109,-
0,25	10.364,-
0,30	10.730,-
0,50	12.869,-
0,60	6.627,-
1,-	21.486,-
2,-	11.697,-
3,-	12.880,-
4,-	7.983,-
10,-	2.809,-
20,-	387,-
-	-
-	-
-	-

Totale =====

Segnata se

0,05	11.338,-
0,10	13.865,-
0,20	17.825,-
0,25	12.809,-
0,30	12.071,-
0,40	37.004,-
0,50	15.180,-
0,60	12.094,-
1,-	21.653,-
2,-	1.409,-
5,-	715,-
10,-	198,-
20,-	200,-
-	-
-	-

Totale =====

Riepilogo C. V.

Totale L. 2.936.169,6

Moduli vaglia

0,10	-
tas. con 0,10	-

Totale =====

5700

MINISTRAZIONE DELLE POSTE E DEI TELEGRAPHI

DIREZIONE PROVINCIALE DI AGRIGENTO ed

uffici della Provincia

A - CARTE E VALORI italiani giacenti

[illegible]

- 2 -

Cartoline corrispondenza		Cartoline pacchi		Marche assicurative	
0,15	117.947,-	0,40	5.502,-	1,35	-
0,30	157.700,-	2,50	7.377,-	1,80	-
0,75	1.000,-	4,-	-	2,70	-
0,15+0,15	700,-	5,-	9.660,-	3,30	-
0,30+0,30	20,-	8,-	1,-	4,55	-
0,75+0,75	500,-	7,50	10.761,-	5,05	-
--	--	10,-	1.022,-	1,-	-
--	--	12,50	5.476,-	1,50	-
--	--	13,-	1.092,-	2,-	-
--	--	15,-	847,-	2,50	-
--	--	16,-	1.298,-	3,-	-
--	--	18,-	1.091,-	3,50	-
				4,-	-
				7,-	-
Totale =====		Totale =====		Totale =====	

Francobolli pacchi

0,05	23.435,-
0,10	24.570,-
0,25	34.959,-
0,30	10.529,-
0,50	43.948,-
0,60	--
1,-	46.664,-
2,-	23.016,-
3,-	16.256,-
4,-	16.842,-
10,-	3.278,-
20,-	56,-
--	--
--	--
--	--
--	--
--	--

Totale =====

Segnataasse

0,05	15.438,-
0,10	17.896,-
0,20	29.186,-
0,25	28.151,-
0,30	13.173,-
0,40	5.021,-
0,50	20.670,-
0,60	2.709,-
1,-	27.988,-
2,-	3.576,-
5,-	1.047,-
10,-	--
20,-	--
--	--
--	--
--	--
--	--
--	--

Totale =====

Riepilogo C.V.

Riporto.....

Marche assicurate.

Totale L. 2.454.698,15

Moduli vaglia

0,10 --
tas.con.0,10 --

Totale =====

5898

AMMINISTRAZIONE DELLE POSTE E DEI TELEGRAPHI

DIREZIONE PROVINCIALE DI CATANIA ed

Uffici della Provincia

A - CARTE E VALORI Italiane giacenti

Francobolli Ordinari		Riporto Commemorative	Riporto Posta aerea
0,02	--		0,25 435.771,-
0,05	1.659.739,-		0,50 587.854,-
0,075	--		0,60 166,-
0,10	1.828.239,-		0,75 41.104,-
0,15	1.743.520,-		0,80 3.206,-
0,20	1.904.343,-	487,-	1,- 414.349,-
0,25	12.549.881,-	-	1,20 --
0,30	2.096.936,-	560,-	1,50 --
0,35	86.652,-	-	2,- 31.836,-
0,50	2.214.526,-	745,-	5,- 6.547,-
0,75	707.838,-	-	10,- 2.910,-
1,25	449.601,-	-	-- --
1,75	1.170.147,-	936,-	-- --
2,-	258.982,-	-	Esp. 2,- --
2,55	15.368,-	-	
3,70	6.964,-	-	
5,-	31.754,-	-	Totale =====
10,-	3.282,-	-	
20,-	1.029,-	-	Cartoncini macchine affrancatr.
25,-	3.530,-	Recapito aut.	2,- 244,-
50,-	1.617,-	0,10 141.975,-	Totale =====
1,-	823.134,-		
Espressi		Posta pneumatica	Buoni risposta
1,25	966.267,-	0,15 -	2,50 12.047,-
2,50	13.215,-	0,35 -	
=====			Totale =====
a riportare -----			Biglietti postali
		a riportare =====	0,25 24.625,-
			0,50 8.027,-
			Totale =====

→ 2 -

Cartoline corrispondenza		Cartoline pacchi		Marche assicurative
0,15	111.158,-	0,40	19.404,-	1,35
0,30	452.761,-	2,50	21.116,-	1,80
0,75	5.982,-	4,-	1,-	2,70
0,15+0,15	470,-	5,-	28.222,-	3,30
0,30+0,30	30,-	6,-	-	4,55
0,75+0,75	12.330,-	7,50	19.125,-	5,05
-	-	10,-	10,-	1,-
-	-	12,50	12.974,-	1,50
-	-	13,-	1.520,-	2,-
-	-	15,-	820,-	2,50
-	-	16,-	5.819,-	3,-
-	-	18,-	2.925,-	4,-
-	-	-	-	7,-
Totale =====		Totale =====		Totale =====

Francobolli pacchi		Segnatasse	
0,05	67.855,-	0,05	45.901,-
0,10	42.369,-	0,10	56.233,-
0,25	39.384,-	0,20	56.216,-
0,30	83.324,-	0,25	141.453,-
0,50	34.359,-	0,30	75.389,-
0,60	21.016,-	0,40	38.845,-
1,-	61.655,-	0,50	223.393,-
2,-	55.199,-	0,60	26.249,-
3,-	62.670,-	1,-	228.567,-
4,-	68.477,-	2,-	35.780,-
10,-	27.110,-	5,-	13.895,-
20,-	3.602,-	10,-	9.643,-
-	-	20,-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
Totale =====		Totale =====	

Riepilogo C. V.

Moduli vaglia

Totale L, 12.586.816,70

tas. con. 0,10	-
tas. con. 0,10	-
Totale =====	

ALLIED CONTROL COMMISSION
SICILY REGION HEADQUARTERS
APO 394

File: RLE 013.031/FLV

4th April 1944

SUBJECT : Report of Legal Division, Sicily Region H.Q.

TO : Regional Commissioner, Region 1.

1. The month of March with the exception of several cases tried in the City of Palermo of a serious nature has seen the completion of activities of AMG Courts. The major portion of cases pending have now been disposed of by the Italian Courts to whom they have been transferred. The transitory period which has been in a continuing state from the 11th February is now in its final phases.

2. A.M.G. Courts: All AMG Courts in Region 1 have ceased to function. The Legal Office of the Province of Palermo has wound up all its matters, and records and documents, etc. have been transferred to the Regional Legal Officer. Captain Matthews remains as Liaison Officer and is at present stationed in Catania. The Regional Legal Office has continued its re-consideration of sentences originally imposed for possible submission to Headquarters. Several cases involving a large number of defendants disposed of during the latter part of this month are as yet incomplete in that the period of appeal has not as yet expired. The two notable cases are :

(i) Theft of Allied Property in which forty defendants were involved, and

(ii) Charge of theft of U.S. Mail.

The final disposition of the aforementioned cases have already been referred to A.C.C. Headquarters. A comprehensive and detailed report coupled with recommendations has already been submitted by the former Regional Legal Officer S/Ldr. H.M. Dickie. A report on cases to be reviewed by the Chief Legal Officer regarding the confirmation or modification of sentences imposed has been submitted under File No. 013.04/HD dated 10th of March 1944.

3. Italian Courts: The proper functioning of the Italian Courts is somewhat hampered due to the shortage of personnel and lack of transport facilities. The Courts have requested the Minister of Justice to appoint additional personnel. In addition

- 2 -

certain recommendations for modification of existing Italian Laws so as to comply with Allied Rulings now in effect have also been requested. It has been our endeavour to co-operate and iron out certain difficulties that have cropped up as a result of this transfer.

4. Personnel: (a) S/Ldr. H.M. Dickie ceased to act as Regional Legal Officer on the 27th March 1944 and his duties were assumed by the undersigned then Provincial Legal Officer of Palermo. Lt. Colonel Hill originally assigned to Agrigento, Major Gilishenan of Ragusa, Major Campbell of Catania and Captain Moore of Palermo have all been released from duty in this Region and assigned elsewhere.

(b) The Legal Clerks have been reduced to a minimum. In addition to those previously assigned elsewhere, T/5 Victor Arrigo and PFC. Charles Scorpiniti have been re-assigned. Cpl. J. Sugg RASC has been transferred from the Province of Palermo to the Regional Legal Office.

5. In as much as the undersigned has lately assumed this office a brief report is submitted. A subsequent and more detailed report covering all phases and activities in which engaged will be submitted at a later stage.

Frank L. Vecchiolla proe.

FRANK L. VECCHIOLLA
Captain, JAGD
Regional Legal Officer.

js.

ALLIED CONTROL COMMISSION
SICILY REGION HEADQUARTERS

APO 394

SUBJECT: Monthly Report on Education for March, 1944

The month of March has been truly an interregnum but one in which affairs progressed smoothly in the main. No new projects of significance have been initiated but investigations of existing conditions have been pressed. The major activities have been:

1. re-adjusting policies
2. vetting personnel
3. investigations of existing conditions
4. activities of staff.

A. Readjusting policies

In this area there has been much delay and confusion because no regional authority has existed on the Italian side. At the meeting of regional directors held at Headquarters AGO early in March many of our problems were outlined. In turn we received a policy letter which gave us several general assurances.

The two national inspectors are still dependent on this office rather than on an Italian higher authority. Also they are without personal or office expense accounts as well as means of travel. They have handled many problems, however, and have helped with investigations. Both are good officials.

Text books published under Allied Military Government have been approved by the Ministro. Additional copies of these books are now being published for next year. Lt Beard is also busy with authorizing paper for various essential publications.

Numerous demands for advice and authority have come from Italian officials all over the island. When it was possible to proceed under Italian law appropriate advice was given. In other cases problems have been forwarded to the Education Sub-Commission or officials have been asked to wait for advice. The many issues delayed have had a demoralizing effect on the situation.

The existing relations with non-public schools are quite desirable but the basic issue of the extent of freedom

Activities have been:

1. re-adjusting policies
2. vetting personnel
3. investigations of existing conditions
4. activities of staff.

A. Readjusting policies

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Text books published under Allied Military Government have been approved by the Ministro. Additional copies of these books are now being published for next year. Lt Heard is also busy with authorizing paper for various essential publications.

Numerous demands for advice and authority have come from Italian officials all over the island. When it was possible to proceed under Italian law appropriate advice was given. In other cases problems have been forwarded to the Education Sub-Commission or officials have been asked to wait for advice. The many issues delayed have had a demoralizing effect on the situation.

The existing relations with non-public schools are quite desirable but the basic issue of the extent of freedom of ecclesiastical schools is now before the Italian Ministry. Certain positions taken by Allied Military Government are not in accord with Italian law and the Ministry must make one adjustment. Such an adjustment will create new difficulties.

B. Vetting personnel

This activity proceeds without diminution. ⁵⁶are advising Italian officials on all cases that come to our attention. Enna, Ragusa, Syracuse and Caltanissetta provinces still present problems in that regional policies have not been regularly applied. An understanding has now been reached with responsible officials involved.

ALLIED CONTROL COMMISSION
Sicily Region Headquarters
APO 394

CP/WGB-ar

29 March 1944

File RPO 319.1-3

REPORT - March 1944.

1. Personnel. During the month under review the following changes of personnel took place:

(a) Officers.

- (i) On the 15th March 44 Lt. L.A. Beeson (E) was proceeding on duty from Palermo to Messina, when he was unfortunately involved in a motor accident involving serious personal injuries, which necessitated his removal to 59th General Hospital. It is pleasing to report his continued progress towards recovery, but it is regretted that his complete recovery may be delayed for some time.
- (ii) On the 20th March 44 Major H.P. Bundy (E) received orders to proceed to Naples en route for U.K. and on the 24th March, on the instructions of the Regional Control Commissioner, Capt. W.C. Beard (E) took over his duties, subject to confirmation and issue of assignment order by HQ. A.C.C.
- (iii) 2nd. Lt. H.E. Shaine (A) has been temporarily transferred to Control Commissioner (Property) Messina vice Lt. L.A. Beeson evacuated to hospital W.E.F. 30th March 1944.

(b) Other Ranks.

- (i) On 1st March T/5 Butera (A) attached to this HQ. was transferred out as per Special Order No. 49 dated 24/2/44 HQs. 2675 Regt. (Fwd. Ech.) A.C.C. APO 394 U.S. Army.
- (ii) On 17th March by Special Order No. 53 T/5 J. Meli (A) attached to C.P. Catania was ordered to the Mainland.
- (iii) With effect from 30 March Pvt. Barbera (A) attached to C.P. Agrigento has been instructed to take over (subject to supervision of the Provincial Commissioner Agrigento) the duties of the Provincial Commissioner

changes of personnel took place:

(a) Officers.

(1) On the 19th March 44 Lt. L.A. Beeson (B) was proceeding on duty from Palermo to Messina, when he was unfortunately involved in a motor accident involving serious personal injuries, which necessitated his removal to 59th General Hospital. It is pleasing to report his continued progress towards recovery, but it is regretted that his complete recovery may be delayed for some time.

(11) On the 20th March 44 Major H.P. Bundy (B) received orders to proceed to Naples en route for U.K. and on the 24th March, on the instructions of the Regional Control Commissioner, Capt. W.G. Board (B) took over his duties, subject to confirmation and issue of assignment order by HQ. A.C.C.

(111) 2nd. Lt. H.B. Shaine (A) has been temporarily transferred to Control Commissioner (Property) Messina vice Lt. L.A. Beeson evacuated to hospital W.B.F. 30th March 1944.

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(111) With effect from 30 March Pvt. Barbera (A) attached to C.P. Agrigento has been instructed to take over (subject to supervision of the Provincial Commissioner Agrigento) the duties formerly carried out by 2Lt. H.B. Shaine.

2. Handover to the Italian Government.

The office of Controller of Property is still without receipt of copies of decrees to be issued by the Italian Government regulating the functions and powers of the Director of Property.

The hand over is however proceeding steadily under the provisions of Executive Memorandum No. 15. During the month of March 1944, Francesco Musotto has been appointed by the Italian Government to be High

Continued .

File RPC 319.1-3

Commissioner for the Island of Sicily.

3. Real Estate.

(a) British and American properties.

(1) During the month declarations of custody have been completed and forwarded to Main Hqs. as under:

AgriENTO - 1.

Messina - 22.

(ii) Pronte Estate. This estate continues to be administered by Cav. L. Modica. A copy of the decree issued by the Prefect of Catania, following upon instructions of the Italian Minister of Finance, whereby the expropriation of the Estate is revoked, has been received and forwarded to Main Hqs. The work of compiling the Verbale di ConsegnA set out in the order of revocation is in hand. A request from Avv. Melia representing the Estate and asking that steps be taken to ensure the retention in Court of the L. 4,250,000 original compensation proposed to be paid for the expropriation, pending a settlement of any claim Lord Bridport, may prefer against the Ente di Colonizzazioni, has been referred to Legal Division and is still under consideration. A claim has been prepared against the Estate by a Comm. Di Mattei for 161,500 lire said to be for services rendered some years ago. Avv. Melia has been instructed to take such steps as are thought to be necessary to protect the interests of the Estate, as at present no knowledge is had of any such amount being due. A letter has also been received from E.C.L.S. requesting that the Estate should pay 17,532.35 lire remaining unpaid to workmen and others who assisted in looking after crops etc raised on the Estate, the proceeds of which are said to have been retained in full by the Estate. This has been referred to Cav. Modica for report so that full details may be submitted to Main Hqs. for decision.

(b) Property of United Nations other than Britain & U.S.A.

There is nothing further to report regarding the above except that particulars are being sought preparatory to

(ii) Tronzo Estate. This estate continues to be administered by Cav. L. Modica. A copy of the decree issued by the Prefect of Catania, following upon instructions of the Italian Minister of Finance, whereby the expropriation of the Estate is revoked, has been received and forwarded to Main HQs. The work of compiling the Verbale di Consegnata set out in the order of revocation is in hand. A request from Avv. Melia representing the Estate and asking that steps be taken to ensure the retention in Court of the L. 4,250,000 original compensation proposed to be paid for the expropriation, pending a settlement of any claim Lord Eridport, may prefer against the Ente di Colonizzazione, has been referred to Legal Division and is still under consideration. A claim has been prepared against the Estate by a Comm. Di Mattei for 161,500 lire said to be for services rendered some years ago. Avv. Melia has been instructed to take such steps as are thought to be necessary to protect the interests of the Estate, as at present no knowledge is had of any such amount being due. A letter has also been received from E.C.L.S. requesting that the Estate should pay 17,532.35 lire remaining unpaid to workmen and others who assisted in looking after crops etc raised on the Estate, the proceeds of which are said to have been retained in full by the Estate. This has been referred to Cav. Modica for report so that full details may be submitted to Main HQs. for decision.

(b) Property of United Nations other than Britain & U.S.A.

There is nothing further to report regarding the above except that particulars are being sought preparatory to completion of Formal Declaration of Custody.

(c) French Property. Investigations into the conditions etc of French properties preparatory to completion of Formal Declaration of Custody are proceeding. During the month the property of:

Filippo La Grus fu Cesare, Principe di Cerini was examined and taken into custody under Property Register No. P.133. It is expected that other ³⁰⁹ will be completed within the next few days.

Continued.

File RPC 349.1-3

29 March 1944

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(d) Italian State and Private Properties.

During the month:

The Casins Cinese and Museo Pitre (No. P.118) has been handed over to the Prefettura di Palermo.

The Palazzo Mezzarino, Via Maqueda and contents belonging to Conte Lanza (No. P.113) have been handed over to his legal representative Avv. Vaccaro, and released from custody.

4. Industrial and Commercial Undertakings.

(a) Allied Concerns.

(1) Ragusa Asphalt Mines.

Work has proceeded on the basis of the agreed draft agreement as from 1st Feb. 1944. Accounts for the month of Feb. have been received and copies forwarded to Main HQs. Both concerns show a small profit over working expenses but the salary to be paid to Ing. Moy is still in obedience. The trading period is as yet too short to give a satisfactory picture of future trading prospects.

(ii) Ditta Forab. In signifying his acceptance of the accounts prepared to 15 Sept. 43, Dott. Rag. Pilosto reserved the right to examine the Inventories of Stock taken as at 3 Dec. 43. This right was exercised and after careful cross checking it was agreed that there had been omissions and errors in the inventories of Stock taken as at 15 Sept. and it has now been agreed between this office and Dott. Rag. Pilosto on behalf of Senatore Drago that the deficiency of stock may reasonably be considered as approximately 33,000 lire at prices ruling as at 31 Dec. 1942. Dott. Rag. Pilosto has signified his acceptance in writing. Senatore Drago has also been informed that this office is not prepared to pay his outstanding account for services as Sequestator but that he will need to look to the Italian Government for ultimate payment of same. It is recommended that Capt. Board's report be placed on the file for ultimate handling over to the owner and the matter closed.

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1. The high prices now obtainable.
2. Possible diminution of Allied personnel in the area, with consequent limitation of market.
3. Possibility of theft and/or destruction in the event of further aerial activity in the town.

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to reopen the shop for a limited amount of Sales.

Continued.

File RPC 319.1-3

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29 March 1944

To prevent sale to black marketeers the sale to individuals is strictly limited to persons in possession of a written permit from this office and a discrimination of 25% made in favour of Allied Military personnel.

(iii) A.G.I.P. The turnover of control was duly made as at 1st Feb. 1944 but accounts to 31 Jan. 1944 are still awaited.

(iv) L'Insulare. The C.P. Catania has been instructed to endeavour to renew the tenancy agreement with S.P.E. R.O. for a further year from 1st Aug. 1944.

(b) Semi - Statal Concerns.

(i) Unione Militate. Although two communications have been forwarded to Col. Basile, Special Commissioner appointed by the Italian Government, no reply has as yet been received. The hand over has therefore not yet taken place.

(ii) E.N.I.C. The Prefect of Palermo having appointed Avv. D'Alessandro Giacomo Special Commissioner of the assets of this concern throughout Sicily, transfer of management was effected as from 4th March 1944.

Of the Cash at present under control of Property Controller, the sum of 500,000 lire was made immediately available to Avv. D'Alessandro, the remainder to be transferred to him after the preparation and examination of accounts. Verbal di Consegna are in course of preparation. Owing to unavoidable circumstances and the fact that Capt. Board has (subject to confirmation) assumed the duties of Regional Controller of Property, it is doubtful whether he will be available to complete a full audit after final accounts have been presented.

The legal questions regarding payment of rent for cinemas damaged by bombs or requisitioned by Allied Forces have been passed to Avv. D'Alessandro and all papers handed over to him, he having undertaken in writing to take all necessary steps to protect the interests of E.N.I.C.

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5. Blocked Accounts. The transfer of Allied accounts pursuant to General Order No. 6 dated 14 Nov. 1943 of A.M.G. has steadily progressed and it is hoped will be completed by 30 April next.

6. Dissolved Fascist Organisations. The liquidation made satisfactory progress and under date of 22 March 1944 the High Commissioner On. Avv. Francesco Musotto has confirmed the appointment of Giudice Criscuoli, subject to supervision by his office.

Continued.

File RPT J19.1-3

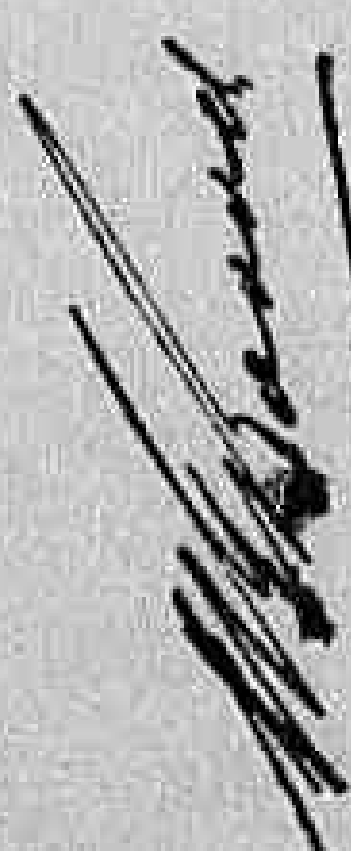
CE/WGB-ar
29 March 1944

7. Ente di Colonizzazione del Latifondo Siciliano.

The appointment of Dott. Faravino Vincenzo as Special Commissioner of the above Ente has also been confirmed by On. Avv. Musotto subject to the same supervision by his office. It has been agreed that formal transfer of management from A.C.C. to Dott. Faravino shall take place as and from 1st April next, on the basis of an agreed balance of cash on hand and in the bank, and that full accounts and Balance Sheet covering the period under A.C.C. control shall be presented within two months from that date.

8. Deposito Cavalli Stalloni.

This organisation was formally handed over to the Italian Board on the 6th March 1944 by C.P. Catania. This office is however still awaiting final accounts.


W.G. BOARD
Captain
Control Commissioner (Property).

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SECRET

ALLIED CONTROL COM. I / ON
SICILY REGION HEADQU. TERS

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

31 March 1944

REPORT OF THE FINANCE DIVISION, REGION NO. I, ACC

FOR MARCH 1944

Lieut.-Colonel A.G. Tubb took over the direction of the Finance Division on the 20th. March, 1944 on the departure of Lieut.-Colonel R.B. Monapace for Naples on the 29th. February, 1944

I. ALLIED FINANCIAL AGENCY

A. Foreign Exchange Transactions

1. Remittances from U.S. and the U.K.

Remittances from the United States commenced to flow in on the 10th. March. Lists containing some 6000 payments amounting to \$ 233,000 were received from 20 banks. Although the original number of approved correspondents was limited to 7, the Bank of Sicily has recommended the appointment of a further 11. AF Accounts in the name of the remitting banks have been opened in the books of APA and the Bank of Sicily is now effecting payment to the payees located in all parts of the island. The Bank had not anticipated such volume of business and found that the staff was at first inadequate to meet the situation. Steps have been taken to improve these arrangements and it is expected that the first batch of receipts will be ready for despatch in the near future.

A signed undertaking has been given by the Bank of Sicily that it will, on demand, give to APA an order, or transfer, in respect of all amounts held by the correspondent banks in U.S. or U.K. for the credit of APA. Letters confirming terms and conditions governing the operation of these accounts have been forwarded to the original seven correspondents in the United States and also to the Bank of England.

The change of procedure envisaged in TAM AIRGRAM I whereby banks would credit AF Accounts with dollars after the advice of payment had been received was only complied with by the National City Bank of New York: the remainder either opened post liberation dollar accounts on their own books or remitted to approved correspondents. The Bank of Sicily is arranging to instruct non-correspondent banks to pay their dollars to one of their authorized depositaries and when it is known to which bank the funds have been transferred corresponding entries will be taken up in the books of APA.

2. Advances to British and American Nationals.

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2. Advances to British and American Nationals.

70 Applications for advances from American and British Nationals were received from Finance Officers in the field during the month. Of these 20 American and 3 British were approved. The American Consul General was unable to support the majority of the American applications as he found himself unable to confirm citizenship on the documentary evidence produced.

The American Consul General advises that a plan will be inaugurated shortly whereby United States World War Veterans may apply to the U.S. Veterans Bureau at Washington, through the Consulate, for resumption of the payment of their pensions. No details are yet available.

B. Financial Transactions with the Allied Armed Forces.

1. During the month small advances were made to the American Navy but none to the American Army.

Colonel O.P.J. Rooney, Command Paymaster, concluded arrangements with the Banca di Sicilia, in respect of the opening of accounts by Paymasters for the services of the British Army. AFA will not be required to exercise control over these accounts and an undertaking has been obtained from the Bank to the following effect:-

"In connection with the accounts which the British Army will open with us we undertake as follows:- All money which may be deposited in the Bank of Sicily by any British Army Paymaster for the services of the British Army will be held by the Bank on behalf of His Britannic Majesty's Secretary of State for War as British Army money, and the account thereof will be kept in the books of the bank as such, subject to the cheques of the British Army Paymaster making deposits, or of any other British Paymaster into whose name the account may from time to time be duly transferred.

The Bank undertakes to furnish information at all times respecting the British Army Banking accounts of such Paymasters to any officer deputed by His Britannic Majesty's Secretary of State, or to the Command Paymaster of the British Troops, Central Mediterranean Force, and also, on demand, to surrender the balance thereof to any such officer or command paymaster, or at his request to hold such balance free from the cheques of any particular paymaster"

2. Unit Funds Accounts.

Following the issuance of a circular by I.B.S. several requests for information were received but there appears to be some reluctance on the part of certain units to avail themselves of the services afforded by AFA. The chief objection seems to be the proviso in the form of agreement which gives AFA a measure of control over these accounts and, on three occasions, the units have stated that they prefer to invest their reserve cash in War Bonds.

3. Loans to Banks.

Under the terms of the Credit Agreement all loans granted to banks should be repaid by 31.3.44. The position will be reported on in next month's report.

C. Live Currency.

1. Forged Allied Military Notes.

Forty four cases of raising of notes were reported during

Army will be held by the Bank on behalf of His Britannic Majesty's Secretary of State for War as British Army money, and the account thereof will be kept in the books of the bank as such, subject to the cheques of the British Army Paymaster making deposits, or of any other British Paymaster into whose name the account may from time to time be duly transferred.

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C. Lire Currency.

1. Forged Allied Military Notes.

Forty four cases of raising of notes were reported during the month. The Public Safety Division has been informed and investigations are proceeding. To date 231 notes have come to light and have been withdrawn from circulation. Relatively speaking, this is a small percentage but there must be many more still in circulation and passing freely as genuine money. The forgeries are improving and to the unaccustomed eye are becoming more difficult to detect. Tints are being employed to match the colour of the notes they are intended to represent. There is no indication at present that the general public is apprehensive but any large scale injection of

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might

spurious currency will produce an atmosphere of concern, if not alarm, besides adding to the already serious movement of inflation. The subject is one which is, no doubt, receiving serious consideration and, from my part, I will actively associate myself with the problem in close collaboration with Public Safety and Security.

2. Loss of Currency.

482 boxes of A.M. Lire valued 720,960,000 shipped by sea from Palermo to Naples has been lost through enemy action. A report has been submitted to AFA Headquarters.

3. Storage of Currency.

The "Melfitano" Store situated some distance from Headquarters has been closed and all reserve cash is now stored in the Via Bari building.

4. Disposition of Currency

Owing to the shortage of large denominational notes and pending the receipt of further supplies from Washington, arrangements are being made to recall from the provinces the surplus of unopened boxes of 1000 and 500 Lire notes not immediately required by the banks.

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II. FINANCIAL INSTITUTIONS

A. Banking

1. General

Sicilian banks generally are reporting increased activity in deposits and inconsequential demand for credit. They are also availing themselves of the opportunity to deposit excess funds in the Bank of Italy on interest bearing accounts. This, in a measure, compensates most banks for the loss of revenue resulting from limited loans. Some banks have found it necessary to reduce their personnel to a minimum and to operate with rigid economy owing to the increased cost of operations.

2. Stock Exchange - Palermo.

The question was raised among some of the banks that the time had come for the re-establishment of the Stock Exchange. Those supporting the movement felt that it was difficult to determine the current trading value of government securities, private shares and corporation stocks. After reviewing the merits of the case it seemed that the request was not predicted entirely on the need but rather because the Naples exchange was functioning. After discussing the situation with the bankers concerned, the request, which resulted in a letter to the Minister of Finance, was deemed premature and inadvisable.

3. Blocked Accounts.

Sig. Bruschì, Ufficio di Ragioneria Delegato, in collaboration with Sig. Festa, Inspector of the Bank of Italy and representative of all Treasury Sections in Sicily, prepared and presented to this office a letter addressed to all banks dealing with a suggested new procedure in connection with blocked accounts. They were informed to hold the letter in abeyance until the Finance Sub-Commission had studied it. It was proposed that ACC retain the unblocking of all Fascist organizations as well as individual accounts. It further suggested that all applications for licenses be sent through the Bank of Italy in collaboration with the Ufficio di Ragioneria Delegato. The Finance Sub-Commission to which the matter was referred has since directed the withholding of any action and to await the issuance of a directive on the subject. The officials concerned have been so informed. The handling of blocked accounts through ACC continues as heretofore.

During the month 47 licenses were issued representing Lire 2,455,543 and also a specific license to transfer Lire 361,225. The total number of licenses issued from November 15, 1943 to March 15, 1944 is 216 representing Lire 22,233,009.

Blocked Accounts in Sicily are divided into 5 categories:-

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Blocked Accounts in Sicily are divided into 3 categories:-

<u>Name</u>	<u>No. of Accts.</u>	<u>Amount</u>
Statel and Para-Statel	734	Lire 82,527,007
Dissolved Organizations	717	" 120,455,000
Individual Fascist Political Organizations	64	" 7,116,000
Political Organizations (not yet dissolved)	313	" 103,455,000
Individual Organizations in enemy Territory	144	" 35,750,000

4. Branches.

Many applications have been received for the establishment of branches or agency offices of Sicilian banks. More prominent in this particular field is the Bank of Sicily. Prior to the period of transition all applications were refused. The applicants were in-

formed that applications had been given due consideration but a study would be made of existing facilities and decision given at a later date. Applications are still being discouraged and rejected. To issue a permit would establish a precedent that might precipitate a very troublesome and embarrassing situation since there are over 150 banks in Sicily, in liquidation, with deposits approximating lire 90,000,000. The position is being carefully watched.

5. Safety Deposit Boxes.

The Bank of Italy received a communication from Minister of Finance Jung addressed to the Offices of the Intendente di Finanza and branches of the Bank of Sicily, Salerno, Lucania, Calabria and Sicilia on the subject of the Safety Deposit Box Service in Banks. The essence of this communication is as follows:-

According to instructions given through the Bank of Italy by this Ministry to all banking institutions the re-opening of safe deposit boxes has been forbidden without a proper representative from the Financial Administration. His presence is necessary to control the contents of the safe deposit boxes. Nothing must be done which is contrary to established instructions. (Reference can be made to Menico Dei Decreti Regolanti la Cessione di Valuta Estera e Lo Scambio ed Esportazione dei Metalli Preziosi).

We therefore beg the Intendenza to delegate an official not inferior to 7th. Grade for this work. He will assist in the initial opening of each Safe Deposit Box. He will establish a time and schedule for each bank. It is suggested that suitable arrangements be made with the Bank of Sicily regarding this matter.

During control operations, if the representative should discover in the said boxes any article of value, money, foreign cheques, or any item included in the above decree, he will prepare a special report in triplicate. This report will be left with the bank at which the box is rented and will await the orders of the Ministry.

The report must be signed by the renter of the Safe Deposit Box. It must also be signed by a representative of the bank and by the official from the office of the Intendente. One copy will be delivered to the bank, one copy to this Ministry and the third copy retained by the Intendenza.

6. Government Securities.

The Treasury Section of the Bank of Italy reports the following activity with regard to the sale and redemption of Government Securities:- (The totals are collective).

Province	Buoni T.O.	Buoni T.O.	Buoni T.N. 4%	(15-12-43)
	(Sold)	(Redeemed)	(Redeemed)	

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Province	Buoni T.O. (Sold)	Buoni T.N. 4% (Redeemed)	(15-12-43)
AGRIGENTO	18.797.000	23.569.000	1.567.000
CALTA. SETTA	23.097.500	49.045.000	2.187.000
CATANIA	247.246.000	123.368.900	3.138.000
ENNA	16.386.000	4.082.500	230.500
MESSINA	30.284.000	22.607.500	2.285.000
PALERMO	466.197.000	178.638.500	4.674.500
RAGUSA	22.367.000	32.905.000	744.000
SIRACUSA	77.529.500	28.385.500	752.000
TRAPANI	141.264.500	25.806.000	2.026.500
Total Lire	1.043.268.500	548.407.500	17.604.500

7. Bank Assets.

Listed below is a comparative statement by provinces of the total bank assets (excluding the Bank of Italy) as at the date of occupation (July 1943) and November 30th, 1943.

PROVINCE	TOTAL ASSETS JULY 43	TOTAL ASSETS NOV. 30-43
PALERMO	9,499,325.000	10,544,928.000
CATANIA	1,881,029.000	2,386,900.000
TRAPANI	895,331.000	1,270,117.000
MESSINA	857,987.000	947,404.000
SIRACUSA	487,187.000	687,864.000
AGRIGENTO	497,765.000	806,123.000
CALTANISSETTA	314,033.000	679,488.000
RAGUSA	378,074.000	553,012.000
ENNA	173,222.000	329,452.000
total	14,983,953.000	18,205,288.000

B. Insurance Institutions.

The majority of insurance institutions operating in the island continued to consolidate their position and are making steady progress in the direction of recovery from the dislocation and lack of direction from which they suffered during the first phase of occupation. There is, however, an urgent need for co-ordination and centralization of policy and direction and from the Report of the Finance Sub-Commission for the month of February it is clear that these aspects are receiving active attention.

Although the function of supervising and providing funds now fall on the Italian Government close contact with all institutions has been maintained throughout the month.

Before the Italian Government assumed financial responsibility lire 176,507,601 had been advanced by AMG/ACC.

C. Post Office Financial Services.

1. Deposits.

The total withdrawals continue to exceed deposits.

To February 1944, Deposits -	Lire 61,615,960
Withdrawals -	" 134,515,561

There are signs, however, that the position is easing up, for example:

From February 16th to 29th, Deposits	Lire 10,557,084
Withdrawals	" 10,883,262

CASARINISSETTA	497,763.000	606,123.000
RAGUSA	314,033.000	679,488.000
ENNA	378,074.000	552,012.000
	173,222.000	329,452.000
total	14,983,953.000	18,205,288.000

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From February 16th to 29th, Deposits	Lire 10,557,084
Withdrawals	" 10,583,262

No interest is being calculated or entered in the depositor's books here as this service was formerly undertaken by the Head Office at Rome where all records are kept.

2. Money Orders and Current Accounts.

The conditions governing the issue of money orders and current account cheques established a validity of 4 months plus the month of issue. When these services were resumed it was found that many holders were in possession of time-expired orders and cheques because (a) they were compelled to leave their homes in some cases possessions and (b) the Post Offices had insufficient cash to make payments. From time to time, extensions have been granted by AMI/ACC.

since the Italian Government has taken over, further periods have been sanctioned; hence there is an unrelated difference between the two classes of transactions.

(1) To February, 1944 Current A/C Deposits - Lire	104,172,994
Withdrawals - "	108,556,438
(11) To February, 1944 M/Os - Deposits - "	68,817,169
Withdrawals - "	96,502,127

3. Postal Savings Bonds.

This service re-commenced on the 1st. April, 1944.

The liability of Postal Savings Bonds for the Island of Sicily is approximately Lire 3,250,000.

It is understood that the provisional certificate issued formerly, of which there is a 2 months supply, will be used in Sicily. The temporary savings certificate referred to in the Finance Sub-Commission's Monthly Reports have not so far been received.

III ITALIAN GOVERNMENT FINANCE

A. Budget and Control

1. General

Much assistance has been extended to the representative of the Italian Ministry of Finance, Sig. Bruschi, during the month to ensure a reasonable measure of success of the plan which takes effect from the 1st. April, 1944 by which the Italian Government will assume full responsibility for its budget and control over its revenue and expenditure. It is too early to judge how the scheme will be received or the reaction from the public and Italian officials who have become acquainted with, and no doubt prefer, the AMB/ACC system which is less exacting and free from established departmental routine and control. I propose, in the near future, to visit all provincial Headquarters with an Italian Finance officer to encourage and develop the system and a report on its operation and effectiveness will be submitted at a later date.

2. Regional Directorates Created by AMB.

In the absence of centralized Government control which was formerly in Rome, it was considered necessary to overcome this deficiency by appointing Regional Directorates of the various Italian Departments to co-ordinate Provincial Administrative requirements at Regional H.Q. level. Although these appointments were made solely from an administrative angle, the financial aspect has now come into prominence in view of the absence at this stage of any legal provision for their appointment and scales of salary. These appointments were duly regularized in the past by AMB decrees and orders, which did not however make provision for salaries, and those which were fixed otherwise were

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Now that the Italian Government is being reformed on the principle of Ministerial control at Government level, the normal channel for the State Budget, and all financial authorities should be brought back into use, so that Regional Directorates will not have direct financial powers. On the other hand if some or all of these Directorates are to remain and are to retain certain powers in financial matters, steps should be taken to legalize their appointments and regularize their emoluments within Civil Service standards and codes.

3. Special Local Finance Commission.

It was originally provided in Badoglio Circular 1238 to appoint a committee of 3 at Palermo consisting of a representative of the Ministry of Interior, an Intendente and the local representative of the Ministry of Finance to examine the budgets of the local Governments, and to approve budgets on the spot. Normally, the budgets are submitted to Rome for processing.

The reason for this step was to eliminate any delay in approving expenditure due to bad communications and indifferent postal services between the island and Government H.Q.

By the terms of letter dated 26 March 1944, FSC/32 (HQ.400.) it appears that communications have so improved that local Government budgets will now be forwarded to Salerno for examination and approval. Budgets of revenue and expenditure have already been requested for the year 1944, and, pending their receipt and final approval, advances will be approved by the local Ufficio Ragioneria Delegato based on estimated requirements furnished on CRD 7.28 (Provincial and Communal).

4. Statistics

Receipts for the month of February, 1944 as compared with the two previous months of December, 1943 and January, 1944 are given below in totals and by provinces.

Ordinary Income from December 1943 - February 1944

TOTALS FOR WHOLE ISLAND - COMPETENZE PIU RESIDUI

- Mod. 59 T. -

Capo	Cospite	DECEMBER 1943	JANUARY 1944	FEBRUARY 1944
I	Imposte di Produzione	2,831,274	2,458,046	3,076,963
II	Dogan	400,776	314,778	1,187,008
III	Finanza locale	91,324	69,272	35,419
IV	Monopoli	2,829,901	11,072,110	29,516,585
V	Lotto	783,949	429,799	887,103
VI	Imposte Dirette	32,626,176	11,458,811	60,812,759
VIII	Rasse sugli Affari	25,405,089	37,391,485	43,478,954
IX	Provveditorato Stato	192,142	230,400	368,534

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4. Statistics

Receipts for the month of February, 1944 as compared with the two previous months of December, 1943 and January, 1944 are given below in totals and by provinces.

Ordinary Income from December 1943 - February 1944

TOTALS FOR WHOLE ISLAND - COMPETENZE PIUS RESIDUI

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V	Lotto	783,549	439,799	887,103
VI	Imposte Dirette	52,626,176	11,452,811	60,812,759
VIII	Tasse sugli Affari	25,405,089	37,391,485	43,478,934
IX	Provveditorato Stato	193,142	230,400	368,534
X	Tesoro	1,293,146	3,097,034	2,919,312
XI	Ministero Grazia G.	20,713	—	10,660
XII	Afferi Esteri	—	—	—
XIII	Emancipazione Naz.	3,985	3,446	3,038
XIV	dell'Interno	1,436	9,690	9,136
XV	Comunicazioni	—	690	2,144
XVI	Aeronautica	—	—	—
XVII	Agricol. Foreste	52,967	104,594	36,760
T O T A L S		86,577,619	66,707,913	142,450,734
VII Demanio		43,737	508,758	126,359

(No VII-was eliminated from the above report.)

Ordinary Income from December 1943 + February 1944
By Provinces

COMPENSA E RESIDUI.
Mod. 59 T.

PROVINCES	DECEMBER 1943	JANUARY 1944	FEBRUARY 1944
PALERMO	30,824,512	27,373,552	38,098,505
CATANIA	16,096,010	13,844,668	30,589,229
MESSINA	7,280,409	8,924,216	7,717,547
AGRIGENTO	6,114,503	2,939,977	7,403,752
TRAPANI	6,204,583	3,926,580	12,687,782
CALTANISSETTA	4,038,400	2,111,890	6,702,979
SIRACUSA	7,391,778	3,953,514	6,785,121
RAGUSA	4,536,460	2,295,045	6,240,974
ENNA	4,090,860	1,718,471	6,224,745
TOTAL	86,577,615	66,707,913	142,450,734

Revenue for the month of February, 1944 as compared with
February 1943 is as follows:

	FEBRUARY 1943	FEBRUARY 1944
Capo I. Imposte di Produzione	8,392,204	3,076,963
II. Dogane	586,691	1,167,008
III. Finanze Locali	7,093	15,419
IV. Monopoli	34,123,033	29,516,585
V. Lotto	2,397,485	887,103
VI. Imposte Dirette	41,868,507	60,812,759
VII. Demanio	38,611	126,359
VIII. Rasse sugli Affari	23,655,182	43,478,954
IX. Provveditorato Stato	63,052	368,534
X. Tesoro	9,501,845	2,919,312
XI. Ministero Grazia e Giustizia	88,551	10,660
XII. " Affari Esteri	42	---
XIII. " Educazione Nazionale	2,909	3,038
XIV. " dell'Interno	7,155	9,136
XV. " Comunicazione	---	2,144
XVI. " Aeronautica	---	---
XVII. " Agric. e Foreste	56,279	36,760
TOTALS	116,788,659	142,450,734

TOTALS

ENTRATE FUORI BILANCIO
(other receipts)

7,291,778	3,953,514	6,102,121
4,536,480	2,295,045	6,240,974
4,090,860	1,718,471	6,224,745
TOTAL	66,707,913	142,450,734

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V. Lotto	2,397,485	887,103
VI. Imposte dirette	41,863,507	60,812,759
VII. Demanio	38,611	126,539
VIII. Fasse sugli Affari	23,635,132	43,478,954
IX. Provveditorato Stato	63,052	368,534
X. Tesoro	3,501,845	2,919,212
XI. Ministero Grazia e Giustizia	88,351	10,560
XII. Affari Esteri	42	---
XIII. Educazione Nazionale	2,909	3,038
XIV. dell'Interno	7,155	9,136
XV. Comunicazione	---	2,144
XVI. Aeronautica	---	---
XVII. Agric. e Foreste	36,279	36,760
TOTALS	116,728,659	142,450,734

ENTRATE FUORI BILANCIO (other receipts)		
XVIII. Treasury Bonds Ordinary	45,035,942	492,720,356
XIX. Vaglia	20,761,624	7,695,774
X. Government Advances	500,000,000	---
ANG. Advance	---	184,712,302
TOTALS	565,797,566	685,128,432

5. Monopoly (Tabacco)

A questionnaire on the subject of production of tobacco goods and requirements of plant and supplies necessary for full production was received from AGG, HQ. and has been answered for the two principal

factories in the Region, viz., Palermo and Catania (Palermo includes the sub-station of Marsellona).

Palermo is achieving approximately 50% of the maximum production in cigars, cigarillos and cigarettes. Catania approximately 70% in cigars and cigarillos and 60% in tobacco.

Palermo factories are providing approximately 10% of civilian need of the whole island.

The Monopoly Administration has repaid to ASA lire 7,591,616 in respect of wages, cost of repairs to factories, etc. advanced by AMI. Some lire 5,000,000 remain to be repaid.

Receipts for the sale of Monopoly Tobacco goods since re-commencement on 15-12-43, covering the region are as follows:

<u>DECEMBER 1943</u>	<u>JANUARY 1944</u>
Lire 2,829,901	Lire 11,072,110
	Lire 29,516,585

Representatives have been sent to the mainland to obtain supplies of leaf tobacco and a shipment of about 30 tons is expected for Catania in the near future and a further quantity for Palermo.

6. Lotto

This game is now in operation in Palermo, Catania, Trapani, Messina and Caltanissetta. Since the recommencement to 12-2-44, the last date on which a definite count was made, the takings and winnings are:-

Takings Lire 5,342,074 Winnings Lire 3,248,435

7. Exemption of Armed Forces from Taxation

A query raised by the Island Liaison Committee regarding the imposition of Italian State and Local Taxes on purchases made by the Allied Forces was submitted to ACC., HQ., and the reply (CRO/M/7 of 15-3-44) quoted information from AF. HQ., to the effect that these taxes shall not be applied to those purchases. General instructions are in course of preparation by the MGS., AF. HQ.

No decision has yet been announced on the subject of charging customs duties and other taxes on goods imported by AMI/ACC Agencies for distribution to the civilian population.

8. Visits.

Commanders Fraser and Wiedlen, HQ., ACC. toured the Region early in March on inspection of customs.

Major P. Dexter, HQ. ACC., toured the Provincial Capitals on Revenue Inspection and stimulation. Copies of reports submitted to HQ., ACC., by these officers will be of interest to these headquarters.

IV. ACCOUNTING SECTION.

DECEMBER 1943

Lire 2,829,901

JANUARY 1944

Lire 11,072,110

FEBRUARY 1944

Lire 29,516,585

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IV. ACCOUNTING SECTION.

1. Sub-accountants

AMG/ACC revenues and expenditures were dealt with by thirteen Sub-accountants, including the Finance Officers in the nine Provinces and on Zantalleria and Lampedusa. During the month some of the Provincial Finance Officers were withdrawn and their accounts combined with those of other Provinces under the imprest system.

2. AMG/ACC Accounts.

Reports from Sub-accountants were called for as at February 10, 1944, when AMG ceased to function in Sicily (with the exception of

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the islands of Pantelleria and Lampedusa), and at February 29, 1944. These reports were classified and the February 10 figures were recorded on the books of the statements of AMG Rev. and Expenditure up to February 10, 1944 have also been prepared. The February 29 accounts summarizing separately the AGC. Revenue and Expenditure from February 11 to February 29, 1944, and the AMG transactions for February 1944 on Pantelleria and Lampedusa, are in course of preparation.

3. Cash with officers in the Field.

Cash in hand or at Banks, in the hands of Sub-accountants at February 29th., amounted to Lira 159,915,177--distributed as follows:

11 AGC Sub-accountants	Lira	153,088,053
2 AMG	"	6,827,124

Lira 159,915,177

Payments in respect of imports is now the principal requirement, and as this expenditure is incurred only at a few ports, steps will be taken to withdraw all surplus funds held by Sub-accountants in the field.

4. R & S D. accounts

Statements and information and explanations by the Regional Supply Accountant provided sufficient data for the transfer of all sums credited to "Deposits on account of the RSD" up to February 10, 1944.

5. Outstanding Remittances Between Chests.

Remittances to accounting officers in the field, and between accounting officers, still unaccounted for at February 29, 1944 amounted to L 60,000 but of this amount L 10,000 has since been repaid at Naples. The balance of L 50,000 is charged out in the books to officers who have left the region for other theatres. Steps are being taken to contact these officers in order to clear up the position.

V. GENERAL

Visit by American Finance Commission.

On the 28th March, 1944 an American Finance Commission of four members, Col. Stewart, Lt. Col. Conihay and Messrs. Gake and Nevitt, visited these headquarters. Their investigations covered the whole field of finance and accounts. Every assistance was given them in collecting the information they sought during their stay of 3 days.

VI. STAFF

Finance Division

Lieut. Colonel R.B. Monapace (A), R.C.F.O. departed for Naples on transfer on 29-2-44.

Lieut. Colonel A.G. Tubb (B) took over the direction of the Finance Division as R.C.F.O. on 20-3-44.

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Major T.W. Gilbertson (B) acted during the intervening period. Captain T.W. Smith (B) Prov. Finance Officer, Ragusa was alerted and has since departed.

Lieut. W.P. Dryburgh, Prov. Finance Officer, Syracuse, has taken over the duties at Ragusa in addition to his own.

Capt. V. Lisi (A) Prov. Finance Officer, was transferred from Messina to Caltanissetta where he will combine the duties of Finance Officer of both Enna and Caltanissetta.

Major H. Ramsey (A) formerly Finance Officer, Messina has been performing the duties of S.O.A.C., Messina Province.

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Lieut. I. Beeson, Property Control Division, was performing the duties of Finance Officer, Messina, until he sustained severe injuries in a road accident on 19-3-44, and is still in hospital.

The distribution of the Finance Officers in the field is as follows:-

Palermo Province	-	Captain H.C. Read (B)
Catania	-	Captain A.G. Withers (B)
Messina	-	To be arranged
Trapani	-	Major M. Roesti (A)
Agrigento	-	Capt. M.A. Hebb (B)
Siracusa)	-	Lieut. W.D. Bryburgh (B)
Regusa)	-	Captain V. Lisi (A)
Caltanissetta)	-	
Enna	-	

Regional Chief Accountant

Capt. R.J. Stubbs was in hospital from 6-3-44 to 19-3-44.

A.G. TUBB

Lieut. Colonel

Regional Chief Finance Officer
REGION No. I

Major (S)
Caltanissetta)
Enna

- Captain V. Lisi (A)

Regional Chief Accountant

Capt. E.J. Stube was in hospital from 6-3-44 to 19-3-44.

W. J. Tumb

A.G. TUMB
Lieut. Colonel
Regional Chief Finance Officer
REGION NO. I

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